

MINUTES	MEETING HELD ON	TIME
<b>AUDIT AND RISK SUBCOMMITTEE</b>	<b>THURSDAY 16 MAY 2013</b>	<b>1.30PM</b>

**MINUTES** of a meeting of the **Audit and Risk Subcommittee**, held in the Council Chambers, Ground Floor, 175 Rimu Road, Paraparaumu, on **Thursday, 16 May 2013**, commencing at 1.30pm.

**PRESENT:**

Cr	R	Church	(Chairperson)
Mayor	J	Rowan	
Cr	R	Booth	
Cr	T	Lester	

**IN ATTENDANCE:**

Mr	P	Dougherty	(Chief Executive)
Mr	T	Power	(Senior Legal Counsel)
Mr	W	Read	(Group Manager Finance)
Mrs	J	Nock	(Executive Secretary, Finance)

The Chair welcomed everyone to the meeting.

ARS 13/05/18

**APOLOGIES**

There were no apologies.

ARS 13/05/19

**30 MINUTE PUBLIC SPEAKING TIME**

There were no public speakers.

ARS 13/05/20

**MEMBERS' BUSINESS**

- (a) Public Speaking Time Responses  
No responses required.
- (b) Leave of Absence  
There were no requests for leave of absence.
- (c) Matters of an Urgent Nature  
There were no matters of an urgent nature.
- (d) Declarations of Interest Relating to Items on the Agenda  
There were no declarations of interest.

ARS 13/05/21

**CONFIRMATION OF MINUTES: 28 FEBRUARY 2013**

**MOVED (Booth/Lester)**

**That the Audit and Risk Subcommittee minutes of 28 February 2013 are accepted as a true and correct record.**

**CARRIED**

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ARS 13/05/22

**PROCESS ON AUDIT MANAGEMENT REPORT (FIN-13-888)**

Warwick Read, Group Manager Finance spoke to this report.

Matt McGlinchey, Accounting & Financial Services Manager spoke to this report regarding the Bond Release and Trial Balance Structure.

Audit Observation – IT General Controls

It was commented that the word 'new' in *new users* was misleading as it was not just for new employees but also other employees and should be changed to 'all' *user's ICT requirements....*

Mr Read confirmed this would be updated.

**MOVED (Booth/Lester)**

**That the Audit and Risk Subcommittee receive and note the progress made on the recommendations in the Audit Management Report for the year ended 30 June 2012 as per Appendix 1 to this report Fin-13-888.**

**CARRIED**

ARS 13/05/23

**LOCAL AUTHORITY PROTECTION PROGRAMME FUND (FIN-13-889)**

Warwick Read, Group Manager Finance spoke to this report.

It was advised that if Porirua, Upper Hutt and Hutt City Councils decided to agree on a combined study and investigation by AON then a report would come back to Council with the benefits of pulling out of LAPP and the financial considerations would state what the potential savings could be.

**MOVED (Lester/Mayor)**

**That the Audit and Risk Subcommittee recommend to the Council that notice be given of its intention to withdraw from the Local Authority Protection Programme as from 30 June 2014, subject to agreement with Porirua, Upper Hutt and Hutt City Councils to contribute towards a combined study and investigation by AON into alternative insurance proposal being approved by the Council prior to April 2014.**

**That the Audit & Risk Subcommittee note that in the event of a viable and cost effective alternative insurance proposal not being available that notice is given by 30 April 2014 to the Local Authority Protection Programme that the Council rescinds its withdrawal notice.**

**CARRIED**

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ARS 13/05/24

**PUBLIC EXCLUDED RESOLUTION**

**MOVED (Booth/Lester)**

**That the Audit & Risk Subcommittee move into a Public Excluded meeting:**

<b>PUBLIC EXCLUDED RESOLUTION</b>		
That, pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987, the public now be excluded from the meeting for the reasons given below, while the following matters are considered:		
<ul style="list-style-type: none"> <li>• Quarterly Update on: <ul style="list-style-type: none"> <li>- Statutory Compliance Issues Reported to Audit;</li> <li>- Current Ombudsman and/or Privacy Commissioner – Investigations (SP-13-879)</li> </ul> </li> </ul>		
The general subject of each matter to be considered, while the public are 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:		
<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Grounds under Section 48(1) for the passing of this resolution</b>
Quarterly Update on: - Statutory Compliance Issues Reported to Audit; - Current Ombudsman and/or Privacy Commissioner – Investigations (SP-13-879)	Section 7(2)(a) – to protect the privacy of natural persons.	48(1)(a): 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 would exist.

*The meeting went into public excluded session at 1.59pm*

*The meeting came out of public excluded session at 2.09pm*

Resolutions released into the public arena

The following report and resolutions were released from the public excluded part of the meeting.

**QUARTERLY UPDATE ON:**

- STATUTORY COMPLIANCE ISSUES REPORTED TO AUDIT;
- CURRENT OMBUDSMAN AND/OR PRIVACY COMMISSIONER – INVESTIGATIONS (SP-13-879)

That the Audit and Risk Subcommittee note the statutory compliance issues associated with legislative compliance declarations made to external auditors, Ernst and Young for the second and third quarters of the 2012/13 year.

That the Audit and Risk Subcommittee note the current status of Ombudsman and Privacy Commissioner investigations.

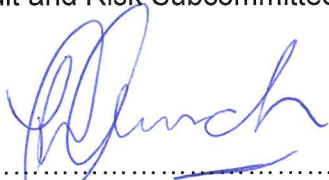
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That the Audit and Risk Subcommittee notes the status of Council's legal compliance for the second and third quarters of the 2012/13 year, in particular:

- the two issues of non-compliance which occurred in the second quarter of 2012/13 which relate to the Local Government Official Information and Meetings Act 1987 and the Local Government Act 2002;
- the one issue of non-compliance which occurred in the third quarter which relates to the Resource Management Act 1991;
- the actions taken to address the issues and reduce/mitigate the potential for a repetition.

That the Audit and Risk Subcommittee agrees to release this report and recommendations from public exclusion.

The Audit and Risk Subcommittee meeting closed at 2.09pm.



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Chairperson

19. 9. '13

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Date