

## **Audit and Risk Management Committee**

### **AGENDA**

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#### **Notice of Meeting:**

An ordinary meeting of the Audit and Risk Management Committee will be held on:

**Date:** **Wednesday 2 September 2020**  
**Time:** **2.30pm**  
**Venue:** **Council Chambers, Level 2, Civic Offices,  
53 Hereford Street, Christchurch**

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#### **Membership**

|                    |                                |
|--------------------|--------------------------------|
| Chairperson        | Ms Kim Wallace                 |
| Deputy Chairperson | Councillor Sam MacDonald       |
| Members            | Mayor Lianne Dalziel           |
|                    | Ms Jacqueline Robertson Cheyne |
|                    | Mr Michael Rondel              |
|                    | Councillor Pauline Cotter      |
|                    | Deputy Mayor Andrew Turner     |

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**26 August 2020**

#### **Principal Advisor**

Carol Bellette  
General Manager Finance and  
Commercial  
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Mark Saunders  
Committee and Hearings Advisor  
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Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. If you require further information relating to any reports, please contact the person named on the report.

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<https://www.ccc.govt.nz/the-council/meetings-agendas-and-minutes/>

# Developing Resilience in the 21st Century

Strategic Framework



Whiria ngā whenu o ngā papa,  
honoa ki te maurua tāuiki

Bind together the strands of each mat and join  
together with the seams of respect and reciprocity

## Ōtautahi–Christchurch is a city of opportunity for all

Open to new ideas, new people and new ways of doing things – a city where anything is possible

### Principles

Being open,  
transparent and  
democratically  
accountable

Promoting  
equity, valuing  
diversity and  
fostering inclusion

Taking an inter-generational approach  
to sustainable development,  
prioritising the social, economic  
and cultural wellbeing of  
people and communities  
and the quality of the  
environment, now  
and into the  
future

Building on the  
relationship with  
Te Rūnanga o Ngāi Tahu  
and the Te Hononga–Council  
Papatipu Rūnanga partnership,  
reflecting mutual understanding  
and respect

Ensuring  
the diversity  
and interests of  
our communities  
across the city and the  
district are reflected in  
decision-making

Actively collaborating and  
co-operating with other  
local, regional  
and national  
organisations

### Community Outcomes

#### Resilient communities

Strong sense of community  
Active participation in civic life  
Safe and healthy communities  
Celebration of our identity  
through arts, culture, heritage,  
sport and recreation  
Valuing the voices of all cultures  
and ages (including children)

#### Liveable city

Vibrant and thriving city centre  
Sustainable suburban and  
rural centres  
A well connected and accessible  
city promoting active and  
public transport  
Sufficient supply of, and  
access to, a range of housing  
21st century garden city  
we are proud to live in

#### Healthy environment

Healthy water bodies  
High quality drinking water  
Unique landscapes and  
indigenous biodiversity are  
valued and stewardship  
exercised  
Sustainable use of resources  
and minimising waste

#### Prosperous economy

Great place for people, business  
and investment  
An inclusive, equitable economy  
with broad-based prosperity  
for all  
A productive, adaptive and  
resilient economic base  
Modern and robust city  
infrastructure and community  
facilities

### Strategic Priorities

Enabling active  
and connected  
communities  
to own their future

Meeting the challenge  
of climate change  
through every means  
available

Ensuring a high quality  
drinking water supply  
that is safe and  
sustainable

Accelerating the  
momentum  
the city needs

Ensuring rates are  
affordable and  
sustainable

### Ensuring we get core business done while delivering on our Strategic Priorities and achieving our Community Outcomes

Engagement with  
the community and  
partners

Strategies, Plans and  
Partnerships

Long Term Plan  
and Annual Plan

Our service delivery  
approach

Monitoring and  
reporting on our  
progress

## **AUDIT AND RISK MANAGEMENT COMMITTEE - TERMS OF REFERENCE / NGĀ ĀRAHINA MAHINGA**

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|                      |                                                                                                                                                                 |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Chair</b>         | Kim Wallace (Independent)                                                                                                                                       |
| <b>Deputy Chair</b>  | Councillor Sam MacDonald                                                                                                                                        |
| <b>Membership</b>    | Mayor Lianne Dalziel<br>Deputy Mayor Andrew Turner<br>Councillor Pauline Cotter<br><br>External Members:<br>Mr Michael Rondel<br>Ms Jacqueline Robertson Cheyne |
| <b>Quorum</b>        | Half of the members if the number of members (including vacancies) is even, or a majority of members if the number of members (including vacancies) is odd.     |
| <b>Meeting Cycle</b> | Quarterly and as required                                                                                                                                       |
| <b>Reports To</b>    | Council                                                                                                                                                         |

