



Notice is hereby given that an Extraordinary meeting of the Finance and Assurance Committee will be held on:

Date: Friday, 18 July 2025
Time: 1pm
Meeting room: Council Chamber
Venue: Level 2
20 Don Street
Invercargill

Extraordinary Finance and Assurance Committee Agenda OPEN

MEMBERSHIP

Chairperson	Mr Bruce Robertson (external appointment)
Deputy chair	Mayor Rob Scott
Councillors	Jaspreet Boparai Don Byars Derek Chamberlain Paul Duffy Darren Frazer Sarah Greaney Julie Keast Christine Menzies Tom O'Brien Margie Ruddenklau Jon Spraggon Matt Wilson

IN ATTENDANCE

Committee advisor	Rachael Poole
Group manager finance and assurance	Anne Robson

Contact telephone: 0800 732 732
Postal address: PO Box 903, Invercargill 9840
Email: emailsdc@southlanddc.govt.nz
Website: www.southlanddc.govt.nz
Online: [Southland District Council YouTube](#)

Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.

Full agendas are available on Council's website

www.southlanddc.govt.nz

Health and safety

Toilets – The toilets are located outside of the chamber, directly down the hall on the right.

Earthquake – Drop, cover and hold applies in this situation and, if necessary, once the shaking has stopped we will evacuate down the stairwell without using the lift, meeting again in the carpark on Spey Street.

Evacuation – Should there be an evacuation for any reason please exit down the stairwell to the assembly point, which is the entrance to the carpark on Spey Street. Please do not use the lift.

Phones – Please turn your mobile devices to silent mode.

Recording - These proceedings are being recorded for the purpose of live video, both live streaming and downloading. By remaining in this meeting, you are consenting to being filmed for viewing by the public.

Terms of Reference – Finance and Assurance Committee

TYPE OF COMMITTEE	Council standing committee
RESPONSIBLE TO	Council
SUBCOMMITTEES	None
LEGISLATIVE BASIS	Committee constituted by Council as per schedule 7, clause 30 (1)(a), LGA 2002. Committee delegated powers by Council as per schedule 7, clause 32, LGA 2002.
MEMBERSHIP	The mayor, all councillors and one external appointee.
FREQUENCY OF MEETINGS	Quarterly or as required
QUORUM	Seven members
SCOPE OF ACTIVITIES	<p>The Finance and Assurance committee is responsible for:</p> <ul style="list-style-type: none"> ensuring that Council has appropriate financial, risk management and internal control systems in place that provide: <ul style="list-style-type: none"> an overview of the financial and non-financial performance of the organisation effective management of potential opportunities and adverse effects reasonable assurance as to the integrity and reliability of Council's financial and non-financial reporting. exercising active oversight of information technology systems exercising active oversight of Council's health and safety policies, processes, compliance, results and frameworks relationships with external, internal auditors, banking institutions and insurance brokers. <p>The Finance and Assurance committee will monitor and assess the following:</p> <ul style="list-style-type: none"> the financial and non-financial performance of Council against budgeted and forecasted outcomes consideration of forecasted changes to financial outcomes Council's compliance with legislative requirements Council's risk management framework Council's control framework Council's compliance with its treasury responsibilities Council's compliance with its Fraud Policy.
DELEGATIONS	<p>The Finance and Assurance committee shall have the following delegated powers and be accountable to Council for the exercising of these powers.</p> <p>In exercising the delegated powers, the Finance and Assurance committee will operate within:</p>

