

MINUTES	MEETING HELD ON	TIME
AUDIT AND RISK SUBCOMMITTEE	THURSDAY 19 SEPTEMBER 2013	1.30PM

MINUTES of a meeting of the **Audit and Risk Subcommittee**, held in the Council Chambers, Ground Floor, 175 Rimu Road, Paraparaumu, on **Thursday, 19 September 2013**, commencing at 1.30pm.

PRESENT:	Cr	R	Church	Chairperson
	Mayor	J	Rowan	
	Cr	R	Booth	
	Cr	T	Lester	
IN ATTENDANCE:	Ms	T	Evans	Acting Chief Executive
	Mr	T	Power	Senior Legal Counsel
	Mr	W	Read	Group Manager Finance
	Mr	M	McGlinchey	Accounting & Financial Services Manager
	Ms	S	Foss	Quality Manager Regulatory Services
	Ms	C	Stevens	Building Control Manager
	Mrs	J	Nock	Executive Secretary, Finance
	Mr	G	Taylor	Partner, Ernst & Young
	Ms	C	Dimond	Executive Director, Ernst & Young

The Chair welcomed everyone to the meeting.

ARS 13/09/25

APOLOGIES

There were no apologies.

ARS 13/09/26

30 MINUTE PUBLIC SPEAKING TIME

There were no public speakers.

ARS 13/09/27

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 13/09/28

CONFIRMATION OF MINUTES: 16 MAY 2013

MOVED (Booth/Mayor)

That the Audit and Risk Subcommittee minutes of 16 May 2013 are accepted as a true and correct record.

CARRIED

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ARS 13/09/29

CLOSING AUDIT REPORT AS AT 30 JUNE 2013 (FIN-13-974)

Warwick Read, Group Manager Finance spoke to this report.

Carolyn Dimond, Ernst & Young spoke to the report and advised that their final report would be presented at the 3 October Council meeting.

Bond Refunds

Members requested that bonds be refunded automatically after work was completed and not on the request of the customer and it was confirmed that the process around this was being improved.

Moved (Church/Booth)

That the Audit & Risk Subcommittee receive the Closing Audit Report from Ernst & Young and notes that there are no significant accounting issues that have not been agreed and adjusted in the Draft Annual Report.

That the Audit & Risk Subcommittee notes than an Audit Management Report will be prepared by Ernst & Young following the adoption of the audited Annual Report by the Council and the Subcommittee will review this Report along with action to be taken by management on any issues and the audit recommendations raised.

CARRIED

ARS 13/09/30

AUDITOR GENERAL'S REPORT TO PARLIAMENT ON THE RESULTS OF THE 2011/12 AUDITS (FIN-13-890)

Warwick Read, Group Manager Finance spoke to this report.

Financial results in local authorities' 2011/12 annual reports

Members requested that in future the statement of "...*this Council having a higher dependency on rates compared to the average Council*" also needed to include the reasoning behind the statement i.e. lack of assets and trusts.

MOVED (Church/Mayor)

That the Audit and Risk Subcommittee note the matters raised in the Office of the Auditor General Parliamentary Report on the 'Results of the 2011/12 Audits'.

CARRIED

ARS 13/09/31

PROGRESS ON AUDIT MANAGEMENT REPORT (FIN-13-977)

Warwick Read, Group Manager Finance spoke to this report.

MOVED (Church/Booth)

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-13-977.

CARRIED

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ARS 13/09/32

IANZ AUDIT OF THE BUILDING CONTROL AUTHORITY (CS-13-985)

Sharon Foss, Quality Manager Regulatory Services spoke to the report and advised that Building Control would be audited on-site over 3 days from 1 October 2013.

Ms Foss advised that excellent progress had been made and was hopeful of a much improved audit result compared to December 2012.

Group Manager Community Services added that staff had appreciated the support of Members during the Building Control process and gave special thanks to Ms Foss and Ms Stevens.

MOVED (Lester/Mayor)

That the Audit and Risk Subcommittee note the corrective actions raised in the IANZ Report on the Results of the 2012 Audit of the Building Control Authority primarily related to documentation and record keeping issues; and that IANZ was satisfied with the judgements and decisions made around building consents.

That the Audit and Risk Subcommittee note that the Council met the IANZ deadline of 31 July 2013 to complete all of the corrective actions notified in December 2012.

That the Audit and Risk Subcommittee note that IANZ has confirmed that the Council continues to comply with Regulations 4 to 17 of the Building (Accreditation of Building Consent Authorities) Regulations 2006.

CARRIED

ARS 13/09/33

PUBLIC EXCLUDED RESOLUTION

MOVED (Booth/Lester)

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

PUBLIC EXCLUDED RESOLUTION

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:

- **Quarterly Update on Statutory Compliance Issues and Investigations (SP-13-966)**

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:

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General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Grounds under Section 48(1) for the passing of this resolution
Confirmation of Public Excluded Minutes: 16 May 2013	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.
Quarterly Update on Statutory Compliance Issues and Investigations (SP-13-966)	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 2.04pm

The meeting came out of public excluded session at 2.16pm

Resolutions released into the public arena

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

QUARTERLY UPDATE ON STATUTORY COMPLIANCE ISSUES AND INVESTIGATIONS (SP-13-966)

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 fourth quarter of the 2012/13 year.

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

That the Audit and Risk Subcommittee note the details of the mediation undertaken by the Human Rights Commission in June 2013 and the resolution that was reached as a result of that mediation.

That the Audit and Risk Subcommittee note the status of the Council's legal compliance for the fourth quarter of the 2012/year year, in particular:

- the two issues of non-compliance that occurred in the fourth quarter which relate to the Resource Management Act 1991 and LGOIMA; and
- the actions taken to address the issues.

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That this report, appendices and resolutions be released from public excluded business.

The Audit and Risk Subcommittee meeting closed at 2.17pm.

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Chairperson

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Date

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Chief Executive

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Date

