

MINUTES	MEETING	TIME
AUDIT AND RISK COMMITTEE	FRIDAY 19 MAY 2017	8.30AM

Minutes of a meeting of the Audit and Risk Committee held on Friday 19 May 2017, commencing at 8.30am in the Manawatu District Council Chambers, 135 Manchester Street, Feilding.

PRESENT: Cr Stuart Campbell (Chairperson)
 Cr Barbara Cameron
 Cr Hilary Humphrey
 Cr Phil Marsh
 Mayor Helen Worboys
 Mr John Fowke

LEAVE OF ABSENCE: Cr Howard Voss

IN ATTENDANCE: Cr Alison Short
 Cr Michael Ford

Richard Templer (Chief Executive)
 Shayne Harris (General Manager – Corporate and Regulatory)
 Brent Limmer (General Manager - Community and Strategy)
 Hamish Waugh (General Manager – Infrastructure)
 Frances Smorti (General Manager – People and Culture)
 Michael Hawker (Project Delivery Manager)
 Colleen Morris (Chief Financial Officer)
 Danielle Balmer (Communications Officer)
 Nichole Ganley (Governance Support Officer)

ARC 17/012 MEETING OPENING

The Chairperson declared the meeting open.

ARC 17/013 APOLOGIES

There were no apologies

ARC 17/014 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Audit and Risk Committee meeting held 10 February 2017 be adopted as a true and correct record.

Moved by: Mayor Helen Worboys

Seconded by: Councillor Barbara Cameron

CARRIED

ARC 17/015 DECLARATIONS OF INTEREST

There were no declarations of conflict of interest.

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ARC 17/016 NOTIFICATION OF LATE ITEMS

It was agreed to include a short discussion on following items of additional business:

External Audit
Cyber Security – WannaCry Ransomware Attack
Schedule of meetings.

RESOLVED

That the Audit and Risk Committee receives the late items for discussion.

Moved by: Councillor Phil Marsh

Seconded by: Councillor Barbara Cameron

CARRIED

ARC 17/017 THIRD QUARTER REPORT TO 31 MARCH 2017

Report of the General Manager – Corporate and Regulatory dated 12 May 2017 presenting for information a summary to 31 March 2017 of the Council's performance against 2016/17 Annual Plan.

RECOMMENDED

That the Council receives the Third Quarter Report to 31 March 2017.

Moved by: Councillor Phil Marsh

Seconded by: John Fowke

CARRIED

ARC 17/018 CONSIDERATION OF LATE ITEMS

EXTERNAL AUDIT – All of the members of the Audit and Risk Committee are invited to attend a meeting with Councillor Stuart Campbell and Mayor Helen Worboys and the external auditors. Councillor Stuart Campbell to advise of date and time.

CYBER SECURITY - Councillor Stuart Campbell wished to note the conversation he had had with the Chief Executive in regards to Manawatu District Councils cyber security in light of the recent global WannaCry Ransomware Attack, set out in questions and answers below:

Does Council have a formal security risk management process? Yes

Does Council have a robust security assurance process to provide ongoing comfort over the effectiveness of our cyber security controls? Yes and Council underwent an external audit of its security systems in April 2017.

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Who is responsible for cyber security issues? Chief Executive Officer to General Manager Corporate & Regulatory to Master Business Systems to staff member Bruce McKay who is the Systems & Networks Manager.

Does the Council meet all its regulatory and legal requirements for securing information? That I'm aware of, Yes. The General Manager Corporate and Regulatory commented that the implementation of JARVIS is to ensure our requirements under the Public Records Act are met. This isn't a security issue but internal assurance of how and where our documents are stored.

The Chief Executive also noted the robust security systems and back up measures Council had in place to protect itself against cyber-attacks. The General Manager Corporate and Regulatory noted the Council does have Cyber Insurance.

The Committee requested this information be brought to the next Council meeting.

SCHEDULE OF MEETINGS

RESOLVED

That the Audit and Risk Committee hold bi-monthly meetings.

Moved by: Councillor Barbara Cameron

Seconded by: Mayor Helen Worboys

CARRIED

ARC 17/019 NOTIFICATION OF ITEMS FOR NEXT MEETING

Draft year-end financial statements to review
 Risk Management Register
 Review of Council Insurance Cover
 Fraud Policy and Sensitive Expenditure Policy – suggested the Committee view an index of the Governance Policy register and the Management Policy register.

The meeting adjourned at 9.50 am and reconvened at 9.58am.

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ARC/020 **PUBLIC EXCLUDED BUSINESS**

RESOLVED:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- a) Underground Infrastructure Insurance

That 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	Grounds under Section 48(1) for the passing of this resolution
a) Underground Infrastructure Insurance	Section 7(2)(c)(ii) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest; and Section 7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	Section 48(1)(a) - the public conduct of the relevant part of the proceedings would be likely to result in a disclosure of information for which good reason for withholding that information would exist, under Section 7 of the Local Government Official Information and Meetings Act 1987.

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

Moved by: Councillor Barbara Cameron

Seconded by: Councillor Phil Marsh

CARRIED

The meeting went into public excluded session at 10.12am and resumed open session at 10.39am. For items ARC 17/021 to ARC 17/023 refer to public excluded minutes.

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ARC 17/024 MEETING CLOSURE

The meeting closed at 10.40am

Approved and adopted as a true and correct record:

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CHAIRPERSON

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DATE