



RĀRANGI TAKE AGENDA

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, 15 August 2024

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 15 August 2024, 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

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 Teputeihana Deputations.....	5
	Nil	
7	Ngā Take a ngā Mema Members' Business	5
8	He Kōrero Hou Updates.....	6
8.1	First discussion on Recovery, as the second component of the emergency management programme.	6
9	Pūrongo Reports.....	30
9.1	Audit Closing Report for the 2024-34 Long-term Plan	30
9.2	EY Control Findings: 2022-23 Audit - Update	49
9.3	Health and Safety Quarterly Report: 1 April 2024 to 30 June 2024	61
9.4	Top 10 Organisational Risk Report.....	69
9.5	Internal Audit Work Programme - Update.....	108
9.6	Quarterly Treasury Compliance.....	111
9.7	Legislative Compliance 1 April to 30 June 2024	121
9.8	Forward Work Programme 2024/25 for Risk and Assurance Committee	144
10	Te Whakaū i ngā Āmiki Confirmation of Minutes	147
10.1	Confirmation of Minutes	147
11	Purongo Kāore e Wātea ki te Marea Public Excluded Reports.....	156
	Resolution to Exclude the Public	156
11.1	Confirmation of Public Excluded Minutes	156
11.2	Litigation and External Investigations Report.....	156
12	Karakia Whakamutunga Closing Karakia.....	158

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

I a mātou e whiriwhiri ana i ngā take kei mua i ō mātou aroaro *As we deliberate on the issues before us,*

E pono ana mātou ka kaha tonu ki te whakapau mahara huapai mō ngā hapori e mahi nei mātou. *We trust that we will reflect positively on the communities we serve.*

Me kaha hoki mātou katoa kia whaihua, kia tōtika tā mātou mahi, *Let us all seek to be effective and just,*

Ā, mā te māia, te tiro whakamua me te hihiri *So that with courage, vision and energy,*

Ka taea te arahi i roto i te kotahitanga me te aroha. *We provide positive leadership in a spirit of harmony and compassion.*

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 TEPUTEIHANA | DEPUTATIONS**

Nil

7 NGĀ TAKE A NGĀ MEMA | MEMBERS' BUSINESS

(a) Updates from the Chair

(b) Leave of Absence

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

8 HE KŌRERO HOU | UPDATES

8.1 FIRST DISCUSSION ON RECOVERY, AS THE SECOND COMPONENT OF THE EMERGENCY MANAGEMENT PROGRAMME.

Kaituhi | Author: **Kris Pervan, Group Manager Strategy & Growth**

Kaiwhakamana | Authoriser: **Kris Pervan, Group Manager Strategy & Growth**

TE PŪTAKE | PURPOSE

- 1 This paper shares an update on the Emergency Management Recovery Programme for the Kāpiti District. We are joined by our Group Recovery Management Team from Wellington Regional Emergency Management Office (WREMO).

TAUNAKITANGA | RECOMMENDATIONS

That the Risk and Assurance Committee:

- A. Note that Kāpiti Coast District and the wider Wellington Region is vulnerable to a number of significant natural hazards and that pre-planning for Recovery is an increasing priority.
- B. Note the focus for the Kāpiti District Recovery Programme, which forms part of the wider Emergency Management requirements, and progress to date.
- C. Note that the Recovery Programme Team will come back to this Committee with an update on Phase 1 activity, as noted in attachment 1, in early 2025.

TŪĀPAPA | BACKGROUND

- 2 The Civil Defence Emergency Management Act 2002 sets out the legislative mandate for Recovery, as part of the Emergency Management framework and requirements. It outlines expectations around roles and responsibilities of Group and Local Recovery Managers, including their authority and accountability during both local and national transition periods. It also outlines the procedures and authority for managing transition periods after emergencies, focusing on the criteria for declaring, extending, and terminating these periods.
- 3 Recovery involves phases of pre-event planning, and actions kick in from the moment that an event triggers an emergency management response. Whilst Emergency Management Response can be in place for weeks, Recovery is a longer haul need that in cases of a major event is likely to last for years.
- 4 Successful community recovery can be defined as the “re-establishment of infrastructure, public services, economy, environment, social and cultural connections, and a general sense of restored stability”. Collectively it is the establishment of a ‘new normal’, hopefully more liveable than before and better able to withstand the next emergency event.
- 5 Key work of the Recovery function is in the Emergency Operations Centre (EOC), as a lead desk, and development of a Recovery Plan. There is a transition period between Response and Recovery, and short period where mandate for ‘orders’ remains in place for the Recovery function. After this, it’s all about influence and collaboration. In practical terms, we will work with the community, business, NGOs and central government to support our community to ‘stand back up’ in the event of a significant impact to daily activity.
- 6 Council has the local responsibility to coordinate recovery planning and programme delivery pre and post event.
- 7 Although the Council’s Recovery Programme is in early development, foundational steps have been progressed through 2023/24 including:

- 7.1 Reviewing our existing Recovery Plan, to incorporate broader scenarios than COVID-19.
- 7.2 Clarifying our role in Recovery with WREMO, and agreement by our Chief Executive to stand up a 'virtual Recovery programme office' and to appoint dedicated staff to progress Recovery work.
- 7.3 Engagement in "Masterclasses" in Disaster Recovery with lead NGOs.
- 7.4 Training and courses via WREMO and NEMA, and learning about what works from previous disasters such as Cyclone Gabrielle. Engaged with Wellington Region Councils, and meeting regularly to plan together.
- 7.5 Involvement in 2x emergency management exercises; and the first Council to have dedicated recovery staff attend exercises in 2023.
- 7.6 Establishing documentation and process to incorporate a recovery focus into Emergency Management process with WREMO.
- 7.7 Briefing with Councillors on Recovery - 'cards of calamity' to better understand a community perspective of what's important for Recovery
- 7.8 Appointment of two additional staff to progress Recovery work. Regular engagement between Controller/s, Recovery Manager, and Emergency Management Advisor.
- 7.9 Initial discussions with community leaders, government, and key groups (incl Chamber of Commerce).

HE TAKE | ISSUES

- 8 The Kāpiti Coast District and the wider Wellington Region is vulnerable to a number of significant natural hazards. Some of these hazards have the potential to be of such a scale and severity that they present an existential threat to our district and region's ongoing viability in its present form.
- 9 There is a 75% chance of an Alpine Fault Earthquake of magnitude 8+ happening any time in the next 50 years. It is not a matter of if, but when.
- 10 The scale and severity of impacts and compounding consequences will be beyond the capacity of any one single agency, organisation or community group to resolve.
- 11 Collaborative planning for recovery needs to start now to reduce the risks and ensure recovery activities are well coordinated, timely, effective, make the best use of money and resources, and ultimately meet the needs of our affected communities so they can recover quickly.
- 12 Everyone will experience a disaster differently. However, common patterns tend to emerge. Understanding this is vital to anticipating and responding to the challenges faced by community and those working in disaster recovery. A focus on driving a community-led and community-owned approach will be critical to success.
- 13 Lessons learnt from other recent disasters and events, indicates that we need to be more proactively pre-planning for future events now. In response to this, we are developing a community-led programme of work to ensure we will be appropriately prepared to act, when required.

