

**Minutes of the Organisational Performance and Audit Committee (*Arataki Mahi me Tātaki Kauta*) Meeting of the Southland Regional Council, held in Regional House, corner North Road and Price Street, Invercargill, on Thursday 1 April 2021, at 9.00 am**

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<b>Present:</b>	Cr L Ludlow	(Chair)
	Cr A Baird	
	Cr N Cook	
	Cr J McPhail	
	Cr L McCallum	
	Chairman N Horrell (ex-officio)	– from 10.25 am
	Mr B Robertson	– from 9.08 am
<b>Also Present:</b>	Cr D Stevens	– from 10.56 am
	Cr L Esler	
	Cr E Roy	– from 9.31 am
<b>In Attendance:</b>	Ms A Kubrycht	(GM, Organisational Development & Transformation)
	Ms W Falconer	(GM, Strategy, Planning & Engagement)
	Mr P Haynes	(Catchment Operations Manager)
	Mrs M Carter	(Health, Safety & Wellbeing Business Partner)
	Ms A Meade	(Biosecurity & Biodiversity Operations Manager)
	Mrs P Toomey	(Principal Records Systems & Office Support)
	Mrs L Tamati	(Communications & Engagement Advisor)
	Mrs M Weston	(Personal Assistant)

**1 Welcome (Haere mai)**

The Chairman welcomed everyone to the Organisational Performance and Audit Committee meeting for April 2021 and those attending the live stream of this event.

**2 Apologies (*Nga Pa Pouri*)**

***Resolved:***

**Moved Cr McCallum, seconded Cr McPhail, that apologies for lateness be recorded on behalf of Bruce Robertson and Chairman Horrell.**

**Carried**

### **3 Declarations of Interest**

Cr McCallum said he would be withdrawing from Item 7 of the Agenda due to a conflict.

### **4 Public Forum, Petitions and Deputations (*He Huinga tuku korero*)**

There were no public forum, petitions or deputations presented at the meeting.

### **5 Confirmation of Minutes (Whakau korero) – 24 February 2021**

***Resolved:***

**Moved Cr Baird, seconded Cr McPhail, that the minutes of the Organisational Performance and Audit Committee meeting held on 24 February 2021 be confirmed as a true and correct record.**

**Carried**

### **6 Notification of Extraordinary and Urgent Business (*He Panui Autaia hei Totoia Pakihi*)**

#### **6.1 Supplementary Reports**

There were no supplementary reports tabled for inclusion in the agenda.

#### **6.2 Other**

No other items were raised for discussion.

### **7 Questions (*Patai*)**

No questions were asked at this time.

### **8 Chairman and Councillors' Reports (*Nga Purongo-a-Tumuaki me nga Kaunihera*)**

Chair Ludlow updated the Committee on the matter of extending meeting invites to external people or parties, to address the Committee on any items or matters, related to the Committee. Amy Kubrycht and Bruce Robertson were involved in the discussions, and a proposed list of presenters was shared with the Committee, which included the following:

- AON Insurance
- Regional Software Holdings Limited (RSHL)
- JB Were (Investment Partner)
- Deloitte (Auditor)
- Legal Advisors

- Great South

Councillors may wish to consider other speakers in respect of Organisational Risk and Procurement, further consideration may also be given to possible workshops or training in key areas as required or directed by the Committee.

## 9 General Manager, Organisational Development and Transformation Report – 21/OPAC/27

### ⇒ Item 1 – Policy Update – Requests for Information under the Local Government Official Information and Meetings Act 1987 and Privacy Act 2020

This item discussed the new Privacy Act 2020 which was enacted in December 2020.

To ensure Council's policy aligns to the new act, additional legal advice was sought from Wynn Williams and based on the response, staff updated the policy. Councillors reviewed this item and noted the changes.

#### **Resolved:**

**Moved Cr McCallum, seconded Cr Baird, that Council having considered amendments to the Policy, adopt the amended Policy – Requests for Information under the Local Government Official Information and Meetings Act 1987 and Privacy Act 2020.**

**Carried**

### ⇒ Item 2 – South Island Council Collective for Insurance

Amy Kubrycht, provided an update to Council on its involvement in the South Island Council Collective for the insurance of its infrastructure. Recently, discussions were had after the flooding event of 2020 as to how Council currently manages its disaster reserves, and how to balance between what is insured, and what reserves are held. A workshop will be arranged later in the year to work through this discussion.

