

Audit and Risk Subcommittee MINUTES

Minutes of an ordinary meeting of the Audit and Risk Subcommittee held in the Otaru Room, Civic Centre, The Octagon, Dunedin on Thursday 18 February 2021, commencing at 2.00 pm

PRESENT

Chairperson	Susie Johnstone	
Deputy Chairperson	Janet Copeland	
Members	Cr Christine Garey	Cr Doug Hall
	Mayor Aaron Hawkins	Cr Mike Lord

IN ATTENDANCE

Sandy Graham (Chief Executive Officer), Gavin Logie (Acting General Manager, Finance), Andrew Slater (Risk and Internal Audit Manager), Julian Tan (Director, Audit NZ) and Rudie Tomlinson (Director, Audit NZ)

Governance Support Officer Wendy Collard

1 APOLOGIES

There were no apologies.

2 CONFIRMATION OF AGENDA

Moved (Cr Mike Lord/Cr Doug Hall):

That the Subcommittee:

Confirms the agenda without addition or alteration:

Motion carried (AR/2021/001)

3 DECLARATIONS OF INTEREST

Members were reminded of the need to stand aside from decision-making when a conflict arose between their role as an elected representative and any private or other external interest they might have.

Janet Copeland and Susie Johnstone provided updates to their register of interests.

Moved (Susie Johnstone/Cr Mike Lord):

That the Subcommittee:

- a) **Amends** the Elected or Independent Members' Interest Register attached as A and
- b) **Confirms** the proposed management plan for Elected or Independent Members' Interests.

Motion carried (AR/2021/002)

4 CONFIRMATION OF MINUTES

4.1 AUDIT AND RISK SUBCOMMITTEE MEETING - 2 DECEMBER 2020

Moved (Janet Copeland/Cr Mike Lord):

That the Subcommittee:

Confirms the public part of the minutes of the Audit and Risk Subcommittee meeting held on 02 December 2020 as a correct record.

Motion carried (AR/2021/003)

PART A REPORTS

5 AUDIT AND RISK SUBCOMMITTEE WORK PLAN 2021

A report from Civic provided a copy of the updated Audit and Risk Subcommittee Work Plan 2021 and the Governance and Financial Policies.

Moved (Susie Johnstone/Cr Mike Lord):

That the Subcommittee:

- a) **Notes** the Audit and Risk Subcommittee Work Plan.

Motion carried (AR/2021/004)

6 FINANCIAL RESULTS FOR PERIOD ENDING 31 DECEMBER 2020

Cr Doug Hall left the meeting at 2.24 pm during discussion of the item.

A report from Finance provided a copy of the Financial Results for the period ending 31 December 2020 report which was presented to the Finance and Council Controlled Organisations Committee meeting held on 9 February 2021.

The Chief Executive Officer (Sandy Graham) and the Acting General Manager Finance (Gavin Logie) spoke to the report and responded to questions.

Moved (Janet Copeland/Cr Mike Lord):

That the Subcommittee:

- a) **Notes** the Financial Results for the period ending 31 December 2020 report.

Motion carried (AR/2021/005)

7 10 YEAR PLAN 2021-31 UPDATE REPORT

A report from Corporate Policy provided an update on the development of the 10 year plan 2021-31 (10 year plan).

Moved (Ms Susie Johnstone/Cr Mike Lord):

That the Subcommittee:

- a) **Notes** the 10 Year Plan 2021-31 Update Report.

Motion carried (AR/2021/006)

RESOLUTION TO EXCLUDE THE PUBLIC

Moved (Cr Mike Lord/Cr Christine Garey):

That the Subcommittee:

Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely:

General subject of the matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution	Reason for Confidentiality
C1 Audit and Risk Subcommittee meeting - 2 December 2020 - Public Excluded	S7(2)(b)(i) The withholding of the information is necessary to protect information where the making available of the	.	

information would disclose a trade secret.

S7(2)(c)(i)

The withholding of the information is necessary 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.

S7(2)(h)

The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.

S7(2)(c)(ii)

The withholding of the information is necessary 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 damage the public interest.

S7(2)(a)

	The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	
	S7(2)(b)(ii) The withholding of the information is necessary 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.	
	S6(b) The making available of the information would be likely to endanger the safety of a person.	
C2 Audit and Risk Subcommittee meeting - 9 December 2020 - Public Excluded	S7(2)(b)(i) The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret.	
C3 Report to the Council on the audit of Dunedin City Council for the year ended 30 June 2020	S7(2)(b)(ii) The withholding of the information is necessary 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.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
C4 Audit and Risk Subcommittee Action List Report	S7(2)(c)(i) The withholding of the information is	S48(1)(a) The public conduct of the part of the

	necessary 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.	meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
C5 Update on Appointment of Independent Member and Chair of Audit and Risk Subcommittee	S7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
C6 Internal Audit Workplan Update	S7(2)(b)(i) The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret. S7(2)(c)(i) The withholding of the information is necessary 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	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

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.

S7(2)(h)

The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.

C7 Update on the DCC Internal Audit Actions Register

S7(2)(c)(i)

The withholding of the information is necessary 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.

S48(1)(a)

The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

C8 Update on the DCC External Audit Actions Register

S7(2)(c)(i)

The withholding of the information is necessary 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

S48(1)(a)

The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

	<p>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.</p>		
<p>C9 DCC Corporate Risk Register Update</p>	<p>S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p>	<p>S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>	
<p>C10 DCC Policy Update Report</p>	<p>S7(2)(c)(i) The withholding of the information is necessary 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.</p>	<p>S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>	
<p>C11 Purchase Card Report</p>	<p>S7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p>	<p>S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section</p>	<p>This report is confidential because it refers and impacts Council staff positions where those staff have not had the opportunity to respond or comment on the report</p>

C12 Dunedin City Holdings Ltd - Update on Audit and Risk Activity	S7(2)(b)(ii) The withholding of the information is necessary 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.	7. S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	
C13 Health and Safety monthly report for November 2020.	S7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	The information relates to the actions of individual staff who could be identified. This would breach their privacy and potentially prejudice any processes which may need to be managed.
C14 Treasury Risk Management Compliance Report	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	
C15 Protected Disclosure Register	S7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. S7(2)(c)(i) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	

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.

C16 Investigation Register

S6(b)
The making available of the information would be likely to endanger the safety of a person.

S7(2)(a)
The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.

S48(1)(a)
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 6 and 7.

The matters detailed in this report are subject to investigation and information should remain confidential so not to prejudice the investigation and any possible outcomes of the investigation.

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 shown above after each item.

That Julian Tan (Audit NZ) and Rudie Tomlinson (Audit NZ) be permitted to remain at the meeting, after the public has been excluded, because of their knowledge of Item C3 and C17. This knowledge, which would be of assistance in relation to the matters discussed, was relevant because they would be reporting on the item under consideration.

Motion carried (AR/2021/007)

The meeting moved into confidential at 2.24 pm.

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CHAIRPERSON