

<b>AGENDA ITEM 23   BOARD DECISION PAPER</b>	
<b>To:</b>	Board
<b>From:</b>	Andrew Downie, Head of Governance
<b>Reviewed:</b>	Dean Kimpton, Chief Executive Finance & Assurance Committee
<b>Date:</b>	21 February 2024
<b>Title:</b>	Finance and Assurance Committee Performance Evaluation and Report to the Board

### Aronga / Purpose

1. To provide an assessment of performance of the Finance and Assurance Committee (committee) and a summary of how it has discharged its responsibilities for the past reporting period.

### Ngā tūtohunga / Recommendations

That the Auckland Transport Board (board):

- a) Notes the Finance and Assurance Committee performance review; and
- b) Approves minor updates to the Finance and Committee charter to reflect job title changes (refer to Attachment 1).

### Te horopaki / Background

2. Section 7.1 of the committee charter requires that the committee evaluate its performance annually and report the outcomes of the evaluation process to the Auckland Transport (AT) Board (board) including recommendations for any opportunities for improvement.
3. Section 6.2 of the charter states that on an annual basis, the committee will prepare a report to the board indicating how the committee has discharged its responsibilities as set out in the charter for the previous year, including a describing of significant issues dealt with by the committee.

4. Section 5 of the charter outlines the key responsibilities of the committee. These can be summarised as:
  - a. Financial Performance: oversight of financial performance against the annual plan.
  - b. Financial Strategy: providing insights and guidance to the development of financial strategies and policies.
  - c. Financial Statements: reviewing annual, half annual and quarterly financial reporting and statements.
  - d. Internal Control Environment: reviewing the adequacy and effectiveness of the internal control environment.
  - e. Risk Management: ensuring that AT has an appropriate risk focussed culture and monitoring AT's risk profile.
  - f. Fraud Prevention Systems and Controls: reviewing fraud prevention policies and controls.
  - g. Internal Audit: reviewing internal audit activities and ensuring they take place without hindrance.
  - h. External Audit: reviewing the external audit plan and ensuring key findings are acted upon by management.
  - i. Compliance Management: reviewing systems and processes for monitoring compliance.

### Me mōhio koe / What you need to know

5. The committee has met on five occasions over the past 12 months.
6. Committee lines of enquiry have focussed on evaluation of budgetary challenges, providing input into the benefits and risks of a Group Shared Services model with Auckland Council and assisting the organisation on how to deliver a fundamental change in approach in response to the Letter of Expectation.
7. Significant items of committee activity aligned with the key responsibilities outlined in the charter over the last financial year include:
  - a. Assisting management with preparation of the FY23 annual report and reporting packs.

- b. Providing oversight and guidance of preparation of the FY24 budget and financial plan.
  - c. Review of the 2023 – 2026 Statement of Intent and recommending this to the board for approval. The committee championed and led a new approach to the preparation of the Statement of Intent, in direct response to the Letter of Expectation.
  - d. Management of climate transition risks and risk appetite.
  - e. Review and endorsement of tier one policies, including:
    - i. Code of Conduct Policy;
    - ii. Safety, Health and Wellbeing Policy;
    - iii. Procurement Policy;
    - iv. COVID-19 Response Policy (and its subsequent retirement);
    - v. Privacy Policy; and
    - vi. Climate Change Policy.
  - f. Review and endorsement of the 2023 Supplier Code of Conduct.
  - g. Review of the Cyber Security Strategy and recommending this to the board for approval.
  - h. Approval of quarterly reports for submission to Auckland Council.
  - i. Review and noting of regulatory enforcement and compliance functions undertaken by AT in accordance with its legal and regulatory powers and responsibilities.
  - j. Internal Audit and Audit New Zealand activities as required under the charter.
8. The committee chair also dealt with several sensitive investigations (related to protected disclosure and fraudulent activity) involving suppliers and / or staff during the reporting period. There are no outstanding investigations at the time of this report.
9. The committee charter has been reviewed by both management and the committee chair and is deemed to remain fit for purpose. No significant updates or amendments are proposed, save for minor updates to sections 4.5 and 4.7 to reflect revised role titles under the new organisational structure.

10. The committee charter is provided as Attachment 1.

### Ā muri ake nei / Next steps

11. On approval, the updated committee charter will take effect and be loaded to the resource centre in Diligent Boardbooks.

### Te whakapiringa / Attachment

Attachment #	Description
1	Finance and Assurance Committee Charter – February 2024

### Te pou whenua tuinga / Document ownership

Submitted by	Recommended by	Approved for submission
Andrew Downie <b>Head of Governance</b>	Andrew Downie <b>Head of Governance</b>	Dean Kimpton <b>Chief Executive</b>
		