

Audit and Risk Committee

OPEN MINUTES

Minutes of a meeting of the Audit and Risk Committee held in the Room 1, Level 26, 135 Albert Street, Auckland on Monday, 29 May 2017 at 11.34am.

PRESENT

Chairperson	Sue Sheldon, CNZM
Deputy Chairperson	Cr Greg Sayers
Members	Deputy Mayor Bill Cashmore Cr Richard Hills Bruce Robertson

ABSENT

Member	Paul Conder
Ex-officio	Mayor Phil Goff IMSB Chair David Taipari

ALSO PRESENT

Cr Ross Clow

IN ATTENDANCE

Greg Schollum, Deputy Controller and Auditor-General
Sarah Lineham, Sector Manager, Local Government, Office of
the Auditor-General
Jo Smaill, Audit Director, Audit New Zealand
Robert Sutherland, Audit Manager, Audit New Zealand

1 Apologies

Resolution number AUD/2017/14

MOVED by Chairperson S Sheldon, seconded by Deputy Mayor B Cashmore:

That the Audit and Risk Committee:

- a) **accept the apologies from Member P Conder, Mayor P Goff and IMSB Chair D Taipari for absence.**

CARRIED

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

Resolution number AUD/2017/15

MOVED by Member B Robertson, seconded by Deputy Mayor B Cashmore:

That the Audit and Risk Committee:

- a) **confirm the ordinary minutes of its meeting, held on Wednesday, 1 March 2017, 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 Audit and Risk Committee Forward Work Programme

Resolution number AUD/2017/16

MOVED by Chairperson S Sheldon, seconded by Deputy Chairperson G Sayers:

That the Audit and Risk Committee:

- a) **approve the amended three year forward work programme.**

CARRIED

10 Consideration of Extraordinary Items

There was no consideration of extraordinary items.

11 Procedural motion to exclude the public

Resolution number AUD/2017/17

MOVED by Chairperson S Sheldon, seconded by Member B Robertson:

That the Audit and Risk Committee:

- a) **exclude the public from the following part(s) of the proceedings of this meeting.**
- b) **agree that Greg Schollum, Deputy Controller and Auditor-General, Sarah Lineham, Sector Manager, Local Government, Office of the Auditor-General, Jo Smail, Audit Director, Audit New Zealand and Robert Sutherland, Audit Manager, Audit New Zealand be permitted to remain for Confidential Items C1 Auckland Council and Group Financial Year End 30 June 2017 Reporting and Audit Requirements and C2 Office of the Auditor-General and Audit New Zealand; Paul McKay, General Manager AON, Sahreena Mohammed, Executive Director – Account Manager for Council Group AON and Sam Ketley, Risk Engineer AON be permitted to remain for Confidential Item C3 Insurance Renewal - Indicative Council Group Programme for 2017/2018 period and Damian O’Connell, Associate Director, EY be permitted to remain for Confidential Item C4 Update on Compliance with the Holidays Act 2003 after the public has been excluded, because of their knowledge of matters 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 Auckland Council and Group Financial Year End 30 June 2017 Reporting and Audit Requirements

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.	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

	In particular, the report contains financial assumptions and judgements that have impact on the financial results of the Auckland Council Group as at 30 June 2017.	under section 7.
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C2 Office of the Auditor-General and Audit New Zealand briefing

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)(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 report from Audit New Zealand contains information regarding the annual report and financial results of the Auckland Council Group as at 30 June 2017.</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 Insurance Renewal - Indicative Council Group Programme for 2017/2018 period

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)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p> <p>In particular, the report contains preliminary indications of the proposed policies and indicative premiums and terms from insurers which are subject to consideration and negotiation.</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>

C4 Update on Compliance with the Holidays Act 2003

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 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>

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

11.44am 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.

1.34pm The public was re-admitted.

RESTATEMENTS

It was resolved while the public was excluded:

C1 Auckland Council and Group Financial Year End 30 June 2017 Reporting and Audit Requirements

Resolution number AUD/2017/18

MOVED by Deputy Chairperson G Sayers, seconded by Deputy Mayor B Cashmore:

That the Audit and Risk Committee:

- a) receive the Auckland Council and Group Financial Year End 30 June 2017 Reporting and Audit Requirements report.
- b) agree that the report and attachments will remain confidential, but the decisions be restated in the open minutes.

C2 Office of the Auditor-General and Audit New Zealand briefing

Resolution number AUD/2017/19

MOVED by Chairperson S Sheldon, seconded by Member B Robertson:

That the Audit and Risk Committee:

- a) receive the information provided by the Auditor-General's representatives, Greg Schollum, Deputy Controller and Auditor-General, Sarah Lineham, Sector Manager - Local Government and Jo Smail, Audit Director, Audit New Zealand.
- b) thank Greg Schollum, Sarah Lineham and Jo Smail for their attendance.
- c) agree that the report and attachments will remain confidential, but the decisions be restated in the open minutes.

C3 Insurance Renewal - Indicative Council Group Programme for 2017/2018 period

Resolution number AUD/2017/20

MOVED by Chairperson S Sheldon, seconded by Deputy Chairperson G Sayers:

That the Audit and Risk Committee:

- a) note the briefing received on the indicative council group insurance renewal programme for 2017/2018 year;
- b) endorse the indicative programme; and

- c) refer the indicative programme to the Finance and Performance Committee for consideration and approval.
- d) agree that the decisions be transferred to the open minutes but the report and attachments remain confidential.

C4 Update on Compliance with the Holidays Act 2003

Resolution number AUD/2017/21

MOVED by Chairperson S Sheldon, seconded by Cr R Hills:

That the Audit and Risk Committee:

- e) agree that the report, attachments and decisions remain confidential.

1.34pm

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:.....