

# Audit & Risk Subcommittee Agenda

## 22 June 2023



Meeting conducted in the Council Chamber, Lvl 2 Philip Laing House  
144 Rattray St, Dunedin  
Meetings may be viewed live on the ORC Official YouTube Channel

### Members:

Cr Tim Mepham, Co-Chair  
Mr Andrew Douglas, Co-Chair (Independent member)  
Cr Alexa Forbes  
Cr Gary Kelliher  
Cr Kevin Malcolm  
Cr Gretchen Robertson (ex officio)  
Cr Kate Wilson

Senior Officer: Richard Saunders, Chief Executive

Meeting Support: Kylie Darragh, Governance Support Officer

22 June 2023 01:00 PM

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| 1. WELCOME  |      |
| 2. APOLOGIES  |      |
| 3. PUBLIC FORUM   |      |
| No requests from members of the public to address the Audit and Risk Subcommittee were received prior to publication of the agenda.   |      |
| 4. CONFIRMATION OF AGENDA   |      |
| Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.   |      |
| 5. DECLARATIONS OF INTEREST   |      |
| 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. ORC Councillors Declarations of Interests are published on the website. |      |
| 6. <a href="#">CONFIRMATION OF MINUTES</a>  | 3    |
| That the minutes of the Audit and Risk Committee meeting held on 23 March 2023 be confirmed as a true and accurate record.  |      |
| 7. <a href="#">ACTIONS (Status of Subcommittee Resolutions)</a>   | 9    |
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| 9.    | RESOLUTION TO EXCLUDE THE PUBLIC  | 60 |
|       | That the public be excluded from the following items under LGOIMA 48(1)(a): |    |
|       | Confidential Minutes of the Meeting on 22 March 2023                        |    |
| 1.1   | Deloitte ORC Audit Plan   |    |
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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 23 March 2023, commencing at 9:00 AM.

**PRESENT**

|                       |                            |
|-----------------------|----------------------------|
| Cr Tim Mepham         | <i>(Co-Chairperson)</i>    |
| Mr Andrew Douglas     | <i>(Co-Chairperson)</i>    |
| Cr Alexa Forbes       | <i>(joined at 10.00am)</i> |
| Cr Gary Kelliher      |                            |
| Cr Kevin Malcolm      |                            |
| Cr Gretchen Robertson | <i>(Ex officio member)</i> |
| Cr Kate Wilson        | <i>(electronically)</i>    |

## 1. WELCOME

Co-Chairperson Tim Mepham welcomed Councillors, members of the public and staff to the meeting at 9:01 am and gave a karakia. Staff present included Nick Donnelly (GM Corporate Services), Anita Dawe (GM Policy and Science), Gavin Palmer (GM Operations), Richard Saunders (GM Communications), Amanda Vercoe (GM Governance, Culture and Customer), Joanna Gilroy (Interim GM Regulatory), Liz Spector (Governance Support), Trudi McLaren (GSO), Sarah Munro (Manager Finance), and Kelly Stuart (People Services Lead). Pim Borren, (interim Chief Executive) was present electronically.

## 2. APOLOGIES

It was noted that Cr Forbes would arrive to the meeting at a later time. Cr Wilson was present electronically. In addition to the meeting members, Crs Weir, McCall, Noone and Somerville were present.

## 3. PUBLIC FORUM

No public forum was held.

## 4. CONFIRMATION OF AGENDA

The agenda was confirmed as published.

## 5. DECLARATIONS OF INTERESTS

No changes were made to the Declarations of Interest.

## 6. MATTERS FOR CONSIDERATION

### 6.1. CS2305 Audit & Risk Work Program 2023

The Audit and Risk Subcommittee is governed by its Terms of Reference which define the purpose and responsibilities of the Subcommittee. This paper outlined the proposed work programme to be covered at Audit and Risk Subcommittee meetings in the 2023 calendar year to ensure the responsibilities outlined in the Terms of Reference are fulfilled. Nick Donnelly (GM Corporate Services) was present to respond to questions about the report.

Following questions by Councillors, Cr Malcolm moved:

#### **Resolution AR23-101: Cr Malcolm Moved, Cr Robertson Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes** this report.
- 2) **Endorses** the proposed work programme for the 2023 calendar year.

## MOTION CARRIED

### 6.2. CS2306 Corporate Policy Overview Report

An overview of this groups work and a list of Council's policies was provided to the Audit and Risk Subcommittee at their October 2021 meeting. The Subcommittee requested that the updated policy table was provided to subsequent Audit and Risk meetings.

Nick Donnelly (GM Corporate Services) was present to respond to questions. Following discussion of the report, Mr Douglas moved:

**Resolution AR23-102: Andrew Douglas Moved, Cr Robertson Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes** this report.

**MOTION CARRIED**

**6.3. CS2307 Ethical Investment Policy**

Nick Donnelly was present to respond to questions about the report and informed the members that the question was raised whether Council's managed fund was operated under an ethical investment policy during the Finance Committee meeting on 23 February 2023. This question was referred to the Audit and Risk Committee to consider further.

It was questioned whether a working party should be created to review a potential Council policy on ethical investing. Cr Malcolm requested a workshop be conducted to discuss this in detail and Mr Douglas suggested the investment manager should also be involved with this workshop.

It was moved:

**Resolution AR23-103: Cr Malcolm Moved, Cr Kelliher Seconded**

*That the Audit and Risk Subcommittee:*

- 1) **Notes** this report.
- 2) **Directs** staff to schedule a Council workshop before SIPO adoption to further explore a policy on ethical investing.

**MOTION CARRIED**

**6.4. A&R2302 People and Safety Six-Month Report**

The report was provided to update the subcommittee on health, safety and wellbeing (HSW) and people (HR) related information at the ORC. Kelly Stuart (People Services Lead), Gina Watts (Acting Team Lead H & S) and Amanda Vercoe (GM Governance, Culture and Customer) were present to respond to questions about the report.

Councillors noted the new format for the report and asked to see comparisons to previous years included. It was also requested that training for new Councillors on their responsibilities as PCBU be provided. Councillors asked questions about staffing and vacancies and Richard Saunders (GM Comms) reviewed the process that Managers and ELT undertake when determining what vacancies need to be filled. Discussion was held about what the top five H & S risks are for the Council and whether vehicles are 5-star safety rated.

Cr McCall requested statistics on the most dangerous key risks be highlighted in future reporting.

**Resolution AR23-104: Cr Malcolm Moved, Cr Wilson Seconded**

That the Audit and Risk Subcommittee:

- 1) **Notes** this report.
- 2) **Requests** the Chief Executive to direct staff to provide an Audit & Risk workshop on health and safety responsibilities under the Local Government Act 2002 related to PCBU.

**MOTION CARRIED**

**7. RESOLUTION TO EXCLUDE THE PUBLIC**

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

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

- 1.1 Managed Fund – December 2023 Report
- 1.2 Risk Report
- 1.3 Audit Management Letter – Initial Response

**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>  |
|--|--|--|
| 1.1 Managed Fund – December 2022                       | <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</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> |

|   |  |  |
|---|--|--|
|   | prejudice or disadvantage, commercial activities – Section 7(2)(h)   |  |
| <i>1.2 Strategic Risk Register Review</i>             | <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> |
| <i>1.3 Audit Management Letter – Initial Response</i> | <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>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 are as follows:

## 8. CLOSURE

There was no further business and Co-Chairperson Tim Mephram declared the meeting closed at 10:08 am.

Chairperson

Date

DRAFT MINUTES



Audit & Risk Subcommittee Agenda 22 June 2023 - ACTIONS (Status of Subcommittee Resolutions)

| Meeting Date | Document   | Item   | Meeting Type                                      | Action Required   | Assignees  | Action Taken   | Date Due   | Date Completed | Minutes Text   |
|--------------|--|--|---|---|--|--|------------|----------------|--|
| 23/03/2023   | Audit and Risk Subcommittee<br>2023.03.23                      | A&R2302<br>People and<br>Safety Six-<br>Month Report | Audit and Risk<br>Subcommittee                    | Staff to arrange an<br>Audit & Risk<br>workshop on<br>health and safety<br>responsibilities<br>under the Local<br>Government Act<br>2002 related to<br>PCBU Res. AR23-<br>104 | General<br>Manager<br>Governance,<br>Culture and<br>Customer | 13/06/2023 General<br>Manager Governance,<br>Culture and Customer<br>Workshop scheduled<br>for 22 June 2023. | 30/06/2023 |                | Resolution AR23-104 : Cr Malcolm Moved, Cr<br>Wilson Seconded That the Audit and Risk<br>Subcommittee : 1) Notes this report.<br>2) Requests the Chief Executive direct staff to<br>provide an Audit & Risk workshop on health and<br>safety responsibilities under the Local<br>Government Act 2002 related to PCBU.<br>MOTION CARRIED  |
| 23/03/2023   | Audit and Risk<br>Subcommittee -<br>Confidential<br>2023.03.23 | CS2309 Strategic<br>Risk Register<br>Review          | Audit and Risk<br>Subcommittee<br>Public Excluded | COMPLETED   |  | Climate change deep<br>dive on Agenda for 22<br>June, 2023.  |            | 22.06.2023     | Resolution AR23-106 : Cr Kelliher Moved, Cr<br>Malcolm Seconded That the Audit and Risk<br>Subcommittee: 1) Notes this report and<br>the outcomes of the six-monthly review and<br>refresh of Council's Strategic Risk Register.<br>2) Directs the Chief Executive to request staff<br>provide a one-page report to the next A & R<br>Subcommittee meeting for a deep dive into the<br>following risk: Climate Change. MOTION<br>CARRIED |

### 8.1. A&R2301 Legislative Compliance

**Prepared for:** Audit and Risk Subcommittee  
**Report No.** A&R2301  
**Activity:** Governance Report  
**Author:** Janet Ashcroft, Legal Counsel  
**Endorsed by:** Nick Donnelly, General Manager Corporate Services  
**Date:** 22 June 2022

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#### PURPOSE

[1] To receive Council's legislative compliance report.

#### EXECUTIVE SUMMARY

[2] On 22 February 2022 Council received its final Legislative Compliance Warrant of Fitness and Mandatory Documents Register report. Those documents were replaced with a new online legislative compliance tool ComplyWith in August 2022.

[3] ComplyWith enables Council staff to clearly understand what the law requires and provides an effective process to identify and track legal risks.

[4] Our staff utilise ComplyWith to review and monitor their performance against our legislative framework and to identify areas where improvement or action is required.

#### RECOMMENDATION

*That the Subcommittee:*

- 1) **Notes** this report.

#### BACKGROUND

[5] Council as a creature of statute, derives its functions, duties, and responsibilities from a range of Acts, Regulations, and other legislative instruments. Non-compliance with legislation is a strategic risk. ComplyWith is a means of identifying risk. Council must ensure it is compliant to avoid or mitigate risk. To do this, we must periodically review our performance against this legislative framework to ensure ongoing compliance.

#### DISCUSSION

[6] A legislative compliance framework is required to reduce the risk to Council arising from environmental damage, harm to people's health and safety, financial loss, loss of reputation, loss of accreditation, court proceedings and/or complaints, investigation, or censure from monitoring bodies (such as the Ombudsman, Auditor General, Minister of Local Government, and Minister for the Environment).

[7] ComplyWith creates an 'Obligations Register' by mapping and allocating legislative obligations to staff roles from team leaders and above. It enables staff to remain current with their legal compliance obligations and any relevant legislative changes under key local government legislation.

- [8] The Obligations Register sets out compliance content for each role at Council and outlines key legislation and regulations that apply. The content is updated by ComplyWith, usually within a week of law changes taking effect which ensures our obligations are up to date and fit for purpose.
- [9] ComplyWith helps us to identify legal risks early and operates as evidence that we are taking reasonable steps to manage legal compliance risk and exercising due diligence across our organisation.
- [10] The Legal Team provides an overview of ComplyWith as part of its induction training for new starters at Council and provides on-going refresher training for staff with obligations.
- [11] The Legal Team conducts ComplyWith Surveys twice yearly to identify areas where improvement or action is required by providing a snapshot of Council's current position. The first ComplyWith survey was undertaken in August 2022 and the just recently in April 2023.
- [12] ComplyWith surveys rely on staff self-reporting. Staff have the option of the following survey responses:
- a. **Full compliance** (the obligation arose and was fully complied with);
  - b. **Partial compliance** (the obligation arose, there was more than zero compliance but not full compliance);
  - c. **Zero compliance** (the obligation arose but there was non-compliance);
  - d. **Obligation did not arise** (the circumstances giving rise to the obligation did not occur over the survey period); or
  - e. **Allocate to another role** (the obligation should be allocated to another role, or it should be deleted because it does not apply at all).
- [13] Answers of partial compliance or zero compliance require an accompanying explanation together with an action plan/corrective action. Staff can provide a narrative for other questions if they wish.
- [14] Where there are compliance issues they are reported as follows:
- a. The issue has been **resolved** and no further action required
  - b. There is an **action plan in place** - there will be updates towards resolution
  - c. There is **no action plan in place** yet - an explanation is required to be given
- [15] Attached are copies of the reports from our August 2022 and April 2023 ComplyWith surveys which provides a high-level analysis of Council compliance.
- [16] Within Council managers are encouraged to review their team's surveys and talk to them post-survey about why they answered questions the way they did. Doing this is a way to audit results while also giving managers a better overview of matters within their team. It also provides staff with an opportunity to ask questions or discuss concerns.
- [17] The Legal Team looks for trends between surveys, for example for obligations that have not arisen – to ensure that obligation is matched to the correct role or to re-allocate the obligation if needed.

[18] When an obligation is marked as non-compliant, the staff member is required to enter a corrective action and a date that this will be actioned by. Reminder emails are generated by ComplyWith. The Legal Team follows up any outstanding non-compliance and escalates that where appropriate to achieve compliance now, and to manage any future risks.

[19] To ensure up-to-date reporting is provided following the completion of a survey, we suggest that results are reported to Council after each survey instead of once/annually as has been the case in the past.

[20] The legal team is proposing to introduce periodic internal audits (a quasi/mini survey) to look at compliance evidence across teams within our directorates. This additional measure is considered necessary to ensure the veracity of our survey results against legislative obligations, given that ComplyWith, like its predecessor, is reliant upon self-reporting. Audit roll outs would start with teams carrying higher risk functions at Council and require participants to provide examples or upload documents confirming compliance with the obligations.

## **CONCLUSION**

[21] This report updates the Audit & Risk Committee on Council's legislative risk management activities.

## **CONSIDERATIONS**

### **Strategic Framework and Policy Considerations**

[22] There are no policy considerations arising from this report.

