

Chairperson and Subcommittee Members
AUDIT AND RISK SUBCOMMITTEE

15 NOVEMBER 2012

Meeting Status: **Public**

Purpose of Report: For Information

LEGAL COMPLIANCE

PURPOSE OF REPORT

- 1 To update the Audit & Risk Subcommittee on legal compliance issues for the first quarter of 2012/13 year.

SIGNIFICANCE OF DECISION

- 2 This report does not trigger the Council’s Significance Policy.

BACKGROUND

- 3 Each quarter Group Managers are required to sign off returns declaring whether there have been any legal compliance issues involving their Group for the previous three months.

CONSIDERATIONS

Issues

- 4 It is proposed to report the status of Council’s legal compliance to the Audit & Risk Subcommittee on a quarterly basis so that the Subcommittee is aware of any issues that have arisen and can monitor what action is being taken to address any non-compliance incidents. Also it needs to monitor what steps have been taken to ensure the risk of future breaches are minimised.
- 5 Three issues of non-compliance occurred in the first quarter relating to the processes the Council followed in relation to the Local Government Official Information and Meetings Act (LGOIMA) were identified as a result of investigations carried out by the Office of the Ombudsman. An overview of the investigations is detailed in the table below.

Complaint No. 1	Immediate Action taken	Long Term Action
Unfair to charge for an additional time required to extract information from an older electronic storage system	Charges were reduced from \$600 to \$300 in line with Ombudsman recommendation	Charging for information recovered. Where older electronic information is stored. Charging for information will take into account any constraints the Council has over extracting information from older electronic storage systems and the impact of these constraints will not be charged for.

Complaint No. 2	Immediate Action taken	Long Term Action taken
Timing of provision of information to Official Information Act (OIA) requests.	Changes made to OIA processes to improve timeliness	Changes made to OIA processes to improve timeliness
Complaint No. 3	Immediate Action taken	Long Term Action taken
Withholding information on the identity of other parties in the information provided.	Full disclosure of information provided	Carefully balance Privacy Act versus LGOIMA Act requirements when providing information.

- 6 No other issues of non-compliance with legislation were identified for the first quarter of 2012/13 year.

Financial Considerations

- 7 There are no financial considerations relating to the process improvements outlined in this report.

Legal Considerations

- 8 The legal requirements of LGOIMA and the Privacy Act are well established in Council processes. These changes recommended by the Office of the Ombudsman will ensure improved compliance.

Delegation

- 9 The Audit and Risk Subcommittee may make a decision under the following delegation in the Governance Structure, Section C.4.6:

Without limiting the generality of this delegation the Subcommittee has the following functions, duties and powers:

Internal Control Framework

- 6.1 Review whether management's approach to maintaining an effective internal control framework is sound and effective.*

Consultation

- 10 There are no consultation requirements associated with this report.

Policy Implications

- 11 Council processes relating to LGOIMA and the Privacy Act have been amended to mitigate any future breaches of legislation.

Tāngata Whenua Considerations

- 12 There are no Tāngata Whenua considerations

Publicity Considerations

13 No issues to be considered at this stage.

RECOMMENDATIONS

14 That the Audit & Risk Subcommittee notes the status of Council's legal compliance for the first quarter of the 2012/13 year, in particular:

- the three issues of non-compliance relating to the Local Government Official Information and Meetings Act and the actions taken to:
 - (a) address the issues; and
 - (b) reduce/mitigate the potential for a repetition.

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