



RĀRANGI TAKE AGENDA

Hui Te Komiti Whakamauru Tūraru | Risk and Assurance Committee Meeting

**I hereby give notice that a Meeting of the Te Komiti Whakamauru
Tūraru | Risk and Assurance Committee will be held on:**

Te Rā | Date: Thursday, 9 November 2023

Te Wā | Time: 9.30am

**Te Wāhi | Location: Council Chamber
Ground Floor, 175 Rimu Road
Paraparaumu**

**Mark de Haast
Group Manager Corporate Services**

Kāpiti Coast District Council

Notice is hereby given that a meeting of the Te Komiti Whakamauru Tūraru | Risk and Assurance Committee will be held in the Council Chamber, Ground Floor, 175 Rimu Road, Paraparaumu, on Thursday 9 November 2023, 9.30am.

Te Komiti Whakamauru Tūraru | Risk and Assurance Committee Members

Mr David Shand	Chair
Mayor Janet Holborow	Member
Deputy Mayor Lawrence Kirby	Member
Cr Liz Koh	Member
Cr Jocelyn Prvanov	Member
Cr Glen Cooper	Member
Mr David Cochrane	Member
Ms Oriwia Raureti	Member

Te Raupapa Take | Order Of Business

1	Nau Mai Welcome	5
2	Karakia a te Kaunihera Council Blessing.....	5
3	Whakapāha Apologies.....	5
4	Te Tauākī o Te Whaitake ki ngā Mea o te Rārangi Take Declarations of Interest Relating to Items on the Agenda	5
5	He Wā Kōrero ki te Marea mō ngā Mea e Hāngai ana ki te Rārangi Take Public Speaking Time for Items Relating to the Agenda	5
6	Ngā Take a ngā Mema Members' Business	5
7	He Kōrero Hou Updates.....	5
	Nil	
8	Pūrongo Reports.....	6
8.1	Health and Safety Quarterly Report : 1 July 2023 - 30 September 2023	6
8.2	Report on Control Findings for the Year Ended 30 June 2023.....	16
8.3	Quarterly Treasury Compliance.....	28
8.4	Top 10 Organisational Risk Report.....	37
8.5	Internal Audit Work Programme - Progress Update.....	76
8.6	Legislative Compliance – 1 July to 30 September 2023	80
8.7	Forward Work Programme 2024 for Risk and Assurance Committee.....	113
9	Te Whakaū i ngā Āmiki Confirmation of Minutes	116
9.1	Confirmation of Minutes - 21 September 2023	116
10	Purongo Kāore e Wātea ki te Marea Public Excluded Reports	122
	Resolution to Exclude the Public	122
11	Closing Karakia.....	122

1 NAU MAI | WELCOME**2 KARAKIA A TE KAUNIHERA | COUNCIL BLESSING**

“As we deliberate on the issues before us, we trust that we will reflect positively on the communities we serve. Let us all seek to be effective and just, so that with courage, vision and energy, we provide positive leadership in a spirit of harmony and compassion.”

I a mātou e whiriwhiri ana i ngā take kei mua i ō mātou aroaro, e pono ana mātou ka kaha tonu ki te whakapau mahara huapai mō ngā hapori e mahi nei mātou. Me kaha hoki mātou katoa kia whaihua, kia tōtika tā mātou mahi, ā, mā te māia, te tiro whakamua me te hihiri ka taea te arahi i roto i te kotahitanga me te aroha.

3 WHAKAPĀHA | APOLOGIES**4 TE TAUĀKĪ O TE WHAITAKE KI NGĀ MEA O TE RĀRANGI TAKE | DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA**

Notification from Elected Members of:

4.1 – any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting, and

4.2 – any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968

5 HE WĀ KŌRERO KI TE MAREA MŌ NGĀ MEA E HĀNGAI ANA KI TE RĀRANGI TAKE | PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA**6 NGĀ TAKE A NGĀ MEMA | MEMBERS' BUSINESS**

(a) Public Speaking Time Responses

(b) Leave of Absence

(c) Matters of an Urgent Nature (advice to be provided to the Chair prior to the commencement of the meeting)

7 HE KŌRERO HOU | UPDATES

Nil

8 PŪRONGO | REPORTS

8.1 HEALTH AND SAFETY QUARTERLY REPORT : 1 JULY 2023 - 30 SEPTEMBER 2023

Kaituhi | Author: **Dianne Andrew, Organisational Development Manager**

Kaiwhakamana | Authoriser: **Darren Edwards, Chief Executive**

TE PŪTAKE | PURPOSE

- 1 This Report presents the Health and Safety Quarterly Report for the period 1 July 2023 – 30 September 2023.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 The Health and Safety Quarterly Report links to the current draft Health and Safety Plan 2020-2023 which aligns to the WorkSafe NZ SafePlus model of 'what good looks like', the framework of which sets out ten performance requirements under the three themes of Leadership, Worker Engagement and Risk Management. The format of the current Plan is under review and is being updated to take on the format of a high-level work programme to enable greater transparency across the strategic areas of focus and the work program priorities and activities. The current Plan and the revised will continue to build on the three high level areas of Leadership, Health and Safety Management Systems, and Contractor Management all with an underlying focus on:
 - skills and capability of our people;
 - managing our critical risks; and
 - leadership and engagement.

TE TUKU HAEPAPA | DELEGATION

- 3 The Risk and Assurance Committee has delegated authority to consider this report under the following delegation in the Governance Structure, Section C 1:
 - *Ensuring that the Council has in place a current and comprehensive risk management framework and making recommendations to the Council on risk mitigation;*
 - *Assisting elected members in the discharge of their responsibilities by ensuring compliance procedures are in place for all statutory requirements relating to their role;*
 - *Governance role in regard to the Health and Safety Plan.*

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee notes the Health and Safety Quarterly Report for the period 1 July 2023 – 30 September 2023 attached as Appendix One to this Report.

TŪĀPAPA | BACKGROUND

- 4 The quarterly Health & Safety Report is intended to provide the Council with insight into initiatives and activities and their progress, as part of our Council's commitment to providing a safe and healthy place to work. The contents and any subsequent discussions arising from this report can support Officers to meet their due diligence obligations under the Health & Safety at Work Act (HSWA) 2015.
- 5 Work continues based on the deliverables stated in the Health and Safety Strategic Plan 2020-2023 and the format of this Plan is being enhanced to provide a more appropriate high level work program format to better show linkage between strategic focus areas and the work programme priorities and activities.
- 6 In advance of the new format for the Health and Safety high level work program storyline being formally tabled at the Risk and Assurance Committee, a Discussion Forum will be scheduled to provide an opportunity for the Committee to familiarise themselves with the

content and understand the context of some of the components. Due to time and resource constraints a date has yet to be confirmed for this session.

- 7 The timing of the Health and Safety Quarterly Reports does not prevent an 'as and when required' verbal update from the Chief Executive to the Mayor and Council regarding serious or high profile risk events. Such events would be recorded and retrospectively included the next available Quarterly Report.

HE KŌRERORERO | DISCUSSION

- 8 Disruptions as a result of previous events beyond the Council's control (ie: Covid related absences and impact on resourcing) continue to be factored into Health and Safety work program priorities and activities and actions and deliverables are only now starting to progress again. This has been a key driver to review the Health and Safety Strategic Plan and re format the document to become a high-level work program and enable greater agility.

He take | Issues

- 9 Planning continues to minimise organisational risk and enable best opportunities to continue a level of service delivery to our community during any future pandemic related or emergency related disruptions. Planning for such contingency includes the health and safety and wellbeing of staff and customers, and members of the community and as such will be dependent on Council's resource availability and acknowledgement of the potential that some services may be reduced intermittently or for a period.

Ngā kōwhiringa | Options

- 10 The delivery of key competency/qualification training will continue via remote delivery where practicable. Team management will ensure staff risk management is effectively balanced with the practical need to keep staff current in their skill areas as required for their roles. Where roles do not have specific training for compliance reasons, this training will continue to be prioritised and delivered as and when appropriate given the context of any restrictions or limitations at the time.

Tangata whenua

- 11 There are no mana whenua considerations arising from this report.

Panonitanga āhuarangi | Climate change

- 12 This Report does not impact on the work programmes for climate change.

Ahumoni me ngā rawa | Financial and resourcing

- 13 Budget has been provided for implementation of the action plan initiatives as part of the 2018-38 Long-term plan.

Ture me ngā Tūraru | Legal and risk

- 14 There are no legal and risk considerations in addition to those already noted in this report.

Ngā pānga ki ngā kaupapa here | Policy impact

- 15 There are no policy considerations arising from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

- 16 There are no communication and engagement considerations arising from this report.

Te mahere tūhono | Engagement planning

- 17 An engagement plan is not needed regarding this Report.

Whakatairanga | Publicity

18 There are no publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Health and Safety Quarterly Report for the period 1 July to 30 September 2023 [↓](#)

KĀPITI COAST DISTRICT COUNCIL
Health and Safety Quarterly Report to the Risk and Assurance Committee
1 July 2023 – 30 September 2023

Appendix One

1 Executive Summary

There were no WorkSafe notifiable or serious harm events this Quarter. No 'reasonable cause' drug and alcohol tests were required from employees this quarter.

The Health and Safety staff induction has been incorporated into the e-Ako online learning modules as part of the onboarding process for all new employees.

EAP hours are up from the last quarter (49 from 38). Presenting issues classified under 'work' have increased with the subject areas of workload pressures and mental health showing increased numbers.

Two WorkSafe Improvement Notices were issued to the Council following a report from a member of the public regarding the activities of a contractor cutting into Councils network ACM (Asbestos Containing Material) water pipes. The Improvement Notices were for:

1. Kāpiti Coast District Council does not have process/system in place to adequately manage the risk of asbestos exposure to workers and sub-contractors.
2. Kāpiti Coast District Council does not have a process in place to ensure fit testing of Respiratory Protection Equipment for workers required to wear the Respiratory Protection Equipment while carrying out work for the business.

WorkSafe recommended prevention and remedial measures which have since been completed by Council and the WorkSafe Inspector has closed out both the Improvement Notices.

In Vault (Council's health and safety management system) the headings and subjects have been aligned to the Councils critical risks. Work is progressing towards implementing a severity rating of events which will provide a clearer way for evaluating and reporting on recorded events.

2 LEAD INDICATORS

2.1 CORPORATE HEALTH AND SAFETY TRAINING SUMMARY

Training Type	Training Course Name	Scheduled	Status
<i>Task Related</i>	<ul style="list-style-type: none"> Chainsaw Safety Confined Spaces & Gas Detection Dangerous Goods Kerbside Collection Traffic Leader NZ Apprenticeship: Senior Pool Lifeguard (Level 4) Pool Lifeguard Practicing Cert Respirator Fit testing Resuscitation Level 3 Site Traffic Management Specialist 	Jul 2023 Sep 2023 Aug 2023 Aug 2023 Jul 2023 Jul/Aug 2023 Aug 2023 Sep 2023 Jul/Aug 2023	Completed Completed Completed Completed Completed Completed Completed Completed Completed
<i>Critical Risk Related</i>	<ul style="list-style-type: none"> AA Safe Driving Assessment - Phase 1: All drivers of Council vehicles (online assessment) AA Safe Driving Assessment - Phase 2: Regular drivers (practical assessment) 		Not due to be scheduled Not due to be scheduled

KĀPITI COAST DISTRICT COUNCIL
Health and Safety Quarterly Report to the Risk and Assurance Committee
1 July 2023 – 30 September 2023

Appendix One

Training Type	Training Course Name	Scheduled	Status
	<ul style="list-style-type: none"> Situational Safety and Tactical Communications 		Review of timing for training related to aggressive interactions
<i>Leadership</i>	<ul style="list-style-type: none"> Totara Hui Kamahi Hui 	Aug 2023 Sep 2023	Completed Completed
<i>General - Health & Safety</i>	<ul style="list-style-type: none"> Comprehensive First Aid First Aid Refresher Health & Safety Rep training 	Jul-Sep 2023 Sep 2023 Aug 2023	Completed Completed Completed

2.2 EMERGENCY EVACUATIONS AND DRILLS

- Trial evacuations are current for all required buildings.

2.3 EMPLOYEE HEALTH AND SAFETY INDUCTIONS

- The Health and Safety staff induction has been incorporated into the e-Ako online learning modules as part of the onboarding process for all new employees.
- A graph detailing the number of health and safety inductions completed is now included on the Health and Safety Dashboard.

2.4 WELLNESS INITIATIVES

Wellness Initiative	Staff recipients
Eye Examinations	19
Ergonomic Work Assessments	12
*Hearing Tests Annual cycle July – September	56 with 2 outstanding
*Noise Monitoring (Water Treatment Plants and Operations) - 5 yearly cycle commenced October – December 2020	Not due this quarter

*Note: Hearing tests and noise monitoring under review and to be incorporated in wider occupational health monitoring program.

2.5 DRUG AND ALCOHOL MANAGEMENT

- Pre-employment Drug and Alcohol Tests continue to be undertaken by all preferred applicants.
- Reasonable cause testing continues to be undertaken as a mandatory requirement where any incident involves the use of machinery or vehicles, and a worker's actions or lack of action may have contributed.
- No Reasonable Cause tests were conducted during this quarter.

2.6 RISK MANAGEMENT

- As of 30 September 2023, there are a total of 113 selected Contractors on the SiteWise system down from 151 last quarter. Reduction in numbers is due to a combination of the removal of some

KĀPITI COAST DISTRICT COUNCIL
Health and Safety Quarterly Report to the Risk and Assurance Committee
1 July 2023 – 30 September 2023

Appendix One

exempt contractors and contractors with pre-qualification from other approved health and safety providers.

- As of 30 September, there were 58 Care Register entries, with 3 additions this quarter. Two related to aggressive dogs and one to an abusive customer.
- EAP hours are up from the last quarter (49 from 38). Presenting issues classified under 'work' have increased with the subject areas of workload pressures and mental health showing increased numbers. A number of these are related to the uncertainty around Affordable Waters.

WorkSafe Improvement Notices

Two WorkSafe Improvement Notices were issued to the Council following the activities of a contractor cutting into Councils network water pipes with asbestos containing material. The Improvement Notices, and Remedial Actions were:

1. Kāpiti Coast District Council does not have process/system in place to adequately manage the risk of asbestos exposure to workers and sub-contractors.

Action undertaken: An Asbestos Management Framework has been developed setting out to contractors the Council requirements when working with asbestos containing materials. This includes the requirement for Contractors to provide Council with an Asbestos Removal Control Plan, Site-Specific Safety Plan, or a Work Method Statement before commencing work. A 'Safe Operating Procedure Asbestos Pipes' has also been developed to ensure the workers are not exposed to asbestos fibres or harmed during the removal & disposal of asbestos pipes.

2. Kāpiti Coast District Council does not have a process in place to ensure fit testing of Respiratory Protection Equipment for workers required to wear the Respiratory Protection Equipment while carrying out work for the business.

Action undertaken: A Respiratory Protective Equipment process has been developed along with Respiratory Fit Testing for required workers carried out in August.

The WorkSafe Inspector has closed out the Improvement Notices meaning no further action is required from Council.

Improvements to the Categorising of Events in Vault

Event category and Subject headings have recently been updated in Vault (Council's health and safety management system). These improvements will assist workers and managers to log events into the correct category and subject areas allowing the Health and Safety team to provide a more consistent and accurate reporting of incidents to Council leadership.

Introduction of 'Severity Rating' for all Events

Work is progressing towards implementing a severity rating of events. All Events recorded in Vault are now given one of the severity ratings in the table below:

Rating	Criteria (for both risk and incident)
Severe	Actual or potential for a work-related notifiable fatality affecting ONE OR MORE people. Notifiable to WorkSafe/regulator.
Major	Actual or potential for work-related injury, illness or exposure (mental or physical) requiring in-patient medical treatment with reversible or irreversible impairment lasting 6 MONTHS OR MORE. May be notifiable to WorkSafe/regulator.

KĀPITI COAST DISTRICT COUNCIL
Health and Safety Quarterly Report to the Risk and Assurance Committee
1 July 2023 – 30 September 2023

Appendix One

Moderate	Actual or potential for work-related injury, illness or exposure (mental or physical) requiring in-patient or outpatient medical treatment with reversible impairment lasting LESS THAN 6 MONTHS. May be notifiable to WorkSafe/regulator.
Minor	Actual or potential for reversible work-related injuries, illnesses or exposures (mental or physical) requiring first aid or outpatient medical treatment, no long-term effects.
Minimal	Actual or potential for reversible work-related injuries or illnesses (mental or physical) requiring first aid at most, no long-term effects.

This severity rating provides a clear way for evaluating and reporting on events and better illustrates the consequence of injury rather than just the frequency of injury.

Events rated severe, major and moderate will be reported into the Senior Leadership Team and the Risk and Assurance Committee. All events including those which are rated minor or minimal are reported to the Group Managers. Trends developing from minor events will be assessed and reported to SLT and Risk and Assurance Committee.

2.7 SENIOR LEADERSHIP TEAM

- The focus on staff safety continues with SLT championing the development of a health and safety process and risk assessment for council led public engagement sessions.
- SLT is monitoring use and accumulation of leave to ensure adequate opportunity for people to take appropriate rest and recreation breaks from the workplace.

2.8 ORGANISATION HEALTH AND SAFETY COMMITTEE

- Monthly meetings were held in July, August and September 2023.
- There was one new health and safety representative added this quarter and health and safety representative Stage 1 training has been scheduled for them.
- The committee have agreed to develop health and safety promotional themes, brands and campaigns to raise visibility and build the Council health and safety culture.



Health and Safety Dashboard: July – September 2023

Number of Actual or Potential 'Severe' 'Major' & 'Moderate' Events related to Critical Risk		Jul-Sep 2023	July 2023 - YTD
	Aggressive interactions	2	2
	Biological hazards & unknown organisms	0	0
	Contractor Management	1	1
	Driving	2	2
	Fatigue	0	0
	Hazardous Substances	1	1
	Psychological H&S	0	0
	Remote & Isolated Work	0	0
	Working with animals	0	0

Total Events

72

Jul-Sep

Overdue Corrective Actions for Incidents Rated Severe/Major/Moderate

1

Target 0

H&S Representative Numbers

17

Target > 10

Health, Safety & Wellbeing Induction module (modules assigned vs completions)

17

(17/27)

63%

Target > 95%

Notifications to WorkSafe

0

Jul-Sep

0

YTD

Improvement Notices from WorkSafe

2

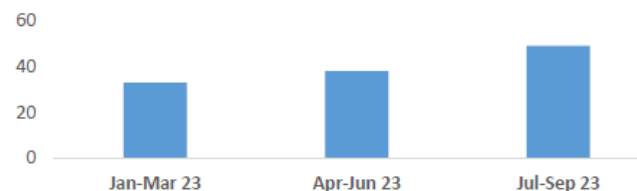
Jul-Sep

2

YTD

EAP Hours Used

(includes staff and elected members)



Key Insights

- The number of actual or potential events relating to critical risks that were rated severe, major or moderate was 6.
- There was 1 emerging risk identified following an injury rated as minor (refer to No. 7 on page 2 of this dashboard).
- There is 1 overdue corrective action for from this period (refer to No. 3 on page 2 of this dashboard).
- Health and Safety Representative numbers have increased from 16 in the Apr-Jun period to 17 in the Jul-Sep period and they remain above target.
- The number of Council staff showing as having completed the HSW Induction via the e-Ako module is below target but as this is a new initiative it is expected to increase over the next quarters.
- There were no WorkSafe notifiable or serious harm events this quarter. Council received two Improvement Notices from WorkSafe which have since been closed out (refer to the H&S Quarterly report, page 3).
- EAP issues reported under 'work' have increased since the last quarter with issues relating to workload pressures and mental health increasing.



Actual or Potential 'Severe' 'Major' & 'Moderate' Events related to Critical Risk and Emerging Risks: July – September 2023

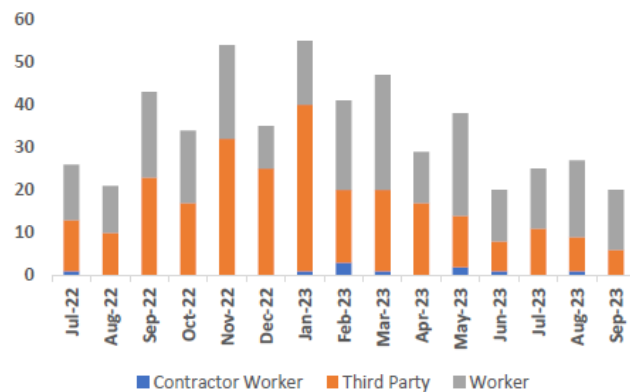
Risk		Critical Risk (Y/N)	Key Information	Description	Identified failed or absent controls	Corrective actions
1	Aggressive Interactions	Y	Vault ID 6338 04/08/2023	Assault by member of the public on library user customer outside the library premise.	None	Library staff notified and handed over to Police.
2	Aggressive Interactions	Y	Vault ID 252 29/07/2023	A community engagement event became boisterous, with unpleasant and aggressive comments directed generally at Council.	Process and Risk Assessment tool	A process checklist has been developed to be used in conjunction with a risk assessment tool (under development).
3	Contractor Management	Y	Vault ID 6367 05/09/2023	A Contractor undertook work when failure of their equipment created an unsafe working environment.	Under Investigation	Reported to contractor and consultant for their investigation. Awaiting outcome report.
4	Driving	Y	Vault ID 6330 20/07/2023	Equipment failure on trailer.	Failure of locking lug and pin	Taken to mechanics for assessment and repair
5	Driving	Y	Vault ID 6375 13/09/2023	Worker hit on the head by tree branch	Missing locking pin on ride-on mower	Communication to staff on requirement to not use faulty plant
6	Hazardous Substances	Y	Vault ID 6352 11/08/2023	Worker received a minor chemical burn.	Training and supervision	More robust training and supervision procedures in place. Chemical storage and PPE update.
7	Trips, Slips & falls (Emerging Risk)	N	Vault ID 6357 15/08/2023	Worker slipped when entering pool and hit head on side of pool.	Correct PPE not worn	Toddlers Pool flooring assessed. Decision to resurface to improve safety. Communication to staff on wearing correct PPE.



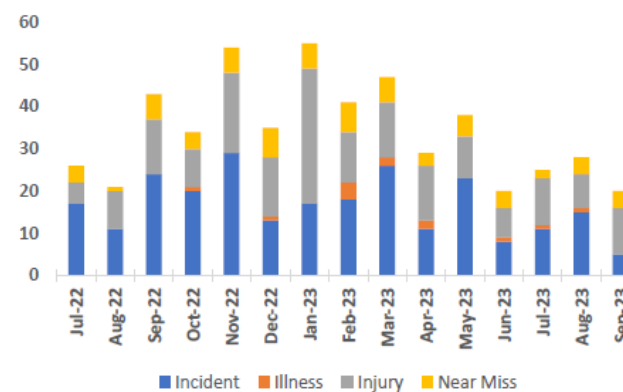
Health, Safety & Wellbeing Performance Report – Group Dashboard – July - September 2023

Group Overview		Organisational Development		Strategy & Growth		People & Partnerships		Iwi Partnerships		Corporate Services		Place & Space		Regulatory Services		Infrastructure Services		Total	
		Jul-Sep	YTD	Jul-Sep	YTD	Jul-Sep	YTD	Jul-Sep	YTD	Jul-Sep	YTD	Jul-Sep	YTD	Jul-Sep	YTD	Jul-Sep	YTD	Jul-Sep	YTD
Lead Indicators	Near Miss Reporting	0	0	0	0	0	0	0	0	0	0	5	5	3	3	2	2	10	10
	H&S Representatives	0	0	0	2	1	2	0	1	0	1	1	5	0	2	0	4	17	17
Lag	Total Events by Group	1	1	0	0	0	0	0	0	0	0	45	45	6	6	20	20	72	72

Events by Person Type



Events by Classification



8.2 REPORT ON CONTROL FINDINGS FOR THE YEAR ENDED 30 JUNE 2023

Kaituhi | Author: **Sharon Foss, Business Improvement Manager**

Kaiwhakamana | Authoriser: **Mark de Haast, Group Manager Corporate Services**

TE PŪTAKE | PURPOSE

- 1 This report provides the Risk and Assurance Committee with Ernst & Young's Report on Control Findings for the year ended 30 June 2023.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 There is no requirement for an Executive Summary.

TE TUKU HAEPAPA | DELEGATION

- 3 The Risk and Assurance Committee has delegated authority to consider this report under section C.3 of the Governance Structure and Delegations.
- *Reviewing and maintaining the internal control framework.*
 - *Obtaining from external auditors any information relevant to the Council's financial statements and assessing whether appropriate action has been taken by management in response to the above.*

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee:
- A.1 receives this report, including Ernst & Young's Report on Control Findings for the year ended 30 June 2023, attached as Appendix 1 to this report, and
- A.2 notes that:
- A.2.1 regular progress updates against the Control Findings will be provided; and
- A.2.2 Ernst & Young will re-assess these Control Findings when they complete their audit for the financial year ended 30 June 2024.

