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## Audit and Risk Subcommittee MINUTES

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Minutes of an ordinary meeting of the Audit and Risk Subcommittee held in the Council Chamber, Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Thursday 22 June 2023, commencing at 1:07 PM.

### PRESENT

Mr Andrew Douglas	<i>(Co-Chairperson/Chair)</i>
Cr Tim Mepham	<i>(Co-Chairperson)</i>
Cr Alexa Forbes	(online)
Cr Gary Kelliher	(online)
Cr Kevin Malcolm	
Cr Kate Wilson	

### IN ATTENDANCE/EX OFFICIO

Cr Gretchen Robertson  
Cr Alan Somerville

## 1. WELCOME

Andrew Douglas welcomed Councillors, and staff to the meeting at 1:00 pm. Staff present included Richard Saunders (Chief Executive) Nick Donnelly (GM Corporate Services), Anita Dawe (GM Policy and Science, online), Gavin Palmer (GM Operations), Amanda Vercoe (GM Governance, Culture and Customer), Kylie Darragh (Governance Support), Sarah Munro (Manager Finance)

## 2. APOLOGIES

**Resolution: Cr Malcolm Moved, Cr Wilson Seconded:**

*Cr Gary Kelliher leaving from 2pm, be accepted.*

**MOTION CARRIED**

## 3. PUBLIC FORUM

No public forum was held.

## 4. CONFIRMATION OF AGENDA

The agenda was confirmed as published.

## 5. DECLARATIONS OF INTERESTS

*Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have. Councillor Declarations of Interests are published on the [ORC website](#).*

## 6. CONFIRMATION OF MINUTES

It was requested that in future, all non-member Councillors of the Committee have their presence noted as 'in attendance' for clarity.

**Resolution: Cr Wilson Moved, Cr Mepham Seconded**

*That the minutes of the (public portion of the) meeting held on 23 March 2023 be confirmed as a true and accurate record.*

**MOTION CARRIED**

## 9. RESOLUTION TO EXCLUDE THE PUBLIC

**Resolution: Cr Wilson Moved, Cr Malcolm Seconded**

**At 1:07pm it was moved that:**

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- *Deloitte ORC Audit Plan*

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under [section 48\(1\)](#)

of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1.1 Deloitte ORC Audit Plan	<p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—would be likely otherwise to damage the public interest – Section 7(2)(c)(ii)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>

This resolution is made in reliance on [section 48\(1\)\(a\)](#) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.

**MOTION CARRIED**

**Resolution: Cr Wilson Moved, Cr Robertson Seconded**

**At 1:46pm it was moved** to return to the public portion of the Committee meeting.

**MOTION CARRIED**

**7. ACTIONS (STATUS OF SUBCOMMITTEE RESOLUTIONS)**

Open actions from resolutions of the Committee were reviewed. There were two updates, namely that the Health and Safety Briefing and the Climate Change Deep Dive will be completed by the end of the meeting.

## **8. MATTERS FOR CONSIDERATION**

### **8.1. A&R2301 Legislative Compliance**

Janet Ashcroft spoke to the Committee on the Comply With process, which is an assurance tool used by several local government organisations for focused mini audits. There was an opportunity for Councillors to ask questions and discuss.

#### **Resolution AR23-111 Cr Wilson Moved, Cr Robertson Seconded**

*That the Subcommittee:*

- 1) **Notes this report.**

#### **MOTION CARRIED**

### **8.2. A&R2304 Safety and Wellbeing Report**

The Safety and Wellbeing team Gina Watts, Team Leader, Mark Olsen, People and Safety, Kelly Stuart, People Services Lead were present for the report and there was an opportunity for the Committee to ask questions.

Items discussed were the managing of violent incidents in the customer service area through duress procedure, de-escalation training and design of customer service areas. Annual leave trends have been actively managed with a healthy average managing the liability for the organisation and the committee was assured that all employees are provided with guidelines for adequate break times.

