
ORDINARY MEETING
OF
FINANCE, AUDIT AND RISK SUBCOMMITTEE
MINUTES

Time: 2:00pm
Date: Thursday, 12 November 2020
Venue: Ngake (16.09)
Level 16, Tahiwī
113 The Terrace
Wellington

PRESENT

Mayor Foster
Councillor Calvert (Chair)
Councillor Condie (Deputy Chair)
Councillor Pannett
Councillor Rush
Linda Rieper (External)
Roy Tiffin (External)

IN ATTENDANCE

Deputy Mayor Free

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1. Meeting Conduct

1.1 Karakia

The Chairperson declared the meeting open at 2:03pm and invited members to stand and say the following karakia to open the meeting.

**Whakataka te hau ki te uru,
Whakataka te hau ki te tonga.
Kia mākinakina ki uta,
Kia mātaratara ki tai.
E hī ake ana te atākura.
He tio, he huka, he hauhū.
Tihei Mauri Ora!**

Cease oh winds of the west
and of the south
Let the bracing breezes flow,
over the land and the sea.
Let the red-tipped dawn come
with a sharpened edge, a touch of frost,
a promise of a glorious day

1.2 Apologies

Moved Councillor Calvert, seconded Councillor Condie

Resolved

That the Finance, Audit and Risk Subcommittee:

1. Accept the apologies received from Councillor Paul for absence, Councillor Pannett for late arrival and Mayor Foster for early departure.

Carried

1.3 Conflict of Interest Declarations

No conflicts of interest were declared.

1.4 Confirmation of Minutes

Moved Councillor Calvert, Linda Rieper

Resolved

That the Finance, Audit and Risk Subcommittee:

1. Approves the minutes of the Finance, Audit and Risk Subcommittee Meeting held on 20 May 2020, having been circulated, that they be taken as read and confirmed as an accurate record of that meeting.

Carried

1.5 Items not on the Agenda

There were no items not on the Agenda.

1.6 Public Participation

There were no requests for public participation.

2. General Business

2.1 Audit New Zealand Report

Moved Councillor Calvert, seconded Councillor Condie

Resolved

That the Finance, Audit and Risk Subcommittee:

1. Receive the information.

Carried

(Mayor Foster joined the meeting at 2:13pm.)

2.2 Housing Action Plan - Risk Management Framework

Moved Councillor Calvert, seconded Councillor Condie

Resolved

That the Finance, Audit and Risk Subcommittee:

1. Receive the information.
2. Note the approach to applying the risk management framework across the housing strategy and action plan.
3. Note that the Housing Action Plan risks has been reviewed by officers and that there has been oversight of the risks, in line with the risk management framework.
4. Note that the Housing Action Plan 6-month report will continue to be considered by the Strategy Policy Committee.

Carried

(Councillor Pannett joined the meeting at 2:46pm.)

2.3 Audit New Zealand Report on Procurement, Contracts and Project Management

Moved Councillor Calvert, seconded Linda Rieper

Resolved

That the Finance, Audit and Risk Subcommittee:

1. Receive the information.
2. Note the actions underway to address the recommendations raised in the report.
3. **Note that officers will provide an update on progress of the Audit NZ recommendations by the fourth quarter Finance, Audit and Risk Subcommittee meeting of 2020/2021.**

Carried

Secretarial note: Councillor Calvert moved the motion with changes marked in red, with the leave of the meeting and with officers' support.

(Deputy Mayor Free left the meeting at 2:58pm.)

(Councillor Condie left the meeting at 3:01pm and returned to the meeting at 3:03pm.)

(Mayor Foster left the meeting at 3:09pm.)

2.4 Health and Safety Report

Moved Councillor Calvert, seconded Councillor Rush

Resolved

That the Finance, Audit and Risk Subcommittee:

1. Receive the information.
2. Recommend that the Strategy and Policy Committee receive the information.

Carried

The meeting adjourned for afternoon tea at 3:26pm and reconvened at 3:39pm with the following members present: Councillor Calvert, Councillor Condie, Councillor Pannett, Councillor Rush and Linda Rieper.

(Roy Tiffin returned to the meeting at 3:40pm.)

