
Audit and Risk Committee

OPEN MINUTES

Minutes of a meeting of the Audit and Risk Committee held in the Boardroom, Auckland Town Hall, 301-305 Queen Street, Auckland on Friday, 13 December 2013 at 9:00am.

PRESENT

Chairperson	Sir John Walker, KNZM, CBE
Deputy Chairperson	Dr Cathy Casey
Members	Cr Cameron Brewer
	Cr Bill Cashmore
	Cr Sharon Stewart, QSM
	Cr Penny Webster

APOLOGIES

Ex-officio	Deputy Mayor Penny Hulse
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ALSO PRESENT

Cr Calum Penrose

1 Apologies

Resolution number AUD/2013/30

MOVED by Chairperson JG Walker, seconded by Deputy Chairperson CM Casey:

That the Audit and Risk Committee:

- a) **accept the apology from Deputy Mayor Penny Hulse for absence.**

CARRIED

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

There were no minutes to confirm.

4 Petitions

There were no petitions.

5 Public Input

There was no public input.

6 Local Board Input

There was no local board input.

7 Extraordinary Business

There was no extraordinary business.

8 Notices of Motion

There were no notices of motion.

Precedence of Business

Resolution number AUD/2013/31

MOVED by Cr MP Webster, seconded by Cr CE Brewer:

That the Audit and Risk Committee:

- a) **agree that Item 10: Office of the Auditor General and Item 11: Management Report to the Governing Body on the Audit of Auckland Council for the year ended 30 June 2013 be accorded precedence at this time.**

CARRIED

10 Office of the Auditor General

Resolution number AUD/2013/32

MOVED by Chairperson JG Walker, seconded by Deputy Chairperson CM Casey:

That the Audit and Risk Committee:

- a) **receive the information provided by Sarah Lineham, Sector Manager – Local Government, Office of the Auditor General.**

CARRIED

11 Management Report to the Governing Body on the Audit of Auckland Council for the year ended 30 June 2013

Resolution number AUD/2013/33

MOVED by Chairperson JG Walker, seconded by Cr SL Stewart:

That the Audit and Risk Committee:

- a) **receive the final management report from Audit New Zealand on the audit of Auckland Council for the year ended 30 June 2013.**
- b) **note the recommendations made by Audit New Zealand for improvements, and Council's responses.**

CARRIED

9 Overview of the roles of Internal Audit and Risk Management

Resolution number AUD/2013/34

MOVED by Chairperson JG Walker, seconded by Cr MP Webster:

That the Audit and Risk Committee:

- a) **receive the Overview of the roles of Internal Audit and Risk Management report.**

CARRIED

12 External Appointees to the Audit and Risk Committee

Resolution number AUD/2013/35

MOVED by Cr MP Webster, seconded by Deputy Chairperson CM Casey:

That the Audit and Risk Committee:

- a) **receive the External Appointees to the Audit and Risk Committee report.**
- b) **recommend to the Governing Body that two external members be appointed to the Audit and Risk Committee.**

CARRIED

13 Update on Risk Management Activities

Resolution number AUD/2013/36

MOVED by Cr MP Webster, seconded by Deputy Chairperson CM Casey:

That the Audit and Risk Committee:

- a) receive the Update on Risk Management Activities report.
- b) request management to consider how the Audit and Risk Committee should exercise oversight of risk and audit issues in the Council Controlled Organisations, including whether the Council Controlled Organisation Audit and Risk Committees should be invited to attend the Auckland Council Audit and Risk Committee to report on significant risks which affect the Group.

CARRIED

14 Report of the Controller and Auditor General Inquiry into the Mangawhai Community Wastewater Scheme

Resolution number AUD/2013/37

MOVED by Chairperson JG Walker, seconded by Cr SL Stewart:

That the Audit and Risk Committee:

- a) note that a report will be presented to its meeting on 18 February 2014 on the Auditor General's report with respect to the Mangawhai Community Wastewater Scheme and the risks and lessons arising from that report which may be of relevance to Auckland Council.

CARRIED

15 Chief Executive's update

There was no update from the Chief Executive.

16 Consideration of Extraordinary Items

There was no consideration of extraordinary items.

17 Procedural motion to exclude the public

Resolution number AUD/2013/38

MOVED by Cr MP Webster, seconded by Deputy Chairperson CM Casey:

That the Audit and Risk Committee:

- a) exclude the public from the following part(s) of the proceedings of this meeting.
- b) agree that Roy Tiffin and Sarah Lineham, Sector Manager – Local Government, Office of the Auditor General be permitted to remain for Confidential Items C1 and C2 after the public has been excluded, because of their knowledge of the matters being discussed, which will help the Audit and Risk Committee in its decision-making.

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 follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 Update on Internal Audit activities

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. In particular, the report contains financial and operational information and details of Internal Audit activity which if released may jeopardise the effective delivery of Internal Audit services.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

C2 Update on Ethics and Integrity Activities

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 6.	s6(a) - The making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences and the right to a fair trial. In particular, the report contains financial and operation information regarding investigations which if released my jeopardise the effective delivery of Ethics and Integrity services.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 6.

C3 Appointment of Roy Tiffin to the Audit and Risk Committee

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a	s48(1)(a) The public conduct of the part of the meeting would be likely to

reason for withholding exists under section 7.	deceased person. In particular, the report contains personal information including CV relating to the appointment of a committee member.	result in the disclosure of information for which good reason for withholding exists under section 7.
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C4 Chief Executive's update - Confidential

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>In particular, the verbal report may contain financial and operational information regarding Council activities which if released may jeopardise the effective delivery of those activities.</p> <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>In particular, the verbal report may contain financial and operational information regarding Council activities which if released may jeopardise the effective delivery of those activities.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

The text of these resolutions is made available to the public who are present at the meeting and form part of the minutes of the meeting.

CARRIED

10.40am The public was excluded.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available.

10.40am The public was re-admitted.

RESTATEMENTS

It was resolved while the public was excluded:

C1 Update on Internal Audit activities

That the Audit and Risk Committee:

- b) agree that the Update on Internal Audit activities report remain confidential.

C2 Update on Ethics and Integrity Activities

That the Audit and Risk Committee:

- b) agree that the Update on Ethics and Integrity Activities report remain confidential.

C3 Appointment of Roy Tiffin to the Audit and Risk Committee

That the Audit and Risk Committee:

- c) agree that the decisions remain confidential until confirmation by the Governing Body.

C4 Chief Executive's update - Confidential

There were no resolutions for this item.

10.40am

The Chairperson thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
AT A MEETING OF THE AUDIT AND RISK
COMMITTEE HELD ON

DATE:.....

CHAIRPERSON:.....