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Committee Council  
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## Report on the Finance, Risk and Assurance Committee meeting, 18 May 2016

### 1. Purpose

To inform the Council of the Finance, Risk and Assurance Committee (the Committee) meeting of 18 May 2016.

### 2. Reports

#### 2.1 Proposed Audit Approach 2016

Audit NZ Director, Andy Burns, attended the meeting and informed the Committee of the audit approach for 2016. The areas of focus for 2015/16 are:

- Business Risks and areas of audit focus
  - Public Transport Operating Model
  - Project Governance Arrangements
  - Property, plant and equipment fair value assessment

In terms of Audit New Zealand's areas of interest for local authorities Mr Burns advised that the auditing approach to fraud includes engaging with the Committee on its sense of risk and GWRC's management control environment. The Committee Chair advised that the Committee has confidence in GWRC's management controls, policies and procedures in relation to fraud.

## **2.2 Programme Management Office Update**

The Committee was informed that the Programme Management Office (PMO) now consists of two staff, Chris Maggs, Programme Manager and Julia Tualima-Roberts, PMO Advisor. The current focus of the PMO is information gathering about current process and tools. The focus moving forward will be continuous improvement and project management discipline and education as part of business as usual practices.

## **2.3 Summary of Financial Statements for the ten months ended 30 April 2016**

The Committee received the summary of financial performance report for the ten months ended 30 April 2016.

The Committee noted that overall the Council is in favourable financial position against budget for both year to date and full year forecast.

## **2.4 Risk Management Policy**

The Committee noted that GWRC has issued a new Risk Management Policy, replacing the original policy developed in 2012. The main changes to the earlier policy are:

- Expanding on the ISO 31000 process
- Including an internal audit function
- Recording the Council's risk management objectives and risk appetite
- Including the 'three lines of defence' model, which aligns with the Quantate register.

## **2.5 Health and Safety Update**

The Committee received a report on the health and safety performance of the organisation. The risk area with the highest numbers of incidents in the first quarter was workplace transport. The Committee was informed of the ways that GWRC manages this risk. GWRC is now using EROAD electronic monitoring to enhance understanding of the use of the vehicle fleet.

The Committee received an update on the Parangarahu Lakes area. GWRC is undertaking risk management in relation to the environmental restoration of the area.

## **2.6 Summary Risk Report**

The Committee received a report on the Catchment Management Group's risk management and changes to the Council risk register. This is part of normal quarterly reporting.

Six new risks were added to the register in the March quarter. Two relate to working near water and reflect a greater awareness of health and safety.

## **2.7 General Managers' Report to the Finance, Risk and Assurance Committee 18 May 2016**

The Committee received a report from the general managers of People and Customer and Corporate Services on activities relating to the Committee's areas of responsibility. These activities included finance, ICT, treasury, legal and procurement, programme management office, health and safety, customer contact, communications and marketing, and human resources.

## **3. The decision-making process and significance**

No decision is being sought in this report.

### **3.1 Engagement**

Engagement on this matter is unnecessary.

## **4. Recommendations**

*That the Council:*

- 1. Receives the report.*
- 2. Notes the content of the report.*

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