# Risk and Audit Committee

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| **Reports to:** | The Council |
| **Independent Chairperson:** | Rachael Dean |
| **Membership:** | The Mayor, Cr Dave Hingston, Paul Reynolds, Toni O'Keefe, Dave Hawes and Māori Representative. |
| **Meeting Frequency:** | Quarterly |
| **Quorum:** | 4 |

## Purpose

The Risk and Audit Committee provides independent oversight of Council's risk management, internal controls, audit processes, and compliance systems. It supports Council in fulfilling its governance responsibilities under the Local Government Act 2002 and promotes transparency, accountability, and continuous improvement across Council operations.

## The Committee is responsible for:

1. Providing independent oversight of Council's risk management, internal control, audit, and compliance frameworks.

2. Supporting Council's governance responsibilities under the Local Government Act 2002.

3. Ensuring transparency, accountability, and continuous improvement in Council's assurance systems.

4. Overseeing risk and governance matters related to Council-Controlled Organisations (CCOs), including reviewing Statements of Intent, quarterly performance reports, and major transaction proposals

*In addition to the common delegations, the Risk and Audit Committee is delegated the following Terms of Reference and powers*:

## Terms of Reference:

The Committee will:

1. Review Council's risk management framework, including the risk register, and provide assurance that risks are identified, assessed, and managed effectively.

2. Assess the effectiveness of internal controls, including Council's approach to insurance and business continuity.

3. Engage with external auditors, agree on audit scope and terms, and review audit findings and management responses.

4. Approve and monitor the internal audit programme, ensuring independence, access, and adequate resources.

5. Assess whether Internal Audit recommendations have been effectively implemented by management, including follow-up on agreed actions and timelines.

6. Review and endorse the annual Internal Audit Plan, ensuring appropriate organisational structures, authority, access, independence, resourcing, and reporting arrangements are in place, and recommend its adoption to Council.

7. Monitor Council's compliance systems, including legislative, regulatory, and policy obligations.

8. Oversee the implementation of audit recommendations, ensuring timely and appropriate action.

9. Review governance and risk matters related to CCOs, including feedback on Statements of Intent and major governance transactions.

10. Receive quarterly reports from CCOs, including board performance, and undertake reviews or make recommendations to Council as appropriate.

11. Commission independent reviews or investigations, where significant risk or compliance issues arise.

12. Receive assurance reports, including accountability statements from funded entities where relevant.

13. Review Council's Annual Reports and Long-Term Plans (LTPs) with a focus on identifying risks of error, legislative compliance, and assurance of integrity in reporting, and recommend these documents to Council for adoption.

**The Committee is delegated authority to:**

1. Recommend improvements to Council's risk, audit, and compliance frameworks.

2. Recommend governance actions in response to audit findings or risk assessments.

3. Recommend changes to Council's internal audit programme or risk management strategy.

4. Provide quarterly reports to Council summarising Committee activities, findings, and recommendations.

**The Committee is delegated the following recommendatory powers:**

- The Committee may make recommendations to Council.
- The Committee may make recommendations to other Committees.

**Special Notes: / Reporting and Administration:**

1. The Committee is chaired by an independent appointee who is not an elected member, ensuring impartial oversight and alignment with best practice governance standards.

2. All other members are elected representatives appointed for a term aligned with the triennial election cycle, with eligibility for reappointment.

3. Committee members must act independently and in the best interests of Council's governance.

4. The Chief Executive Officer and Group Manager Corporate (and Commercial) Services attend all meetings but are not members and hold no voting rights. Other officers may attend as required to support governance reporting.

5. The Chairperson shall present an annual self-review to Council summarising the Committee's performance and key governance outcomes.

6. The Chief Executive shall promptly advise the Committee of any material governance risks, breakdowns in internal controls, or incidents of fraud or malpractice.