9.3 Audit, Risk & Improvement Committee Report

Report To:	Council
Meeting Date:	Wednesday, 24 September 2025
Author:	Rachael Dean
Author Title:	R
Authorised by:	Executive Manager Business Support

Purpose

End of Term Presentation to the Council by the Independent Chair of the Audit, Risk and Improvement Committee.

Recommendation

That the Council:

a. Receives and notes the report from the Independent Char of the Audit, Risk and Improvement Committee (Resolve#2025-135).

Executive Summary

The Independent Chair's end of term report covers the following key matters:

- Terms of Reference
- Membership
- Meeting held
- Key Insights;
  - Positive Outcomes
  - Areas for Future Focus

Context

Audit, Risk and Improvement Committee Structure (Membership & Terms of Reference)

Membership

Chairperson	R Dean (Independent)
Deputy Chairperson	*N/A*
Members	Deputy Mayor H Daine Cr H Nelis Cr K Purdy

	Cr M Te Kanawa A Byett (Independent Member)
Ex Officio	Mayor Petley
Quorum	Half the number of members, one of whom must be the Chair or Deputy Chair.
Meeting frequency	Quarterly

Purpose

The purpose of the Audit, Risk and Improvement Committee is to assist and advise the governing body in discharging its responsibility and ownership of governance, risk management and internal control. The committee will:

- Monitor the effectiveness of Council's performance management and performance information.
- Obtain assurance from management that all financial and non-financial control and risk management functions are operating effectively and reliably.
- Provide oversight of the implementation of accepted audit recommendations.
- Ensure Council effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour.
- Provide oversight of preparation of the Long-Term Plan (LTP), Annual report and other external financial reports required by statute.

Role

Internal Audit

- Evaluate the quality of the internal audit function, particularly in the areas of planning, monitoring and reporting.
- Review, approve and monitor the implementation of the internal audit plan.
- Review the reports of the audit function dealing with findings, conclusions and recommendations.
- Review and monitor managements responsiveness to the findings and recommendations – enquiring into the reasons that any recommendation is not acted upon.

Risk Management

- Evaluate whether processes are in place to address key roles and responsibilities in relation to risk management.
- Review, endorse and monitor the implementation of financial policies, framework and strategy.
- Review the effectiveness of risk management and internal control systems including all material financial, operational, compliance and other material controls. This includes legislative compliance (including Health and Safety), significant projects and programmes of work and significant procurement.

- Review risk management reports identifying new and / or emerging risks.

External Audit

- Discuss with the external auditor before the audit commences:
    1. the nature, scope and fees of the external audit
    2. areas of audit focus
    3. error and materiality levels.
- Review with the external auditors' representations required by elected members and senior management.
- Review the external auditor's management letter and management responses and inquire into reasons for any recommendations not acted upon.

Power to Act

The committee:

- has no decision-making powers other than those in these terms of reference.
- may request expert advice through the chief executive where necessary.
- may make recommendations to the Council and / or the Chief Executive.

Power to Recommend

To Council and/or any standing committee as it deems appropriate.

The Audit, Risk and Improvement Committee is not delegated authority to:

- Develop strategic policy and strategy.
- Develop Council's Financial Strategy, funding and financial policies and non-financial operational policies and plans.

The Audit, Risk and improvement Committee reports directly to full Council.

Review

The committee's operation, terms of reference and membership will be reviewed after 12 months.

2022 - 2025 Triennium Committee Meeting Info

Committee	Membership	Dates of Meetings	Subtotal	Total
Audit, Risk & Improvement	2023 Members Mayor Petley Cr Nelis Cr Te Kanawa Independent Chair - Rachael Dean Independent Member - Anthony Dean	Mar, June & Oct 2023 Jan, April, July & Oct 2024 Feb, June & Sep 2025	3 4 3	

	2024 & 2025 Members Mayor Petley Cr Garner (resigned Feb 2025) Cr Nelis Cr Te Kanawa Independent Chair - Rachael Dean Independent Member - Anthony Dean Cr Daine (member added Oct 2024) Cr Lee (member added Feb 2025)			**10**

Discussion

The Independent Chair will provide a verbal report at the meeting on the following themes:
Key Insights;

- Positive Outcomes
- Areas for Future Focus