TŪĀPAPA | BACKGROUND

- 4 In accordance with New Zealand Auditing Standards, Ernst & Young performed a review of the design and operating effectiveness of the Council's significant financial reporting processes as part of their audit for the year ended 30 June 2023.
- 5 Ernst & Young classify control risk matters as high, moderate or low as follows:

	Ernst & Young – Risk Ranking System
High	Matters and/or issues considered to be fundamental to the mitigation of material risk, maintenance of internal control or good corporate governance. Action should be taken either immediately or within three months.
Moderate	Matters and/or issues considered to be of major importance to maintenance of internal control, good corporate governance, or best practice for processes. Action should normally be taken within six months.
Low	A weakness which does not seriously detract from the internal control framework. If required, action should be taken within 6 -12 months.

HE KŌRERORERO | DISCUSSION

- 6 As has occurred in previous years, in addressing and closing off their 2022/23 audit, Ernst & Young also reviewed their control findings from the previous 2021/22 year. These are discussed below.

2021/22 Control Findings

- 7 Ernst & Young have determined that of the five control findings for the 2021/22 financial year - two remain open and three were closed-out.

- 8 The table below notes the final status of the five control findings.

Risk	2021/22 Control Findings	Status at 30 June 2023
Moderate	Accuracy of response and resolution times	Carried forward
Low	Approval of expenditure	Closed
	Purchase orders approved after receiving invoices	Closed
	Transition to maintenance of records electronically	Closed
	Overhead rate applied to projects	Carried forward

2022/23 Control Findings

- 9 Ernst & Young identified one new control finding as part of their audit for the year ended 30 June 2023. The two control findings carried forward from 2021/22 have had no change to their original risk classifications.
- 10 Ernst & Young's Report on Control Findings for the year ended 30 June 2023 is attached as Appendix 1 to this report. It details the three open control findings they considered appropriate for review by management along with the response from Council to address each finding. For convenience, the three open control findings are listed below:

Risk	EY No.	2022/23 Control Findings	Status at 30 June 2023	
			Ernst & Young recommendation	Council response
Moderate	2.1.1	Accuracy of response and resolution times	Carried forward	Accepted
Low	2.2.1	Aged work in progress review	New	Accepted
Low	2.2.2	Overhead rate applied to projects.	Carried forward	Accepted

He take | Issues

- 11 The Group Manager, Corporate Services has reviewed the control findings provided by Ernst & Young and will maintain corporate oversight of how they are resolved by the appropriate staff. This Committee will receive progress updates on action taken by management on these control findings.

Ngā kōwhiringa | Options

- 12 There are no options to be raised in this report.

Tangata whenua

- 13 There are no tāngata whenua considerations arising from this report.

Panonitanga āhuarangi | Climate change

- 14 There are no climate change issues arising from this report.

Ahumoni me ngā rawa | Financial and resourcing

15 Financial considerations have been covered as part of this report.

Ture me ngā Tūraru | Legal and risk

16 There are no legal considerations arising from this report. The three control findings do reflect corrective measures needed to Council's first line of defence. None of the findings have been considered as high risk.

Ngā pānga ki ngā kaupapa here | Policy impact

17 There are no policy implications arising from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT**Te mahere tūhono | Engagement planning**

18 This matter has a low level of significance under the Council's Significance and Engagement Policy.

Whakatairanga | Publicity

19 There are no publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Ernst & Young's Report on Control Findings for the year ended 30 June 2023 [↓](#)

Kāpiti Coast District Council

Report on Control Findings

1 November 2023





**Building a better
working world**

Ernst & Young
40 Bowen Street
Wellington 6011 New Zealand
PO Box 490 Wellington 6140

Tel: +64 4 499 4888
ey.com/nz

Mark de Haast
Group Manager - Corporate Services
Kāpiti Coast District Council
Private Bag 60601
Paraparaumu 5254

1 November 2023

Dear Mark

Report on Control Findings

We have substantially completed our audit of the financial statements and service performance information of Kāpiti Coast District Council ("Council" or "KCDC") for the year ended 30 June 2023.

This Report on Control Findings includes control matters and issues arising from our audit that we consider appropriate for review by management.

In accordance with the Auditor-General's Auditing Standards we performed a review of the design and operating effectiveness of KCDC's significant financial and non-financial reporting processes. Our audit procedures do not address all internal control and accounting procedures and are based on selective tests of accounting records and supporting data. They have not been designed for the purposes of making detailed recommendations. As a result, our procedures would not necessarily disclose all weaknesses in KCDC's

internal control environment. We wish to express our appreciation for the courtesies and co-operation extended to our representatives during the course of their work. If you have any questions or comments, please do not hesitate to call me on 027 489 9693.

Yours faithfully

Sam Nicolle
Partner
Ernst & Young

EY | i

Contents

1. Overview 2

2. Detailed recommendations..... 4

1. Overview

1.1 Overview of Risk Ranking System and Recommendations

The following table provides an overview of the number of observations and the associated risk ratings.

	High	Moderate	Low	Total
Open as at 30 June 2022	-	1	4	5
Closed during FY23	-	-	(3)	(3)
New points raised in FY23	-	-	1	1
Total open points as at 30 June 2023	-	1	2	3

Key:

■	A weakness which does not seriously detract from the internal control framework. If required, action should be taken within 6-12 months.
■	Matters and/or issues are considered to be of major importance to maintenance of internal control, good corporate governance or best practice for processes. Action should normally be taken within 6 months.
■	Matters and/or issues are considered to be fundamental to the mitigation of material risk, maintenance of internal control or good corporate governance. Action should be taken either immediately or within 3 months.

1.2 Audit observations

The following table summarises open recommendations at 30 June 2023.

Observations	High Needs significant improvement	Moderate Needs substantial improvement	Low Needs some improvement
Accuracy of response and resolution times	-	✓	-
Aged work in progress review	-	-	✓
Overhead rate applied to projects	-	-	✓

1.3 Disclaimer

Issues identified are only those found within the course of the audit for year ended 30 June 2023. Recommendations are intended solely for the use of Council's management. We disclaim any assumption of responsibility for any reliance on this report, to any person other than Council and the management team or for any purpose other than that for which it was prepared.

2. Detailed recommendations

2.1 Moderate Risk

2.1.1 Accuracy of response and resolution times

Observation	<p>One of Council's key activities is managing, and responding to, requests for service that ratepayers make of Council. KCDC uses the MagiQ system to record and monitor these requests. When a member of the community makes a request the time of the request, actions taken to respond to and resolve the request, and the time these actions were taken are all recorded in the system. This data then forms the basis for reporting a number of performance measures which relate to how quickly Council have either responded to, or resolved, requests for service relating to a particular area of operations.</p> <p>In completing our testing of performance reporting information, we identified instances where the response times used as a basis for calculating performance measures were identical to the time the request for service was raised with Council. We observed this mostly arises where a request for service is not logged with the call centre immediately. This results in the on call staff member arriving on site before the request for service has been logged in the system. As MagiQ does not allow response times to be before the received time the response time will default to the earliest possible time which will be identical to the received time.</p> <p>For six items tested, we noted the 'response' time was identical to the 'service requested' time (one instance for stormwater services requests, Three times in water management service requests and five instances for wastewater overflow and blockage requests).</p> <p>For water supply, we noted 3 instances of urgent responses (6% of the population) were negative.</p>
Implication	There is a risk that Council reports incorrect performance results as a result of not using accurate response times. This can also impact management's ability to understand the team's responsiveness to ratepayer requests and any resourcing or process issues that may need to be remedied to allow timely responses to requests.
Recommendation	<p>We recommend the either the process for recording requests for service be updated or that the data used as an input in calculating the request for service-based measures be reviewed prior to being used to calculate performance measures.</p> <p>We recommend Council consider an internal review of the performance measure data prior to finalising the measure and consider anomalies and whether they have a material impact on performance reported.</p>
Management Response	Management accepts audit findings and recommendation. An internal review of the performance measure data prior to finalising will be undertaken and the process for recording requests for service will be updated to correct this weakness.
Responsibility	Corporate Services

2.2 Low Risk

2.2.1 Aged work in progress review

Observation	Our testing of infrastructure assets includes a review of work in progress projects that had no further costs incurred in the financial period. There was one material project, the Waikanae duplicate rising main, which commenced in 2017 and had not incurred further cost nor been capitalised in FY23.
Implication	The accumulation of capital work in progress in error may result in: <ul style="list-style-type: none">- Delayed commencement of depreciation- impairment
Recommendation	We recommend aged WIP projects are reviewed annually and documented. The assessment should consider the age of WIP, whether the asset is ready for use and for an assessment of indicators of impairment.
Management Response	Management accepts audit's grading and recommendation. The Waikanae duplicate rising main is planned to be fully complete by 30 June 2024 and depreciation will commence thereon from 1 July 2024.
Responsibility	Corporate Services

2.2.2 Overhead rate applied to projects	
Observation	During our testing of the capital grants and capex, we observed that there was change in the method to apply the allocation of overhead staff costs to capital projects. This method allocates based on an approved SLT rate (percentage) that is applied against the budgeted personnel recovery costs. The approved SLT rates are average market recovery rates and are not specific to KCDC.
Implication	The Council are using rates that are reasonable in the market but not specific to KCDC. Therefore, there is uncertainty on whether the time and effort recovered at the market rates is reflective of the actual time and effort incurred on the project
Recommendation	We recommend KCDC to develop an overhead rate specific to actual time and effort that has been incurred for KCDC projects.
Management Response	Management accepts the audit finding and recommendation and commits to exploring options to enhance the overhead recovery methodology to be more KCDC specific as part of developing the 2024-34 Long Term Plan.
Responsibility	Corporate Services

EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organisation, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organisation, please visit ey.com.

© 2023 New Zealand Limited.
All Rights Reserved.

ED 0414

This communication provides general information which is current at the time of production. The information contained in this communication does not constitute advice and should not be relied on as such. Professional advice should be sought prior to any action being taken in reliance on any of the information. Ernst & Young disclaims all responsibility and liability (including, without limitation, for any direct or indirect or consequential costs, loss or damage or loss of profits) arising from anything done or omitted to be done by any party in reliance, whether wholly or partially, on any of the information. Any party that relies on the information does so at its own risk.

ey.com

8.3 QUARTERLY TREASURY COMPLIANCE

Kaituhi | Author: **Jing Zhou, Chief Financial Officer**

Kaiwhakamana | Authoriser: **Mark de Haast, Group Manager Corporate Services**

TE PŪTAKE | PURPOSE

- 1 This report provides confirmation to the Risk and Assurance Committee of the Council's compliance with its Treasury Management Policy (Policy) for the quarter ended 30 September 2023.

HE WHAKARĀPOOTO | EXECUTIVE SUMMARY

- 2 This is not required for this report.

TE TUKU HAE PAPA | DELEGATION

- 3 The Risk and Assurance Committee (Committee) has the delegation to consider this matter under the section of Part C.3 of the Governance Structure and Delegations 2022-2025 Triennium which states: "*This committee is responsible for monitoring the Council's financial management, financial reporting mechanisms and framework, and risk and assurance function, ensuring the existence of sound internal systems.*"

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee notes the Council's full compliance with its Treasury Management Policy for the three months ended 30 September 2023.

TŪĀPAPA | BACKGROUND

- 4 The Policy sets out a framework for the Council to manage its borrowing and investment activities in accordance with the Council's objectives and incorporates legislative requirements.
- 5 The Policy mandates regular treasury reporting to management, the Strategy, Operations and Finance Committee, as well as quarterly compliance reporting to the Risk and Assurance Committee.
- 6 To assess the effectiveness of the Council's treasury management activities and compliance to the Policy, certain performance measures and parameters have been prescribed. These are:
 - cash/debt position;
 - liquidity/funding control limits;
 - interest rate risk control limits;
 - counterparty credit risk;
 - specific borrowing limits; and
 - risk management performance.

HE KÖRERORERO | DISCUSSION**Cash/Debt Position**

- 7 Table 1 below shows the Council's net debt position as at 30 September 2023 against the 2023/24 full year budget and the prior year closing balance.

Table 1	September YTD Actual	Full Year Budget	Prior year 2022/23
	\$000's	\$000's	\$000's
External debt	300,000	315,000	275,000
less borrower notes	(6,735)	(7,335)	(6,110)
less Term Deposits	(75,000)	(60,000)	(65,000)
less cash	(7,377)	(7,875)	(4,084)
Net debt	210,888	239,790	199,806

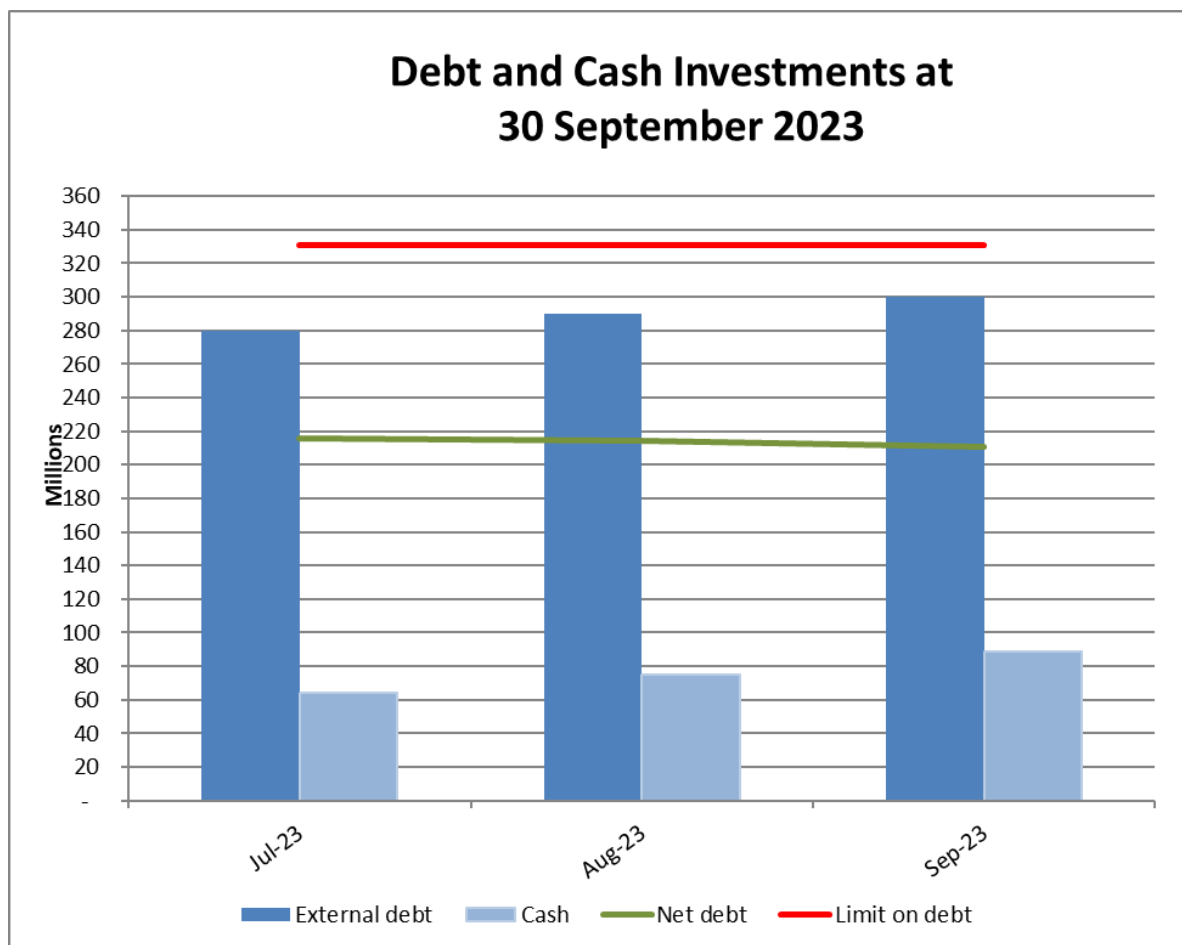
- 8 During the past three months, the Council has issued \$25million of new debt. This was used to pre-fund the October 2024 debt maturity (\$20million), and 2022/2023 capex programme costs falling due post 30 June 2023 (\$5million).
- 9 The table below shows (a) the movement in the Council's external debt balance, (b) the movement in the Council's pre-funding programme by debt maturity and (c), that part of the Council's CAPEX programme funded by new borrowings for the three months ended 30 September 2023.

Borrowings	Gross borrowings \$000	Pre-funding				CAPEX
		TD Oct 2023 \$000	TD May 2024 \$000	TD Oct 2024 \$000	Total Prefunding \$000	Capex programme \$000
Opening balance 1 July	275,000	25,000	30,000	-	55,000	n/a
New Long term debt issued YTD	25,000	-	-	20,000	20,000	5,000
Matured Long term debt	-	-	-	-	-	n/a
Total	300,000	25,000	30,000	20,000	75,000	5,000

- 10 As at 30 September 2023 the Council had \$89.1 million of cash, borrower notes and term deposits on hand. This is broken down as follows:

Term deposits, cash & borrower notes	Prefund borrowings \$000	Borrower notes \$000	Cash \$000	Total \$000
LGFA debt maturing Oct 2023	25,000	-	-	25,000
LGFA debt maturing May 2024	30,000	-	-	30,000
LGFA debt maturing Oct 2024	20,000	-	-	20,000
Surplus cash	-	-	7,377	7,377
Borrower notes held	-	6,735	-	6,735
Total	75,000	6,735	7,377	89,112

- 11 For the three months ended 30 September 2023, the Council has not breached its net debt upper limit, as shown in the chart below:

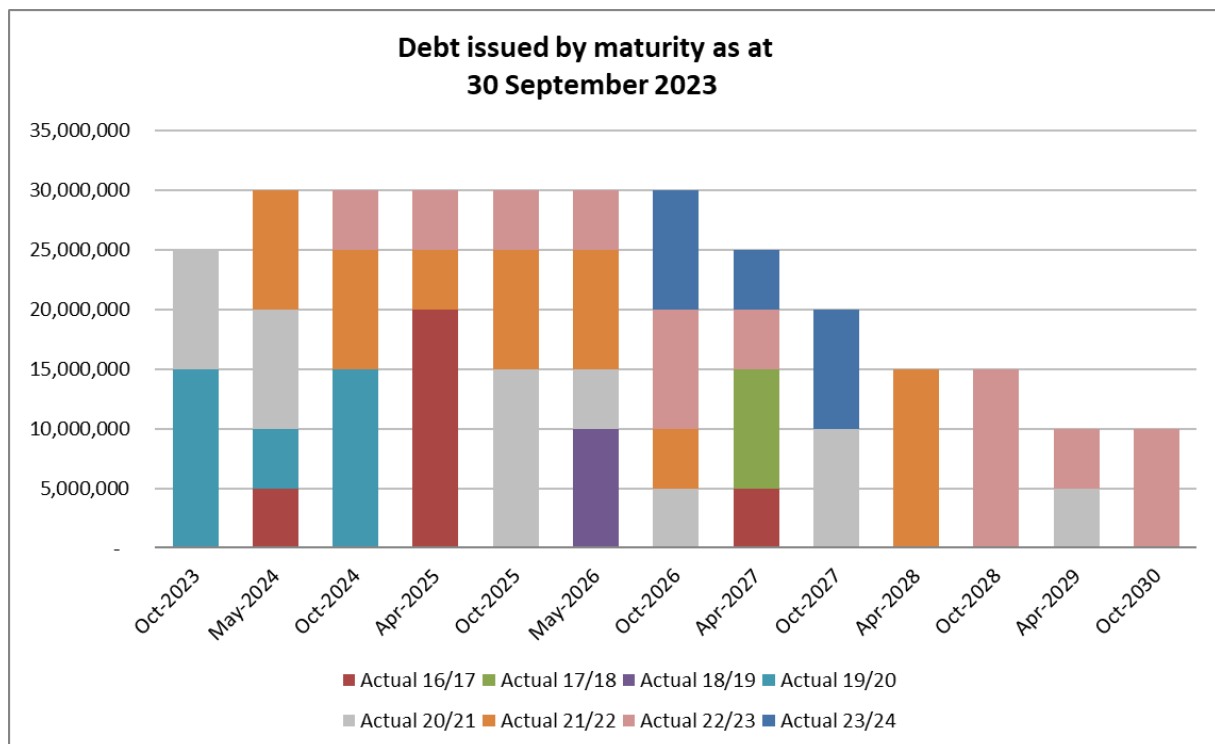


- 12 The Council targeted through its LTP 2021-41 financial strategy to keep net borrowings below 280% of total operating income with a preferred limit of 250%. As at 30 September 2023, the Council's net borrowings are 186% of forecasted 2024 total operating income.

Liquidity/Funding control limits

- 13 Liquidity and funding management focuses on reducing the concentration of risk at any point so that the overall borrowings cost is not increased unnecessarily and/or the desired maturity profile is not compromised due to market conditions. This risk is managed by spreading and smoothing debt maturities and establishing maturity compliance buckets.
- 14 Since October 2015 the Council's treasury strategy has included a debt pre-funding programme. The Policy allows pre-funding of the Council debt maturities and Capex programme up to 18 months in advance, including re-financing.

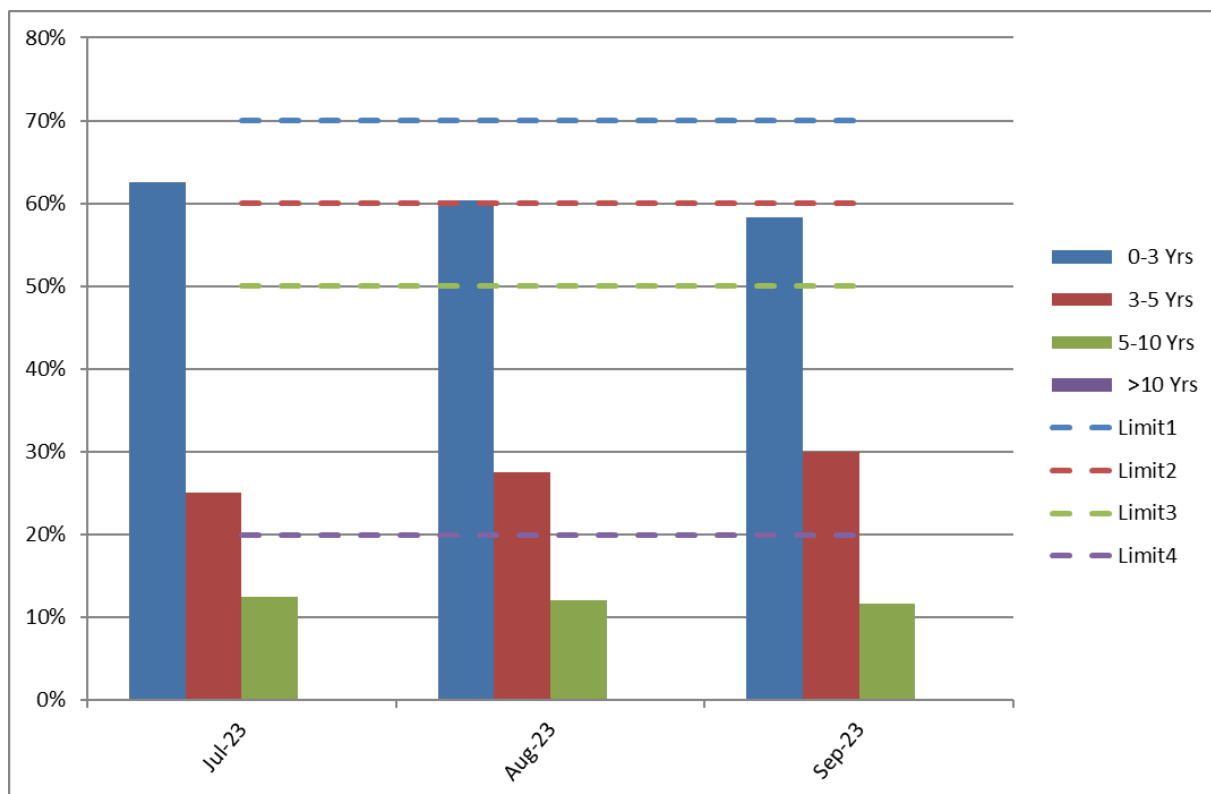
- 15 The following chart presents the Council's debt maturity dates in relation to the financial year in which the debt was issued. This demonstrates that since 2016/17, the Council has actively reduced risk concentration by spreading debt maturity dates and debt maturity values.



