

MINUTES	MEETING HELD ON	TIME
AUDIT AND RISK SUBCOMMITTEE	THURSDAY 15 NOVEMBER 2012	3.30PM

MINUTES of a meeting of the **Audit and Risk Subcommittee**, held at Meadows Church, 1 Realm Drive, Paraparaumu, on **Thursday, 15 November 2012**, commencing at 3.30pm.

PRESENT:

Cr	R	Church	(Chairperson)
Cr	R	Booth	
Cr	T	Lester	

IN ATTENDANCE:

Mr	P	Dougherty	(Chief Executive)
Mr	W	Read	(Group Manager Finance)
Ms	K	Shieffelbein	(Monitoring Officer)
Mrs	J	Nock	(Executive Secretary Finance)

The Chair welcomed everyone to the meeting.

ARS 12/11/06

APOLOGIES

MOVED (Lester/Booth)

That an apology be accepted from Mayor Jenny Rowan.

CARRIED

ARS 12/11/07

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 12/11/08

CONFIRMATION OF MINUTES: 13 SEPTEMBER 2012

MOVED (Booth/Church)

That the Audit and Risk Subcommittee minutes of 13 September 2012 are accepted as a true and correct record.

CARRIED

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ARS 12/11/09

AUDIT MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2012 (FIN-12-723)

Warwick Read, Group Manager Finance spoke to this report and advised that the audit issues raised were in the low risk category. Of the seven issues raised two were already completed and management responses and action plans had been prepared for the remaining five.

Progress on actions taken will be reported back to the Audit & Risk Subcommittee every 3 months.

Capital Works in Progress

It was agreed that monthly review of capital works in progress would include a check as to whether capital works were completed and could be capitalised.

Trail Balance Structure

The report will be password protected on the shared drive by the end of December.

IT General Controls

The policy needs to incorporate the removal of users when employees resign.

MOVED (Booth/Lester)

That the Audit and Risk Subcommittee receive the Ernst and Young Audit Management Report for the year ended 30 June 2012 and note the management responses.

CARRIED

ARS 12/11/10

LEGAL COMPLIANCE (FIN-12-735)

Warwick Read, Group Manager Finance spoke to this report.

MOVED (Booth/Lester)

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.**

CARRIED

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Riskpool Case Law Paper

Mr Read tabled a paper from Heaney & Co that explained a Supreme Court's judgement against North Shore City regarding leaky home claims on commercial buildings.

- Prior to the recent court case, the courts had not allowed commercial building owners to pursue costs against Councils for leaky home claims, now they can based on the recent decision.
- Buildings built between October 2002 and 2005 pose a risk for Councils.
- Given the 10 year limit on claims, Council's exposure will finish at the end of 2015 (a three year window).
- While we do not have a lot of commercial exposure on the Kapiti Coast, there could be impacts on our share of costs payable to Riskpool for their potential exposure to claims covering its members.
- Riskpool are currently working on the extent of the exposure that we might have to face.
- There has not been a timeframe for their report back, but Council would continue to monitor.

The public session of the Audit and Risk Subcommittee meeting closed at 3.48pm.

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 Chairperson

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 11. 3. 2013
 Date