



Report 10.218
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Committee Council
Author Barbara Donaldson, Councillor

Report on the Finance, Audit and Risk Committee meeting held on 6 May 2010

1. Purpose

To update the Council on the meeting of the Finance, Audit and Risk Committee held on 6 May 2010.

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Reports

3.1 External audits and reviews

Chris Gray presented the report on audits and reviews undertaken in the past year and commented that the council is subject to, and undertakes, an extensive programme of reviews and audits. There were only minor issues being reported back in the last year. A similar level of reviews and audits will be undertaken next year.

The Committee noted this and requested that a forward plan of reviews and audits and results thereof, be reported back to the appropriate Council Committee and to the Finance, Audit and Risk Committee.

3.2 Financial report for the nine months ending 31 March 2010

Chris Gray presented the financial report and commented that the Council was ahead of budget, with savings in the diesel bus contracts out-weighing the additional costs for Tranz Metro. Investment management is also providing significant savings through lower interest rates on borrowings and greater revenue on deposited funds. Discussion was held on the importance of the narrative to the final financial report, fully explaining any variances and use of reserves.

3.3 People and Capability Group quarterly review

Leigh-Anne Buxton presented the quarterly report for the People and Capability Group. The Committee discussed recruitment processes, health and safety and the update on the collective agreement negotiations. Assurance was given that vacancies are filled as quickly as possible and the new database facility would enable the monitoring of the length of time taken to fill vacancies.

3.4 Treasury management

Stuart Henderson, Asia Pacific Risk Management, provided a market update to the Committee.

Mike Timmer presented the treasury management report outlining the increased revenue from our deposits and lower borrowing costs on our debt. He noted that the refinancing of facilities later in May will ensure all policy guidelines will be met.

3.5 Electricity hedging

Murray Kennedy presented the electricity hedging report. The Committee noted this and requested an annual report on its actual effectiveness in reducing electricity costs.

4. Unconfirmed minutes

The unconfirmed minutes of the committee meeting are attached as *Attachment 1*.

5. Recommendations

That the Council:

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

Report prepared by:

Report prepared by:

Barbara Donaldson
Deputy Chair
Finance, Audit and Risk Committee

Chris Gray
Manager, Finance and
Support

Attachment 1: Unconfirmed minutes of Committee meeting