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**REPORT 4**  
(1215/52/01/1M)

## **AUDIT AND RISK MANAGEMENT SUBCOMMITTEE FORWARD PROGRAMME**

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### **1. Purpose of Report**

To present the Audit and Risk Management Subcommittee's Forward Programme for the Subcommittee's approval and consideration (attached as Appendix one).

### **2. Recommendations**

It is recommended that the Subcommittee:

- 1. Receive the information.*
- 2. Agree the Forward Programme, attached as Appendix one.*

### **3. Background**

The Forward Programme is presented on an annual basis for the Subcommittee's approval. The Forward Programme reflects the organisational topics and reports that align with the Subcommittee's terms of reference; and that enables the Subcommittee to assist the Council to discharge its responsibilities for:

- The robustness of the internal control framework and financial management practices
- The integrity and appropriateness of internal and external reporting and accountability arrangements
- The robustness of risk management systems, processes and practices
- The independence and adequacy internal and external audit functions
- Compliance with applicable laws, regulations, standards and best practice guidelines
- The establishment and maintenance of controls to safeguard the Council's financial and non-financial assets.

The Forward Programme attached as Appendix one does not include standing items for the Subcommittee such as apologies, conflict of interest declarations, confirmation of previous meeting minutes or member only sessions with the external auditors.

#### **4. Conclusion**

This report presents the annual Forward Programme for the Subcommittee's consideration and approval.

*Contact Officers: Sally Dossor, General Counsel and Vincent Fallon, Manager, Risk Assurance*

## **Supporting Information**

### **1) Strategic Fit/Strategic Outcome**

*This project supports Key Achievement Area 9 Governance and Citizen Information: As per the Annual Plan, Governance and Citizen Information includes all those activities that make the Council accountable to the people of Wellington and ensure the smooth running of the city. That includes all meetings of the Council and its committees.*

### **2) LTCCP/Annual Plan reference and long term financial impact**

*Relates to C534: Committee and Council process.*

### **3) Treaty of Waitangi considerations**

*There are no Treaty of Waitangi implications.*

### **4) Decision-Making**

*This is not a significant decision.*

### **5) Consultation**

#### **a) General Consultation**

*Not required.*

#### **b) Consultation with Maori**

*Not required.*

### **6) Legal Implications**

*None.*

### **7) Consistency with existing policy**

*This report is consistent with existing Wellington City Council policy.*

# APPENDIX ONE

## FORWARD PROGRAMME

<b>March</b>		
<b>Items</b>	<b>Author(s)</b>	<b>Description/Comment</b>
Consolidated Monthly Report and Treasury Report	Finance	Result for the year to date and comparison to budget. Full year forecast and explanation of significant variances. Review of year to date borrowings position and forecast. Reporting on compliance with Treasury policy.
Audit NZ Annual Audit Plan	Audit NZ	Presentation of the Annual Audit Plan for the 2010/11 year end by Audit New Zealand. Discussion of audit approach, key risks and areas of focus identified by the OAG and Audit NZ.
Annual Audit Plan-Summary of Work Completed	Risk Assurance	The purpose of this report is to inform the Subcommittee of work undertaken by Risk Assurance each quarter against the Annual Internal Audit programme. This report also outlines progress against high priority audit recommendations raised during past audits and reviews.
Risk Management Framework	Risk Assurance	The purpose of this paper is to update the Subcommittee on the review of the Council-wide Risk Profile and the status of the current risk management arrangements.
Implications for Council of New and Proposed International Financial Reporting Standards	Finance	Discussion of New and Proposed International Financial Reporting Standards and the impact that they will have on reporting for the Council.
Governing Body Report	Finance	Presentation of the Governing Body Report from Audit NZ on the 2009/10 audit including audit recommendations <sup>1</sup> .
Debtors Report	Finance	Review of latest debtors' position and aging of debtors' balances. This is a 'red report' <sup>2</sup> to be distributed at the meeting.
Summary of Incidents	Corporate Health and Safety Finance Risk Assurance	This report includes health and safety and security incidents, insurance and weathertightness.  This is a 'red report' to be distributed at the meeting.

<sup>1</sup> This report is being presented at this meeting as the 2010 October and December meetings of the Subcommittee were not held. The Forward Programme for 2012/13 will be adjusted accordingly.

<sup>2</sup> The 'red report' process is currently under review and 'red' reports *may* become regular reports to the Subcommittee after the March 2011 meeting. The Forward Programme will be adjusted accordingly.

