

Audit and Risk Subcommittee MINUTES

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 Wednesday 6 December 2023, commencing at 9:00 AM.

PRESENT

Mr Andrew Douglas	<i>(Chairperson)</i>
Cr Tim Mepham	
Cr Alexa Forbes	
Cr Gary Kelliher	
Cr Kevin Malcolm	
Cr Gretchen Robertson	<i>(Ex officio member)</i>
Cr Lloyd McCall	<i>(In attendance)</i>

1. WELCOME

Chairperson Mr Andrew Douglas welcomed Councillors, members of the public and staff to the meeting at 9:00am with a karakia. Staff present included Richard Saunders (Chief Executive), Pim Boren, online (GM Transport) Nick Donnelly (GM Corporate Services), Anita Dawe (GM Policy and Science), Gavin Palmer (GM Operations), Joanna Gilroy (Acting GM Regulatory), Amanda Vercoe (GM Governance, Culture and Customer), Kylie Darragh (Governance Support)

2. APOLOGIES

There were no apologies for this meeting.

3. PUBLIC FORUM

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

4. CONFIRMATION OF AGENDA

It was noted by the Chief Executive that item 9.5 ORC Transport Activities Procurement Strategy is to be removed and placed on next Wednesday's Council agenda due to the delegation not sitting with this Subcommittee. With that change noted the agenda was confirmed.

5. DECLARATIONS OF INTERESTS

The Chair reminded the Subcommittee of the need to stand aside from decision making when a conflict arises.

6. PRESENTATIONS

No presentations were scheduled for this meeting.

7. CONFIRMATION OF MINUTES

Resolution: Cr Mepham Moved, Cr Forbes Seconded

That the minutes of the (public portion of the) meeting held on 21 September 2023 be received and confirmed as a true and accurate record.

MOTION CARRIED

8. ACTIONS (STATUS OF SUBCOMMITTEE RESOLUTIONS)

Open actions from resolutions of the Committee were reviewed.

- Richard Saunders confirmed that due to workload the Internal Review is now scheduled for the next calendar year.

9. MATTERS FOR CONSIDERATION

9.1. Treasury Report

This report presented the quarterly Treasury Reporting Dashboard from Council's Investment Advisor, Bancorp, at 30 September 2023.

Nick Donnelly, General Manager Corporate Services and CFO was available to respond to questions.

Resolution AR23-133: Cr Wilson Moved, Cr Mepham Seconded

That the Audit and Risk Subcommittee:

1. **Notes** this report and the attached Bancorp Treasury Reporting Dashboard – 30 September 2023.

MOTION CARRIED

9.2. Legislative Compliance

This report provided Otago Regional Council's six monthly legislative compliance report to the Audit and Risk Subcommittee.

Janet Ashcroft, Legal Counsel, was present to respond to questions. It was noted to the committee that non-compliant areas are low (0.02%) and the next steps is to work through if this is a capacity issue or due to non-allocation.

Resolution AR23-134: Cr Malcolm Moved, Cr Wilson Seconded

That the Audit and Risk Subcommittee:

1. *Notes this report.*

MOTION CARRIED

9.3. People and Safety Quarterly Report

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

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

Resolution AR23-135: Andrew Douglas Moved, Cr Kelliher Seconded

That the Audit and Risk Subcommittee:

1. *Notes this report.*

MOTION CARRIED

9.4. Infrastructure Resilience Risk Deep Dive

This paper sought to facilitate a discussion, or 'deep dive', into Council's management of the Infrastructure Resilience strategic risk.

Michelle Mifflin, Manager Engineering, Pam Wilson, Principal Technical Advisor and Gavin Palmer, General Manager Operations were available to respond to questions on the report.

Resolution AR23-136: Cr Wilson Moved, Cr Kelliher Seconded

That the Audit and Risk Subcommittee:

1. *Notes the attached deep dive on Council's 'Infrastructure Resilience' strategic risk.*

MOTION CARRIED

10. RESOLUTION TO EXCLUDE THE PUBLIC

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

- Minutes of the PE Audit and Risk Committee Meeting 2023.09.21
- 3.1 Insurance Disclosure Update
- 3.2 Strategic Risk Register
- 3.3 Managed Fund Report
- 3.4 Audit Management Letter – Initial Response

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Minutes of the PE Audit and Risk Committee Meeting 2023.09.21	<p>To protect information where the making available of the information—would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—would be likely otherwise to damage the public interest – Section 7(2)(c)(ii)</p> <p>To avoid prejudice to measures that prevent or mitigate material loss to members of the public – Section 7(2)(e)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>

<p>3.1 Insurance Disclosure Update</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 avoid prejudice to measures that prevent or mitigate material loss to members of the public – Section 7(2)(e)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>
<p>3.2 Strategic Risk Register</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 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: (a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>
<p>3.3 Managed Fund –September Report</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 enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</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</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: (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>

	continue to be supplied – Section 7(2)(c)(i)	
3.4 Audit Management Letter – Initial Response	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)	Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

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.

12. CLOSURE

There was no further business and Chairperson Douglas moved the meeting to Public Excluded at 10:15a.m.

Chairperson

Date