

Audit and Risk Committee

AGENDA

Notice of Meeting:

A meeting of the Audit and Risk Committee will be held on:

Date: Wednesday 22 June 2022
Time: 1.30pm
Venue: Council Chamber
137 Havelock Street, Ashburton

Membership

Chairperson	Leen Braam
Deputy Chairperson	John Falloon
Members	Carolyn Cameron Liz McMillan Stuart Wilson Murray Harrington (external appointee) Mayor Neil Brown (ex-officio)

Covid-19 Protection

Council meetings will go ahead as normal under the Orange traffic light setting. A vaccine pass is not required but people attending must wear a mask.

Watch the live-stream of this meeting on our You Tube channel, Facebook page and website:
<https://www.ashburtondc.govt.nz/council/public-meetings-research-centre>

Audit & Risk Committee

Timetable

1.30pm	Meeting commences
2pm	Marsh Insurance – Jerard Cowburn (Principal, Christchurch)

ORDER OF BUSINESS

- 1 Apologies
- 2 Extraordinary Business
- 3 Declarations of Interest

Minutes

- 4 Audit & Risk Committee – 11/05/22 **3**

Reports

Business transacted with the public excluded

- 5 Audit & Risk Committee – 11/05/22 **PE 1**
Section 7(2)(a) Protection of privacy of natural persons
- 6 Health & Safety **PE 2**
Section 7(2)(a) Protection of privacy of natural persons
- 7 Insurance Renewal **PE 8**
Section 7(2)(h) Commercial activities

17 June 2022

4. *Audit & Risk Committee Minutes*

Minutes of the Audit & Risk Committee meeting held on Wednesday 11 May 2022, commencing at 1.30pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

Mayor Neil Brown, Councillors Leen Braam (Chair) and Carolyn Cameron. Via MS Teams: Murray Harrington & Crs John Falloon, Liz McMillan and Stuart Wilson.

Also present:

Councillors Angus McKay and Lynette Lovett (via MS Teams).

In attendance

Hamish Riach (Chief Executive), Jane Donaldson (GM Strategy & Compliance), Sarah Mosley (Manager People & Capability), Erin Register (Finance Manager), Lauretta Smith (Accountant) and Phillipa Clark (Governance Team Leader).

Via Teams: Paul Brake (GM Business Support)

Presentation

Marsh Insurance – 2.13pm-2.40pm

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

4 Confirmation of Minutes – 23/03/22

That the minutes of the Audit & Risk Committee meeting held on 23 March 2022, be taken as read and confirmed.

Cameron/Falloon

Carried

5 Taxation Update

The Committee noted that income received from CCO dividends and rental from ACL can no longer be offset for tax purposes. Clarification was sought on whether ACL could give a donation in Council's name, with Council receiving a lesser dividend.

The Chief Executive advised that Council would need to be clear on the primary purpose of the transaction. Advice would need to be sought and Council would need to carefully consider the process.

Recommendation to Council

That Council seeks advice on whether it has the ability to instruct a CCO to make donations on Council's behalf.

Mayor/Cameron

Carried

Post meeting note: Officers are awaiting advice from tax advisers at [Ernst & Young](#)

That the Audit & Risk Committee receives the taxation update report.

Mayor/Cameron

Carried

Business transacted with the public excluded – 1.43pm

That the public be excluded from the following parts of the proceedings of this meeting, namely – 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 are as follows:

Item No	General subject of each matter to be considered:	In accordance with Section 48(1) of the Act, the reason for passing this resolution in relation to each matter:	
6	Audit & Risk Committee minutes	Section 7(2)(a)	Protection of privacy of natural persons
7	Marsh Insurance	Section 7(2)(h)	Commercial activities
8	Health & Safety	Section 7(2)(a)	Protection of privacy of natural persons

Falloon/Cameron

Carried

The meeting concluded at 2.40pm.

Audit and Risk Committee Terms of Reference

Purpose

The purpose of the Audit & Risk Committee is to provide oversight of Council's audit processes, statutory compliance and internal risk management in a manner that promotes the current and future interests of the community (Local Government Act 2002).

Membership

Membership of the Committee comprises:

- Cr Leen Braam (Chair)
- Cr John Falloon (Deputy Chair)
- Cr Carolyn Cameron
- Cr Liz McMillan
- Cr Stuart Wilson
- External appointee
- The Mayor, Neil Brown (ex-officio)

The quorum is four members.

Meeting Frequency

The Audit & Risk Committee will meet on a six-seven weekly cycle, or on an as-required basis as determined by the Chair and Group Manager Business Support.

Committee members shall be given not less than 5 working days' notice of meetings.

Delegations

The Audit & Risk Committee has no delegated authority to make decisions. Its role is to consider and review matters of strategy, policy or significance in its sphere of Council business, and (if appropriate) to make recommendations to full Council.

Sphere of business

- To receive and consider the project plan and timetable for the following projects –
 - Long Term Plan (LTP) and any amendments
 - Annual Plan & Budget
 - Annual Report and Audit
- To receive progress reports on the above projects, where appropriate, and review significant issues and risks arising.
- To establish and maintain effective relationships with Council's auditors, including meeting with the audit representatives regarding significant policy and planning processes as appropriate, reviewing the Annual Audit Plan, and considering matters of significance raised by Council's auditors and action required.
- To receive reports on all external party audits of any and all Council activities, and review significant issues and risks arising.

- To be the primary monitoring mechanism for Council's Council Controlled Organisations (CCOs) and Council Controlled Trading Organisations (CCTOs) and shareholdings. Review the CCOs' draft statements of intent and advise CCOs of any comments.
- To provide overview of Council's performance management framework as included in the Council's LTP and Annual Plan documents.
- To provide overview of Council's statutory compliance and legal matters, monitoring any areas of statutory non-compliance.
- To provide overview of risk management and insurance. Review corporate risk assessment and internal risk management practices. Review insurance arrangements annually and monitor insurance claims.
- Monitor and review Health & Safety related matters. Participate in national risk management practices and implementation of risk management processes.
- To consider matters of organisational services in the area of Health & Safety

Reporting

The Audit & Risk Committee will report to the Council.

Adopted

17/12/20