
Audit & Risk Committee

OPEN MINUTES

Minutes of a meeting of the Audit & Risk Committee held in Committee Room 1, Municipal Building, Garden Place, Hamilton on Tuesday 27 November 2018 at 1.02pm.

PRESENT

Chairperson: Keiran Horne

Membership: Bruce Robertson
Mayor Andrew King
Cr Garry Mallett
Cr Dave Macpherson
Cr Paula Southgate

In attendance: Richard Briggs – Chief Executive
David Bryant – General Manager Corporate
Eeva-Liisa Wright – General Manager Infrastructure Operations
Lance Vervoot – General Manager Community
Chris Allen – General Manager Development
Andre Chatfield – Risk and Insurance Manager
Tracey Musty – Financial Controller
Dan Finn – People Safety and Wellness Manager
Mike Lamb – Chief Information Office
Karin Barclay – Safety Engagement Lead
Morva Kaye – Internal Auditor
Corina Martin – Business Administrator
Paul Gower – Programme Manager Growth and Assets
Nigel Ward – Communications Advisor
Murray Stirling – Health and Safety Advisor
Maire Porter – City Waters Manager
Aaron Steele – Pwc
Shane Tremlow – Aon Insurance

Committee Advisor: Rebecca Watson

1. Apologies

Resolved: (Mayor King/Cr Mallett)

That the apologies for absence from Cr Pascoe and for early departure from Cr Southgate are accepted.

2. Confirmation of Agenda

Resolved: (Crs Mallett/Macpherson)

That the agenda is confirmed.

3. Declarations of Interest

No members of the Committee declared a Conflict of Interest.

4. Public Forum

There were no public forum speakers.

5. Confirmation of Audit and Risk Committee Open Minutes - 18 September 2018

Resolved: (Mayor King/Cr Southgate)

That the Committee confirm the Open Minutes of the Audit and Risk Committee Meeting held on 18 September 2018 as a true and correct record.

6. Risk Management Report

The Risk and Insurance Manager introduced the report, highlighting that across all eight material risks there had not been any movement in residual risks.

Staff responded to questions from Committee Members concerning:

- safety risk assessments and risk mitigation methods used by staff,
- subjective terms used in the risk management report,
- internal work programme,
- Vision Zero road strategy,
- inherent risk ratings,
- Civil defence response, and
- cyber attacks.

Staff Action: *Committee Members requested further information regarding options for safety mitigations for Council workers working on roadsides or median strips to be provided at the Risk Management Workshop to be held in early 2019.*

Resolved: (Mr Robertson/Cr Southgate)

That the Audit and Risk Committee receives the report.

7. Safety and Wellness Report

The People, Safety and Wellness Manager spoke to the report, highlighting that safety performance was steadily rising, particularly around injury management practises.

Staff responded to questions from Committee Members concerning:

- reporting periods,
- mitigation of critical risks,
- Employee Assistance Programme, and
- Vision Zero road strategy.

Resolved: (Cr Mallett/Cr Macpherson)

That the Audit and Risk Committee receives the report.

8. Organisational Improvement Report

The Financial Controller spoke to the report, highlighting that there were some issues noted in the report regarding assets which were due to be closed.

Committee Members discussed fixed asset management, as well as financial coding and reporting processes.

Resolved: (Mayor King/Cr Mallett)

That the Audit and Risk Committee receives the report.

Cr Southgate retired from the meeting at 2.15pm during the above discussion item. She was not present when the matter was voted on.

9. Internal Audit Update

The Financial Controller introduced the report and representative from PwC, Aaron Steele. They responded to questions from Committee Members regarding the process of setting the internal audit programme and the process of investigating internal fraud.

Resolved: (Mr Robertson/Cr Macpherson)

That the Audit and Risk Committee receives the report.

10. Insurance Report

The Risk and Insurance Manager introduced the report and representative from Aon Insurance, Shane Twemlow. They highlighted some changes to the attachment one of the staff report, as well as the background to cost increases in insurance premiums. Mr Twemlow outlined the process undertaken to set insurance prices.

Committee Members asked questions regarding appropriate levels of insurance cover.

Resolved: (Mr Robertson/Mayor King)

That the Audit and Risk Committee receives the report.

11. 2017/18 Fitch Ratings Review

The Financial Controller took the report as read, and answered questions from Committee Members concerning the age of the data used in the Fitch Ratings Report.

Resolved: (Cr Macpherson/Mr Robertson)

That the Audit and Risk Committee receives the report.

12. Audit NZ Final Audit Report June 2018

The Financial Controller introduced Leon Pieterse from Audit NZ, who spoke to the audit report. Mr Pieterse noted this was his final meeting and thanked staff and Committee Members for their work over the last 5 years.

Committee Members discussed legal titles on all Council Owned Properties, especially in regards to road stopping, and the classification of intangible assets (amortisation).

Chair Keiran Horne formally thanked Mr Pieterse for his work with the Council over the past 5 years.

Action: *Staff undertook to resolve the classification of intangible assets.*

Resolved: (Cr Macpherson/Mr Robertson)

That the Audit and Risk Committee receives the report.

13. Resolution to Exclude the Public

Resolved: (Cr Macpherson/Mayor King)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of Audit and Risk Committee Meeting - Public Excluded Minutes - 18 September 2018) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987))))	Section 48(1)(a)

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

- Item C1. to prevent the disclosure or use of official information for improper gain or improper advantage Section 7 (2) (j)

The meeting went into a public excluded session at 3.26pm.

The meeting was declared closed at 3.27pm.