

Audit and Risk Subcommittee MINUTES

Minutes of an ordinary meeting of the Audit and Risk Subcommittee held in the Council Chambers, 2nd Floor, 30 The Octagon, Dunedin on Thursday 02 May 2024, commencing at 2.05 pm

PRESENT

Chairperson Warren Allen
Deputy Chairperson Janet Copeland

Members Cr Christine Garey Cr Cherry Lucas
Cr Lee Vandervis

IN ATTENDANCE

Carolyn Allan (Chief Financial Officer), Robert West (General Manager Corporate Services), David Ward (General Manager 3 Waters and Transition), Richard Davey (Treasury Manager, Dunedin Treasury Ltd) and Hayley Knight (Quality, Compliance and Business Assurance Advisor)

Governance Support Officer Wendy Collard

1 APOLOGIES

Moved (Warren Allen/Cr Cherry Lucas):

That the Subcommittee:

Accepts the apology from Mayor Jules Radich.

Motion carried (AR/2024/007)

2 CONFIRMATION OF AGENDA

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Subcommittee:

Confirms the agenda with the following alteration:

Item 7, Waipori Fund – Quarter Ending December 2023 Report and Item 9, DCC Policy Update Report be taken before item 5

Motion carried (AR/2024/008)

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.

Cr Cherry Lucas provided an update to her register of interests.
Janet Copeland provided an update to her register of interests.

Moved (Cr Cherry Lucas/Cr Lee Vandervis):

That the Subcommittee:

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

Motion carried (AR/2024/009)

4 CONFIRMATION OF MINUTES

4.1 AUDIT AND RISK SUBCOMMITTEE MEETING - 30 NOVEMBER 2023

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Subcommittee:

- a) **Confirms** the public part of the minutes of the Audit and Risk Subcommittee meeting held on 30 November 2023 as a correct record.

Motion carried (AR/2024/010)

PART A REPORTS

8 WAIPORI FUND - QUARTER ENDING DECEMBER 2023

The report from Dunedin City Treasury Limited provided information on the results of the Waipori Fund for the quarter ended 31 December 2023 which was presented to Council at its meeting held on 27 February 2024.

The Treasury Manager (Richard Davey) spoke to the report and responded to questions.

Moved (Warren Allen/Cr Lee Vandervis):

That the Subcommittee:

- a) **Notes** the report from Dunedin City Treasury Limited on the Waipori Fund for the quarter ended 31 December 2023.

Motion carried (AR/2024/011)

9 DCC POLICY UPDATE REPORT

The report from Finance provided an update on DCC policies as identified in the Audit and Risk Subcommittee (ARS) Workplan and ongoing audit and business improvement activities.

The Chief Financial Officer (Carolyn Allan) and the Treasury Manager, Dunedin Treasury (Richard Davey) responded to questions on the Treasury Risk Management Policy 2023.

Following discussion, the Subcommittee recommended that the Treasury Risk Management Policy 2023 be reviewed in twelve months.

The Audit and Risk Subcommittee requested that following the review of the Treasury Risk Management Policy, it be presented to the Subcommittee for their feedback prior to being presented to Council for approval.

Moved (Warren Allen/Cr Lee Vandervis):

That the Subcommittee:

- a) **Notes** the Treasury Risk Management Policy 2023
- b) **Recommends** that the Treasury Risk Management Policy be reviewed within 12 months
- c) **Requests** that the Treasury Risk Management Policy be presented to the Subcommittee prior to being presented to Council for their feedback.

Motion carried (AR/2024/012)

Following discussion on the Conflict of Interest (Council Officers) Policy, the Subcommittee recommended some amendments as follows:

Conflicts of Interest Policy

3.2 e) – engaged or contracted under a contract for services to do work for the DCC to be 2.1.4.

3.4 to read - *“General Manager refers to members of the ELT, and includes the Chief Financial Officer,*

3.5 Retain the “Conflict of Interest” definition details.

4.14 to read – *In such instances, a Conflict of Interest Management Plan must be completed and approved by the relevant General Manager or CEO, and reviewed annually*

The General Manager Corporate Services (Robert West) and the Quality, Compliance and Business Assurance Advisor (Hayley Knight) responded to questions.

