

PALMERSTON NORTH CITY COUNCIL

Minutes of the Audit and Risk Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 20 August 2018, commencing at 9.00am

Members Present:	Councillor Vaughan Dennison (in the Chair), The Mayor (Grant Smith) and Councillors Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Lew Findlay QSM, Jim Jefferies and Lorna Johnson and Bruno Petrenas.
Non Members:	Councillors Brent Barrett, Rachel Bowen, Leonie Hapeta, Duncan McCann, Karen Naylor, Aleisha Rutherford and Tangi Utikere.
Apologies:	The Mayor (Grant Smith) (Council Business) and Councillor Susan Baty (Council Business).

Councillor Susan Baty was not present when the meeting resumed at 10.40am. She was present for clause 16.

Councillor Duncan McCann was not present when the meeting resumed at 10.40am. He entered the meeting again at 10.48am during consideration of clause 18. He was not present for clause 17.

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16-18 Apologies

Moved Vaughan Dennison, seconded Bruno Petrenas.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 16-18 above was carried 13 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Vaughan Dennison, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Against:

Councillor Lew Findlay QSM.

Did not vote:

Councillors Gabrielle Bundy-Cooke and Leonie Hapeta.

The meeting adjourned at 9.01am

The meeting resumed at 10.40am

When the meeting resumed Councillors Susan Baty and Duncan McCann were not present.

17-18 Confirmation of Minutes

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That the minutes of the Audit and Risk Committee meeting of 21 May 2018 Part I Public be confirmed as a true and correct record.

Clause 17-18 above was carried 11 votes to 1, with 2 abstentions, the voting being as follows:

For:

Councillors Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Bruno Petrenas and Aleisha Rutherford.

Against:

Councillor Karen Naylor.

Abstained:

The Mayor (Grant Smith) and Councillor Tangi Utikere.

Councillor Duncan McCann entered the meeting at 10.48am

18-18 Internal Audit Annual Report 2017/18

Memorandum, dated 10 July 2018 from the Senior Internal Auditor, Vivian Watene.

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That the Committee note the completion of the 2017/18 Internal Audit Plan, on time and within budget.

Clause 18-18 above was carried 14 votes to 0, with 1 abstention, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Abstained:

Councillor Duncan McCann.

19-18 Risk Management Progress YTD June 2018

Memorandum, dated 13 July 2018 from the Senior Internal Auditor, Vivian Watene.

Moved Vaughan Dennison, seconded Lorna Johnson.

The **COMMITTEE RESOLVED**

1. To note the Strategic Risk profile and its risk management progress to YTD

June 2018 (Appendixes A and B of the report dated 13 July 2018 and titled Risk Management Progress YTD June 2018).

2. To note the key Operational risk management progress to YTD June 2018 (Appendix C of the report dated 13 July 2018 and titled Risk Management Progress YTD June 2018)

Clause 19-18 above was carried 14 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Against:

Councillor Leonie Hapeta.

20-18

Operational Risk Profile Review 2018

Memorandum, dated 16 July 2018 from the Senior Internal Auditor, Vivian Watene.

Moved Vaughan Dennison, seconded Lorna Johnson.

The **COMMITTEE RESOLVED**

1. That the Committee note the outcome of Management's Operational Risk Profile review.

Clause 20-18 above was carried 14 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Against:

Councillor Leonie Hapeta.

21-18

Business Continuity Planning PNCC update

Memorandum, dated 26 July 2018 from the Head of Emergency Management, Stewart Davies.

The Committee changed the frequency of reporting from 6 monthly to quarterly.

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That the Audit & Risk Committee note this report, the programme for and progress of the Business Continuity Planning within the organisation.

2. That Business Continuity Planning update be reported to the Audit and Risk Committee quarterly as part of the Audit and Risk report.

Clause 21-18 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

22-18

Asset Management Planning Update

Memorandum, dated 2 August 2018 from the Special Projects Manager, Phil Walker.

Moved Vaughan Dennison, seconded Karen Naylor.

The COMMITTEE RESOLVED

1. That the Committee note how the asset management maintenance and renewal planning processes were applied to the 2017 Asset Management Plans, the proposed improvements to condition and performance monitoring to inform future asset planning and the way in which budgets are applied to projects having both Capital Renewal and Capital New components.
2. That the Committee endorse the following reporting schedule for asset management planning issues to Audit & Risk for 2018-19:

19 November 2018 - AMP Update: Footpath condition rating and renewal programme

18 February 2019 - AMP Update: The condition and performance of the three Waters assets

20 May 2019 – AMP Update: Asset management planning in the Property area / proposed 2019/20 AMP update schedule for members consideration
3. That progress and expenditure on renewals against the detailed AMP renewal schedules be reported back to the Audit and Risk Committee at the end of each financial year.

Clause 22-18 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

23-18 Amendment to Committee Work Schedule

Notice of Motion by Councillor Vaughan Dennison.

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That resolution 15.2 of the Audit and Risk Committee meeting of 21 May 2018 “that the summary documents for the Council's Asset Management Plans be added to the Audit & Risk Committee Work Schedule” be amended to read “That a rolling audit of the Asset Management Plans be established and that this item remain on the committee's work schedule till they are completed” and the Chairperson and Deputy Chairperson be authorised to amend this wording further if required.

Clause 23-18 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

24-18 Health and Safety - April - June 2018

Memorandum, dated 7 August 2018 from the Human Resources Manager, Wayne Wilson.

Moved Vaughan Dennison, seconded Tangi Utikere.

The **COMMITTEE RESOLVED**

1. That the Audit and Risk Committee note the information contained within the report dated 7 August 2018 and titled ‘Health and Safety – April – June 2018.’

Clause 24-18 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

25-18 Committee Work Schedule

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That the Audit and Risk Committee receive its Work Schedule dated August

2018.

Clause 25-18 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

The meeting finished at 11.52am

Confirmed 19 November 2018

Chairperson