NGĀ KŌWHIRINGA | OPTIONS

- 14 There are no options proposed. However, the WREMO and Kāpiti Coast District Council are working together on a new approach for Recovery, which addresses lessons learnt from previous events.
- 15 The new approach will be piloted and implemented in the Kāpiti Coast first, and then utilised across the region. Further details are outlined in the presentation attached which we will discuss at today's meeting with our WREMO partners.

NGĀ MAHI PANUKU | NEXT STEPS

- 16 As outlined on page 21 of the attachment, Phase 1 work will progress through to January 2025 focused on four key areas including:
 - 16.1 Council and Community
 - 16.2 Systems
 - 16.3 Partnerships
 - 16.4 Plans and Procedures.
- 17 We will be working with Elected Members and the community on this work, including proposed governance structures and the establishment and embedding of the Virtual Programme Office within Council, and will update the Committee on progress in early 2025.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Attachment 1: Update on Kāpiti Coast Recovery Programme [↓](#)

Recovery Update

Risk and Assurance Committee

15 August 2024



Focus for discussion

- Why we need to plan for recovery now
- Where Recovery sits in the “4R’s” framework, and its mandate via legislation
- Our local team, and regional WREMO team
- What Recovery involves and what work we have been doing
- Working with WREMO and our next steps

Why we need to plan for recovery now

The Kapiti Coast District and the wider Wellington Region is vulnerable to a number of significant natural hazards

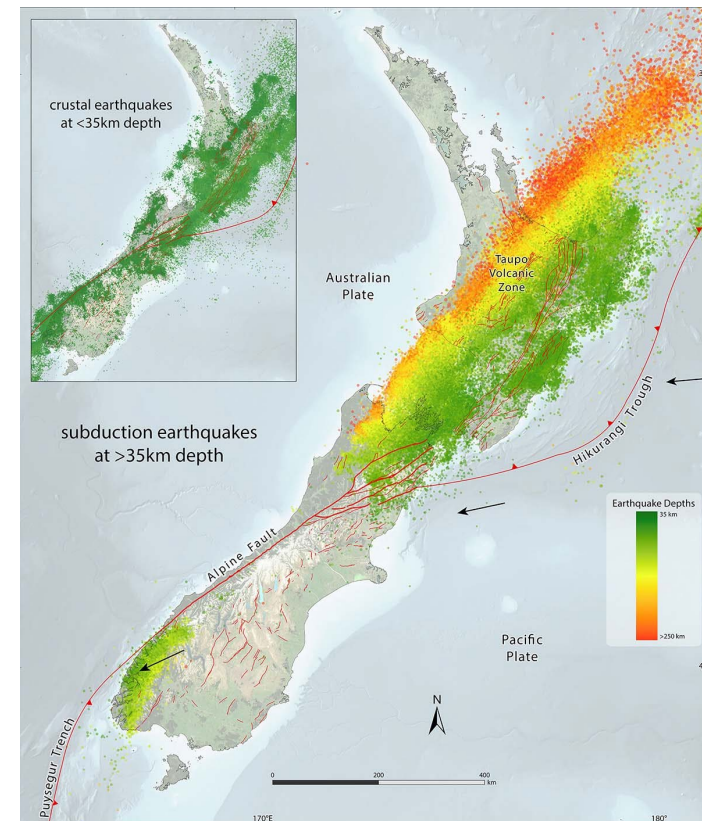
Some of these hazards have the potential to be of such a scale and severity that they present an existential threat to our district and region's ongoing viability in its present form



Risk Assessment

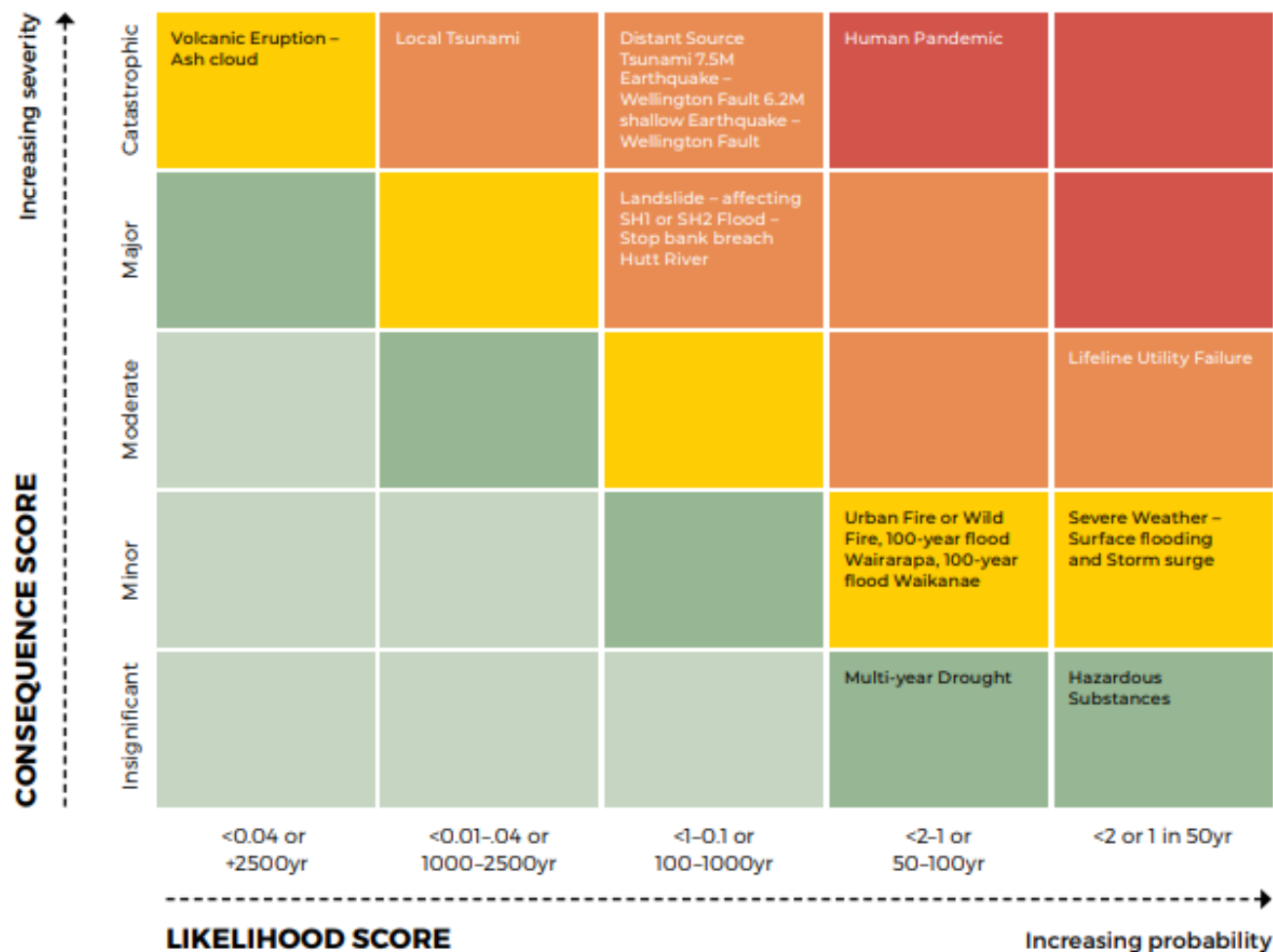
There is a 75% chance of an Alpine Fault Earthquake of magnitude 8+ happening any time in the next 50 years.

