

**CHRISTCHURCH CITY COUNCIL**  
**MINUTES OF A MEETING OF THE**  
**AUDIT AND RISK MANAGEMENT SUBCOMMITTEE**

**Held in the No 1 Committee Room, Civic Offices**  
**on Thursday 7 May 2009 at 1pm.**

**PRESENT:** Councillor David Cox (Chairperson),  
Councillors Gail Sheriff and Chrissie Williams, and  
Messrs John Hooper and Michael Rondel.

**IN ATTENDANCE:** **Christchurch City Council**  
Councillor Helen Broughton (until 1.30pm),  
Paul Anderson (General Manager Corporate Services),  
Diane Brandish (Corporate Finance Manager),  
Graeme Nicholas (Senior Auditor),  
Chris Gilbert (Legal Services Manager), and  
Warren Brixton.

**PricewaterhouseCoopers**  
Murray Harrington (Partner).

**Audit New Zealand**  
Scott Tobin.

**APOLOGIES:** Apologies for absence were received and accepted from the  
Mayor Bob Parker, and Councillor Bob Shearing.

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	<b>ACTION</b>
<p>1. <b>CONFIRMATION OF MINUTES – 4 FEBRUARY 2009</b></p> <p>It was <b>resolved</b> that the minutes of the meeting of 4 February 2009, as circulated (both open and public excluded section), be confirmed.</p>	
<p>2. <b>MATTERS ARISING</b></p> <p>1. Customer Satisfaction surveys – Paul Anderson reported that in fact there were two surveys carried out, one street, one phone, in order to obtain a range of demographics, which were then averaged.</p>	
<p>3. <b>LEGISLATIVE COMPLIANCE PROJECT</b></p> <p>A report from the legal services manager outlined the proposed legal compliance programme which would be aligned and form part of the existing Council Risk Management Policy and framework.</p> <p>He provided examples of the 260 pieces of legislation where the Council had potential obligations. There was need to sort out the key legal risks and ensure that the Council is complying with these. The timeframe is for the project to be completed late July.</p>	

	<b>ACTION</b>
<p>It was <b>resolved</b> that the Audit and Risk Management Subcommittee recommend that staff prepare a report to the Council on legal compliance by 1 July 2009. The report shall provide options and costings for a comprehensive legal compliance programme and shall include:</p> <ul style="list-style-type: none"><li>(i) Examination of existing systems and processes and their efficacy</li><li>(ii) Review of existing systems and processes against national standards</li><li>(iii) Review the linkage of the officer delegations to legislative compliance programme</li><li>(iv) Identification of key legal risks, such as monitoring compliance with various consents held by the Council and other potential risks, such as contracts or responsibility as property owner.</li></ul>	Chris Gilbert
<p><b>4. INTERNAL AUDIT ACTIVITY REPORT – FEBRUARY 2009/APRIL, 2009 QUARTER THREE</b></p> <p>A report from the senior auditor provided a brief update on the status of internal audit activities provided by PricewaterhouseCooper and Graeme Nicholas, from within the Council. Murray Harrington of PricewaterhouseCoopers was in attendance and advised the work being undertaken was quite comprehensive, particularly that being undertaken at present being IT, security, procurement, and contract management areas.</p> <p>Reports had been provided covering the areas of:</p> <ul style="list-style-type: none"><li>• Consents and compliance</li><li>• Environmental enforcement</li><li>• EPA financial processes</li></ul> <p>He commented that with the current economic situation there was need to remain alert and to have controls in place to prevent any misappropriation etc taking place. To date, there was no evidence of this.</p> <p>Graeme Nicholas highlighted some of the matters contained within the three reports, noting in particular:</p> <ul style="list-style-type: none"><li>• Monitoring and discharge costs duplication</li></ul> <p>It was <b>resolved</b> that the report be received, being noted that the information was to be brought forward to the Subcommittee on the matters of:</p>	
<ul style="list-style-type: none"><li>• Contaminated land</li><li>• Statutory timeframes – Customer satisfaction – KPI's not being met.</li></ul>	Chris Gilbert Graeme Nicholas

	ACTION
<p>5. <b>CORPORATE FINANCE REPORT FOR QUARTER ENDED MARCH 2009</b></p> <p>Diane Brandish, Corporate Finance Manager provided the Subcommittee with an update on key financial and treasury matters for the quarter ending March 2009.</p> <p>It was <b>resolved</b> that the report be received, but that further information be provided in due course.</p> <ul style="list-style-type: none"><li>• Trade debtors – Effect of likelihood of liquidations of debtors</li><li>• Insurance providers – Credit rating of insurance providers in current economic environment</li></ul>	Diane Brandish
<p>6. <b>CITY CARE LTD (CCL) NEGOTIATING PANEL – UPDATE</b></p> <p>Paul Anderson General Manager Corporate Services provided a verbal update on progress with various contracts and renegotiation. He detailed the current timetable for the various stages with recommendations to be made available on 15 October 2009.</p> <p>It was <b>resolved</b> that the verbal report be received, it being noted that information is required in respect of:</p> <ul style="list-style-type: none"><li>• Security contracts Parks and Reserves – closure of gates</li></ul>	Paul Anderson
<p>7. <b>ISSUES OF FUTURE MEETINGS</b></p> <ul style="list-style-type: none"><li>• Waste management issues including that of recycling</li><li>• Parking fees – recovery of outstanding charges</li></ul>	
<p>8. <b>NEXT MEETING</b></p> <p>14 August 2009 at 1pm.</p> <p>A date for the first review is also to be advised by Diane Brandish.</p>	
<p>9. <b>RESOLUTION TO EXCLUDE THE PUBLIC</b></p> <p>It was <b>resolved</b> that the recommendation to exclude the public as set out on page 5 of the agenda, be adopted.</p> <p>It was further <b>resolved</b> that Scott Tobin and Murray Harrington be allowed to remain.</p>	
<p>The meeting concluded at 2.40pm</p>	