

## 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>
<p><i>1.1 Managed Fund – December 2022</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); 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><i>1.2 Strategic Risk Register Review</i></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</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>

	7(2)(j)	(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,
<i>1.3 Audit Management Letter – Initial Response</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)	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 are as follows:

## 8. CLOSURE

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



22 June 2023

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Date