It is not a question of 'if' but 'when'.



Risk Assessment

Risk assessment - Wellington Region CDEM Group hazards



Pre-Event Recovery Planning

- The scale and severity of impacts and compounding consequences will be beyond the capacity of any one single agency, organisation or community group to resolve.
- Collaborative planning for recovery needs to start now to reduce the risks and ensure recovery activities are well coordinated, timely, effective, make the best use of money and resources, and ultimately meet the needs of our affected communities so they can recover quickly.
- Council has the local responsibility to coordinate recovery planning and programme delivery pre and post event.

Recovery in the “4Rs” framework

Reduction	Identifying and analysing long-term risks to human life and property from hazards; taking steps to eliminate these risks if practicable, and, if not, reducing the magnitude of their impact and the likelihood of their occurring.
Readiness	Developing operational systems and capabilities before a civil defence emergency happens; including self-help and response programmes for the general public, and specific programmes for emergency services, lifeline utilities and other agencies.
Response	Actions taken immediately before, during or directly after a civil defence emergency to save lives and protect property, and to help communities recover.
Recovery	The coordinated efforts and processes to bring about the immediate, medium-term and long-term holistic regeneration of a community following a civil defence emergency.

Legislation applicable to Recovery

Civil Defence Emergency Management Act 2002 (version as at 1 July 2024)

Part 2 <u>Appointment, functions, and powers of persons involved in civil defence emergency management</u>	
<u>Group Recovery Managers and Local Recovery Managers</u>	
Appointment of Recovery Managers: Group Recovery Managers (Section 29)	Functions and Responsibilities: Group Recovery Manager Functions (Section 30A)
<ul style="list-style-type: none"> • Appointment: A Civil Defence Emergency Management Group must appoint a qualified and experienced individual as the Group Recovery Manager for their area. • Substitute: The Group must also appoint a substitute to perform the duties of the Group Recovery Manager during any vacancy or absence. • Removal and Replacement: The Group has the authority to remove or replace the Group Recovery Manager at any time. • Delegation: The Group can delegate the authority to replace the Group Recovery Manager during a transition period to designated representatives and set conditions for such delegation. 	<ul style="list-style-type: none"> • Coordination: The Group Recovery Manager directs and coordinates the use of resources for recovery activities during a local transition period. • Delegation: The Group Recovery Manager can delegate functions and powers, except the power to delegate further. • Accountability: The Group Recovery Manager or Local Recovery Manager remains accountable for any functions or powers they authorize others to perform. • National Transition Periods: They must adhere to resource and service priorities set by the Director or National Recovery Manager during national transition periods.
Local Recovery Managers (Section 30)	Temporary Provisions (Section 30B)
<ul style="list-style-type: none"> • Appointment: The Group may appoint one or more Local Recovery Managers to handle specific recovery tasks and exercise the Group Recovery Manager's powers within their designated area. • Compliance: Local Recovery Managers must follow the directions of the Group Recovery Manager during transition periods. 	<ul style="list-style-type: none"> • Effective Dates: Temporary provisions apply from the section's commencement until 30 September 2024. • Replacement: During this period, section 30A is replaced by clause 2 of Schedule 3. • Repeal: This section and the associated temporary provisions will be repealed after 1 October 2024.

This legislation outlines the appointment, roles, and responsibilities of Group and Local Recovery Managers, including their authority and accountability during both local and national transition periods.

Legislation applicable to Recovery

Civil Defence Emergency Management Act 2002 (version as at 1 July 2024)

Part 5A Transition periods	
National Transition Period (Section 94A) <ul style="list-style-type: none"> • Authority: The Minister can declare a national transition period after a state of emergency or an un-declared emergency if it's necessary for effective recovery. • Criteria: The Minister must ensure the transition period is in the public interest and necessary for timely recovery. Factors include the affected areas, the shift from response to recovery, and local recovery capacities. • Notification: The Minister must inform the House of Representatives and cancel any existing local transition periods in affected areas. 	Extension of Transition Periods (Section 94D) <ul style="list-style-type: none"> • Authority: The Minister or authorised persons can extend transition periods if needed. • Criteria: Extensions are based on the same criteria as the initial declaration, considering affected areas and local capacities. • Notification: The Minister must inform the House of Representatives for national extensions, and a third or further local extension must be reported to the Minister.
Local Transition Period (Section 94B) <ul style="list-style-type: none"> • Authority: Authorised individuals or the Minister can declare a local transition period after a state of emergency or an un-declared emergency if it's deemed necessary. • Criteria: Similar to the national transition period, the local transition period must be in the public interest and necessary for effective recovery, considering affected areas and local capacities. • Interactions with National Period: A local transition period cannot overlap with a national transition period and cannot be used for COVID-19 without the Minister's approval (with specific conditions). 	Termination of Transition Periods (Section 94E) <ul style="list-style-type: none"> • Authority: The Minister or authorised persons can terminate transition periods at any time. • Requirements: Notices must include the time, date, and areas affected, and be published promptly.
	Notices and Publication (Section 94F) <ul style="list-style-type: none"> • Content: Notices must specify the time, date, and affected areas and follow prescribed forms. • Publication: Notices must be published in newspapers, online, and in the Gazette as soon as practicable.
Commencement and Duration (Section 94C) <ul style="list-style-type: none"> • Commencement: Transition periods start either when a state of emergency ends or when the notice is given. • Duration: National transition periods last 90 days (unless extended or terminated early), and local transition periods last 28 days (unless extended or terminated early). 	Notices and Publication (Section 94F) <ul style="list-style-type: none"> • Application: Temporary provisions apply from the date of enactment until 30 September 2024, replacing certain sections of the legislation. • Effect: Cross-references to replaced provisions are to be treated as references to the corresponding temporary provisions.

This legislation outlines the procedures and authority for managing transition periods after emergencies, focusing on the criteria for declaring, extending, and terminating these periods.

Our local team

We have recently appointed two new positions to support our Recovery work programme and responsibilities. The individuals below represent the core recovery team for the Kapiti Coast District.