(Deputy Mayor Free returned to the meeting at 3:52pm.)

2.5 TE AHO MARUTAU | Internal Audit Report for the year ended 30 June 2020 and Internal Audit Plan 2020-2021

Moved Councillor Calvert, seconded Roy Tiffin

Resolved

That the Finance, Audit and Risk Subcommittee:

1. Receive the information.
2. Note the overview of the Te Aho Marutau Internal Audit Report for the year ended 30 June 2020.
3. Approve the Te Aho Marutau Internal Audit Plan 2020-21.

Carried

2.6 2021 Long-term Plan Development Programme

Moved Councillor Calvert, seconded Councillor Condie

Resolved

That the Finance, Audit and Risk Subcommittee:

1. **Note** the approach for delivering the Long-term Plan in full and on-time.

Carried

Attachments

- 1 Long-Term Plan Process

Secretarial Note: With the leave of the meeting the motion was amended as marked in red.

3. Public Excluded

Moved Councillor Calvert, seconded Councillor Condie

Resolved

That the Finance, Audit and Risk Subcommittee:

1. Agree that Karen Young, Audit Director from Audit New Zealand, and Laura Cannon from the Office of the Auditor General, be permitted to remain for Public Excluded items listed below after the public has been excluded, because of their knowledge of matters which help the Finance, Audit and Risk Subcommittee in its decision making:
 - 3.1 Insurance Reserve Fund Performance and Insurance Renewals Policy
 - 3.2 Risk Management | Strategic Risk Profile
 - 3.3 Draft Annual Report 2019/20
2. 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:

General subject of the matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
3.1 Insurance Reserve Fund Performance and Insurance Renewals Update	<p>7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>7(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>s48(1)(a) That the 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.</p>
3.2 Risk Management Strategic Risk Profile	<p>7(2)(c)(i) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person</p>	<p>s48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would</p>

has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.

7(2)(c)(ii)

The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to damage the public interest.

3.3 Draft Annual Report 2019/20

7(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.

7(2)(g)

The withholding of the information is necessary to maintain legal professional privilege.

7(2)(i)

The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

exist under Section 7.

s48(1)(a)

That the 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.

Carried

The meeting went into public excluded session at 4:46pm.

The meeting returned from public excluded session and concluded at 2:25pm on 14 December 2020 with the reading of the following karakia:

Unuhia, unuhia, unuhia ki te uru tapu nui	Draw on, draw on
Kia wātea, kia māmā, te ngākau, te tinana, te wairua	Draw on the supreme sacredness To clear, to free the heart, the body and the spirit of mankind
I te ara takatū	
Koia rā e Rongo, whakairia ake ki runga	Oh Rongo, above (symbol of peace)
Kia wātea, kia wātea	Let this all be done in unity
Āe rā, kua wātea!	

Authenticated: _____
Chair

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MINUTE ITEM ATTACHMENTS

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Business

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2.6 2021 Long-term Plan Development Programme