	<ul style="list-style-type: none"> • policies, plans, standards or guidelines that have been established and approved by Council • the overall priorities of Council • the needs of the local communities • the approved budgets for the activity. <p>The Finance and Assurance committee will have responsibility and delegated authority in the following areas:</p> <p>Financial and performance monitoring</p> <ul style="list-style-type: none"> a) monitoring financial performance to budgets b) monitoring service level performance to key performance indicators. <p>Internal control framework</p> <ul style="list-style-type: none"> a) reviewing whether Council's approach to maintaining an effective internal control framework is sound and effective b) reviewing whether Council has taken steps to embed a culture that is committed to probity and ethical behaviour c) reviewing whether there are appropriate systems, processes and controls in place to prevent, detect and effectively investigate fraud. <p>Internal reporting</p> <ul style="list-style-type: none"> a) to consider the processes for ensuring the completeness and quality of financial and operational information being provided to Council b) to seek advice periodically from internal and external auditors regarding the completeness and quality of financial and operational information that is provided to the Council. <p>External reporting and accountability</p> <ul style="list-style-type: none"> a) agreeing the appropriateness of Council's existing accounting policies and principles and any proposed change b) enquiring of internal and external auditors for any information that affects the quality and clarity of Council's financial statements and statements of service performance, and assess whether appropriate action has been taken by management in response to the above c) satisfying itself that the financial statements and statements of service performance are supported by appropriate management signoff on the statements and on the adequacy of the systems of internal control (ie letters of representation), and recommend signing of the financial statements by the chief executive/mayor and adoption of the Annual Report, Annual Plans, Long Term Plans <p>Risk management</p> <ul style="list-style-type: none"> a) reviewing whether Council has in place a current, comprehensive and effective risk management framework and associated procedures for effective identification and management of the Council's significant risks
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- b) considering whether appropriate action is being taken to mitigate Council's significant risks.

Health and safety

- a) review, monitor and make recommendations to Council on the organisations health and safety risk management framework and policies to ensure that the organisation has clearly set out its commitments to manage health and safety matters effectively.
- b) review and make recommendations for Council approval on strategies for achieving health and safety objectives
- c) review and recommend for Council approval targets for health and safety performance and assess performance against those targets
- d) monitor the organisation's compliance with health and safety policies and relevant applicable law
- e) ensure that the systems used to identify and manage health and safety risks are fit for purpose, being effectively implemented, regularly reviewed and continuously improved. This includes ensuring that Council is properly and regularly informed and updated on matters relating to health and safety risks
- f) seek assurance that the organisation is effectively structured to manage health and safety risks, including having competent workers, adequate communication procedures and proper documentation
- g) review health and safety related incidents and consider appropriate actions to minimise the risk of recurrence
- h) make recommendations to Council regarding the appropriateness of resources available for operating the health and safety management systems and programmes
- i) any other duties and responsibilities which have been assigned to it from time to time by Council.

Internal audit

- a) approve appointment of the internal auditor, internal audit engagement letter and letter of understanding
- b) reviewing and approving the internal audit coverage and annual work plans, ensuring these plans are based on Council's risk profile
- c) reviewing the adequacy of management's implementation of internal audit recommendations
- d) reviewing the internal audit charter to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place.

