

## 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 21 March 2024, commencing at 1:01 PM. [YouTube Link](#)

**PRESENT**

Cr Tim Mepham *(Chairperson)*

Mr Andrew Douglas

Cr Alexa Forbes

Cr Kevin Malcolm

Cr Andrew Noone *(non-voting)*

## **1. WELCOME**

Chairperson Mephram welcomed Councillors, members of the public and staff to the meeting at 1:01 pm and opened with a karakia. Staff present included Richard Saunders (Chief Executive), Nick Donnelly (GM Corporate Services), Anita Dawe (GM Policy and Science), Joanna Gilroy (Acting GM Regulatory), Amanda Vercoe (GM Governance, Culture and Customer), Mark Olsen (Manager People and Safety), Gina Watts (Team Leader Health, Safety and Wellbeing), Kelly Stuart (People Services Lead) and Trudi McLaren (Governance Support).

## **2. APOLOGIES**

Apologies were received from Cr Robertson, Cr Kelliher and Cr Wilson.

## **3. PUBLIC FORUM**

No requests to address the Committee under Public Forum were received.

## **4. CONFIRMATION OF AGENDA**

The agenda was confirmed as published.

## **5. DECLARATIONS OF INTERESTS**

No changes to Councillor Declarations of Interests were noted. Councillors were reminded to signal to the Chair any conflicts of interest arising during the meeting.

## **6. PRESENTATIONS**

No requests to present were received prior to the meeting.

## **7. CONFIRMATION OF MINUTES [YouTube 9:00]**

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

*That the minutes of the Audit and Risk Subcommittee meeting held on 6 December 2023 be received and confirmed as a true and accurate record.*

**MOTION CARRIED**

## **8. ACTIONS (STATUS OF SUBCOMMITTEE RESOLUTIONS) [YouTube 9:32]**

Open actions from resolutions of the Subcommittee were reviewed. No changes were noted.

## **9. MATTERS FOR CONSIDERATION**

### **9.1. CS2403 Audit and Risk Work Programme 2024 [YouTube 9:57]**

The purpose of this paper was to outline the proposed work programme to be covered at Audit and Risk Subcommittee meetings in the 2024 calendar year to ensure the responsibilities outlined in the Terms of Reference are fulfilled.

Nick Donnelly GM Corporate Services and CFO was present to speak to the report and respond to questions.

**Resolution AR24-102: Cr Malcolm Moved, Cr Forbes Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes** this report.
- 2) **Endorses** the proposed work programme for the 2024 calendar year.

**MOTION CARRIED**

**9.2. A&R2401 People and Safety report [YouTube 15:30]**

This report summarised year to date information on health, safety and wellbeing (HSW), and people and culture (HR) at ORC (Otago Regional Council).

Amanda Vercoe (GM Governance Culture and Customer), Mark Olsen (Manager People and Safety), Gina Watts (Team Leader HSW) and Kelly Stuart (People Services Lead) were present to speak to the report and respond to questions.

**ACTION:** Time-frame to be added under Summary of Critical Risks, for mental health risks and mental health strategy to be developed, to report on progress being made.

**ACTION:** High level summary from the People and Culture strategy being developed to be provided to the Audit and Risk Subcommittee.

**ACTION:** The Incident and Near Miss Dashboard to include specifics per quarter on critical risks in order to measure the decrease in the number of recorded incidents on that basis.

**Resolution AR24-103: Cr Malcolm Moved, Cr Forbes Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes** this report.

**MOTION CARRIED**

**9.3. CS2404 Treasury Report [YouTube 31:33]**

The purpose of this report was to present the quarterly Treasury Reporting Dashboard from Council's Investment Advisor, Bancorp, as at 31 December 2023.

Nick Donnelly (GM Corporate Services and CFO) was present to speak to the report and respond to questions.

**Resolution AR24-104: Andrew Douglas Moved, Cr Forbes Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes** this report and the attached Bancorp Treasury Reporting Dashboard – 31 December 2023.

**MOTION CARRIED**

**9.4. GOV2401 Deep Dive - Strategic Engagement [YouTube 37:24]**

The purpose of this paper was to facilitate a discussion, or 'deep dive', into Council's management of the *Community Engagement* strategic risk.

Amanda Vercoe (GM Governance Culture and Customer), Andrea Howard (Manager Executive Advice) and Kate Pettit (Senior Advisor Strategic Engagement) were present to speak to the report and respond to questions.

## **Resolution AR24-105: Cr Forbes Moved, Cr Malcolm Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes** the attached deep dive on Council's 'Community Engagement' strategic risk.
- 2) **Notes** that a draft Community Engagement Framework will be presented to the Regional Leadership Committee in May, for Council discussion and feedback.
- 3) **Notes** that an implementation update on He Mahi Rau Rika - Significant, Engagement and Māori Participation Policy will be presented to the Regional Leadership Committee in May.

### **MOTION CARRIED**

#### **9.5. CEO2401 Internal Audit [YouTube 1:00:23]**

The Terms of Reference for this Audit & Risk Committee included responsibility over Internal Audit. Previously this Committee had discussed and agreed to commence Internal Audit activity. This paper provided an update and next steps. It is important that Governance receives independent assurance that controls are in place and operating as intended within an organisation (this is the role of Internal Audit).

Richard Saunders (Chief Executive) was present to speak to the report and respond to questions.

## **Resolution AR24-106: Cr Malcolm Moved, Andrew Douglas Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes** this report.
- 2) **Recommends** that staff complete an internal audit in the area of Asset Management and report back to the Audit and Risk Committee.
- 3) **Requests** that staff develop a three-year internal audit programme (2024/25 to 2026/27) and report back to the Audit and Risk Committee for endorsement of the programme.

### **MOTION CARRIED**

## **10. RESOLUTION TO EXCLUDE THE PUBLIC [YouTube 1:08:03]**

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

*I move that the public be excluded from the following parts of this meeting, namely:*

- 2.1 Confidential Minutes Audit and Risk Subcommittee 6 December 2023
- 3.1 Managed Fund Report
- 3.2 Strategic Risk Register

### **MOTION CARRIED**

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>
<p>2.1 Minutes of the PE Audit and Risk Committee Meeting 2023.12.06</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 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>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>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>3.1 Managed Fund Report</p>	<p>To protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied the information or is the subject of it - 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 more of the</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 - 7(2)(c)(i)</p> <p>Withholding of the information is necessary to avoid prejudice to measure that prevent or mitigate material loss to members of the public - 7(2)(e)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities - 7(2)(h)</p> <p>To prevent the disclosure or use of official information for improper gain or improper advantage - 7(2)(j)</p>	<p>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>
3.2 Strategic Risk Register	<p>To avoid prejudice to measures that prevent or mitigate material loss to members of the public – Section 7(2)(e)</p> <p>To prevent the disclosure or use of official information for improper gain or improper advantage – Section 7(2)(j)</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 Chairperson Mepham declared the public portion of the meeting closed at 2:03PM



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Chairperson

25/06/2024  
Date