### **Financial Considerations**

[23] There are no financial implications associated with this report.

### **Significance and Engagement Considerations**

[24] No matters in this report trigger the Council's significance policy or require additional or specific consultation.

### **Legislative and Risk Considerations**

[25] It is important that Council has an appropriate system in place to identify any areas of risk of non-compliance so that these can be addressed before they cause issues.

### **Climate Change Considerations**

[26] There are no climate change considerations associated with this report.

### **Communications Considerations**

[27] There are no communication considerations associated with this report.

## **ATTACHMENTS**

1. Comply With Report August 2022 Survey [8.1.1 - 4 pages]
2. Comply With Report April 2023 Survey [8.1.2 - 8 pages]



Author:  
Janet Ashcroft

To:  
Audit and Risk Committee

Purpose:  
Report on outcome of legal compliance survey

Date:  
01 Dec 2022

|  |                                   |   |                              |
|--|-----------------------------------|---|------------------------------|
| <b>Period covered</b><br>01 Feb 2022 - 08 Aug 2022 | <b>People finished</b><br>45 / 45 | <b>Responses completed</b><br>1344 / 1344 | <b>Acts &amp; Regs</b><br>85 |
|--|-----------------------------------|---|------------------------------|

## Introduction

Otago Regional Council uses ComplyWith Legal Compliance to manage our legal compliance reporting programme. ComplyWith is used by over 150 organisations in Aotearoa including several Regulators.

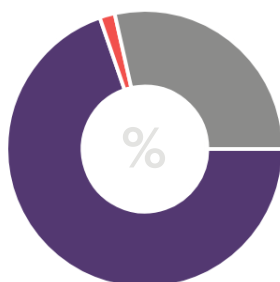
In June 2022, the ComplyWith team worked closely with Council to map legal compliance obligations to the right roles and people across the organisation. Staff with mapped legal compliance obligations were then required to complete a tailored survey. The results of the survey gives Council assurance that legal compliance is happening and identifies any non-compliances.

This report provides a high-level overview of the outcome of the legal compliance survey.

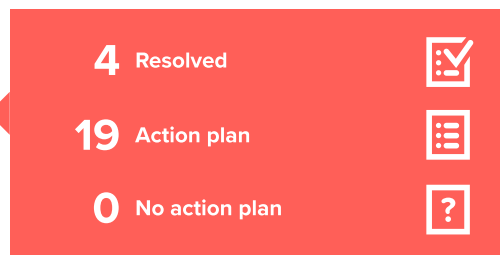
## Summary

- All 45 survey participants completed their legal compliance surveys which demonstrates a high level of engagement from Council staff.
- There was a high compliance rate. 2% of all the results (23 of the 1344 responses) raised non-compliances. 98% of responses were representative of compliance.
- Of the reported issues, 4 are resolved and the others have action plans in place.
- Unresolved non-compliances are tracked as Corrective Actions and survey participants are prompted to update the status of their corrective actions until they are resolved.

### Results:



### Status of corrective actions:



## Environment

### Climate Change Response Act 2002 and Climate Change (Unit Register) Regulations 2008

- Three zero compliances related to the emission trading account and an action plan is underway to manage account users and information.
- One partial compliance related to climate change adaptation information being available on request because the climate change strategy (based on the approved climate change roadmap) is underway but still being drafted.

### Resource Management Act 1991 and Regulations

- Two compliance issues related to the Air and Coastal Plans which have overdue reviews. The Air Plan review is being addressed this financial year and the Coastal Plan review next year.
- A further compliance issue related to an error in nominating the proposed Otago Regional Policy Statement 2021 as a freshwater planning instrument (FPI) under s 80A of the Act is to be remedied at a Council meeting on September 15 by seeking to notify those parts of the RPS which are considered to be a FPI.

### Water Services Act 2021

- One partial compliance regarding the obligation to assess effectiveness of water source risk interventions every three years was reported. Staff have been tasked with developing a process for assessing and reporting.

## Managing Information

- It was reported that two LGOIMA requests were not met within the required timeframe. Education and refresher training was rolled out to all staff on LGOIMA processes.
- Two partial compliances under the Public Records Act related to unmanaged records and classification of records no longer in use. Both are due to be resolved with the implementation and transition to a new share point system.

## Health and Safety

There were only three partial compliances reported relating to health and safety.

- PPE: it was reported that some staff have lost PPE which needs to be replaced. An audit is to be undertaken to ensure all staff have appropriate PPE.
- Another partial compliance related to working at heights requirements (which are limited at Council) necessitating more edge protection and fall restraint systems to be installed, the review noted that fall prevention site assessments have been conducted and implementing controls is underway.
- There were some gaps in the remote or isolated worker management arrangements reported. A solution was identified, and a programme underway to implement new safety systems and communications tech.

## Local Government and Finance

- Two partial compliances were reported relating to the Annual Plan process.
- Another partial compliance related to the Unclaimed Money Act 1971, where review identified that some unclaimed money needs to go to the IRD.

## Law Changes

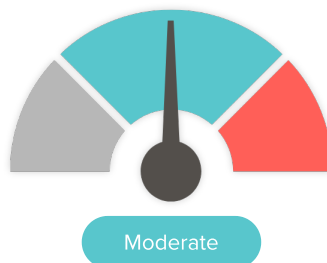
Council staff have access to ComplyWith's Obligations Register which allocates legal compliance obligations to their roles and provides plain English guidance around those obligations. ComplyWith operates to alert staff to law changes impacting their obligations.

During the reporting period, there were a number of law changes relevant to Council, including:

- 14/02/22 - The time for regional councils to change their regional policy statements to comply with the National Planning Standards was extended from 3 May 2022 to 3 May 2024.
- 19/05/22 - Regional transport committees were given a new function to prepare and review speed management plans in line with the Land Transport Rule: Setting of Speed Limits 2022.
- 01/07/22 - The new protected disclosures regime came into force, adding a number of new requirements
- Changes to the Resource Management Act about climate change due to come into force on 31 December 2021 now come into force on 30 November 2022.

Impact of recent law changes on Otago District Council

From February 1 - August 8 2022



We are using **ComplyWith**, a legal compliance management tool, to identify and monitor our legal compliance risks.



**Map responsibilities**

Legal obligations have been carefully mapped to the responsible roles within our business.



**Identify legal risks**

Responsible roles have completed an online compliance survey, enabling them to proactively identify legal risks and issues.



**Track unresolved risks**

The corrective actions function allows us to monitor risks, set action plans, and send reminders about unresolved issues.

**What do the survey results mean?**

Responsible roles rate our compliance with our legal obligations using the response scale below. When partial or zero compliance is reported, the current status of the compliance issue is also required to be entered.

**Response scale**



The obligation arose and was **fully complied with**.



The obligation arose, there was more than zero compliance but **not full compliance** (explanation mandatory).



The obligation arose, but there was **no compliance at all** with it (explanation mandatory).



The circumstances giving rise to the **obligation did not occur** during the period covered by the survey.



The obligation should be **allocated to another role**, or it should be deleted because it **does not apply** at all.

**Status of compliance issues**



The issue has been **resolved**, no further action required.



There is an **action plan in place**. There will be updates towards resolution.



There is **no action plan in place** yet. An explanation is required to be given.

**Want to know more?**

To learn more about the legal compliance programme, or to access a copy of the full survey results, please ask the author of this report.





Otago Regional Council Legal Compliance Survey (9 August - 23 April 2023)



Author:  
Janet Ashcroft

To:  
ORC Audit and Risk  
Subcommittee

Purpose:  
Summary of April 2023 survey

Date:  
15 May  
2023

|  |                                   |   |                              |
|--|-----------------------------------|---|------------------------------|
| <b>Period covered</b><br>09 Aug 2022 - 23 Apr 2023 | <b>People finished</b><br>43 / 44 | <b>Responses completed</b><br>1463 / 1474 | <b>Acts &amp; Regs</b><br>87 |
|--|-----------------------------------|---|------------------------------|

## Introduction

Otago Regional Council uses ComplyWith to manage our legal compliance reporting .

An initial survey was run in 2022 for the period 1 February to 8 August.

This is the second Council survey which covers the period 9 August 2022 to 23 April 2023.

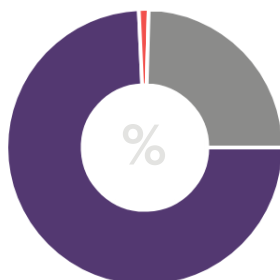
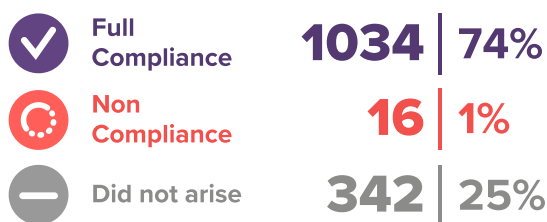
The Legal Team runs ComplyWith surveys twice yearly.

This report provides a high level overview of the outcome of the second legal compliance survey.

## Summary

- 43 out of the 44 survey participants completed their legal compliance survey which demonstrates a high level of engagement from Council staff.
- There was a high compliance rate. 1.5% of all results (16 of the 1463 responses) raised non-compliances. 98.5% of responses showed no issues.
- Of the 16 reported non-compliances, three have been resolved and nine have corrective action plans in place.
- Unresolved non-compliances are tracked as Corrective Actions and survey participants are prompted to update the status of their corrective actions until they are resolved.

### Results:



### Status of corrective actions:



## Environment

### Biosecurity Act 1993, Regulations, and the National Bovine TB Pest Management Plan

- Two partial non-compliances which related to our Biosecurity Act warrant holder training process were actioned and a system implemented to ensure appropriate training undertaken.
- One partial non-compliance related to small-scale pest management programmes where occupiers were not given the required 5 working days notice before work was due to start resulted in the process being reviewed to ensure minimum notice periods are given.

### Resource Management Act 1991 and Regulations

- One non-compliance related to ORC Resource Consent RM10.408 for river management works, in not notifying the territorial authority of in-stream works under the consent.
- One partial non-compliance related to the Coast and Air plans being overdue for renewal. The new RPS, Land and Water Regional plans are scheduled to be notified by 30 June 2024.

### Climate Change Response Act 2002 and Climate Change (Unit register) Regulations 2008

- One partial non-compliance related to information on climate change adaptation being available on request that was identified in the first ComplyWith survey. The strategy team are progressing the drafting of the ORC climate change strategy which will address that.
- Three partial non-compliances related to the ORC Emissions Trading Register account that was also identified in the first ComplyWith survey. The finance team are progressing through this.

## Finance and commercial

- One partial noncompliance related to the Unclaimed Money Act 1971 and the procedure to be undertaken to refund unclaimed money back to the owner within the required time frame. Historical balances to be refunded to the IRD (that were identified in the first ComplyWith survey) are an ongoing project for the Finance team.
- One partial noncompliance was reported for the Construction Contracts Act 2002. The scheduled amount payable for a contract was not paid within the stated period due to the supply of the invoice being late.

## Health and Safety

Four partial non-compliances were reported relating to Health and safety.

- One partial non-compliance related to the remote and isolated worker management programme following on from the non-compliance identified in the 2022 ComplyWith survey relating to the Lone Worker Safety Monitoring System that involved the issuing of handheld satellite messaging devices and Personal Locator Beacons to appropriate ORC staff.
- One partial non-compliance related to managing specific hazards of heights of more than 3 metres following ORC pump stations were identified as requiring remedial works. Installation of fall arrest engineering controls including: unirail systems; fixed anchors; cable retractables; and LadSaf Ladder Fall Arrest Cable Systems is being undertaken at six ORC pump stations.
- Two partial non-compliances related to the "officer's duties" of ORC General Managers to ensure due diligence is exercised under the HSW Act. Feedback included that ELT might not receive the necessary information on critical risks or investigations to make necessary decisions. The Health and Safety team are looking at reporting processes to ELT.

## Governance

- One partial non-compliance was identified for delegated authority (to a consultant) for approving the lodgement of a consent application. The consultant has been reminded of ORC's delegation process.

## Local Government

Local Government (Rating) Act 2002

- One partial non-compliance related to making the rate setting resolution publicly available within 20 working days. The resolution is currently available through Council meeting minutes. The rates resolution will be published in the rating section of the new website.
- One partial non-compliance related to writing off unpaid rates for certain Māori land. The Finance team is conducting an ongoing review of these rates arrears balances.

Local Government Act 2002 and Local Government (Financial Reporting and Prudence) Regulations 2014

- One partial non-compliance related to consultation for the LTP as the consultation was conducted on an ORC wide basis and individual directorates did not conduct separate consultations on which to base their decisions.
- One partial non-compliance related to the balanced operating budget requirement. The Finance team confirmed balanced budget requirements have been discussed with Council and included in the audit management letter.

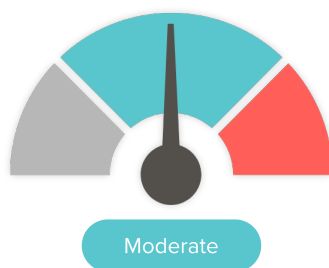
## Law Changes

Council staff have access to ComplyWith's Obligations Register which allocates legal compliance obligations to their roles and provides plain English guidance around those obligations. ComplyWith operates to alert staff to law changes impacting their obligations.






