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

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

**On Friday 8 September 2017, commencing at 9.59am**

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

**In Attendance:** Councillors G Noonan and S Walker, Acting Chief Executive (D  
Hammond), Group Manager Infrastructure (A Louverdis),  
Group Manager Community Services (C Ward), Group Manager  
Corporate Services (N Harrison), Senior Strategic Adviser (N  
McDonald), Manager Organisational Assurance and Emergency  
Management (R Ball) and Governance Adviser (L Canton)

**Apologies:** Nil

**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 27 June 2017

Document number M2711, agenda pages 9 - 18 refer.

Resolved AUD/2017/037

***That the Subcommittee***

***Confirms the minutes of the meeting of the Audit, Risk and Finance Subcommittee, held on 27 June 2017, as a true and correct record.***

Murray/Dahlberg

Carried

**6. Status Report - Audit Risk and Finance Subcommittee - 8 September 2017**

Document number R8299, agenda pages 19 - 21 refer.

Attendance: Her Worship the Mayor joined the meeting at 10.04am

Resolved AUD/2017/038

***That the Subcommittee***

***Receives the Status Report Audit, Risk and Finance Subcommittee 8 September 2017 (R8299) and its attachment (A1753947).***

Barker/Dahlberg

Carried

**7. Chairperson's Report**

Attendance: Her Worship the Mayor left the meeting at 10.05am.

The Chairperson gave a brief oral report.

**8. Internal Audit Quarterly Report to 30 June 2017**

Document number R7588, agenda pages 22 - 37 refer.

Internal Audit Analyst, Lynn Anderson, presented the report and answered questions about the audit recommendations and internal processes.

Attendance: Her Worship the Mayor returned to the meeting at 10.15am.

Resolved AUD/2017/039

***That the Subcommittee***

***Receives the report Internal Audit Quarterly Report to 30 June 2017 (R7588) and its attachment (A1813237); and***

***Notes that a Subcommittee workshop on the Internal Audit Plan has been scheduled for 14 September 2017.***

Barker/Dahlberg

Carried

**9. Internal Audit - Summary of New or Outstanding Significant Risk Exposures and Control Issues 30 June 2017**

Document number R8239, agenda pages 38 - 41 refer.

Internal Audit Analyst, Lynn Anderson presented the report. Ms Anderson and Risk and Procurement Analyst, Steve Vaughan, answered questions.

It was suggested that the delegations issue identified in the report should be addressed as a priority, to better avoid project delivery delays caused by the current lengthy decision-making process for project changes.

Resolved AUD/2017/040

***That the Subcommittee***

***Receives the report Internal Audit - Summary of New or Outstanding Significant Risk Exposures and Control Issues 30 June 2017 (R8239) and its attachment (A1813245).***

Murray/Dahlberg

Carried

Recommendation to Council AUD/2017/041

***That the Council***

***Requests that the Acting Chief Executive reviews Committee and Officer Delegations to ensure project delays are avoided as identified in the report Internal Audit - Summary of New or Outstanding Significant Risk Exposures and Control Issues 30 June 2017 (R8239).***

Dahlberg/Barker

## 10. **Service Delivery Review Quarterly Progress Update - September 2017**

Document number R7771, agenda pages 42 - 66 refer.

Policy Adviser, Gabrielle Thorpe presented the report. Ms Thorpe, Senior Strategic Adviser, Nicky McDonald and Group Manager Corporate Services, Nikki Harrison, answered questions about the services reviewed.

It was noted that Section 17a reviews were conducted at a point in time and the Planning and City Development review did not align with Council's City Vision discussions as it was undertaken before those discussions were completed.

Resolved AUD/2017/042

***That the Subcommittee***

***Receives the report Service Delivery Review Quarterly Progress Update - September 2017 (R7771) and its attachments (A1748571, A1772835, A1809382, A1806918 and A1810637).***

Murray/Dahlberg

Carried

## 11. **Council Key Risks Quarterly Report 2 Calendar 2017**

Document number R8236, agenda pages 67 - 84 refer.

Risk and Procurement Analyst, Steve Vaughan, presented the report and answered questions about the identified risks and management of controls.

Resolved AUD/2017/043

***That the Subcommittee***

***Receives the report Council Key Risks Quarterly Report 2 Calendar 2017 and its attachment (A1811819).***

Murray/Dahlberg

Carried

## 12. **Health Safety and Wellbeing; Quarterly Report**

Document number R8220, agenda pages 85 - 97 refer.

