
Komiti mō te Tātari me te Mātai Tūraru / Audit and Risk Committee

OPEN MINUTES

Minutes of a meeting of the Audit and Risk Committee held in Room 1, Level 26, Te Wharau o Tāmaki - Auckland House, 135 Albert Street, Auckland on Tuesday, 18 February 2025 at 2.02pm. A recording of the open meeting is available on: <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/meetings-council-bodies/Pages/webcasts-council-meetings.aspx>

TE HUNGA KUA TAE MAI | PRESENT

Chairperson	Paul Connell	
Deputy Chairperson	Cr John Watson	
Members	Member Cassandra Crowley	
	Cr Angela Dalton	
	Cr Shane Henderson	Via electronic link
	Member Martin Matthews	Via electronic link
	Cr Maurice Williamson	Until 5.15pm, Item C4
Ex-officio	Houkura Member Tony Kake	Via electronic link until 2.45pm, Item 10

TE HUNGA KĀORE I TAE MAI | ABSENT

Ex-officio	Mayor Wayne Brown
	Deputy Mayor Desley Simpson

TE HUNGA ĀPITI KUA TAE MAI | ALSO PRESENT

Cr Mike Lee

HE HUNGA ATU ANŌ I TAE MAI | IN ATTENDANCE

David Taylor, Sector Manager - Auckland
Wikus Jansen van Rensburg Audit Director, Audit New Zealand
René van Zyl, Audit Director, Audit New Zealand
Christine Liu, Audit Manager, Audit New Zealand

Note: As per the Terms of Reference, Houkura – Independent Māori Statutory Board members are ex-officio and attend the meeting for Treaty Audit items only.

1 Ngā Tamōtanga | Apologies

Resolution number ARCCC/2025/1

MOVED by Chairperson P Connell, seconded by Cr M Williamson:

That the Audit and Risk Committee:

a) **whakaae / accept the apologies from:**

Absence

Mayor W Brown – on council business

Deputy Mayor Cr D Simpson, JP – on council business

Early departure

Cr M Williamson

Houkura Member T Kake

CARRIED

Electronic attendance

Resolution number ARCCC/2025/2

MOVED by Chairperson P Connell, seconded by Member C Crowley:

That the Audit and Risk Committee:

a) **whakaae / approve electronic attendance under Standing Order 3.3.3 for:**

- **Member M Matthews (SO 3.3.3 a))**
- **Cr S Henderson (SO 3.3.3 a))**
- **Houkura Member T Kake (SO 3.3.3 a))**

CARRIED

2 Te Whakapuaki i te Whai Pānga | Declaration of Interest

Chairperson P Connell declared that he was a director of WorkSafe.

Member C Crowley declared that she was the Deputy Chair of Waka Kotahi NZ Transport Agency.

3 Te Whakaū i ngā Āmiki | Confirmation of Minutes

Resolution number ARCCC/2025/3

MOVED by Chairperson P Connell, seconded by Deputy Chairperson Cr J Watson:

That the Audit and Risk Committee:

a) **whakaū / confirm the ordinary minutes of its meeting, held on [Tuesday, 3 December 2024](#), including the confidential section, as a true and correct record.**

CARRIED

4 Ngā Petihana | Petitions

There were no petitions.

5 Ngā Kōrero a te Marea | Public Input

There was no public input.

6 Ngā Kōrero a te Poari ā-Rohe Pātata | Local Board Input

There was no local board input.

7 Ngā Pakihi Autaia | Extraordinary Business

There was no extraordinary business.