### ***Purpose***

To assist the Council to discharge its responsibility to exercise due care, diligence and skill in relation to the oversight of:

- the robustness of the internal control framework;
- the integrity and appropriateness of external reporting, and accountability arrangements within the organisation for these functions;
- the robustness of risk management systems, process and practices;
- internal and external audit;
- accounting policy and practice;
- compliance with applicable laws, regulations, standards and best practice guidelines for public entities; and
- the establishment and maintenance of controls to safeguard the Council's financial and non-financial assets.

The foundations on which this Committee operates, and as reflected in this Terms of Reference, includes: independence; clarity of purpose; competence; open and effective relationships and no surprises approach.

### ***Procedure***

- In order to give effect to its advice the Committee should make recommendations to the Council and to Management.
  - The Committee should meet the internal and the external auditors without Management present as a standing agenda item at each meeting where external reporting is approved, and at other meetings if requested by any of the parties.
  - The external auditors, the internal audit manager and the co-sourced internal audit firm should meet outside of formal meetings as appropriate with the Committee Chair.
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- The Committee Chair will meet with relevant members of Management before each Committee meeting and at other times as required.

## ***Responsibilities***

### Internal Control Framework

- Consider the adequacy and effectiveness of internal controls and the internal control framework including overseeing privacy and cyber security.
- Enquire as to the steps management has taken to embed a culture that is committed to probity and ethical behaviour.
- Review the processes or systems in place to capture and effectively investigate fraud or material litigation should it be required.
- Seek confirmation annually and as necessary from internal and external auditors, attending Councillors, and management, regarding the completeness, quality and appropriateness of financial and operational information that is provided to the Council.

### Risk Management

- Review and consider Management's risk management framework in line with Council's risk appetite, which includes policies and procedures to effectively identify, treat and monitor significant risks, and regular reporting to the Council.
- Assist the Council to determine its appetite for risk.
- Review the principal risks that are determined by Council and Management, and consider whether appropriate action is being taken by management to treat Council's significant risks. Assess the effectiveness of, and monitor compliance with, the risk management framework.
- Consider emerging significant risks and report these to Council where appropriate.

### Internal Audit

- Review and approve the annual internal audit plan, such plan to be based on the Council's risk framework. Monitor performance against the plan at each regular quarterly meeting.
- Monitor all internal audit reports and the adequacy of management's response to internal audit recommendations.
- Review six monthly fraud reporting and confirm fraud issues are disclosed to the external auditor.
- Provide a functional reporting line for internal audit and ensure objectivity of internal audit.
- Oversee and monitor the performance and independence of internal auditors, both internal and co-sourced. Review the range of services provided by the co-sourced partner and make recommendations to Council regarding the conduct of the internal audit function.
- Monitor compliance with the delegations policy.

### External Reporting and Accountability

- Consider the appropriateness of the Council's existing accounting policies and practices and approve any changes as appropriate.
  - Contribute to improve the quality, credibility and objectivity of the accounting processes, including financial reporting.
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- Consider and review the draft annual financial statements and any other financial reports that are to be publicly released, make recommendations to Management.
- Consider the underlying quality of the external financial reporting, changes in accounting policy and practice, any significant accounting estimates and judgements, accounting implications of new and significant transactions, management practices and any significant disagreements between Management and the external auditors, the propriety of any related party transactions and compliance with applicable New Zealand and international accounting standards and legislative requirements.
- Consider whether the external reporting is consistent with Committee members' information and knowledge and whether it is adequate for stakeholder needs.
- Recommend to Council the adoption of the Financial Statements and Reports and the Statement of Service Performance and the signing of the Letter of Representation to the Auditors by the Mayor and the Chief Executive.
- Enquire of external auditors for any information that affects the quality and clarity of the Council's financial statements, and assess whether appropriate action has been taken by management.
- Request visibility of appropriate management signoff on the financial reporting and on the adequacy of the systems of internal control; including certification from the Chief Executive, the Chief Financial Officer and the General Manager Corporate Services that risk management and internal control systems are operating effectively;
- Consider and review the Long Term and Annual Plans before adoption by the Council. Apply similar levels of enquiry, consideration, review and management sign off as are required above for external financial reporting.
- Review and consider the Summary Financial Statements for consistency with the Annual Report.