	<p>External audit</p> <ul style="list-style-type: none"> a) confirming the terms of the engagement, including the nature and scope of the audit, timetable and fees, with the external auditor at the start of each audit b) receiving the external audit report(s) and review action(s) to be taken by management on significant issues and audit recommendations raised within c) enquiring of management and the independent auditor about significant business, political, financial and control risks or exposure to such risks. <p>Compliance with legislation, standards and best practice guidelines</p> <ul style="list-style-type: none"> a) reviewing the effectiveness of the system for monitoring Council's compliance with laws (including governance legislation, regulations and associated government policies), with Council's own standards, and best practice guidelines as applicable b) conducting and monitoring special investigations, in accordance with Council policy, and reporting the findings to Council c) monitoring the performance of Council organisations, in accordance with the Local Government Act. <p>Business case review</p> <ul style="list-style-type: none"> a) review of the business case of work, services, supplies, where the value of these or the project exceeds \$2 million (GST exclusive) or the value over the term of the contract exceeds \$2 million (GST exclusive). <p>Insurance</p> <ul style="list-style-type: none"> a) consider Council's insurance requirements, considering its risk profile b) approving the annual insurance renewal requirements <p>Treasury</p> <ul style="list-style-type: none"> a) oversee the treasury function of Council ensuring compliance with the relevant Council policies and plans b) ensuring compliance with the requirements of Council's trust deeds are met c) recommend to Council treasury policies at least every three years. d) approve debt, interest rate and external investment management strategy. <p>Fraud Policy</p> <ul style="list-style-type: none"> a) receive and consider reports relating to the investigation of suspected fraud b) monitor the implementation of the Fraud Policy.
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	<p>Power to recommend</p> <p>The Finance and Assurance committee is responsible for considering and making recommendations to Council regarding:</p> <ol style="list-style-type: none"> policies relating to risk management, rating, loans, funding and purchasing accounting treatments, changes in generally accepted accounting practice, and new accounting and reporting requirements the approval of financial and non-financial performance statements including adoption of the Annual Report, Annual Plans and Long Term Plans. <p>The Finance and Assurance committee is responsible for considering and making recommendations to Council on business cases completed under the 'Power to act' section above.</p>
FINANCIAL DELEGATIONS	<p>Council authorises the following delegated authority of financial powers to Council committees in regard to matters within each committee's jurisdiction.</p> <p>Contract acceptance:</p> <ul style="list-style-type: none"> accept or decline any contract for the purchase of goods, services, capital works or other assets where the total value of the lump sum contract does not exceed the sum allocated in the Long Term Plan/Annual Plan and the contract relates to an activity that is within the scope of activities relating to the work of the Finance and Assurance committee accept or decline any contract for the disposal of goods, plant or other assets other than property or land that is provided for in the Long Term Plan <p>Budget reallocation.</p> <p>The committee is authorised to reallocate funds from one existing budget item to another. Reallocation of this kind must not impact on current or future levels of service and must be:</p> <ul style="list-style-type: none"> funded by way of savings on existing budget items within the jurisdiction of the committee consistent with the Revenue and Financing Policy.
LIMITS TO DELEGATIONS	<p>Matters that must be processed by way of recommendation to Council include:</p> <ul style="list-style-type: none"> amendment to fees and charges relating to all activities powers that cannot be delegated to committees as per the Local Government Act 2002 and sections 2.4 and 2.5 of this manual. <p>Delegated authority is within the financial limits in section 9 of this manual.</p>
RELATIONSHIPS WITH OTHER PARTIES	<p>The committee shall maintain relationships with each of the nine community boards.</p> <p>Professional advisors to the committee shall be invited to attend all meetings of the committee including:</p>

	<ul style="list-style-type: none"> • external auditor • internal auditor/risk advisor (if appointed) • chief financial officer. <p>At each meeting, the chairperson will provide the external auditor and the internal auditor/risk advisor (if appointed) with an opportunity to discuss any matters with the committee without management being present. The chairperson shall request the chief executive and staff in attendance to leave the meeting for the duration of the discussion. The chairperson will provide minutes for that part of the meeting.</p> <p>The chief executive and the chief financial officer shall be responsible for drawing to the committee's immediate attention any material matter that relates to the financial condition of Council, material breakdown in internal controls and any material event of fraud.</p> <p>The committee shall provide guidance and feedback to Council on financial performance, risk and compliance issues.</p> <p>The committee will report to Council as it deems appropriate but no less than twice a year.</p>
CONTACT WITH MEDIA	<p>The committee chairperson is the authorised spokesperson for the committee in all matters where the committee has authority or a particular interest.</p> <p>Committee members, including the chairperson, do not have delegated authority to speak to the media and/or outside agencies on behalf of Council on matters outside of the committee's delegations.</p> <p>The chief financial officer will manage the formal communications between the committee and its constituents and for the committee in the exercise of its business. Correspondence with central government, other local government agencies or other official agencies will only take place through Council staff and will be undertaken under the name of Southland District Council.</p>

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1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of interest

Committee members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Extraordinary/urgent items

To consider, and if thought fit, to pass a resolution to permit the committee to consider any further items which do not appear on the agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the chairperson must advise:

- (i) the reason why the item was not on the agenda, and
- (ii) the reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further **discussion.”**

5 Public participation

Notification to speak is required by 12noon at least one clear day before the meeting. Further information is available at www.southlanddc.govt.nz or by phoning 0800 732 732.

Exclusion of the public: Local Government Official Information and Meetings Act 1987

Recommendation

That the public be excluded from the following part(s) of the proceedings of this meeting.

C6.1 Rakiura/Stewart Island renewable energy project

The general subject 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(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) for the passing of this resolution
Rakiura/Stewart Island renewable energy project	<p>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.</p> <p>s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p>	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 exists.