Core KCDC Recovery team:



Kris Pervan
*Local Recovery
Manager*



Nicole Davey
*Recovery Lead
(recently appointed)*



Brigid Jenkins
*Alternative
Local Recovery Manager
(recently appointed)*



Gina Anderson-Lister
*Alternative
Recovery Lead*

Core WREMO Recovery team:

Dan Neely
*Group Recovery
Manager*

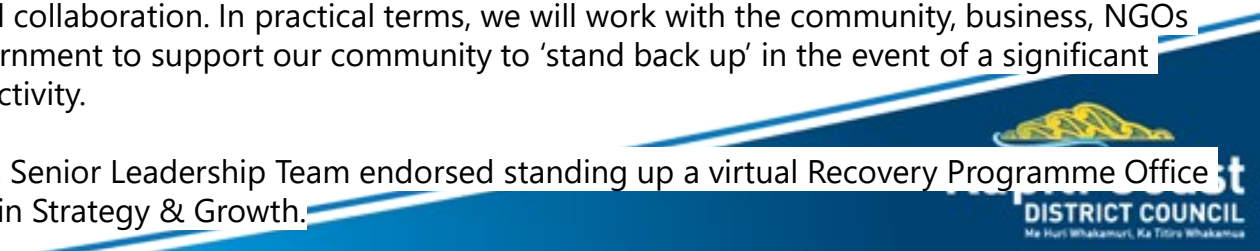
Scott Dray
*Group Recovery
Coordinator*

Our Recovery work is a community-focused, rather than a Council specific function (ie Council business continuity links to our work, but is not our primary purpose).

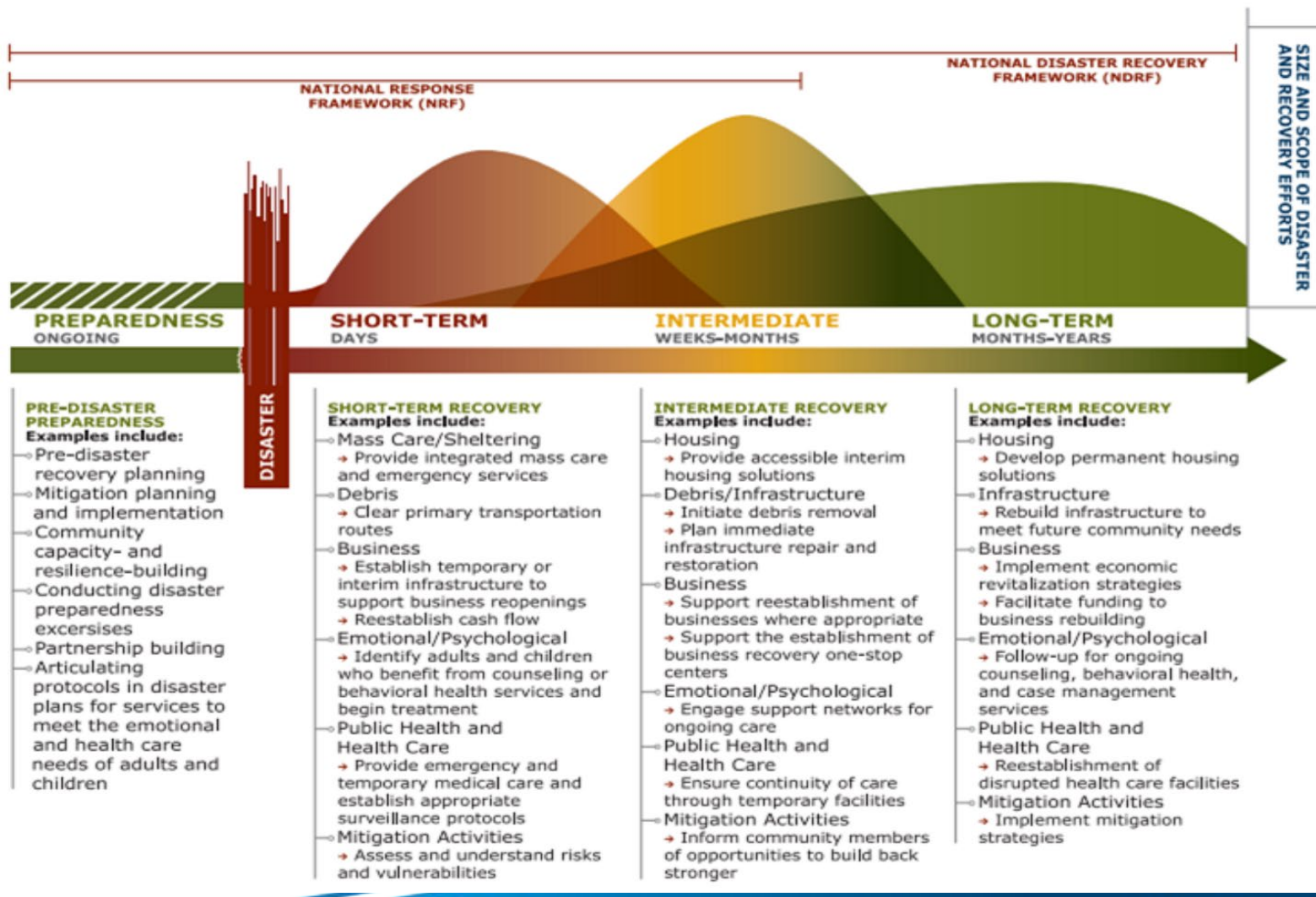
Working with WREMO, we will establish local governance forums and provide a centralised place for discussions to ensure our local elected members have a leading role in supporting our community to thrive.

What Recovery involves

- Recovery involves phases of pre & post event planning and service delivery. Event specific recovery operations start from the moment that an event triggers an emergency management response. Whilst Emergency Management Response can be in place for weeks, Recovery is a longer process that in a major or severe event could last for years.
- Successful community recovery can be defined as the “re-establishment of infrastructure, public services, economy, environment, social and cultural connections, and a general sense of restored stability. Collectively it is the establishment of a ‘new normal’, hopefully more liveable than before and better able to withstand the next emergency event.”
- The recovery process is best described as a continuum involving a sequence of interdependent and often concurrent activities and many participants that progressively advance a community toward a successful recovery outcome. Managing this process is not an easy task. Often there is significant uncertainty due to a lack information, coordination, leadership, access to funds and resources etc.
- During an emergency event, the KCDC recovery team will become an EOC function desk providing a recovery lens to EOC planning and decision making. Key outcomes of the Recovery Desk during the response phase is to plan for the transition from response to recovery, develop an event specific Recovery Action Plan and actively engage with recovery partners.
- Beyond the transition phase, once recovery powers expire, recovery operations are about coordination and collaboration. In practical terms, we will work with the community, business, NGOs and central government to support our community to ‘stand back up’ in the event of a significant impact to daily activity.
- In 2023, Councils Senior Leadership Team endorsed standing up a virtual Recovery Programme Office which is housed in Strategy & Growth.