During the reporting period, there were a number of law changes relevant to Council, including:



### Impact of recent law changes on Otago Regional Council

From 9 August 2022 to 23 April 2023



| TYPE               | AREA OF LAW   | LAW CHANGE   | IMPACT ON BUSINESS  |
|--------------------|---|--|---|
| <br><b>AMENDED</b> | <b>Local Government Act 2002 and Local Government</b> | A Registrar must be appointed to compile and maintain the members' pecuniary interest register and give advice and guidance to members about their pecuniary interest obligations. | Governance team too update process around pecuniary register  |
| <br><b>AMENDED</b> | <b>Local Government Act 2002 and Local Government</b> | Numerous changes to allow council operations during severe weather events.   | Changes included:<br>-allowing audio visual attendance at Council meetings,<br>-reducing consultative procedure timeframes, |

| TYPE   | AREA OF LAW  | LAW CHANGE  | IMPACT ON BUSINESS   |
|--|--|---|--|
| <br>AMENDED   | Local Electoral Act 2001 and Local Electoral Regulations 200 | Epidemic Preparedness (COVID-19) Notice 2020 expired. | The chief executive can no longer defer giving notice to the electoral officer of an extraordinary vacancy that was to be filled by an election before the Notice expired<br>The electoral officer is no longer required to give public notice of changes of electoral process and poll dates made by an Order under section 73AB.   |
| <br>AMENDED   | Local Government Members (2022/23) Determination 2022        | Changes to remuneration provisions                    | Schedule 2 which sets out the remuneration from the 2022 election was replaced with a new Schedule 2 which sets out: the remuneration for councillors with additional responsibilities and for councillors without additional responsibilities (and not just councillors receiving the minimum allowance remuneration) a new column showing the date on which the remuneration is payable to the office-holder.<br>The travel-time allowance was clarified to be pro-rated in the case of part of an hour. |
| <br>AMENDED | Employment Law   | Fair Pay Agreements Act 2022                          | The Fair Pay Agreements Act provides a framework for bargaining for fair pay agreements (FPA) specifying industry or occupation-wide minimum employment terms  |
| <br>AMENDED | Employment Law   | Minimum Wage Act 1983 and Minimum Wage Order          | The minimum wage increased from \$21.20 an hour to \$22.70 an hour (and from \$16.96 an hour to \$18.16 an hour for starting-out workers and trainees).  |
| <br>AMENDED |  |   |  |

| TYPE   | AREA OF LAW  | LAW CHANGE   | IMPACT ON BUSINESS   |
|--|--|--|--|
|  <p>AMENDED</p> | <p><b>Protected Disclosures (Protection of Whistleblowers) Act 202</b></p> | <p>The Protected Disclosures (Protection of Whistleblowers) Act 2022 replaced the Protected Disclosures Act 2000</p> | <p>Key changes are:<br/>                     Expanded definition of serious wrongdoing;<br/>                     New guidance and requirements for dealing with protected disclosures;<br/>                     New requirements not to retaliate or treat disclosers less favourably;<br/>                     New requirements to protect a discloser's identity;<br/>                     Internal procedures for public sector organisations must include extra information.</p> |
|  <p>AMENDED</p> | <p><b>Land Transport Act 1998</b></p>                                      | <p>New tolerance levels for 21 prescription medicines and 4 illicit drugs were added.</p>                            | <p>A person must not drive, or try to drive, a motor vehicle if their blood concentration level exceeds the tolerance level for that drug.</p> <p>The Police have indicated that random roadside drug testing will be implemented after amendments to the legislation, which are likely to include a confirmatory evidential laboratory test similar to 1 used overseas.</p>   |

We are using **ComplyWith**, a legal compliance management tool, to identify and monitor our legal compliance risks.



**Map responsibilities**

Legal obligations have been carefully mapped to the responsible roles within our business.



**Identify legal risks**

Responsible roles have completed an online compliance survey, enabling them to proactively identify legal risks and issues.



**Track unresolved risks**

The corrective actions function allows us to monitor risks, set action plans, and send reminders about unresolved issues.

**What do the survey results mean?**

Responsible roles rate our compliance with our legal obligations using the response scale below. When partial or zero compliance is reported, the current status of the compliance issue is also required to be entered.

**Response scale**



The obligation arose and was **fully complied with**.



The obligation arose, there was more than zero compliance but **not full compliance** (explanation mandatory).



The obligation arose, but there was **no compliance at all** with it (explanation mandatory).



The circumstances giving rise to the **obligation did not occur** during the period covered by the survey.



The obligation should be **allocated to another role**, or it should be deleted because it **does not apply** at all.

**Status of compliance issues**



The issue has been **resolved**, no further action required.



There is an **action plan in place**. There will be updates towards resolution.



There is **no action plan in place** yet. An explanation is required to be given.

**Want to know more?**

To learn more about the legal compliance programme, or to access a copy of the full survey results, please ask the author of this report.



Otago Regional Council Legal Compliance Survey (9 August - 23 April 2023)





## 8.2. A&R2304 Safety and Wellbeing Report

**Prepared for:** Audit and Risk Subcommittee  
**Report No.** A&R2304  
**Activity:** Internal Projects: Corporate - Health & Safety  
**Author:** Gina Watts, Team Leader Health, Safety and Wellbeing, Kelly Stuart, People Services Lead  
**Endorsed by:** Amanda Vercoe, General Manager Governance, Culture and Customer  
**Date:** 13 June 2023

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### PURPOSE

[1] To receive reporting on health, safety and wellbeing (HSW) and people (HR) related information at the ORC.

### EXECUTIVE SUMMARY

[2] The attached report details high-level activity, themes and outputs from the HSW team from 1 January 2023 to date and the HR team 2022/2023 year to date.

### RECOMMENDATION

*That the Audit and Risk Subcommittee:*

- 1) *Notes this report.*

### BACKGROUND

[3] Nil.

### DISCUSSION

[4] Contained in attached report.

### OPTIONS

[5] This is a noting report, so no options have been provided.

### CONSIDERATIONS

#### Strategic Framework and Policy Considerations

[6] HSW and HR issues fall under ORC's Strategic Direction commitment to "Enable a high performing organisation through an engaged, resilient and inclusive workforce".

#### Financial Considerations

[7] HSW and HR activities are budgeted as part of annual planning.

#### Significance and Engagement Considerations

[8] Nil.

#### Legislative and Risk Considerations

[9] Two key pieces of legislation guiding ORC's work in this area are the Health and Safety at Work Act, and the Employment Relations Act.

[10] People and Safety are both incorporated into the ORC's Strategic Risk Register, as noted in the attached report.

**Climate Change Considerations**

[11] Nil.

**Communications Considerations**

[12] Nil.

**NEXT STEPS**

[13] To report next quarter.

**ATTACHMENTS**

1. Audit and Risk People and Safety Report Q3 June 2023 Final A R [8.2.1 - 5 pages]
2. Audit-and- Risk- Incident-and- Near- Miss- Report-6-12-2023 [8.2.2 - 4 pages]
3. HSW Critical Risks Profiles [8.2.3 - 3 pages]

## Audit and Risk

# People and Safety Report

Quarter Three 2022/2023

22 June 2023

## Executive Summary: People & Safety

The purpose of this report is to receive quarterly reporting on health, safety and wellbeing (HSW) and people (HR) related information at the ORC. The report details high-level activity, themes and outputs from the HSW team from 1 January 2023 to date and the HR team 2022/2023 year to date.

Work to develop an ORC People and Safety Strategy has paused in order for it to align with the Strategic Directions project currently underway. The People and Safety Strategy will be a key component for delivering on the Strategic Directions, and once complete, reporting to Audit and Risk will reflect this.

## Health, Safety & Wellbeing

### 1. Summary of ORC's Critical Risks and work underway on these:

| Critical Risk*                       | Current work on controls (in addition to existing controls)   |
|--------------------------------------|---|
| Contractor Management                | Contractor Safety Framework is currently under review   |
| Vehicle/Vessels – Driving Operations | Alcohol and drug policy to be considered  |
| Lone, Remote or Isolated Work        | Lone Worker Safety Management – System Guide is under development; this is to replace the current Lone Remote and Isolated Working Policy |
| Fatigue                              | Mental Health Strategy<br>Upcoming review of Fatigue Management Policy and toolbox  |
| Violence and Aggression              | Revision of duress procedures is in development   |
| Mental Health                        | Mental health strategy to be developed  |
| Water Hazards                        | Working around water guideline under development  |
| Hazardous Substances                 | Recurring compliance checks in place  |
| Falls from height or between levels  | Working from height project underway  |

\* See Attachment 2 for Critical Risk Profiles

### 2. Safety and Wellbeing Performance Reporting

54 reports were completed in Haumarū Q3 to date (January – June to date), inclusive of incidents, near misses and hazard reports.

\* Refer to Audit and Risk Incident and Near Miss Dashboard

### 1.1 ORC Events

Thirty-seven incidents relating to ORC staff occurred in quarter 3, and quarter 4 to date. Nine incident reports were due to aggressive/ abuse towards staff, prompting a review of current duress procedures. Six incidents and 1 near miss related to the use of an ORC vehicle; vehicle issues were investigated, and control measures were implemented (removing the vehicle from circulation), additional controls relating to driver behaviour are currently under investigation. Four slip trip and fall incidents resulted in minor medical treatment and no lost time, all of which resolved as expected. The other incidents were minor muscular strains with no medical treatment needed; workstation ergonomic assessments were completed in these instances with equipment and or working practice adjustment recommended actions actioned.

Nine ORC hazard reports were submitted, these were assessed, and where required, actions were taken to mitigate or control any risks associated. Of the hazards reported:

- 33% related to slip, trip or fall hazard
- 33% related to damaged or faulty equipment/ vehicle
- 22% relating to unsafe behaviour
- 11% relating to safety equipment missing or damaged

### 1.2 Contractor Events

There was a total of six incidents and two near misses for contractors/subcontractors in quarter 3 and quarter 4 to date; Four relating to bus operations, 1 near miss and 3 vehicle-related incidents, 1 slip trip and fall involving a contractor who is based within ORC. Three from the Wilding Pines Eradication project; 1 near miss involving contact with moving machinery and damage to personal protective equipment. 1 incident resulting in a minor laceration, this incident was followed with safety learnings and actions being shared with the team.

## **3. Legislative Compliance**

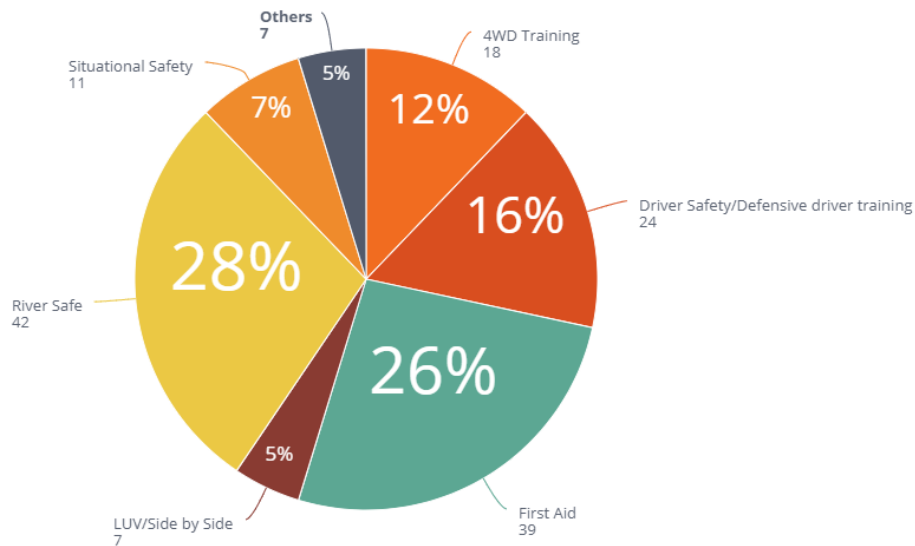
### 2.1 Health and Safety Committee

The Health and Safety Committee (HSC) continues to meet quarterly to discuss health and safety risks across the organisation. Quarter three's meeting took place in March and covered key areas including recent ORC incidents, Health and Safety Newsletter, Health and Safety A-Z, and discussion and reflection on WorkSafe recent investigations across NZ.

## **4. Training and Development**

The health and safety training programme had a high output for Q3 and Q4 to date, 148 staff attended courses, Figure 1 shows the number of training participants per course.

*Figure 1: Training Participation Numbers, Q3 and Q4 to date 2022/2023*



\*others include: emergency and fire warden, and health and safety representative training

### 5. Employee Wellbeing

The Fit for Future annual programme is scheduled to be launched in July, initiatives for Q3 and beyond are summarised in table 2 below. Noting several proposed initiatives are still under consideration.

Table 2: Wellbeing Initiatives Planned Q3 & Q4 22/23, Q1 & Q2 23/24

| Wellbeing Initiative   | Proposed Date  | Status       | Statistics                             |
|--|----------------|--------------|--|
| Ergonomic webinar  | February       | Completed    | 25 attendees                           |
| Aotearoa Bike Challenge  | February       | Completed    | 41 participants, 6,682 km achieved     |
| Blood drive  | April          | Completed    | X5 donations                           |
| Influenza Vaccinations   | April – August | In progress  | 105 vaccinations                       |
| Refresh of employee discount cards                                 | May            | Completed    | N. A                                   |
| Pink Shirt Day   | May            | Completed    | N. A                                   |
| 15 Minute Challenge  | June – August  | In progress. | Goal participation: 100<br>Current: 27 |
| Ergonomic webinar  | June           | TBC          |  |
| Blood drive  | July           | TBC          |  |
| Proposed release of 'Fit for Future' wellbeing programme 2023/2024 | July           | TBC          |  |
| Money Week   | August         | TBC          |  |
| Mental Health Awareness Week                                       | September      | TBC          |  |
| Blood drive  | October        | TBC          |  |

## People and Culture

### [Key projects for March 2023 – May 2023](#)

- Project planning for an **HR System** was commenced, with support from IT.
- **Collective bargaining** has been initiated by the Public Services Association as the current Collective Agreement expires July 2023.
- Ongoing **recruitment support** for the significant recruitment that has been underway at ORC.
- **Accredited Employer Work Visa Scheme** accreditation extended until January 2025.
- The **Corporate Induction Programme** has been updated based on learnings from the 3 sessions held year to date. Content provides an introduction to Otago Regional Council and how we operate, and involved a session with the Chair of Council.
- **Leadership refreshers** for people leaders and **Bicultural Competency training** for staff were delivered.
- 

### [Human Resources Dashboard reporting – Q1, Q2, Q3 and Q4 to end of May](#)

#### Workforce snapshot information

- 309 total staff, 282 permanent / 27 fixed term
- Average tenure is 4.4 years, median tenure is 2.4 years
- Average annual leave balance, 17.1 days (last 12 months)
- Average sick leave taken, 6.1 days (last 12 months)
- Turnover of 19.7% (for context, national average in 2022 was 20.5%)

#### Workforce mobility

- 5 Internal sideways moves
- 20 Internal promotions/upwards moves
- 13 Internal secondments commenced

#### Recruitment snapshot

- 2022/23 roles that have gone to market: 140
- Roles successfully filled: 120

#### Vacancies








#### 22/23 FTE Report as at pay period ending 26/05/2023

Report generated on 13 June 2023 at 9:12:12 AM

| Directorate                                  | Homebase Desc | Staff Name | Position Description | Employee Status | FTE          | Bgt FTE      |
|--|---------------|------------|----------------------|-----------------|--------------|--------------|
| ☐ Chief Executive                            |               |            |                      |                 | 2.0          | 4.1          |
| ☐ Corporate Services                         |               |            |                      |                 | 49.4         | 55.3         |
| ☐ Governance, Culture & Customer             |               |            |                      |                 | 21.4         | 25.5         |
| ☐ Operations                                 |               |            |                      |                 | 89.0         | 91.7         |
| ☐ Regulatory & Communications                |               |            |                      |                 | 81.0         | 89.0         |
| ☐ Science, Environmental Monitoring & Policy |               |            |                      |                 | 57.3         | 68.4         |
| <b>Total</b>                                 |               |            |                      |                 | <b>300.0</b> | <b>334.1</b> |

