

Report 12.527  
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Committee Council  
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## Report on Audit, Risk and Assurance Committee meeting, 31 October 2012

### 1. Purpose

To inform the Council of the Audit, Risk and Assurance Committee meeting of 31 October 2012.

### 2. The decision-making process and significance

No decision is being sought in this report.

### 3. Reports

#### 3.1 Risk Update

The Committee reviewed two risks that had been identified as High Risk after controls were applied; these related to emergency management and water supply.

With regard to emergency management the Committee noted that officers are reviewing this risk; the Committee considered that the review should include an assessment of the state of cross-agency links (for example, the relationship of CDEM with district health boards), and whether there is an effective focus in CDEM activities on people management.

The Committee asked officers to bring an updated description of the water supply risk to the Committee's next meeting.

Officers informed the Committee that there would be a regular review of the top 10 risks, with the review outcomes reported to the Committee.

#### 3.2 Insurance Update

In Public Exclusion the Committee received a report on alternative scenarios to reduce the cost of insurance. The scenarios indicated that the relatively modest

savings that could be achieved would be outweighed by the significant increase in the risk retained by Greater Wellington.

The Committee asked officers to report to Council as part of the Annual Plan 2013/14 process on the potential for the establishment for a self-insurance fund.

### **3.3 Accounting standards**

The Committee received a briefing from Chris Gray, Manager Finance, on the proposal to establish an international accounting standard for the public sector. The Committee noted that the public sector standard is likely to initially be aligned to the existing standard, but that it will evolve over time. The Committee asked that officer comments on the draft standard be circulated to Councillors.

## **4. Recommendations**

*That the Council:*

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

Report prepared by:

Report approved by:

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Chief Financial Officer

**Judith Aitken**  
Chair, Audit, Risk and  
Assurance Committee