

## STANDING COMMITTEES

### Audit and Risk Committee

#### Standing Committee

<b>Objective</b>	To provide governance and oversight of the effectiveness of risk management and internal control practices.
	Mayor Deputy Mayor Chairperson, Emergency Management Committee Chairperson, Fences, Roding, Reserves & Dogs Committee
<b>Membership</b>	Two Councillors, one of which to come from either the Mangakino/Pouakani Ward or the Turangi/Tongariro Ward Independent external member appointed by Council (to be Chairperson, with full voting rights)
<b>Quorum</b>	Four (4)
<b>Meeting frequency</b>	Quarterly, and more as required
<b>Reporting</b>	Council, providing minutes of its meetings

#### *Scope of activity*

1. Review the existence and quality of cost-effective internal control systems and the proper application of procedures and approving arrangements for any internal audits.
2. Consider and follow up reports to management issued by external auditors and external risk advisors and auditors, and ensure that management responses to those reports are adequate.
3. Approve arrangements for the annual external audit. The relationship between Council and the external auditor shall be set down formally in an audit engagement letter which addresses:
  - a) the auditor's responsibilities
  - b) Council's responsibilities
  - c) reporting and liaison obligations, including auditor's liaison with the committee
4. Discuss with the external auditor matters affecting the annual financial and non financial statements and the annual audit.
5. Reviewing governance policies associated with Council's financial accounting, risk management and internal control functions
6. Reviewing accounting treatments, changes in generally accepted accounting practice, and new accounting and reporting requirements
7. Review and approve the Council's Risk Management Charter for monitoring the Risk Register and Action Plan.
8. Review and approve Council's Fraud, Protected Disclosures, Procurement and Sensitive Expenditure Policies
9. Review any ratepayer enquiry investigated by the Audit Office or other regulatory agency
10. Review internal / external reports related to any protected disclosure, ethics, bribery and fraud related incidents.
11. The Committee is not restricted in its scope to any particular legislation

#### *Power to act*

The Committee has the power to:

1. Resolve only on matters relating to audit risk management and internal control practices

2. Co-opt suitably qualified people to the committee to assist the committee in meeting its responsibilities. With the exception of the Chairperson, external appointments and co-opted people do not have voting rights.

*Power to recommend to Council*

The Committee can make recommendations to Council on matters or proposals relevant to risk management and internal control practices that:

1. Are outside of or in conflict with Council's Long term plan or policy direction
2. Have strategic or policy importance, except that the Committee shall have the power to resolve in respect of Council's Risk Management Charter and its Fraud, Protected Disclosures, Procurement and Sensitive Expenditure Policies.

*Delegation of powers*

The Committee may not delegate its powers to a sub-committee or other body.

*Limits on authority*

The Committee's 'power to act' pursuant to these delegations is subject to:

1. Matters being related solely to risk management and audit control.
2. An overriding responsibility to ensure that its actions and decisions are always within the law
3. An overriding responsibility to ensure that its actions and decisions are within Council policy, OR if in conflict with a Council policy that this is explicitly identified in a report to Council and any relevant resolutions.