**Strategic Risks (from ORC’s Strategic Risk Register)**

| Strategic Risks  | Main countermeasures   | Impact      |
|--|--|-------------|
| <p><b>Risk number one:<br/>“People”</b><br/>Unable to attract and retain people with the right skills and experience to deliver the strategic priorities</p> <p>Trend: </p>   | <ul style="list-style-type: none"> <li>Monitoring vacancies to determine whether work programmes are at risk due to vacancies. This is captured as part of quarterly activity reporting.</li> <li>Retention a focus. Currently identifying key projects to progress in order to support retention.</li> <li>2021 employee engagement survey returned a 74 percent engagement “score”. Survey due to be undertaken in 2023, which provides metrics to how we are tracking.</li> </ul>   | <p>High</p> |
| <p><b>Risk number two:<br/>“Health, Safety and Wellbeing”</b><br/>Not ensuring the safety, health and wellbeing of ORC staff, contractors, and the community</p> <p>Trend: </p>   | <ul style="list-style-type: none"> <li>Support Council understanding of “good” health, safety, and wellbeing within ORC through regular reporting to Audit and Risk.</li> <li>Regular ELT monitoring and review of health, safety and wellbeing environment and operational risks at ORC.</li> <li>Regular review of systems and policies, and compliance with these.</li> <li>Ongoing training, education and promotion of a positive health, safety, and wellbeing culture, led by the Health, Safety and Wellbeing team.</li> </ul> | <p>High</p> |
| <p><b>Key:</b><br/>  Risk is increasing<br/>  Risk is stable<br/>  Risk is decreasing</p> |  |             |

Audit and Risk Incident and Near Miss Report 12 Jun 2023 12:00:09 Incident

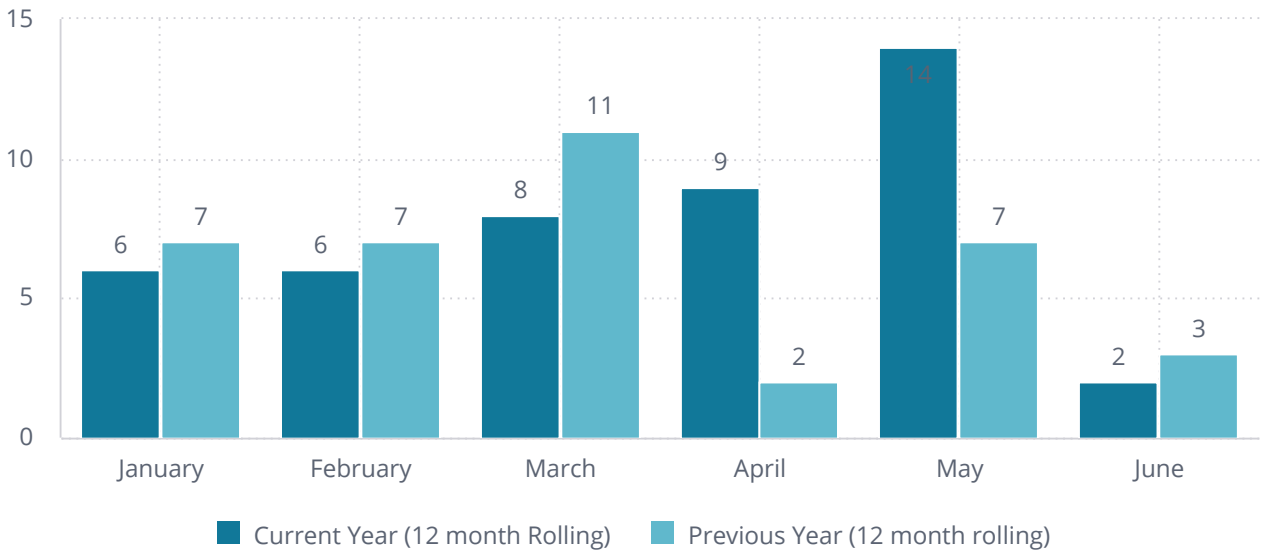
Filters Incident Date 1/1/23 to 6/12/23 | TimeZone New Zealand Standard Time

## Incident / Near Miss Dashboard

- See bottom of screen for a list of records.
- Click on a graph segment to filter the rest of the dashboard based on that selection.
- To see other data relating to a segment right-click and 'Drill' to the desired field.
  - Access other filters using the right-hand filters panel.
  - NOTE: counters may be affected by any filters you apply.



### No. of Incidents by Month

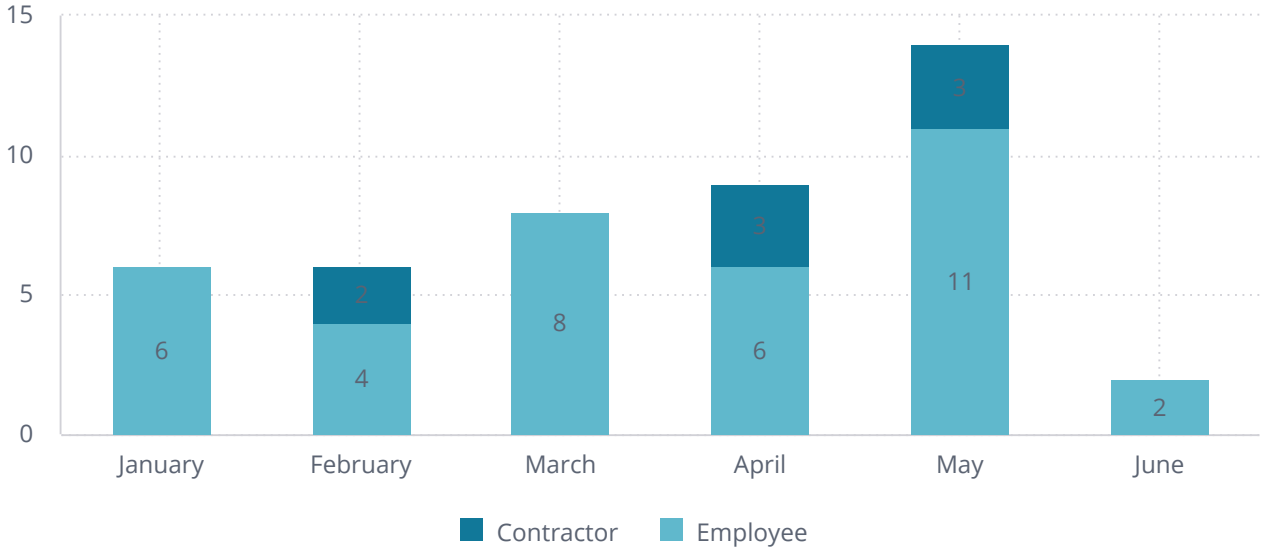




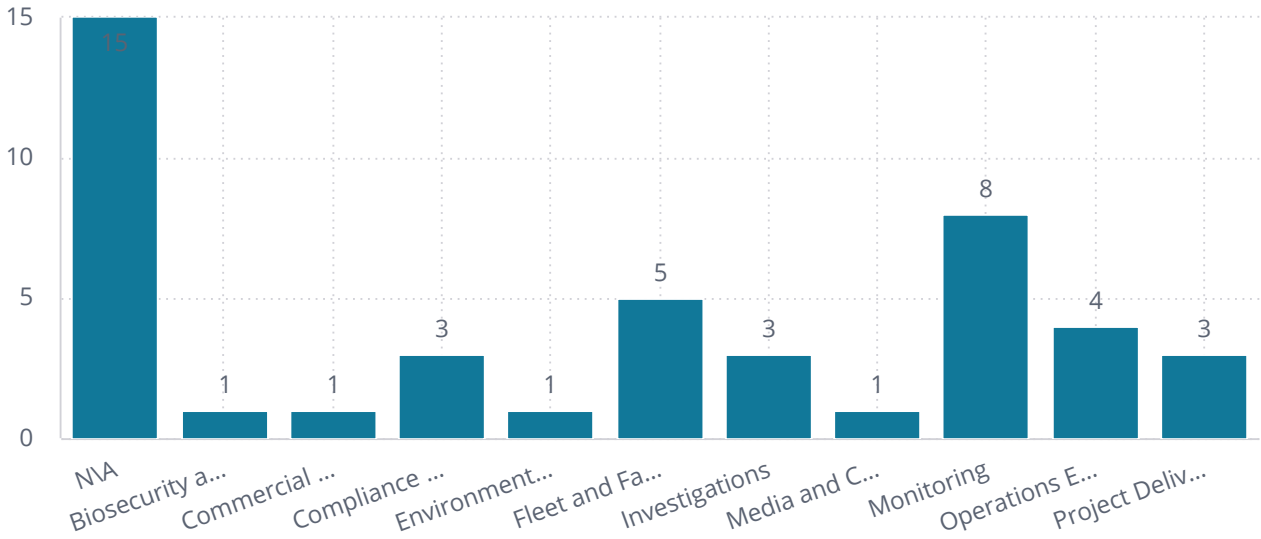
Audit and Risk Incident and Near Miss Report 12 Jun 2023 12:00:09 Incident

Filters Incident Date 1/1/23 to 6/12/23 | TimeZone New Zealand Standard Time

No. of Incidents by Month and Who Was Involved



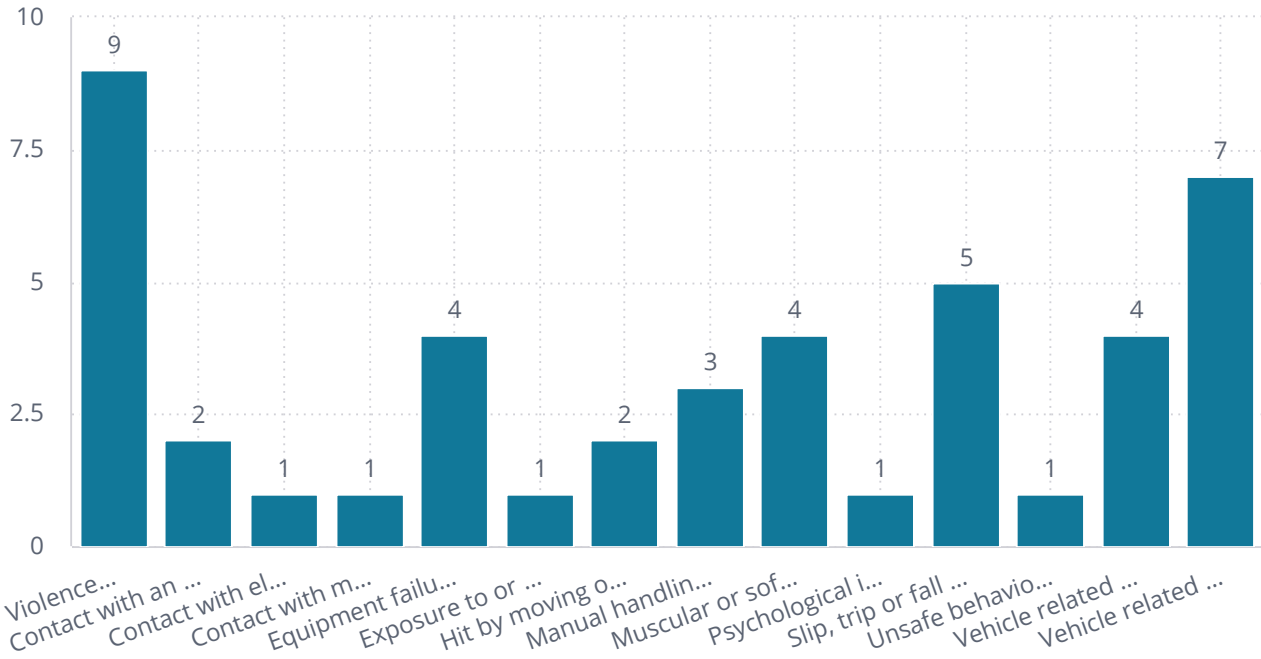
Incidents by Org Unit



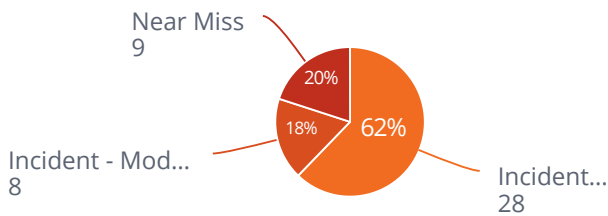
Audit and Risk Incident and Near Miss Report 12 Jun 2023 12:00:09 Incident

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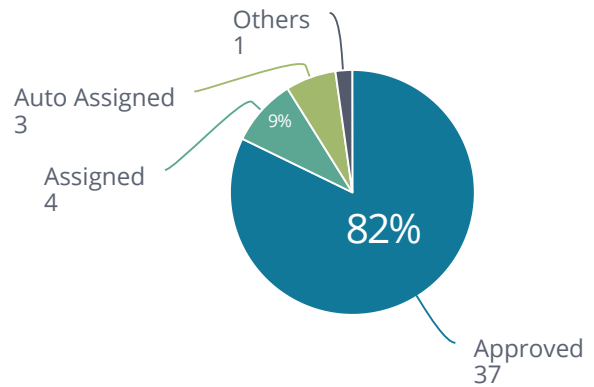
No. of Incidents by Type