#### External Audit

- Annually review the independence and confirm the terms of the audit engagement with the external auditor appointed by the Office of the Auditor General. Including the adequacy of the nature and scope of the audit, and the timetable and fees.
  - Review all external audit reporting, discuss with the auditors and review action to be taken by management on significant issues and recommendations and report to Council as appropriate.
  - The external audit reporting should describe: Council's internal control procedures relating to external financial reporting, findings from the most recent external audit and any steps taken to deal with such findings, all relationships between the Council and the external auditor, Critical accounting policies used by Council, alternative treatments of financial information within Generally Accepted Accounting Practice that have been discussed with Management, the ramifications of these treatments and the treatment preferred by the external auditor.
  - Ensure that the lead audit engagement and concurring audit directors are rotated in accordance with best practice and NZ Auditing Standards.
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#### Compliance with Legislation, Standards and Best Practice Guidelines

- Review the effectiveness of the system for monitoring the Council's compliance with laws (including governance legislation, regulations and associated government policies), with Council's own standards, and Best Practice Guidelines.

#### Appointment of Independent Members

- Identify skills required for Independent Members of the Audit and Risk Management Committee. Appointment panels will include the Mayor or Deputy Mayor, Chair of Finance & Performance Committee and Chair of Audit & Risk Management Committee. Council approval is required for all Independent Member appointments.
- The term of the Independent members should be for three years. (It is recommended that the term for independent members begins on 1 April following the Triennial elections and ends 31 March three years later. Note the term being from April to March provides continuity for the committee over the initial months of a new Council.)
- Independent members are eligible for re-appointment to a maximum of two terms. By exception the Council may approve a third term to ensure continuity of knowledge.

#### ***Long Term Plan Activities***

Consider and review the Long Term and Annual Plans before adoption by the Council. Apply similar levels of enquiry, consideration, review and management sign off as are required above for external financial reporting.

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## Audit and Risk Management Committee Forward Work Programme 2020

| 2020                     | Feb – Draft Annual Plan                                                                       | Mar - Quarterly                                                                                                                                                      | Jun - Quarterly                                                                                                      | Jul - Annual Plan                                               | Sep – Quarterly Update                                                                                               | Sep - Annual Report                                                                        | Dec – Quarterly Update                                                                                                                         |
|--------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Quarterly Update Reports |                                                                                               | <ul style="list-style-type: none"> <li>• Risk Management</li> <li>• Internal Audit</li> <li>• Health, Safety &amp; Wellbeing</li> <li>• Procurement</li> </ul>       | <ul style="list-style-type: none"> <li>• Risk Management</li> <li>• Internal Audit</li> <li>• Procurement</li> </ul> |                                                                 | <ul style="list-style-type: none"> <li>• Risk Management</li> <li>• Internal Audit</li> <li>• Procurement</li> </ul> | <ul style="list-style-type: none"> <li>• Health, Safety &amp; Wellbeing</li> </ul>         | <ul style="list-style-type: none"> <li>• Risk Management</li> <li>• Internal Audit</li> <li>• Procurement</li> </ul>                           |
| Other Reports            |                                                                                               | <ul style="list-style-type: none"> <li>• Fraud six-month report</li> </ul>                                                                                           | <ul style="list-style-type: none"> <li>• Internal Audit Plan</li> </ul>                                              |                                                                 | <ul style="list-style-type: none"> <li>• Fraud six-month report</li> </ul>                                           |                                                                                            | <ul style="list-style-type: none"> <li>• Annual Review of Work Programme</li> </ul>                                                            |
| Annual Report            | <ul style="list-style-type: none"> <li>• Management Letter from prior year's audit</li> </ul> | <ul style="list-style-type: none"> <li>• External Audit Plan for current year</li> <li>• Critical judgments, estimates &amp; assumptions for current year</li> </ul> | <ul style="list-style-type: none"> <li>• Audit NZ Management Letter for current year interim audit</li> </ul>        |                                                                 |                                                                                                                      | <ul style="list-style-type: none"> <li>• Financial Statements and Annual Report</li> </ul> | <ul style="list-style-type: none"> <li>• Debenture trust audit report</li> <li>• Audit NZ Management Letter from prior year's audit</li> </ul> |
| Annual Plan              | <ul style="list-style-type: none"> <li>• Draft Annual Plan</li> </ul>                         |                                                                                                                                                                      |                                                                                                                      | <ul style="list-style-type: none"> <li>• Annual Plan</li> </ul> |                                                                                                                      |                                                                                            |                                                                                                                                                |
| Deep Dive Topic          |                                                                                               |                                                                                                                                                                      |                                                                                                                      |                                                                 |                                                                                                                      |                                                                                            | <ul style="list-style-type: none"> <li>• Risk focus TBC</li> </ul>                                                                             |