#### **Resolution AR23-112 Cr Wilson Moved, Cr Mepham Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes this report.**

#### **MOTION CARRIED**

*Cr Kelliher left the meeting at 1:58 pm.*

### **8.3. A&R2303 Climate Change Deep Dive**

Amanda Vercoe, Francisco Hernandez, and Andrea Howard presented the report with an opportunity for questions. This was the first deep dive session as part of the Audit and Risks Key Risks series.

After questions and some discussion Cr Malcolm moved:

#### **Resolution AR23-113 Cr Malcolm Moved, Cr Robertson Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes the attached deep dive on Council's 'Climate Change' strategic risk.**

## **MOTION CARRIED**

### **8.4. CS2321 Annual Report Timetable and Matters Under Consideration**

Nick Donnelly, General Manager Corporate Services and Sarah Munro, Finance Manager, spoke to the paper and there was an opportunity for questions.

#### **Resolution AR23-114 Cr Malcolm Moved, Cr Wilson Seconded**

*That the Subcommittee:*

- 1) **Notes** this report.

## **MOTION CARRIED**

### **8.5. CS2322 Corporate Policy Overview Report**

Nick Donnelly spoke to Committee on the report and there was an opportunity for questions from the Committee.

#### **Resolution AR23-115: Cr Malcolm Moved, Cr Wilson Seconded**

*That the Subcommittee:*

- 1) **Notes** this report.
- 2) **Endorses** a change to the Audit and Risk work programme where this Policy Overview update is only required on an annual basis (noting significant Policy changes may be reported as and when required).

## **MOTION CARRIED**

### **8.6. CEO2301 Internal Audit Options for Otago Regional Council**

Andrew Douglas and Richard Saunders have been working on internal audit options for the Otago Regional Council which has included speaking to other Councils regarding similar frameworks. There was an opportunity for discussion and an additional recommendation (3) was added to the resolution to include reporting back to the Committee, the findings of the audits.

#### **Resolution AR23-116: Cr Wilson Moved, Cr Malcolm Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes** this report.
- 2) **Notes** that the Co-chairs of the Committee will work with the Chief Executive Officer to commence an internal audit programme in the 23/24 year.

- 3) **Notes** that the findings of all internal audits will be reported back to the Audit and Risk Committee.

**MOTION CARRIED**

**9. RESOLUTION TO EXCLUDE THE PUBLIC**

**Resolution: Andrew Douglas Moved, Cr Wilson Seconded:**

*That the public be excluded from the following parts of the proceedings of this meeting, namely:*

- *Confidential Minutes of the Meeting on 22 March 2023*
- 1.2 *Insurance Renewal*
- 1.3 *Insurance Disclosure*
- 1.4 *Managed Fund – March Report*

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under [section 48\(1\)](#) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48(1) for the passing of this resolution</b>
<i>The Confidential Minutes of the 22 March 2023 Meeting</i>	<p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>

	<p>authority of any enactment, where the making available of the information— would be likely otherwise to damage the public interest – Section 7(2)(c)(ii)</p> <p>To avoid prejudice to measures that prevent or mitigate material loss to members of the public – Section 7(2)(e)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p> <p>To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)</p> <p>To prevent the disclosure or use of official information for improper gain or improper advantage – Section 7(2)(j)</p>	
<i>1.2 Insurance Renewal</i>	<p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>
<i>1.3 Insurance Disclosure</i>	<p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or</p>

	<p>To avoid prejudice to measures that prevent or mitigate material loss to members of the public – Section 7(2)(e)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p>	<p>more of the following grounds:</p> <p>(a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>
<p><i>1.4 Managed Fund</i></p>	<p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p>	<p>Section 48(1)(a);</p> <p>Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>

This resolution is made in reliance on [section 48\(1\)\(a\)](#) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.



## 11. CLOSURE

There was no further business and the meeting was closed at 3:15pm.



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Chairperson

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Date

21/09/2023