1. Long-Term Plan Process

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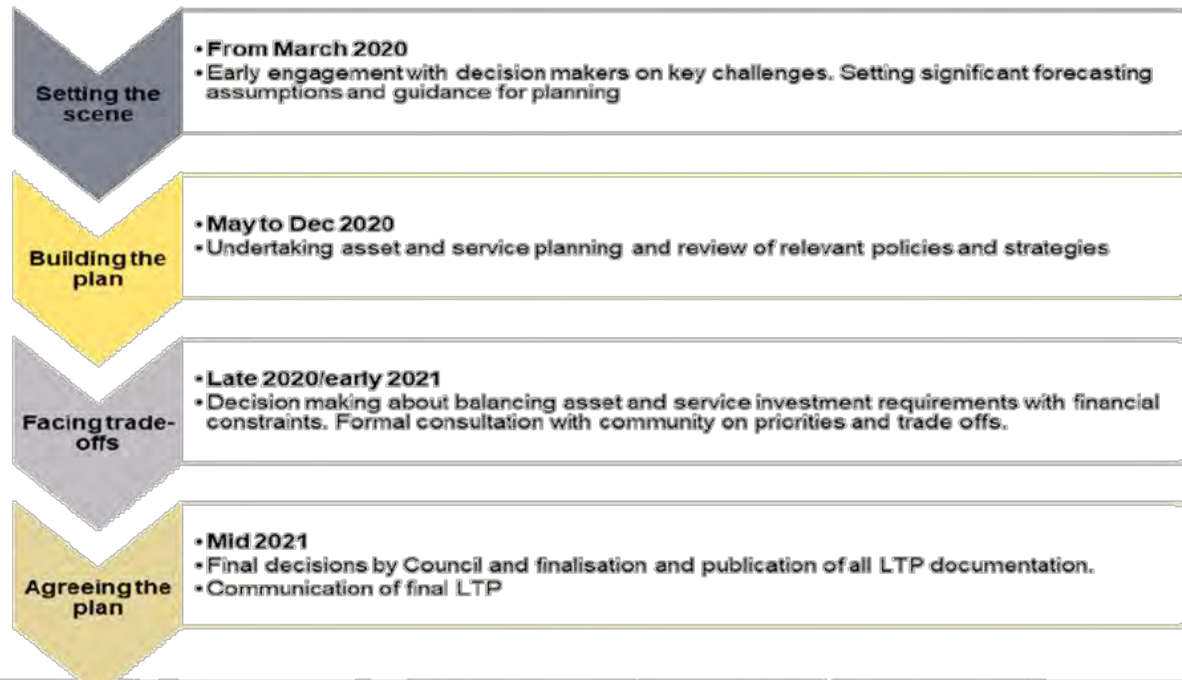
LTP process

Three key areas to talk to today:

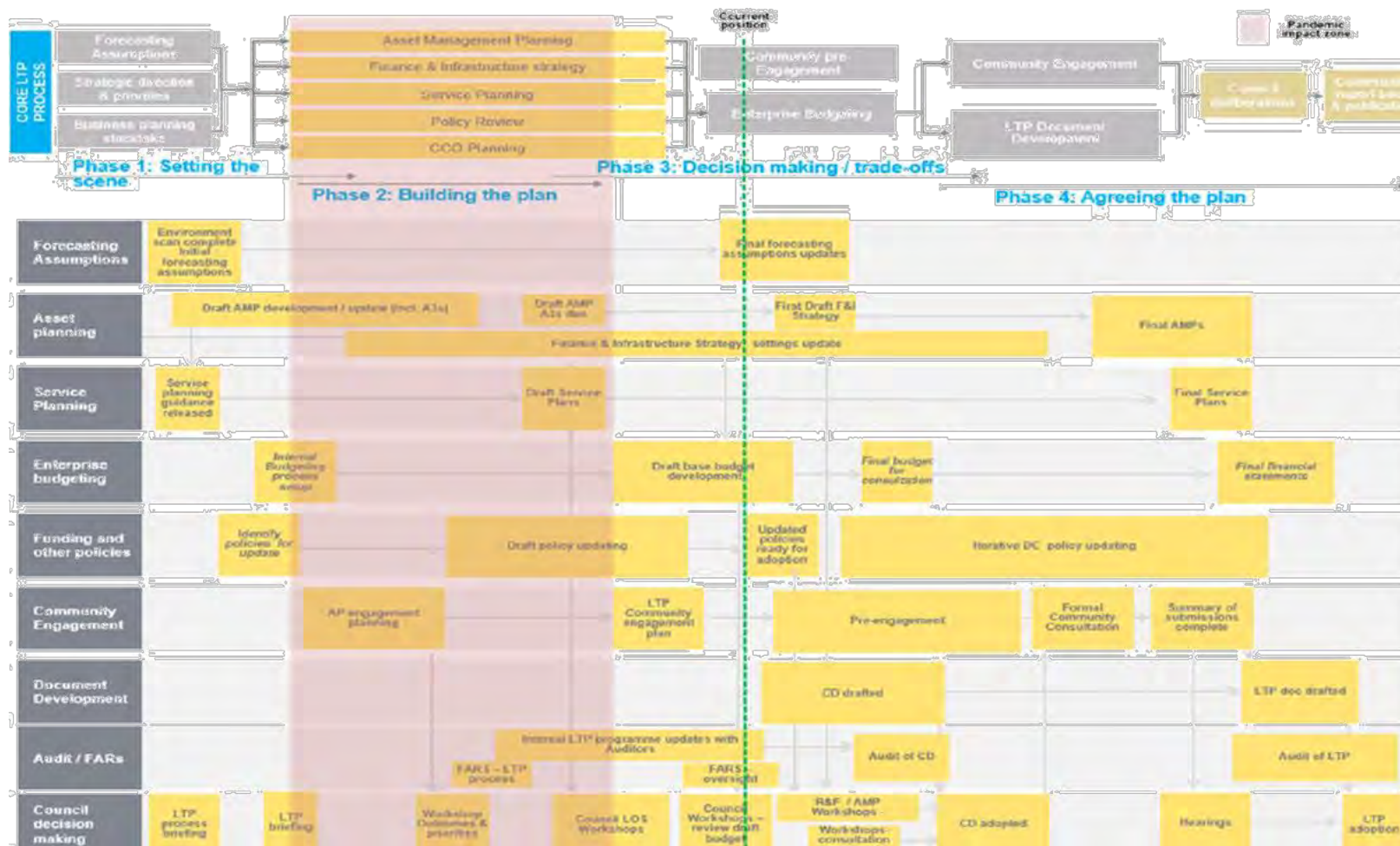
- **Process** – how different components of LTP will come together
- **Governance** – how we will make decisions and manage risks
- **Quality** – how we ensure a compliant and high quality outcome