8 Forward Work Programme 2024-2025

Resolution number ARCCC/2025/4

MOVED by Chairperson P Connell, seconded by Cr A Dalton:

That the Audit and Risk Committee:

- a) **whakaae / approve the Audit and Risk Committee forward work programme, noting that:**
 - i) **an update from Port of Auckland Limited (POAL) has been deferred from this committee meeting**
 - ii) **the engagement letter for 2025 greenhouse gas (GHG) emissions assurance has been added and will be presented at this committee meeting**
 - iii) **a paper in response of the Office of Auditor General's review of Flagstaff Partner's engagement with Council has been added and will be presented at this committee meeting.**

CARRIED

9 Houkura - IMSB Treaty Audit monitoring update

Resolution number ARCCC/2025/5

MOVED by Houkura Member T Kake, seconded by Cr S Henderson:

That the Audit and Risk Committee:

- a) **whiwhi / receive the update on the progress of recommendations documented in He Waka Kōtuia Te Tiriti o Waitangi Audit Response Work Programme 2024–2027 (Attachment A)**
- b) **tuhi ā-taipitopito / note that the Risk and Assurance department will continue to report on a six-monthly basis on progress against He Waka Kōtuia Te Tiriti o Waitangi Audit Response Work Programme 2024–2027 (Attachment A) to this committee.**

CARRIED

10 Health, Safety and Wellbeing Q2 FY25 update

Houkura member T Kake retired from the meeting at 2.45pm.

Note: The meeting adjourned at 2.50pm and reconvened at 3.04pm.

Cr S Henderson left the meeting at 2.55pm.

Note: Changes were made to clause b) with the agreement of the meeting.

Resolution number ARCCC/2025/6

MOVED by Member C Crowley, seconded by Cr A Dalton:

That the Audit and Risk Committee:

- a) **tuhi a-taipitopito / note the information in this report and the associated health, safety, and wellbeing indicators**
- b) **whakaae / agree to refer this report to the Governing Body, noting that the committee holds concerns about areas for ongoing improvement in council's management of health and safety and requests that when the report is tabled at the Governing Body in March 2025, there be additional assurance that all reasonable, practicable steps are being taken to implement improvements in the shortest possible time.**

CARRIED

11 Management's response to the Office of the Auditor-General review of Flagstaff Partners engagements

Cr S Henderson returned to the meeting at 3.05pm.

Cr M Williamson left the meeting at 3.30pm.

Cr M Williamson returned to the meeting at 3.55pm.

Resolution number ARCCC/2025/7

MOVED by Chairperson P Connell, seconded by Deputy Chairperson Cr J Watson:

That the Audit and Risk Committee:

- a) **whiwhi / receive the letter from the Office of the Auditor-General (Attachment A) providing its observations on the Auckland Council's engagements with Flagstaff and identifying suggestions for improvement**
- b) **tuhi tīpoka / note that staff will update the Auckland Council's procurement policies, guidance and practice to ensure that whole-of-life contract costs are considered at the start of every procurement**
- c) **tuhi tīpoka / note the Chief Executive has directed that out-of-pocket expenses are to be precluded from new procurements and contracts for professional services unless there are exceptional reasons and prior approval has been obtained**
- d) **tuhi tīpoka / note that staff are updating the Auckland Council's procurement guidance, practice and training to ensure that when out-of-pocket expense claims are made under existing arrangements (or under new arrangements in exceptional circumstances) that receipts and/or other documentation are consistently requested and approved for all such claims to ensure that the claims are actual, reasonable and justifiable**

- e) tuhi tīpoka / note that at the request of the Chief Executive, staff are progressing further opportunities and recommendations to minimise and scrutinise consultant spend and will report this to the Chief Executive for consideration and implementation
- f) tuhi tīpoka / note that Auckland Council will work with the council-controlled organisations to progress and promote a consistent groupwide approach to these matters in line with the advice from the Office of the Auditor-General on public sector best practice.

CARRIED

12 Endorsement of the draft Audit New Zealand audit plan for the year ended 30 June 2025

Resolution number ARCCC/2025/8

MOVED by Member C Crowley, seconded by Cr A Dalton:

That the Audit and Risk Committee:

- a) arotake / review and ohia / endorse the draft audit plan for the audit of the 30 June 2025 annual report (Attachment A)
- b) tono / request Audit New Zealand formally issue the audit plan.

