

HAURAKI DISTRICT
AUDIT AND RISK COMMITTEE

MINUTES OF A MEETING OF THE AUDIT AND RISK COMMITTEE HELD IN THE HAURAKI ROOM, WILLIAM STREET, PAEROA ON TUESDAY, 19 FEBRUARY 2019 COMMENCING AT 9.00 AM

PRESENT Crs D A Adams (Deputy Chair - In the Chair), His Worship the Mayor Mr J P Tregidga, R Harris, P A Milner and D Smeaton (from 9.07am)

IN ATTENDANCE Messrs L D Cavers (Chief Executive), D Peddie (Group Manager – Corporate Services), S Baker (Finance Manager) and Ms C Black (Council Secretary)

APOLOGIES

RESOLVED

THAT the apology for absence of Chair, P Bennett and for the lateness of Cr D Smeaton be received and sustained.

ARC19/01 Harris/Milner **CARRIED**

LATE ITEMS

There were no late items.

DECLARATIONS OF INTERESTS

The Chief Executive declared a non-pecuniary interest in Item 7, as he is a trustee of LAPP.

CONFIRMATION: AUDIT AND RISK COMMITTEE MINUTES - 18-12-18 (2509599)

RESOLVED

THAT the minutes of the Audit and Risk Committee meeting held on Tuesday, 18 December 2018 be received and are a true and correct record.

ARC19/02 Milner/Harris **CARRIED**

Cr Smeaton attended the meeting at 9.07am.

RISK REPORT TO AUDIT AND RISK COMMITTEE FEBRUARY 2019 (2535078)
APPENDIX A – HDC RISK REGISTER - FEBRUARY 2019 (2535018)

The Finance Manager presented the report and the risk register which attached for the members' consideration.

RESOLVED

THAT the report be received.

ARC19/03 Adams/Harris **CARRIED**

Key risks considered significant were climate change, the loss of three waters and cyber risk. These are all now incorporated into the register.

Discussion was also held around the potential of poor decision making due to potential bias of staff or councillors and the quality and timeliness of staff reports.

PROPOSED FRAUD POLICY FEBRUARY 2019 (2535079)

ATTACHMENT A - PROPOSED FRAUD POLICY FEBRUARY 2019 (2535082)

The Group Manager – Corporate Services presented a report on the proposed fraud policy which is to be adopted by Council this month.

RESOLVED

THAT the report be received.

ARC19/04

Adams/Tregidga

CARRIED

Noted: requested a change on page 9 of the draft policy, that the external investigator 'may' be an external forensic investigator be replaced with the word will or shall.

RESOLVED

THAT the Committee endorses the adoption of the revised Fraud Policy, and

THAT the Committee instructs staff to place the proposed Fraud Policy as amended on the Council Agenda for 27 February 2019 for Council's consideration.

ARC19/05

Harris/Milner

CARRIED

DECLARATON OF INTEREST

The CEO declared a non-pecuniary interest in the following item and took no part in the discussion and decision.

OVERVIEW OF COUNCIL'S INSURANCE POLICIES - FEBRUARY 2019 (2535074)

The Group Manager – Corporate Services presented a report which provided the annual update to the Committee regarding Council's insurance policies.

RESOLVED

THAT the report be received.

ARC19/06

Tregidga/Milner

CARRIED

The meeting adjourned at 10.20am
The meeting reconvened at 10.30am

AUDIT NEW ZEALAND - AUDIT PLAN FOR THE YEAR ENDING 30 JUNE 2019 AUDIT (2535081)

APPENDIX A - HAURAKI DC 19J - AUDIT PLAN 2019 (2535006)

The Group Manager – Corporate Services presented the report on the Audit Plan for the year ending 30 June 2019.

RESOLVED

THAT the report be received.

ARC19/07

Tregidga/Harris

CARRIED

Section 99 of the Local Government Act requires that the Council's Annual Report and Summary must contain an audit report from the Auditor General. On behalf of the Auditor General, Audit New Zealand is the appointed auditor for the Hauraki District Council.

RESOLVED

THAT a standing item be added to the agenda for the meeting following the annual report – November/December 2019 and certain other meetings, that the auditor have 'committee only' time, and

THAT the Committee approve the Audit Plan for the year ending 30 June 2019 audit.

ARC19/08

Milner/Smeaton

CARRIED

It was requested that 'committee only time' be added into certain meetings as required.

AUDIT AND RISK COMMITTEE - TREASURY REPORT AS AT 31 JANUARY 2019 (2535083)

The Group Manager – Corporate Services presented the report which updated on the current position of the loan/debt status against the parameters outlined in Councils Financial Strategy and Liability Management Policy.

RESOLVED

THAT the report be received.

ARC19/09

Adams/Harris

CARRIED

PROGRESS AGAINST AUDIT NZ RECOMMENDATIONS FEBRUARY 2019 (2535073)
AUDIT NZ MANAGEMENT LETTER ACTION SCHEDULE (FEB-2019) (2535080)

The Finance Manager presented a progress report against the matters raised by Audit New Zealand as a result of the 2017/18 audit.

RESOLVED

THAT the report be received.

ARC19/10

Tregidga/Adams

CARRIED

ARC - WORK PROGRAMME REPORT FEBRUARY 2019 (2535084)

The Group Manager – Corporate Services Manager presented the forward work programme for the Audit and Risk Committee for discussion and confirmation.

RESOLVED

THAT the report be received.

ARC19/11

Harris/Milner

CARRIED

HEALTH AND SAFETY AUDIT AND RISK REPORT DEC- 2018 AND JAN 2019 (2534734)

The Chief Executive presented the Health and Safety Advisors report which updated on how Council is tracking in the areas of health, safety and wellbeing.

RESOLVED

THAT the report be received.

ARC19/12

Adams/Milner

CARRIED

Matters to be taken with the Public Excluded

RESOLVED

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:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) Under Section 48(1) for the Passing of this Resolution
1	KPMG - Progress report 19 February 2019	Section 7(2)(f)(i) - Maintain the effective conduct of public affairs through: (i) The free and frank expression of opinions by, or between, or to members, or officers or employees of any local authority, or any persons to whom section 2(5) of this Act applies, in the course of their duty.	Section 48(1)(a) That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.
2	Rates in Arrears - February 2019	Section 7(2)(a) - Protect the privacy of natural persons, including that of deceased natural persons.	Section 48(1)(a) That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.
3	Rates in arrears - Subject Property - February 2019	Section 7(2)(a) - Protect the privacy of natural persons, including that of deceased natural persons.	Section 48(1)(a) That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

ARC19/13

Smeaton/Tregidga

CARRIED

RESOLVED

THAT the public be re-admitted to the meeting and that the business in committee discussed be confirmed.

ARC19/20

Adams/Milner

CARRIED

The meeting closed at 11.45am.

CONFIRMED

D A Adams
Deputy Chairperson

16 April 2019