



Rangitikei District Council

Audit and Risk Committee Meeting

Agenda – Monday 12 June 2017 – 2:00 pm

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The quorum for the Audit and Risk Committee is 3.

Council's Standing Orders (adopted 3 November 2016) 10.2 provide: The quorum for Council committees and sub-committees is as for Council, i.e. half the number of members if the number of members (including vacancies) is even or a majority if the number of members is odd.

1 Welcome

2 Council prayer

3 Apologies

4 Members' conflict of interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda.

5 Confirmation of order of business

That, taking into account the explanation provided why the item is not on the meeting agenda and why the discussion of the item cannot be delayed until a subsequent meeting, be dealt with as a late item at this meeting.

6 Confirmation of minutes

The Minutes of the Audit/Risk Committee meeting held on 18 May 2017 are attached.

File ref: 3-CT-17-2

Recommendation

That the Minutes of the Audit/Risk Committee meeting held on 18 May 2017 be taken as read and verified as an accurate and correct record of the meeting.

7 Chair's report

A report will be provided at the meeting.

Recommendation

That the Chair's report to the Audit/Risk Committee meeting held on 18 May 2017 be received.

8 Work Programme Matrix

A discussion document will be tabled at the meeting

9 Understanding Council's Risk Appetite – 'Consenting philosophy'

A verbal update will be provided to the meeting.

Recommendation

That the verbal update to the Audit/Risk Committee meeting held on 18 May 2017 on understanding Council's risk appetite – 'Consenting philosophy' be received.

10 Overview of intended process for auditing the 2018-28 Long Term Plan (following the office of the Auditor General's methodology)

A verbal update on the intended process for auditing the 2018-28 Long Term Plan (following the office of the Auditor General's methodology) will be provided to the meeting.

Recommendation

That the verbal update to the Audit/Risk Committee meeting held on 18 May 2017 on the intended process for auditing the 2018-28 Long Term Plan (following the office of the Auditor General's methodology) be received.

11 Audit planning letters for 2016/18

File: 5-EX-2-3

The following are attached:

- Draft Audit Arrangements Letter for the year ended 30 June 2017
- Draft Audit Proposal Letter for the years ended 30 June 2017 to 2019; and
- Draft Audit Engagement Letter for the years ended 30 June 2017 to 2019

The Audit Proposal Letter (APL) sets out the audit fee for the next three years and has been through a moderation process with the Office of the Auditor-General.

The Audit Engagement Letter (AEL) sets out the Council's responsibilities and Debbie Perera's responsibilities as Appointed Auditor. This letter is issued when a new APL is issued and it remains in place over the same period (3 years). It avoids the need for the Auditor's responsibilities to be repeated in the Audit Arrangements Letter each year.

The Audit Arrangements Letter (AAL) sets out the areas of audit focus and the audit logistics for the current year.

Recommendation

That the Audit planning letters for 2016/18 be received.

12 Risk management framework for the 2018-28 Long Term Plan

A memorandum is attached

File: 1-LTP-4-5

Recommendation

That the memorandum 'Risk management framework for the 2018-28 Long Term Plan' be received.

13 Proposed revision to risk management framework

The current position of Local Government New Zealand (as at 23 May 2017) is attached together with four risk models presented for discussion at sector workshops in November 2016

A presentation will be provided to the meeting.

14 Committee review

The Chair will provide an update based on feedback from Committee members on the revised evaluation form.

15 Late items

16 Future items for the agenda

Interim audit management report for the year ended 30 June 2017 (with draft management comment)

The second interim audit visit is scheduled for the week beginning 12 June 2017. The interim management report (which is planned to be with Council by 26 June 2017) will incorporate the findings from both interim audits and from Robin Dearlove's recent Information Systems review.

Request from Edale for an interest-free loan

Havelock North stage one report

17 Next meeting

Monday 14 August 2017, 2.00 pm

18 Meeting closed