
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 Wednesday, 20 May 2015 at 1.30pm.

PRESENT

Chairperson	Cr Sir John Walker, KNZM, CBE
Deputy Chairperson	Cr Dr Cathy Casey
Members	Mr Paul Conder, CA
	Cr Sharon Stewart, QSM
	Mr Roy Tiffin, FCA

ABSENT

Cr Cameron Brewer
Cr Bill Cashmore
Cr Penny Webster
Mayor Len Brown
Deputy Mayor Penny Hulse

ALSO PRESENT

Cr Calum Penrose	Until 3.24pm, Item C2
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1 Apologies

Resolution number AUD/2015/10

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

That the Audit and Risk Committee:

- a) **accept the apologies from Cr WB Cashmore, Mayor LCM Brown and Deputy Mayor PA Hulse for absence on council business and from Cr CE Brewer and Cr MP Webster for absence.**

CARRIED

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

Resolution number AUD/2015/11

MOVED by Cr SL Stewart, seconded by Member R Tiffin:

That the Audit and Risk Committee:

- a) **confirm the ordinary minutes of its meeting, held on Wednesday, 18 February 2015, 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 and Audit New Zealand briefing

Sarah Lineham, Local Government Sector Manager for Auckland, Office of the Auditor-General and Jo Smail, Audit Director for Auckland Council, Audit New Zealand addressed the meeting regarding the agenda report.

Ian McCormick, General Manager Building Control attended the meeting and responded to questions on the review of service performance around building consents.

Resolution number AUD/2015/12

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

That the Audit and Risk Committee:

- a) receive the report and the verbal update provided by Audit New Zealand.
- b) receive the report from the Auditor-General on the follow up review of Mayoral Office expenses.
- c) receive the report from the Auditor-General on Building Consents.

CARRIED

10 Draft Audit Arrangements letter for the year to 30 June 2015

Resolution number AUD/2015/13

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

That the Audit and Risk Committee:

- a) receive the draft Audit Arrangements letter from Audit New Zealand.
- b) advise Audit New Zealand to issue the final letter.
- c) recommend that the Mayor and Chief Executive sign the finalised letter.

CARRIED

11 Review Engagement Management Report for the six months to 31 December 2014

Resolution number AUD/2015/14

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

That the Audit and Risk Committee:

- a) receive the final management report from Audit New Zealand on the audit of Auckland Council for the six months to 31 December 2014.
- b) note the recommendations made by Audit New Zealand for improvements and council's responses as per Attachment A of the agenda report.

CARRIED

12 Targeted rates/reserves update

Resolution number AUD/2015/15

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

That the Audit and Risk Committee:

- a) receive this targeted rates/reserves update report.

CARRIED

13 Purchasing Cards

Resolution number AUD/2015/16

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

That the Audit and Risk Committee:

- a) receive the purchasing cards report.
- b) endorse the actions taken by management.

CARRIED

14 Update on Enterprise Risk Management activities

Resolution number AUD/2015/17

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

That the Audit and Risk Committee:

- a) endorse the Risk Strategic Plan 2015-17.
- b) receive the Update on Enterprise Risk Management report.

CARRIED

15 Health and Safety

Resolution number AUD/2015/18

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

That the Audit and Risk Committee:

- a) receive this update on health and safety activities.

CARRIED

16 Consideration of Extraordinary Items

There was no consideration of extraordinary items.

17 Procedural motion to exclude the public

Resolution number AUD/2015/19

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

That the Audit and Risk Committee:

- a) exclude the public from the following part(s) of the proceedings of this meeting.
- b) agree that Sarah Lineham, Local Government Sector Manager for Auckland, Office of the Auditor-General be permitted to remain for Confidential Items C1 to C3 after the public has been excluded, because of her knowledge of 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 Parks Contract Management

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	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

	<p>to provide under the authority of any enactment, where the making available of the information would be likely to damage the public interest.</p> <p>In particular, the report contains operational information and details of internal audit activity which if released may jeopardise the effective delivery of Internal Audit services.</p>	under section 7.
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C2 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
<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>	<p>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.</p> <p>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.</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>

C3 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
<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 6.</p>	<p>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.</p> <p>In particular, the report contains operational information regarding investigation and other activity, which if released may compromise the effective delivery of integrity and investigative services.</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 6.</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

3.45pm 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.

3.45pm The public was re-admitted.

RESTATEMENTS

It was resolved while the public was excluded:

C1 Update on Parks Contract Management

That the Audit and Risk Committee:

- a) receive the briefing from council officers on actions to implement audit recommendations arising from the October 2014 audit.
- b) agree that the Update on Parks Contract Management report and briefing remain confidential.

C2 Update on Internal Audit Activities

That the Audit and Risk Committee:

- a) receive the Update on Internal Audit Activities report.
- b) approve the Internal Audit Strategy 2016-2018.
- c) approve the Internal Audit Business Plan 2016.
- d) approve the Internal Audit Charter.
- e) note that the detailed Audit Programme of work for the six months to 31 December 2015 will be tabled for approval at the 29 July 2015 meeting of this committee.
- f) agree that the Update on Internal Audit Activities report remain confidential.

C3 Update on Integrity and Investigation Activities

That the Audit and Risk Committee:

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

3.45 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:.....