Health and Safety Adviser, Malcolm Hughes, presented the report noting updates since 30 June 2017 to the following items in the report:

- Over Speed Events 2016-17 (item 5b of Attachment 1) were now below 1 event per 100km
- Outstanding H&S Actions (InControl) (item 7 of Attachment 1) had decreased to 13 events in the "Over due > 3mths" category and 18 events in the "Over due < 3mths" category.

Mr Hughes answered questions about the statistics in the report.

It was requested that officers give further consideration to measures to reduce the number of security related incidents at the libraries.

Resolved AUD/2017/044

***That the Subcommittee***

***Receives the report Health Safety and Wellbeing; Quarterly Report (R8220) and its attachment (A1775723).***

Peters/Dahlberg

Carried

Resolved AUD/2017/045

***That the Subcommittee***

***Requests that officers report back to the subcommittee on security related events at Council libraries including details of controls and treatments.***

Dahlberg/Barker

Carried

Recommendation to Council AUD/2017/046

***That the Council***

***Notes the report Health Safety and Wellbeing; Quarterly Report (R8220) and its attachment (A1775723); and***

***Acknowledges the assessment of critical health and safety risks contained in the attachment (A1775723).***

Dahlberg/Barker

Carried

### **13. Carry Forwards 2016/17**

Document number R7004, agenda pages 98 - 107 refer.

Attendance: Councillor Barker left the meeting at 11.52am.

Senior Accountant, Tracey Hughes, and Manager Capital Projects, Shane Davies, presented the report. Ms Hughes, Mr Davies, and Group Manager Infrastructure, Alec Louverdis, answered questions.

Attendance: Councillor Barker returned to the meeting at 11.53am.

Resolved AUD/2017/047

***That the Subcommittee***

***Receives the report Carry Forwards 2016/17 (R7004) and its attachments (A1801073 and A1801504).***

Barker/Dahlberg

Carried

Recommendation to Council AUD/2017/048

***That the Council***

***Approves the carry forward of \$6,298,000 unspent capital budget for use in 2017/18; and***

***Approves the offsetting of \$268,021 of capital spent in 2016/17 against 2017/18 budgets; and***

***Approves the carry forward of \$1,812,113 of unspent operating budget for use in 2017/18; and***

***Notes savings in 2016/17 capital expenditure of \$2,187,000.***

Barker/Dahlberg

Carried

# **14. Draft Annual Report 2016/17**

Document number R7805, agenda pages 202 - 205 refer.

Senior Accountant, Tracey Hughes, and Policy Coordinator, Jane Loughnan, presented the report and answered questions.

Resolved AUD/2017/049

***That the Subcommittee***

***Receives the report Draft Annual Report 2016/17 (R7805) and its attachment (A1703959); and***

***Relinquishes its delegation in regard to recommending the adoption of the Draft Annual Report 2016/17, provided that there are no material changes to the draft resulting from the audit.***

Barker/Murray

Carried

Recommendation to Council AUD/2017/050

***That the Council***

***Notes the draft Annual Report 2016/17 has been prepared and will be audited before being presented to Council for adoption; and***

***Notes that if there are material changes to the draft resulting from the audit, these will be brought back to the Audit Risk and Finance Subcommittee on 28 September 2017; and***

***Notes that, if there are no material changes to the draft resulting from the audit, due to timing constraints, the final Annual Report 2016/17 will be presented directly to Council for adoption, rather than via the Audit, Risk and Finance Subcommittee.***

Barker/Murray

Carried

## 15. Results of 2017 Residents Survey

Document number R7968, agenda pages 108 - 201 refer.

Resolved AUD/2017/051

***That the Subcommittee***

***Defers the item Results of 2017 Residents Survey (R7968) and its attachment (A1789495) to be considered at the Audit, Risk and Finance Subcommittee meeting to be held on 28 September 2017.***

Peters/Dahlberg

Carried

## 16. Exclusion of the Public

Resolved AUD/2017/052

***That the Subcommittee***

***Excludes the public 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:***

Murray/Dahlberg

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	<b>Audit, Risk and Finance Subcommittee Meeting - Public Excluded Minutes - 27 June 2017</b>	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"> <li>• Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person.</li> <li>• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</li> </ul>
2	<b>Service Delivery Review Quarterly Progress Update</b>	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"> <li>• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>

The meeting went into public excluded session at 12.25pm and resumed in public session at 12.32pm.



**17. Re-admittance of the Public**

Resolved AUD/2017/053

***That the Subcommittee***

***Re-admits the public to the meeting.***

Peters/Murray

Carried

There being no further business the meeting ended at 12.32pm.

Confirmed as a correct record of proceedings:

\_\_\_\_\_ Chairperson \_\_\_\_\_ Date