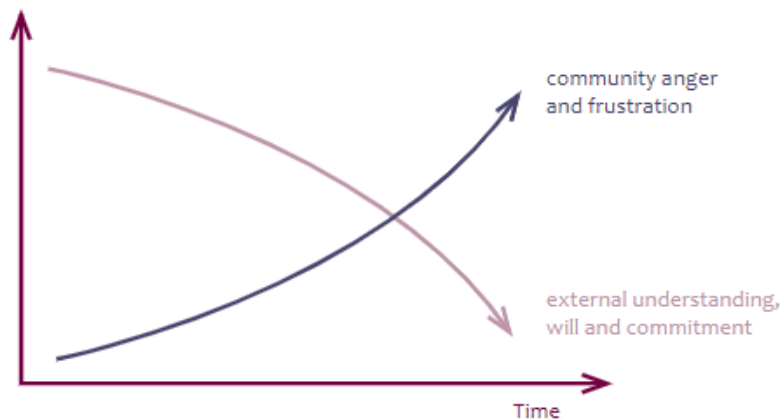


The Recovery continuum – sequence and phases



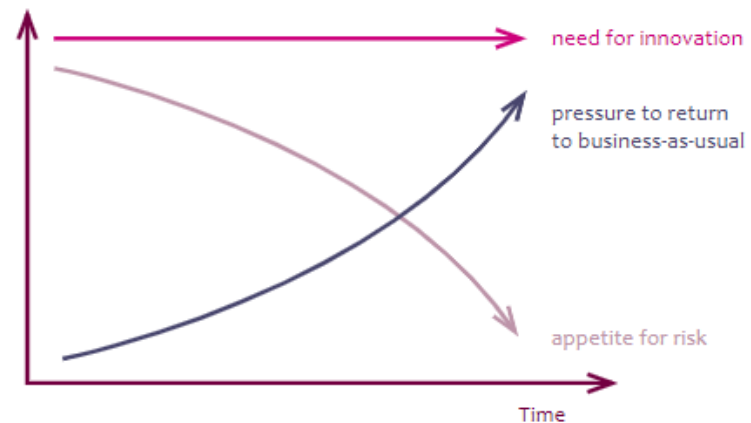
The challenge of Recovery over time

In the early stages after an event there is an abundance of public commitment, will and promises made by public figures.



These decline over time whilst anger felt by communities increases as expectations are not met and stress and frustration take their toll.

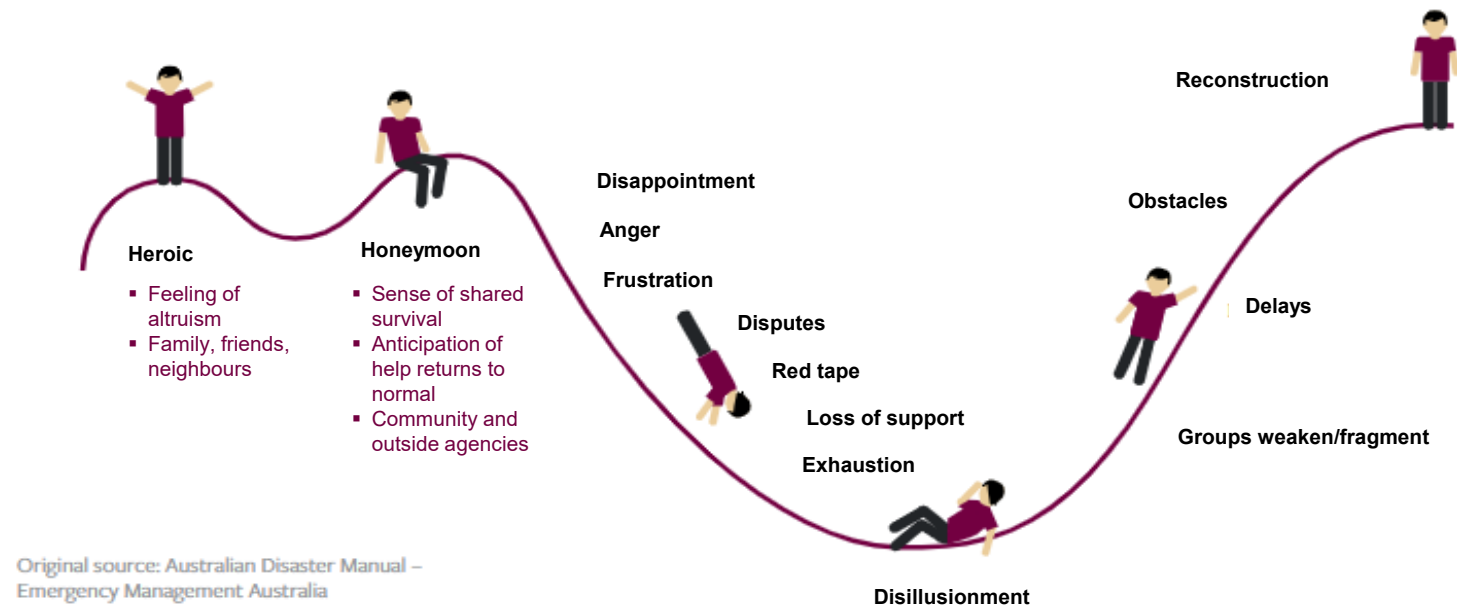
Throughout the recovery process the need to innovate and be flexible remains high.



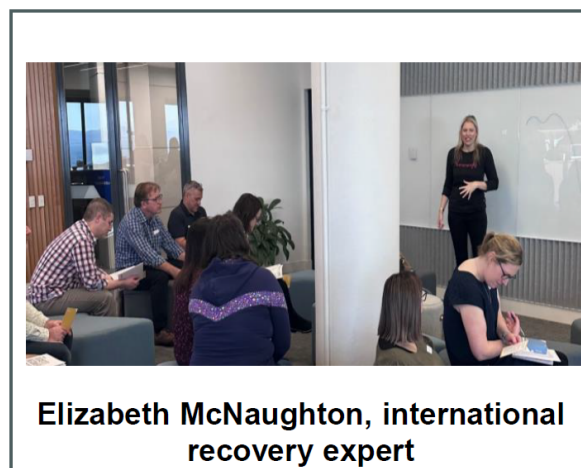
However, over time the pressure to return to business-as-usual practices increases, along with a diminishing appetite for embracing risk and innovation.

A community perspective on what to expect

Everyone will experience a disaster differently. However, common patterns tend to emerge. Understanding this is vital to anticipating and responding to the challenges faced by community and those working in disaster recovery.



Lessons from Recovery in previous disasters



Elizabeth McNaughton, international recovery expert

Relationships will be the make it or break it factor

- You need relationships with central government, not regional, with those who will be making the calls
- You can't build relationships in an emergency situation, doing so will hold you back
- People trust you if they know you – community, partners, central government – anyone really

The 'permissions' environment is your next biggest issue

- Sort Governance out so that it can be stood up as soon as an event hits
- Prepare now for what you can do in advance, we know the scenarios, we know broadly what's needed – establish MOUs with providers (in and outside District), other Districts, central government
- Establish funding mechanisms – philanthropic, central government, NGOs, business, community
- You can't do everything, and you'll need to partner with the community to get the job done
- Make Recovery a thing you do, not an after thought

Community-led recovery is most effective

- Partner with community to determine priorities – remember you're delivering on a vision (thrive)
- Build community into your governance mechanisms
- Silos of central government can create additional barriers – coordination and navigation is important for whānau to get what they need

