

Audit and Risk Subcommittee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Wednesday 2 December 2020, commencing at 1.00pm

Present:

Chairperson, Councillor Colin Kitchen *(via audio visual link)*
Councillor Amy Macdonald *(via audio visual link)*
Councillor Joce Yeoman *(via audio visual link)*
Councillor Rick Stolwerk
Ex-Officio Penny Smart
Independent Audit & Risk Advisor Danny Tuato'o

In Attendance:

Full Meeting

Corporate System Champion Kym Ace
GM Corporate Excellence Bruce Howse
PA Corporate Excellence Judy Graham

Part Meeting

Governance Support Manager Christine Taylor
Chief Executive Officer Malcolm Nicolson

The Chair declared the meeting open at 1.05pm.

Apologies (Ngā whakapahā) (Item 1.0)

Moved (Stolwerk / Yeoman)

That the apologies from Independent Financial Advisor Geoff Copstick 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.

Health & Safety Update (Item 4.0)

ID: A1390129

Report from Beryl Steele, Human Resources Manager

Moved (Stolwerk / MacDonald)

That the presentations:

4.1 Health & Safety Update

be received.

Carried

GM Corporate Excellence presented the Health & Safety presentation and an overview of tasks completed, high rating risks and priorities.

One of main concerns for the Sub-committee was stress within the organisation and a suggestion was to look at limiting communication afterhours and weekends.

Subcommittee would like to have a collective approach in dealing with stress and accessing support for the organisation.

Confirmation of Minutes - 6 October 2020 (Item 5.1)

ID: A1391036

Report from Judith Graham, Corporate Excellence P/A

Moved (Kitchen / MacDonald)

That the minutes of the Audit & Risk Subcommittee meeting held on 6 October 2020 be confirmed as a true and correct record.

Carried

Enterprise System Project Update (Item 6.1)

ID: A1386886

Report from Carol Cottam, Information Services and Technology Manager

Moved (Stolwerk /Yeoman)

That the report 'Enterprise System Project Update' by Carol Cottam, Information Services and Technology Manager and dated 18 November 2020, be received.

Carried

GM Corporate Excellent gave an update on were the Enterprise System project was up to, and out lined the next steps as noted in the Enterprise System report.

Subcommittee was impressed with the amount of detail entered in the enterprise system risk register and would like to see more of it in other projects.

Insurance Update (Item 6.2)

ID: A1389846

Report from Bruce Howse, Group Manager - Corporate Excellence

Moved (Stolwerk /Yeoman)

That the report 'Insurance Update' by Bruce Howse, Group Manager - Corporate Excellence and dated 25 November 2020, be received.

Carried

GM Corporate Excellence advised the Subcommittee that there was an average increase of 20% in AON insurance premium for the 2019/20 which equates to a 14% cash increase to council.

Action; GM Corporate Excellence to review if Northland Regional Council goes to market for alternative insurance broker services.

Check AON insurance policy to see if Council is covered for the removal of derelict boats, and if cover can be obtained for this.

Also check each policies exclusion and identify any gaps and report back to the Audit & Risk Subcommittee.

Secretarial Note: 1.56pm Chief Executive Officer Malcolm Nicolson joined the meeting.

Risk Management Activity Update (Item 6.3)

ID: A1387123

Report from Kym Ace, Corporate Systems Champion

Moved (Stolwerk/Smart)

1. That the report 'Risk Management Activity Update' by Kym Ace, Corporate Systems Champion and dated 18 November 2020, be received.
2. That Subcommittee conforms that it is comfortable that the management actions are adequate to respond to the findings of the Risk Management Maturity Assessment
3. That Subcommittee notes the risk maturity roadmap update.

Carried

Corporate System Champion spoke to the Subcommittee regarding Risk Management which included the risk register and the risk maturity matrix. A number of topics were discussed, Leadership & Direction, People & Development, Processes and Tools and Business Performance.

Subcommittee reviewed each risk item and the risk trends listed in the Corporate and Group Risk Register.

Corporate System Champion asked the Subcommittee how much detail they want to see in the report. Subcommittee agreed to the advice given by Independent Audit & Risk Advisor to continue to see all the risk at this stage in order to identify trends and gain a abroad understanding of all risks to council.

Internal Audit Programme (Item 6.4)

ID: A1388420

Report from Bruce Howse, Group Manager - Corporate Excellence

Moved (Stolwerk / Kitchen)

1. That the report 'Internal Audit Programme' by Bruce Howse, Group Manager - Corporate Excellence and dated 23 November 2020, be received.
2. That the Audit and Risk subcommittee review the proposed 3-year internal audit programme, make any amendments considered necessary, and endorse the programme.

Carried

Action; GM Corporate Excellence to report back to the subcommittee on work plan to implement recommendations from the Inphysec NZ cyber security report. Add cyber security to 2021 list and mark as complete.

Business with Public Excluded (Item 7.0)

Moved (Yeoman / MacDonald) 2.42pm

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
7.1	Confirmation of Confidential Minutes - 6 October 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 -

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

Carried

Conclusion

The meeting concluded at 2.45pm.