Incidents by Severity



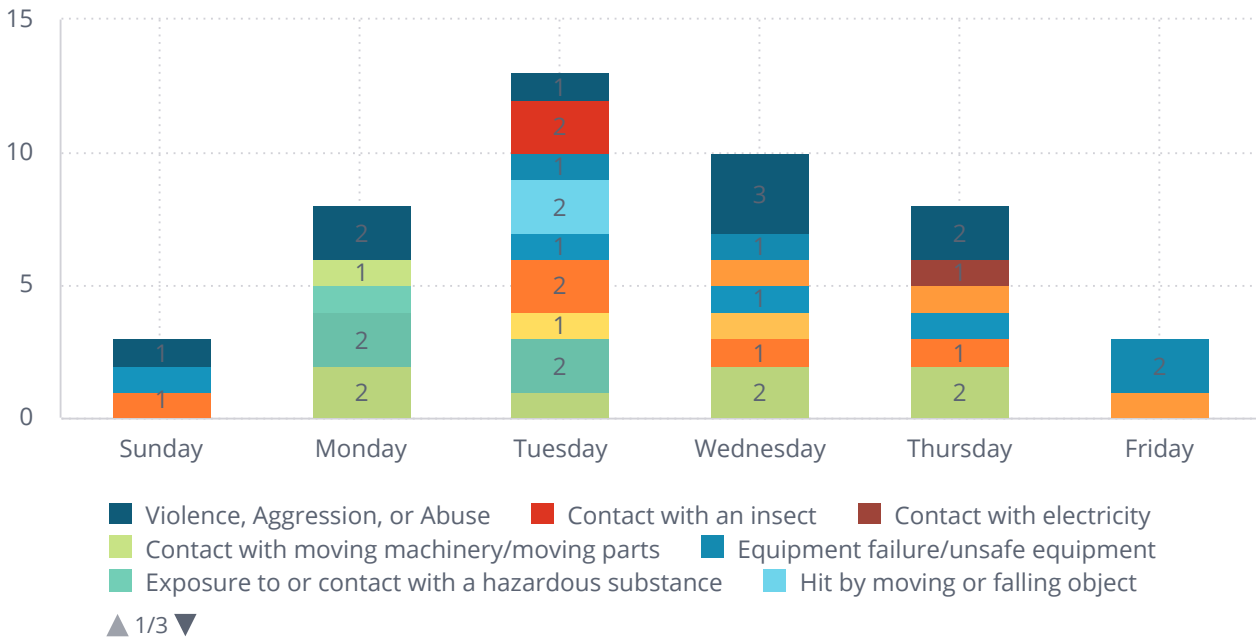
Incidents by Approval Stage



Audit and Risk Incident and Near Miss Report 12 Jun 2023 12:00:09 Incident

Filters Incident Date 1/1/23 to 6/12/23 | TimeZone New Zealand Standard Time

No. of Incidents by Weekday by Incident Type



## Health, Safety & Wellbeing Critical Risk Profiles as of 12 June 2023

*Author: Gina Watts, Acting Team Leader Safety & Wellbeing*

Nine critical risks are outlined within Otago Regional Councils Critical Risk Management Plan which includes lone remote or isolated working, Falls from height or between levels, water hazards, contractor management, hazardous substances, vehicle/vessel driving/operation, mental health, fatigue, and violence and aggression. The profiles below will outline the top five critical risks, determined by the level of residual risk.

There will be additional layers of detail that sit beneath these risk profiles that are managed by managers, team leaders and staff. That information (risk assessments, task analysis, job safety analysis) will ensure the understanding and management of these risks are relevant to the specific activities and tasks undertaken through the layers of the business.

| Contractor Management                               |   |                     |          |
|---|---|---------------------|----------|
| <b>Risk Description</b>                             | <p>Inadequate contractor management risks the health and safety of employees, contractors, visitors, and members of the public.</p> <p>The risk arises when the contractor engager fails to effectively plan, monitor, and control the activities of contractors working on their premises or carrying out work on their behalf.</p> <p>A range of potential hazards and risks may arise from inadequate contractor prequalification, training, supervision, and communication.</p> | Initial risk level  | High     |
| <b>What we know about this risk in our business</b> | <p>Contractor engagement occurs across the Otago Regional Council including construction, maintenance, and specialised tasks such as aviation, public transport, and pest management.</p> <p>We've had 44 contractor related incidents in the past 2 years. 52% percent of these incidents were minor, 25% moderate and 20% near miss occurrences.</p>  | Residual risk level | Moderate |
| <b>How we manage the risk</b>                       | Contractor Health and Safety Policy including prequalification selection procedures, procurement policy & planning processes, organisational induction for onsite contractors, H&S assurance check regimes, regular review of contractor H&S plans, and staff training in contractor safety.  |                     |          |
| <b>Control development</b>                          | The contractor safety framework is currently under review   |                     |          |

| Vehicles/ Vessels – Driving Operations |   |                    |      |
|--|---|--------------------|------|
| <b>Risk Description</b>                | There is a risk people could be harmed while driving to jobs, meetings and site visits. Drives can be long because we cover a large region. People also occasionally drive to places like mines, ports and commercial sites, off-road | Initial risk level | High |

|   |  |                     |          |
|---|--|---------------------|----------|
|   | <p>and rural areas, and places with extreme temperature fluctuations, ice, snow, and sunstrike. CODC vehicle operation in an emergency.</p> <p>Driving, therefore, requires on and off-road capability and <b>involves</b> the use of various types of vehicles</p> <p>All staff who drive for work are exposed, particularly those who drive in remote locations or off-road.</p>                               |                     |          |
| <b>What we know about this risk in our business</b> | We've had 20 driving-related incidents in the past 2 years. These involved property damages and minor injuries. Investigations indicated that driver behaviour was a key contributing factor.  | Residual risk level | Moderate |
| <b>How we manage this risk</b>                      | Fatigue management policy; Driving/ working time restrictions, break/rest and overnight requirements to manage fatigue risks. Recruitment policy (recruitment processes asks if any health issues could impact ability to drive). Organisational inductions. Training, Safe Operating Procedures, vehicle servicing, vehicle GPS tracking with 24/7 impact/rollover alert monitoring service, incident reporting |                     |          |
| <b>Control development</b>                          | Alcohol and Drug Policy to be developed  |                     |          |

| <b>Lone, Remote or Isolated Work</b>                |   |                     |          |
|---|---|---------------------|----------|
| <b>Risk Description</b>                             | <p>Work can be remote because of the nature of work, location, and time, such as visiting sites, inspecting sites, working in remote sites, or responding to calls after hours. The potential risks associated with performing work activities increase significantly when the activity is performed in remote, or isolated situations as assistance may not be readily available to an employee in the event of an injury, ill health, or an emergency.</p> <p>Whether a situation is a high or low risk will depend on the location, type of work, interaction with the public, or the consequences of an emergency, accident, injury, etc. Given that there are a wide variety of situations where employees can be working alone with varying levels of risk.</p> | Initial risk level  | High     |
| <b>What we know about this risk in our business</b> | Lone, remote, and isolated work and the risks it presents occurs across Council operations including teams such as environmental monitoring and environmental implementation. Lone, Remote and isolated work has not been a contributing factor to incident reports in the past 2 years.  | Residual risk level | Moderate |
| <b>How we manage this risk</b>                      | Emergency response planning, task-specific training, Lone Remote or Isolated Work Policy, worker welfare checks 'buddy' system, vehicle fleet use GPS monitoring. 2-way communication with emergency response procedures tailored to the team level. Personal Locator Beacon to be carried.   |                     |          |
| <b>Controls development</b>                         | Lone Worker Safety Management – System Guide is under development; this is to replace the current Lone Remote and Isolated Working Policy   |                     |          |

| Fatigue   |   |                     |          |
|---|---|---------------------|----------|
| <b>Risk Description</b>                             | Fatigue related hazards pose significant health and safety risks. Fatigue occurs when individuals experience physical and or mental exhaustion, leading to impaired decision-making, and increased likelihood of accidents or errors.   | Initial risk level  | High     |
| <b>What we know about this risk in our business</b> | ORC fatigue risk factors include long hours/shift work (emergency responses, flood etc), nature of work (physical or cognitive demands), personal factors (workload/work pace), and lone, remote, or isolated work.   | Residual risk level | Moderate |
| <b>How we manage this risk</b>                      | Administrative: roster planning during emergency/flood response, fatigue management policy & toolbox, leave arrangements to be used to manage fatigue as needed. Wellbeing programme including EAP for all staff support and coping skills, workload management including managing long hours and work travel. Role-specific training, role-specific risk management and assessment, support from management, organisational return to work/ stay at work support pathways. |                     |          |
| <b>Controls development</b>                         | Mental Health Strategy<br>Upcoming review of Fatigue Management Policy and toolbox  |                     |          |

| Violence & Aggression                               |  |                     |          |
|---|--|---------------------|----------|
| <b>Risk Description</b>                             | This risk refers to any behaviour or action that involves physical or verbal aggression, threats, harassment, intimidation, or any other form of violence, whether initiated by an employee, customer, or any other individual present in the workplace environment.   | Initial risk level  | High     |
| <b>What we know about this risk in our business</b> | ORC staff interact with individuals and communities on a wide range of issues, including contentious matters such as policy decisions, enforcement actions, or public service delivery. These interactions, coupled with other factors, can potentially escalate into situations where violence and aggression become a significant concern.<br><br>We've had 18 violence and aggression related in the past 2 years, 13% of these incidents were minor, 17% moderate and 11% near miss, most of the violence and aggression incidents are experienced within the Customer Experience, Compliance and Transport Teams. | Residual risk level | Moderate |
| <b>How we manage this risk</b>                      | Occupational Violence and Aggression Policy, de-escalation training, duress and emergency management procedures, provision of fit for purpose workplace layout (e.g. wide and high customer service counters), Security and duress systems (e.g. duress alarms and CCTV at customer-facing points), EAP for staff support & debrief post-incident to reduce further harm, reporting and investigation, team/task specific safe operating procedures, support from management, reducing frustration points/known triggers for customers/ members of the public where possible.  |                     |          |
| <b>Controls development</b>                         | Revision of duress procedures is in development  |                     |          |

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

**Prepared for:** Audit and Risk Subcommittee

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**Report No.** A&R2303

**Activity:** Governance Report

**Author:** Andrea Howard, Manager Executive Advice

**Endorsed by:** Amanda Vercoe, General Manager Governance, Culture and Customer  
Nick Donnelly, General Manager Corporate Services

**Date:** 22 June 2023

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#### PURPOSE

- [1] To facilitate a discussion, or 'deep dive', into Council's management of the *climate change* strategic risk.

#### EXECUTIVE SUMMARY

- [2] The attached document provides an overview of the risk environment, and the risk drivers and consequences. It also outlines current risk preventions, existing controls, an assessment of controls and Council's risk improvement plan.

#### RECOMMENDATION

*That the Audit and Risk Subcommittee:*

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

#### BACKGROUND

- [3] Risk management is the act of identifying, evaluating, planning for, and then ultimately responding to threats. The goal is to be prepared for what may happen and have a plan in place to respond appropriately.
- [4] Over the past year Council has been working on refreshing its Strategic Risk Register and has begun the process to take a 'deep dive' into each of the 18 strategic risks.
- [5] The Strategic Risk Register provides information to assist Audit & Risk to carry out its oversight of high-level risk management including:
- a. Critiquing the strategic risk profile and considering if the appropriate strategic level risks have been included and correctly described.
  - b. Considering if the assessment of the risks appropriately reflects the strategic risk profile of ORC.
  - c. Ensuring updates to the Risk Register where discussions with management identify these are appropriate.

## **DISCUSSION**

- [6] The attached document provides an overview of the risk environment, and the risk drivers and consequences. It also outlines current risk preventions, existing controls, an assessment of controls and the risk improvement plan.
- [7] This overview will allow the Audit and Risk sub-committee to understand how Council is currently managing the risks posed by climate change and to facilitate discussion or any changes or improvements that the sub-committee may wish to recommend.

## **CONSIDERATIONS**

### **Strategic Framework and Policy Considerations**

- [8] There are no strategic or policy decisions required.

### **Financial Considerations**

- [9] There are no financial considerations. Any desire to increase Council's response to climate change would be considered through other mechanisms (e.g., the long-term planning process).

### **Significance and Engagement Considerations**

- [10] There are no significance or engagement considerations.

### **Legislative and Considerations**

- [11] There are no legislative considerations.

### **Climate Change Considerations**

- [12] The climate change considerations are covered in the content of the paper.

### **Communications Considerations**

- [13] There are no communications considerations.

## **NEXT STEPS**

- [14] Any changes made to the risk descriptions, preventions, assessment of controls or risk improvement plan will be captured and implemented.

## **ATTACHMENTS**

1. Strategic Risk Deep Dive Climate Change [8.3.1 - 2 pages]



## Strategic Risk Deep Dive – Climate Change

**Risk Description:** Not being appropriately prepared to manage the impacts of climate change in the region and to support communities in mitigating emissions.

**Risk Category:** Strategy and Planning

**Risk Name:** Climate Change

**Executive Sponsor:** Chief Executive

**Executive Oversight:** General Manager, Governance, Culture and Customer

**Last Update:** 22 June 2023

| Assessment | Date       | Consequence | Likelihood     | Inherent risk rating | Consequence | Likelihood | Residual risk rating |
|------------|------------|-------------|----------------|----------------------|-------------|------------|----------------------|
|            | March 2023 | Major       | Almost certain | Critical             | Major       | Likely     | High                 |

| Risk Environment Discussion  |
|--|
| <p>As temperatures increase, the risks posed by climate change impacts is projected to heighten not only in Otago but across Aotearoa/New Zealand and the wider world. The Otago Climate Change Risk Assessment forecasts “extreme” risks to ecosystems and the built environment by 2040 and “high” risks to economic activity in the region by 2040.</p> <p>Climate change is a strategic risk for Council as there will be direct material risks to the region posed by climate impacts, as well as potential risks from failure to align with government policy and legislation (e.g. Climate Change Response Act 2002, or <a href="#">national-adaptation-plan-and-emissions-reduction-plan-guidance-note.pdf (environment.govt.nz)</a>) and reputational risks for not meeting community and stakeholder expectations on climate change.</p> <p>Financial risk is also present, with the increased funding that may be required to undertake mitigation or adaptation activities including flood protection upgrades, as well as response and recovery following significant weather events (like we saw in early 2023 in Hawkes Bay) and support communities with adaptation efforts (South Dunedin and Glenorchy as examples in Otago – with questions pending with respect to who pays for possible adaption activities).</p> <p>Climate change has increasingly become a focus of central government policy direction with the Emissions Reduction Plan (ERP) and the National Adaptation Plan (NAP) coming out in 2022. Local governments are required to “have regard to” both the ERP and NAP when preparing plans under the Resource Management Act.</p> <p>Across the region, territorial local authorities are taking action on climate change with the Dunedin City Council progressing through a Zero Carbon Plan with the intended delivery date for this year and QLDC passing a Climate Action Plan in 2022. Waitaki District Council have recently hired a climate change advisor who is scoping a proposed programme of work. Central Otago District Council and Clutha District Council are also taking action but have more limited resources.</p> <p>ORC has a programme of work underway to address climate change. This includes adaptation measures such as flood protection schemes and partnerships such as the South Dunedin Future programme and mitigation measures such as our public transport programme.</p> <p>ORC has begun steps to increase the cohesiveness of our climate work programmes within council and across the region. There is now an internal climate change working group working on understanding impacts on business and embedding responses within work programmes. There is also a regional staff working group with further work planned to create a regional climate change strategy in partnership with Kai Tahu and in collaboration with the local councils.</p> |