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|        |                                      |
|--------|--------------------------------------|
| Part A | Matters Requiring a Council Decision |
| Part B | Reports for Information              |
| Part C | Decisions Under Delegation           |

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## TABLE OF CONTENTS

|   |    |                                                                    |    |
|---|----|--------------------------------------------------------------------|----|
| C | 1. | Apologies / Ngā Whakapāha.....                                     | 10 |
| B | 2. | Declarations of Interest / Ngā Whakapuaki Aronga .....             | 10 |
| C | 3. | Confirmation of Previous Minutes / Te Whakaāe o te hui o mua ..... | 10 |
| B | 4. | Public Forum / Te Huinga Whānui.....                               | 10 |
| B | 5. | Deputations by Appointment / Ngā Huinga Whakaritenga .....         | 10 |
| B | 6. | Presentation of Petitions / Ngā Pākikitanga.....                   | 10 |
| C | 7. | Resolution to Exclude the Public.....                              | 15 |

## **1. Apologies / Ngā Whakapāha**

At the close of the agenda no apologies had been received.

## **2. Declarations of Interest / Ngā Whakapuaki Aronga**

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

## **3. Confirmation of Previous Minutes / Te Whakaāe o te hui o mua**

That the minutes of the Audit and Risk Management Committee meeting held on [Tuesday, 21 July 2020](#) be confirmed (refer page 11).

## **4. Public Forum / Te Huinga Whānui**

A period of up to 30 minutes may be available for people to speak for up to five minutes on any issue that is not the subject of a separate hearings process.

## **5. Deputations by Appointment / Ngā Huinga Whakaritenga**

There were no deputations by appointment at the time the agenda was prepared.

## **6. Petitions / Ngā Pākikitanga**

There were no petitions received at the time the agenda was prepared.

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## Audit and Risk Management Committee OPEN MINUTES

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**Date:** Tuesday 21 July 2020  
**Time:** 2.04pm  
**Venue:** Committee Room 1, Level 2, Civic Offices,  
53 Hereford Street, Christchurch

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**Present**

|                    |                                                       |
|--------------------|-------------------------------------------------------|
| Chairperson        | Ms Kim Wallace                                        |
| Deputy Chairperson | Councillor Sam MacDonald                              |
| Members            | Ms Jacqueline Robertson Cheyne (by audio-visual link) |
|                    | Mr Michael Rondel                                     |
|                    | Councillor Pauline Cotter                             |
|                    | Deputy Mayor Andrew Turner                            |

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21 July 2020

**Principal Advisor**

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- Part A      Matters Requiring a Council Decision**  
**Part B      Reports for Information**  
**Part C      Decisions Under Delegation**
- 

The agenda was dealt with in the following order.

**1. Apologies / Ngā Whakapāha**

**Part C**

**Committee Resolved ARCM/2020/00014**

That the apology for absence received from Mayor Dalziel be accepted.

Councillor MacDonald/Councillor Cotter

**Carried**

**2. Declarations of Interest / Ngā Whakapuaki Aronga**

**Part B**

Mr Rondel noted an interest in public excluded Item 11, Consideration of the Council's 2020/21 Annual Plan, relating to The Arts Centre.

**3. Confirmation of Previous Minutes / Te Whakaāe o te hui o mua**

**Part C**

**Committee Resolved ARCM/2020/00015**

That the minutes of the Audit and Risk Management Committee meeting held on Wednesday, 3 June 2020 be confirmed.

Ms Wallace/Councillor MacDonald

**Carried**

**4. Public Forum / Te Huinga Whānui**

**Part B**

There were no public forum presentations.

**5. Deputations by Appointment / Ngā Huinga Whakaritenga**

**Part B**

There were no deputations by appointment.

**6. Presentation of Petitions / Ngā Pākikitanga**

**Part B**

There was no presentation of petitions.

## **7. Audit NZ - 2019/20 Audit Fees and Debenture Trust Deed Engagement Letter**

**Committee Resolved ARCM/2020/00016 (Original Staff Recommendations Accepted without Change)**

### **Part C**

That the Audit and Risk Management Committee:

1. Recommend that the Mayor sign the 2019/20 audit fee letter from Audit NZ.
2. Recommend that the General Manager Finance and Commercial (CFO) sign the audit engagement letter from Audit NZ of the Debenture Trust Deed.