# APPENDIX ONE

## May-Annual Audit Plan Workshop

(Agenda to be supplied)

## June

Items	Author(s)	Description/Comment
Consolidated Monthly Report and Treasury Report	Finance	Result for the year to date and comparison to budget. Full year forecast and explanation of significant variances. Review of year to date borrowings position and forecast. Reporting on compliance with Treasury policy.
Draft Financial Statements and Proposed Sign-off Process	Finance	Presentation of the draft Financial Statements for the year ended 30 June 2011 including discussion of any significant changes from the previous year. Discussion of some of the areas of focus for the 2010/11 Financial Statements such as revaluations and impairment.
Status Report on Progress against Audit NZ Recommendations	Finance	Update from officers on progress against Audit NZ's recommendations as outlined in their Governing Body Report.
Implications for Council of New and Proposed Financial Reporting Standards	Finance	Discussion of new and proposed International Financial Reporting Standards and the impact that they will have on reporting for the Council.
Debtors Report	Finance	Review of latest debtors' position and aging of debtors' balances. This is a 'red report' to be distributed at the meeting.
Risk Assurance's Annual Audit Plan	Risk Assurance	The annual audit plan and three year rolling strategic audit programme for the Subcommittee's sign-off and approval.
Summary of Work Completed	Risk Assurance	The purpose of this report is to inform the Subcommittee of work undertaken by Risk Assurance each quarter against the Annual Internal Audit programme. This report also outlines progress against high priority audit recommendations raised during past audits and reviews.
Summary of Incidents	Corporate Health and Safety Finance Risk Assurance	This report includes health and safety and security incidents, insurance and weathertightness. This is a 'red report' to be distributed at the meeting.

## August-Financial Statements Workshop

(Agenda to be supplied)

# APPENDIX ONE

<b>August ( Annual Report)</b>		
<b>Items</b>	<b>Author(s)</b>	<b>Description/Comment</b>
Financial Statements/Annual Report	Finance	<p>Presentation of the Financial Statements and Statements of Service Performance. Discussion of key estimations and judgements and results from the Group consolidation.</p> <p>Note: Includes Risk Assurance's letter of representation.</p>

<b>October</b>		
<b>Items</b>	<b>Author(s)</b>	<b>Description/Comment</b>
Consolidated Monthly report and Treasury Report	Finance	Result for the year to date and comparison to budget. Full year forecast and explanation of significant variances. Review of year to date borrowings position and forecast. Reporting on compliance with Treasury policy.
Implications for Council of new and proposed Financial Reporting Standards	Finance	Discussion of new and proposed International Financial Reporting Standards and the impact that they will have on reporting for the Council.
Governing Body Report	Finance	Presentation of the Governing Body Report from Audit New Zealand on the 2010/11 audit including audit recommendations.
Debtors Report	Finance	Review of latest debtors' position and aging of debtors' balances. This is a 'red report' to be distributed at the meeting.
Risk Management Framework	Risk Assurance	The purpose of this paper is to update the Subcommittee on the review of the Council-wide Risk Profile and the status of the current risk management arrangements.
Summary of Work Completed	Risk Assurance	The purpose of this report is to inform the Subcommittee of work undertaken by Risk Assurance each quarter against the Annual Internal Audit programme. This report also outlines progress against high priority audit recommendations raised during past audits and reviews.
Summary of Incidents	Corporate Health and Safety Finance Risk Assurance	<p>This report includes health and safety and security incidents, insurance and weathertightness.</p> <p>This is a 'red report' to be distributed at the meeting.</p>

# APPENDIX ONE

<b>December</b>		
<b>Items</b>	<b>Author(s)</b>	<b>Description/Comment</b>
Consolidated Monthly Report and Treasury Report	Finance	Result for the year to date and comparison to budget. Full year forecast and explanation of significant variances. Review of year to date borrowings position and forecast. Reporting on compliance with treasury policy.
Implications for Council of New and proposed Financial Reporting Standards	Finance	Discussion of new and proposed International Financial Reporting Standards and the impact that they will have on reporting for the Council.
Debtors report	Finance	Review of latest debtors' position and aging of debtors' balances. This is a 'red report' to be distributed at the meeting.
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Summary of Work Completed	Risk Assurance	The purpose of this report is to inform the Subcommittee of work undertaken by Risk Assurance each quarter against the Annual Internal Audit programme. This report also outlines progress against high priority audit recommendations raised during past audits/ reviews.
Summary of Incidents	Corporate Health and Safety Finance Risk Assurance	This report includes health and safety and security incidents, insurance and weathertightness.  This is a 'red report' to be distributed at the meeting.