

**MINUTES OF CENTRAL OTAGO DISTRICT COUNCIL AUDIT AND RISK COMMITTEE
HELD IN NGĀ HAU E WHĀ, WILLIAM FRASER BUILDING, 1 DUNORLING STREET,
ALEXANDRA ON FRIDAY, 4 JUNE 2021 AT 9.32 AM**

PRESENT: Ms L Robertson (Chair), His Worship the Mayor T Cadogan, Cr S Jeffery,
Cr N McKinlay

IN ATTENDANCE: Cr C Laws, L Macdonald (Executive Manager - Corporate Services), J Muir
(Executive Manager - Infrastructure Services), L van der Voort (Executive
Manager - Planning and Environment), S Righarts (Chief Advisor), A McDowall
(Finance Manager), G McFarlane (Business Risk and Procurement Manager),
A Crosbie (Senior Strategy Advisor), A Mason (Media and Marketing Manager
- Tourism Central Otago), K McCulloch (Corporate Accountant), L Webster
(Regulatory Services Manager), R Ennis (Health, Safety and Wellbeing Advisor)
and R Williams (Governance Manager)

Note: The Mayor assumed the Chair until Ms Robertson arrived at 9.42 am.

1 APOLOGIES

COMMITTEE RESOLUTION

Moved: Cadogan
Seconded: Jeffery

That the apology from Cr N Gillespie and the apology for lateness from Ms L Robertson be received and accepted.

CARRIED

2 PUBLIC FORUM

There was no public forum.

3 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Jeffery
Seconded: McKinlay

That the public minutes of the Audit and Risk Committee Meeting held on 24 February 2021 be confirmed as a true and correct record.

CARRIED

4 DECLARATION OF INTEREST

Members were reminded of their obligations in respect of declaring any interests. There were no further declarations of interest.

5 REPORTS FOR DECISIONS

21.2.2 AUDIT NZ AND INTERNAL AUDIT UPDATE

To provide an update on the status of the internal audit programme and any outstanding actions for completed internal and external audits.

COMMITTEE RESOLUTION

Moved: Cadogan
Seconded: McKinlay

That the Audit and Risk Committee receives the report.

CARRIED

Note: Ms Robertson arrived at 9.42 am and assumed the Chair.

21.2.3 SENSITIVE EXPENDITURE POLICY

To review and recommend to Council the adoption of the Sensitive Expenditure Policy, the Travel Policy and the Credit Card Policy.

During discussion the following changes were suggested:

- The roles and responsibilities for domestic and international travel to be separated.
 - Ensure the one up principal is reflected in the elected members' allowances and reimbursement policy, and that approval for travel reflects the elected members' allowances and reimbursement policy.
 - The Gift and Hospitality register should be considered by the Audit and Risk Committee annually.
 - Both accepting and declining gifts and hospitality **must** be recorded in the register.
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COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
- B. Recommends to Council that they approve the amended Sensitive Expenditure Policy, the Travel Policy and the Credit Card Policy.

CARRIED

Note: The Mayor left the meeting at 10.02 am and returned at 10.12 am.

Note: Cr McKinlay left the meeting at 10.46 am and returned at 10.49 am.

21.2.4 AN UPDATE ON THE PREPARATION OF THE 2021-31 LONG-TERM PLAN

To provide an update on the progress in developing the 2021-31 Long-term Plan.

During discussion a number of suggestions and clarifications were made. It was agreed that these would be updated before the final adoption on 30 June 2021.

COMMITTEE RESOLUTION

Moved: Robertson

Seconded: Cadogan

That the report be received.

CARRIED

21.2.5 AUDIT NZ INTERIM REPORT ON THE AUDIT OF THE 2021-31 LONG-TERM PLAN CONSULTATION DOCUMENT

To receive Audit NZ's Report to Council on the audit of the 2021-31 Long-term Plan Consultation Document.

COMMITTEE RESOLUTION

Moved: Robertson

Seconded: Cadogan

That the report be received.

CARRIED

21.2.6 RISK MANAGEMENT UPDATE

To consider the Risk Management update. During discussion it was agreed that a copy of the risk register would be provided for the next meeting, even if it was still in draft format.

COMMITTEE RESOLUTION

Moved: Robertson

Seconded: Jeffery

That the report be received.