Lessons from Recovery in previous disasters



Working with the community, not at the community, is key

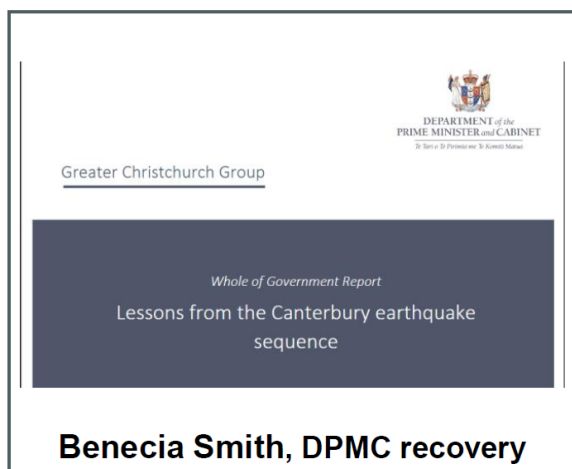
- Regular, planned, open and transparent engagement is needed
- People are traumatized, facing uncertainty and they need to be empowered to have some control in facing a really different future
- Taking the public on the journey – no surprises approach, and accepting their help
- Utilise Elected members to have a leadership role in key areas

External funding is not a guarantee

- Localised events will most likely need to be managed within existing resources
- Regional events are becoming more frequent and may challenge even government budgets, it is likely we will be expected to cover significant cost in some cases
- If central government does step in, expect a request for forecast budget for the next 10 years within the first 2 weeks of recovery period kicking in
- Not everyone is insured – under insurance, lack of insurance, and slow insurance payouts has caused havoc in medium to major events

Building back is may not be possible – it might be starting over

- Recovery takes time - it's a longhaul game, weeks – months for even more isolated events and years for more significant events
- Some things may change permanently (for better or worse)
- Other districts have worked with philanthropic entities to rebuild homes for those underinsured or with no insurance
- In big events, complete reset of spatial planning has been needed – this means policy, district planning, and others are in the forefront of redesign



Advice from leaders in disaster recovery around the globe

1. **HAVING A NOBLE PURPOSE**
people are the purpose
2. **BEING ETHICAL**
it takes courage to do the right thing
3. **BEING INTENTIONAL**
hope is not a method
4. **MAKING DECISIONS**
perfect is the enemy of the good
5. **KEEPING PERSPECTIVE**
seek wise counsel
6. **LEADING WITH EMPATHY**
it's about real connection
7. **BEING INNOVATIVE**
because you have to
8. **SUPPORTING THE TEAM**
people ... not human resources
9. **PRIORITISING SELF-CARE**
to be effective

Source: *Leading in disaster recovery a companion through the chaos report.*

"Bureaucrats talked about community engagement but decisions were foregone conclusions and consultation tokenistic. It felt like being offered the option of having a lobotomy or moving to another country. Which to choose?"

- Anonymous, Victoria, Australia

Getting practical about Recovery in the short-term

Known needs	Challenge	Practical short-term actions for consideration in Kāpiti
Access to Housing	Some people will not have homes, need to rebuild or await insurance if they have it.	<ul style="list-style-type: none"> Identify 'safe' space to build tiny home community that could be used for recovery purposes. When not needed, could be used for tourism and as student housing. Rent would cover operating costs associated with this venture.
Access to power and communication	Many people will be without these in some scenarios, for a lengthy people of time.	<ul style="list-style-type: none"> MOU with power company around recovery priorities and targets; and agreement around redundancy measures. Starlink made available to whole District.
Welfare support	Cash is King – but many people won't have access to their money. Support for basics will be needed.	<ul style="list-style-type: none"> MOU with MSD to identify support packages for scenarios. Engage philanthropic and NGOs on support for people without insurance or who are underinsured. May look to work with providers on a rebuild package for these situations.
Business continuity	Business premise unable to open. Product dependent sources disrupted.	<ul style="list-style-type: none"> Work with business community to land recovery approach, including standing up 'container village' in agreed areas. In the short term, we would utilise container villages (on wheels) for markets and other events. Engage with key transport providers on prioritising product sourcing to District through alternate routes.
Access to food and water supplies	People are not able to eat or drink local produce/water.	<ul style="list-style-type: none"> MOU with providers for longer term requirements. Agreement with water entities on rebuild approach, if needed.
Roading and transport routes	Roading is out; and needs significant repair.	<ul style="list-style-type: none"> Agree priority routes that will be repaired first. Identify routes which community can support clearing, if safe to do.
Access to psychological support	These events are traumatising, people feel they have lost control.	<ul style="list-style-type: none"> Source via MOU a psychological support provider for short and longer-term use across District. Coordinate NGO response for longer-term.
Community connection	Some people will be isolated.	<ul style="list-style-type: none"> MOU for setting up container-based community hub with providers and service providers. One stop shop for help. In the short term, we would utilise container villages (on wheels) for markets and other events.

What's already underway

- Reviewing our existing Recovery Plan, to incorporate broader scenarios than COVID-19.
- Clarifying our role in Recovery with WREMO, and agreement by our Chief Executive to stand up a 'virtual Recovery programme office' and to appoint dedicated staff to progress Recovery work.
- "Masterclasses" in Disaster Recovery with lead NGOs.
- Training and courses via WREMO and NEMA, and learning about what works from previous disasters such as Cyclone Gabrielle. Engaged with Wellington Region Councils, and meeting regularly to plan together.
- Involvement in 2x emergency management exercises; and the first Council to have dedicated recovery staff attend exercises in 2023.
- Establishing documentation and process to incorporate a recovery focus into Emergency Management process with WREMO.
- Briefing with Councillors on Recovery - 'cards of calamity' to better understand a community perspective of what's important for Recovery
- Appointment of two additional staff to progress Recovery work. Regular engagement between Controller/s, Recovery Manager, and Emergency Management Advisor.
- Initial discussions with community leaders, government, and key groups (incl Chamber of Commerce).

Who we are learning from

- Dan Neely and Scott Dray - WREMO
- Elizabeth McNaughton – international recovery expert red cross Australia/Japan
- Benesia Smith – DPMC, Former Lead of the Canterbury Earthquake Recovery Policy Team
- Benita Tahuri - Recovery manager for Wairoa post Cyclone Gabrielle
- Australian Government – perspective on recovery floods and fires

Proposed principles for our Recovery programme

Recovery Managers and other experts suggest these as a starter:

- Locally-led and supported recovery (this is not a “Council-led” thing)
- No community left behind (needs of many, don’t outweigh the few)
- Assume good intentions (act with kindness and patience)
- Community priorities must underpin ‘rebuilding’
- Community is part of the solution (be clear on what community can do rather than holding them back)
- Support local economy (use local businesses)
- Be transparent (Keep communicating, even if you don’t have answers)
- Balance health and safety risks (consider the risk of doing / not doing, and impact for the community)

