

Audit and Risk Management Committee

OPEN MINUTES

Date: Wednesday 16 June 2021
Time: 2.02pm
Venue: Council Chambers, Level 2, Civic Offices,
53 Hereford Street, Christchurch

Present

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| Chairperson | Ms Kim Wallace |
| Deputy Chairperson | Councillor Sam MacDonald |
| Members | Mayor Lianne Dalziel |
| | Mr Michael Rondel |
| | Councillor Pauline Cotter |
| | Deputy Mayor Andrew Turner |

Principal Advisor

Miles McConway
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- Part A** **Matters Requiring a Council Decision**
Part B **Reports for Information**
Part C **Decisions Under Delegation**
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The agenda was dealt with in the following order.

1. Apologies Ngā Whakapāha

Part C **Committee Resolved ARCM/2021/00017**

That the apology for absence received from Ms Robertson Cheyne be accepted.

Ms Wallace/Councillor Cotter

Carried

4. Public Forum Te Huinga Whānui

Part B

4.1 Colin Stokes

Colin Stokes as a local resident presented to the Committee in regard issues relating to subdivision infrastructure at Yaldhurst Village and related statutory provisions.

2. Declarations of Interest Ngā Whakapuaki Aronga

Part B

Councillor MacDonald declared an interest in Public Excluded Item 18, Quarterly Procurement Report.

Mr Rondel noted in relation to Item 8, Consideration of the Council's Long Term Plan 2021-31 process, his interest as a trustee on the Arts Centre Trust Board.

3. Confirmation of Previous Minutes Te Whakaāe o te hui o mua

Part C

Committee Resolved ARCM/2021/00018

That the minutes of the Audit and Risk Management Committee meeting held on Friday, 5 March 2021 be confirmed.

Councillor MacDonald/Mr Rondel

Carried

The meeting considered an additional item, added under Standing Order 6.12 Discussion of minor matters not on the agenda.

21. Verbal Update: Wharenui Pool Calculations

The Committee received a verbal update from David Bailey on the Wharenui Pool calculations.

The Committee noted the action taken that whilst this was not part of the LTP process any future financial information provided to external bodies will be reviewed by Finance before release.

5. Deputations by Appointment Ngā Huinga Whakaritenga

Part B

There were no deputations by appointment.

6. Presentation of Petitions Ngā Pākikitanga

Part B

There was no presentation of petitions.

7. LTP 2021 update – Audit NZ report to Council on the audit of the LTP Consultation Document

Committee Comment

The Committee accepted the Staff Recommendations and additionally requested a staff report on the reviews undertaken and recommendations on the Capital Asset Management Plans.

Andy Burns of Audit New Zealand joined the table for the item.

Committee Resolved ARCM/2021/00019

Part C

That the Audit and Risk Management Committee:

1. Notes the information provided in this report.
2. Requests that there is a staff report on the reviews undertaken and recommendations on the Capital Asset Management Plans.

Ms Wallace/Councillor Cotter

Carried

8. Consideration of the Council's Long Term Plan 2021-31 process

Committee Resolved ARCM/2021/00020 (Original Staff Recommendations Accepted without Change)

Part C

That the Audit and Risk Management Committee:

1. Notes it has reviewed the general checklist and sign-off by management, including the significant forecasting assumptions, in respect of the information that provides the basis for the 2021-31 Long Term Plan.
2. Advises the Council that in the Committee's opinion an appropriate process has been followed in the preparation of this information.

Ms Wallace/Deputy Mayor

Carried

9. 2020/21 Annual Report - Critical Judgements, Assumptions and Estimates Committee Comment

The Committee accepted the Staff Recommendations, though added the words here emphasised to the second resolution to clarify what was being advised and noted: *Notes that there are no **expected new** critical judgements, estimates and assumptions in the preparation of the 2021 financial statements to be included in the Annual Report.*

Committee Resolved ARCM/2021/00021

Part C

That the Audit and Risk Management Committee:

1. Receives the information in the 2020/21 Annual Report – Critical Judgements, Assumptions and Estimates report.
2. Notes that there are no expected new critical judgements, estimates and assumptions in the preparation of the 2021 financial statements to be included in the Annual Report.
3. Notes the changes to accounting standards for adoption by the Council when considering the Annual Report.
4. Notes that should any material issues arise during the preparation of financial statements that result in the adoption of a critical judgement, estimate or assumption, this will be reported to the Committee at its September 2021 meeting.