Process: Four key phases



Process: overview



Governance / oversight

Role	Responsibilities	Approving/ adopting LTP products	Directing programme content	Effective programme delivery / operation	Assurance oversight
Council	Final approval of all LTP components and the formal adopts of the final LTP / strike rates	✓			
LTP/AP Committee	Review key LTP components, receive reports from RF working Party, and recommend to Council decisions on the CD, engagement approach and final shape of the LTP for adoption	✓	✓		
FARS	Oversight of the approach / process used for the preparation of the 2021 Long-term Plan				✓
Revenue & Funding working party	<ul style="list-style-type: none"> Review KPI framework Asset Management Planning process & standards, risk tolerance, key levels of service and forecasts, maintenance and renewals Revenue and funding policy application 				✓
CEO & ELT	CEO is the internal owner of the LTP and through ELT provides collective direction and guidance on critical components, and at critical decision point.		✓		
Programme Management Group	Co-ordinates the delivery of the agreed work programme, direct resources to the completion of necessary tasks within members' respective areas of operation and provide guidance on the resolution of operational matters that may arise during the course of the project		✓	✓	
Workstream leads	To assist the Programme Management Group through the management of delivery of workstream deliverables and provide regular project status reports to the Programme Management Group			✓	

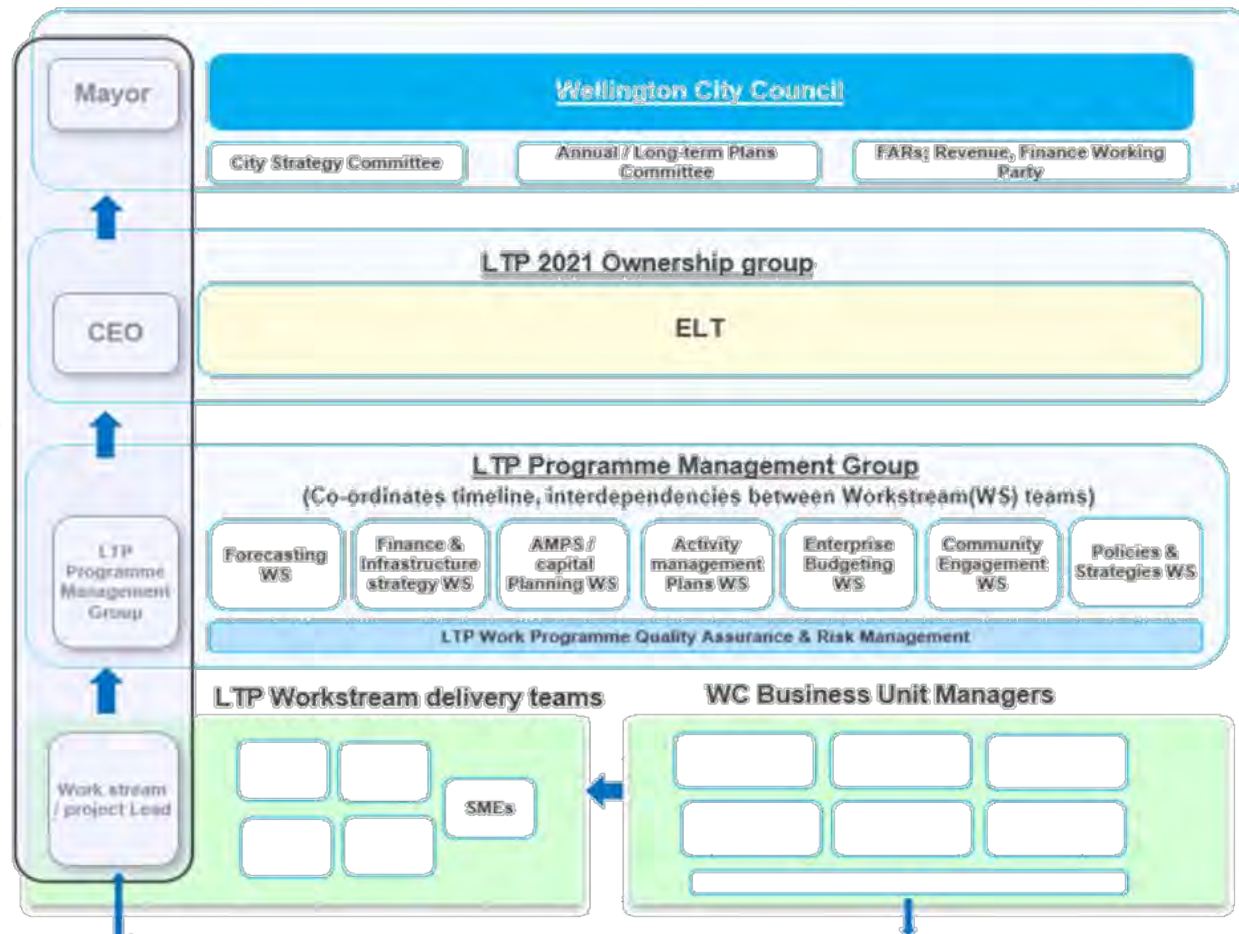
Programme organisation

Sets direction, balancing community needs / aspirations, oversight adopts the LTP

All significant decisions for the development of the LTP (e.g. direction, messaging, budget, priorities, LoS changes etc.)

