
MINUTES

MONDAY 2 APRIL 2012

1.33PM – 2.39PM
2.39PM – 3.04PM (PUBLIC EXCLUDED)
3.18PM – 3.48PM (PUBLIC EXCLUDED)

Committee Room One
Ground Floor, Council Offices
101 Wakefield Street
Wellington

MEMBERS:

Mayor Wade-Brown	(1.33pm – 3.04pm, 3.18pm – 3.41pm)
Councillor McKinnon (Chair)	(1.33pm – 3.04pm, 3.18pm – 3.48pm)
Councillor Best	(1.33pm – 3.04pm, 3.18pm – 3.48pm)
Councillor Lester	(1.33pm – 3.04pm, 3.18pm – 3.48pm)
Kevin Simpkins (External)	(1.33pm – 3.04pm, 3.18pm – 3.48pm)
David Pilkington (External)	(1.33pm – 3.04pm, 3.18pm – 3.48pm)

APOLOGIES:

Kevin Simpkins (early departure)

IN ATTENDANCE:

Councillor Marsh (1.43pm – 3.04pm, 3.18pm – 3.40pm)
Councillor Pannett (2.17pm – 3.04pm, 3.18pm – 3.38pm)

OFFICERS IN ATTENDANCE:

Garry Poole – Chief Executive
Sally Dossor – General Counsel
Julian Moore – Director, Organisational Services
Peter Garty – Chief Financial Officer
Vincent Fallon – Manager, Risk Assurance
Nicky Blacker – Manager, Financial Accounting

EXTERNAL AUDITORS:

Andy Burns – Audit New Zealand
David Kidman – Audit New Zealand

DEMOCRATIC SERVICES OFFICERS IN ATTENDANCE:

Luka Dujmovic – Committee Advisor

001/13QA **APOLOGIES**
(1215/52/01/IM)

Moved Councillor McKinnon, seconded Councillor Best, the motion that the Audit and Risk Management Subcommittee accept apologies for early departure from Kevin Simpkins.

The motion was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Accept apologies for early departure from Kevin Simpkins.*

002/13QA **CONFLICT OF INTEREST DECLARATIONS**
(1215/52/01/IM)

NOTED:

There were no conflicts of interest declared.

003/13QA **MINUTES FOR CONFIRMATION**
(1215/52/01/IM)

Moved Councillor McKinnon, seconded Councillor Best, the motion that the Audit and Risk Management Subcommittee approve the minutes of the meeting held on Tuesday, 6 December 2011 having been circulated, that they be taken as read and confirmed as an accurate record of the meeting.

The motion was put and declared CARRIED.

RESOLVED:

THAT the Audit and Risk Management Subcommittee:

1. *Approve the minutes of the meeting held on Tuesday 6 December.*

004/13QA **PROGRESS AGAINST AUDIT NEW ZEALAND
RECOMMENDATIONS** (1.36PM – 1.41PM)
Report of Nicky Blacker, Manager – Financial Accounting and Audit New
Zealand
(1215/52//01/IM) (REPORT 1)

**Moved Councillor Lester, seconded Mr Simpkins, the substantive
motion.**

The motion was put and declared CARRIED.

RESOLVED:

THAT the Audit and Risk Management Subcommittee:

- 1. Receive the information.*
- 2. Note the progress made in implementing the Audit New Zealand
recommendations attached in Appendix 1 to this report.*

005/13QA **ORAL UPDATE ON THE LONG TERM PLAN
AUDIT** (1.41PM – 2.01PM)
Report of Jacinta Straker – Principle Analyst, Funds and Financial Strategy
and Audit New Zealand
(1215/52//01/IM) (REPORT 2)

(Councillor Marsh joined the meeting at 1.43pm.)

**Moved Councillor Best, seconded Mr Pilkington, the substantive
motion.**

The motion was put and declared CARRIED.

RESOLVED:

THAT the Audit and Risk Management Subcommittee:

- 1. Receive the information.*

006/13QA **IMPLICATIONS FOR COUNCIL OF NEW AND PROPOSED FINANCIAL REPORTING STANDARDS** (2.01PM – 2.07PM)
Report of Nicky Blacker, Manager – Financial Accounting
(1215/52//01/IM) (REPORT 3)

Moved Mayor Wade-Brown, seconded Mr Pilkington, the substantive motion.

The motion was put and declared CARRIED.

RESOLVED:

THAT the Audit and Risk Management Subcommittee:

1. *Receive the information.*
2. *Note the developments in New Zealand generally accepted accounting practice (GAAP) since the last regular Subcommittee meeting on 6 December 2011.*
3. *Note the implications of the Local Government (Financial Reporting) Regulations 2011 on the Council's financial reporting.*

007/13QA **IMPLICATIONS OF GOVERNMENT'S PROPOSED "BETTER LOCAL GOVERNMENT" REFORMS** (2.07PM – 2.38PM)
Report of Nicky Blacker, Manager – Financial Accounting, and Allan Prangnell – Executive Strategist.
(1215/52//01/IM) (REPORT 4)

NOTED:

1. Allan Prangnell – Executive Strategist joined the meeting to brief the Subcommittee on Report 4 - Implications of Government's proposed "Better Local Government" reforms.

Moved Councillor Lester, seconded Mayor Wade-Brown, the substantive motion.

The motion was put and declared CARRIED.

RESOLVED:

THAT the Audit and Risk Management Subcommittee:

1. *Receive the information.*

TABLED INFORMATION: Presentation from Allan Prangnell - reference 007/13QA(a).

(Councillor Pannett joined the meeting at 2.17pm.)

008/13QA **RESOLUTION TO EXCLUDE THE PUBLIC**
(1215/52/01/IM)

Moved Councillor Best, seconded Mr Simpkins, the motion to exclude the public.

The motion was put and declared CARRIED.

RESOLVED:

THAT the Audit and Risk Management Subcommittee:

1. *Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely:*

Report 5 - Risk Assurance Summary of Work Completed

Grounds: Section 48(1) (a) Local Government Official Information and Meetings Act – that public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7

Reason: Section 7(2) (b) protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of Council.

Report 6 - Risk Management Framework Update

Grounds: Section 48(1) (a) Local Government Official Information and Meetings Act – that public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7

Reason: Section 7(2) (b) protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of Council.

Report 7 - Summary of Incidents

- Grounds: Section 48(1) (a) Local Government Official Information and Meetings Act – that public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7*
- Reason: Section 7(2) (b) protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of Council.*

Report 8 - Council Debtors Report

- Grounds: Section 48(1) (a) Local Government Official Information and Meetings Act – that public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7*
- Reason: Section 7(2) (a) protect the privacy of natural persons, including that of deceased natural persons.*
- Section 7(2) (i) to enable the Council to carry out negotiations without prejudice or disadvantage.*

2. *Permit Audit New Zealand to remain at this meeting after the public has been excluded, because of their specialist knowledge of the matters under discussion.*

The meeting went into public excluded session at 2.39pm.

For items 009/13QA – 012/13QA see the public excluded minutes.

The meeting concluded at 3.48pm.

Confirmed: _____

Chair

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