

Audit and Risk Subcommittee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 6 October 2020, commencing at 10.30am

Present:

Chairperson, Councillor Colin Kitchen
Councillor John Bain
Councillor Amy Macdonald
Ex-Officio Penny Smart
Independent Financial Advisor Geoff Copstick
Independent Audit & Risk Advisor Danny Tuato'o

In Attendance:

Full Meeting

Group Manager Corporate Excellence – Bruce Howse
Finance Manager – Simon Crabb
Personal Assistant – Judy Graham
AON Client Relationship Manager- Matthew Wilson
AON Operations Manager -Deanna MacDonald

Part Meeting

Councillor – Rick Stolwerk
Councillor – Martin Robinson
Councillor – Jack Crow
Corporate Systems Champion - Kym Ace
Accounting Assistant – Shannon Wilson
Deloitte Audit Partner – Peter Gulliver (*item 5.1 only*)
Deloitte Associate Director – Vera Chain (*item 5.1 only*)

The Chair declared the meeting open at 10.40am.

Apologies (Ngā whakapahā) (Item 1.0)

Moved (Smart/ McDonald)

That the apologies from Councillor Joce Yeoman for non-attendance be received.

Carried

Declarations of Conflicts of Interest (Nga whakapuakanga) (Item 2.0)

It was advised that members should make declarations item-by-item as the meeting progressed.

Confirmation of Minutes - 24 June 2020 (Item 4.1)

ID: A1358805

Report from Judith Graham, Corporate Excellence P/A

Moved (Smart/Bain)

That the minutes of the Audit & Risk Subcommittee meeting held on 24 June 2020 to be confirmed as a true and correct record.

Carried

2019/20 Annual Report and Deloitte Audit Report (Item 5.1)

ID: A1362628

Report from Simon Crabb, Finance Manager

Moved (Smart/Bain)

1. That the report '2019/20 Annual Report and Deloitte Audit Report' by Simon Crabb, Finance Manager and dated 10 September 2020, be received.
2. That the Subcommittee endorse a recommendation to council that the Summary Annual Report, the Full Annual Report, and the financial statements for the year ended 30 June 2020 be adopted.

Carried

Deloitte Audit Partner Peter Gulliver went through the 2019/2020 annual report and highlighted a couple of areas in the investment property valuations in how they were valued and associated assumptions. Peter Gulliver also acknowledged the challenges Northland Regional Council have faced in result of COVID-19 Lockdown and gave praise to the finance team.

Audit & Risk Subcommittee agreed that there is a need to adopt an internal audit programme.

Action: Group Manager Corporate Excellence – Bruce Howse to report back to Audit & Risk Subcommittee meeting on 2 December 2020 regarding details on implementing an internal audit programme for Northland Regional Council.

Group Manager Corporate Excellence – Bruce Howse distributed a paper prepared by Audit Partner Peter Gulliver which outlined the audit hours that Deloitte has spent over past four year.

Secretarial Note: Peter Gulliver and Vera Chain left at this time. Meeting reconvened 11.22am.

Risk Management Activity- Update (Item 5.2)

ID: A1356751

Report from Kym Ace, Corporate Systems Champion

Moved (Smart/MacDonald)

That the report 'Risk Management Activity- Update ' by Kym Ace, Corporate Systems Champion and dated 26 August 2020, be received.

Carried

Corporate Systems Champion - Kym Ace gave a presentation on where Northland Regional Council are up to with the new risk management tool.

Audit & Risk Subcommittee have requested monthly reports to council on risk management.

Action: Corporate Systems Champion - Kym Ace and Independent Audit & Risk Advisor Danny Tuato'o to meet regarding Northland Regional Council risk management.

Business with Public Excluded (Item 6.0)

Moved (Smart/MacDonald)

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.
2. That the general subject of the matters to be considered whilst the public is excluded, the reasons for passing this resolution in relation to this matter, and the specific grounds under the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No.	Item Issue	Reasons/Grounds
6.1	Confirmation of Confidential Minutes - 24 June 2020	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting -.
6.2	Update form AON Insurance	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii) and the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h).

3. That the Independent Financial Advisors be permitted to stay during business with the public excluded.

Carried

Conclusion

The meeting concluded at 12.25pm.