Ms Wallace/Councillor MacDonald

**Carried**

## **8. Update Report from Audit New Zealand**

Andy Burns of Audit New Zealand joined the table for this item.

**Committee Resolved ARCM/2020/00017 (Original Staff Recommendations Accepted without Change)**

### **Part C**

That the Audit and Risk Management Committee:

1. Receive the information in the Audit NZ report.
2. Consider the content of this report.

Ms Wallace/Deputy Mayor

**Carried**

Mr Rondel noted an interest relating to BDO as the auditors for Ōtautahi Community Housing Trust.

## **9 Resolution to Exclude the Public**

**Committee Resolved ARCM/2020/00018**

### **Part C**

That Andy Burns and Karina Page of Audit New Zealand, and Andrew Simpson of KPMG, remain after the public have been excluded for Item 11, Consideration of the Council's 2020/21 Annual Plan, of the public excluded agenda as they have knowledge that is relevant to that item and will assist the Council.

### **AND**

That at 2.43pm the resolution to exclude the public set out on pages 53 to 54 of the agenda be adopted.

Ms Wallace/Deputy Mayor

Carried

**The public were re-admitted to the meeting at 3.41pm.**

**Meeting concluded at 3.41pm.**

**CONFIRMED THIS 2<sup>nd</sup> DAY OF SEPTEMBER 2020**

**KIM WALLACE  
CHAIRPERSON**

Unconfirmed

**Item 3 - Minutes of Previous Meeting 21/0'Item 7**

## 7. Resolution to Exclude the Public

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*Section 48, Local Government Official Information and Meetings Act 1987.*

I move that the public be excluded from the following parts of the proceedings of this meeting, namely items listed overleaf.

Reason for passing this resolution: good reason to withhold exists under section 7.

Specific grounds under section 48(1) for the passing of this resolution: Section 48(1)(a)

### **Note**

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

“(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):

- (a) Shall be available to any member of the public who is present; and
- (b) Shall form part of the minutes of the local authority.”

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 which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

| ITEM NO. | GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED                            | SECTION                                | SUBCLAUSE AND REASON UNDER THE ACT                                         | PLAIN ENGLISH REASON                                                                                                                                                                                   | WHEN REPORTS CAN BE RELEASED                                                                                                                                                                                                                                                                                                            |
|----------|----------------------------------------------------------------------------|----------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8.       | PUBLIC EXCLUDED AUDIT AND RISK MANAGEMENT COMMITTEE MINUTES - 21 JULY 2020 |                                        |                                                                            | REFER TO THE PREVIOUS PUBLIC EXCLUDED REASON IN THE AGENDAS FOR THESE MEETINGS.                                                                                                                        |                                                                                                                                                                                                                                                                                                                                         |
| 9.       | UPDATE ON THE PREPARATION OF THE COUNCIL'S 2019/20 FINANCIAL STATEMENTS    | S7(2)(B)(II),<br>S7(2)(H)              | PREJUDICE COMMERCIAL POSITION, COMMERCIAL ACTIVITIES                       | THE REPORT CONTAINS INFORMATION THAT IF RELEASED TO THE PUBLIC, WILL BREACH THE NZX DISCLOSURE RULES UNDER WHICH CCHL MUST ABIDE.                                                                      | 30 NOVEMBER 2020<br><br>FOLLOWING THE ADOPTION OF THE 2019/20 ANNUAL REPORT OF COUNCIL.                                                                                                                                                                                                                                                 |
| 10.      | QUARTERLY PROCUREMENT REPORT                                               | S7(2)(B)(II),<br>S7(2)(H),<br>S7(2)(I) | PREJUDICE COMMERCIAL POSITION, COMMERCIAL ACTIVITIES, CONDUCT NEGOTIATIONS | TO PREVENT INFORMATION BEING RELEASED THAT COULD BE USED FOR IMPROPER COMMERCIAL ADVANTAGE OR THAT NEEDS TO BE WITHHELD TO AVOID PREJUDICE TO THE COUNCIL'S OR ITS SUPPLY CHAIN'S COMMERCIAL POSITION. | DUE TO THE NATURE AND SENSITIVITY OF THIS INFORMATION, IT IS NOT ANTICIPATED THAT THERE WILL BE A SPECIFIC DATE OR EVENT THAT ALLOWS FOR THE RELEASE OF THIS INFORMATION. THE INFORMATION WILL BE RELEASED IN FULL OR PART, AS APPROPRIATE UPON PERIODICAL REVIEW BY THE HEAD OF PROCUREMENT AND CONTRACTS, WHEN IT IS NO LONGER DEEMED |