| Causes/Consequences  |
|--|
| <p>Lack of knowledge and understanding of how climate change will impact the region.</p> <p>Lack of integration and alignment of work programmes resulting in an inconsistent approach to how ORC manages the impacts of climate change, or assumptions on which to plan to support appropriate business outcomes.</p> <p>Unable to adequately plan and respond to arising issues with associated legal implications and/or inability to meet community expectations.</p> <p>Failure to plan may also result in need to divert resources/work programmes to respond to ‘here and now’ challenges.</p> <p>Lack of will or resources to address climate change.</p> <p>Inability to fund responses that may be needed.</p> <p>Adaptation and mitigation actions (reducing emissions) may not be adequate to respond, absorb and/or reduce impacts of climate change (including severe weather events). This may result in tangible and intangible consequences, such as environmental degradation, economic inequity, social vulnerability, financial and reputation damage.</p> |

| RISK PREVENTIONS  | EXISTING CONTROLS   | ASSESSMENT OF CONTROLS | RISK IMPROVEMENT PLAN  |
|---|---|------------------------|--|
| <p>Climate change risk assessment to identify where climate change could have a significant impact on the region.</p> <p>Engagement with the community on the risk assessment, so the risk and opportunities are understood and can be factored into community decision making.</p> | <p>Regional Policy Statement provides a framework for climate change response (<a href="#">Available here</a>).</p> <p>A climate change risk assessment completed in 2021 identifies where climate change could have a significant impact on the region (<a href="#">Available here</a>).</p> <p>Otago Region Climate Change Projections looks at expected changes in the climate of Otago, like changes in temperature and rainfall as far ahead as 2100 (<a href="#">Available here</a>).</p> | Adequate.              | <p>Further identify and communicate responsibilities of Council.</p> <p>Scope out a programme of implementation for climate change risk assessment.</p> <p>Proactively develop and implement preventative measures and contingency and emergency management plans.</p> <p>Ensure ORC Directorates have access to information on climate change and its likely impacts, and have considered this in their business planning.</p>  |
| <p>Ensure adequate internal and external planning frameworks to identify, develop and implement appropriate preventative measures to ensure climate change events can be dealt with appropriately and expeditiously.</p>  | <p>NIWA climate projections, environmental monitoring and reporting of data.</p> <p>Regional Policy Statement provides a framework for climate change response (<a href="#">Available here</a>).</p> <p>Climate change considerations are included in all Council reports.</p>  | Partially effective.   | <p>Regional Coastal Plan due to be notified by 30 June 2026 (subject to timeframe adjustments due to broader deadlines shifting in the RPS and Air Plan).</p> <p>Develop and implement an approach to consider impacts of climate change within standard business planning and also within broader business continuity plans and emergency management functions.</p> <p>Review, and where appropriate, integrate Ngāi Tahu Climate Change Strategy into planning and delivery.</p> <p>Provide guidance and training on how to best to include climate change considerations in Council report template.</p>  |
| <p>Ensuring appropriate climate change response activities are factored into strategic priorities to meet expectations for local government to anticipate, deal with and comply with central government climate change requirements.</p>  | <p>Climate change considerations are woven into existing Strategic Directions framework.</p> <p>Climate Change Strategy (and Action Plan) development underway.</p> <p>Funding Policy for ORC to factor in climate change.</p> <p>Regular reporting to Council on climate change activities.</p> <p>Coordinated approach to climate change across the Council to ensure alignment of our collective actions.</p>  | Partially effective.   | <p>Continue to ensure that ORC’s departments are aware of climate change impacts and can plan accordingly (through Internal Climate Change Group).</p> <p>Develop Climate Change Strategy (and Action Plan) to ensure an organisation-wide strategy on implementing existing central government direction on climate change.</p> <p>Regularly update the climate change stocktake.</p> <p>Implement a plan of sustainability initiatives across council and externally.</p> <p>Support the joint implement of a Zero Carbon Plan.</p> <p>Develop a strategic communications plan to support planning, reporting, project management and community engagement.</p> <p>Upskill and build staff capability with training and development to improve risk-based decision making for climate change issues.</p> |
| <p>Continue to advocate for legislation to support climate change responses.</p>  | <p>Climate Change Principal Advisor actively identifying climate change issues to prepare submissions on.</p> <p>Regional Sector advocating with Central Government for co-investment in flood protection upgrades.</p>   | Adequate.              | <p>Continue to proactively identify potential submission areas and engage with Council.</p>  |

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| RISK PREVENTIONS   | EXISTING CONTROLS  | ASSESSMENT OF CONTROLS         | RISK IMPROVEMENT PLAN  |
|--|--|--------------------------------|--|
| Lead regional partnerships to coordinate climate change mitigation and adaptation to prevent climate maladaptation and ensure a cohesive set of actions to mitigate emissions. | Level of service measure to report on regional climate collaboration and existing mechanisms through the Otago Climate Officers' Group.<br>Quarterly reporting to Otago Chief Executive's Forum and Otago Mayoral Forum providing updates on activities. | Adequate/ Partially effective. | Continue to progress Otago Climate Officers' Group and seek closer collaboration through the CE forum. |

Related Strategic Risks: (10) Natural Hazards, (12) Infrastructure Resilience, (18) Partnership Effectiveness.

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

|                      |   |
|----------------------|---|
| <b>Prepared for:</b> | Audit and Risk Subcommittee                       |
| <b>Report No.</b>    | CS2321  |
| <b>Activity:</b>     | Governance Report                                 |
| <b>Author:</b>       | Sarah Munro, Finance Manager - Reporting          |
| <b>Endorsed by:</b>  | Nick Donnelly, General Manager Corporate Services |
| <b>Date:</b>         | 22 June 2023                                      |

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#### PURPOSE

- [1] The purpose of this report is to outline the adoption timetable and changes in the accounting standards for Council's Annual Report and Financial Statements for the year ending 30 June 2023.

#### EXECUTIVE SUMMARY

- [2] This report details the Annual Report timetable. The Annual Report will be presented to the Audit and Risk Subcommittee on 21 September 2023. The Annual Report will include Council and Group audited Financial Statements.
- [3] The Annual Report will be presented to Council on 25 October 2023 for adoption.
- [4] This report also outlines key changes to financial statement accounting standards that are applicable to Council. It is anticipated that there will be no significant impact to the Council financial statements as a result of these accounting standard charges.

#### RECOMMENDATION

*That the Subcommittee:*

- 1) **Notes this report.**

#### BACKGROUND

- [5] The Local Government Act 2002 requires local authorities to prepare and adopt by resolution an Annual Report comparing the actual activities and the actual performance of the local authority with the intended activities and level of performance as set out in the Long-Term Plan and Annual Plan. The statutory requirement is that the Annual Report must be adopted within four months of the end of the financial year (30 June), this year being 31 October 2023.
- [6] The Annual Report includes financial statements for the year ended 30 June 2023. Council financial statements show both of the Council and the Council Group. Council is the sole shareholder of Port Otago Limited and accordingly the Council and Port Otago Limited are regarded as a group for financial reporting purposes.

- [7] Council financial statements are audited by Deloitte on behalf of the Office of the Auditor General.

**TIMETABLE**

- [8] The Annual Report will be presented to the Audit and Risk subcommittee on 21 September 2023 for review and will include audited Council Financial Statements and audited Group Financial Statements.
- [9] Port Otago Limited is audited by Ernst & Young.
- [10] The final Annual Report will be presented to Council at the 25 October 2023 Council meeting for adoption.

**CHANGES TO FINANCIAL STATEMENT ACCOUNTING STANDARDS**

- [11] Council financial statements are prepared using Public Benefit Entity International Accounting Statements (PBE IPSAS). The table below shows the PBE IPSAS

| Standard                           | Change  | Impact on Council   |
|------------------------------------|---|---|
| PBE IPSAS 41 Financial Instruments | <p>PBE IPSAS 41, Financial Instruments, establishes new requirements for classifying, recognizing, and measuring financial instruments to replace those in PBE IPSAS 29, Financial Instruments: Recognition and Measurement. PBE IPSAS 41 reduces complexity by replacing the existing classification and measurement categories for financial assets with principles-based categories. The main changes with PBE IPSAS 41 are:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul> | <p>There is not expected to be material changes in the measurement value of Council financial instruments however changes will be required for disclosure of financial instruments.</p> |

**GROUP**

- [12] Port Otago Limited (POL) is a for profit entity and required to prepare financial statements using New Zealand Equivalent to the International Accounting Statement (NZ IFRS), a different accounting basis to the Council financial statements which are prepared using PBE IPSAS.

[13] During the Council consolidation, POL financial information is recalculated from NZ IFRS to PBE IPSAS accounting standards. During the current year there have not been any changes in NZ IFRS standards which would require additional adjustments.

## **CONSIDERATIONS**

### **Strategic Framework and Policy Considerations**

[14] There are no strategic framework and policy considerations.

### **Financial Considerations**

[15] There are no financial considerations.

### **Significance and Engagement Considerations**

[16] There are no significant and engagement considerations.

### **Legislative and Risk Considerations**

[17] There are no legislative and risk considerations.

[18] There are no climate change considerations.

### **Climate Change Considerations**

[19] There are no climate change considerations.

### **Communications Considerations**

[20] There are no communication considerations.

## **ATTACHMENTS**

Nil

## 8.5. CS2322 Corporate Policy Overview Report

**Prepared for:** Audit and Risk Subcommittee  
**Report No.** CS2322  
**Activity:** Governance Report  
**Author:** Nick Donnelly, General Manager Corporate Services  
**Endorsed by:** Nick Donnelly, General Manager Corporate Services  
**Date:** 22 June 2023

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### PURPOSE

- [1] To provide an update of the ORC's internal organisational policies to the Audit and Risk Subcommittee.

### RECOMMENDATION

*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).

### BACKGROUND

- [2] The Policy Review Group (PRG) was established in October 2020 to oversee Council's internal organisational policies. This group meets quarterly and considers new policies and amendments to existing policies.
- [3] Since its establishment, the PRG has been through a process of standardising, simplifying, and amalgamating these policies, approving new policies and identifying where policy gaps existed.
- [4] An overview of this groups work, and a list of Council's policies was provided to the Audit and Risk Subcommittee at their October 2021 meeting. The Subcommittee requested that the updated policy table was provide to subsequent Audit and Risk meetings.

**DISCUSSION**

[5] Following the previous update to the Audit and Risk Subcommittee at the 23 March 2023 meeting, the PRG has met once on 1 June 2023. The following policies were reviewed at that meeting:

| Policy  | Action  |
|---|---|
| Copyright Policy <ul style="list-style-type: none"> <li>• Previous actions completed regarding signs at photocopies</li> </ul>  | Approved  |
| Landowner Vehicles and Exemptions (part of Vehicle Policy)  | Amendments required – sub-group to review and report back |
| IT Policies <ul style="list-style-type: none"> <li>• Acceptable Use Policy</li> <li>• Security Awareness</li> <li>• Password Policy</li> <li>• Remote Access</li> </ul> | Amend to consolidate into IT Policy and report back       |

[6] The meeting also discussed the purpose and terms of reference of the group and agreed a subgroup comprising the CE, GM Corporate, GM GCC and Legal Counsel will meet separately to discuss this.

[7] It is likely this will result in oversight of Policies moving to sit under Legal Counsel and will be managed in a similar way to legislative compliance. As a result, it is recommended that going forward this Policy Overview report is only presented to Council on an annual basis. Significant Policy changes will continue to be reported to Audit and Risk as required.

[8] An updated copy of the master policy spreadsheet is attached. This is a living document and is being reviewed and updated on an on-going basis. The policies are shown in two categories:

- Internal – organisational policies that mainly relate to how staff undertake their day-to-day activities and are approved by the Chief Executive.
- Council – policies that specifically relate to Councillors and the Council and are approved by Council itself. These are generally policies that Council is required to have under the Local Government Act 2002.

[9] Internal policies are sub-grouped into functional areas. Those shown in green have been through the PRG review process or have been approved by ELT/Council. Notes are included on other policies that are intended to be reviewed in the near future or are to be developed. This may include merger/amalgamation of policies in some instances.

[10] The PRG is scheduled to meet again 31 August 2023.

## **CONSIDERATIONS**

### **Strategic Framework and Policy Considerations**

[11] There are no strategic or policy considerations other than this paper relates to the development and review of Council policies themselves. Any policy considerations are outlined in the paper or attached policies (if included).

### **Financial Considerations**

[12] There are no financial considerations.

### **Significance and Engagement Considerations**

[13] There are no significance and engagement considerations.

### **Legislative and Risk Considerations**

[14] There are no legislative or risk considerations.

### **Climate Change Considerations**

[15] There are no climate change considerations.

