
Minutes of a meeting of the Audit, Risk and Finance Subcommittee

**Held in the Council Chamber, Civic House, 110 Trafalgar Street,
Nelson**

On Thursday 4 August 2016, commencing at 1.00pm

Present: Mr J Peters (Chairperson), Her Worship the Mayor R Reese,
Councillors I Barker and B McGurk, and Mr J Murray

In Attendance: Councillor G Noonan, Chief Executive (C Hadley), Group
Manager Infrastructure (A Louverdis), Group Manager Strategy
and Environment (C Barton), Group Manager Community
Services (C Ward), Senior Accountant (T Hughes), Risk and
Procurement Analyst (S Vaughan), Internal Audit Analyst (L
Anderson), Manager Capital Projects (Shane Davies) and
Administration Advisor (J McDougall)

1. Apologies

There were no apologies.

2. Confirmation of Order of Business

There was no change to the order of business.

3. Interests

There were no updates to the Interests Register, and no interests with
items on the agenda were declared.

4. Public Forum

There was no public forum.

5. Confirmation of Minutes

5.1 23 June 2016

Document number M1948, agenda pages 7 - 14 refer.

Resolved AUD/2016/056

THAT the minutes of the meeting of the Audit,

Risk and Finance Subcommittee, held on 23 June 2016, be confirmed as a true and correct record.

McGurk/Barker

Carried

6. Status Report - Audit, Risk and Finance Subcommittee - 4 August 2016

Document number R6356, agenda pages 15 - 16 refer.

In response to a query, it was advised that the report being prepared by officers about options in relation to the Theatre Royal would be available at the first or second meeting in the new triennium of the Audit Risk and Finance Subcommittee, or its successor.

Resolved AUD/2016/057

THAT the Status Report Audit, Risk and Finance Subcommittee 4 August 2016 (R6356) and its attachment (A1324298) be received.

Her Worship the Mayor/Murray

Carried

7. Chairperson's Report

Document number R6372, agenda pages 17 - 21 refer.

The Chairperson noted that it was the last meeting of the Audit Risk and Finance Subcommittee for the triennium, and thanked members for their participation.

Resolved AUD/2016/058

THAT the Chairperson's Report (R6372) and its attachment (A1592555) be received;

AND THAT the Audit, Risk and Finance Subcommittee annual self-review questionnaire (A1592555) be noted for completion by members of the Subcommittee, and members of the Governance Committee be invited to do the same;

AND THAT, in light of there being no further Audit, Risk and Finance Subcommittee meetings in the 2013-16 triennium, the officer report with responses to the questionnaire, and any recommendations for change, is referred to the Governance Committee for its meeting on 25 August 2016.

Peters/McGurk

Carried

8. Council's Key Organisational Risks: Progress Report

Document number R6320, agenda pages 22 - 38 refer.

Risk and Procurement Analyst, Steve Vaughan, presented the report.

In response to a comment, Mr Vaughan advised that he would review the wording in "Reputational damage from negative media exposure" (section 5.1) to ensure that as well as covering media-related risks, it also covered other reputational risks.

Resolved AUD/2016/059

THAT the report Council's Key Organisational Risks: Progress Report (R6320) and its attachment (A1565520) be received.

Her Worship the Mayor/McGurk

Carried

9. Insurance renewal 2016/17

Document number R5648, agenda pages 39 - 41 refer.

Senior Accountant, Tracey Hughes presented the report.

In response to a query, Chief Executive, Clare Hadley, advised that Council was currently awaiting the results of work commissioned by Treasury, around the Local Authority Protection Programme percentage contribution. Mrs Hadley noted that it was unlikely that the results of the work, which could lead to a refinement of the approach to insurance, would be available before the end of the triennium. Mrs Hadley advised that, in the meantime, Council had adequate insurance cover.

Resolved AUD/2016/060

THAT the report Insurance renewal 2016/17 (R5648) be received.

McGurk/Murray

Carried

10. Corporate Report to 31 May 2016

Document number R6248, agenda pages 42 - 59 refer.

Senior Accountant, Tracey Hughes, presented the report. Manager, Capital Projects, Shane Davies attended to answer any questions.

Attendance: Her Worship the Mayor left the meeting at 1.47pm and returned at 1.49pm.

Resolved AUD/2016/061

THAT the report Corporate Report to 31 May 2016 (R6248) and its attachments (A1575438, A1582911, A1592842 and A1563107) be received.

McGurk/Murray

Carried

In response to a query, Internal Audit Analyst, Lynn Anderson advised that the estimate of \$50,000 for engaging external resource resulted from a combination of estimating and scoping the work involved.

Recommendation to Governance Committee and Council AUD/2016/062

THAT unbudgeted expenditure of \$50,000 be approved for engaging external resource to assist delivering the Internal Audit Plan 2016/17.

Barker/Murray

Carried

11. Bad Debts write offs for the year ending 30 June 2016

Document number R5510, agenda pages 60 - 61 refer.

Senior Accountant, Tracey Hughes, presented the report.

It was noted that bad debts of \$9,000 were very small considering the large turnover of Council. The relevant staff were thanked for their efforts in keeping the bad debt level relatively low.

Resolved AUD/2016/063

THAT the report Bad Debts write offs for the year ending 30 June 2016 (R5510) be received.

Murray/McGurk

Carried

12. Internal Audit Report to 30 June 2016

Document number R6205, agenda pages 62 - 67 refer.

Internal Audit Analyst, Lynn Anderson, presented the report and gave an update on further work that had been done since the report had been prepared.

Resolved AUD/2016/064

Receive the report Internal Audit Report to 30

June 2016 (R6205) and its attachment (A1575455).

Murray/Barker

Carried

Recommendation to Governance Committee and Council AUD/2016/065

NOTE the internal audit findings, recommendations and status of action plans up to 30 June 2016.

Murray/Barker

Carried

13. Exclusion of the Public

Resolved AUD/2016/066

THAT the public be excluded from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is 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:

Barker/McGurk

Carried

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Summary of New and Outstanding Significant Risk Exposures and Control Issues Identified from Internal Audits	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> • Section 7(2)(j) To prevent the disclosure or use of official information for improper gain or improper advantage

The meeting went into public excluded session at 2.07pm and resumed in public session at 2.18pm.

14. Re-admittance of the Public

Resolved AUD/2016/067

THAT the public be re-admitted to the meeting.

Barker/McGurk

Carried

There being no further business the meeting ended at 2.19pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date