
Audit and Risk Committee

OPEN MINUTES

Minutes of a meeting of the Audit and Risk Committee held in Room 1, Level 26, 135 Albert Street, Auckland on Tuesday, 16 December 2014 at 10.00am.

PRESENT

Chairperson	Cr Sir John Walker, KNZM, CBE	
Deputy Chairperson	Dr Cathy Casey	From 10.05am, Item 10
Members	Cr Cameron Brewer	
	Cr Bill Cashmore	
	Mr Paul Conder, CA	
	Cr Sharon Stewart, QSM	
	Mr Roy Tiffin, FCA	
	Cr Penny Webster	Until 12.05pm, Item C1

APOLOGIES

Mayor	Len Brown
Deputy Mayor	Penny Hulse

ALSO PRESENT

Cr Linda Cooper	Until 11.40am, Item 17
Cr Dick Quax	
Cr George Wood	Until 11.40am, Item 17

1 Apologies

Resolution number AUD/2014/48

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

That the Audit and Risk Committee:

- a) **accept the apologies from Mayor LCM Brown and Deputy Mayor PA Hulse for absence.**

CARRIED

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

Resolution number AUD/2014/49

MOVED by Chairperson JG Walker, seconded by Member R Tiffin:

That the Audit and Risk Committee:

- a) **confirm the ordinary minutes of its meeting, held on Tuesday, 16 September 2014, including the confidential section, as a true and correct record.**

CARRIED

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.

9 Office of the Auditor-General

The Auditor-General did not attend the meeting but issued a report to the Committee on the status of current work which was provided to the members prior to the meeting.

A copy of the report has been placed on the official copy of the minutes and can be viewed on the Auckland Council website as a minutes attachment.

Resolution number AUD/2014/50

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

That the Audit and Risk Committee:

- a) receive the information provided by the Auditor-General attached to the minutes.

CARRIED

Attachments

A Report from the Auditor-General on the status of current work

Cr Dr Cathy Casey entered the meeting at 10.05am.

10 Briefing by Audit New Zealand on the Long-term Plan consultation document

Audit New Zealand did not provide a briefing on the Long-term Plan consultation document.

This item has been withdrawn.

11 Update on Financial Control interactions with Audit New Zealand during the last quarter

Resolution number AUD/2014/51

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

That the Audit and Risk Committee:

- a) receive the Update on Financial Control interactions with Audit New Zealand during the last quarter report.

CARRIED

12 Auckland Council Group Pro Forma Financial Statements and Approval of Accounting Policies for 31 December 2014

Resolution number AUD/2014/52

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

That the Audit and Risk Committee:

- a) receive the Auckland Council Group Pro Forma Financial Statements and Approval of Accounting Policies for 31 December 2014 report.
- b) approve the accounting policies contained within the pro forma financial statements for the preparation of the 2015 half year Auckland Council and Group financial statements and delegate to Mr Roy Tiffin or Mr Paul Conder authority to approve any amendments resulting from consultation with Audit New Zealand.

CARRIED

13 Audit and Risk Committee Oversight of Council Controlled Organisation Risk

Resolution number AUD/2014/53

MOVED by Chairperson JG Walker, seconded by Member P Conder:

That the Audit and Risk Committee:

- a) request each substantive Council Controlled Organisation (CCO) provide an **Audit Summary Letter** and associated actions/plans to resolve issues identified, to the Audit and Risk Committee at its September meeting, based on the key findings noted by the CCO's auditor.
- b) note each substantive Council Controlled Organisation will provide regular reporting to the Council Controlled Organisation Governance and Monitoring Committee as part of the regular quarterly report and include the following risk information:
 - (i) how key risks are identified, assessed and managed
 - (ii) an update on the approach to risk management, internal audit and external audit
 - (iii) progress on current internal and external audit issues
 - (iv) any financial impacts that will affect the council group
 - (v) any key risks that are of a senior management or governance level that could impact on the wellbeing or reputation of the Council Controlled Organisation or Auckland Council.
- c) note a report will be provided to the Audit and Risk Committee summarising the risk issues identified by the substantive Council Controlled Organisations in their quarterly reports to the Council Controlled Organisation Governance and Monitoring Committee.

CARRIED

14 Update on Health and Safety Activities

Resolution number AUD/2014/54

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

That the Audit and Risk Committee:

- a) receive the **Update on Health and Safety Activities** report.

CARRIED

15 Update of Risk Management Activities

Resolution number AUD/2014/55

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

That the Audit and Risk Committee:

- a) receive the **Update of Risk Management Activities** report.

CARRIED

16 Consideration of Extraordinary Items

There was no consideration of extraordinary items.

Crs Linda Cooper and George Wood left the meeting at 11.40am.

17 Procedural motion to exclude the public

Resolution number AUD/2014/56

MOVED by Chairperson JG Walker, seconded by Member R Tiffin:

That the Audit and Risk Committee:

a) **exclude the public from the following part(s) of the proceedings of this meeting.**

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)(c)(ii) - The withholding of the information is necessary to 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 to damage the public interest. 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 Integrity and Investigation 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.	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.

	<p>In particular, the report contains financial and operational information regarding investigation and other activity, which if released may compromise the effective delivery of our integrity and investigative services.</p>	
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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

12.20pm 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.

12.20pm The public was re-admitted.

RESTATEMENTS

It was resolved while the public was excluded:

C1 Update on Internal Audit Activities

- a) receive the Update on Internal Audit Activities report
- b) request that following a previous audit review the committee be provided with a progress report on the status of P-card use in council
- c) agree that the Update on Internal Audit Activities report remain confidential.

C2 Update on Integrity and Investigation Activities

- a) receive the Update on Integrity and Investigation Activities report
- b) agree that the Update on Integrity and Investigation Activities report remain confidential.

12.20 pm

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:.....