Moved (Warren Allen/Cr Cherry Lucas):

That the Subcommittee:

- a) **Notes** the Conflicts of Interest (Council Officers) Policy March 2024 with the Subcommittee's suggested amendments

Motion carried (AR/2024/013)

There was discussion on the revocation of the Electronic Communications Email Quarantine Policy.

The General Manager Corporate Services (Robert West) and the Quality, Compliance and Business Assurance Advisor (Hayley Knight) responded to questions.

Moved (Warren Allen/Cr Lee Vandervis):

That the Subcommittee:

- a) **Notes** the Policy Update Report – March 2024 with the suggested amendments
- b) **Notes** the revoking of the Electronic Communications Email Quarantine Policy

Motion carried (AR/2024/014)

The meeting adjourned at 3.23 pm and reconvened at 3.27 pm

5 AUDIT AND RISK SUBCOMMITTEE WORK PLAN 2024/2025

A report from Civic provided a copy of the Audit and Risk Subcommittee Work Plan for 2024/2025 which has been aligned with work programmes scheduling and decision making.

The Chief Financial Officer (Carolyn Allan) and Quality, Compliance and Business Assurance Advisor (Hayley Knight) responded to questions.

Moved (Cr Lee Vandervis/Cr Christine Garey):

That the Subcommittee:

- a) **Notes** the Audit and Risk Subcommittee Work Plan for 2024/2025

Motion carried (AR/2024/015)

6 AUDIT AND RISK SUBCOMMITTEE UPDATES REPORT

A report from Finance provided updates on the progress of various sundry matters that have been noted by the Subcommittee.

The Chief Financial Officer (Carolyn Allan) and the Quality, Compliance and Business Assurance Advisor (Hayley Knight) spoke to the report and responded to questions.

Moved (Warren Allen/Cr Cherry Lucas):

That the Committee:

- a) **Notes** the Audit and Risk Subcommittee Updates Report.

Motion carried (AR/2024/016)

7 FINANCIAL RESULT - PERIOD ENDED 31 DECEMBER 2023

A report from Finance provided the financial results for the period ended 31 December 2023 and the financial position as at that date which was presented to the Council meeting held on Tuesday, 27 February 2024.

The Chief Financial Officer (Carolyn Allan) spoke to the report and responded to questions.

Moved (Mr Warren Allen/Cr Lee Vandervis):

That the Subcommittee:

- a) **Notes** the Financial Performance for the period ended 31 December 2023 and the Financial Position as at that date.

Motion carried (AR/2024/017)

10 HEALTH AND SAFETY MONTHLY REPORTING FOR JANUARY 2024

A report from Health and Safety provides the monthly Health and Safety reporting for January 2024 is attached for consideration.

The General Manager Corporate Services (Robert West) spoke to the report and responded to questions.

Moved (Mr Warren Allen/Cr Cherry Lucas):

That the Subcommittee:

- a) **Notes** the monthly Health and Safety report for January 2024.

Motion carried (AR/2024/018)

RESOLUTION TO EXCLUDE THE PUBLIC

Moved (Warren Allen/Cr Cherry Lucas):

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	Reason for Confidentiality
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**passing of this
resolution**

C1 Audit and Risk
Subcommittee
meeting - 30
November 2023 -
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)(g)
The withholding of the
information is necessary
to maintain legal
professional privilege.

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.

S7(2)(a)

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

S6(b)

The making available of the information would be likely to endanger the safety of a person.

C2 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.

C3 DCC Risk 'Deep Dive' - Business Continuity Planning: 3 Waters Example

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.

C4 DCC Internal Audit Actions Update	<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>	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.
C5 Report to the Council on the Audit of Dunedin City Council for the year end 30 June 2023	<p>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.</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.
C6 Internal Audit Workplan Update	<p>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.</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</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.

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.

C7 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.

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 Protected Disclosure Register - April 2024

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.

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

C9 Investigation Register - April 2024	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.
	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 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.	

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.

Motion carried (AR/2024/019)

The meeting entered non-public at 4.08 pm and concluded at 4.50 pm.

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CHAIRPERSON