



Minutes of a meeting of the Audit and Risk Subcommittee held in
the Council Chamber at Level 2 Philip Laing House
144 Rattray Street, Dunedin on
Wednesday 26 February 2020, commencing at 9:00 am

Membership

Cr Hilary Calvert

Cr Andrew Noone

Cr Kevin Malcolm

Cr Kate Wilson

Independent member to be appointed.

Welcome

Co-Chair Finance Cr Noone welcomed Councillors, members of the public and staff to the meeting at 9 a.m.

For our future

1. APOLOGIES

There were no apologies.

2. ATTENDANCE

Sarah Gardner (Chief Executive)
Nick Donnelly (General Manager Corporate Services and CFO)
Gavin Palmer (General Manager Operations)
Liz Spector (Committee Secretary)

Also present were: Cr Alexa Forbes, Nicole Ross (Manager People and Safety), Rebecca Webster (Safety and Wellbeing Partner), and Ryan Tippet (Media Communications Lead).

3. CONFIRMATION OF AGENDA

The agenda was confirmed as published.

4. CONFLICT OF INTEREST

No conflicts of interest were advised.

5. PUBLIC FORUM

No public forum was held.

6. ACTIONS (STATUS OF COMMITTEE RESOLUTIONS)

There are no outstanding resolutions of the Audit and Risk Subcommittee.

7. MATTERS FOR COUNCIL DECISION

7.1. CS1930 Appointment of Chair and Independent Member

Cr Noone nominated Cr Calvert Chair of the Subcommittee. Cr Malcolm seconded her nomination and the motion was put to a vote.

Resolution

That the Audit and Risk Subcommittee Appoints Cr Calvert Chair of the Audit and Risk Subcommittee.

Moved: Cr Noone
Seconded: Cr Kevin Malcolm
CARRIED

Cr Calvert took the Chair and asked for a discussion about the appointment of an independent board member to the Subcommittee. After discussion of the Subcommittee, Cr Calvert moved:

Resolution

- 1) **Confirms** the skills and experience required in an independent member of the Subcommittee, being:
 - Audit and Financial Reporting
 - Risk Management

- Health and Safety
- Investment Management
- Legal Compliance
- Governance

2) Approves the process for the selection of an independent member of the Subcommittee, being:

- Advertise the vacancy on the NZ Institute of Directors website
- Advertise the vacancy in the Otago Daily Times
- Advertise the vacancy through the Institute of Accountants
- Advertise the vacancy in the Law Society
- Advertise the vacancy with Appoint Better Boards
- The Chief Executive will assist the subcommittee upon request.
- The Subcommittee members will review the applications, create a shortlist and make a recommendation to Council on a suitable independent member.

Moved: Cr Calvert

Seconded: Cr Noone

CARRIED

7.2. A&R1875 Audit and Risk Work Programme

Nick Donnelly, General Manager Corporate Services and CFO was present to answer questions about the proposed Audit and Risk Work Programme. After a discussion, Cr Noone moved a motion.

Resolution

That the Audit and Risk Subcommittee:

- 1) Receives this report.**
- 2) Endorses the proposed work programme for the Subcommittee for the 2020 calendar year.**

Moved: Cr Noone

Seconded: Cr Wilson

CARRIED

8. MATTERS FOR NOTING

8.1. P&S1818 Health and Safety Report - February 2020

Nicole Ross (Manager People and Safety) and Rebecca Webster (Safety and Wellbeing Partner) were present to answer questions about the report. Cr Calvert asked how staff were ensuring possible risks related to unauthorised access to the ORC offices in the Philip Laing House were being managed. CE Gardner noted that security cameras had been installed at reception to minimise certain risks. Cr Malcolm asked if health and safety statistics were being compared against similar organisations. Ms Webster indicated this was being done and improved reporting to Council would include data comparisons.

After further discussions, Cr Noone moved receipt of the report.

Resolution

That the Audit and Risk Subcommittee:

- 1) **Receives** this report.

Moved: Cr Noone
Seconded: Cr Wilson
CARRIED

8.2. CS1928 Legislative Compliance

Nick Donnelly (GM Corporate Services) was present to answer questions about the legislative report. There was a general discussion about the report, including possible items for inclusion in future reports. Mr Donnelly said he would speak to ORC legal counsel Peter Kelliher about where contractor compliance issues including employment issues could be included in future reports. Cr Calvert moved receipt of the report.

Resolution

That the Audit and Risk Subcommittee:

- 1) **Receives** this report.

Moved: Cr Calvert
Seconded: Cr Wilson
CARRIED

8.3. CS1924 Audit Management Letter Response

Nick Donnelly (GM Corporate Services) reviewed the audit management letter and processes with the Subcommittee members. He noted the auditors had attended the previous Audit and Risk meeting in September to report their findings on the 2019 Annual Report and Financial Statements audit. Mr Donnelly said four areas requiring action were noted by the auditors at that time and said this report was provided for the Subcommittee as a response to the audit findings. After a discussion of the report, Cr Wilson moved its receipt.

Resolution

That the Audit and Risk Subcommittee:

- 1) **Receives** this report.

Moved: Cr Wilson
Seconded: Cr Noone
CARRIED

9. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution

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

- 2.1 Managed Fund Report – December 2019
- 2.2 Risk Report

Moved: Cr Wilson
 Seconded: Cr Kevin Malcolm
 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:

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
<i>2.1 Managed Fund Report December 2019</i>	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.	Section 7(2)(c)(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)(h) - To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.
<i>2.2 Risk Report</i>	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.	Section 7(2)(c)(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)(ii) - 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; 7(2)(e) - To avoid prejudice to measures that prevent or mitigate material loss to members of the public.

Resolution

That the meeting resume in public session at 10:03 am.

Moved: Cr Noone
Seconded: Cr Wilson
CARRIED

10. CLOSURE

There was no further business and Cr Calvert declared the meeting closed at 10:03 a.m.

Chairperson

Date

DRAFT