- 16 Debt maturities must fall within maturity compliance buckets. These maturity buckets are as follows:

Maturity Period	Minimum	Maximum
0 to 3 years	10%	70%
3 to 5 years	10%	60%
5 to 10 years	10%	50%
10 years plus	0%	20%

- 17 For the three months ended 30 September 2023, the Council has been fully compliant with its debt maturity limits, as shown by the chart below. The upper limits, as shown by dashed lines, relate to the bars of the same colour. For example, the 0 to 3 year upper limit of 70% is in blue. Actual maturities in the 0-3-year bucket are represented by the blue bars. The Council has no long-term debt maturing in ten years' time or beyond.



Interest rate risk control limits

- 18 The Council seeks endorsement from Bancorp, its independent treasury advisor for all debt issuances. Typically, Council issues debt on a floating rate basis and applies its fixed interest rate swaps (hedges) to minimise its exposure at any one time to interest rate fluctuations. This ensures more certainty of interest rate costs when setting our Annual Plan and Long-Term Plan budgets.
- 19 Without such hedging, the Council would have difficulty absorbing adverse interest rate movements. A 1% increase in interest rates on \$300 million of external debt would equate to additional interest expense of \$3 million per annum. Conversely, fixing interest rates does however reduce the Council's ability to benefit from falling and/or more favourable interest rate movements.
- 20 The objectives of any treasury strategy are therefore to smooth out the effects of interest rate movements, while being aware of the direction of the market, and to be able to respond accordingly.
- 21 The Policy sets out the following interest rate limits:
- Major control limit where the total notional amount of all interest rate risk management instruments (i.e. interest rate swaps) must not exceed the Council's total actual debt, and;
- Fixed/Floating Risk Control limit, that specifies that at least 55% of the Council's borrowings must be fixed, up to a maximum of 100%.

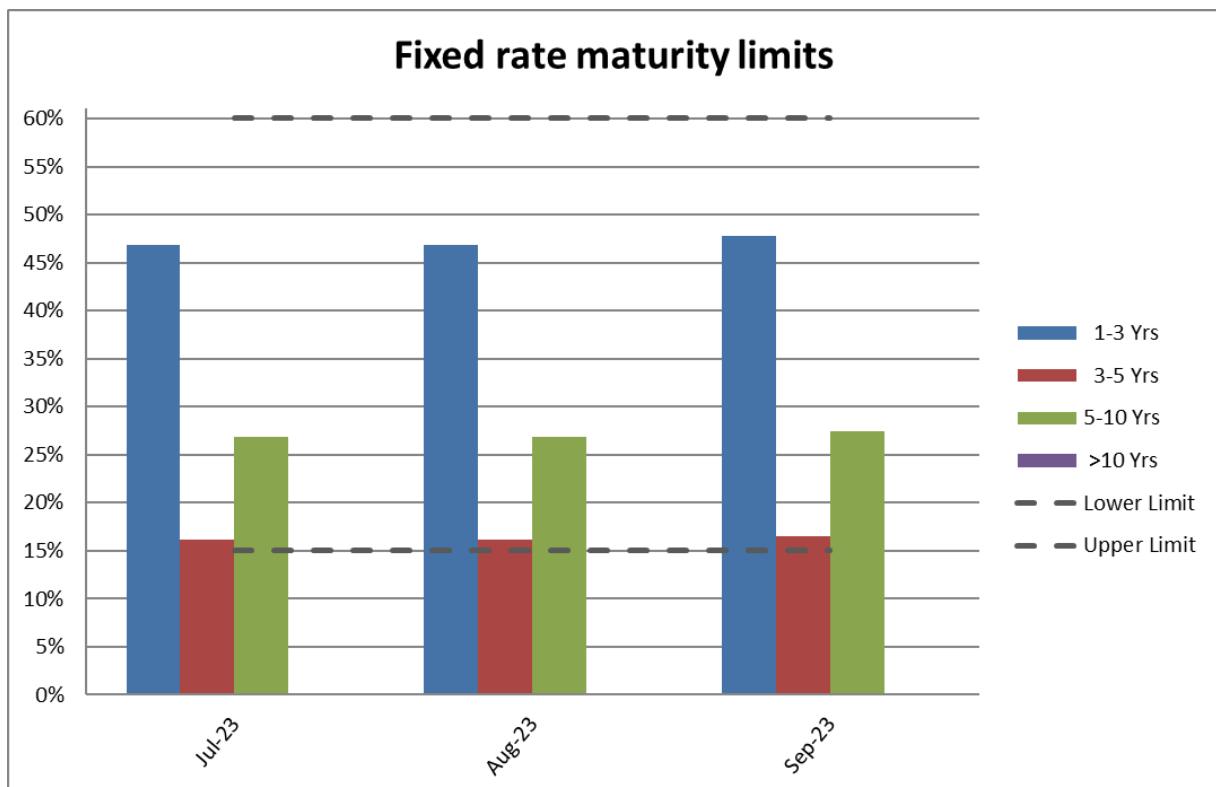
- 22 The Council has been fully compliant for the three months ended 30 September 2023, as shown by the table below.

\$000's	Jul-23	Aug-23	Sep-23
External debt (floating)	280,000	290,000	300,000
Swaps (fixed portion)	186,000	186,000	182,000
Fixed %	66.4%	64.1%	60.7%
Unfixed debt	94,000	104,000	118,000

- 23 Like debt maturities, hedging instrument maturities must also fall within maturity compliance buckets. These maturity compliance buckets are as follows:

Period	Minimum	Maximum
1 to 3 years	15%	60%
3 to 5 years	15%	60%
5 to 10 years	15%	60%
10 years plus	0%	20%

- 24 The Council has been fully compliant for the three months ended 30 September 2023, as shown by the following chart. Note that maturities falling within 1 year are not included. The Council has no hedging instrument maturities in ten years' time or beyond.



Counterparty Credit Risk

- 25 The policy sets maximum limits on transactions with counterparties. The purpose of this is to ensure the Council does not over-concentrate its investments or risk management instruments with a single party.

- 26 The policy sets the gross counterparty limits as follows:

Counterparty/Issuer	Minimum Standard and Poor's long term	Investments maximum per counterparty	Risk management instruments maximum per counterparty	Borrowing maximum per counterparty
NZ Government	N/A	Unlimited	None	Unlimited
LGFA	AA-/A-1	\$20m	None	Unlimited
NZ Registered Bank	A+/A-1	60% of total investments or \$25m; whichever is greater	50% of total instruments or \$80m; whichever is greater	\$50m

- 27 The Council was in full compliance with all counterparty credit limits for the three months ended 30 September 2023. The tables below show the Council's investments and risk management instruments holdings per counterparty for this period.

Term deposit & Cash investments

Counter party	Jul-2023		Aug-2023		Sep-2023		Comply
	\$000	%	\$000	%	\$000	%	
NZ Registerd Bank 1	30,000	51.77%	35,000	50.83%	40,000	48.56%	✓
NZ Registerd Bank 2	-	0.00%	-	0.00%	-	0.00%	✓
NZ Registerd Bank 3	25,000	43.14%	30,000	43.57%	41,000	49.77%	✓
NZ Registerd Bank 4	2,953	5.10%	3,859	5.60%	1,377	1.67%	✓
	57,953	100.00%	68,859	100.00%	82,377	100.00%	

*Policy Limit: 60% of total investments or \$25 million; whichever is greater

Interest rate swaps

Counter party	Jul-2023		Aug-2023		Sep-2023		Comply
	\$000	%	\$000	%	\$000	%	
NZ Registerd Bank 1	40,000	21.51%	40,000	21.51%	40,000	21.98%	✓
NZ Registerd Bank 2	85,000	45.70%	85,000	45.70%	85,000	46.70%	✓
NZ Registerd Bank 3	61,000	32.80%	61,000	32.80%	57,000	31.32%	✓
	186,000	100%	186,000	100%	182,000	100%	

*Policy Limit: 50% of total instruments or \$80 million; whichever is greater

Specific Borrowing Limits

- 28 In managing debt, the Council is required to adhere to the specific borrowing limits.
- 29 The Council fully complied with these limits for the three months ended 30 September 2023 and the results are shown below:

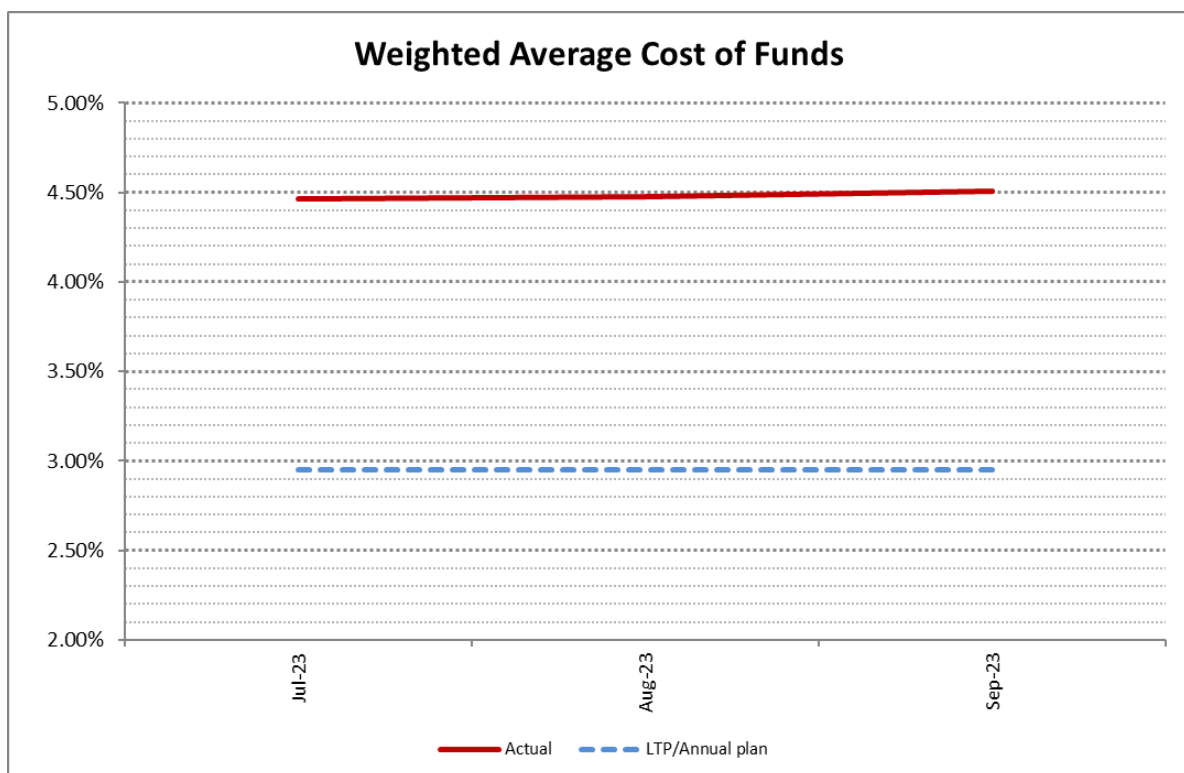
Borrowing limit	Policy limit	2023/24	Comply
Net interest expense/Total Operating Income	< 20%	7.9%	✓
Liquidity ((total debt +total committed facilities +cash on hand)/total debt))	> 110%	130.8%	✓
Net External Debt/Total Operating Income	< 280%	186.4%	✓

Risk Management Performance

- 30 The following table shows the Council's interest income and expense for the three months ended 30 September 2023 together with the weighted average cost of borrowing (WACB), compared to year-to-date budget and full year forecast.

	September YTD Actual \$000	YTD Budget \$000	Variance (Fav/UnFav) \$000	Full year Forecast \$000
Interest Expense	3,250	3,035	(215)	13,382
less: Interest Income	(1,048)	(836)	211	(4,195)
Net Interest Cost	2,202	2,198	(4)	9,186
Weighted Average Cost of Borrowings	4.51%	2.95%	-1.56%	4.74%

- 31 The following graph shows the year-to-date average cost of borrowings, for each month of the quarter.



He take | Issues

- 32 This report has a low level of significance under the Council's Significance and Engagement Policy).

Ngā kōwhiringa | Options

- 33 There are no options to be considered.

Tangata whenua

- 34 There are no tāngata whenua considerations arising directly from this report.

Panonitanga āhuarangi | Climate change

- 35 There are no climate change considerations within this report.

Ahumoni me ngā rawa | Financial and resourcing

36 There are no financial and resourcing considerations in addition to those already noted in this report.

Ture me ngā Tūraru | Legal and risk

37 There are no legal and risk considerations arising from this report.

Ngā pānga ki ngā kaupapa here | Policy impact

38 There are no policy considerations in addition to those already noted in this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT**Te mahere tūhono | Engagement planning**

39 An engagement plan is not required for this report.

Whakatairanga | Publicity

40 There are no publicity considerations arising from this report.

NGĀ ĀPITI HANGA | ATTACHMENTS

Nil

8.4 TOP 10 ORGANISATIONAL RISK REPORT

Kaituhi | Author: **Nienke Itjeshorst, Sustainability & Resilience Manager**

Kaiwhakamana | Authoriser: **Mark de Haast, Group Manager Corporate Services**

TE PŪTAKE | PURPOSE

- 1 This report updates the Risk and Assurance Committee on the Top 10 Organisational Risks currently facing the organisation.

HE WHAKARĀPOOTO | EXECUTIVE SUMMARY

- 2 This report does not require an Executive Summary.

TE TUKU HAE PAPA | DELEGATION

- 3 The Risk and Assurance Committee has delegated authority to consider this report under section C.3 of the Governance Structure and Delegations.

- *Ensuring that Council has in place a current and comprehensive risk management framework and making recommendations to the Council on risk mitigation.*

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee receives and notes this report, including Appendix 1 to this report.

TŪĀPAPA | BACKGROUND

- 4 The Top 10 Organisational Risks are aimed at setting a clear direction for staff as to what the Senior Leadership Team (SLT) have identified as the highest areas of potential risk for the organisation to being able to successfully achieve on its objectives.
- 5 “Risk” for the management of the council organisation is defined as:
 - 5.1 the impact of uncertain events that can happen in the future on the planned objectives that the SLT wants the organisation to deliver and/or achieve (short, medium and long term), and
 - 5.2 includes strategic, reputational, regulatory, legal, security, change and operational risks.
- 6 The current Top 10 risks are managed in a risk register in our Enterprise Risk Management software: Camms Risk. It is important to note that these risk listings are:
 - 6.1 not ranked in order of severity,
 - 6.2 capped at 10, to provide a clear focus for SLT and this Committee,
 - 6.3 not ‘set in stone’, emerging organisational risks can be brought forward to replace an existing risk when required and/or relevant.
- 7 Engagement on the organisational risk profile is through on-going conversations with SLT and activity managers about these risks, the controls to prevent or mitigate these risks and status of risk treatments that are underway to implement the controls to achieve the target risk level. These conversations ensure each risk is regularly reviewed providing assurance that the treatments are being conducted to further mitigate the risk.
- 8 The Top 10 Organisational Risks will be considered as part of the development of the 2024 - 34 Long Term Plan.

- 9 The table below identifies the current Top 10 Organisational Risks.

Risk No.	Risk Title
ORG 1	Loss of life, serious injury or illness due to insufficient Health, Safety and Wellbeing management.
ORG 2	Failure to adequately maintain social licence.
ORG 3	Failure to give effect to Te Tiriti and our obligations to Iwi, Hapu and Māori.
ORG 4	Inadequate mitigation and adaptation responses to known and future climate change challenges.
ORG 5	Failure to achieve legislative obligations.
ORG 6	Inadequate management of the impacts of central government reform/change.
ORG 7	Inadequate safeguards against cyber security threats.
ORG 8	Failure to prudently manage Council's financial stability including fraudulent activity.
ORG 9	Failure to maintain business continuity for our core services.
ORG 10	Inability to attract and retain sufficient capacity to deliver Council's objectives.

HE KŌRERORERO | DISCUSSION

- 10 This report provides an update of the current Top 10 Organisational Risks. The 'Top 10 Organisational Risk Heatmap Report' attached as Appendix 1 to this report, details how the organisation is treating and mitigating these risks, with progress updates against each of the individual risk treatments.

He take | Issues

- 11 There are no issues to be raised in this report.

Ngā kōwhiringa | Options

- 12 There are no options to be raised in this report.

Tangata whenua

- 13 There are no tangata whenua considerations arising in addition to those included in Appendix 1 to this report.

Panonitanga āhuarangi | Climate change

- 14 There are no climate change considerations arising in addition to those included in Appendix 1 to this report.

Ahumoni me ngā rawa | Financial and resourcing

- 15 There are no further financial and resourcing considerations arising from this report.

Ture me ngā Tūraru | Legal and risk

- 16 There are no further legal considerations arising from this report.

Ngā pānga ki ngā kaupapa here | Policy impact

- 17 There are no further policy implications arising from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT**Te mahere tūhono | Engagement planning**

- 18 This matter has a low level of significance under the Council's Significance and Engagement Policy.

Whakatairanga | Publicity

- 19 There are no publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Top 10 Organisational Risks Heatmap Report [↓](#)



Top 10 Organisational Risk Heatmap Report

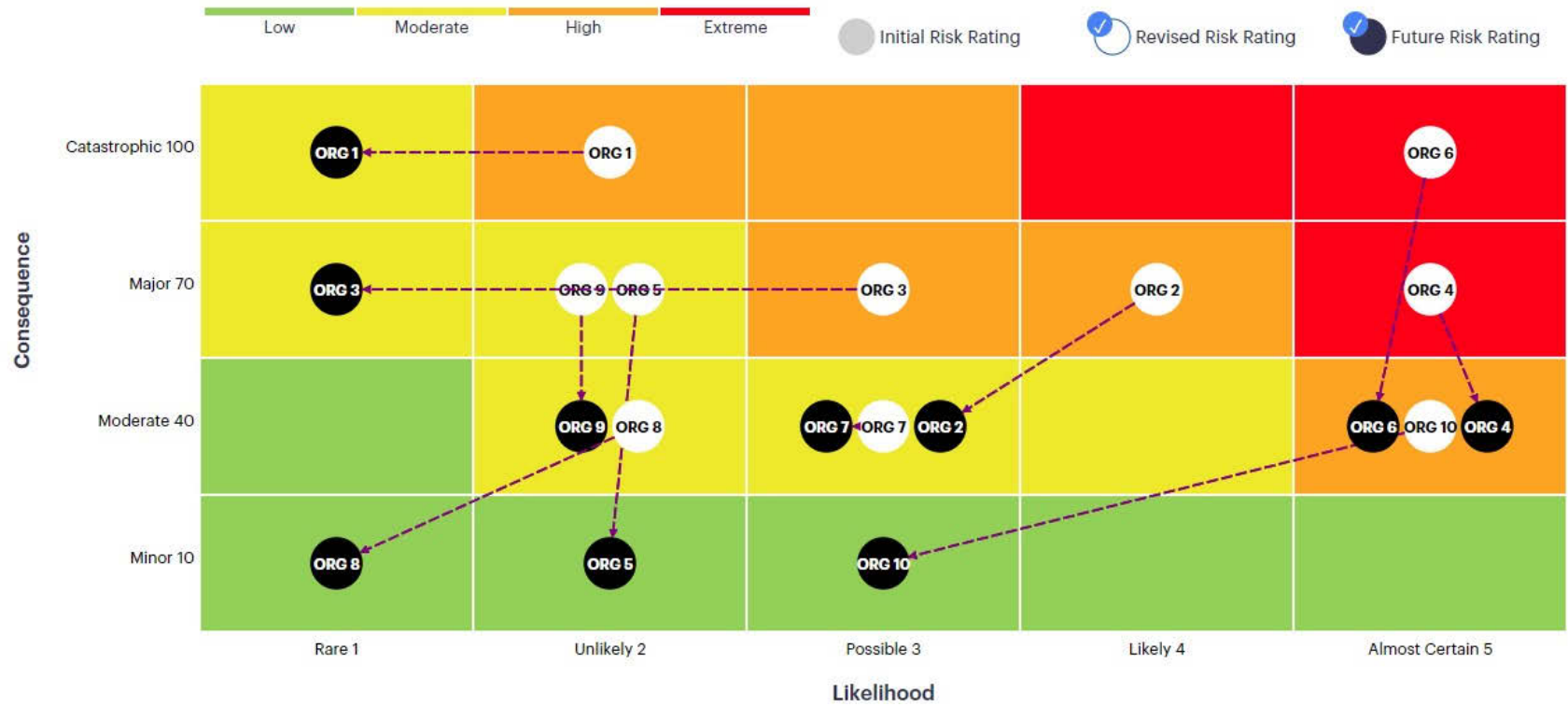
Kapiti Coast District Council

Camms.

HEATMAP SUMMARY

The heatmap shown below presents a 'big picture' and concise view of all current Organisational Risks for Council. It enables you to see on one page how each risk is tracking from the current (revised) risk rating towards the target (future) risk rating. Council is aiming to achieve the target risk ratings using appropriate risk treatment. The risk treatments under each risk in this report provide more detail. The current risk rating was achieved by revising the initial risk rating taking into consideration the existing risk controls. For clarity reasons the initial risk ratings are not shown in the below map. The initial risk ratings for each risk are shown in the heatmaps further in this report.

Initial risk rating - The initial risk level without taking into consideration existing risk control measures
Current Risk Rating - The current risk level taking into consideration existing risk controls
Target Risk Rating - The future risk level taking into consideration planned risk treatments.



RISK SUMMARY ORGANISATIONAL RISKS

Risk Title	Initial	Current	Target
ORG 1 - Loss of life, serious injury or illness due to insufficient Health, Safety and Wellbeing management Risk Sponsor Comments: Council is committed to providing a healthy, safe working environment improved by a continuous improvement approach for learning opportunities and leadership development.	Extreme	High	Moderate
ORG 2 - Failure to adequately maintain social licence Risk Sponsor Comments: To maintain social licence means for our council that our community trusts us to make good decisions about how we spend ratepayer's money and invest in our district's future.	High	High	Moderate
ORG 3 - Failure to give effect to Te Tiriti and our obligations to Iwi, Hapu and Maori Risk Sponsor Comments: There are potential partnership, legal and reputational consequences for the Council associated with this risk, however an increased focus within Council including the delivery of Te Tiriti o Waitangi workshops provides an improving foundation for working alongside our mana whenua iwi partners to understand and mitigate these.	Extreme	High	Moderate
ORG 4 - Inadequate mitigation and adaptation responses to known and future climate change challenges Risk Sponsor Comments: We are seeing increasing impacts of climate change and will need to continually increase our response to adapt and mitigate climate change. This means focus on reducing carbon emissions to prevent further global warming, and planning to live with a changing climate and managing the impacts of that. This is a long-term response where Council is also advocating for action from others and influencing decision-makers, as actions need to be taken by everyone not just council. For example, while we know that transport produces 60% of our District's emissions, Council does not control public transport so needs to advocate for more public transport in Kapiti and influence the community to switch to public or active transport.	Extreme	Extreme	High
ORG 5 - Failure to achieve legislative obligations Risk Sponsor Comments: There are significant controls in place and staff are acutely aware of the risks of not meeting their statutory obligations as part of their jobs. Staff understand the potential consequences to Council's reputation if we were to fail to meet these legislative obligations from our community and customers.	Extreme	Moderate	Low
ORG 6 - Inadequate management of the impacts of central government reform/change Risk Sponsor Comments: We are working in a reasonably fluid environment in regard to central government reform/change. The elections should give some clarity but there remains a high degree of uncertainty around direction for much of the planned reform/change currently underway. We are monitoring change and direction closely and ensuring there is a good understanding of the implications for Council.	Extreme	Extreme	High
RG 7 - Inadequate safeguards against cyber security threats Risk Sponsor Comments: Cyber security protection measures need to be fit for purpose for the Council and resourced appropriately.	Extreme	Moderate	Moderate
ORG 8 - Failure to prudently manage Council's financial stability including fraudulent activity Risk Sponsor Comments: Generally satisfied with internal controls of the financial system. More regular training and awareness of the fraud mitigation policy is to be planned.	Extreme	Moderate	Low

No. Risk Title		Initial	Current	Target
ORG 9 - Failure to maintain business continuity for essential services		High	Moderate	Moderate
Risk Sponsor Comments: Business continuity remains a key area of focus. Work review to be undertaken to ensure BCP's are fit for purpose, with regular reviews and complacency checks to ensure controls are kept up to date with improvements to processes highlighted and updated.				
ORG 10 - Inability to attract and retain sufficient capacity to deliver Council's objectives		Extreme	High	Low
Risk Sponsor Comments: Our Council is experiencing challenges in attracting and retaining suitably skilled and experienced staff. This is a current observation across Local Government at present, especially in small-sized Councils. This challenge is also compounded through candidate remuneration expectations balanced against what the Council can afford to pay.				