CARRIED

13 Endorsement of the Auditor-General limited assurance engagement letter on consolidated greenhouse gas emissions disclosures for the year ended 30 June 2025

Resolution number ARCCC/2025/9

MOVED by Cr A Dalton, seconded by Chairperson P Connell:

That the Audit and Risk Committee:

- a) arotake / review and ohia / endorse Audit New Zealand's limited assurance engagement letter on the consolidated greenhouse gas emissions disclosures for the year ended 30 June 2025.

CARRIED

14 Half year results announcement for the NZX and Interim Report for the six months ended 31 December 2024

Resolution number ARCCC/2025/10

MOVED by Member C Crowley, seconded by Cr M Williamson:

That the Audit and Risk Committee:

- a) tuhi ā-taipitopito / note the processes and controls to ensure the validity, accuracy and completeness of the NZX release and the interim report for the six months ended 31 December 2024.

CARRIED

15 Te Whakaaro ki ngā Take Pūtea e Autaia ana | Consideration of Extraordinary Items

There was no consideration of extraordinary items.

16 Te Mōtini ā-Tukanga hei Kaupare i te Marea | Procedural motion to exclude the public

Resolution number ARCCC/2025/11

MOVED by Chairperson P Connell, seconded by Deputy Chairperson Cr J Watson:

That the Audit and Risk Committee:

- a) **whakaae / agree to exclude the public from the following part(s) of the proceedings of this meeting.**
- b) **whakaae / agree that David Taylor, Sector Manager - Auckland, Wikus Jansen van Rensburg, Audit Director, Audit New Zealand, René van Zyl, Audit Director, Audit New Zealand and Christine Liu, Audit Manager, Audit New Zealand be permitted to remain for the confidential part of the meeting 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 CONFIDENTIAL: Substantive Council-Controlled Organisations' Quarterly Risk Update - February 2025

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)(i) - 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 prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.</p> <p>In particular, the report contains risk reporting and detailed risks confidential to the substantive council-controlled organisations' boards or Audit and Risk Committees. The substantive council-controlled organisations have provided their risk reports for council's Audit and Risk Committee subject to confidentiality.</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>

C2 CONFIDENTIAL: Cyber Security Strategic Risk Update

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)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health and safety of members of the public.</p> <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 information that could be misused by hostile actors to target the council, or its employees, ratepayers, or customers, which if successful could include the disclosure of a wide variety of confidential, private or sensitive information.</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 CONFIDENTIAL: Insurance Renewal Update 2025-2026

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)(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 contains details of the proposed insurance strategy, policies and programme for which terms and costs are being sought and negotiated with the insurance market.</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 CONFIDENTIAL: Internal Audit and Integrity Update

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)(i) - 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 prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.</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 information which if released would jeopardise the effective delivery of the Internal Audit work programme.</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>

C5 CONFIDENTIAL: Half year results announcement for the NZX and Interim Report for the six months ended 31 December 2024

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)(j) - The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage.</p> <p>In particular, the report and attachments contain information regarding the interim report and financial results of Auckland Council Group as at 31 December 2024 which cannot be made public until released to the NZX.</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>

C6 CONFIDENTIAL: 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)(j) - The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage. In particular, the report from the Office of the Auditor-General and Audit New Zealand contains information regarding the financial results of the Auckland Council Group and Auckland Council for 31 December 2024 which cannot be made public until released to the NZX.	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.

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

4.10pm 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.

5.46pm The public was re-admitted.

