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**MINUTES**

**FRIDAY 8 JUNE 2007**

**9.17AM**

**Committee Room One  
Ground Floor, Council Offices  
101 Wakefield Street  
Wellington**

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**PRESENT:**

Mayor Prendergast  
Councillor McKinnon (Chair)  
Councillor Pepperell  
Councillor Ruben  
John Milne  
David Pilkington

**IN ATTENDANCE:**

Councillor Armstrong (9.17 – 10.51am)  
Councillor Shaw

017/07QA **APOLOGIES**  
(1215/52/01/IM)

**NOTED:**

There were no apologies received.

018/07QA **CONFLICT OF INTEREST DECLARATIONS**  
(1215/52/01/IM)

**NOTED:**

1. There were no conflict of interest declarations by members of the Subcommittee.
2. Councillor Shaw indicated that he had an interest in relation to Report 4. See 25/07QA for explanation.

019/07QA **MINUTES FOR CONFIRMATION**  
(1215/52/01/IM)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Approve the minutes of the meetings held on Friday 2 March 2007 having been circulated, be taken as read and confirmed as an accurate record of the meeting.*

020/07QA **PUBLIC PARTICIPATION**  
(1215/52/01/IM)

**NOTED:**

There was no public participation.

021/07QA **IMPLICATIONS FOR COUNCIL ARISING FROM THE UNAUTHORISED RELEASE OF PUBLIC EXCLUDED INFORMATION**

Report of John Scott – Director, Risk Assurance and Michael Webster, City Secretary.

(1215/52/01/IM)

(REPORT 1)

**NOTED:**

Michael Webster, City Secretary made a presentation to the subcommittee.

**Moved Councillor Ruben, seconded Councillor Pepperell the substantive motion, recommendation one.**

**The motion was PUT and declared CARRIED on voices.**

**Moved John Milne, seconded Councillor Pepperell the substantive motion, recommendation two.**

**The motion was PUT and declared CARRIED on voices.**

**Moved John Milne, seconded Councillor Pepperell the following amended substantive motion, recommendation three:**

3. Agree to the City Secretary **developing** ~~reviewing the need for~~ a process for decommissioning Public Excluded reports and the subsequent

communication that a Public Excluded report has been decommissioned to Elected Members;

**The motion was PUT and declared CARRIED on voices.**

**Moved John Milne, seconded Councillor Ruben the substantive motion, recommendation four.**

**The motion was PUT and declared CARRIED on voices.**

(The meeting adjourned for morning tea at 10.34am and reconvened at 10.50am)

**Moved Mayor Prendergast, seconded Councillor Pepperell the following amended substantive motion, recommendation five:**

5. ~~Forward~~ **Agree that** the report of the City Secretary **be reviewed and updated and presented to a subsequent meeting of the Strategy and Policy Committee for debate** ~~to the Strategy and Policy Committee for consideration~~ by all Elected Members **before the end of this triennium.**

**The motion was PUT and declared CARRIED on voices.**

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Receive the information;*
2. *Note the risks and implications posed by the release of confidential information;*
3. *Agree to the City Secretary **developing** ~~reviewing the need for~~ a process for decommissioning Public Excluded reports and the subsequent communication that a Public Excluded report has been decommissioned to Elected Members;*
4. *Note that the audit programme includes two audits on this topic*
5. ~~Forward~~ **Agree that** the report of the City Secretary **be reviewed and updated and presented to a subsequent meeting of the Strategy and Policy Committee for debate** ~~to the Strategy and Policy Committee for consideration~~ by all Elected Members **before the end of this triennium.**

**NOTED:**

The Subcommittee added the words in **bold** and deleted the words in ~~strikethrough~~.

(Councillor Armstrong left the meeting at 10.51pm)

**022/07QA STATUS REPORT ON AUDIT NEW ZEALAND ARRANGEMENTS, PROGRESS AND RECOMMENDATIONS**

Report of Helen Rogers – Financial Controller.

(1215/52/01/IM)

(REPORT 2)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Receive the information.*
2. *Note the progress made in implementing the recommendations.*
3. *Review and approve the draft Audit Approach letter for NZ IFRS (attached to the officer's report) prepared by Audit New Zealand and agree that it be issued in final form.*

**023/07QA IMPLICATIONS FOR COUNCIL OF NEW AND PROPOSED FINANCIAL REPORTING STANDARDS (IFRS)**

Report of Helen Rogers – Financial Controller.

(1215/52/01/IM)

(REPORT 3)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Receive the information.*
2. *Note the developments in New Zealand generally accepted accounting practice (GAAP) since the last Subcommittee meeting in March 2007.*

**024/07QA RESOLUTION TO EXCLUDE THE PUBLIC**

(1215/52/01/IM)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely:*

**Report 4: Risk Assurance Summary of Work Completed**

*Grounds: Section 48(1)(a) Local Government Official Information and Meetings Act – that public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7*

*Reason: Section 7(2)(b) protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of Council.*

*Note: This item is to be taken after exclusion of the public because it is dealing with internal control matters, the disclosure of which could prove detrimental to the interests of the Council.*

**Report 5: Risk Management Update**

*Grounds: Section 48(1)(a) Local Government Official Information and Meetings Act – that public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7*

*Reason: Section 7(2)(b) protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of Council.*

*Note: This report includes specific details of Council operational risks and disclosure of this information to the public may unreasonably prejudice the commercial position of the Council.*

**Report 6: 2007/08 Internal Audit Programme – Bridging Plan**

*Grounds: Section 48(1)(a) Local Government Official Information and Meetings Act – that public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7*

*Reason: Section 7(2)(b) protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of Council.*

*Note: This report includes specific details of Council operational risks and disclosure of this information to the public may unreasonably prejudice the commercial position of the Council.*

**Report 7: Summary of Incidents (to be distributed at meeting)**

*Grounds: Section 48(1)(a) Local Government Official Information and Meetings Act – that public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7*

*Reason: Section 7(2)(b) protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of Council.*

*Note: This item is to be taken after exclusion of the public because it is dealing with internal control matters, the disclosure of which could prove detrimental to the interests of the Council.*

**Report 8: Council Debtors Report (to be distributed at the meeting)**

*Grounds: Section 48(1)(a) Local Government Official Information and Meetings Act – that public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7*

*Reason: Section 7(2)(a) protect the privacy of natural persons, including that of deceased natural persons.*

*Section 7(2)(i) to enable the Council to carry out negotiations without prejudice or disadvantage.*

*Note: This report includes details of amounts owed by individuals or companies; as all their details are not held on public registers, disclosure would breach the Privacy Act. In addition, disclosure could adversely affect Council’s negotiations to recover outstanding debts.*

2. *Permit Rudie Tomlinson, of Audit New Zealand to remain at this meeting after the public has been excluded, because of his specialist knowledge of the matters under discussion.*

(The meeting went into public excluded session at 11.30am.)

(For items 25/07QA to 30/07QA please see the public excluded minutes.)

The meeting concluded at 2.00pm.

Confirmed: \_\_\_\_\_  
Chair / /