ORG 1 - Loss of life, serious injury or illness due to insufficient Health, Safety and Wellbeing management

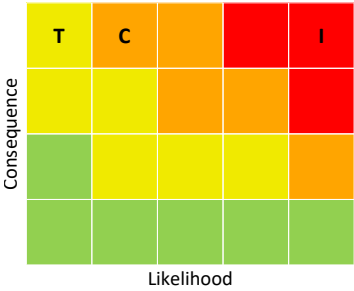


RISK OVERVIEW

Organisational Risk

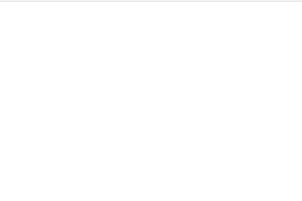
ORG 1	Loss of life, serious injury or illness due to insufficient Health, Safety and Wellbeing management			
Risk Categories: Health, Safety and Wellbeing, Legal and Regulatory Compliance, Reputational and Stakeholder Relationship		Risk Sponsor: Chief Executive	Secondary Risk Sponsor(s): Senior Leadership Team (SLT)	Last Reviewed Date: 19 Oct, 2023
				Next Review Date: 09 Feb, 2024

Individual Heatmap



- I Initial Risk Assessment
- C Current Risk Assessment
- T Target Risk Assessment

Effectiveness of control	
I	N/A
C	Partially Effective
T	N/A



Causes

- Complacency
- Failure to engage and listen to staff
- Ineffective consistent engagement and communication between staff and management
- Ineffective safeguards and/or process controls
- Insufficient levels of capability
- Lack of adherence of contractor management frameworks
- Lack of sharing information to enable lessons learnt
- Loss of balance between resourcing and expectations
- Personal circumstances of staff
- Poor health and safety processes
- Poor safety culture and/or behaviours

Consequences

- Absenteeism
- Financial penalties
- Injuries and/or fatalities
- Negative impact on psychological wellbeing
- Reduced resilience
- Reputational damage

Existing Risk Controls

Control Title	Control Owner	Control Effectiveness Rating
AA Driver Training and Assessment Programme	Organisational Development Manager	Partially Effective
Asbestos Management Plan	Organisational Development Manager	Partially Effective
Employee Assistance Programme for Kapiti staff	Organisational Development Manager	Effective
Health and safety management systems	Organisational Development Manager	Effective
Proactive modelling of good Health & Safety behaviours to promote wellbeing	Organisational Development Manager	Partially Effective
Kapiti staff Health and Safety Committee	Organisational Development Manager	Partially Effective

Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Continuing the risk-based approach / assessment focus on: asbestos, hazardous substances, contractor management, driving, and psychological wellbeing.	Organisational Development Manager	In Progress	40	31 Dec, 2024	 RED
Progress Comment: Work continues on developing and strengthening a risk based approach across the organisational critical H&S risks, including risk assessment and mitigation education (e.g. equipping staff with tools/skills to do their jobs safely in face of aggressive customers) and a revised focused format for H&S reports. The asbestos handling plan is under review and team training is underway.					
Offer Wellbeing initiatives to Kapiti Council staff	Organisational Development Manager	In Progress	50	31 Dec, 2024	 AMBER
Progress Comment: Additional resources are now in place to focus on development and implementing a range of wellbeing initiatives. A staff well-being and culture programme is underway.					
SiteWise H&S pre-qualification for council contractors	Organisational Development Manager	In Progress	95	30 Jun, 2024	 GREEN
Progress Comment: This requirement has now been implemented and 114 contractors have completed the assessment process and have been registered in SiteWise.					
The Health and Safety Committee includes two SLT members	Organisational Development Manager	Ongoing	95	31 Dec, 2024	 N/A
Progress Comment: A new Health and Safety Committee structure has been implemented to provide greater opportunities for worker engagement and more regular engagement with the CE and SLT. The committee has developed a staff H&S education programme that will be rolled out via HubKap with a different H&S theme each month, starting in November.					

ORG 2 - Failure to adequately maintain social licence



ORG 2

Failure to adequately maintain social licence

Risk Categories: Reputational and Stakeholder Relationship - Reputation, Stakeholder Relationship, Assets & Infrastructure Resilience, Environmental Impact, Legal and Regulatory Compliance

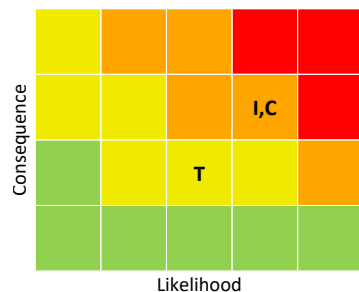
Risk Sponsor:
GM People and Partnerships

Secondary Risk Sponsor(s):
Senior Leadership Team (SLT)

Last Reviewed Date:
16 Oct, 2023

Next Review Date:
09 Feb, 2024

Individual Heatmap



I Initial Risk Assessment
C Current Risk Assessment
T Target Risk Assessment

Effectiveness of control

I N/A
C Partially Effective
T N/A

Causes

- Inconsistent approaches to engagement and collaboration
- Inconsistent direction setting across Council activities
- Lack of transparency and accountability
- Poor explanation of rationale for Council decisions
- Poor understanding of and responsiveness to community needs and expectations

Consequences








- Decision makers lack mandate/confidence to act
- Lack of acceptance of Council decisions and advice
- Project and initiatives requiring community involvement or support take longer and cost more to deliver

Existing Risk Controls

Control Title	Control Owner	Control Effectiveness Rating
Communication and Engagement Strategy	Communications and Engagement Manager	Partially Effective
Residents Opinion Survey	Manager Corporate Planning and Reporting	Partially Effective
Proactive Disclosures Policy	Governance and Legal Services Manager	Partially Effective
Significance and Engagement Policy	Manager Corporate Planning and Reporting	Partially Effective

Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Communications and engagement plans for significant Council projects (PMO and other infrastructure teams)	Communications and Engagement Manager	In Progress	60	30 Jun, 2024	GREEN
Progress Comment: No updates at this time - communication plans are in place for the most significant projects that are underway.					
Council briefings are open to the public and live streamed	Governance and Legal Services Manager	In Progress	35	30 Jun, 2024	GREEN
Progress Comment: Five public briefings were held and live streamed in the first quarter of the current financial year.					
Council website continuous improvement programme	Communications and Engagement Manager	In Progress	35	30 Jun, 2024	GREEN
Progress Comment: Work to review Council's website information architecture was completed in Q1 and changes will be implemented in Q3. This involved on online survey, and focus groups with residents and elected members. Work to make the information more accessible continuous.					

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Extending our communications reach to create opportunities for the public to understand and get involved in decision-making, and help facilitate access to services and facilities.	Communications and Engagement Manager	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: We continue to measure and evaluate our content and communication channels and continue to see steady growth across.					
Implementation and regular review of Communication, Media and Social Media Policy (2021)	Communications and Engagement Manager	Not Started	0	30 Jun, 2024	 N/A
Progress Comment: The review of this Policy is planned for completion in April 2024.					
Investing and lifting communications and engagement capability	Communications and Engagement Manager	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: Media training for EOC (Emergency Operation Centre) controllers was delivered in Q1					
LGOIMA requests and replies are published on the Council website	Governance and Legal Services Manager	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: LGOIMA requests are published on the Council website each quarter or sooner when required. 91 LGOIMA requests were received in Q1.					
Regular review of Council's Significance and Engagement Policy	Manager Corporate Planning and Reporting	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: Review of the S&E Policy is making good progress. Presentations to SLT and Council are scheduled for November and December. Public consultation on the reviewed policy is scheduled for March 2024 and adoption for June 2024 alongside the 2024 Long Term Plan.					
Resident survey: data on core elements of social licence through quarterly survey questions on trust and transparency.	Manager Corporate Planning and Reporting	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: The Q1 survey is complete, with satisfaction for all trust and transparency aspects improved (54%) from that recorded for Q1 of the 22/23 year (49%) and the full 22/23 result (51%).					
Vision Kapiti engagement programme.	GM Strategy and Growth	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: Vision Kapiti is delivered to gauge ideas and concerns from the community to inform thinking around where our district is going in the next 30 years. A roving engagement hub was stood up in Waikanae in August and September, and has now moved to Otaki. Through the hub we are canvassing feedback on a range of topics, including councillor's strategic priorities for the triennium, housing, health, education, tourism and employment.					

ORG 3 - Failure to give effect to Te Tiriti and our obligations to Iwi, Hapu and Maori



ORG 3

Failure to give effect to Te Tiriti and our obligations to Iwi, Hapu and Maori

Risk Categories: Reputational and Stakeholder Relationship

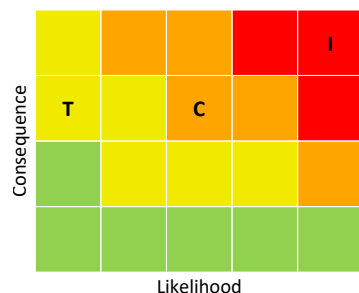
Risk Sponsor: GM Iwi Partnerships

Secondary Risk Sponsor(s): Chief Executive

Last Reviewed Date: 30 Oct, 2023

Next Review Date: 09 Feb, 2024

Individual Heatmap



Effectiveness of control

I	N/A
C	Partially Effective
T	N/A

Causes

- Failure to be a supportive partner to mana whenua iwi during treaty claim and negotiation processes
- Inadequate resourcing of organisation to have appropriate capacity and capability to partner, collaborate and engage
- Inadequate support for resourcing of mana whenua iwi to enable appropriate capacity to partner, collaborate and engage
- Inadequate understanding of obligations to iwi, hapu and maori
- Inadequate understanding of partnership obligations to mana whenua iwi
- Inadequate understanding of Te Tiriti o Waitangi obligations
- Miscommunication or No Communication.

EXISTING RISK CONTROLS

Consequences

- Deterioration of partnership/s with mana whenua iwi
- Legal consequences
- Reputational damage

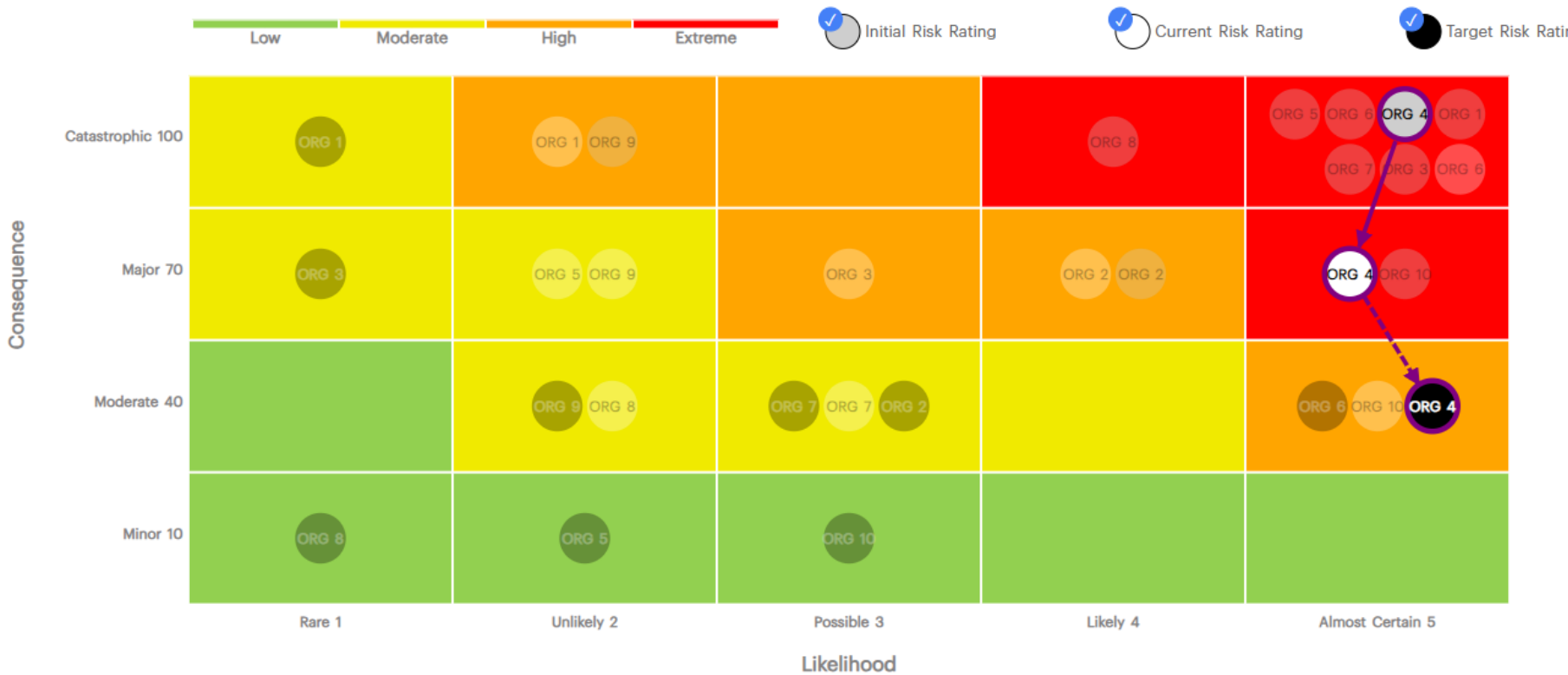
Control Title	Control Owner	Control Effectiveness Rating
Long Term Plan and other strategic and operational plans.	Senior Leadership Team (SLT)	Partially Effective
Mana whenua representation in Council Governance Structure	GM Iwi Partnerships	Effective
Regular communication between Council and Iwi partners	GM Iwi Partnerships	Partially Effective
Funding for Iwi capacity	GM Iwi Partnerships	Partially Effective
Te Whakaminenga o Kapiti work programme	GM Iwi Partnerships	Partially Effective

Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Establish a staff capability development programme on enhancing Te Ao Maori and Council's obligation to Maori	GM Iwi Partnerships	In Progress	40	30 Jun, 2024	GREEN
Progress Comment: Council has partnered with Education Perfect to deliver an online Te Ao Maori Fundamentals Programme for staff, to be reviewed in 2024. There has been mixed success with the programme, due in part in part to capacity challenges in the Iwi Partnerships Team to enable monitoring and support for participants. One cohort has completed the programme with two additional cohorts to complete by mid November 2023. Recruitment of a Pou Tikanga role will enable a dedicated focus on the delivery of a long-term staff capability development programme.					
Establishment of new Iwi Partnerships Group	GM Iwi Partnerships	In Progress	50	30 Jun, 2024	GREEN
Progress Comment: The Iwi Partnerships Group has been established with a General Manager and Iwi Partnerships Manager in place. Active steps are being taken to recruit additional capacity for the group.					

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Work with our mana whenua iwi partners to review the Memoradum of Partnership and Te Whakaminega o Kapiti terms of reference	GM Iwi Partnerships	In Progress	35	30 Jun, 2024	<div><div></div><div></div><div></div><div></div><div></div></div> <div>GREEN</div>
Progress Comment: Discussions are ongoing with all three of our Iwi partners specific to the partnership aspirations and needs of each Iwi. The GM Iwi Partnerships has been meeting regularly with Iwi Partners to progress a review of the Memorandum of Partnership and the ToR. The TWOK workprogramme is under review.					

ORG 4 - Inadequate mitigation and adaptation responses to known and future climate change challenges



ORG 4**Inadequate mitigation and adaptation responses to known and future climate change challenges**

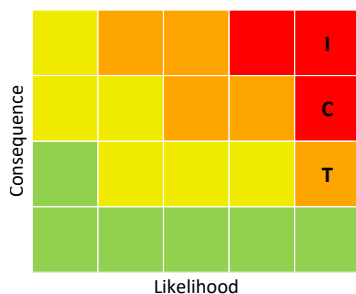
Risk Categories: Environmental Impact, Assets & Infrastructure Resilience, Health, Safety and Wellbeing, Reputational and Stakeholder Relationship

Risk Sponsor:
GM Strategy and Growth

Secondary Risk Sponsor(s):
GM Corporate Services,
GM Infrastructure Services,
GM Regulatory Services

Last Reviewed Date:
25 Oct, 2023

Next Review Date:
09 Feb, 2024

Individual Heatmap

I Initial Risk Assessment
C Current Risk Assessment
T Target Risk Assessment

Effectiveness of control	
I	N/A
C	Partially Effective
T	N/A

Causes

- Failure to appropriately consider climate change in growth decisions
- Failure to consider climate change appropriately in BAU activities
- Inadequate consideration in Council strategies and plans
- Misalignment between Council's climate change strategies and operational activities
- Misalignment between national direction and appropriate local responses

Consequences










- Building consents liabilities
- Coastal erosion
- Disruption to core Infrastructure
- Economic development disruption to local businesses and community
- Environmental non-compliances due to discharge
- Flooded properties
- Increased capital costs for resilient assets
- Increased wastewater overflow
- Injuries and/or fatalities
- Loss of credit rating
- Loss of cultural taonga of significance
- Negative impacts on our resilience
- Reduced quality of land for use
- Reduced quality of wai (rivers, streams and ocean)

Existing Risk Controls

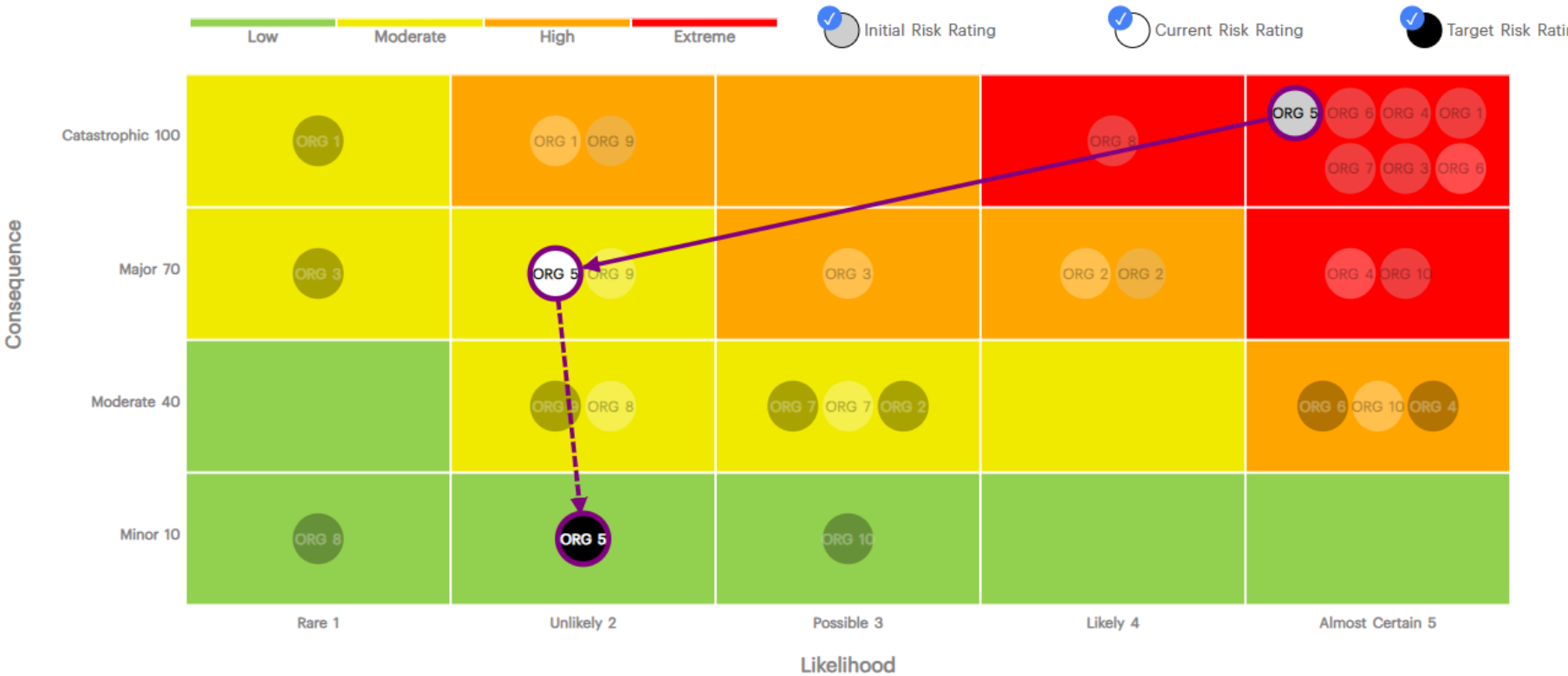
Control Title	Control Owner	Control Effectiveness Rating
Natural Catastrophe Insurance	GM Corporate Services	Effective
Build climate change thinking, planning and action into all council activities.	Sustainability and Resilience Manager	Effective
Land Use Planning	District Planning Manager	Partially Effective
Implement further emissions reduction actions into Council's services delivery	Sustainability and Resilience Manager	Effective

Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Carbon footprint and emissions reduction support and education. Progress Comment: An education role started in January 2023 and council adopted a Climate Action Grants Policy under which the first round of grants for a total of \$100k were approved in August. A new round is planned for March 2024. An internal travel and climate survey was undertaken in July and delivery of internal education programme is now underway. An external campaign is planned for early 2024.	Sustainability and Resilience Manager	In Progress	35	30 Jun, 2024	GREEN
Carbon Reduce programme, target setting and support for delivery of carbon emissions projects	Sustainability and Resilience Manager	In Progress	35	30 Jun, 2024	GREEN

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Progress Comment: A new organisational target for further emissions reductions by 2032 was set on 29 June. Funding bids for five emissions reduction projects to deliver on the new target have been proposed in draft LTP2024 budgets. The annual carbon audit under the Carbon Reduce programme is planned for 29 November. A work programme for 'value chain' emissions will get underway later this calendar year.					
Climate change projects delivered under the Wellington Region Growth Framework	Sustainability and Resilience Manager	In Progress	50	30 Jun, 2024	 GREEN
Progress Comment: The Regional Climate Change Impacts Assessment started in June 2022 and is planned to be finalised in 2024. The Regional Emissions Reduction Plan development started in April 2023. Through complex development opportunities council is seeking collaboration on emissions reductions through increased public transport.					
Coastal Adaptation Panel (CAP) recommendations to Council	District Planning Manager	In Progress	65	01 Aug, 2024	 AMBER
Progress Comment: We have completed draft recommendations in the Northern Adaptation area. Work is now underway in the Central and Raumati Adaptation areas and will commence shortly in the Paekākāriki Adaptation area.					
Develop a report on consents where flooding and coastal considerations were part of the decision-making.	Team Leader Resource Consents	Not Started	0	30 Jun, 2024	 N/A
Progress Comment: Discussions have started on how to use current systems to develop this report.					
Implement Climate Emergency Action framework	Sustainability and Resilience Manager	In Progress	72	30 Jun, 2024	 GREEN
Progress Comment: Council adopted this framework as part of LTP 2021 and this represents how council is embedding climate change in its activities and decision-making. Two Climate Emergency Action reports were presented to council in June and December 2022 to update council on progress across activities. A third update report is planned for December. Staff continued to work across activities to embed mitigation and adaptation actions and budgets in documents that are being developed for the draft Long Term Plan 2024.					
Implement maintenance, renewals and upgrades of core infrastructure to make these assets resilient to a changing climate.	Manager, Project Management Office	Ongoing	0	31 Dec, 2041	 N/A
Progress Comment: A multi year stormwater upgrade programme is underway and ongoing to the end of the current LTP in 2041. Two renewal projects are planned for the Paekakariki and Raumati seawalls.					
Introduce a Climate Strategy	Strategy Manager	In Progress	30	30 Jun, 2024	 GREEN
Progress Comment: Advertising for Think Tank membership has closed, and members will be appointed in November. The Climate and Resilience work programme on the strawman strategy for endorsement in December is underway.					
Introduce recovery plan to address potential community impacts of severe weather events or states of emergency in the future	Chief Advisor & Manager Research and Policy	In Progress	30	30 Jun, 2024	 GREEN
Progress Comment: Workshops were held in October to initiate the development of the recovery plan. In the latest EOC exercise, recovery was integrated as part of the response and work is underway with WREMO to develop a recovery programme. A meeting was held with Treasury to discuss different models for recovery.					
Progress coastal district plan change	District Planning Manager	Not Started	0	31 Dec, 2026	 N/A
Progress Comment: The recommendation from CAP, if adopted, will inform the district plan change and other associated actions.					
Progress flood risk plan change.	District Planning Manager	Not Started	0	31 Dec, 2025	 N/A
Progress Comment: This work has not started as it depends on the flood mapping work underway (refer to infrastructure stormwater and inland flooding project).					