A meeting was held last week between the South Island Collective Councils and AON, who are the brokers for this collective. This Collective is made up of smaller councils, that jointly insure assets to obtain the best rate and consideration from the Insurers in London. To formalise the South Island Collective a Memorandum of Understanding or a Legal Agreement was proposed between the members. Council would be kept up-to-date on the progress of this agreement.

AON presentation to the South Island Collective raised the following:

- the Insurance market was hardening due to the effects from COVID-19;
- Councils were to expect future increases in premiums;
- the insurance market is reviewing the way and what would be insured for the future;
- insurance for unforeseen events e.g. climate change is becoming more difficult to obtain and Councils may need to consider self-insurance.

Staff were to review previous insurance claims during outbreaks of velvet leaf and M.bovis; and are to consider how this would help manage future border intrusions. Staff would also check if the South Island Collective had previously tested the insurance market to ensure competitiveness and good rates.

*(Bruce Robertson joined the meeting at 9.08 am)*

**Resolved:**

**Moved Cr McCallum, seconded Cr Cook, that Council note the South Island Council Collective for Insurance Report.**

**Carried**

⇒ **Item 3 – Procurement and Contract Management**

This item provided an update to the Committee on the development of Council's procurement practices. Council developed and adopted its Procurement Policy at the end of 2019. Council developed a comprehensive procurement manual and ran organisation-wide training during the course of 2020, which included further guidance from the Office of the Auditor General (OAG) which was released in May 2020.

The OAG will be interested in how Council has conducted its procurement through the shovel ready and jobs for nature programmes, which came through late last year.

Mr Robertson asked staff to recheck for completeness in relation to the bullets listed in core elements, represented on pg.20. He further enquired if part of Council's financial delegations included an electronic purchasing order system/creditors and if the necessary controls for approval were set-up.

Further items raised in this discussion included:

- training was conducted with key people involved in contracting and issuing of contracts;
- a procurement advisory group (PAG) is being developed and additional staff are being sought to help drive this forward.

Staff are to advise if the Procurement Policy and Manual were distributed to Councillors for review.

**Resolved:**

**Moved Cr Cook, seconded Cr McCallum, that Council note the progress of the Organisation in developing its overall approach to Procurement.**

**Carried**

**⇒ Item 4 – Health, Safety and Wellbeing Management System Report**

Amy Kubrycht spoke to this item and noted that due to the timing of this meeting, statistics are for the quarter to-date (up to 15 March 2021) rather than the full quarter. Councillors were informed that Michelle Carter, the Health, Safety and Wellbeing Partner had tendered her resignation and that recruitment was underway to fill this role.

An informal health and safety audit was arranged for June 2020 and this audit will help identify any gaps and areas for improvement.

Three separate verbal intimidation incidents were reported between staff and members of the public which raised good discussion. Councillors were encouraged to do a risk assessment prior to engaging in events or council business and reminded that incidents of intimidation should be reported immediately. A future workshop will be arranged for Councillors which is to include de-escalation tips and the process of reporting such incidents.

Ms Kubrycht would follow-up to see if a notice of trespass was ever issued on behalf of Environment Southland to any member of the public.

*(Cr Roy joined the meeting at 9.31 am)*

**Resolved:**

**Moved Cr McCallum, seconded Cr Baird, that Council note the Health, Safety and Wellbeing Management Report for the quarter to date to 31 March 2021, noting that due to the timing of this meeting, statistics are for the quarter to date (up to 15 March 2021) rather than the full quarter.**

**Carried**

**⇒ Item 5 – Information Management Update**

This item provided Council with an update on the Information Management Programme with particular reference to the activity of the Data Stewards team and the operation of the Customer Contact Management Project.

The Data Stewards team had identified a number of projects to work on. One of these projects was the Customer Contact Programme. This is a large piece of work and is being managed by the IT Team. The aim of this project was to increase contact reliability, reduce duplicates and to provide more reliable data. Contact training was in place with just over half the staff having completed this training.

