

AUDIT AND RISK MANAGEMENT SUBCOMMITTEE

MONDAY 18 MARCH 2013

1.30PM – 2.07PM
2.08PM – 3.22PM (PUBLIC EXCLUDED)

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

MEMBERS:

Councillor McKinnon (Chair)	(1.30pm – 2.07pm, 2.08pm – 3.22pm.)
Mayor Wade-Brown	(1.32pm – 2.07pm, 2.08pm – 3.22pm.)
Councillor Best	(1.30pm – 2.07pm, 2.08pm – 3.22pm.)
Kevin Simpkins (External)	(1.30pm – 2.07pm, 2.08pm – 3.22pm.)
David Pilkington (External)	(1.30pm – 2.07pm, 2.08pm – 3.22pm.)

APOLOGIES:

Councillor Lester

OFFICERS IN ATTENDANCE:

Garry Poole – Chief Executive
Sally Dossor – Director CEO’s Office
Peter Garty – Chief Financial Officer
Anthony Wilson – Chief Asset 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:

Antoinette Bliss – 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 absence from Councillor Lester.

The motion was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

- 1. Accept apologies for absence from Councillor Lester.*

(Mayor Wade-Brown arrived at the meeting at 1.32pm.)

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

NOTED:

There were no conflict of interest declarations.

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

Moved Councillor Best, seconded Mr Kevin Simpkins, the motion that the Audit and Risk Management Subcommittee approve the minutes of the meeting held on Wednesday 12 December 2012, 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 Wednesday 12 December 2012, having been circulated, that they be taken as read and confirmed as an accurate record of those meetings.*

004/13QA **ACTION POINTS**
(1215/52/01/IM)

NOTED:

The Subcommittee raised various matters of interest at the meeting of Wednesday 12 December 2013. The action to be taken/ or taken by officers are communicated as follows:

Action points / points to note	Officer responsible	Update
CARRIED FORWARD FROM DEC: Update on the Wellington Waterfront assets / sign off of Annual Report	Nicky Blacker	Still not yet signed off - verbal update to be given in ARMS
CARRIED FORWARD FROM DEC: Send audit management reports for the CCOs to subcommittee members (hard copy with covering note not e-mailed)	Nicky Blacker	Missing Waterfront (because not yet signed off) - others will be circulated on Monday 18 March 2013 in hard copy with a covering note
Report back in next meeting on status of the IT audit e.g. have all completed recommendations from report 2 been signed off by audit	Nicky Blacker	Audit comments included in ARMS paper (report 1)

005/13QA **PROGRESS AGAINST AUDIT NEW ZEALAND RECOMMENDATIONS** (1.38PM – 1.50PM)
Report of Nicky Blacker, Manager – Financial Accounting.
(1215/52/01/IM) (REPORT 1)

Moved Mr David Pilkington, seconded Councillor Best, 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 (of the officers report).*

006/13QA **IMPLICATIONS FOR COUNCIL OF PROPOSED FINANCIAL REPORTING STANDARDS** (1.51PM – 2.06PM)
Report of Nicky Blacker, Manager – Financial Accounting.
(1215/52/01/IM) (REPORT 2)

Moved Mayor Wade-Brown, seconded Councillor Mr Kevin 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 developments in New Zealand generally accepted accounting practice (GAAP) since the last regular Subcommittee meeting on 12 December 2012.*

007/13QA **RESOLUTION TO EXCLUDE THE PUBLIC**
(1215/52/01/IM)

Moved Councillor Best, seconded Mr David Pilkington, 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 3 - 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 4 – 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 5 - 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 6 - 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 2.08pm.

For items 008/13QA – 12/13QA see the public excluded minutes.

The meeting concluded at 3.22pm.

Confirmed: _____
Chair
/ /