ORG 5 - Failure to achieve legislative obligations



ORG 5**Failure to achieve legislative obligations**

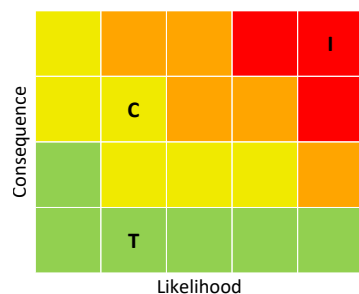
Risk Categories: Legal and Regulatory Compliance, Reputational and Stakeholder Relationship

Risk Sponsor: GM Regulatory Services

Secondary Risk Sponsor(s):
GM Corporate Services,
GM Infrastructure Services,
GM People and Partnerships,
GM Strategy and Growth

Last Reviewed Date:
16 Oct, 2023

Next Review Date:
09 Feb, 2024

Individual Heatmap

- I Initial Risk Assessment
- C Current Risk Assessment
- T Target Risk Assessment

Effectiveness of control

I	N/A
C	Partially Effective
T	N/A

Causes

- Breach of policy or procedure
- Failure to provide or maintain safe infrastructure
- Insufficient analysis of available data
- Insufficient resourcing
- Misaligned policies
- Miscommunication or No communication
- Political decisions made against professional advice
- Political influence in operational matters
- Staff non-compliance
- Staff providing incorrect advice to Council

Consequences

- Community impact
- Council liability
- Environmental impact
- Failed infrastructure
- Failure to adopt LTP / Annual Plans
- Financial exposure
- Legal consequences
- Loss of IANZ accreditation
- Loss of public confidence
- Loss of skilled and specialist staff
- Loss of staff due disciplinary action or termination
- Non-compliance with regulatory and legislative obligations
- Poor decision making
- Regulatory infringement
- Reputational damage
- Unlawful decisions










Existing Risk Controls


Control Title	Control Owner	Control Effectiveness Rating
Compliance with Local Government Act 2002 and all other relevant legislation	Senior Leadership Team (SLT)	Effective
Compliance with Regulatory standards and associated Annual Reports	GM Regulatory Services	Effective
Compliance Reports on sanitary services to Taumata Arowai.	GM Infrastructure Services	Effective
Advice available from external legal service providers	Governance and Legal Services Manager	Effective
Internal legal counsel services	Governance and Legal Services Manager	Effective
Monitoring policy/legislative change announcements	Principal Advisor Regulatory Services	Effective
Maintain building consent authority International Accreditation New Zealand (IANZ)	Building Team Manager	Effective

Existing Risk Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
Implement District Plan and other relevant legislation	District Planning Manager	Partially Effective	09 Feb, 2024

Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Audit process to gain certification	Building Team Manager	In Progress	85	01 Dec, 2023	 GREEN
Progress Comment: The audit process is overseen by a Steering Group of council staff and is part of a continuous improvement and review process for accreditation. The IANZ audit will take place from 30 October to 2 November 2023.					
Better analysis of compliance inspections and reporting	GM Regulatory Services	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: We continue work to make better strategic use of business systems data to report on the effectiveness of Council's legislative outcomes. Managers provide detailed reporting on inspections and actions for consideration as part of this process.					
Legal services are provided across the business.	Governance and Legal Services Manager	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: A Legal Strategy has been approved by SLT in Q1 to inform optimal legal service required by Council staff.					
Quarterly legislative compliance survey	Governance and Legal Services Manager	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: This survey is sent to tier 3 and 4 managers who are directly responsible for meeting legislative requirements for their services delivery. SLT complete a legislative compliance declaration based on the completed survey outcomes every quarter.					
Regulatory Services monthly reporting (internal efficiency and effectiveness)	GM Regulatory Services	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: This is an ongoing BAU task completed within Regulatory Services monthly by activity managers. This report is shared with SLT and councillors.					
Review of regulatory information for consenting processes on the Council website	Principal Advisor Regulatory Services	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: A project is underway to improve this information on the Council website. After two rounds of community and staff testing, a more customer-focussed structure was established which should enable customers to find and access the consenting information they need more easily. This new structure is included into the project that is currently underway to improve the navigation structure of the whole Council website					
Reviews of Quality Assurance Systems (QAS) for IANZ accreditation, resource consents and environmental standards.	Building Team Manager	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: This is an ongoing requirement for the IANZ accreditation in the BCA area. Continuous quality and improvement reviews are now embedded as part of regulatory services delivery.					
Sanitary services assessments to Taumata Arowai.	Manager, Water & Wastewater Services	In Progress	50	30 Jun, 2024	 GREEN
Progress Comment: The Water Supply Drinking water assessment was provided to Taumata Arowai in July 2023. The other sanitary services assessments will be provided during this financial year, alongside Long Term Plan 2024 development.					
SLT oversight of Asset Management Plans and work programmes	Senior Leadership Team (SLT)	In Progress	27	30 Jun, 2024	 AMBER

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Progress Comment: Asset Management Plans are under review as part of the development of the Long Term Plan 2024 and will be updated in accordance with legislative changes and requirements.					
Training and workshops to ensure that (new) legislative requirements are well understood for decision-making and applications.	Principal Advisor Regulatory Services	In Progress	27	30 Jun, 2024	 AMBER
Progress Comment: A number of staff training sessions have taken place in Q1 and one workshop for planning consultants was delivered that was attended by 24 consultants.					

ORG 6 - Inadequate management of the impacts of central government reform/change



ORG 6**Inadequate management of the impacts of central government reform/change**

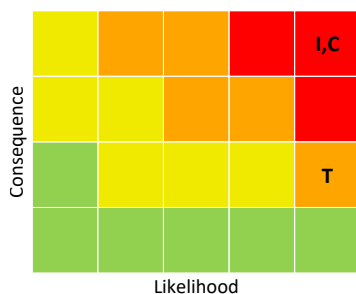
Risk Categories: Legal and Regulatory Compliance, Environmental Impact, Financial Exposure, Reputational and Stakeholder Relationship

Risk Sponsor:
GM Strategy and Growth

Secondary Risk Sponsor(s):
GM Infrastructure Services,
GM People and Partnerships,
GM Place and Space (Acting),
GM Regulatory Services

Last Reviewed Date:
19 Oct, 2023

Next Review Date:
09 Feb, 2024

Individual Heatmap

I Initial Risk Assessment
C Current Risk Assessment
T Target Risk Assessment

Effectiveness of control

I	N/A
C	Partially Effective
T	N/A

Causes

- Change in Government direction
- Inadequate regulatory impact statements
- Government intervention
- Government timeframes
- Lack of clarity of current government priorities

Consequences






- Organisational change
- Delays to work programmes
- Do-ability challenges in implementing national directive
- Financial exposure
- Increased costs
- Reprioritisation
- Reputational damage

Existing Risk Controls

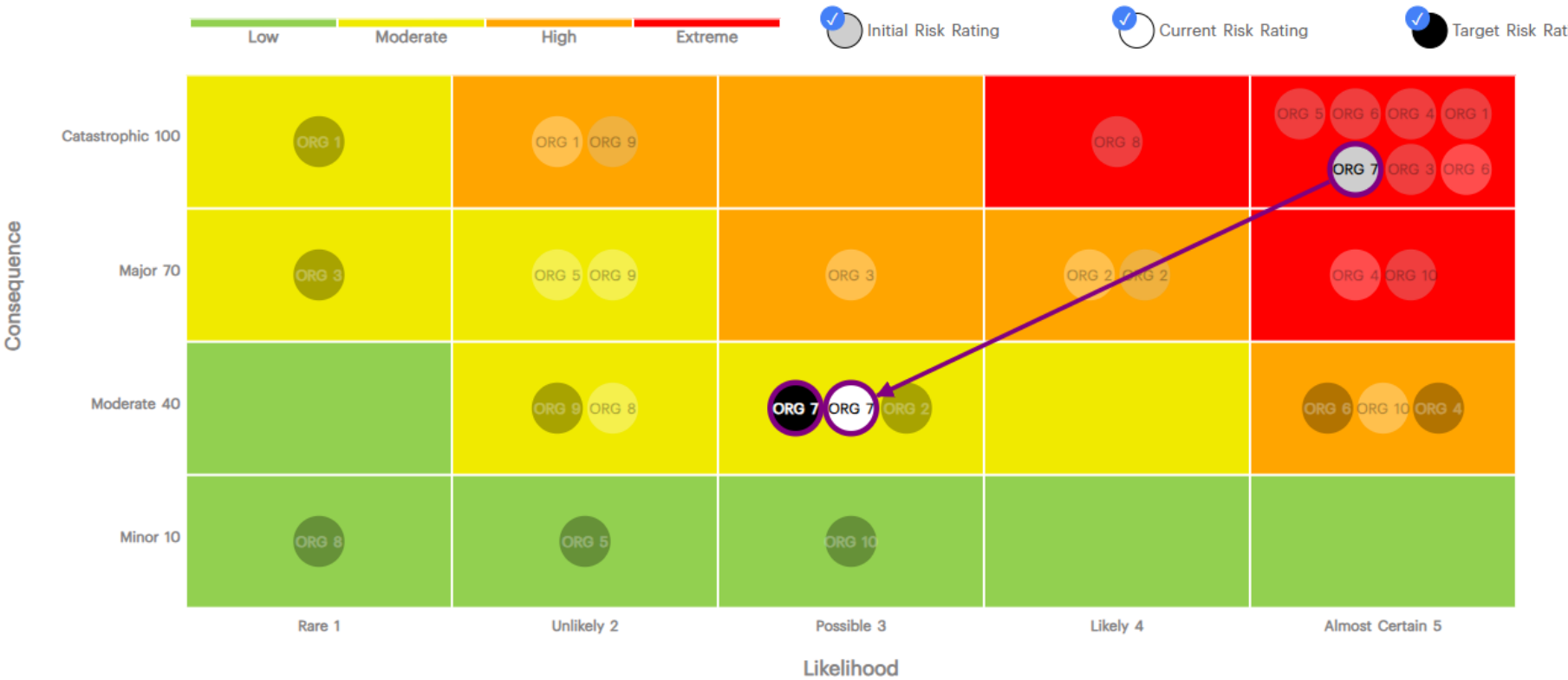
Control Title	Control Owner	Control Effectiveness Rating
Monitoring policy and legislative announcements to respond and prepare for change.	Chief Advisor & Manager Research and Policy	Effective
Raising issues of concern for our community through formal processes	Chief Advisor & Manager Research and Policy	Effective
Engage in regional and national forums and projects to scan opportunities and influence decision-making.	Chief Advisor & Manager Research and Policy	Partially Effective

Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Actively engaging with DIA to progress implementation steps required for Affordable Waters Reform	Transition Manager - 3 Waters	In Progress	35	30 Jun, 2024	GREEN
Progress Comment: Internal transition manager role has been established and is engaging with DIA and the local Entity G establishment team to progress the agreed work programme. With the uncertainty around how the recent elections will impact on the water reform programme, the focus of the transition manager is now on what the change of government means for Council. This includes how the delivery, funding and regulation of the three waters is to be undertaken in the short, medium and longer terms.					
Consider, assess and manage implications of health reform for Kapiti district.	Strategy Manager	In Progress	35	30 Jun, 2024	GREEN

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Progress Comment: Implications of health reform for Kapiti as a locality, and existing growing services gaps will need to be addressed through the development of a Health Strategy. Council has been invited by the Minister of Health to take part in the locality discussion for health services. We started development of the Health Strategy with the sector and the Kapiti Health Advisory Group. This Group has been re-established and the TOR of have been approved by the Strategy, Operations and Finance Committee.					
Development of more comprehensive recovery planning.	Chief Advisor & Manager Research and Policy	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: Recent introduction of new ministerial powers for recovery of a national civil emergency require development of more comprehensive recovery planning. An early assessment of recovery requirements is underway with input from lessons learned from WREMO and Cyclone Gabrielle. Council workshops took place in October and we are looking to establish a virtual recovery programme which focusses on preparatory work that can be activated in the event recovery is required. We are working with WREMO, Police, Health, MSD and Education and have regular recovery meetings. The recovery function also participated in the EOC exercise in September as part of the response.					
Identify short to medium term high impact legislative changes to include budgets in LTP	Chief Financial Officer	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: Changes in planning legislation and waste minimisation legislation and the financial impacts for council budgets are considered for in budget development for the LTP 2024.					
Regional and national collaboration and knowledge sharing	Chief Advisor & Manager Research and Policy	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: Progressively targeting engagement with central government and regional government. We have held meeting with social and justice sector to identify investment needs for Kapiti and we are taking advice to the CE forum for decision.					
Reviewing current settings to identify the potential implications of national direction and RMA amendments for district planning and growth	District Planning Manager	Ongoing	0	30 Jun, 2027	 N/A
Progress Comment: Plan Change 2 (Intensification) which responds to national direction has been introduced. The Future Development Strategy is out for consultation (also a new requirement through the RMA). There is a degree of uncertainty around this due to recent government change as not all aspects of the legislation programme have currently landed. The Wellington Regional Leadership Group (WRLG) is under review with next steps expected in the new year.					
Scenario planning that will inform our short, medium and long term direction (includes input to LTP)	Strategy Manager	Not Started	0	30 Jun, 2024	 N/A
Progress Comment: Councillors have agreed that developing scenarios will be part of the Vision Kapiti development. We will start pathways development in the new year.					

ORG 7 - Inadequate safeguards against cyber security threats



ORG 7

Inadequate safeguards against cyber security threats

Risk Categories: Information and Data Management, Financial Exposure, IT Systems and Processes, Reputational and Stakeholder Relationship

Risk Sponsor: GM Corporate Services

Last Reviewed Date: 19 Oct, 2023

Next Review Date: 09 Feb, 2024

individual Heatmap

Consequence

I

C,T

Likelihood

I Initial Risk Assessment

C Current Risk Assessment

T Target Risk Assessment

Effectiveness of control

I N/A

C Effective

T N/A

Causes

- Data breach
- Denial of service
- Inappropriate use
- Malicious code
- Phishing attack
- Poor physical security
- Ransomware
- Supplier being breached
- Unauthorised access
- Unpatched systems
- Zero-day attacks

Consequences

- Financial exposure
- Information leakage
- Legal consequences
- Privacy breaches
- Reputational damage
- Service disruption
- Theft of information

Existing Risk Controls

Control Title	Control Owner	Control Effectiveness Rating
Cyber Security Awareness Training	Chief Information Officer	Effective
Security Incident Management System	Information Technology Manager	Effective
Software security patches	Chief Information Officer	Effective
User Security Permissions	Chief Information Officer	Effective
Annual independent cyber security audit	Chief Information Officer	Effective
Proactive monitoring of cyber security threats	Information Technology Manager	Effective

Risk Treatments

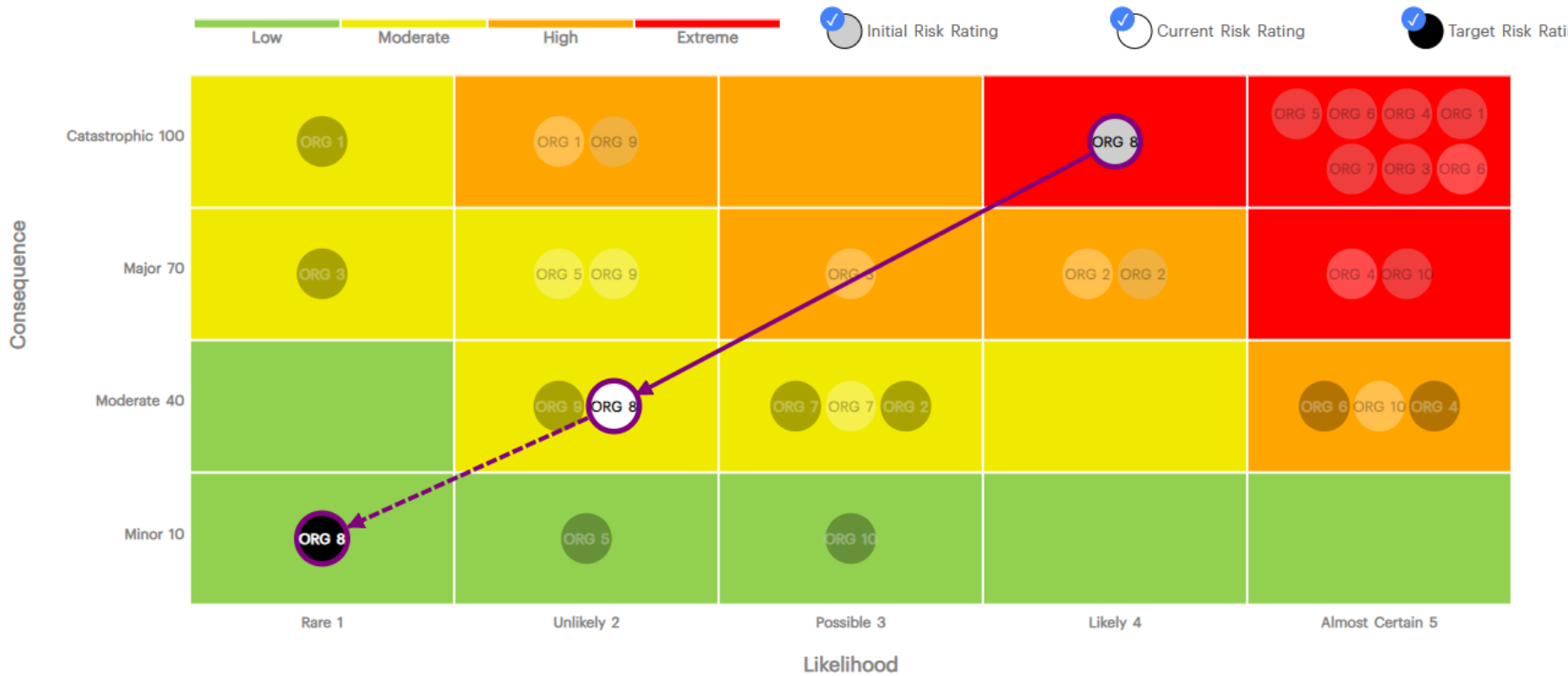
Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Develop and run staff training on cyber security awareness	Chief Information Officer	In Progress	35	30 Jun, 2024	<div><div></div><div></div><div></div><div></div></div> <div>GREEN</div>
Progress Comment: Scheduled throughout the year					

Item 8.4 - Appendix 1

Page 64

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Implement Managed Security Information Event Management (SIEM) for proactive monitoring of cyber security threats	Information Technology Manager	Ongoing	35	30 Jun, 2024	<div><div></div><div></div><div></div></div> <div>N/A</div>
Progress Comment: Implementation BAU					
Monthly updates for software patches for servers and laptops	Information Technology Manager	In Progress	35	30 Jun, 2024	<div><div></div><div></div><div></div></div> <div>GREEN</div>
Progress Comment: on track					
Quarterly testing of IT team response to cyber threats	Information Technology Manager	In Progress	35	30 Jun, 2024	<div><div></div><div></div><div></div></div> <div>GREEN</div>
Progress Comment: Internal audit of response processes continues					
Rapid implementation of cyber security independent audit action recommendations	Chief Information Officer	In Progress	35	30 Jun, 2024	<div><div></div><div></div><div></div></div> <div>GREEN</div>
Progress Comment: Audit in October every year - implementation of recommendations follow in remainder of financial year					

ORG 8 - Failure to prudently manage Council’s financial stability including fraudulent activity



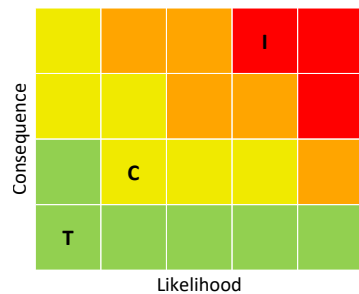
ORG 8**Failure to prudently manage Council's financial stability including fraudulent activity**

Risk Categories: Financial Exposure,
Reputational and Stakeholder Relationship

Risk Sponsor: GM Corporate Services

Last Reviewed Date:
19 Oct, 2023

Next Review Date:
09 Feb, 2024

Individual Heatmap

I Initial Risk Assessment
C Current Risk Assessment
T Target Risk Assessment

Effectiveness of control

I	N/A
C	Effective
T	N/A

Causes

- Cost of living crisis
- Cyber security attack
- Decreased revenue
- Global financial crisis
- Inadequate financial controls
- Increased insurance premiums
- Inflation
- Lack of process controls
- Major government policy changes
- Personal circumstances of staff
- Recession
- Rising costs

Existing Risk Controls

Control Title	Control Owner	Control Effectiveness Rating
Mitigation of Fraud Policy	GM Corporate Services	Effective
Employee screening	Organisational Development Manager	Effective
Enterprise Risk Management	Business Improvement Manager	Effective
Internal Audit work programme	Business Improvement Manager	Effective
Fraud awareness training	Chief Financial Officer	Effective
Protected Disclosures Policy	Governance and Legal Services Manager	Effective
Procurement Policy and Manual	Procurement Lead	Effective
Financial reporting	Chief Financial Officer	Effective
Financial External Audits	Chief Financial Officer	Effective
Financial Internal Audits	Chief Financial Officer	Effective
Financial management awareness training	GM Corporate Services	Effective








Consequences

- Delays to work programmes
- Failure to meet legislative and statutory obligations
- Financial losses
- Legal consequences
- Reputational damage
- Service disruption

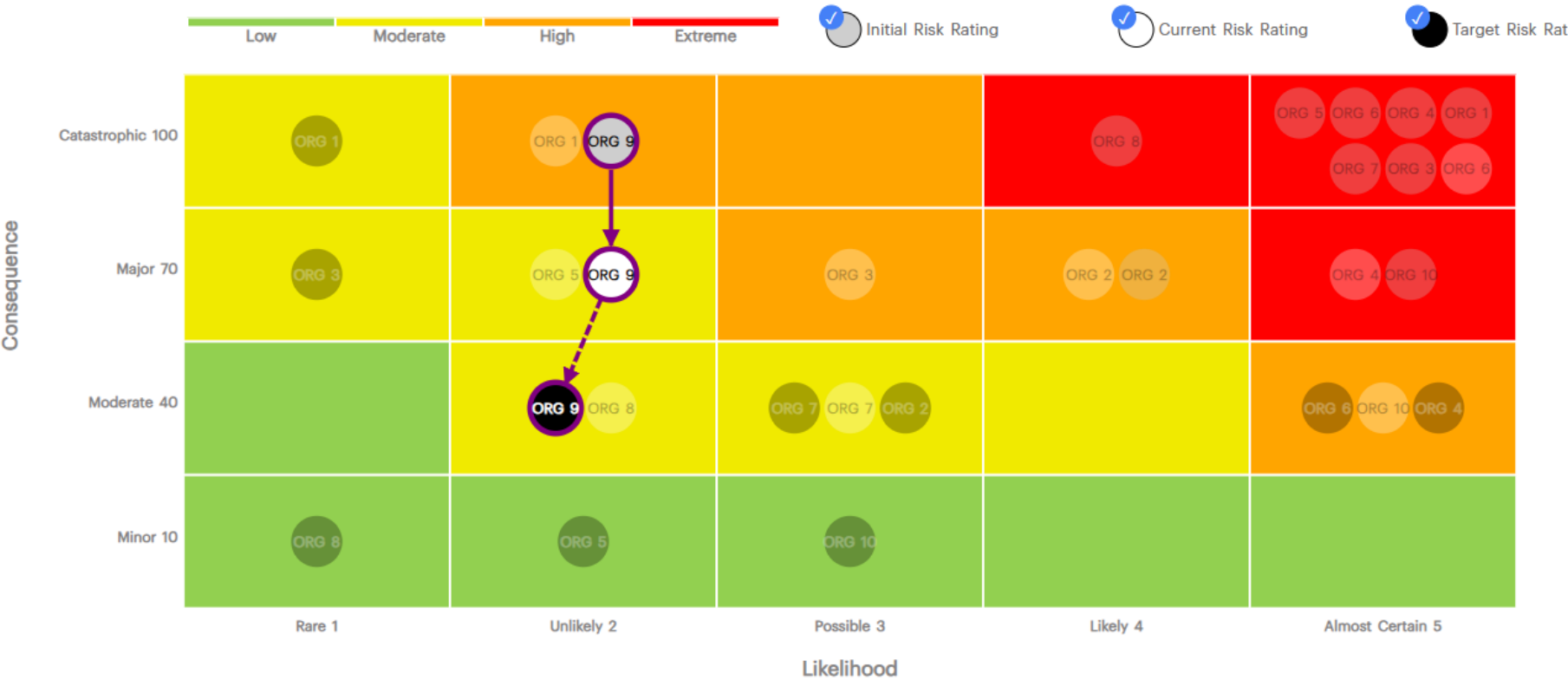
Existing Risk Controls

Control Title	Control Owner	Control Effectiveness Rating
Financial Strategy	GM Corporate Services	Effective
Insurance and re-insurance of Council assets	GM Corporate Services	Effective
Staff membership to the SFO Local Government Counter Fraud Community of Practice	GM Corporate Services	Not Assessed
Code of conduct	Senior Leadership Team (SLT)	Partially Effective

Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Annual internal audit of Code of Conduct to ensure appropriate processes are in place and the Code is being adhered to.	Business Improvement Manager	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: not at this time.					
Annual review of Conflicts of Interest (COI) register	Business Improvement Manager	Not Started	0	30 Jun, 2024	 N/A
Progress Comment: This review is to ensure that all conflicts are correctly defined, management plans are appropriate and independent oversight.					
Implementation Procurement Policy and Framework to achieve fair and transparent procurement as part of services delivery.	GM Corporate Services	Ongoing	0	30 Jun, 2024	 N/A
Progress Comment: The procurement framework has been reviewed and change recommendations have been agreed to be actioned by 29 February 2024.					
Mitigation of Fraud Policy Internal Audit	Business Improvement Manager	Completed	100	31 Dec, 2023	 GREEN
Progress Comment: Completed. Review with CE for consideration and management response.					
Pre-employment screening and employee screening when change in roles	Organisational Development Manager	In Progress	35	30 Jun, 2024	 GREEN
Progress Comment: In the first quarter 46 Ministry of Justice background checks were undertaken with no concerns reported so far (25 of the 46 are still in progress). All Council employment agreements contain provision for termination of employment or withdrawal of an offer if a background check result is not to the satisfaction of the Council.					
Promote staff awareness and understanding of the fraud mitigation policy, the protected disclosures policy and the Code of Conduct	Chief Financial Officer	Not Started	0	30 Jun, 2024	 N/A
Progress Comment: Training is planned to start in 2024.					
Regularly review relevant corporate policies	GM Corporate Services	Ongoing	0	30 Jun, 2024	 N/A
Progress Comment: Ongoing as part of Corporate Services work programme					

ORG 9 - Failure to maintain business continuity for our core services



ORG 9**Failure to maintain business continuity for essential services**

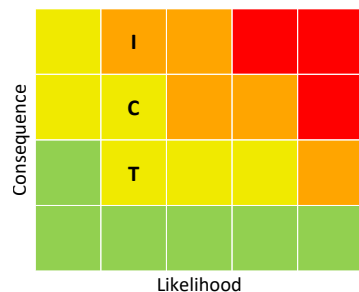
Risk Categories: Assets & Infrastructure Resilience, Financial Exposure, Health, Safety and Wellbeing, IT Systems and Processes, Legal and Regulatory Compliance, Reputational and Stakeholder Relationship

Risk Sponsor:
GM Infrastructure Services

Secondary Risk Sponsor(s):
GM Corporate Services,
GM People and Partnerships

Last Reviewed Date:
23 Oct, 2023

Next Review Date:
09 Feb, 2024

Individual Heatmap

I Initial Risk Assessment
C Current Risk Assessment
T Target Risk Assessment

Effectiveness of control

I	N/A
C	Partially Effective
T	N/A

Causes

- Cyber security attack
- Data breach
- Earthquakes
- Fire
- Flooding
- Natural catastrophe
- Network failure
- Pandemics

Consequences



- Criminal prosecution
- Customer dissatisfaction
- Decreased capacity in production
- Delays to work programmes
- Disruption to core Infrastructure
- Failure to achieve business objectives
- Financial exposure
- Financial losses
- Loss of time
- Negative impacts on our resilience
- Reputational damage
- Service disruption

Existing Risk Controls

Control Title	Control Owner	Control Effectiveness Rating
Asset Management Plans	Senior Leadership Team (SLT)	Partially Effective
Pandemic plan	Organisational Development Manager	Effective
Audit operational readiness	Business Improvement Manager	Effective
Business Continuity Plans	Senior Leadership Team (SLT)	Partially Effective

Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Asset Management Planning and investing in resilient infrastructure.	Senior Leadership Team (SLT)	In Progress	40	30 Jun, 2024	GREEN
Progress Comment: Asset Management plans are reviewed every three years as part of Long Term Plan (budget) development, taking into account key information. Improvement plans form part of Asset Management Plans and are reviewed more frequently.					
Council wide rolling review of BCP's	Senior Leadership Team (SLT)	Ongoing	0	30 Jun, 2024	N/A
Progress Comment: This is planned for the second half of this financial year 2023/24.					