Next: Kāpiti and WREMO – a pilot Recovery approach

Council and community	Systems	Partnerships	Plans and procedures
Phase one: 31 December 2024			
<ul style="list-style-type: none"> ✓ Recovery function and 'Virtual Programme Office' endorsed by Chief Executive. ✓ Establish roles, JDs and training for Recovery. • Develop a Recovery specific Health & Safety (H&S) Policy. • Create a H&S induction pack. ✓ Establish regular engagement between Controller, Recovery Manager and Emergency Management advisor. 	<ul style="list-style-type: none"> • Determine how the Recovery Office will operate in different scenarios. • Design Recovery Office platform. ✓ Learn from others about how they are attracting philanthropic funding. • Initiate establishment of a Trust for Recovery purposes, including philanthropic funding. 	<ul style="list-style-type: none"> ✓ Initiate discussions with existing local groups about Recovery. • Establish governance structure, leaning into existing forums to bring community presence into pre-planning. 	<ul style="list-style-type: none"> • Develop Recovery 'Virtual Programme Office' guide, Tactical Tools – Guides, Templates & Factsheets. • Review of the Recovery Operations Guide. • PDRP Project. • Recovery Capability Development Project.
Phase two: 30 June 2025			
<ul style="list-style-type: none"> • Develop function specific folders containing: <ul style="list-style-type: none"> • Summary of role, responsibilities and initial tasks. • Templates & forms. • Training pathway. • Plan for managing and monitoring the health and safety of Recovery function staff. 	<ul style="list-style-type: none"> • Explore funding and management alternative options and philanthropic opportunities. • Develop Recovery dashboard. 	<ul style="list-style-type: none"> • Develop & implement engagement programme with sector group agencies. • Collaborate with iwi on recovery planning. • Identify agencies that will contribute to wellbeing navigator services. 	<ul style="list-style-type: none"> • Define Local & Regional Recovery Governance Structures. • Develop Recovery Office Activation Plan
Phase three: 31 December 2025			
<ul style="list-style-type: none"> • Creating opportunities for closer collaboration between the Controller, Recovery Manager and Emergency Management advisor. • Plan for staff exiting Recovery 'desks', including debrief guide & template. 	<ul style="list-style-type: none"> • Pre-identify Recovery Assistance Centre Locations. 	<ul style="list-style-type: none"> • Establish a recovery navigator service framework. 	<ul style="list-style-type: none"> • Complete local level Recovery plan and guide to activate in post-response phase. • Recovery considerations incorporated into BAU project plans.

9 PŪRONGO | REPORTS

9.1 AUDIT CLOSING REPORT FOR THE 2024-34 LONG-TERM PLAN

Kaituhi | Author: **Sheryl Gavin, Principal Advisor Corporate Services**

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 Closing Report for the audit of the 2024-34 Long-term Plan (LTP).

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An Executive Summary is not required for this report.

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 receives and notes this report including the Ernst & Young Closing Report for the audit of the 2024-34 Long-term Plan in Appendix 1.

TŪĀPAPA | BACKGROUND

- 4 The Council's auditors, Ernst & Young (EY) completed their audit of the 2024-34 LTP, issuing an unqualified opinion on 27 June 2024.
- 5 The Closing Report has been received. This concludes EY's audit engagement with Council on the 2024-34 LTP.
- 6 The Closing Report is included in Appendix 1.

HE KŌRERORERO | DISCUSSION

- 7 The Closing Report summarises key areas of focus where there are potential risks and exposure, any outstanding matters, the level of materiality applied, unadjusted non-material audit differences, and EY's disclosure of independence.
- 8 The outstanding issues identified in the Closing Report to included sign-off of the LTP and representation letter, and completion of adjustments requested by EY after the date of signing the assurance report. These issues have since been resolved.

He take | Issues

- 9 There are no additional issues arising from this report.

Ngā kōwhiringa | Options

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

Mana whenua

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

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

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

Ahumoni me ngā rawa | Financial and resourcing

- 13 There are no financial considerations in addition to those already discussed in this report or its attachments.

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

- 14 There are no legal considerations in addition to those already discussed in this report or its attachments.

Ngā pānga ki ngā kaupapa here | Policy impact

- 15 There are no policy implications arising from the report.

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

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

Whakatairanga | Publicity

- 17 There are no publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Closing Report for the Audit of the 2024-34 Long-Term Plan [↓](#)



Kāpiti Coast District Council

Closing Report to Council for the audit of
the 2024-34 Long-Term Plan



WELCOME



Dear Councillors

We have substantially completed our audit of the 2024-34 Long Term Plan for Kāpiti Coast District Council ('Council').

Subject to the adequate resolution of the outstanding matters listed in the appendices, we confirm that we will issue an unmodified audit report for 2024-34 Long Term Plan.

We have provided this report in our role as the Appointed Auditor of the Council on behalf of the Auditor-General in accordance with the Public Audit Act 2001. This report is intended solely for the use of the Council, committees of the Council and senior management, and should not be used for any other purpose nor given to any other party without our prior written consent.

We would like to thank your staff for the assistance provided to us during the audit.

We look forward to the opportunity of discussing with you any aspects of this report or any other matters relating to our work on 27 June 2024.

Should you have any questions or comments, please do not hesitate to contact me on 027 489 9693 or sam.nicolle@nz.ey.com.

Yours faithfully



Sam Nicolle
Partner
24 June 2024



Ahmed Sofe
Associate Director
24 June 2024

CONTENTS

03
Executive Summary

13
Assessment of Control Environment

04
Areas of Audit Focus

14
Appendices

Infrastructure Assets	4
Funding	12
Significant Forecasting Assumptions	14

A. Outstanding Matters	15
B. Independence	16

12
Audit Differences



EXECUTIVE SUMMARY

Kāpiti Coast District Council
2024-34 Long Term Plan

AREAS OF AUDIT FOCUS

3

Key areas of focus where there are potential risks and exposure



The areas of audit focus and level of complexity or management judgement applied are:

- ▶ Infrastructure Assets HIGH
- ▶ Funding MEDIUM
- ▶ Significant Forecasting Assumptions MEDIUM

STATUS OF AUDIT

3

Outstanding matters for an unqualified audit opinion



We have substantially completed our audit of the 2024-34 Long-Term Plan of the Council. Subject to satisfactory completion of the outstanding items outlined in the appendices we will issue an unqualified audit opinion.

AUDIT DIFFERENCES

2

Audit Differences



We identified 2 audit differences; we assessed the impact was not material to the Long-Term Plan. Refer to [Audit Differences](#) section for the summary of unadjusted audit differences for the 2024-34 Long-Term Plan.

MATERIALITY

\$5.0M

Final materiality based on average expenditure over the 10-year period



Our audit procedures have been performed using a materiality of \$5m, which is based on 3% of average expenditure over the 10-year period.

The threshold for reporting audit differences to the Council is \$251k.

INDEPENDENCE



We confirm that we have complied with PES AG 1 (revised) and the OAG's professional standards, and in our professional judgement, the engagement team and the Firm are independent.



EXECUTIVE SUMMARY

AREAS OF AUDIT FOCUS

AUDIT DIFFERENCES

CONTROL ENVIRONMENT

DATA ANALYTICS

APPENDICES

page 3

Infrastructure Assets

Our Understanding

Infrastructure assets is the most significant balance on Council's balance sheet with a 30 June 2023 carrying value of approximately \$1.76 billion.

The financial modelling for the 10-year period shows Council's steady investments in infrastructure assets. The forecasted yearly capital expenditure exceeds the level forecasted in 2021-2041 LTP.

In addition to being a significant financial statement balance, infrastructure assets allow Council to deliver critical services to the community.

Asset condition and performance information

The starting point for forward planning relating to infrastructure assets, and the delivery of core transport and water services, is Council's information on asset condition and performance. This information is collated from multiple sources including surveys, investigations, asset renewal activity, asset age, and interaction with third party consultants in their capacity as valuers or subject matter experts.