RESTATEMENTS

It was resolved while the public was excluded:

C1 CONFIDENTIAL: Substantive Council-Controlled Organisations' Quarterly Risk Update - February 2025

Resolution number ARCCC/2025/12

MOVED by Deputy Chairperson Cr J Watson, seconded by Chairperson P Connell:

That the Audit and Risk Committee:

- a) tuhi ā-taipitopito / note the written and verbal updates provided by Auckland Transport Limited
- b) tuhi ā-taipitopito / note the written updates provided by Tātaki Auckland Unlimited, Eke Panuku Development Auckland, and Group Shared Services (GSS)
- c) tautohu / refer this report including the attachments relating to Eke Panuku Development Auckland and Tātaki Auckland Unlimited to the Council Controlled Organisation Direction and Oversight Committee
- d) tautohu / refer this report including the attachments relating to Auckland Transport only to the Transport, Resilience and Infrastructure Committee

Restatement

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

C2 CONFIDENTIAL: Cyber Security Strategic Risk Update

Resolution number ARCCC/2025/13

MOVED by Member M Matthews, seconded by Cr S Henderson:

That the Audit and Risk Committee:

- a) tuhi ā-taipitopito / note the update on cyber security strategic risks

Restatement

- b) whakaae / agree that the decision be restated in the open minutes, but the Cyber Security strategic risk update report remains confidential.

C3 CONFIDENTIAL: Insurance Renewal Update 2025-2026

Resolution number ARCCC/2025/14

MOVED by Chairperson P Connell, seconded by Deputy Chairperson Cr J Watson:

That the Audit and Risk Committee:

- a) tuhi ā-taipitopito / note the progress update on the 2025-2026 insurance renewal, Auckland Anniversary and Cyclone Gabrielle weather event claims, the cumulative loss modelling study, and the self-insurance fund

Restatement

- b) whakaae / agree that the decisions be transferred to the open minutes, but the report remain confidential.

C4 CONFIDENTIAL: Internal Audit and Integrity Update

Resolution number ARCCC/2025/15

MOVED by Member C Crowley, seconded by Cr A Dalton:

That the Audit and Risk Committee:

- a) tuhi ā-taipitopito / note the update on assurance activities performed by the Risk and Assurance department

Restatement

- b) whakaae / agree that the decisions be transferred to the open minutes, but the report and attachments remain confidential.

C5 CONFIDENTIAL: Half year results announcement for the NZX and Interim Report for the six months ended 31 December 2024

Resolution number ARCCC/2025/16

MOVED by Chairperson P Connell, seconded by Member C Crowley:

That the Audit and Risk Committee:

- a) tuhi ā-taipitopito / note that there are no significant outstanding matters in relation to the draft half year NZX release, noting that the interim report is still subject to finalisation of disclosure items, final management review and receipt of the Independent Auditor's Review Report

- b) whakaae / agree that any significant changes to the draft NZX release, including the draft Auckland Council Group Interim Report 31 December 2024 will be notified to the Audit and Risk committee members prior to finalisation of the report
- c) tautapa / delegate endorsement of any significant changes to the Audit and Risk Committee chair and the group chief financial officer
- d) tūtohu / recommend that the deputy mayor, under delegation of the Governing Body, approves the half year NZX release for the six months ended 31 December 2024, and authorisers; the mayor and the chief executive approve and release the half year NZX release on 27 February 2025
- e) whakaae / approve the updated fraud representation questionnaire for release to Audit New Zealand

Restatement:

- f) whakaae / agree that the report and attachment remain confidential, but the decisions be restated in the open minutes.

C6 CONFIDENTIAL: Office of the Auditor-General and Audit New Zealand briefing

Resolution number ARCCC/2025/17

MOVED by Chairperson P Connell, seconded by Member C Crowley:

That the Audit and Risk Committee:

- a) whiwhi / receive the information provided by the Auditor-General’s representatives, Sector Manager – Auckland David Taylor and Audit Directors Wikus Jansen van Rensburg and René van Zyl and thank them for their attendance

Restatement

- b) whakaae / agree that the report and attachment will remain confidential, but the decisions be restated in the open minutes.

5.46pm

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:.....