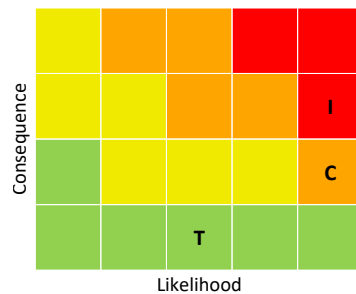
Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Regular testing of back-up systems for business functions	Senior Leadership Team (SLT)	Ongoing	0	31 Dec, 2025	 N/A
Progress Comment: Ongoing					
Review of Infrastructure BCP's	GM Infrastructure Services	In Progress	40	30 Jun, 2024	 GREEN
Progress Comment: The Water Safety Plan was submitted to Taumata Arowai in November 2022, the Drinking Water quality assessment was submitted in July 2023. A Drinking Water Emergency Response Plan is under development. A Wastewater PCB review is in progress. The Property BCP is almost complete.					

ORG 10 - Inability to attract and retain sufficient capacity to deliver Council’s objectives



ORG 10 Inability to attract and retain sufficient capacity to deliver Council's objectives

Risk Categories: Health, Safety and Wellbeing

Risk Sponsor: Organisational
Development ManagerSecondary Risk Sponsor(s):
Senior Leadership Team (SLT)Last Reviewed Date:
19 Oct, 2023Next Review Date:
09 Feb, 2024**Individual Heatmap**

I Initial Risk Assessment
C Current Risk Assessment
T Target Risk Assessment

Effectiveness of control

I	N/A
C	Partially Effective
T	N/A

Causes

- Competitive market
- Increased workload expectations
- Inflation
- Limited opportunities for career progression
- Significant family or life event

Consequences



- Corporate loss of institutional and intellectual knowledge
- Decreased staff welfare and mental health
- Delays to work programmes
- Failure to meet legislative and statutory obligations
- Increased costs
- Loss of skilled and specialist staff
- Lowering of staff morale
- Reputational damage

Existing Risk Controls

Control Title	Control Owner	Control Effectiveness Rating
Regular staff engagement surveys and associated work programmes	Organisational Development Manager	Partially Effective
Workforce and Succession Planning	Organisational Development Manager	Partially Effective
Reprioritisation of Work Programmes	Senior Leadership Team (SLT)	Partially Effective
Engaging Contractors / Consultants to backfill vacancies	Organisational Development Manager	Partially Effective
Monitoring job grade & remuneration policy	Organisational Development Manager	Partially Effective
Monitoring Remuneration trends	Organisational Development Manager	Effective
Professional development opportunities	Organisational Development Manager	Partially Effective

Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Annual remuneration process	Organisational Development Manager	In Progress	90	30 Jun, 2024	GREEN
Progress Comment: This review includes trends across the sector and work is underway to review remuneration bands across different job groupings					
Continuous review on ways to maintain an effective workforce	Organisational Development Manager	In Progress	60	30 Jun, 2024	GREEN

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Progress Comment: Highly competitive recruitment market and shortage of skilled workers is leaving some areas understaffed. Timelines set by government have increased worker demand in some areas with consultants also working at capacity. To enable us to be best positioned in the event of future pandemic/emergency situations that could impact our ability to 'business as usual' we are undertaking a more robust continuous improvement approach to the policies and processes for managing staff absences to enable continuity in key delivery areas.					
Staff surveys	Organisational Development Manager	In Progress	50	30 Jun, 2024	 GREEN
Progress Comment: Delivery of annual Gallup Staff Engagement survey and ongoing pulse surveys for various work programmes					
Workforce and Succession Planning	Organisational Development Manager	In Progress	40	30 Jun, 2024	 GREEN
Progress Comment: We have developed and commenced implementation of career pathway models for technical and specialist areas. We have developed and implemented a People and Culture Strategy which contains opportunities for work programmes to support the development of people leadership skills. Regular People Leader and Activity Manager hui have commenced to support furthering collaboration and communication across council teams and work programmes.					

5. Definitions (ISO 31000:2018)

Term	Definition
Risk	The effect of uncertainty on achieving objectives. It can be positive, negative or both, and can create or result in opportunities and threats.
Risk Appetite	The amount of risk that Council is willing to pursue or retain to achieve its objectives.
Risk Assessment	The overall process of risk identification, risk analysis and risk evaluation.
Risk Tolerance	The threshold levels of risk exposure that, with appropriate approvals can be exceeded but when exceeded will trigger some form of response.
Risk Management	Coordinated activities to direct and control Councils uncertainties in relation to achieving objectives.
Risk Management Capability	The culture, practices, experience and application of risk management within Council.
Risk Management Guidance	A structured approach to identify, monitor and manage risk.
Risk Register	A record of information about identified risks and how they are being managed. There are three different types of registers, Strategic, Operational (Group) and Projects.
Initial Risk Rating	The current risk level without taking into consideration existing control measures.
Current Risk Rating	The current risk level taking into consideration existing risk controls.
Consequence	The outcome of an event which affects Council achieving its objectives.
Likelihood	The chance of something occurring.
Control	A measure that maintains and / or modifies the current risk rating.

8.5 INTERNAL AUDIT WORK PROGRAMME - PROGRESS UPDATE

Kaituhi | Author: **Sharon Foss, Business Improvement Manager**

Kaiwhakamana | Authoriser: **Mark de Haast, Group Manager Corporate Services**

TE PŪTAKE | PURPOSE

- 1 This report updates the Risk and Assurance Committee on the Internal Audit function of Council.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 This report does not require an Executive Summary.

TE TUKU HAEPAPA | DELEGATION

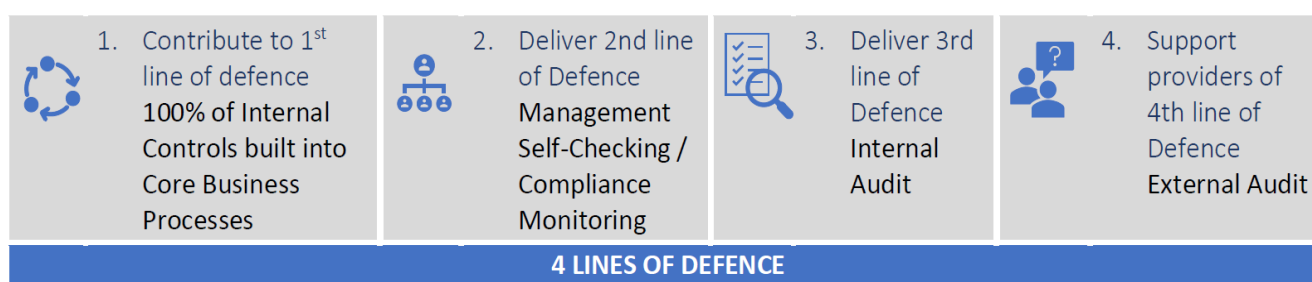
- 3 The Risk and Assurance Committee has delegated authority to consider this report under section C.3 of the Governance Structure and Delegations.
- *Ensuring that Council has in place a current and comprehensive risk management framework and making recommendations to the Council on risk mitigation.*

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee receives and notes the Internal Audit progress update on the work programme for 2023.

TŪĀPAPA | BACKGROUND

- 4 Internal audit is an independent, objective assurance activity. It adds value and can improve an organisation's operations, in particular in areas that expose the organisation to risk and vulnerability. It brings a systematic and disciplined approach to evaluating and improving the effectiveness of risk management in the organisation.
- 5 Internal audit is line three of the 'Four Lines of Defence' model used in the Risk and Assurance workstream.



- 6 Each of the four sources of assurance in the table above contribute to the overall level of assurance provided and importantly by breaking them down into four categories they can be integrated into everyday life at Council.
- First line: Risks are managed and controlled day-to-day. Assurance comes directly from those responsible for delivering specific objectives or processes.
- Second line: Council oversees the control framework so that it operates effectively.
- Third line: Internal audit, providing reasonable (not absolute) assurance of the overall effectiveness of governance, risk management and controls.
- Fourth line: Assurance from external independent bodies such as the external auditors and other external bodies.
- 7 The internal audit work programme is set with reference to a range of sources including:
- the Office of the Auditor-General published resources and guidance,
 - Audit NZ published resources and guidance,

- Ernst and Young (our “appointed auditor” appointed by the Auditor-General) independent recommendations and control findings, and
 - other observations made from internal audits.
- 8 Along with the more technical systems and processes that a continuous improvement tool identifies, Internal audit can deliver organisational changes to:
- influence positive change,
 - review internal controls,
 - help understand risks,
 - identify improvement opportunities,
 - promote integrity, and
 - inform senior management by providing objective analysis, evaluations, and recommendations.

Internal audit forms a key part of our overall control environment by identifying key risk indicators and ensuring adherence to internal control systems that are effective in the detection and prevention of potential risks eventuating.

- 9 This Committee receives three reports in relation to the approved Internal Audit Work Programme:
- this progress report; and
 - an internal audit work programme which is prepared annually by the internal audit function and will be presented to the Committee in February 2024. The programme sets audit topics and identifies resources required for the year in alignment with the Council’s objectives and key risks. It is endorsed by this Committee; and
 - a final outcomes report on the internal audits completed in a calendar year which will be reported to the Committee in February 2024 (for 2023 internal audits).





HE KŌRERORERO | DISCUSSION

Third Line of Defence (Internal Audit)









- 10 In accordance with both the New Zealand Auditing Standards and also our external auditors Ernst & Young, we use a risk ranking system when selecting which internal audits to conduct. This ranking system is as follows:

Internal Audit - Risk Ranking System	
High	Matters and/or issues considered to be fundamental to the mitigation of material risk, maintenance of internal control or good corporate governance.
Moderate	Matters and/or issues considered to be of major importance to maintenance of internal control, good corporate governance, or best practice for processes.
Low	A weakness which does not seriously detract from the internal control framework.

- 11 The following progress status categories are used to update the Committee on progress made on the internal audit work programme at the time of issuing this report.

Progress Status Categories	
	<div> <div>= Major Concerns</div> <div>= Some Concerns</div> <div>= On Track</div> </div> <div> <div> = Planned</div> <div> = Completed</div> <div> = Underway</div> </div>

- 12 The Internal Audit Work Programme has progressed well since the last meeting as noted below.

Internal Audit Work Programme 2023			
Risk Ranking	Activity	Progress as of 9 November 2023	
		Status	Update
High	Compliance with Mitigation of Fraud Policy. <u>Audit scope</u> Review 6 key internal controls to see if they meet their objectives, remain current to meet the organisation's requirements and are being followed.		A final outcomes report will be tabled with the Committee in February 2024.
High	Compliance with Procurement Policy Framework. <u>Audit scope</u> Review 10 key internal controls to see if they meet their objectives, remain current to meet the organisation's requirements and are being followed.		A final outcomes report will be tabled with the Committee in February 2024.
High	Compliance with Employee Code of Conduct document (incl. Conflict of Interest Declarations). <u>Audit scope</u> Test the fundamental principles and high-level rules that apply to employee conduct.		Commenced initial scoping and planning. Will then require audit scope approval by the Senior Leadership Team.
High	Compliance with General Expenses Policy. <u>Audit scope</u> Test compliance with selected internal controls within the General Expenses Policy.		Scoping to commence in Quarter 2, 2023/24.
Moderate	Compliance with Receipt of Gifts and Hospitality Policy. <u>Audit scope</u> Test compliance with the rules that apply to Receipt of Gifts and Hospitality.		Scoping to commence in Quarter 2, 2023/24.
Moderate	Compliance with Protected Disclosures (Protection of Whistleblowers) Policy. <u>Audit scope</u> Test the rules that apply to protecting disclosures (protection of whistleblowers).		Scoping to commence in Quarter 3, 2023/24.
Moderate	External Audit (Ernst & Young) 2022/23 - Control Findings: follow up on independent recommendations		<u>Ongoing</u> F/Y 2022/23. See separate report on this agenda.
Low	Review preparedness for business interruption and continuously improve.		Review delayed due to limited internal resources at current. Management to discuss how this can be resourced and completed.

He take | Issues

- 13 There are no issues to be raised in this report.

Ngā kōwhiringa | Options

14 There are no options to be raised in this report.

Tangata whenua

15 There are no tāngata whenua considerations arising from this report.

Panonitanga āhuarangi | Climate change

16 There are no climate change issues arising from this report.

Ahumoni me ngā rawa | Financial and resourcing

17 There are no further financial and resourcing considerations arising from this report.

Ture me ngā Tūraru | Legal and risk

18 There are no legal considerations arising from this report.

Ngā pānga ki ngā kaupapa here | Policy impact

19 There are no policy implications arising from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT**Te mahere tūhono | Engagement planning**

20 This matter has a low level of significance under the Council's Significance and Engagement Policy.

Whakatairanga | Publicity

21 There are no publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

Nil

8.6 LEGISLATIVE COMPLIANCE – 1 JULY TO 30 SEPTEMBER 2023

Kaituhi | Author: **Sarah Wattie, Governance & Legal Services Manager**

Kaiwhakamana | Authoriser: **Darren Edwards, Chief Executive**

TE PŪTAKE | PURPOSE

- 1 The purpose of this report is to notify the committee of legislative non-compliance in the first quarter of the financial year, 1 July 2023 to 30 September 2023.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An executive summary is not required.

TE TUKU HAEPAPA | DELEGATION

- 3 The Risk and Assurance Committee has delegated authority to consider this report under section C3 of the Governance Structure and Delegations document for the 2022-2025 triennium. These delegations include:
 - 3.1 ensuring that Council has in place a current and comprehensive risk management framework and making recommendations to the Council on risk mitigation.
 - 3.2 assisting elected members in the discharge of their responsibilities by ensuring compliance procedures are in place for all statutory requirements relating to their role.

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee:
 - A.1 notes legislative non-compliance for the first quarter of the financial year from 1 July 2023 to 30 September 2023.

TŪĀPAPA | BACKGROUND

- 4 Local government is governed by a complex statutory framework with the Council responsible for a range of legislative requirements. Legislative compliance is important to Council carrying out its functions under the Local Government 2002 in a fair and effective manner that is accountable to the local community. Failure to achieve Council's legislative obligations has also been identified as one of Council's top 10 risks.
- 5 Each quarter key Council staff responsible for Council's compliance with legal obligations under different Acts are asked to complete a quarterly declaration of known non-compliance with legislative requirements and key assurance areas being privacy, procurement, authorised expenditure, cyber security and Local Government Official Information and Meetings Act 1987 (LGOIMA) requirements.
- 6 Council staff are asked to report against all applicable legislation. A legislative compliance schedule exists to assist staff in completing this declaration, set out in Attachment 1. Council's external auditors have identified the following legislation and regulations where non-compliance could have a fundamental effect on operations:
 - Local Government Act 2002
 - Local Authorities (Members' Interests) Act 1968
 - Local Government (Rating) Act 2002
 - Local Government (Financial Reporting and Prudence) Regulations 2014
 - Building Act 2004
 - Resource Management Act 1991.

HE KŌRERORERO | DISCUSSION

- 7 This section sets out legislative compliance breaches for the first quarter of the financial year, 1 July 2023 to 30 September 2023, against all applicable legislation with risk ratings, corrective actions and status assigned for each breach. It also provides an assurance against key assurance areas outlined above being privacy, procurement, authorised expenditure, cyber security and LGOIMA.

Organisational Risk Levels

- 8 Organisational risks levels have been assigned to legislative compliance breaches reported to this Committee based on Council's organisational risk framework. The risk levels are set out below:

Organisational Risk Levels	
High	<ul style="list-style-type: none"> Matters and/or issues considered to be fundamental to the mitigation of material risk, maintenance of internal control or good corporate governance.
Moderate	<ul style="list-style-type: none"> Matters and/or issues considered to be of major importance to maintenance of internal control, good corporate governance, or best practice for processes.
Low	<ul style="list-style-type: none"> A weakness which does not seriously detract from the internal control framework.

Key Assurance Areas

- 9 The Risk and Assurance Committee has requested the following key assurance areas be reported on in addition to legislative compliance:
- Privacy breach:** A privacy breach is not meeting the requirements of the Privacy Act 2020 which may include releasing personal information to someone not authorised to receive it or using personal information in an unauthorised way.
 - Procurement breach:** A procurement or probity breach is a failure to follow the requirements of Council's procurement policy, which sets out the requirements for our staff to ensure they carry out procurement in a way that is transparency, accountable, impartial and equitable.
 - Unauthorised expenditure:** Unauthorised expenditure is expenditure that breaches Council's finance and purchasing policies, such as a staff member spending money without the appropriate financial delegation.
 - Cyber security breach:** A cyber security breach is a breach of Council's information security systems which may result in the disclosure of sensitive, personal or commercial information to persons who are not authorised to receive the information or members of the public.
 - Local Government Official Information and Meetings Act 1987 (LGOIMA):** A breach of this act relates to failure to meet deadlines or requirements for official information requests or transparency and notification requirements relating to Council meetings.
- 10 Confidential investigations are not included in this legislative compliance report and will be reported in public excluded where required.

11 **Table 1: Assurance against key risk areas**

Risk area	Description
Privacy	There were no privacy breaches reported in the period. There was an update to a previous reported breach.
Procurement	There was one reported procurement breach in the period.
Unauthorised expenditure	There was one reported unauthorised expenditure in the period.
Cyber security	There were no reported cyber security breaches in the period.
LGOIMA	There were two breaches of requirements under the LGOIMA (official information and meeting requirements) in the period.

Legislative Compliance Breaches

- 12 Legislative compliance breaches for the first quarter of the financial year are set out in Attachment 2. These include ongoing breaches previously reported to this Committee.

He take | Issues

- 13 There are no issues for this report.

Ngā kōwhiringa | Options

- 14 There are no options required for this report.

Mana whenua

- 15 Council has a partnership with local iwi and hapū on the Kāpiti Coast District represented by Te Rūnanga O Toa Rangātira, Ngā Hapū o Ōtaki and Āti Awa ki Whakarongotai Charitable Trust.
- 16 Council's accountability to the community on legislative compliance extends to its partnership with iwi and commitments made to reflect the obligations under Te Tiriti o Waitangi, as well as other obligations to Māori, mana whenua and tangata whenua under the Local Government Act 2002, Resource Management Act 1987 and other legislation.

Panonitanga āhuarangi | Climate change

- 17 There are no climate change implications.

Ahumoni me ngā rawa | Financial and resourcing

- 18 There are no financial implications.

Tūraru ā-Ture me te Whakahaere | Legal and Organisational Risk

- 19 Organisational risk levels have been assigned to legislative compliance breaches reported in accordance with Council's organisational risk framework.
- 20 Except for the issues noted in this report, there are no other legal or risk implications.

Ngā pānga ki ngā kaupapa here | Policy impact

- 21 There are no policy implications.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

- 22 This report is for the purpose of providing information only and does not trigger the Council's Significance and Engagement policy.

Te mahere tūhono | Engagement planning

- 23 There is no requirement for engagement planning.

Whakatairanga | Publicity

- 24 There are no additional publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Attachment 1 - Legislative Compliance Schedule [↓](#)
2. Attachment 2 - Legislative Compliance Breaches 1 July 2023 - 30 September 2023 [↓](#)

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Accident Compensation Act 2001	All Sections	Administration of internal systems in compliance with the Act and the requirements of the Accident Compensation Corporation. Maintain a system of Accident and Hazard reporting. Administration of claims.
Amusement Devices Regulations 1978	All Regulations	Process applications for permits. Administering permits for amusement devices pursuant to Regulation 11.
Animal Welfare Act 1999	All Sections	Ensure compliance with all relevant provisions.
Arts Council of New Zealand Toi Aotearoa Act 2014	Section 24	No current Community Arts Council. Administration for Community Arts Council. Reporting to and between the Council and the Community Arts Council.
Biosecurity Act 1993	All Sections	Ensure Council carries out all such functions as the Act requires to the standard required by the Act.
Building (Accreditation of Building Consent Authorities) Regulations 2006	All Regulations	Ensure compliance with the standards as an accredited building consent authority.

