

**TAUPŌ DISTRICT COUNCIL
MINUTES OF THE AUDIT & RISK COMMITTEE MEETING
HELD AT THE EAST WING, GREAT LAKE CENTRE, 5 STORY PLACE, TAUPŌ
ON MONDAY, 30 OCTOBER 2017 AT 10.00AM**

PRESENT: Mr Anthony Byett (in the Chair), Cr Barry Hickling, Mayor David Trewavas, Cr Rosie Harvey, Cr Rosanne Jollands, Cr Anna Park

IN ATTENDANCE: Cr John Boddy (until 11.27am), Cr Maggie Stewart
Chief Executive, Group Manager: Corporate & Community, Group Manager: Finance & Strategy, Group Manager: Operational Services, Democracy & Community Engagement Manager, Corporate Solicitor, Risk Manager, Infrastructure Manager, Finance Manager, Group Accountant, Senior Communications Advisor, Democratic Services Officer

MEDIA AND PUBLIC: Audit New Zealand representatives, Mr Naudé Kotzé and Ms Liz Tombleson

Note: Cr John Boddy left the meeting at 11.27am. He was not present for resolution AR201710/C03.

1 APOLOGIES

Nil

2 CONFLICTS OF INTEREST

Nil

3 CONFIRMATION OF MINUTES

3.1 AUDIT & RISK COMMITTEE MEETING - 17 JULY 2017

In answer to a question, the Group Manager: Corporate & Community advised that the report on the topic of contractors and events from a health & safety perspective would be provided in due course.

AR201710/01 RESOLUTION

Moved: Cr Barry Hickling
Seconded: Cr Anna Park

That the minutes of the Audit & Risk Committee meeting held on Monday 17 July 2017 be confirmed as a true and correct record.

CARRIED

4 REPORTS

4.1 DRINKING WATER REVIEW POST HAVELOCK NORTH

The Infrastructure Manager summarised the key points of his report and answered questions.

Members discussed backflow prevention requirements in relation to private water schemes. They asked the Chief Executive to arrange appropriate communications to clarify obligations in this area.

AR201710/02 RESOLUTION

Moved: Cr Rosanne Jollands
Seconded: Cr Barry Hickling

That the Audit & Risk Committee receives the report 'Drinking Water Review Post Havelock North'.

CARRIED

4.2 SIX MONTHLY REVIEW OF SENSITIVE EXPENDITURE

The Risk Manager summarised his report and explained the rationale behind strong recommendations 1-5 which would be considered as part of the next item – Sensitive Expenditure Policy Review.

AR201710/03 RESOLUTION

Moved: Mayor David Trewavas

Seconded: Cr Anna Park

That the Audit & Risk Committee receives the information in the Sensitive Expenditure Report (A2056099) for the period 01 January 2017 to 30 June 2017.

CARRIED

4.3 SENSITIVE EXPENDITURE POLICY REVIEW

The Risk Manager summarised proposed changes to the Sensitive Expenditure Policy and answered questions. The following points were noted:

- Uber had been included in the "Taxis, Shuttles and Rental Cars" section as another possible mode of transport.
- Council was below the threshold for a corporate Air New Zealand Airpoints membership, so Airpoints sit with individual staff. There was no efficient mechanism to re-allocate Airpoints back to the organisation.
- The proposed changes would make the policy clearer and support managers to set out expectations of staff.
- Council's insurers may or may not provide cover for incidents involving staff using private vehicles for work. There should be no reason why a staff member could not use a pool vehicle if required as part of their work duties. Councillors should check their personal policies if in doubt about coverage for use of their own private vehicles while on Council business.

AR201710/04 RESOLUTION

Moved: Cr Rosanne Jollands

Seconded: Mayor David Trewavas

That the Audit & Risk Committee adopts the proposed improvements and changes to the current Sensitive Expenditure Policy.

CARRIED

4.4 REVIEW OF RISK MANAGEMENT CHARTER

The Risk Manager summarised proposed changes to the Risk Management Charter. In answer to a question he confirmed that the updated Charter had been provided to PricewaterhouseCoopers to check in light of their recommendations. The only thing that was slightly different in the Taupō District Council Charter was the 4 stage risk management cycle; PricewaterhouseCoopers had confirmed this was consistent with the ISO standard and therefore acceptable.

The Chairman asked for an additional statement explaining the balance between risk, opportunity and value for money to be included in the Definitions section of the Charter. Members agreed with this amendment.

AR201710/05 RESOLUTION

Moved: Mayor David Trewavas

Seconded: Cr Anna Park

That the Audit & Risk Committee adopts the proposed updated Risk Management Charter, subject to inclusion of a statement in the Definitions section explaining that Council operates in such a way as to balance out risk with opportunity and value for money.

CARRIED

4.5 AUDIT & RISK COMMITTEE SCHEDULE OF POLICIES FOR REVIEW**AR201710/06 RESOLUTION**

Moved: Cr Rosanne Jollands

Seconded: Mayor David Trewavas

That the Audit & Risk Committee receives the Schedule of Policies for review (A2058362).

CARRIED

5 CONFIDENTIAL BUSINESS**AR201710/07 RESOLUTION**

Moved: Mayor David Trewavas

Seconded: Cr Barry Hickling

RESOLUTION TO EXCLUDE THE PUBLIC

I move that the public be excluded from the following parts of the proceedings of this meeting.

The general subject 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(1) for the passing of this resolution
Agenda Item No: 5.1 Confirmation of Confidential Portion of Audit & Risk Committee Minutes - 17 July 2017	Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	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 7
Agenda Item No: 5.2 Audit New Zealand Draft Final Management Report for Year Ended 30 June 2017	Section 7(2)(i) - the withholding of the information is necessary to enable [the Council] to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	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 7

<p>Agenda Item No: 5.3 Litigation Update</p>	<p>Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</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 7</p>
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I also move that *Mr Naude Kotze and Ms Liz Tombleson from Audit New Zealand* be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of item 5.2.

CARRIED

The meeting closed at 11.36am.

The minutes of this meeting were confirmed at the Audit & Risk Committee meeting held on 6 March 2018.

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CHAIRPERSON