### **Communications Considerations**

[16] There are no communications considerations

## **ATTACHMENTS**

1. MASTER Policy Table - March 2023 ARC [8.5.1 - 3 pages]



Audit & Risk Subcommittee Agenda 22 June 2023 - MATTERS FOR CONSIDERATION

| CORPORATE                    | Title  | Description  | Last Reviewed | Status / Notes                                      | Review Period                            | Next Review Date | To ELT | Where published      | Reformatted |
|------------------------------|--|--|---------------|---|--|------------------|--------|----------------------|-------------|
| Legal                        | Official Information (LGOIMA) Policy                   | The ORC's approach to managing information held by the ORC to ensure compliance with the Local Government Official Information and Meetings Act 1987 (LGOIMA).   | Nov-20 PRG    | Approved  | Triennially                              | Dec-23           | ✓      | Jostle, Crs, Website | ✓           |
|                              | Official Information (LGOIMA) Proactive Release Policy | Principles and guidelines for how the ORC can proactively publish official information online, including any responses to requests under the Local Government Official Information and Meetings Act 1987 (LGOIMA).   | Nov-20 PRG    | Approved  | Triennially                              | Dec-23           | ✓      | Jostle               | ✓           |
|                              | Protected Disclosures (Whistleblower) Policy           | The procedures to be followed in relation to protected disclosures under the terms of the Protected Disclosures Act 2000.  | Aug-22 PRG    | Approved  | Triennially                              | Aug-25           | ✓      | Jostle               | ✓           |
|                              | Trespass Policy  | Guidance on the types of trespass and the procedure for considering and issuing trespass notice on behalf of the Otago Regional Council ("Council")  | Nov-20 PRG    | Approved  | Triennially                              | Dec-23           | ✓      | Jostle               | ✓           |
|                              | Customer Privacy Policy                                | Procedures for the control, collection, use and disclosure of personal information (as defined in the Privacy Act 2020).   | May-22 PRG    | Approved  | Biennially                               | May-24           | ✓      |                      | ✓           |
|                              | Inhouse Privacy Policy                                 | Outline of procedures staff must follow under the Privacy Act 2020 ("the Act") and reference to key considerations for a notifiable privacy breach.  | Apr-21 PRG    | Approved  | Triennially                              | May-24           | ✓      | Website, Jostle      | ✓           |
|                              | Copyright Policy                                       | To ensure compliance with the Copyright Act 1994 by protecting copyright owners from unauthorised use of their work.   | Nov-21 PRG    | Approved  | Annually                                 | Nov-22           |        |                      |             |
| Enforcement                  | Formal Warning Policy                                  | Ensures a consistent approach by ORC to use the warnings in appropriate circumstances; when addressing conduct that may be an offence, any response taken will follow due process and public interest considerations while at the same time not overburdening the Courts with matters that can be effectively resolved through other enforcement routes. | May-22 PRG    | Approved  | Annually                                 | May-23           |        |                      | ✓           |
|                              | Drones Policy  | An outline of the authorised use of drones.  | Aug-22 PRG    | Approved  | Annually                                 | Aug-23           |        |                      |             |
| Finance                      | Sensitive Expenditure Policy                           | This document sets out Council's policy around controlling 'sensitive expenditure'. 'Sensitive expenditure' in the context of this policy is expenditure which may provide, or has the potential to provide, or may be perceived as providing, a private benefit to an elected member or staff member.   | Apr-21 PRG    | Approved  | Biennially                               | Apr-23           | ✓      | Jostle               | ✓           |
|                              | Travel Policy  | This document sets out Council's policy in relation to travel.   | Apr-21 PRG    | Approved  | Biennially                               | Apr-23           | ✓      | Jostle               | ✓           |
|                              | Procurement and Contract Management Policy             | Sets out the core framework for the procurement of goods and service within ORC  | May-22 PRG    | Approved  | Biennially                               | May-24           | ✓      | Jostle               | ✓           |
|                              | Fraud Policy   | To identify that processes are in place to deal with fraudulent behaviour by anyone employed by, or elected to, the Otago Regional Council.  | Jan-11        | Review Jun-2023                                     |  |                  |        | Jostle               |             |
|                              | IT Policy  | Provides guidelines for the use of technology and outlines expected behaviours when using IT systems.  | Dec-14        | New Policy Jun-2023                                 |  |                  |        | Jostle               |             |
|                              | Mobile Phone Policy                                    | Outlines the principles for mobile phone usage, security, and hardware that ORC staff agree to when using and mobile phone services provided by ORC.   | Apr-16        | - Merging with New IT Policy above                  |  |                  |        | Jostle               |             |
|                              | Vehicle Policy   | To provide a clear framework for the use of Council vehicles and personal vehicles, for business use, including the required processes, procedures and general expectations.<br>Note: May-22 update merged Vehicle Use and Smarttrak Policies into one Vehicle Policy  | May-22 PRG    | Approved  | Biennially                               | Feb-25           |        | Jostle               | ✓           |
| PEOPLE & CULTURE             | Title  | Description  | Last Reviewed | Status / Notes                                      | Review Period                            | Next Review Date | To ELT | Where published      | Reformatted |
| Employee Conduct and Welfare | Good Employer Policy Statement                         | We will ensure all employees understand why those affected by family violence may need to avail themselves of the entitlements provided by the Family Violence Act 2018 and acknowledge the reasons for providing support.   | Mar-21 PRG    | Approved  | Biennially                               | Mar-23           | ✓      | Jostle               | N/A         |
|                              | Health, Safety and Wellbeing Policy Statement          | The Otago Regional Council (ORC) sees health, safety and wellbeing as a cornerstone of how we do business. We are committed to providing a safe and healthy environment for all employees, contractors, volunteers and visitors who may take part in, or be impacted by our work.  | Mar-21 PRG    | Approved  | Biennially                               | Mar-23           |        | Jostle               | N/A         |
|                              | Code of Conduct Policy                                 | The purpose of this policy is to set out guidance on the types of trespass and the procedure for considering and issuing trespass notice on behalf of the Otago Regional Council ("Council")   | Jun-21 PRG    | Approved  | Biennially                               | Jun-23           | ✓      | Jostle               | ✗           |
|                              | Family Violence Policy                                 | We will ensure all employees understand why those affected by family violence may need to avail themselves of the entitlements provided by the Family Violence Act 2018 and acknowledge the reasons for providing support.   | Jun-21 PRG    | Approved  | Biennially                               | Jun-23           | ✓      | Jostle               | ✓           |
|                              | Performance Management and Disciplinary Policy         | The purpose of this policy is to ensure all employees and managers are aware of their entitlements and obligations in relation to legislated rest and meal breaks. It should be noted that the breaks outlined below are the minimum legislative entitlements, and ORC provisions are in some cases more generous than those in the legislation.         | Jun-21 PRG    | Approved  | Biennially                               | Jun-23           | ✓      | Jostle               | ✓           |
|                              | COVID-19 Vaccination Policy                            | ORC is implementing this COVID-19 Vaccination Policy to support and encourage ORC staff to become vaccinated as part of the national COVID-19 vaccination program where possible, and to set out clear processes and expectations of vaccination requirements for those employed by ORC, or accessing or working from an ORC-owned or controlled site.   | Mar-22 ELT    | Approved  | Every 3 months or as legislation changes | Aug-22           | ✓      | Jostle               | ✓           |
|                              | Storage of Employee Records Policy                     |  | NEW           | In creation   |  |                  |        |                      |             |
|                              | Transition to Retirement Policy                        |  | NEW           | In creation   |  |                  |        |                      |             |
|                              | Youth Engagement Policy                                |  | NEW           | In creation   |  |                  |        |                      |             |
|                              | Conflict of Interest and Gift Policy                   | This policy is created to avoid or successfully manage conflicts of interest occurring and to clarify the circumstances where activities, including secondary employment would be incompatible with employment at the Council.   | Oct-19        | Review Jun-2023                                     |  |                  |        | Jostle               | ✗           |
|                              | Equal Employment Opportunities Policy                  | The purpose of this policy is to outline the ORCs commitment to equal employment opportunity, diversity and inclusion.   |               | To be superseded by Diversity and Inclusion Policy? |  |                  |        | Jostle               | ✗           |
|                              | Staff Consultation Policy                              | Otago Regional Council is committed to consulting with staff on matters that may have a substantial impact on their working conditions. This document sets out the requirements of the consultation processes to be followed.  | Jan-17        | To be reviewed - date TBC                           |  |                  |        | Jostle               | ✗           |
|                              | Working Better Together Policy                         | Provides guiding principles to ensure that the workplace is free from fear and judgement, enables open communication and values diversity across our workplace and with all those we interact with.  | Nov-18        | To be reviewed - date TBC                           | Biennially                               | Nov-20           | ✓      | Jostle               | ✗           |

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| PEOPLE & CULTURE       | Title   | Description   | Last Reviewed | Status / Notes                                | Review Period | Next Review Date | To ELT | Where published   | Reformatted |
|------------------------|---|---|---------------|---|---------------|------------------|--------|-------------------|-------------|
| Leave and Timesheeting | Fair and Reasonable Sick and Wellbeing Leave Policy | Supports employment agreement commitments, provide pathways for employees to access additional sick leave should the need arise, outline clear parameters for employees applying for the leave, and for managers when considering such applications.  | Nov-20 ELT    | Approved                                      | Biennially    | Nov-22           | ✓      | Jostle (Nov 2020) | ✓           |
|                        | Leave Management Policy                             | Taking time for rest and recreation is key to maintaining a healthy 'work/life' balance, supports employee wellbeing, and contributes to an engaged and productive workforce.   | Jun-21 PRG    | Approved                                      | Biennially    | Jun-23           | ✓      | Jostle            | ✓           |
|                        | Rest and Meal Breaks Policy                         | Ensure all employees and managers are aware of their entitlements and obligations in relation to legislated rest and meal breaks  | Apr-21 PRG    | Approved                                      | Biennially    | Apr-23           | ✓      | Jostle            | ✓           |
|                        | Allowances for Stand-by Rosters and Call Out Policy | Sets out a framework on allowances for staff on Stand-by rosters and for call outs.   | Apr-20        | To be reviewed - date TBC                     | Annually      | Apr-21           | ✓      | Jostle            | ✗           |
| Remuneration           | Flexible Working Policy                             | Our Flexible Work Policy sets out the avenues and process for those who wish to request flexibility in their work, as well as examples of common arrangements, and guidance on the decision-making and approval process for people leaders  | Nov-20 ELT    | Approved                                      | Biennially    | Nov-22           | ✓      | Jostle (Nov 2020) | ✓           |
|                        | Parental Leave Policy                               | The purpose of this policy is to ensure Parental Leave is managed in a manner supportive to the employee and in accordance with the applicable legislation, taking into account both the needs of the family and of the organisation.   | Nov-20 PRG    | Approved                                      | Biennially    | Dec-22           | ✓      | Jostle            | ✓           |
|                        | Learning and Development Policy                     | The purpose of this policy is to provide guidelines for managers and employees to ensure consistency in eligibility, planning and delivery of the various aspects of employee learning and development.   | Jun-21 PRG    | Approved                                      | Biennially    | Jun-23           | ✗      |                   |             |
|                        | Remuneration Policy                                 | To ensure that the ORC attracts and retains employees through effective remuneration and reward practices, in line with Council remuneration objectives and principles.   | Dec-19        | To be reviewed - date TBC                     | Biennially    | Dec-21           | ✓      | Jostle            | ✓           |
|                        | Superannuation Schemes Policy                       | The Council offers staff three schemes for superannuation savings - ASB Master Trust, Civic SuperEasy and Kiwisaver.  | Apr-19        | To be reviewed - date TBC                     |               |                  | ✓      | Jostle            | ✗           |
|                        | Financial Assistance Policy - Education, Relocation |   | NEW           | In creation                                   |               |                  |        |                   |             |
|                        | Recognition of Service / Reward Policy              |   | NEW           | Basic SOP complete<br>Full Policy not started |               |                  |        |                   |             |
| Safety and Wellbeing   | Contractor H&S Policy & Procedure                   | This policy aims to support ORC comply with obligations under the HSWA in language that is easy to understand for the end user. The procedure covers the end-to-end process of contractor management from selection, pre-approval, entering the into the contract and ongoing monitoring and review. Additional supporting documents are also provided as listed below.   | Feb-22 PRG    | Approved                                      | Annually      | Feb-23           | ✓      | Jostle            | ✓           |
|                        | Fatigue Management Policy & Toolbox                 | Prescribed by the Health and Safety at Work Act (2015), Otago Regional Council must ensure, so far as reasonably practicable, the health and safety of its workers, and that others are not put at risk by their work. ORC must eliminate risks that arise from their work so far as reasonably practicable. If a risk can't be eliminated, it must be minimised so far as is reasonably practicable.                                   | Mar-21 PRG    | Approved                                      | Annually      | Mar-22           | ✓      | Jostle            | ✓           |
|                        | First Aid Policy                                    | The Purpose of this policy is to: a) set out the Otago Regional Council's commitment to and arrangements for the provision of first aid, and b) set out responsibilities with respect to the provision of qualified first aid personnel and equipment.  | Mar-21 PRG    | Approved                                      | Annually      | Mar-22           | ✓      | Jostle            | ✓           |
|                        | Hazardous Manual Handling Policy                    | Provide instruction about how to comply with its duties under the Health and Safety at Work Act 2015 and Health and Safety at Work (General Risk and Workplace Management) Regulations 2016 in relation to managing the risks associated with hazardous manual handling. ORC must eliminate risks associated with hazardous manual handling. If the risk cannot be eliminated it must be minimized as far as is reasonably practicable. | Mar-21 PRG    | Approved                                      | Annually      | Mar-22           | ✓      | Jostle            | ✓           |
|                        | Hazardous Substances Policy & Procedure             | Provide instruction to Otago Regional Council (ORC) about how to comply with its duties under the legislation regarding hazardous substances. ORC must eliminate risks associated with hazardous substances. If the risk cannot be eliminated it must be minimized as far as is reasonably practicable. ORC's current strategy regarding hazardous substances is to reduce their use and work towards elimination where possible.       | Mar-21 PRG    | Approved                                      | Annually      | Mar-22           | ✓      | Jostle            | ✓           |
|                        | Lone Worker & Out of Office Travel Policy           | The purpose of this document is to provide instruction to Otago Regional Council (ORC) about how to comply with its duties under legislation in relation to managing the health and safety risks of lone, remote, and isolated work.  | Jun-21 PRG    | Approved                                      | Annually      | Jun-22           | ✓      | Jostle            | ✓           |
|                        | Occupational Violence and Aggression (OVA) Policy   | The purpose of this document is to provide instruction to Otago Regional Council (ORC) about how to comply with its duties under legislation in relation to managing the health and safety risks associated with Occupational Aggression and Violence (OVA).  | Jun-21 PRG    | Approved                                      | Annually      | Jun-22           | ✓      | Jostle            | ✓           |
|                        | Smoke and Vape Free Policy                          | In line with the Otago Regional Council Wellbeing Policy, the organisation commits to promoting a safe and healthy environment for all employees, contractors and visitors, which includes a smoke and vape free working environment. As part of its wider role in promoting health and wellbeing, Otago Regional Council has a responsibility to encourage and support employees and their families/whanau to become Smokefree.        | Mar-21 PRG    | Approved                                      | Annually      | Mar-22           | ✓      | Jostle            | ✓           |
|                        | Safe Driving Policy                                 |   | NEW           | In creation                                   |               |                  |        |                   |             |
|                        | Drug and Alcohol Policy                             |   | NEW           | In creation                                   |               |                  |        |                   |             |
| COMMS/CUSTOMER         | Title   | Description   | Last Reviewed | Status / Notes                                | Review Period | Next Review Date | To ELT | Where published   | Reformatted |
|                        | Media Policy  | Outlines the ORC's position on speaking to the media, news releases and internal communication and is applicable to all staff.  | Apr-16        | To be reviewed - date TBC                     |               |                  |        |                   |             |
|                        | Sending of Bulk Correspondence                      | To ensure correspondence from Otago Regional Council accurately reflects the values of the organisation.  | Aug-16        | To be reviewed - date TBC                     |               |                  |        | Jostle            | ✗           |

