



Minutes of a meeting of the Audit and Risk Subcommittee held in  
the Council Chamber, Level 2 Philip Laing House  
144 Rattray Street, Dunedin on  
Thursday 20 June 2019, commencing at 1:00 pm

**Membership**

Mr David Benham	<i>(Chairperson)</i>
Cr Stephen Woodhead	<i>(ORC Chairperson)</i>
Cr Gretchen Robertson	<i>(ORC Deputy Chairperson)</i>
Cr Doug Brown	<i>(Chair Finance and Corporate Committee)</i>
Cr Trevor Kempton	
Cr Michael Laws	

**Welcome**

Chairman Benham welcomed Councillors, members of the public and staff to the meeting.

*For our future*

## **1. APOLOGIES**

### **Resolution**

*That the apologies for Cr Robertson and Cr Laws be accepted.*

Moved: David Benham

Seconded: Cr Woodhead

CARRIED

## **2. LEAVE OF ABSENCE**

No leaves of absence were requested.

## **3. ATTENDANCE**

Sarah Gardner (Chief Executive)

Nick Donnelly (General Manager Corporate Services and CFO)

Liz Spector (Committee Secretary)

Stuart Lanham (Manager Finance)

## **4. CONFIRMATION OF AGENDA**

Chairman Benham moved to reorder the agenda to consider the public-excluded report first so the external auditors would not have to wait.

### **Resolution**

*That the agenda be reordered to consider the public-excluded reports first.*

Moved: David Benham

Seconded: Cr Woodhead

CARRIED

## **5. CONFLICT OF INTEREST**

No conflicts of interest were advised.

## **6. PUBLIC FORUM**

No public forum was held.

## **7. PRESENTATIONS**

No presentations were held.

## **8. RESOLUTION TO EXCLUDE THE PUBLIC**

The following resolution was made in reliance on sections 48(1)(a) of the Local Government Official information and Meetings Act 1987 and the particular interest or interests protected by Section 7 of that Act.

*On the grounds that matters will be prejudiced by the presence of members of the public during discussions on the following items, **it was resolved:***

1. That the following items are considered with the public excluded:

Meeting Item	Grounds for excluding the public
<i>Audit Plan</i>	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)
<i>Managed Fund Report</i>	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); and, To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)
<i>Investment Manager Transfer</i>	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); and, To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)
<i>Insurance Renewal</i>	To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h); and, To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)
<i>Risk Report</i>	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); and, To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)

**Resolution**

*That the meeting move into Public-Excluded at 01:08 pm.*

Moved: David Benham

Seconded: Cr Woodhead

CARRIED

## Resolution

*That the meeting resume in public session at 02:42 pm.*

Moved: David Benham  
Seconded: Cr Woodhead  
CARRIED

## 9. CONFIRMATION OF MINUTES

### Resolution

*That the minutes of the (public portion of the) meeting held on 14 March 2019 be received and confirmed as a true and accurate record.*

Moved: David Benham  
Seconded: Cr Kempton  
CARRIED

## 10. ACTIONS (STATUS OF COMMITTEE RESOLUTIONS)

### Status report on the resolutions of the Audit and Risk Subcommittee

Report	Meeting Date	Resolution	Status
10.2 Risk Report - Oct 2018	14/03/2019	That staff provide at the next Audit and Risk Subcommittee meeting the following: a. An updated risk report; b. A summary of top operational risks currently facing the Council; c. An outline showing the process of cascading risks through the Council to those responsible for mitigating those risks; and, d. A list of specific areas of risk for the subcommittee to review in greater depth.	To be provided at the 20 June 2019 Audit & Risk Subcommittee Mtg.  <b>COMPLETE</b>
10.2 Risk Report - Oct 2018	14/03/2019	That a section be added to the standard Council/Committee report template to include a section on risk.	<b>COMPLETE</b>
Sandbars in river	14/03/2019	Contractor to assess. ORC compliance team working on this and harbourmaster to review by end of June.	<b>COMPLETE</b>

## 11. MATTERS FOR NOTING

### 10.1. A&R1868 Treasury Report - March 2019

General Manager Corporate Nick Donnelly and Manager Finance Stuart Lanham addressed the quarterly treasury report. After a general discussion, it was noted that Mr Donnelly will review the ORC treasury policy which details percentages of investments allowed to be invested in one particular bank and report back to the committee at the next meeting. Mr Donnelly was also asked to request a summary of the detailed quarterly reports from the corporate investment manager, JBWere.

#### **Resolution**

*That the Audit and Risk Subcommittee:*

- a) **Receives** this report.

Moved: David Benham

Seconded: Cr Brown

CARRIED

#### **10.2. A&R1869 Annual Report Timetable and Matters under Consideration**

Manager Finance Stuart Lanham outlined the annual report timetable to ensure the draft comes to the Audit and Risk Subcommittee meeting in September. He said a draft Fixed Assets and Capitalisation Policy was included as an agenda attachment for the committee members' review. He stated the committee had questions at the previous meeting about the high annual leave balance and this is addressed at the end of the report. Chief Executive Gardner said the annual leave liability is high and ELT is now receiving a monthly report and taking specific actions to encourage those with high leave balances to start using them in a targeted way. Mr Donnelly said the external auditor did note ORC did not have a documented policy addressing annual leave balances and this has been added to the draft Fixed Assets and Capitalisation Policy. After a general discussion, Chair Benham asked for a motion.

#### **Resolution**

*That the Audit and Risk Subcommittee:*

- a) **Receives** this report.  
b) **Endorses** the Fixed Assets and Capitalisation Policy.

Moved: Cr Kempton

Seconded: David Benham

CARRIED

#### **12. NOTICES OF MOTION**

No Notices of Motion were submitted.

#### **13. CLOSURE**

The meeting was declared closed at 03:07 pm.

  
Chairperson

19/09/19  
Date