

# Audit, Risk and Finance Committee Terms of Reference

Meeting: Kaipara District Council  
Date of meeting: 29 April 2020  
Reporting officer: Lisa Hong, Governance Advisor

## Purpose/Ngā whāinga

To receive the Audit, Risk and Finance Committee's recommendation to amend its Terms of Reference for the 2019 - 2022 triennium, and to approve these changes.

## Executive summary/Whakarāpopototanga

The recommended additions clarify the scope of the Committee and is in line with the purpose of the Committee.

## Recommendation/Ngā tūtohunga

That the Kaipara District Council:

- a) Notes the Audit, Risk and Finance Committee's recommendation on the Committee's Terms of Reference from its 12 March 2020 meeting.
- b) Approves the recommended changes to the Audit, Risk and Finance Committee's Terms of Reference as shown in Attachment A.

## Context/Horopaki

Following the local government elections in October 2019, Council adopted the Committee Terms of Reference in November 2019. The first meeting of the Audit, Risk and Finance Committee was held in March 2020. During this meeting, the Committee also formally received its Terms of Reference as part of item 2.1 'Proposed work programme to June 2021' and recommended the following additions:

- a. *Policy compliance [2nd bullet point in risk responsibilities]*
- b. *Review effectiveness of risk management and internal control systems [in risk responsibilities]*
- c. *Monitor operating and capital expenditure programme [in finance responsibilities].*

A revised version, with tracked changes, is attached as **Attachment A** for consideration. A decision is now sought on whether to approve these changes.

## Discussion/Ngā kōrerorero

The purpose of the Audit, Risk and Finance Committee is:

- To oversee risk management and internal controls, audit functions, financial and other external corporate reporting, and compliance with legislation
- To monitor Council's financial performance against the Long Term Plan and Annual Plan.

The Committee felt that the recommended additions would be needed in order to satisfactorily perform its purpose, and that these should be explicitly stated in the Committee Terms of Reference to avoid doubt.

The recommended additions would increase accountability reporting from staff. This will enable the Committee, and Council by extension, to better monitor and manage Council's risks and performance.

## Options

Option 1: Approve the recommended changes.

Option 2: Status quo / does not approve the recommended changes.

The recommended option is **option 1**.

## Significance and engagement/Hirahira me ngā whakapāpā

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

## Next steps/E whaiake nei

If approved, an amended Committee Terms of Reference will be published.

## Attachments/Ngā tapiritanga

|   | Title   |
|---|---|
| A | Audit, Risk and Committee Terms of Reference with tracked changes |