



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

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

On Tuesday 17 September 2019, commencing at 9.02a.m.

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

In Attendance: Councillors P Matheson and G Noonan, Group Manager
Corporate Services (N Harrison), Group Manager Strategy and
Communications (N McDonald) and Governance Adviser (J
Brandt)

Apologies : Nil

1. Apologies

There were no apologies.

2. Confirmation of Order of Business

The Chairperson advised of one late item for the public excluded part of the meeting, and that the following resolution needed to be passed for the item to be considered:

2.1 Health and Safety Incident

Resolved AUD/2019/054

That the Audit, Risk and Finance Subcommittee

- 1. Considers the public excluded item regarding Health and Safety Incident at this meeting as a minor item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987.***

Peters/Barker

Carried

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 27 August 2019

Document number M4447, agenda pages 7 - 13 refer.

Resolved AUD/2019/055

That the Audit, Risk and Finance Subcommittee

- 1. Confirms the minutes of the meeting of the Audit, Risk and Finance Subcommittee, held on 27 August 2019, as a true and correct record.***

Murray/Dahlberg

Carried

6. Chairperson's Report

Document number R11485, agenda pages 14 - 16 refer.

The Chairperson spoke to his report, noting that the summary of results from the term-end survey of the Audit Risk and Finance subcommittee's effectiveness would be provided to the Mayor and Chief Executive to inform any incoming committee of this nature. Furthermore, a copy would be provided to Audit New Zealand.

Her Worship the Mayor thanked Mr Peters for his guidance and leadership as Chairperson of the Subcommittee, and for his input to Council as a whole.

Resolved AUD/2019/056

That the Audit, Risk and Finance Subcommittee

- 1. Receives the report Chairperson's Report (R11485).***

Peters/Dahlberg

Carried

7. Draft Annual Report 2018/19

Document number R10243, agenda pages 17 - 20 refer.

Group Manager Strategy and Communications, Nicky McDonald, presented the report.

Members provided feedback on the draft annual report.

Attendance: Her Worship the Mayor left the meeting from 9.35a.m. to 9.36a.m.

Resolved AUD/2019/057

That the Audit, Risk and Finance Subcommittee

- 1. Receives the report Draft Annual Report 2018/19 (R10243) and its attachment (A2224087).***

Barker/Dahlberg

Carried

Recommendation to Council AUD/2019/058

That the Council

- 1. Notes the draft Annual Report 2018/19 has been prepared and will be audited before being presented to Council for adoption on 31 October 2019.***
- 2. Notes that if there are any material changes to the draft Annual Report 2018/19 prior to the end of the triennium, these will be discussed with the Chairperson of the Audit, Risk and Finance Subcommittee.***

Barker/Dahlberg

Carried

8. Carry Forwards 2018/19

Document number R10242, agenda pages 21 - 30 refer.

Group Manager Corporate Services, Nikki Harrison, presented the report.

Officers answered questions about the impact of carry forwards on the current year work program, and about the likelihood of achieving the delivery of the capital programme

Resolved AUD/2019/059

That the Audit, Risk and Finance Subcommittee

- 1. Receives the report Carry Forwards 2018/19 (R10242) and its attachment (A2240980).***

Her Worship the Mayor/Murray

Carried

Recommendation to Council AUD/2019/060

That the Council

- 1. Approves the carry forward of \$779,000 unspent capital budget for use in 2019/20; and***
- 2. Approves the carry forward of \$58,000 unspent capital budget for use in future years; and***
- 3. Notes that this is in addition to the carry forward of \$4,807,000 approved during the 2019/20 Annual Plan, taking the total carry forward to \$5,644,000; and***
- 4. Approves the deferral due to reliance on external factors of \$101,000 unspent capital budget for use in 2019/20; and***
- 5. Notes that this is in addition to the deferral of \$447,000 approved during the 2019/20 Annual Plan, taking the total deferral to \$548,000; and***
- 6. Approves the carry forward of \$460,000 of unspent operating budget for use in 2019/20; and***
- 7. Notes total savings and reallocations in 2018/19 capital expenditure of \$2,642,000 including staff time; and***
- 8. Notes that the total 2019/20 capital budget (including staff costs and excluding consolidations and vested assets) will be adjusted by these resolutions from a total of \$43,898,000 to a total of \$44,777,000.***

Her Worship the Mayor/Murray

Carried

9. Draft Treasury Management Policy including Liability Management and Investment Policies

Document number R10282, agenda pages 31 - 70 refer.

Council's Treasury advisor, Brett Johanson from Price Waterhouse Cooper, presented a Powerpoint (A2268743).

Group Manager Corporate Services, Nikki Harrison, and Mr Johanson answered questions about the proposed changes.

The subcommittee was uncomfortable about the changes in the policies to allow direct and indirect lending and credit support to Council Controlled Trading Organisations and Council Controlled Organisations at this time. The recommendation to Council was amended to reflect this.

Attendance: Cr Dahlberg left the meeting from 10.45a.m. to 10.49a.m and Her Worship the Mayor Reese left the meeting at 10.57a.m.

The meeting adjourned from 11.24a.m. to 11.49a.m.

Resolved AUD/2019/061

That the Audit, Risk and Finance Subcommittee

- 1. Receives the report Draft Treasury Management Policy including Liability Management and Investment Policies (R10282) and its attachment (A2258406).***

Dahlberg/Barker

Carried

Recommendation to Council AUD/2019/062

That the Council

- 1. Adopts the Treasury Management Policy (A2258406) with the delegations and procedures regarding direct and indirect lending and credit support to Council Controlled Organisations and Council Controlled Trading Organisations removed, and with minor amendments to forestry wording.***

Murray/Barker

Carried

Attachments

- 1 A2268743 - Presentation - Price Waterhouse Cooper

10. Exclusion of the Public

Recommendation

That the Audit, Risk and Finance Subcommittee

- 1. Excludes the public from the following parts of the proceedings of this meeting.***
- 2. 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/Dahlberg

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	Audit, Risk and Finance Subcommittee Meeting - Public Excluded Minutes - 27 August 2019	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)(a) To protect the privacy of natural persons, including that of a deceased person • Section 7(2)(g) To maintain legal professional privilege
2	Health and Safety Incident	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 6	The withholding of the information is necessary: <ul style="list-style-type: none"> • Section 6(a): The making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences and the right to a fair trial.

The meeting went into public excluded session at 11.52a.m. and resumed in public session at 12.05p.m. Her Worship the Mayor Reese returned to the meeting during the public excluded session.

There being no further business the meeting ended at 12.05p.m.

CONFIRMED AS A TRUE AND CORRECT RECORD BY THE CHAIRPERSON AND CHIEF EXECUTIVE UNDER STANDING ORDER 26.4:

_____ Chairperson _____ Date

_____ Chief Executive _____ Date