Confident on audit and risk

Practical support to build confidence and capability for audit and risk committees and their members, using their council's own public papers.

Across all elected members, the pool audit and risk committees draw on

40%
of elected members in 2022 were new to council, much the same as 2019 (41%). Every term, a large share of the table is learning on the job.

6%
of members said they started knowing everything they needed. Over 90% later wished they had known more about governance.

78%
want ongoing professional development; only 38% felt they could get the training they needed.

Why now. Under the Local Government (System Improvements) Amendment Act 2026, from mid-March 2027 non-elected members of council committees, including audit and risk committees and their independent chairs, no longer vote or count towards a quorum, with some exceptions (for example, members appointed under a Treaty settlement). They can still contribute their expertise, but the votes rest with elected members. In 2020, more than half of councils (54%) had an independent chair on their audit and risk committee. Before March, councils are reviewing terms of reference, membership, quorum and chairing; after it, elected members carry the committee's decisions. That is a change in capability as much as in rules.

Sources: LGNZ Elected Members Census 2022, p. 24; Local Government Commission, Governance education strategy for local government (June 2023), p. 9, paras 30–31; Office of the Auditor-General (now the Audit Office), local government report 2020, Part 4: Audit and risk committees, Figure 6.

How we complement what you already have

WHAT'S AVAILABLE	WHAT IT DOES	HOW OUR SUPPORT COMPLEMENTS IT
Council induction and governance team	Induction and ongoing governance support, including committee processes and papers.	Adds an external perspective and dedicated development time using public committee papers.
LGNZ Ākona	Self-paced modules and one-hour webinars on the role, from council basics to chairing and emergency management.	Helps members apply their learning to questions arising from their own committee papers.
LGNZ and Victoria University Finance & Risk micro-credential	Financial oversight, long-term planning and managing risk, online over 18 weeks.	Adds tailored discussion and meeting preparation alongside the formal learning programme.
Institute of Directors	A one-day audit and risk committee course, and tailored in-house training for boards.	Adds ongoing preparation and follow-up for agreed committee meetings.

What's different

Built for councils
Applied to councils' own risks, plans and decisions: the long-term plan, water services and major programmes.

Governance, risk and assurance together
A Chartered Director and two practitioners who have built risk and internal audit functions.

Every meeting, not just training
Ongoing support for individual members: we discuss each agreed public agenda before the meeting and review subsequent public papers for reported progress on the committee's requests.

Independent of the room
We provide an external perspective without sitting on the committee, with conflicts assessed before and throughout each engagement.

Four ways to work with us

The options can be combined, for example Chair-ready for the chair with Foundations for the deputy or other members.

Chair-ready
FOR CURRENT OR INCOMING CHAIRS

The usual place to start before March 2027. For whoever chairs, and the elected members who carry the votes: discussion of terms of reference, options for independent membership and chairing, quorum, a capability matrix for the chair and deputy, a practical work programme, running the meeting, and preparing questions for a confidential session with the auditors.

A one-off package of two sessions of about 90 minutes, including preparation for the March 2027 changes and a short written action summary for the chair. Follow-up meetings are separate, at additional cost.

Foundations
BUILD THE SKILLS

One-to-one sessions on the topics on page 2, each using your council's recent public papers as the worked example.

Four one-hour sessions, one topic each; you choose the four topics from page 2.

Meeting-ready
BEFORE AND AFTER EACH MEETING

Before: we read the published agenda and send three to five questions tied to page numbers, then talk them through. After: we review later public papers for reported progress and, where the papers allow, identify further questions.

Per committee cycle, typically four to six a year.

Committee workshop
FOR THE WHOLE COMMITTEE

2 to 3 hours for elected and independent members and governance staff, on the committee's own recent public papers. It ends with questions members may want to raise later.

Held in person. Includes preparation and a short written follow-up.

The committee workshop is held in person. Other sessions are online, or in person on request; travel time and costs apply, agreed in advance. Scope, delivery and contracting are agreed in writing before we start.

To discuss a workshop or see a worked example, visit assaypractice.co.nz or email John@co-axiom.co.nz · rachel.nottingham@weaver.page · lucas@aloysignal.co.nz

Topics we cover

Every topic is worked through on the committee's own public papers.

RISK MANAGEMENT

- **Risk framework.** Policy, appetite, register, owners and reporting, so you can tell whether risk is managed or only listed.
- **Reading a risk register.** Scores, inherent and residual risk, and whether the controls really justify the reduction.
- **Treatment plans and deep dives.** Turning a risk that sits above appetite into a decision, with an owner and a date.
- **Risks in strategy and programmes.** The long-term plan, local government reform, water services and major IT, where most of the money and exposure sit.

ASSURANCE

- **Combined assurance and the three lines.** Who checks what (management, risk, internal and external audit), so gaps and double-ups show.
- **Internal audit.** Charter, independence, the risk-based plan and follow-up: the committee's own independent check on management.
- **External audit.** Engagement letter, management letter, open recommendations and the audit opinion: what the auditor is telling you, and what is still unresolved.
- **Confidential session with the auditors.** Preparing questions for a confidential session with the auditors, where the committee holds one. We don't receive confidential material or what the auditors tell you.
- **Financial reports as a governor.** Reading the annual report, the audit opinion and regular financial reports for trends, issues and risks, and the questions to ask. Not accounting or financial advice.

GOVERNANCE AND INTEGRITY

- **The committee itself.** Terms of reference, work programme, quorum and chairing, including the implications of the March 2027 voting and quorum changes.
- **Integrity controls.** Fraud, conflicts of interest, sensitive expenditure and delegations: what protects public money and trust, and what a useful report on them shows.
- **Questions that lead to decisions.** Asking for something specific, by a date, and following reported progress in later public papers.
- **Papers that support decisions.** Cover sheets that state the decision sought, what has changed and where the assurance comes from.

How we work

Public papers only. We use public agendas, minutes and livestreams. We do not request or receive public-excluded material or confidential discussions with the auditors. Who receives our notes is agreed at the outset.

Independence. We do not sit on the committee. We disclose relevant past or current work for the council, assess conflicts before and throughout each engagement, and decline work where independence can't be maintained. Any management-side work for the same council needs a fresh conflict assessment and the client's agreement before we accept it.

Contracting. The council, or a member with the council's agreement, contracts with the practitioner's company named in the engagement terms, under the council's purchasing requirements.

What this is. Professional development and constructive challenge. It is not legal or financial advice, an audit, or assurance that council actions have been completed.

Who we are

You have one key contact for your council, with the experience of all three of us behind the work.

John Stewart: 30+ years in governance, internal audit, risk, compliance and financial assurance. Approved external quality assessment (QA) examiner and facilitator for the Institute of Internal Auditors (IIA).

Rachel Nottingham: 15 years' experience in regulated entities and 10 years in governance. Former commercial lawyer and Chartered Member of the Institute of Directors.

Lucas Moreno: 20+ years in risk, assurance, IT assurance and governance. Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA). Built internal audit and risk functions; co-sourced internal audit for a council for three years; former Associate Director, Deloitte.

Assay Practice is a collaboration of independent practitioners. It is a trading name, not a company or partnership. Each engagement is contracted with, and delivered under the professional responsibility of, the company named in the engagement terms.