Staff acknowledged the slow-down of the work programme which was a result of key people having left the organisation. The organisation was focusing on developing an integrated catchment management approach, and was considering ways of becoming more customer focused, efficient and effective. This not only required changes in behaviours but systems and approaches as well.

Staff would provide details as to when the last audit of capability was and when the next one was due. Councillors asked to see gains made from this investment and how this would fit in the “bigger picture”, acknowledging the increase in the work load which the organisation is facing.

**Resolved:**

**Moved Chair Ludlow, seconded Bruce Robertson, that Council resolve to note progress on the Information Management Programme with particular reference to the activity of the Data Stewards team and the operation of the Customer Contact Management Project.**

**Carried**

⇒ **Item 6 – Economic Recovery Projects – Governance Group Progress Report**

Ali Meade (Biosecurity and Biodiversity Operations Manager) spoke to this item and provided Councillors with an update on the Economic Recovery Projects which her team is involved with. Currently there are six different projects which have been funded from the Jobs for Nature and the team is working with four different funding agencies.

These projects have been set-up to run within operational teams depending on the specialised and technical area, with an oversight on normal and direct reporting lines, and also includes the programme management office. The Programme Management office has been contracted out to Boffa Miskell who are assisting with project management reporting requirements as well as contract requirements while keeping track of what needs to be done.

Oversight is provided through an overall Governance Group chaired by the Chief Executive and includes the General Managers with an external member, Robert Buchanan and TAMI, that meets quarterly. Once the Programme Management office is set-up and established it will be handed back and the Governance Group will assume responsibility for reporting back to the Organisational Performance and Audit Committee. It was acknowledged that reporting to funding partners is considerable and within short periods of time.

Paddy Haynes (Catchment Operations Manager) gave an update on the progress of the economic recovery projects within the catchment area and highlighted the following:

- Climate resilience projects and where they were at;
- Stopbank upgrades and rock protection;
- Stead Street Pump Station replacement

*(Chairman Horrell joined at 10.25 am)*

**Resolved:**

**Moved Cr McCallum, seconded Cr McPhail, that Council note the progress report on the Economic Recovery Projects.**

**Carried**

*(a short tea break was taken at 10.30 to 10.40 am)*

**10 Extraordinary and Urgent Business (*Panui Autaia hei Totoia Pakihi*)**

There were no items of extraordinary or urgent business considered by the meeting.

**11 Public Excluded Business (*He hui Pakihi e hara mo te iwi*)**

***Resolved:***

**Moved Chairman Horrell, seconded Bruce Robertson, that in accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest/s protected by section 6 or section 7 of that Act (or sections 6, 7 or 9 of the Official Information Act 1982, as the case may be), the public be excluded from the following parts of the proceedings of this meeting, namely:**

- **Confirmation of Minutes – 24 February 2021**
- **Item 7 – Local Government Official Information & Meetings Act 1987 – Summary of Enquiries for 1 July to 31 December 2020**
- **Item 8 - Divisional update**
- **Item 9 – Overview Governance Level Risk Management**

**The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds for excluding the public, as specified by Section 48(1) of the Local Government Official Information and Meetings Act 1987, are set out below:**

<i>General Subject Matter</i>	<i>Reason for Passing the Resolution</i>	<i>Grounds under S. 48(1)</i>
→ <b>Confirmation of Minutes – 24 February 2021</b>	To carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.)	S.7(2)(i)
	To protect the privacy of natural persons, including that of deceased natural persons.	S.7(2)(a)
→ <b>Item 7 – Local Government Official Information and Meetings Act 1987 – summary of Enquiries for 1 July to 31 December 2020</b>	To protect the privacy of natural persons, including that of deceased natural persons.	S.7(2)(a)
→ <b>Item 8 – Divisional Update</b>	To prevent the disclosure or use of official information for improper gain or advantage.	S.7(2)(j)
→ <b>Item 9 – Overview Governance Level Risk Management</b>	To prevent the disclosure or use of official information for improper gain or advantage.	S.7(2)(j)

It is further moved that Amy Kubrycht, Wilma Falconer, Michelle Carter, Paula Toomey and Mel Weston be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the item they are associated with will be of assistance in relation to the matter to be discussed.

Carried

**Resumed in Open Meeting**

**Termination**

There being no further business, the meeting closed at 12.29 pm. .