CARRIED

21.2.7 FINANCIAL RESERVES POLICY

To consider and provide feedback on the draft Financial Reserves Policy before submitting to Council for consideration at their 30 June meeting. A minor amendment was suggested for inclusion in the final document.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Cadogan

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
- B. Notes the Financial Reserves Policy will be considered at the Council 30 June meeting.

CARRIED

21.2.8 FIXED ASSET AND DISPOSAL POLICY

To consider and provide feedback on the draft Fixed Asset and Disposal Policy before requesting that the Chief Executive approves this policy for council staff use. During discussion minor amendments were suggested and it was agreed that the title of the policy would be amended to read "Fixed Asset Management and Disposal Policy."

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
- B. Notes the draft policy, with any amendments, will be signed-off by the Chief Executive and issued to staff for implementation.

CARRIED

21.2.9 FINANCIAL REPORT FOR THE PERIOD ENDING 31 MARCH 2021

To consider the financial performance for the period ending 31 March 2021. The new Finance Manager was introduced to the Committee.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Cadogan

That the report be received.

CARRIED

21.2.10 POLICY AND STRATEGY REGISTER

To present an updated register of the Council's policies and strategies.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the Audit and Risk Committee receive the report.

CARRIED

6 REPORTS FOR INFORMATION

21.2.11 TOURISM OPERATOR COMPLIANCE RECORDS

To give an overview of a known new compliance issue and actions taken to remedy.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Jeffery

That the report be received.

CARRIED

21.2.12 UPDATE ON PROGRESS OF THE LAKE DUNSTAN WATER SUPPLY AND CLYDE WASTEWATER RETICULATION PROJECTS

To provide an update on progress of the Lake Dunstan Water Supply Project and the Clyde Wastewater Reticulation Project. It was noted that the agenda had inadvertently included the Lake Dunstan Water Supply report twice and the Clyde Wastewater Reticulation Project report was tabled.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the report be received.

CARRIED

21.2.13 ROADING PHYSICAL WORKS CONTRACT (CON 05-2016-05) - INDEPENDENT AUDIT REPORT NOVEMBER 2020

To report on the independent cost and overhead audit of the Roothing Physical Works Contract undertaken by Deloitte.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Cadogan

That the report be received.

CARRIED

21.2.14 PRIVATE SWIMMING POOL INSPECTIONS

To consider Council's approach to complying with its legislative responsibility to inspect privately-owned swimming pools under the Building Act 2004 (as amended 1 January 2017).

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Cadogan

That the report be received.

CARRIED

21.2.15 AUDIT AND RISK WORK PROGRAMME

To consider a draft work programme for the Audit and Risk Committee.

COMMITTEE RESOLUTION

Moved: Cadogan
Seconded: Robertson

That the report be received.

CARRIED

Note: The Mayor left the meeting at 11.51 am and returned at 11.53am.

21.2.16 HEALTH, SAFETY AND WELLBEING REPORT

To provide information on key health and safety risks and the measures in place to mitigate those risks at the Central Otago District Council.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Jeffery

That the report be received.

CARRIED

7 CHAIR'S REPORT**21.2.17 JUNE 2021 CHAIR'S REPORT**

There was no update from the Chair.

8 MEMBERS' REPORTS

21.2.18 JUNE MEMBERS' REPORTS

There were no members' updates.

9 DATE OF THE NEXT MEETING

The date of the next scheduled meeting is 1 October 2021.

10 RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Cadogan

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 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 for the passing of this resolution
Confirmation of Non-Public Minutes from the Previous Meeting	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of 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 under section 6 or section 7
21.2.19 - Audit New Zealand Report To the Council on the 30 June 2020 Annual Report	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of 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 under section 6 or section 7
21.2.20 - Deloitte Report on the Cash Handling Review	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for

	(including commercial and industrial negotiations)	withholding would exist under section 6 or section 7
21.2.21 - Infrastructure Staffing	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of 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 under section 6 or section 7
21.2.22 - Ombudsman Investigation Outcome	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of 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 under section 6 or section 7
21.2.23 - Litigation Report	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of 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 under section 6 or section 7
21.2.24 - June 2021 Confidential Governance Report	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 otherwise to damage the public interest s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public	s48(1)(a)(i) - the public conduct of 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 under section 6 or section 7

CARRIED

The public were excluded at 11.55 am and the meeting closed at 12.48 pm.