

## Audit Action List As At 18 March 2019

Action	Who is Responsible	Action to be completed by	Progress	Completed pending Audit signoff
<b>Crowe Howarth Internal Audit – Contract Management</b>				
<b>Overall</b>				
Contract Management Policy to be developed	Executive Leadership Team	By 31 July 2018	This Procurement and Contract Management Policy has been adopted by Council.	✓
Risk Reporting of contracts as part of the Risk Framework	Executive Leadership Team	By 31 December 2018	The Corporate Level Risk Register are being developed with the Risk and Audit Committee. Following the completion of the Corporate Risk Registers, the Group Risk Registers will developed and the relevant contracts included on the Risk Registers within the Groups.	
Contract Management Plans in place for each contract	Executive Leadership Team for Contracts within their delegation	By 30 September 2018	Contract Management Plans will be developed now that the policy is in place. This is being developed with the Contract Management Manual and supporting documentation.	
Performance measurement and reporting for contracts	Executive Leadership Team	By 30 September 2018	Reporting procedures currently covered with insufficient detail in specific contracts. These to be pulled out into specific procedures covered in the 'to be created' contract management plans.	
Contract Management Database – current spreadsheet updated with all contracts	Executive Leadership Team	By 30 June 2018	All active contracts have been entered into the spreadsheet. A review process is being established to ensure all information is correct. A number of historical contracts are being entered onto the spreadsheet for record management.	✓
Electronic Contract Management Database established	Group Manager – Corporate Support and Services	By 30 September 2018	The new EDRMS system, the Hive, has been developed with a Contract Management register and the setup finalised. Any new contracts are being recorded within the Contract Management Register within the Hive.	
Management of Records for Contracts	Executive Leadership Team	By 30 December 2018	This will be completed as part of the implementation of the EDRMS and the Contract Management Manual being developed.	
Requests For Service (RFS) review	Executive Leadership Team	By 30 July 2018	The RFS system has been reviewed and updated based on the LTP requirements. The outstanding RFS have reviewed and closed as appropriate. Reporting to the Executive Leadership team is being established.	✓
Contract evaluations	Executive Leadership Team	By 30 August 2018	A program for Section 17A reviews is being coordinated with HBLASS Council. This will form a separate work program and will be reported to Council separately.  For Contracts that fall below the requirements for a Section 17A review the Contract Evaluation will be conducted at the end of a contract based on the Contract Management Manual being established	
<b>Contract 479 Reseals</b>				
Variations Approval in line with delegations	Group Manager - Community Infrastructure and Development	By 31 July 2018	The Delegations registered has been update and approved by Council. This has been communicated to the Land Transport team with appropriate training.	✓
<b>Contract 505 Road Maintenance</b>				

Governance of the Contract with recommendations from previous meeting to be implemented.	Group Manager - Community Infrastructure and Development	By 30 September 2018	RM contract now managed more formally through an agreed plan/approach.	✓
Procedures for review of planned work programme	Group Manager - Community Infrastructure and Development	By 31 July 2018	Regular meetings are in place to agree the following months programme between the contractor and the engineers' representative.	✓
Outstanding Works monitoring	Group Manager - Community Infrastructure and Development	By 30 August 2018	Open/ongoing works are managed through the newly implemented Council RFS system that is replicated at Downer's. Resource has been provided by Downer's to support improved monitoring.	✓
Monitoring Compliance as per the Contract	Group Manager - Community Infrastructure and Development	By 30 September 2018	Systems and procedures have been developed as per recommendation. These are referenced referenced in contract management plans.	✓
Service Level Monitoring and Reporting	Group Manager - Community Infrastructure and Development	By 30 November 2018	RFS approach to be reviewed across council and assessed against the requirement within the RFS system vs RAMM.	
RAMM access reviewed	Group Manager - Community Infrastructure and Development	By 30 June 2018	Permissions have been updated as required and the assignment of overall responsibility is being reviewed.	✓
Asset Information captured throughout the life of the Contract	Group Manager - Community Infrastructure and Development	By 30 September 2018	More information is being captured during routine contract works as a result of improved contract management required by the new contract mgmt. agreement and approach. The use of digital data capture devices are supporting this in the field.	✓
<b>EY – External Audit 30 June 2018</b>				
Some assets recorded in RAMM have limited or no condition information associated with the RAMM entry.	Group Manager - Community Infrastructure and Development	By 30 June 2019	Our new Professional Services Provider (Stantec) have developed data parsing scripts and algorithms to identify gaps and anomalies with RAMM data. The software provides a gap analysis of our RAMM data compared with pre-set expectations for data completeness and validity. An initial review of the RAMM data using Stantec's software has been programmed before the end of the calendar year and this will be completed at least annually moving forward.	
We identified a Rabobank New Zealand \$600k bond with a long term S&P credit rating of 'A'.	Group Manager – Corporate Support and Services	By 30 June 2019	The Rabobank bond had a maturity date of 4 September 2018 so had been considered short term and therefore fell within the credit rating requirements of the policy. This bond has since matured. The policy is due for renewal as part of the Rates Review and External Funding and therefore it will be updated to reflect Council's current risk appetite at this time.	
A number of policies are past their date for revision.	Group Manager – Corporate Support and Services	By 30 June 2019	A timetable for the review of policies had been developed and a number of the policies have been reviewed during this triennium. The schedule was put on hold during the LTP development and the review of the Bylaws. The schedule will be reviewed and the policies that have not been reviewed prior to or during the LTP cycle will be timetabled for review.	
The LGFA borrowings are not valued in line with Council's accounting policy and are valued on an inconsistent basis to Council's other borrowings.	Group Manager – Corporate Support and Services	By 30 June 2019	For the 2018/19 year, the accounting policies will be reviewed to determine the most appropriate approach.	

