

**MINUTES OF CENTRAL OTAGO DISTRICT COUNCIL
AUDIT AND RISK COMMITTEE
HELD IN NGĀ HAU E WHĀ, WILLIAM FRASER BUILDING, 1 DUNORLING STREET,
ALEXANDRA
AND LIVE STREAMED VIA MICROSOFT TEAMS ON FRIDAY, 5 JUNE 2026 AT 9:35 AM**

PRESENT: Mr B Robertson (Chair), Cr S Browne, Cr C Pannett, Cr T Paterson

IN ATTENDANCE: P Kelly (Chief Executive Officer), L Fleck (Group Manager - People and Culture, Acting Group Manager - Community Vision), Q Penniall (Group Manager - Planning, Infrastructure and Regulatory), S Righarts (Group Manager - Governance and Business Services), D Scoones (Group Manager - Community Experience), P Morris (Chief Financial Officer), N McLeod (Chief Information Officer), N Lanham (Economic Development Manager), A Lines (Risk and Procurement Manager), B Sharland (Corporate Planner), A Jansen (Health, Safety and Wellbeing Coordinator), W McEnteer (Governance Manager)

1 APOLOGIES

APOLOGY

COMMITTEE RESOLUTION

Moved: Robertson

Seconded: Paterson

That the apology received from Her Worship the Mayor and the apology for early departure from Cr Pannett be accepted.

CARRIED

2 PUBLIC FORUM

There was no public forum.

3 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Robertson

Seconded: Paterson

That the public minutes of the Audit and Risk Committee Meeting held on 9 February 2026 be confirmed as a true and correct record.

CARRIED

4 DECLARATIONS OF INTEREST

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

5 REPORTS

26.2.2 POLICY & STRATEGY REGISTER

To consider the updated Policy and Strategy Register.

After discussion it was agreed that rather than a focus on getting all policies within date, it would be better to prioritise the most important ones to be done first.

COMMITTEE RESOLUTION

Moved: Pannett
Seconded: Paterson

That the report be received and its contents noted.

CARRIED

26.2.3 LTP UPDATE

To consider an update on the 2027-2037 Long-Term Plan (LTP) project.

It was noted that there had been an extra risk added to the RAID log, which was central Government reform. There was also discussion on whether the financial strategy should inform the rates rise discussion or the other way around.

COMMITTEE RESOLUTION

Moved: Paterson
Seconded: Browne

That the report be received and its contents noted.

CARRIED

26.2.4 HEALTH, SAFETY AND WELLBEING REPORT

To provide the Audit & Risk Committee with an update on the health, safety and wellbeing performance of the organisation.

COMMITTEE RESOLUTION

Moved: Browne
Seconded: Paterson

That the report be received and its contents noted.

CARRIED

Note: With the permission of the meeting, items 26.2.6 and 26.2.7 were moved forward.

26.2.6 INSURANCE STRATEGY

To consider Central Otago District Council's (CODC) evolving approach to insurance strategy.

COMMITTEE RESOLUTION

Moved: Paterson
Seconded: Robertson

That the report be received and its contents noted.

CARRIED

Note: Mike Hawken from Deloitte joined the meeting for item 26.2.7

26.2.7 DELOITTE'S AUDIT ENGAGEMENT LETTER AND AUDIT PROPOSAL LETTER FOR 2026 AUDIT

To consider acceptance of the Audit Engagement Letter and Audit Proposal Letter submitted by Council's new Auditors Deloitte.

Mr Hawken discussed the work that Deloitte will carry out for Council before responding to questions.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Paterson

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
- B. Recommends to Council that the Audit Proposal letter in its current form be signed by the Mayor and accepts the total audit fee of \$340,869 (incl. GST) for the 30 June 2026 audit
- C. Authorises the Mayor to sign of the Audit Engagement Letter for the three years 2026-28.

CARRIED

26.2.5 REVISED RISK APPETITE STATEMENT

To consider Central Otago District Council's (CODC) revised Risk Appetite Statement.

COMMITTEE RESOLUTION

Moved: Pannett
Seconded: Paterson

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
- B. Recommends to Council the adoption of the revised Risk Appetite Statement.

CARRIED

26.2.8 BANCORP QUARTERLY REPORT MARCH 2026

To consider the report from Bancorp Treasury advisors for the quarter ended 31 March 2026.

After discussion it was acknowledged that council would soon be in breach of policy regarding fixed interest rate cover. This was consistent with the current conditions and mitigated by the fact that a lot of the debt would be transferred with Three Waters on 1 July 2027. The position would remain on watch.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Pannett

- A. That the report be received and its contents noted.
- B. Acknowledges the planned breach in the coming months and notes a report will come to the Audit and Risk Committee at its September meeting.

CARRIED

Note: Cr Pannett left the meeting at 11.09 am and did not return.

26.2.9 DIGITAL STRATEGY AND KEY RISK INITIATIVES

To consider an update on the Digital Strategy and provide an update on initiatives related to Digital Services key risks.

COMMITTEE RESOLUTION

Moved: Paterson
Seconded: Browne

That the report be received and its contents noted.

CARRIED

6 CHAIR'S REPORT**26.2.10 CHAIR'S REPORT**

To consider the Chair's report.

The Chair noted that he had nothing to report.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Paterson

That the report be received.

CARRIED

7 MEMBERS' REPORTS

26.2.11 MEMBERS' REPORTS

To consider the members' reports.

Members noted that they had nothing to report.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Paterson

That the reports be received.

CARRIED

8 STATUS REPORTS

26.2.12 JUNE 2026 GOVERNANCE REPORT

To report on items of general interest and the current status report updates.

It was noted that the rates resolution was currently with legal representation.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Paterson

That the report be received.

CARRIED

9 DATE OF THE NEXT MEETING

The date of the next scheduled meeting is 11 September 2026.

10 RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: Paterson

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	Plain English Reason
Confidential Minutes of Ordinary Committee 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)(g) - the withholding of the information is necessary to maintain legal professional privilege s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	To protect a person's privacy Legal professional privilege To prevent use of the information for improper gain or advantage
26.2.13 - Bad Debts and Abandoned Land	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy
26.2.14 - Risk Management Update	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	To prevent use of the information for improper gain or advantage
26.2.15 - Litigation Register	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	Legal professional privilege
26.2.16 - CEO Update	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	To prevent use of the information for improper gain or advantage
26.2.17 - June 2026 Confidential Governance Report	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy

CARRIED

The public were excluded at 11.22 am and the meeting closed at 1.32 pm.