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## Audit and Risk Committee

### OPEN MINUTES

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Minutes of a meeting of the Audit and Risk Committee held in the Room 1, Level 26, 135 Albert Street, Auckland on Friday, 25 August 2017 at 2.15pm.

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#### PRESENT

<b>Chairperson</b>	Sue Sheldon, CNZM	
<b>Deputy Chairperson</b>	Greg Sayers	
<b>Members</b>	Deputy Mayor Bill Cashmore	
	Cr Richard Hills	
	Member Bruce Robertson	
<b>Ex-officio</b>	Mayor Hon Phil Goff, CNZM, JP	From 2.42pm, Item C1 Until 4.30pm, Item C5
	IMSB Chair David Taipari	Until 4.22pm, Item C4

#### ABSENT

Member Paul Conder

#### ALSO PRESENT

Cr Ross Clow

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**1 Apologies**

Resolution number AUD/2017/38

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

**That the Audit and Risk Committee:**

- a) **accept the apology from Member P Conder for absence and Mayor P Goff for lateness.**

**CARRIED**

**2 Declaration of Interest**

There were no declarations of interest.

**3 Confirmation of Minutes**

Resolution number AUD/2017/39

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

**That the Audit and Risk Committee:**

- a) **confirm the ordinary minutes of its meeting, held on Wednesday, 19 July 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/2017/40

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

**That the Audit and Risk Committee:**

- a) **reconfirm the three-year forward work programme.**

**CARRIED**

**10 Treaty Audit - approach to monitoring implementation of council-controlled organisation Māori Responsiveness Plans**

Resolution number AUD/2017/41

MOVED by IMSB Member D Taipari, seconded by Member B Robertson:

**That the Audit and Risk Committee:**

- a) **receive this report.**
- b) **note the planned approach of Internal Audit to monitoring and reporting on council-controlled organisation Māori Responsiveness planning over the 2017/18 year.**

**CARRIED**

**13 Health, Safety and Wellbeing update**

Resolution number AUD/2017/42

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

**That the Audit and Risk Committee:**

- a) **receive the update report on Health, Safety and Wellbeing**
- b) **refer the Health, Safety and Wellbeing report to the Finance and Performance Committee for its consideration**
- c) **note that the Health, Safety and Wellbeing report will also be provided to all local boards for their information.**

**CARRIED**

**11 Consideration of Extraordinary Items**

There was no consideration of extraordinary items.

**12 Procedural motion to exclude the public**

Resolution number AUD/2017/43

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

**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 Smaill, Audit Director, Audit New Zealand, Athol Graham, Audit Director, Audit New Zealand be permitted to remain for Confidential Items, C1 Update on compliance with the Holidays Act 2003, C2 New Zealand Stock Exchange Preliminary Announcement, media release and primary financial statements for the year ended 30 June 2017, C3 Office of the Auditor-General and Audit New Zealand briefing, C4 Proposed review to embed the learnings of the Albany pool construction and C5 Internal Audit Plan for the year ended 30 June 2018 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 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.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.  In particular, the report contains operational information, including 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 New Zealand Stock Exchange Preliminary Announcement, media release and primary financial statements for the year ended 30 June 2017**

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 adjustments, assumptions and judgements that have impact on the financial results of the Auckland Council group as at 30 June 2017.	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.

**C3 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.	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 from Audit New Zealand contains information regarding the annual report and financial results of the Auckland Council Group as at 30 June 2017.	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.

**C4 Proposed review to embed the learnings of the Albany pool construction.**

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)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.  In particular, the report contains financial and operational information, including 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.

**C5 Internal Audit Plan for the year ended 30 June 2018**

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)(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 amnd 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**

2.41pm 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.

4.52pm The public was re-admitted.

**RESTATEMENTS**

It was resolved while the public was excluded:

**C1 Update on compliance with the Holidays Act 2003**

Resolution number AUD/2017/44

MOVED by Deputy Chairperson G Sayers, seconded by IMSB Member D Taipari:

That the Audit and Risk Committee:

Restatement

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

**C2 New Zealand Stock Exchange Preliminary Announcement, media release and primary financial statements for the year ended 30 June 2017**

Resolution number AUD/2017/45

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

That the Audit and Risk Committee:

Restatement:

c) agree that the report remain confidential, but the discussion be restated in the open minutes.

**C3 Office of the Auditor-General and Audit New Zealand briefing**

Resolution number AUD/2017/46

MOVED by Member B Robertson, seconded by Deputy Chairperson G Sayers:

That the Audit and Risk Committee:

Restatement

- c) agree that the report and attachments will remain confidential, but the decisions be restated in the open minutes.

**C4 Proposed review to embed the learnings of the Albany pool construction.**

Resolution number AUD/2017/47

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

That the Audit and Risk Committee:

Restatement

- e) agree that the report and attachments will remain confidential, but the decisions be restated in the open minutes.

**C5 Internal Audit Plan for the year ended 30 June 2018**

Resolution number AUD/2017/48

MOVED by Member B Robertson, seconded by Deputy Chairperson G Sayers:

That the Audit and Risk Committee:

Restatement

- e) agree that this report and attachments remain confidential, but the decisions be restated in the open minutes.

4.53 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:**.....