Building Act 2004 and Building Regulations 1992	All Sections and Regulations particularly Regulation 3 Schedule 1 Sections 17, 108, 114, 116B, 120, 128A, 133AI, 133AM, 164, 223 and 363	<p>Ensure that the Building Code is complied with.</p> <p>Administration of Act including:</p> <ol style="list-style-type: none"> 1. Administration of Building Consents. 2. Issuing PIMs, Code Compliance certificates, compliance schedules and warrants of fitness. 3. Keeping records. 4. Monitoring and compliance. 5. Fixing charges. 6. Dealing with Dangerous and Insanitary buildings. <p>s17 - Ensure all building work done to a Council building complies with the building code where a building consent is not required.</p> <p>S108 - Annually supply the Building Team with a building warrant of fitness for all Council buildings that have a compliance schedule.</p> <p>s114 - Give notice to the Building Team of any change of use of a Council building.</p> <p>s116B - Do not allow a Council building to be used if it is insanitary or has inadequate means of escape from fire.</p> <p>s120 - Display notices or signs visible from outside Council building(s) that access provision is made for persons with disabilities, if this is required.</p> <p>s128A - Comply with notice requiring work or restricting entry to a "dangerous" or "insanitary" Council building.</p> <p>s133AI - Provide engineering assessment to the Building Team if requested for Council building(s).</p> <p>s133AM - Comply with deadline for seismic work in respect of Council building(s).</p> <p>s164 - Ensure Council complies with any notice to fix issued to it.</p> <p>s223 - Give reasonable assistance to a building inspector inspecting a Council building.</p> <p>s.363 "Area of responsibility"</p> <ul style="list-style-type: none"> - obtain building consents for all work done on Council buildings if building consent required - keep building or part of building closed if no code compliance certificate or certificate of public use has been issued for building or part of building where building work occurred - penalty for non-compliance of maximum fine \$20,000.
---	--	---

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Building Research Levy Act 1969	Relevant Sections	Ensure compliance with provisions relating to levies.
Burial and Cremation (Removal of Monuments and Tablets) Regulations 1967	All Regulations particularly Regulations 3-5	Ensure compliance with regulations. Ensure monuments are only removed after regulated notice given. Administration and management of Cemeteries.
Burial and Cremation Act 1964	Sections 5-21, Section 46AA Section 50 Section 52(2) Section 18	Ensure Cemetery managed with the powers granted by the Sections. Ensure a certificate of cause of death or a coroner's certificate is always provided before a burial is done (including for assisted dying). Keep a register of all burials Ensure Council complies with any notice issued on behalf of the Minister of Health or a Health Protection Officer. All money received in respect of cemetery separately accounted for and only used for management and improvement of cemeteries under Council control.
Bylaws Act 1910	Section 12 - Section 23	Ensure all bylaws adopted by the Council comply with the requirements of this Act.
Camping Grounds Regulations 1985	All Regulations	Ensure that all camping grounds are conducted in compliance with the regulations. Regularly inspect all camping grounds in the District.
Child Support Act 1991	Section 154	Administration of deductions for child support.
Children's Act 2014	Part 3	Obligations, regulations, and requirements for safety checks of staff working with children.
Civil Defence Emergency Management Act 2002	All of Act, Section 64 specific to Council roles, Section 12, Section 17	Together with the Regional Council, establish a Civil Defence Emergency Management Group. Duty to plan and provide for civil defence emergency management within the district, and ensure it is able to function to the fullest extent during and after an emergency. Member of Civil Defence Emergency Management Group (CDEM), and undertake the roles of these groups as set out in Act.
COVID-19 Recovery (Fast-track Consenting) Act 2020		Acting as a Requiring Authority Giving advice as a Nominated Person.
Criminal Procedure Act 2011	All Sections	Ensure compliance with all relevant provisions.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Dog Control Act 1996	Relevant Sections	Ensure bylaws and policies enacted under an Act complies with the legislative requirements of that Act. Administration of Act, including: 1. Formulation and review of policy on dogs and bylaws. 2. Licensing of dogs. 3. Fees. 4. Enforcement action.
Electricity Act 1992	Section 24, Section 24A, Section 32	Ensure that where works are to be carried out by an electricity operator, Council imposes any necessary conditions on the work having regard to the matters in Section 24A of the Act. Ensure that where an application is made to carry out works in the road, Council recovers its reasonable costs and expenses for work done including processing the notice of works and supervising the work undertaken. Administration of the act to require works of electricity operator to be moved if required.
Employment Relations Act 2000	All Sections	Ensure correct breaks. Ensure correct wages/salary information supplied to Payroll. Allow staff who are union delegates to take reasonable time to represent employees in accordance with the Act. Ensure compliance with whistleblower provisions, must not retaliate against a whistleblower (Sections 110B and 103(1)(k)) Preparation and administration of contracts of employment.
Environmental Health Officers Qualifications Regulations 1993	All Regulations	Ensure Environmental Health Officers hold appropriate qualifications.
Family Violence Regulations 2019	All Regulations, Regulations 13 to 24	To restrict applicants name from public registers, namely, Rating and Valuation rolls, Electoral Roll, Dog Register, Building Records (as set out in Schedule 3). To promptly and helpfully dispose of applications and to restrict applicant's name from public registers and decide applications for public registers to ensure identifying information relating to a protected person is not published.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Fees and Travelling Allowances Act 1951	All Sections	Administration and payment of travelling expenses for members.
Fencing Act 1978	All Sections - particularly Section 16	Administration of claims for a contribution to boundary fences in accordance with the Act.
Fencing of Swimming Pools Act 1987	All Sections	Administration of Building Consents for swimming pools. Investigation and enforcement.
Fire and Emergency Act 2017	Relevant Sections	Ensure bylaws and policies enacted under an Act complies with the legislative requirements of that Act.
Fire and Emergency New Zealand (Fire Safety, Evacuation Procedures, and Evacuation Schemes) Regulations 2018	All Regulations	Ensure compliance with the Act in regard to Council property. Check to ensure compliance with the requirements when processing building consents before issuing Code Compliance Certificates. Investigate complaints and take enforcement action if necessary.
Food Act 2014	Section 19, Section 33, Section 35 - Section 72, Section 137, Section 173 - Section 197, Section 200, Section 205	Undertake territorial authority role in food safety Undertake any additional functions delegated to territorial authorities by Chief Executive Registration authority for food control plans Verification functions and activities Collection and setting of fees for registration, verification and compliance and monitoring activities. Carrying out enforcement and regulatory responsibilities.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Food Regulations 2015	Regulation 42 - 44, Regulation 13	Process applications for exemption from registration and monitoring of exemption premises. Exercise powers of recognized evaluators. Ensure that all premises required to be registered are. Conduct all necessary evaluations for the purpose of registration. Investigate complaints and, where necessary, take enforcement action. Check food handling, food safety, condition of premises and conduct of workers. Note amendment where new businesses can now request extension of time to fulfil verification obligations (Reg 94A). Ensure Plunge Café in compliance with OSH legislation.
Freedom Camping Act 2011	Part 2, Section 32 - 41	No Bylaw at present. Ensure bylaws and policies enacted under an Act complies with the legislative requirements of that Act. Power to make freedom camping bylaws restricting or prohibiting areas of freedom camping in district with approval by Council. If a Bylaw is made, review bylaws no later than 5 years after made, and review within 10 years after initial review. Appoint enforcement officers to enforce bylaws under the Act.
Fringe Benefit Tax Act	All Sections	Ensure compliance with all relevant provisions.
Gambling Act 2003	All Sections, particularly Sections 100 to 103.	Ensure bylaws and policies enacted under an Act complies with the legislative requirements of that Act. Ensure the Council has a class 4 venue policy and ensure compliance with requirements regarding the adoption and review of the class 4 venue policy. Ensure compliance with requirements when considering and determining application for territorial authority consent.
Gas Act 1992	All Sections	Ensure compliance with all relevant provisions relating to works.
Goods and Services Tax Act 1985	All Sections	Accounting for GST to IRD in accordance with the requirements of the Act. Ensure the administration of GST returns
Government Roding Powers Act 1989	All Sections	Ensure compliance with all relevant provisions.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Hazardous Substances and New Organisms Act 1996	All Sections - Section 97, Section 100	Licensing of premises used for the storage of dangerous goods. Administration of enforcement: 1. Ensure provisions of the Act are enforced in the district. 2. Appoint enforcement officers.
Health (Burial) Regulations 1946	All Sections	Administer and maintain register of Funeral Directors in compliance with these regulations. Administer and maintain register of Funeral Directors in compliance with these regulations. If mortuary is re-erected/repared/alterd, then ensure it is not used as a mortuary until a certificate of fitness has been granted and produced to Council
Health (Hairdressers) Regulations 1980	All Regulations	Process applications for exemption from registration and monitoring of exemption premises. Exercise powers of local authority inspectors. Ensure that all premises required to be registered are. Conduct all necessary inspections for the purpose of registration. Investigate complaints and, where necessary, take enforcement action
Health (Infectious and Notifiable Diseases) Regulations 2016	All Regulations	Ensure compliance with reporting provisions.
Health (Registration of Premises) Regulations 1966	All Regulations	Maintain an adequate system for administration of licences.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Health Act 1956	Section 23 Section 25 Section 28 Section 69S Section 116I	Appoint Environmental Health Officer to administer the Council's obligations under this Act. Do inspections of district to identify nuisances, conditions likely to be injurious to health or offensive and arrange abatement or removal of such. In accordance with Director General enforce Health Regulations Promote bylaws for purposes of Health Act and for the protection of public health Provide Medical Officer of Health with reports as required. To provide sanitary waterworks, drainage works, wastewater works and works for the disposal of wastewater, and works for the collection and disposal of refuse, soil, and other offensive matter, including sanitary conveniences for the use of the public if requisitioned by the Director General under the Health Act 1956. To comply with a direction from the Director General of Health regarding fluoridation of drinking water. Provide sanitary swimming pools and dressing sheds.

Health and Safety at Work Act 2015	All Sections Part 2, Part 3	<p>Ensure adequate system in place for the recording and notification of accidents or hazards. Keep a register of accidents.</p> <p>Ensure that Council's duty as employer, principal and/or controller of workplace is satisfied.</p> <p>The following are the responsibility of all managers:</p> <ol style="list-style-type: none"> 1. To ensure safety of employees (including contractors, subcontractors, their employees, volunteers, and the public generally) in the workplace you control. 2. To identify hazards in all of Council's workplaces. 3. To eliminate, isolate or minimize significant hazards in the workplace you control. 4. To monitor in the workplace you control. 5. To keep your staff informed and to train and supervise them. 6. To ensure that Council's duty as an employer, as a controller of a place of work and as a principal are fulfilled in the workplace you control. 7. To ensure accidents and serious harm are recorded and notified wherever they are if you know about them. <p>Ensure that Council's duty as employer, principal and/or controller of workplace is satisfied in the workplace you control.</p> <p>Ensure that Council's duty as employer, principal and/or controller of workplace is satisfied including consulting with contractors and subcontractors and other entities whose duties overlap:</p> <ul style="list-style-type: none"> - eliminating or minimizing risks in your area as far as reasonably practicable - ensure health and safety of workers and visitors as far as reasonably practicable - do not put others at risk - provide training - ensure safe handling of plant, substances and structures. <p>Recording and notification of accidents that affect your staff or occur in the workplace you control.</p> <p>Protect the accident site if it is in the workplace you control. If it is not in the workplace, you control and you are the first manager on the scene, protect the site until the appropriate manager is able to take steps to control it.</p> <p>Duty to engage with workers - see Sections 58-60.</p> <p>Encourage worker participation in improving work health and safety.</p>
------------------------------------	--------------------------------	---

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
		Ensure that processes are in place to enable Council to comply with worker engagement, participation, and representation. Ensure managers are aware of and must not be involved in adverse, coercive, or misleading conduct as defined in the Health and Safety at Work Act 2015 Sections 88 and 92.
Health and Safety in Employment (Prescribed Matters) Regulations 1993	All Sections	Ensure adequate system in place for the recording and notification of accidents or hazards. Keep a register of accidents.
Heavy Motor Vehicle Regulations 1974	All Sections	1. Vehicles must comply with regulations including obtaining Certificate of Fitness. 2. Drivers of vehicles must have a heavy traffic licence.
Heritage New Zealand Pouhere Taonga Act 2014	All Sections Section 74 Section 76 Section 97	Administration of the Act in respect of any heritage buildings owned by Council. <ul style="list-style-type: none"> – Ensure that action is taken to assist in the conservation and protection of a heritage area in accordance with any recommendation received. – Ensure a list of historic places, historic areas, wāhi tūpuna, wāhi tapu, and wāhi tapu areas entered on the New Zealand Heritage List is available for public inspection during business hours. – Administer the payment of any contributions to Heritage New Zealand Pouhere Taonga
Holidays Act 2003	All Sections	To ensure that employees receive the holidays they are entitled to and ensure that employees are paid for the holidays they are entitled to.
Housing Improvement Regulations 1947	All Sections	Ensure compliance with all relevant provisions.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Human Rights Act 1993	All Sections - particularly Section 21, Section 66, Section 62A	<p>Ensure that no discriminatory practices arise.</p> <p>1. Do not discriminate on the following grounds:</p> <ul style="list-style-type: none"> - sex - pregnancy - childbirth - marital status - surviving spouse or partner - party to a dissolved marriage or civil union - religious belief - ethical belief which includes religious belief (lack of a religious belief) - colour - race - ethnic or national origins - disability (including psychiatric illness, reliance on a disability assist dog, wheelchair or other remedial means) - age (person 16 years or more) - political opinion - employment status (unemployed, or on a benefit of ACC entitlement) - family status - sexual orientation. <p>Victimisation of whistleblowers prohibited.</p> <p>Unlawful to treat adversely any person suspected or assumed to be a person affected by domestic violence.</p> <p>Any complaints are dealt with under the appropriate policy.</p>
Human Rights Act 1993	All Sections	Any complaints are dealt with under the appropriate policy.
Impounding Act 1955	All Sections	<p>Establishment and maintenance of a public Pound</p> <p>Appointment of Pound Keeper</p> <p>Administration of Pound including recording and setting of fees and charges</p> <p>Dealing with trespassing stock, straying, or wandering stock</p>

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Income Tax (Fringe Benefit Tax, Interest on Loans) Regulations 1995	All Regulations	All regulations as employer.
Income Tax Act 2007	All Sections	1. Administration of PAYE tax including calculation, deduction from wages/salaries and accounting to IRD. 2. Accounting for Fringe Benefit Tax to IRD in accordance with requirements of the Act.
Infrastructure Funding and Financing Act 2020	Sections relating to levies.	Ensure compliance with provisions relating to levies.
Injury Prevention, Rehabilitation and Compensation Act 2001	All Sections	Administration of internal systems in compliance with the Act and the requirements of the Accident Compensation Corporation. Administration of claims. Maintain a system of Accident and Hazard reporting.
Juries Act 1981	Section 30 Section 32A	Administration of wages whilst on jury service. Ensuring employee is not prejudiced for attending jury service.
Kiwisaver Act 2006	All Sections	Administration of Kiwisaver in regard to payroll.
Land Act 1948	Section 168	Expenditure of funds on the maintenance or embellishment of any public reserve (whether owned by the Council or not) for the benefit of the residents.
Land Drainage Act 1908	All Sections	Ensure compliance with all relevant provisions relating to maintenance of drains and watercourses and drainage works.
Land Transport (Road User) Rule 2004	All Regulations	Ensure all parking restrictions are adopted by resolution of Council. All parking restrictions under the Land Transport Act 1998 and referred to in the Council's Traffic Bylaw must, in accordance with Section 22(AB) of the Land Transport Act 1998 be adopted by Council resolution. Ensure that any new parking restrictions are adopted by Council resolution. The process includes notifying nearby residents. Maintain and review Traffic Bylaw.
Land Transport (Road User) Rule 2004 Traffic Regulations 1976	All Regulations	Enforcement of parking restrictions and other stationary vehicle offences.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Land Transport Act 1998	Part 10 Sections 138-141 Section 42A Sections 128D and 128E, Sections 251 and 253 Section 72	Administer infringement offence system for parking offences. Ensure compliance with functions in relation to the appointment of parking wardens, and the exercise of parking warden powers. Ensure compliance with functions relating to the storage and disposal of motor vehicles. Keep Council's bylaws as to the use of roads under review and arrange for amendment when new bylaws required.
Land Transport Management Act 2003	Section 7B, Section 27	Administer any responsibilities transferred to the Council from the Regional Council under this Act. Ensure any interest that a local authority has in a public transport service to which this Section applies must be held in a CCO
Land Transport Rule: Setting of Speed Limits 2022	All Sections	Record speed limits in national speed limit register and revoke Bylaws that previously set speed limits. Prepare speed management plan and ensure it is reviewed every three years.
Litter Act 1979	All Sections	Supervision of litter control officers (Section 5) Investigation and enforcement of litter offences. Provide and maintain rubbish bins as is necessary to keep areas free from litter
Local Authorities (Members' Interests) Act 1968	Subpart 3 of Part 4	To ensure that contracts entered into by Council with members do not exceed the maximum without prior Audit approval. Ensure there is a register of pecuniary interests of members that complies with the requirements in Section 54A and that a summary of the information in the register is publicly available. Appoint a Registrar to compile the register and provide advice and guidance to elected members on their obligations.
Local Electoral Act 2001	All Sections	Administration of Act including compilation of roll and conduct of elections. Review membership on basis of election three yearly. Conduct elections three yearly.
Local Electoral Regulations 2001	All Sections	Ensure that local elections are conducted in accordance with these requirements

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Local Government (Elected Members) Determination 2003	All Sections	Ensure that salaries and allowances are paid to members in accordance with this determination.
Local Government (Financial Reporting and Prudence Regulations) 2014	All Sections	Ensure compliance with all relevant provisions. Administration of financial reporting.
Local Government (Rating) Act 2002	All Sections	Ensure that the administration of rates is in accordance with this Act.
Local Government Act 1974	All Sections including. Part 21 (Roads) Part 39 (Prevention of fires), Sections 647, 648	Ensure compliance with all relevant provisions. Maintain Council roading system in compliance with this part. Ensure fire hydrants and water pipes maintained so water is available for firefighting.
Local Government Act 2002	All Sections Sections 14(d) and 81	Ensure compliance with all relevant provisions. Ensure that the Council provides opportunities for Māori to contribute to its decision-making processes.
Local Government Act 2002	All Sections Sections 124-128 Sections 14(d) and 81	Ensure compliance with all relevant provisions. Ensure compliance with Council requirements to make assessments of drinking water, wastewater, and sanitary services and to ensure communities have safe drinking water.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Local Government Act 2002	All Sections Sections 14(d) and 81	Ensure compliance and preparation of: 1. Long Term Plan 2. Annual Plan 3. Annual Report 4. Corporate Policies 5. Statutory Policies including Significance and Engagement Policy Ensure that the Council provides opportunities for Māori to contribute to its decision-making processes.
Local Government Act 2002	All Sections Sections 199A and 199B, Schedule 13A Sections 14(d) and 81	Ensure compliance and preparation of: 1. Long Term Plan 2. Annual Plan 3. Annual Report 4. Corporate Policies 5. Statutory Policies including Significance and Engagement Policy Ensure Council complies with statutory deadlines for processing applications for reconsideration or objections to levy of Development Contributions. Ensure that the Council provides opportunities for Māori to contribute to its decision-making processes.
Local Government Act 2002	All Sections	Ensure compliance with all relevant provisions. Ensure compliance and preparation of corporate policies.
Local Government Act 2002	All Sections Sections 14(d) and 81	Ensure compliance with all relevant provisions. Ensure that the Council provides opportunities for Māori to contribute to its decision-making processes.
Local Government Act 2002	All Sections Sections 14(d) and 81	Ensure compliance with all relevant provisions. Ensure that the Council provides opportunities for Māori to contribute to its decision-making processes.
Local Government Act 2002	All Sections Sections 14(d) and 81	Ensure compliance with all provisions. Ensure that the Council provides opportunities for Māori to contribute to its decision-making processes.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Local Government Act 2002	Section 200 Sections 100-120	Ensure compliance with requirements relating to development contributions, including: 1. limitations applying to requirement for development contributions (Section 200). 2. the requirement for a schedule of assets for which development contributions will be used (Section 201A). Ensure compliance with all relevant provisions including ensuring all required financial policies are in place.
Local Government Act 2002	Sections 207A-207F	Ensure compliance with requirements relating to development agreements.
Local Government Members (2022/23) Determination 2022	All Sections	Ensure that salaries and allowances are paid to members in accordance with this determination.
Local Government Official Information and Meetings Act 1987	All Sections Parts 1-6 Section 44A Part 7	Ensure compliance with all relevant provisions. Satisfying requests for information (except if good reason for withholding the information exists). Ensure Land Information Memorandum include the information required under Section 44A. Providing information in a timely manner when requested, to enable responses to LGOIMA requests within the required timeframes. Ensure requirements for Council meetings are met, including requirements for public notification of meetings, agendas and conduct of meetings.
Machinery Act 1950	Section 21A	Administering permits for amusement devices.
Minimum Wage Act 1983	All Sections	Compliance with requirements for minimum wages.
Natural and Built Environment Act 2023	All Sections	Ensure compliance with all relevant provisions currently in effect.
National Animal Identification and Tracing Act 2012	Relevant Sections	Ensure compliance with all relevant provisions.
New Zealand Bill of Rights Act 1990	All Sections	Ensure compliance with NZBORA, including - 1. Rights relating to the life and security of the person; 2. Democratic and civil rights; 3. Non-discrimination and minority rights; 4. search, arrest, and detention rights

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
New Zealand Library Association Act 1939	All Sections	Administer the requirements of the Act if member of the association.
Ombudsman Act 1975	All Sections	Ensure compliance with all relevant provisions.
Oversight of all relevant legislation	All	Report any known legislative compliance risk, concern, and breach.
Parental leave and Employment Protection Act 1987	All Sections	Administration of payroll parental leave.
Parental leave and Employment Protection Act 1987	All Sections	Administration of payroll parental leave. Ensure Council's obligations as employer are met in respect of all applications made for parental leave.
Privacy Act 2020	All Sections	Ensure Council's compliance with Act in respect of: 1. Observance of information privacy principals and public register privacy principals. 2. That a privacy officer is appointed and trained. 3. Satisfying requests for personal information (except if good reason for withholding such information exists) and for correcting personal information. 4. All privacy breaches are reported.
Property Law Act and any Regulations made under the Act	All Sections	Ensure compliance with all relevant provisions.
Prostitution Reform Act 2003	All Sections	Ensure compliance with this Act, including inspect premises as and when appropriate.
Protected Disclosures (Protection of Whistleblowers) Act 2022	All Sections	Ensure compliance as a Receiver under the Act.
Psychoactive Substances Act 2013	Relevant Sections	Ensure bylaws and policies enacted under an Act complies with the legislative requirements of that Act.

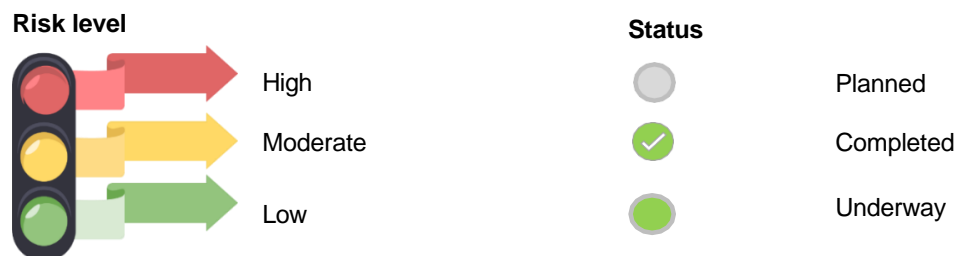
LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Public Records Act 2005	All Sections, particularly Sections 17 and 18.	Ensure that the classes of materials listed are not destroyed except with the prior approval of Chief Archivist. Maintain full and accurate records of the Council's affairs, in accordance with normal, prudent business practice, including the records of any matter that is contracted out to an independent contractor.
Public Works Act 1981	All Sections Sections 17-39 Sections 40-42	Ensure compliance with all relevant provisions. Ensure compliance with Act when acquiring land under the Act. Ensure compliance with this Act when disposing of land no longer required for a public work.
Racing Industry Act 2020	Relevant Sections	Ensure bylaws and policies enacted under an Act complies with the legislative requirements of that Act.
Railways Act 2005	All Sections	Railway crossings are to be maintained by Council and/or Kiwi Rail in accordance with their respective obligations under this Act.
Rates Rebate Act 1973	All Sections	Process applications for rebate and grant all qualifying applications. Give information about the rebate to those who may be entitled to make an application.
Rating Valuations Act 1998	All Sections	Ensure that valuation and rating rolls are maintained in compliance with the Act.
Reserves Act 1977	All Sections	Ensure that all land that is subject to this Act is administered in compliance with the Acts requirements.
Residential Tenancies Act 1986	All Sections	Ensure that requirements of the Act are complied with.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Resource Management Act 1991	All Sections including 104. Sections 6(e), 7(a) and 8, subpart 2 of Part 5	<p>Ensure that requirements of the Act are complied with.</p> <p>Investigation and administration of subdivision or land use consent applications for compliance with Council's Land Development Minimum Requirements and Subdivision and Development Principles and Requirements, 2012.</p> <p>Ensure compliance with resource consents relating to discharge management of transfer stations and three closed landfills.</p> <p>Enforcement and infringements under relevant provisions of the Act.</p> <p>Administration of Act, including:</p> <ol style="list-style-type: none"> 1. Reviews of District Plan and preparation of resulting plan changes (particularly Sections 73 to 77M, Section 77T, Section 79, Schedule 1, and Schedule 3A). 2. Carrying out procedures for making plan changes operative (Clause 20, Schedule 1). 3. Fix fees and charges (Section 36 to 36AA). 4. Maintain records, gather information and monitor (particularly, Sections 35 to 35A). 5. Processing of private plan change applications (particularly, Part 2 of Schedule 1). 6. Carrying out process in relation to notices of requirement for designations (Part 8). 7. Ensure that the Council provides opportunities for Māori to contribute to its decision-making processes.
Sale and Supply of Alcohol Act 2012	All Sections Sections 186-200	<p>Administration of hearings for the Kapiti District Licensing Committee.</p> <p>Performance the functions and exercise the powers of Secretary of the Kapiti District Licensing Committee.</p> <p>Administration of the Act for Kapiti's District Licensing Committee, including:</p> <ol style="list-style-type: none"> 1. Process applications for licenses and managers certificates. 2. Conducting inspections and making reports. 3. Maintaining records. 4. Investigating complaints and liaising with Police over enforcement.
Secret Commissions Act 1910	All Sections	Advise members at least three yearly, of their personal obligations and the Auditor-General's ability to surcharge them personally in some circumstances.
Shop Trading Hours Act 1990	Relevant Sections	Ensure bylaws and policies enacted under an Act complies with the legislative requirements of that Act.



LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Smokefree Environments and Regulated Products Act 1990	Part 1	Ensure no Council employee smokes or vapes in a Council workplace or vehicle.
Spatial Planning Act 2023	All Sections	Ensure compliance with all relevant provisions currently in effect.
Statutory Land Charges Registration Act 1928	All Sections	Ensure compliance with all relevant provisions.
Summary Proceeding Act 1957	Section 87, 88,103	Administration of attachment order for unpaid fines. Ensure compliance with all relevant provisions.
Telecommunications Act 2001	All Sections	Ensure compliance with all relevant provisions relating to works.
Traffic Regulations 1976	All Sections	1. Enforcement of parking restrictions and other stationary vehicle offences. 2. Maintenance and review of traffic bylaws.
Trespass Act 1980	All Sections	Ensure compliance with the Act.
Unit Titles Act 2010	All Sections	Ensure compliance with all relevant provisions.
Urban Development Act 2020	Sections relating to levies.	Ensure compliance with provisions relating to levies.
Utilities Access Act 2010	All Sections	Ensure compliance with Code established under this Act.
Volunteers Employment Protection Act 1973	All Sections	Administration of voluntary and military service in regard to payroll.
Wages Protection Act 1983	All Sections	Ensure payroll system operates without infringing the requirements and obligations imposed by this Act.
Walking Access Act 2008	All Sections	1. Ensure compliance with the Act where Council is appointed as the controlling authority of walkways. 2. Make Bylaws for maintenance of walkways or conditions of use of walkways
Waste Minimisation Act 2008	All Sections	Ensure compliance with all relevant provisions.


LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Water Services Act 2021	All Sections	<p>1. If local authority supplies drinking water - ('drinking water' defined in Section 6, 'drinking water supplier' defined in Section 8).</p> <ul style="list-style-type: none">- Must comply with Part 2 including duty to supply safe drinking water, duty to provide sufficient quantity of drinking water <p>2. If local authority is a 'drinking water network operator' (as defined in s 140) - subpart 8 applies.</p> <ul style="list-style-type: none">- Must give information requested to Taumata Arowai- Keep records
Wild Animal Control Act 1977	Part 4, Section 30 -31	<p>To ensure that any destruction of wild animals in the District is undertaken in accordance with a plan approved by the Minister.</p> <p>Administration of Act including the decision to apply funds to the destruction of wild animals.</p>



Attachment 2: Legislative compliance breaches 1 July 2023 – 30 September 2023







Non-compliance description	Group	Type	Date Received	Corrective Action	Risk Level	Status
Given we have volumetric water charges, we do not fully comply with the Local Government (Rating) Act 2002 that requires the Council to fully assess each property's total rates for the rating year.	Corporate Services	Rating	Ongoing	Q4 2223 Compliance not possible given we have volumetric water charges.	Low	Ongoing
Staff not following the "one-up" authorisation process as noted in the General Expense corporate policy.	Corporate Services	Unauthorised expenditure	Q1 2324	Q1 2324 Where possible, the EPOs have been reopened and reauthorised by the appropriate budget manager. Other non-compliance examples are due to timing and the nature of purchases made, which are generally of a low value nature. There is ongoing work with the business units to remind them of the recently updated General Expense policy and the need for compliance (re Internal controls) and also offering training as and when required.	Low	Underway


Non-compliance description	Group	Type	Date Received	Corrective Action	Risk Level	Status
Possible non-compliance regarding the Council's 'Water devices loan' scheme and the requirements under the Credit Contracts and Consumer Finance Act (CCCFA).	Corporate Services	Loan	Q1 2324	Q1 2324 We have recently engaged Simpson Grierson to review the current scheme offered and to assess whether our terms are compliant with the CCCFA legislation.	Low	
Compliance with discharge conditions in the resource consent for the Otaihangā Landfill remains difficult and is managed through a Leachate Management Plan in collaboration with GWRC and our annual monitoring reports. There was an incident during stormwater works at the landfill where an unexpected discharge from the landfill was released into the leachate drain.	Infrastructure Services	Resource Consent	Q4 2223	Q4 2223 Greater Wellington Regional Council (GWRC) has been notified by the Waste Projects Manager and additional samples have been taken and discussed. It is managed through existing compliance discussions with the monitoring officer for GWRC. It has not been categorised as a non-compliance by GWRC, but a final report is to be submitted once all of the additional test results are back. Q1 2324 The final report has been commissioned to be submitted late October.	Low	<u>Underway</u> 


Non-compliance description	Group	Type	Date Received	Corrective Action	Risk Level	Status
<p>Council has an ongoing breach of its resource consent for Otaki Wastewater Treatment Plant (WGN160002) due to elevated diagnostic reference levels (DRL) of dissolved reactive phosphorous (DRP). The Council has exceeded this limit since monitoring commenced in 2017, and GWRC first recorded this non-compliance in the 2019 compliance report.</p> <p>GWRC issued a warning letter on 30 November 2022 and the Council has engaged consultants to investigate the issue. An investigation was not undertaken in 2019 as Council's consultants were negotiating with GWRC to exceed the trigger level for DRP in the consent, and staff changes and shortages at the time prevented further actions being undertaken. The current investigation will identify options for ongoing compliance with the limits.</p>	Infrastructure Services	Resource Consent	Ongoing – initially raised in 2019	<p>Q4 2223 Investigation underway after scope of investigation was approved by both Iwi and GWRC.</p> <p>Q1 2324 Investigation complete and recommendations are being implemented to reduce DRP.</p> <p>We've received the final investigation report from Stantec and will submit this to GWRC. We have agreed on several recommendations that will be implemented, including further planting on the Land District Treatment Area (LDTA) and lining the aeration pond. These measures are anticipated to reduce DRP in the groundwater.</p>	Low	<p><u>Underway</u></p> 

Non-compliance description	Group	Type	Date Received	Corrective Action	Risk Level	Status
Non-compliance for Ōtaki Wastewater Treatment Plant relating to discharge meter reading showing more than permitted flow at Ōtaki WWTP's Land Disposal Treatment Area (LDTA.)	Infrastructure Services	Resource Consent	Q4 2223	<p>Q4 2223 The discrepancies in the reading were due to the SCADA system glitch. It was explained to GWRC, and issue is resolved.</p> <p>Q1 2234 GWRC advised this will be marked as a non-compliance but no further actions will be taken.</p>	Low	<p>Completed</p> 
<p>Possible breach of the Local Government Act when a staff member cut a tree branch overhanging from the roadside and in the process entered into private property to stack the wood up. At the time of cutting the branch the staff member had not first notified the owner of the property as required under Section 355(9) of the LGA 1974.</p> <p>A complaint was received and a complaint response was issued, apologising to the owner and offering to pay compensation if there was damage to a statue that was knocked over during the incident. Incident occurred 22 June 2023 - reported to team via complaint from [REDACTED], which was responded to.</p>	Infrastructure Services	Local Government Act 1974	Q1 2324	<p>Q1 2324 Staff have been reminded that any work required to be carried out on private property is only to commence once the property owner has been contacted. If they are unable to contact the owner then work is not to start and the manager in charge is to be notified for follow up with property owner.</p> <p>In the event of an emergency where not doing something is likely to cause damage or injury, staff may carry out the work once they have notified their manager. This is supported by the LGA.</p>	Low	<p>Completed</p> 

Non-compliance description	Group	Type	Date Received	Corrective Action	Risk Level	Status
Local Government Official Information and meetings Act 1987 statutory timeframes not met.	People and Partnerships	LGOIMA	Q1 2324	<p>Q1 2324 LGOIMA - 2324-572 - Request was validly extended to allow for consultation with mana whenua partner to 30 June 2023. Ultimately responded on 11 September 2023 due to delays in being able to connect with mana whenua partner to receive a response. We had tried multiple lines of communication to consult but were unable to get a response in a timely manner. Apology provided to customer for delay in response letter.</p> <p>2324-698 - Request sent to Mayor on 3 September 2023. Response within 20 working days would have been due on 29 September 2023. Not received by team until 11 October. We are working on getting a response out as soon as practicable.</p>	Low	<p>Completed</p> 
The Building Act 2004 sets a 20-day statutory timeframe for granting of a building consent and for issuing a code compliance certificate. During this period the council granted 93% of consents and 96.01% of code compliance certificates within 20 working days (Average 12 days and 7.7 days respectively). The 3 main causes were human error, IT and workload.	Regulatory Services	Building Consents	Q1 2324	<p>Q1 2324 Steps have been taken to mitigate this via extra training for officers as well as appointment of additional contractors to supplement in house resources</p>	Low	<p>Completed</p> 

Non-compliance description	Group	Type	Date Received	Corrective Action	Risk Level	Status
Unknown KCDC staff member inappropriately used NZTA registration system to access number plate of car involved in shooting in Auckland.	Regulatory Services	Privacy	Q4 2223	<p>Q4 2223 Staff working with NZTA to resolve the issue and a number of actions are being taken to address this including review of ICT systems, access and passwords; a communication to staff using the system; and training scheduled for relevant staff. Actions to be completed by end of August 2023.</p> <p>Q1 2324 The shared user logon and password has been disabled and can no longer be used. IT Service Desk are now responsible for administering the system and new individual user logons and passwords have been issued to staff that require access. All access is now fully auditable by NZTA. Training arranged for affected staff.</p>	Low	<p>Completed</p> 
The Resource Consents team exceeded the 20 day to issue Resources Consents, averaging 22 days for the quarter.	Regulatory Services	Resource Consents	Q1 2324	<p>Q1 2324 In large part due to very old consents coming off hold which in turn impacted the quarterly average.</p>	Low	<p>Completed</p> 

Non-compliance description	Group	Type	Date Received	Corrective Action	Risk Level	Status
<p>Under section 35(2AA) of the RMA: Every local authority must, at intervals of not more than 5 years, compile and make available to the public a review of the results of its monitoring under subsection (2)(b).</p> <p>If the five-year interval starts when the District Plan provisions were made operative, then for most of the plan there will not need to be a s35(2AA) review made public until 2026. However, the coastal hazard provisions were withdrawn in 2014, following which a suite of litigation ensued, and a suite of provisions from the 1999 Operative District Plan have continued to apply since that time. Accordingly, it could be determined that these provisions are overdue for s35 review. This issue is not a surprise for Council, who are aware of the issue and work programme underway through Takutai Kāpiti.</p>	Strategy and Growth	District Plan	Q4 2223	<p>Q4 2223 To address the suggested non-compliance, Council is currently scoping a section 35 review of those provisions.</p> <p>Q1 2324 Update: Technically we have not met requirements around updating the operative district plans chapters on coastal hazards. This is required every 10 years. Due to previous litigation on this matter, and an agreement to undertake community engagement work via Takutai Kapiti which will not finish until May 2024, we will not complete the district plan change until 2025/26. Our district is not alone in having complication with this work. The community disagrees with guidance provided by the Ministry for the Environment on coastal hazard identification. In October, we have written to the Ministry for the Environment and Department of Conservation about these issues and asked them to clarify expectations for local authorities.</p>	Low	<p><u>Underway</u></p> 

Non-compliance description	Group	Type	Date Received	Corrective Action	Risk Level	Status
Procurement breach relates to Takutai Kāpiti and previous procurement undertaken by staff. Three pieces of work with two providers have no contracts in place, or procurement paperwork.	Strategy and Growth	Procurement Breach	Q1 2324	Q1 2324 Staff are not yet clear if this is because it has not been filed and the person has left, or if it just is not in place. Staff are taking action to document the issue.	Low	<u>Underway</u> 

8.7 FORWARD WORK PROGRAMME 2024 FOR RISK AND ASSURANCE COMMITTEE

Kaituhi | Author: **Mark de Haast, Group Manager Corporate Services**

Kaiwhakamana | Authoriser: **Mark de Haast, Group Manager Corporate Services**

TE PŪTAKE | PURPOSE

- 1 This report seeks agreement to the forward work programme for the Risk and Assurance Committee in 2024.

HE WHAKARĀPOOTO | EXECUTIVE SUMMARY

- 2 An executive summary is not required for this report.

TE TUKU HAE PAPA | DELEGATION

- 3 The Risk and Assurance Committee (Committee) has the delegation to consider this matter under the section of Part C.3 of the Governance Structure and Delegations 2022-2025 Triennium which states: *"This committee is responsible for monitoring the Council's financial management, financial reporting mechanisms and framework, and risk and assurance function, ensuring the existence of sound internal systems."*

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee approves its Forward Work Programme for the 2024 calendar year as set out in Appendix 1 to this report.

TŪĀPAPA | BACKGROUND

- 4 The work programme for 2024 needs to be discussed and agreed at this meeting. While the Chief Executive retains responsibility for approving the Committee agenda, this report provides an opportunity for the Committee to discuss and endorse its work programme going forward.

HE KŌRERORERO | DISCUSSION

- 5 The 2024 forward work programme for the Risk and Assurance Committee as developed by the Group Manager Corporate Services is attached in Appendix 1 to this report.

He take | Issues

- 6 The establishment and presentation of the forward work programme is in accordance with the Office of the Auditor General's best practice guidance. This approach is used by other Councils throughout New Zealand.
- 7 That same best practice also provides for the Committee to review its forward work programme at each subsequent meeting to ensure it remains relevant and can be adapted to changes in the Council's top 10 organisational risks, as detailed in a separate report to this Committee.

Ngā kōwhiringa | Options

- 8 The Committee can consider and if necessary, make amendments to the forward work programme attached as Appendix 1 to this report.

Tangata whenua

- 9 Whilst this report does not directly affect tangata whenua, any such considerations will be included where appropriate in other reports presented to the Committee as part of the approved work programme.

Panonitanga āhuarangi | Climate change

- 10 There are no climate change considerations for this report.

Ahumoni me ngā rawa | Financial and resourcing

- 11 There are no financial or additional considerations for this report.

Ture me ngā Tūraru | Legal and risk

- 12 There are no legal considerations or risks for this report.

Ngā pānga ki ngā kaupapa here | Policy impact

- 13 There is no impact on existing Council policies.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT**Te mahere tūhono | Engagement planning**

- 14 No engagement planning is required for this report.

Whakatairanga | Publicity

- 15 The approved forward work programme will be publicised through the publication of the agenda and minutes of the Council meetings.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. 2024 Forward Work Programme [↗](#)

Forward work programme of Risk and Assurance Committee - 2024

Area of Work (as per OAG) and Lead	Risk and Assurance Committee - Forward work programme 2024				
	Meeting #1 (Q2) – 15 Feb 24	Meeting #2 (Q3) – 23 May 24	Meeting #3 (Q4) – 15 Aug 24	Meeting #4 – 15 Oct 2024	Meeting #5 (Q1) – 21 Nov 24
Forward work programme <i>GM, Corporate Services</i>	Work Programme	Work Programme	Work Programme		Work Programme
Assurance <i>GM, Corporate Services</i>	Internal Audit activities update	Internal Audit activities update	Internal Audit activities update		Internal Audit activities update
Enterprise Risk – Top 10 Organisational Risks <i>GM, Corporate Services</i> – Audit Control Findings <i>GM, Corporate Services</i>	Top 10 Organisational Risk Report	Top 10 Organisational Risk Report	Top 10 Organisational Risk Report		Top 10 Organisational Risk Report
	Progress Update regarding Audit Control Findings 2022/23	Progress Update regarding Audit Control Findings 2022/23	Progress Update regarding Audit Control Findings 2022/23		Control Findings for the year ended 30 June 2024
Health, Safety and Wellbeing <i>Organisational Development Manager</i>	Health and Safety Quarterly Reports: Oct to Dec 23	Health and Safety Quarterly Report: Jan to March 24	Health and Safety Quarterly Report: April to June 24		Health and Safety Quarterly Report: July to Sept 24
Annual report <i>GM, Corporate Services</i>				<ul style="list-style-type: none">Draft Annual Report 2023/24Ernst & Young Close-Out Report	
Annual budget 2023/24 <i>GM, Corporate Services</i>	Quarterly Treasury Compliance Oct to Dec 23	Quarterly Treasury Compliance Jan to March 24	Quarterly Treasury Compliance April to June 24		Quarterly Treasury Compliance July to Sept 24
External Audit <i>Ernst & Young</i>	Ernst & Young Audit Plan for the Year ended 30 June 2024 <i>Attendance by Ernst & Young</i>				
Legal Risk <i>GM, People and Partnerships</i>	Update on Litigation Status, Statutory Compliance Issues and Investigations: Oct-Dec 23	Update on Litigation Status, Statutory Compliance Issues and Investigations: Jan to March 24	Update on Litigation Status, Statutory Compliance Issues and Investigations: April to June 24		Update on Litigation Status, Statutory Compliance Issues and Investigations: July to Sept 24
Insurance <i>GM, Corporate Services</i>	Update on Insurance activities	2024/25 Insurance Renewals	Update on Insurance activities		Update on Insurance activities

9 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES**9.1 CONFIRMATION OF MINUTES - 21 SEPTEMBER 2023**

Author: Evan Dubisky, Democracy Services Advisor

Authoriser: Hara Adams, Group Manager Iwi Partnerships

TAUNAKITANGA | RECOMMENDATIONS

That the minutes of the Risk and Assurance Committee meeting of 21 September 2023 be accepted as a true and correct record.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Minutes of Risk and Assurance Committee - 21 September 2023 [↓](#)

RISK AND ASSURANCE COMMITTEE MEETING MINUTES**21 SEPTEMBER 2023**

**MINUTES OF KĀPITI COAST DISTRICT COUNCIL
RISK AND ASSURANCE COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, GROUND FLOOR, 175 RIMU ROAD, PARAPARAUMU
ON THURSDAY, 21 SEPTEMBER 2023 AT 9:30AM**

PRESENT: Mr David Shand (Chair), Mayor Janet Holborow, Deputy Mayor Lawrence Kirby, Cr Glen Cooper, Cr Liz Koh, Cr Jocelyn Prvanov, Mr David Cochrane, Ms Oriwia Raureti

IN ATTENDANCE: Mr Cam Butler, Mr Bernie Randall, Cr Rob Kofoed, Mr Mark de Haast, Ms Kris Pervan, Ms Steffi Haefeli, Ms Jessica Mackman, Ms Anna Smith, Ms Sharon Foss, Ms Nienke Itjeshorst, Mr Sam Nicolle, Mr Michael Parrish, Ms Laura Willoughby, Ms Jing Zhou
Via Zoom: Ms Sheryl Gavin, Mr Josh Ryan

APOLOGIES: Mr Bede Laracy, Mr Richard Mansell

LEAVE OF ABSENCE: There were none.

1 WELCOME

The Chair, David Shand, welcomed everyone to the meeting.

2 COUNCIL BLESSING

The Chair read the Council blessing and karakia a te Kaunihera.

3 APOLOGIES

The Chair, David Shand, advised that apologies had been received from Community Board Members Bede Laracy and Richard Mansell.

APOLOGY

COMMITTEE RESOLUTION RAC2023/29

Moved: Cr Jocelyn Prvanov

Seconder: Cr Liz Koh

That the apologies received from Bede Laracy and Richard Mansell be accepted.

CARRIED

4 DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA

There were no declarations of interest made.

5 PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA

There were no members of the public present that wished to speak.

RISK AND ASSURANCE COMMITTEE MEETING MINUTES**21 SEPTEMBER 2023****6 MEMBERS' BUSINESS**

- (a) Public Speaking Time Responses
There were no public speakers.
- (b) Leave of Absence
There were no requests for a leave of absence.
- (c) Matters of an Urgent Nature (advice to be provided to the Chair prior to the commencement of the meeting)
There were no matters of an urgent nature notified to the Chair.

7 HE KŌRERO HOU | UPDATES

There were no updates scheduled on the agenda.

8 PŪRONGO | REPORTS**8.1 CLOSING REPORT FROM AUDIT FOR THE YEAR ENDED 30 JUNE 2023**

Sam Nicolle, Ernst and Young introduced the item and provided an overview of the report.

Mark de Haast, Group Manager Corporate Services and Mr Nicolle answered members' questions.

COMMITTEE RESOLUTION RAC2023/30

Moved: Mr David Shand

Seconder: Cr Liz Koh

That the Risk and Assurance Committee receives and notes this report including Appendix 1 to this report.

CARRIED

8.2 ANNUAL REPORT 2022/23

Mark de Haast, Group Manager Corporate Services, introduced the item and acknowledged those involved in preparing the draft annual report. Mr de Haast provided a brief overview of the draft report and members discussed the report in detail.

Mr de Haast, Josh Ryan, Research First and Kris Pervan, Group Manager Strategy & Growth answered members' questions.

Cr Glen Cooper left the meeting at 10:42 am and returned at 10.43am.

The meeting adjourned at 11.06am and reconvened at 11.17am.

Community Board Member Bernie Randall left the meeting at 11.57am returned at 11.59am.

COMMITTEE RESOLUTION RAC2023/31

Moved: Deputy Mayor Lawrence Kirby

Seconder: Cr Jocelyn Prvanov

It is recommended that the Risk and Assurance Committee:

- A. **Notes and receives** this report, including Appendix 1 and 2 to this report.

RISK AND ASSURANCE COMMITTEE MEETING MINUTES

21 SEPTEMBER 2023

- B. **Recommends** the draft Annual Report 2022/23 and the Summary Annual Report 2022/23 be provided for consideration and adoption by the Council on 26 October 2023.
- C. **Delegates** authority to the Chief Executive and Chair of the Risk and Assurance Committee to make minor editorial changes to the draft Annual Report 2022/23 and its summary prior to being submitted to the Council for adoption.

CARRIED**9 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES****9.1 CONFIRMATION OF MINUTES****TAUNAKITANGA | RECOMMENDATIONS**

That the minutes of the Risk and Assurance Committee meeting of 3 August 2023 be accepted as a true and correct record.

COMMITTEE RESOLUTION RAC2023/32

Moved: Mayor Janet Holborow

Seconder: Cr Liz Koh

CARRIED**10 CONFIRMATION OF PUBLIC EXCLUDED MINUTES****COMMITTEE RESOLUTION RAC2023/33**

Moved: Mayor Janet Holborow

Seconder: Deputy Mayor Lawrence Kirby

That, pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987, the public now be excluded from the meeting for the reasons given below, while the following matters are considered.

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(1) 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
10.1 - Confirmation of Public Excluded Minutes	Section 7(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	Section 48(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

RISK AND ASSURANCE COMMITTEE MEETING MINUTES

21 SEPTEMBER 2023

	<p>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>Section 7(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</p> <p>Section 7(2)(f)(ii) - the withholding of the information is necessary to maintain the effective conduct of public affairs through the protection of Council members, officers, employees, and persons from improper pressure or harassment</p> <p>Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	
CARRIED		

The Te Komiti Whakamauru Tūraru | Risk and Assurance Committee went into public excluded session at 12.02pm.

MOVE OUT OF PUBLIC EXCLUDE BUSINESS**COMMITTEE RESOLUTION RAC2023/35**

Moved: Deputy Mayor Lawrence Kirby
 Seconder: Cr Liz Koh

That the Te Komiti Whakamauru Tūraru | Risk and Assurance Committee moves out of a public excluded meeting.

CARRIED

RISK AND ASSURANCE COMMITTEE MEETING MINUTES**21 SEPTEMBER 2023**

The Te Komiti Whakamauru Tūraru | Risk and Assurance Committee came out of public excluded session at 12.04pm

The Chair, David Shand invited Oriwia Raureti to close the meeting with karakia.

The Te Komiti Whakamauru Tūraru | Risk and Assurance Committee meeting closed at 12.06pm.

.....
HEAMANA | CHAIRPERSON

Unconfirmed

10 PURONGO KĀORE E WĀTEA KI TE MAREA | PUBLIC EXCLUDED REPORTS**RESOLUTION TO EXCLUDE THE PUBLIC****PUBLIC EXCLUDED RESOLUTION**

That, pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987, the public now be excluded from the meeting for the reasons given below, while the following matters are considered.

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(1) 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
10.1 – Litigations and External Investigations Report	<p>Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>Section 7(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>Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	Section 48(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

11 CLOSING KARAKIA