

**MINUTES OF KAPITI COAST DISTRICT COUNCIL
AUDIT AND RISK SUB-COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, GROUND FLOOR, 175 RIMU ROAD, PARAPARAUMU
ON THURSDAY, 20 MAY 2021 AT 2.06PM**

PRESENT: Mr Bryan Jackson (Chair), Cr Angela Buswell (Deputy Chair),
Deputy Mayor Janet Holborow, Cr Gwynn Compton, Mr Gary Simpson

IN ATTENDANCE: Cr Sophie Handford, Cr Martin Halliday, Community Board Member
Christine Papps, Wayne Maxwell, Mark de Haast, Sean Mallon,
Janice McDougall, Sharon Foss, Dianne Andrew, Tim Power, Anelise Horn,
Jayne Nock, Ian Georgeson, James Jefferson,

APOLOGIES: Mayor K Gurunathan

**LEAVE OF
ABSENCE:** Nil

MOTION

COMMITTEE RESOLUTION AAR2021/13

Moved: Mr Bryan Jackson
Seconder: Cr Gwynn Compton

That the Audit and Risk Subcommittee meeting be adjourned to enable the Strategy and Operations meeting to conclude.

CARRIED

The Audit and Risk Subcommittee meeting convened at 1.30pm, adjourned at 1.32pm and resumed at 2.06pm.

1 WELCOME

The Chair welcomed everyone to the meeting.

2 COUNCIL BLESSING

The Chair read the Council blessing.

3 APOLOGIES

APOLOGY

COMMITTEE RESOLUTION AAR2021/14

Moved: Deputy Mayor Janet Holborow
Seconder: Cr Gwynn Compton

That the apology received from his Worship the Mayor be accepted.

CARRIED

4 DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA

Nil

5 PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA

Nil

6 MEMBERS' BUSINESS**(a) Public Speaking Time Responses**

Nil

(b) Leave of Absence

Nil

(c) Matters of an Urgent Nature (advice to be provided to the Chair prior to the commencement of the meeting)

Nil

7 UPDATES

Nil

8 REPORTS**8.1 PROGRESS UPDATE REGARDING AUDIT CONTROL FINDINGS 2019/20**

The report was taken as read. Anelise Horn, Manager, Financial Accounting responded to Members' questions.

COMMITTEE RESOLUTION AAR2021/15

Moved: Cr Angela Buswell

Seconder: Cr Gwynn Compton

That the Audit and Risk Subcommittee notes the progress update in regards to Ernst & Young's Report on Control findings for the year ended 30 June 2020 and that Ernst & Young will re-assess these as part of their audit for the year ended 30 June 2021.

CARRIED

Members thanked staff for this report.

8.2 QUARTERLY TREASURY COMPLIANCE REPORT

Ms Horn spoke to the report and responded to Members' questions.

COMMITTEE RESOLUTION AAR2021/16

Moved: Cr Gwynn Compton

Seconder: Cr Angela Buswell

That the Audit and Risk Subcommittee notes the Council's full compliance with its Treasury Management Policy for the three months ended 31 March 2021.

CARRIED

8.4 RISK MANAGEMENT - BUSINESS ASSURANCE UPDATE

Sharon Foss, Business Improvement Manager spoke to the report and together with staff responded to Members' questions.

In addition, Members were concerned about cyber risk and it was advised:

- staff will commission an externally driven review of our Cyber Security and report the results back to the earliest possible meeting of the Audit and Risk Subcommittee;
- staff are working on a Cyber Security Strategy that the Audit and Risk Subcommittee will have the opportunity to review;
- in response to the current risk, with the enterprise system, the Draft Long Term Plan includes an Enterprise Resource Planning (ERP) replacement (currently sitting in years 2 and 3). The timing reflects the importance of having 12 months to fully scope the project; and
- there will be risk in the implementation of any new enterprise system.

Members requested more information on the Council's Insurance and where it sits in the current market and it was confirmed this would be arranged as a Deep Dive and be brought back to the next Audit and Risk Subcommittee.