Audit & Risk Subcommittee Agenda 22 June 2023 - MATTERS FOR CONSIDERATION

| COUNCIL POLICIES |   |   |                 |                |               |                              |        |                 |                    |
|------------------|---|---|-----------------|----------------|---------------|------------------------------|--------|-----------------|--------------------|
| GOVERNANCE       | Title   | Description   | Last Reviewed   | Status / Notes | Review Period | Next Review Date             | To ELT | Where published | Requirement        |
|                  | Standing Orders   | Standing orders contain rules for the conduct of the proceedings of local authorities, committees, subcommittees and subordinate decision-making bodies. Their purpose is to enable local authorities to exercise their decision-making responsibilities in a transparent, inclusive and lawful manner.   | May-21          | Approved       | Triennially   | When Council decides         |        |                 | Sch7, clause 27    |
|                  | Code of Conduct   | The Code of Conduct (the Code) sets out the standards of behaviour expected from elected members in the exercise of their duties.   | Jun-21          | Approved       | Triennially   | Jun-23                       |        |                 | Sch7, clause 15(1) |
|                  | Local Governance Statement  | The information found in this document includes details about what we do, what legislation we work under and the responsibilities we have under that legislation, how we consult and what our management processes are.   | Ongoing updates | Approved       | Triennially   | Updated ongoing via weblinks |        |                 | S40                |
|                  | Remuneration Authority Determination                                      | Not a Council Policy but the Determination sets the remuneration pool for Council and this must be fully allocated y Council.   | Oct-22          | Approved       | Annually      | Jun-23                       |        |                 |                    |
|                  | Councillor Expenses, Allowances and Reimbursement Policy                  | The expenses regime for elected members of the Otago Regional Council.  | Oct-22          | Approved       | Annually      | Jun-23                       |        |                 |                    |
|                  | ORC Recruitment Policy – Governance                                       | The Otago Regional Council is committed to a fair and transparent recruitment and selection process, with appointments based on merit in order to attract and retain appropriately skilled and qualified appointees.  | Mar-21          | Approved       | Triennially   | When needed                  | ✓      |                 |                    |
|                  | Port Otago Constitution   | Sets out the rights, powers and duties of the company (the Port), board, directors and the shareholder (Council).   | Mar-21          | Approved       | N/a           | N/a                          |        |                 |                    |
|                  | He Mahi Rau Rika: Significance, Engagement and Māori Participation Policy | This policy provides guidelines for determining the significance of proposals and decisions in relation to issues, assets or other matters affecting the Otago region, people likely to be affected, and the council's capability to perform.   | Oct-21          | Approved       | Triennially   | Oct-24                       | N/a    | Website, Jostle | S76AA              |
|                  | Revenue and Financing Policy  | Sets out the sources of funding Council will use for each activity, including the use of rates, fees, subsidies, reserves or other funding tools and gives consideration to who will benefit from each activity and how much they benefit.  | Jun-21          | Approved       | Triennially   | Jun-24                       |        |                 | S102, 103          |
|                  | Treasury Management Policy  | The Local Government Act 2002 requires local authorities to adopt a Liability Management Policy and an Investment Policy. The Otago Regional Council's prepared policies have been combined into one document called the Treasury Management Policy.  | Mar-22          | Approved       | Triennially   | Mar-25                       |        |                 | S102, 104, 105     |
|                  | Statement of Investment Policies and Objectives                           | Provides the framework for Council to effectively supervise, monitor and evaluate the management of Council's investment activities.  | Jun-21          | Approved       | Annually      | Jun-22                       |        |                 | S102, 105          |
|                  | Rates Remission & Postponement Policy                                     | The Otago Regional Council carries out its rating function in accordance with the requirements of the Local Government (Rating) Act 2002, and the Local Government Act 2002. This document provides the policy framework for granting remissions and postponing the payment of rates.   | Feb-21          | Approved       | Triennially   | Mar-24                       |        |                 | S109               |
|                  | Policy on Remission and Postponement of Rates on Maori Freehold Land      | The Council has recognised that certain Maori freehold land have particular conditions, ownership structures or other circumstances which make it appropriate to remit or postpone rates for defined periods of time.   | Feb-21          | Approved       | Triennially   | Jun-24                       |        |                 | S102, 108          |
|                  | Financial Strategy  | Sets out how the Otago Regional Council will manage its finances over the next 10 years including rating, borrowing and investments.  | Jun-21          | Approved       | Triennially   | Jun-24                       |        |                 | S101A              |
|                  | Infrastructure Strategy   | Provides Council and the Otago community with information about what significant issues the flood protection and drainage infrastructure face over the next 30 years and beyond, and identifies the principal options for managing those challenges, including the implications of those options, before presenting the most likely scenarios for each issue and when any significant decisions will need to be made. | Jun-21          | Approved       | Triennially   | Jun-24                       |        |                 | S101B              |
|                  | Risk Management Framework   | This aims to allow the organisation to exploit the opportunities and minimise the threats presented by the risks inherent in the organisations activities.  | Sep-19          | Approved       |               |                              |        |                 |                    |

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

**Prepared for:** Audit and Risk Subcommittee  
**Report No.** CEO2301  
**Activity:** Governance Report  
**Author:** Richard Saunders, Chief Executive  
**Endorsed by:** Richard Saunders, General Manager Regulatory and Communications  
**Date:** Add date (e.g., 29 February 2021)

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### PURPOSE

- [1] The purpose of this report is to provide the Committee an update on the introduction of an internal audit programme for Otago Regional Council (ORC).

### EXECUTIVE SUMMARY

- [2] The 2023 Audit and Risk Work Programme includes the responsibility to oversee any internal audit function for ORC. To date ORC has not had a regular programme of internal audits.
- [3] It is proposed to commence a programme of internal audits in the 2023/2024 year. Internal audit findings will be reported back to the Audit and Risk Committee.

### RECOMMENDATION

*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.**

### DISCUSSION

- [4] ORC does not currently have a regular internal audit programme as part of its risk and assurance framework.
- [5] Audits have been undertaken on an as required basis for specific topics. For example a review of the Resource Consents function was undertaken in early 2019.
- [6] Attachment 1 includes a presentation on setting up an internal audit programme, developed by the Co-Chair (Independent member) of the Audit and Risk Committee in consultation with the Chief Executive Officer.
- [7] Using the material included in the presentation it is proposed to commence an internal audit programme in the 2023/2024 year.

## **OPTIONS**

[8] As this is a report for noting there are no options associated with this report.

## **CONSIDERATIONS**

### **Strategic Framework and Policy Considerations**

[9] An internal audit programme supports our strategic framework by contributing to the development of a high performing organisation.

### **Financial Considerations**

[10] Budget for internal audit activities in the 23/24 year will be funded from existing budgets. Funding for an ongoing internal audit programme will be included in the 2024/2034 Long Term Plan for the consideration of Council.

### **Significance and Engagement Considerations**

[11] There are no significant and engagement considerations associated with this report.

### **Legislative and Risk Considerations**

[12] Developing an internal audit programme will assist Council to identify and manage risks within the business.

### **Climate Change Considerations**

[13] There are no climate change considerations associated with this report.

### **Communications Considerations**

[14] There are no communications considerations associated with this report.

## **NEXT STEPS**

[15] Following a discussion at Audit and Risk the Chief Executive Officer will work with the Co-Chairs of the Committee to commence an internal audit programme for ORC.

## **ATTACHMENTS**

1. Setting up Internal Audit [8.6.1 - 6 pages]

# What is Internal Audit?

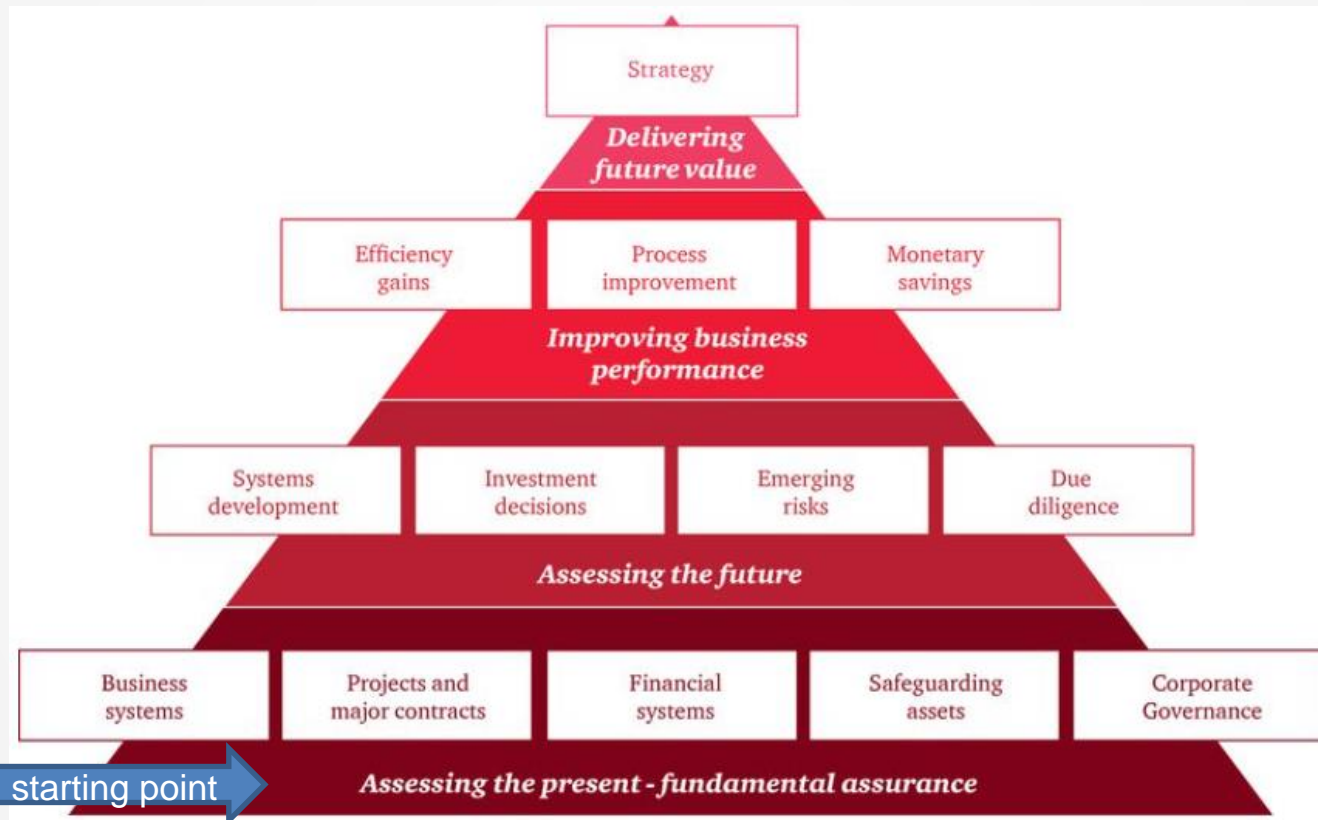
# What is internal audit?

- An independent assurance activity
- Designed to add value and improve an organisation's operations
- Helps an organisation accomplish its objectives
- Evaluates the effectiveness of internal controls
- Looks across policy, process, systems
- Works alongside an organisation's risk management framework

At ORC:

- Oversight of internal audit is in the Terms of Reference of the Audit & Risk Committee
- The Risk Management Strategy includes the process for internal audit.

**Internal Audit can operate across these different areas, traditionally working across the bottom, but a modern internal audit function will go right across the value triangle**





# Examples of common internal audits at Councils

| Review                       | Objective   |
|------------------------------|---|
| Asset management planning    | To assess the adequacy and effectiveness of the framework to manage and monitor key assets and the maturity of that framework.  |
| Contracts management         | To assess the effectiveness of the implementation of the contracts management framework and the operation of key controls and processes.  |
| CDEM Administering Authority | Review systems, processes in place to provide emergency response resource to CDEM. Includes consideration of fit with business continuity, succession planning, etc.  |
| Compliance process           | To identify if there are appropriate systems and processes in place to ensure we are able to adequately monitor landowner actions, compliance with covenants/encumbrances in favour of Council, and Council's own compliance with consent conditions. |
| Payroll                      | To assess the robustness and effectiveness of controls in place to mitigate key risks in relation to payroll processes (including staff reimbursements).  |

| Review                                | Objective   |
|---------------------------------------|---|
| Protected Disclosures (Whistleblower) | Review Council's Protected Disclosures guidance and process, and ensure it is sufficiently compliant with the updated Protected Disclosures (Protection of Whistleblowers) Act (2022).  |
| Rates process review                  | Review Council's in-house rates collection function, to ensure it is able to effectively and efficiently collect rates in an appropriately controlled manner.   |
| Forecasting & budgeting               | Review Council's forecasting, budgeting, and monitoring processes. Ensure these are fit for purpose and sufficiently support annual planning/long term planning processes.  |
| Sensitive expenditure                 | To review the reasonableness of sensitive expenditure incurred in the Council and compliance with policies and procedures for staff and councillors.  |
| Delegations                           | To assess the level of compliance with Council's policy and decisions in relation to financial and non-financial delegations and to determine whether key controls are operating effectively. Includes permanent and temporary delegations processes. |

# What's in a name?

Some organisations have changed the name from 'Internal Audit', instead opting to use one of the following to better represent how they want it to operate:

- Business Assurance
- Risk & Assurance

# What resource to use?

- ❑ Internal resource
  - Larger organisations do employ staff within an internal audit or risk & assurance function.
  - Staff can do internal audit and also implement wider risk management practices in the organisation
  - Reporting lines: importantly, any Internal Audit employee will have a direct reporting line to the Chair Audit & Risk Committee, and then a dotted line reporting to a GM (for day-to-day operations)
- ❑ External resource
  - Professional services firms are common to use (such as KPMG, EY, PwC, Deloitte)
  - However the key is to use an external firm which is experienced in the area you want to review e.g. for asset management planning, or for resource consents.
  - You can use different firms for different internal audit reviews; or contract to one external supplier for a term (i.e. 3 years)

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><i>The Confidential Minutes of the 22 March 2023 Meeting</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 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>To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations</p> | <p>Section 48(1)(a);<br/>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:<br/>(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>(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>   |   |
| <p><i>1.1 Deloitte ORC Audit Plan</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 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);<br/>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:<br/>(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>1.2 Insurance Renewal</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>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);<br/>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:<br/>(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>1.3 Insurance Disclosure</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</p>   | <p>Section 48(1)(a);<br/>Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part</p>   |

|                                |   |   |
|--------------------------------|---|---|
|                                | <p>subject of the information – Section 7(2)(b)(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>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><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.