Ms Wallace/Deputy Mayor

Carried

10. Audit New Zealand Audit Plan for 2020/21

Chantelle Gernetzky of Audit New Zealand joined the table for the item.

Committee Resolved ARCM/2021/00022 (Original Staff Recommendations Accepted without Change)

Part C

That the Audit and Risk Management Committee:

1. Receives and considers the 2020/21 Audit Plan and associated Engagement Letter for 2020/21 and 2021/22 for Christchurch City Council and Consolidated Group from Audit New Zealand.
2. Recommends that the Mayor sign the Audit Engagement Letter for the 2020/21 and 2021/22 external audits on behalf of the Council.

Ms Wallace/Councillor MacDonald

Carried

Committee Decided ARCM/2021/00023 (Original Staff Recommendations Accepted without Change)

Part A

That the Audit and Risk Management Committee recommends that the Council:

1. Receives this report.

Ms Wallace/Councillor MacDonald

Carried

11. Council External Audit Fee 2020/21 and 2021/22

Committee Resolved ARCM/2021/00024 (Original Staff Recommendations Accepted without Change)

Part C

That the Audit and Risk Management Committee:

1. Receives the information in this report and the Audit NZ fee letter.
2. Recommends that the Mayor sign the Audit NZ fee letter for 2020/21 and 2021/22.

Councillor MacDonald/Councillor Cotter

Carried

12. Christchurch Town Hall - Post Project Review

Committee Comment

The Committee accepted the Staff Recommendations and additionally requested that Management report back to the Committee on providing assurance on large capital projects and governance oversight of material changes in the capital programme.

Lawrie Saegers from Rawlinsons joined the table for the item.

Committee Resolved ARCM/2021/00025

Part C

That the Audit and Risk Management Committee:

1. Receives the information in the "CTH Post Project Review" report.
2. Receives the recommendations and implementations detailed in the "CTH Post Project Review" report.
3. Notes that subsequent projects in the Vertical Capital Delivery Major Facilities portfolio follow all protocols noted in the report.
4. Requests that Management report back to the Committee on providing assurance on large capital projects and governance oversight of material changes in the capital programme.

Ms Wallace/Deputy Mayor

Carried

Councillor MacDonald left the meeting at 3.38pm and returned at 3.39pm during the below item.

13. Health, Safety and Wellbeing Dashboard

Committee Resolved ARCM/2021/00026 (Original Staff Recommendations Accepted without Change)

Part C

That the Audit and Risk Management Committee:

1. Notes the Christchurch City Council Health, Safety and Wellbeing Dashboard as received and considered by the Health, Safety and Wellbeing Committee (HSWC) on 21 May 2021.
2. Notes that the Council has tasked the HSWC with assisting it to discharge its due diligence responsibilities as a Person Conducting a Business or Undertaking (PCBU), and the Audit and Risk Management Committee does not replicate HSWC's task, but notes that there are risk management and assurance processes in place.

Ms Wallace/Mr Rondel

Carried

14. Resolution to Exclude the Public

Committee Resolved ARCM/2021/00027

Part C

That the following persons remain after the public have been excluded for the following items of the public excluded agenda as they have knowledge that is relevant to these items and will assist the Committee:

- Andrew Simpson of KPMG, and Chantelle Gernetzky and Karina Page of Audit New Zealand, for:
 - Item 16, Cyber Security Programme – Quarterly Update;
 - Item 17, Update on Threatened Litigation – Building Act 2004;
 - Item 18, Quarterly Procurement Report;
 - Item 19, Internal Audit Status Report;
 - Item 20, Risk Management Status Report;

AND

That at 3.43pm the resolution to exclude the public set out on pages 223 to 228 of the agenda be adopted.

Councillor MacDonald/Ms Wallace

Carried

The public were re-admitted to the meeting at 5.06pm.

Meeting concluded at 5.07pm.

CONFIRMED THIS 3rd DAY OF SEPTEMBER 2021

**KIM WALLACE
CHAIRPERSON**