

## Unaunahi Māhirahira | Audit and Risk Committee

Chair	Mr Bruce Robertson
Deputy Chair	Councillor Tony Randle
Members	Mayor Tory Whanau Councillor John Apanowicz Councillor Ray Chung Councillor Iona Pannett Councillor Rebecca Matthews Pouwi Liz Kelly, Tākai Here representative Ms Wendy Venter
Quorum	4
Frequency of meeting	Quarterly

### Area of focus

The Unaunahi Māhirahira | Audit and Risk Committee has responsibility for:

1. Overseeing the work of the Council in discharging its responsibilities in the areas of risk management, statutory reporting, internal and external audit and assurance, and monitoring of compliance with laws and regulations, including health and safety.

### Decision-making powers

The Unaunahi Māhirahira | Audit and Risk Committee has the power to:

#### *Statutory reporting*

1. Review and monitor the integrity of the annual report including statutory financial statements and any other formal announcements relating to the council's financial performance, focussing in particular on:
  - a. Compliance with, and the appropriate application of, relevant accounting policies, best practices and accounting standards.
  - b. Compliance with applicable legal requirements relevant to statutory reporting.
  - c. The consistency of application of accounting policies across reporting periods and the Wellington City Council group.
  - d. Agreeing accounting policies and practices including any changes that may affect the way that accounts are presented.
  - e. Any decisions involving significant judgement, estimation or uncertainty.
  - f. The extent to which financial statements are affected by any unusual transactions and the manner in which they are disclosed.
  - g. The disclosure of contingent liabilities and contingent assets.
  - h. The clarity of disclosures generally.
  - i. The basis for the adoption of the going concern assumption.
  - j. Significant adjustments resulting from the audit.

2. Seek from external auditors any information that affects the quality and clarity of the Council's financial statements and statements of service performance, and assess whether appropriate action has been taken by management in response.
3. Confirm that the financial statements and statements of service performance are supported by appropriate management sign-off on the statements and on the adequacy of the systems of internal control (i.e. letters of representation), and recommend signing of the financial statements by the Chief Executive/Mayor and adoption of the Annual Report.
4. Confirm that processes are in place to ensure that financial information included in the entity's Annual Report is consistent with the signed financial statements.

#### ***Risk management***

5. Review, approve and monitor the implementation of the risk management programme of work, the risk management framework including Council's strategic risks and those risks pertaining to CCOs that are significant to the Wellington City Council group, and providing guidance and approval of Council's appetite for risk.
6. Oversight of the systems in place to manage legislative compliance including: health and safety, fraud and integrity risk, significant projects and programmes of work, and significant procurement activity.

#### ***Internal audit***

7. Review and monitor whether management's approach to maintaining an effective internal control framework is sound and effective, and in particular:
  - a. Review and approve the internal audit coverage and annual work plans, ensuring these plans are aligned with the Council's risk profile.
  - b. Review the adequacy of management's implementation of internal audit recommendations.
  - c. Review the internal audit charter to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place.
  - d. Review whether management has taken steps to embed a culture that is committed to probity and ethical behaviour.
  - e. Review whether management has in place relevant policies and procedures and how these are reviewed and monitored.
  - f. Review whether there are appropriate systems, processes and controls in place to prevent, detect and effectively investigate fraud.
8. Conduct a members only session (i.e. without any management present) with internal audit to discuss any matters that the auditors wish to bring.

### ***External audit***

9. At the start of each audit, confirm the terms of the engagement, including the nature and scope of the audit, timetable and fees, with the external auditor.
10. Receive the external audit report(s) and review action to be taken by management on significant issues and audit recommendations raised within.
11. Conduct a members only session (i.e. without any management present) with external audit to discuss any matters that the auditors wish to bring.

### ***Council-controlled Organisations***

12. The Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee when dealing with CCO matters may refer matters to the Unaunahi Māhirahira | Audit and Risk Committee for review and advice.
13. This committee will enquire to ensure adequate processes at a governance level exist to identify and manage risks within a CCO. Where an identified risk may impact on Wellington City Council or the wider group, the committee will ensure that all affected entities are aware of and appropriately managing the relevant risk.

### ***Health and safety***

14. Oversee the systems in place to manage compliance with regard to health and safety.
15. Refer any health and safety reports to Te Kaunihera o Pōneke | Council.