All expenses should be approved by a more senior member than the staff member incurring the expenses. In the case of the Chief Executive, these should be approved by a Council member.	Group Manager – Corporate Support and Services	By 30 June 2019	As of October 2018, the CE credit card will be used for CE expenses only and will be approved by the Mayor as per the delegations.	✓
A formal assessment is recommended of the estimated residual life for property assets be included within the scope of the next valuation in 2019.	Group Manager – Corporate Support and Services	As part of the June 2019 revaluation	A formal assessment of the estimated residual life for property assets will be included within the scope of the next valuation in 2019.	
a formal review be completed for land held by the council to ensure all land titles are available and the title area reflects the Council's records and that used by QV.	Group Manager – Corporate Support and Services	As part of the June 2019 revaluation	As part of the valuation process, a percentage of the land owned by the Council is reviewed. The percentage and requirements will be reviewed prior to the next valuation.	
<b>Crowe Howarth – Sensitive Expenditure October 2018</b>				
The Protected Disclosure procedure should include a statement of commitment to effective reporting of corrupt and illegal practices, and all behaviour that is contrary to the Code of Conduct, by people of all levels within the Council.	Group Manager – Corporate Support and Services	28 February 2019	The Protected Disclosure and Code of Conduct procedures will be updated to include the guidance from the standards.	
The Office of the Auditor General's (OAG) Controlling Sensitive Expenditure guideline for travel and accommodation includes guidance that is not currently reflected in the Council's policy and procedures	Group Manager – Corporate Support and Services and People and Capability Manager	31 January 2019	Changes to the Sensitive Expenditure procedure and Attendance at Seminars and Conferences Procedure have been drafted to include the recommended wording of the OAG.	
The Office of the Auditor General's (OAG) Controlling Sensitive Expenditure guideline for hospitality and entertainment includes guidance that is not currently reflected in the Council's policy and procedures	Group Manager – Corporate Support and Services and People and Capability Manager	31 January 2019	Changes to the Sensitive Expenditure procedure and Attendance at Seminars and Conferences Procedure have been drafted to include the recommended wording of the OAG.	
The Credit Card Operation procedure should be updated to reflect the additional credit card and relevant controls (authorisation of expenditure, supporting documentation etc.).	Group Manager – Corporate Support and Services	31 January 2019	The Credit Card Operation procedure is being updated to reflect the additional credit card and relevant controls required based on the Guidance of the OAG.	
The Sensitive Expenditure policy does not include guidance on clothing and grooming.	People and Capability Manager	31 January 2019	Changes to the appropriate Procedure will be completed to include the recommended wording of the OAG.	
Exception reports should be reviewed to identify private use of Council fuel cards	Group Manager – Corporate Support and Services	31 January 2019	Changes have been made to the fuel cards requiring odometer readings and exception reporting is being accessed as part of the reporting from the fuel provider.	
Guidance should be included in the Sensitive Expenditure Policy on the level of expenditure on farewell functions and gifts that is considered acceptable.	Group Manager – Corporate Support and Services and People and Capability Manager	31 January 2019	Guidance on the level of expenditure on farewell functions and gifts previously provided to the organisation has been included as part of the Rewards and Recognition policy	✓
The entertainment and hospitality section of the Sensitive Expenditure should be updated to require pre-approval within existing delegations of authority, consistent with the "one-up" principle, with escalation to general managers for amounts over set limits	Group Manager – Corporate Support and Services and People and Capability Manager	31 January 2019	Changes to the Sensitive Expenditure procedure and Attendance at Seminars and Conferences Procedure have been drafted to include the recommended wording of the OAG and the Procurement and Contract Management Policy.	

The disposal of surplus assets to staff should be documented. To evidence compliance with the sale of surplus assets policy. For example, maintaining a register of asset disposals	Group Manager – Corporate Support and Services	31 January 2019	The disposal of surplus assets to staff (if any) will be documented to evidence compliance with the sale of surplus assets policy.	
Staff should be reminded of the expectations for reimbursement claims. Requests for reimbursement that do not comply with policy and procedures should not be paid.	Group Manager – Corporate Support and Services	31 January 2019	Staff have been reminded of the expectations for reimbursement claims. Requests for reimbursement that do not comply with policy and procedures should not be paid.	✓