|     |                              |                                        |                                                                                                                      |                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----|------------------------------|----------------------------------------|----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                              |                                        |                                                                                                                      |                                                                                                                         | TO IDENTIFY SENSITIVE COMMERCIAL INFORMATION FOR THE COUNCIL OR ITS SUPPLY CHAIN.                                                                                                                                                                                                                                                                                                                                                                                       |
| 11. | INTERNAL AUDIT STATUS REPORT | S7(2)(E),<br>S7(2)(F)(II),<br>S7(2)(J) | PREVENTION OF MATERIAL LOSS,<br>PROTECTION FROM IMPROPER PRESSURE OR HARASSMENT,<br>PREVENTION OF IMPROPER ADVANTAGE | TO PREVENT THE USE OF INTERNAL AUDIT FINDINGS AND IDENTIFIED CONTROL WEAKNESSES FROM BEING USED FOR IMPROPER ADVANTAGE. | DUE TO THE NATURE AND SENSITIVITY OF THIS INFORMATION, IT IS NOT ANTICIPATED THAT THERE BE A SPECIFIC DATE OR EVENT THAT ALLOWS FOR THE RELEASE OF THIS INFORMATION. THE INFORMATION WILL BE RELEASED IN FULL OR PART AS APPROPRIATE UPON PERIODICAL REVIEW BY THE HEAD OF AUDIT AND RISK AND WHEN IT IS NO LONGER DEEMED TO IDENTIFY CONTROL WEAKNESSES THAT COULD BE USED FOR IMPROPER ADVANTAGE AND NO LONGER NEEDS TO BE WITHHELD TO PROTECT FROM IMPROPER PRESSURE |

|     |                               |                               |                                                                                        |                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----|-------------------------------|-------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                               |                               |                                                                                        |                                                                   | OR HARASSMENT AFFECTING THE CONDUCT OF PUBLIC AFFAIRS.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 12. | RISK MANAGEMENT STATUS REPORT | S7(2)(C)(II),<br>S7(2)(F)(II) | PREVENT DAMAGE TO THE PUBLIC INTEREST, PROTECTION FROM IMPROPER PRESSURE OR HARASSMENT | TO PREVENT IMPROPER USE OR MISINTERPRETATION OF THIS INFORMATION. | DUE TO THE NATURE AND SENSITIVITY OF THIS INFORMATION, IT IS NOT ANTICIPATED THAT THERE BE A SPECIFIC DATE OR EVENT THAT ALLOWS FOR THE RELEASE OF THIS INFORMATION. THE INFORMATION WILL BE RELEASED IN FULL OR PART AS APPROPRIATE UPON PERIODICAL REVIEW BY THE HEAD OF AUDIT AND RISK AND WHEN IT IS NO LONGER SUBJECT TO AN OBLIGATION OF CONFIDENCE OR BEING PROVIDED UNDER COMPULSION WHERE RELEASE WOULD LIKELY DAMAGE THE PUBLIC INTEREST AND NO LONGER NEEDS TO BE WITHHELD TO |

|     |                     |              |                                                 |                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----|---------------------|--------------|-------------------------------------------------|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                     |              |                                                 |                                                                                             | PROTECT FROM IMPROPER PRESSURE OR HARASSMENT AFFECTING THE CONDUCT OF PUBLIC AFFAIRS.                                                                                                                                                                                                                                                                                                                                              |
| 13. | FRAUD STATUS REPORT | S7(2)(F)(II) | PROTECTION FROM IMPROPER PRESSURE OR HARASSMENT | TO ALLOW FOR PROTECTED DISCLOSURES AND THE ONGOING EFFECTIVE MANAGEMENT OF CONCERNS RAISED. | DUE TO THE NATURE AND SENSITIVITY OF THIS INFORMATION, IT IS NOT ANTICIPATED THAT THERE WILL BE A SPECIFIC DATE OR EVENT THAT ALLOWS FOR THE RELEASE OF THIS INFORMATION. THE INFORMATION WILL BE RELEASED IN FULL OR PART AS APPROPRIATE UPON PERIODICAL REVIEW BY THE HEAD OF AUDIT AND RISK AND WHEN IT NO LONGER NEEDS TO BE WITHHELD TO PROTECT FROM IMPROPER PRESSURE OR HARASSMENT AFFECTING THE CONDUCT OF PUBLIC AFFAIRS. |