LTP Programme Management Group - manages / coordinates programme decisions, risk management, product quality external audit relationship, supports Workstream leads

- Deliver the various LTP products to plan (in and between work streams)
- Meet quality standards



Quality

Driver category	Includes	Application
Local Government Act legislative compliance	<ul style="list-style-type: none"> Both LTP content / data and consultation document and process 	<ul style="list-style-type: none"> Workstream Leads / Programme Management Group in the sign-off of individual LTP deliverables External Audit of compliance Finance and Infrastructure Strategy Consultation (Special Consultative procedure)
Audit standards and OAG observations	<ul style="list-style-type: none"> Audit standards and expectations The Auditor General's review of the Audit of Long-term Plans Guidance documents 	<ul style="list-style-type: none"> External Audit of CD, LTP and supporting information LTP process design / content
Local government sector guidance	<ul style="list-style-type: none"> SOLGM guidance (300 pages) Reports 1-3 of the Local government COVID-19 Response Unit 	<ul style="list-style-type: none"> LTP Programme process management and content development – oversight by the Programme Management Group (see appendix C)
Specific good practice standards and information requirements	<ul style="list-style-type: none"> National / ISO Asset Management Planning Standards 	<ul style="list-style-type: none"> Update of Asset management Plans and the review by the Programme Management Group
WCC programme / project management and LTP policies and requirements	<ul style="list-style-type: none"> Investment Delivery Framework (for significant projects); project management and reporting Significance and engagement policy Revenue, Financing and Development Contributions policies 	<ul style="list-style-type: none"> Service Management Planning Consultation and supporting information