Members requested two additional risks be added to the Risk Register:

- Cyber Security; and
- current Enterprise system (excluding Cyber Security). Note: dependent on the final Long Term Plan, the Enterprise Resource Planning (ERP) replacement will be a risk control.

COMMITTEE RESOLUTION AAR2021/17

Moved: Cr Gwynn Compton

Seconder: Cr Angela Buswell

That the Audit and Risk Subcommittee receives and notes this report, including Appendices 1 and 2 to this report.

CARRIED

8.3 HEALTH AND SAFETY QUARTERLY REPORT: 1 JANUARY 2021 - 31 MARCH 2021

Dianne Andrew, Organisational Development Manager spoke to the report, responded to Members' questions and advised, in addition to the report:

- the draft 2020/23 Health and Safety Plan was still following the consultation process and is yet to be completed.
- there was an error under number 4. Wellness Initiatives - the EAP services hours utilised was showing 31 staff recipients and it should read 31 hours.
- at number 10 SLT initiatives – SLT will be focussing on a Psychological Wellbeing Programme for staff following an increase in aggressive and abusive interactions from customers across the organisation.

COMMITTEE RESOLUTION AAR2021/18

Moved: Deputy Mayor Janet Holborow

Seconder: Cr Angela Buswell

That the Audit and Risk Sub Committee notes the Health and Safety Quarterly Report for the period 1 January 2021 – 31 March 2021 attached as Appendix One to this Report.

CARRIED

9 CONFIRMATION OF MINUTES**9.1 CONFIRMATION OF MINUTES****COMMITTEE RESOLUTION AAR2021/19**

Moved: Cr Gwynn Compton

Seconded: Cr Angela Buswell

Two apologies were adjusted in the draft minutes.

With the above correction, the minutes of the Audit and Risk Subcommittee meeting on 25 February 2021 be accepted as a true and accurate record of the meeting

CARRIED

10 CONFIRMATION OF PUBLIC EXCLUDED MINUTES**11 PUBLIC EXCLUDED REPORTS****RESOLUTION TO EXCLUDE THE PUBLIC****PUBLIC EXCLUDED RESOLUTION AAR2021/20**

Moved: Deputy Mayor Janet Holborow

Seconded: Cr Angela Buswell

That, pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987, the public now be excluded from the meeting for the reasons given below, while the following matters are considered.

The general subject matter 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:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
10.1 - Confirmation of Public Excluded Minutes	<p>Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>Section 7(2)(b)(ii) - the withholding of the information 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</p>	Section 48(1)(a)(i) - 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 under section 6 or section 7

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
	<p>Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p> <p>Section 7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	
<p>11.1 - Update on litigation status, statutory compliance issues, investigations</p>	<p>Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>Section 7(2)(b)(ii) - the withholding of the information 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</p> <p>Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p> <p>Section 7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>Section 48(1)(a)(i) - 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 under section 6 or section 7</p>

CARRIED

MOVE OUT OF PUBLIC EXCLUDED BUSINESS

COMMITTEE RESOLUTION AAR2021/24

Moved: Deputy Mayor Janet Holborow

Seconder: Cr Angela Buswell

That the Audit and Risk Subcommittee meeting moves out of a public excluded session at 3pm.

CARRIED

11.1 UPDATE ON LITIGATION STATUS, STATUTORY COMPLIANCE AND INVESTIGATIONS

The Audit and Risk Subcommittee resolved their approval to release report 'Update on Litigation Status, Statutory Compliance Issues, Investigations' (excluding appendices) and the resolutions from the public excluded session:

COMMITTEE RESOLUTION AAR2021/25

Moved: Cr Angela Buswell

Seconder: Cr Gwynn Compton

That the Audit and Risk Subcommittee:

note that there were no compliance issues or breaches during the quarter;

note the current status of Ombudsman and Privacy Commissioner investigations and litigation;

agree that this report and resolutions only be released from public excluded business; and

agree that Appendix A of this report, be excluded from public release.

CARRIED**Appendices**

- 1 Update on Litigation Status, Statutory Compliance and Investigations

The Audit and Risk Subcommittee came out of public excluded session at 3.19pm.

The Audit and Risk Subcommittee meeting closed at 3.19pm.

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CHAIRPERSON