



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

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

On Tuesday 26 June 2018, commencing at 9.00a.m.

Present: Mr J Peters (Chairperson), Her Worship the Mayor R Reese, Councillor B Dahlberg and Mr J Murray

In Attendance: Chief Executive (P Dougherty), Councillor M Rutledge, Acting Group Manager Infrastructure (S Davies), Group Manager Corporate Services (N Harrison), Governance Adviser (R Terry)

Apology: Councillor Barker

1. Apologies

Resolved AUD/2018/029

That the Audit, Risk and Finance Subcommittee

Receives and accepts an apology from Councillor Barker.

Murray/Dahlberg

Carried

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 15 May 2018

Document number M3483, agenda pages 6 - 11 refer.

Resolved AUD/2018/030

That the Audit, Risk and Finance Subcommittee

Confirms the minutes of the meeting of the Audit, Risk and Finance Subcommittee, held on 15 May 2018, as a true and correct record.

Dahlberg/Murray

Carried

6. Chairperson's Report

There was no Chairperson's Report.

7. Annual Tax Review

Document number R9395, agenda pages 12 - 23 refer.

Group Manager Corporate Services, Nikki Harrison presented the report and answered questions regarding employee sick banking, noting that reference to this had been in the context of other local authorities and had not been implemented at Nelson City Council.

Recommendation

That the Audit, Risk and Finance Subcommittee

Receives the report Annual Tax Review (R9395) and its attachments (A1847439 and A1985957).

Murray/Dahlberg

8. Corporate Report to 30 April 2018

Document number R9396, agenda pages 24 - 35 refer.

Attendance: Her Worship the Mayor joined the meeting at 9.06a.m.

Acting Group Manager Infrastructure, Shane Davies answered questions regarding the desludging at the wastewater treatment plant, and the phasing for the capital expenditure program. Mr Davies confirmed that the disposing of the sludge had initially been deferred due to moisture content and then re-phased, and would now be ahead of schedule.

Group Manager Corporate Services, Nikki Harrison presented the report and answered questions regarding operating revenue, rental income and operating contracts. There was discussion around The Brook Camp income being ahead of budget and Ms Harrison noted that expenditure was also over budget.

There was discussion around the programmed maintenance being under budget. Ms Harrison confirmed this would not be substantial and that she would break this down and clarify this for the next meeting.

Resolved AUD/2018/031

That the Audit, Risk and Finance Subcommittee

Receives the report Corporate Report to 30 April 2018 (R9396) and its attachments (A1969286 and A1986404).

Dahlberg/Murray

Carried

9. Audit engagement letter for year ending 30 June 2018

Document number R9208, agenda pages 36 - 66 refer.

Group Manager Corporate Services, Nikki Harrison presented the report and Associate Audit Director, Audit New Zealand, Jacques Coetzee answered questions regarding minimising waste, Council's responsibilities during Audit and timelines. There was discussion around coordinating the timeframes with the Council Controlled Organisations to ensure the Council had time to include the information in the final Annual Report.

Resolved AUD/2018/032

That the Audit, Risk and Finance Subcommittee

Receives the report Audit engagement letter for year ending 30 June 2018 (R9208) and its attachments (A1955165 and A1955166); and

Notes the Subcommittee can provide feedback on the Audit engagement letter to Audit New Zealand if required, noting the Mayor will sign the letter once the Subcommittee's feedback has been incorporated.

Dahlberg/Murray

Carried

10. Interim audit letter for the year ending 30 June 2018

Document number R9213, agenda pages 67 - 83 refer.

Group Manager Corporate Services, Nikki Harrison presented the report and Associate Audit Director, Audit New Zealand, Jacques Coetzee answered questions regarding the audit process, noting that he would be available to answer questions during the internal audit process.

Ms Harrison answered questions regarding the Project Management Policy and the contract management system, noting that proposed new software would assist by integrating contract details into the financial systems.

Resolved AUD/2018/033

That the Audit, Risk and Finance Subcommittee

Receives the report Interim audit letter for the year ending 30 June 2018 (R9213) and its attachment (A1988268); and

Notes the suggested responses to the recommendations.

Murray/Dahlberg

Carried

There being no further business the meeting ended at 10.20a.m.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date