Council's asset information is detailed in the asset management plans and summarised in the infrastructure strategy. For water assets (water supply, wastewater and stormwater) this includes descriptive information such as age, length, diameter, age profiles, condition and performance information, risk profile such as criticality of the assets and likelihood of failure. For transport assets, it includes physical parameters such as the nature of assets, length, width, formation, but also condition, age profile and performance of the network.

The asset management plans also detail the confidence Council has over the information underpinning asset decisions such as condition and performance and how these are updated regularly. For roading, a network survey is completed periodically and provides information on condition and performance of assets through measuring and plotting the trend in the extent of shoving, rutting, potholes, cracking, scabbing and flushing. For the water assets, ongoing condition evaluations are undertaken through a systematic process based on lifecycle knowledge, results of sampling and risk profiling, specific critical asset evaluations and sighting of assets by service crew when undertaking routine maintenance.

EY Perspective

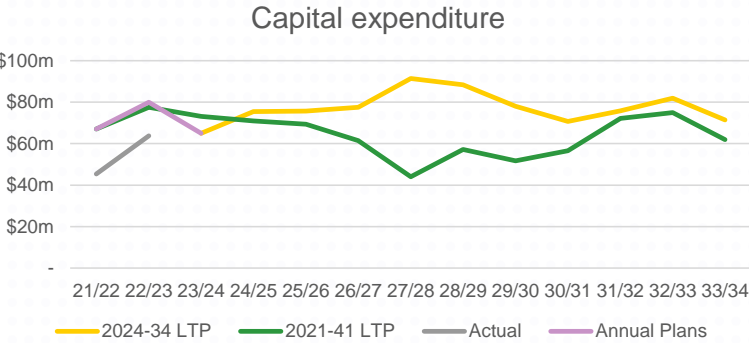
In completing our assessment of the asset planning process, we:

Asset condition and performance information

- ▶ Reviewed Asset Management Plans and checked consistency between the Asset Management Plans, Infrastructure Strategy, consultation document and LTP.
- ▶ For a sample of significant Asset Management Plans, we obtained an understanding of how management assess and monitor the condition and performance of the assets. We tested the availability of adequate performance and conditioning information and that those assets that are near the end of their lives or underperforming have been factored into the capital works programme.
- ▶ We assessed the alignment of the Infrastructure Strategy and Financial Strategy with a particular focus on whether the planned capital works programme included in the Infrastructure Strategy is appropriately funded through the proposed funding in the Financial Strategy.

Based on the procedures performed, we are satisfied that both the Asset Management Plans and Financial Strategy provide sufficient asset condition information of its critical assets, including the process the Council undertaken to evaluate and monitor such condition.

The chart below compares the forecast LTP expenditure with historical performance, annual plans and the last LTP.



Key judgements: Asset condition and performance, underlying data quality, Council's ability to deliver

Level of complexity or management judgement: HIGH



Infrastructure Assets (Cont.)

Our Understanding

Whilst having measures of asset condition and performance is important it is also key that the quality of the data on which such measures are based is well understood. To evaluate the asset condition and data confidence, the Council uses a rating scale of 1 -5 for asset condition and A to D for confidence.

Asset Group	Asset Condition	Data Confidence
Water Supply	2 - Good	B - Reliable
Wastewater	2 - Good	B - Reliable
Stormwater	2 - Good	B - Reliable
Coastal	4 - Poor	B - Reliable
Access & Transport	3 - Satisfactory	A - High to B - Reliable

Key capital works activity for the next 10 years

The Council's Infrastructure Strategy highlights the significant core infrastructure activities such as water supply, stormwater, wastewater, access and transport, and coastal management assets. We have reviewed the following selected key planned projects within the 10-year period:

Projects	Forecasted Timeline
NZTA East-West connectors	Over first 4 years
NZTA footpath renewals	Over 10 years
NZTA cycle walking improvements	Over 10 years
Paekākāriki coastal protection	Over first 7 years
Raumati South coastal protection	From 2027 to 2034
Waikanae and Otaki library buildings upgrade	Over 10 years
Infrastructure Accelerate Funding (IAF) projects for water supply, storm water and wastewater	Over the first 4 years
Water supply and wastewater network planned renewals and upgrades for enabling growth	Over 10 years
Waikanae water treatment plant upgrade	Over the first 4 years
Waikanae reservoir upgrade	From 2030 to 2033

EY Perspective

Key capital works activity for the next 10 years

As part of our procedures, we:

- ▶ We selected a sample of capital projects based on size, complexity and movement from 2021-41 LTP budget, and checked that the capital spend is supported by third party inputs or robust estimates.
- ▶ For the selected key projects, we met with Asset Managers, and obtained supporting feasibility studies, proposals, cost estimations and decision matrices to understand the methodology and support for current cost estimates.

Based on the procedures performed, we identified adjustments required as the capital expenditure for some projects did not reflect the estimates of future costs based on the supporting documents. Council has made a number of adjustments to their LTP forecasts. A rephasing of capital expenditure (net \$146k increase) across the 10 year period and the resulting impacts on depreciation and forecast interest charges remains unadjusted as detailed in the Audit Differences section.



Infrastructure Assets (Cont.)

Our Understanding

Asset Management Plans

Asset Management Plans (AMP) provide a strong understanding of the Council's underlying infrastructures. We selected the following activities for our detailed review of AMPs:

- ▶ Three waters (water supply, stormwater and wastewater)
- ▶ Land transport
- ▶ Coastal
- ▶ Parks and open spaces

Achievability of capital works programme

In the previous LTP, the Council increased its pipeline of capital works significantly compared to previous years. This trend is expected to continue over the next 10 years, which poses a challenge on the Council's capacity to deliver its capital works programme.

A key consideration in determining Council's ability to deliver a program of capital work is historical performance in delivering capital projects. Over the past three years, the Council was able to deliver reasonably against its budgets, with consideration of significant cost inflation and supply of labour and material challenges. Their pace of delivery also improved. However, despite these improvements, the Council under delivers its capital works largely due to technical - delays with consenting process, issues encountered during design phase of few projects and changing priorities impacting timeframes for project delivery.

EY Perspective

Asset Management Plans

As part of our procedures, we:

- ▶ Selected a sample of activities based on anticipated operational and capital spend, importance to the community and perceived risk levels.
- ▶ Reviewed Asset Management Plans against the criteria in the LTP audit methodology.

At the outset of the Long Term Plan process the Three Waters reform programme was underway and Council was planning a transfer of assets to Entity G during the LTP period. The subsequent repeal of the Water Services Entities legislation required Councils to assume continued ownership of these assets in the LTP.

During our audit of Consultation Document, KCDC did not prepare an AMP for Three Waters as long term planning focused on transferring information to Entity G of the water services reform to enable their asset management planning. However, upon the repeal of the reform programme, Council was required to reconstitute its AMPs for the water assets. To achieve this Council engaged AECOM in January to prepare a comprehensive AMP which was finalised mid-April. We performed our review of the AMP and it formed the basis of our discussions with relevant Asset Managers.

Achievability of capital works programme

As part of our procedures, we:

- ▶ Assessed the do-ability of the capital works programme for the Council as a whole as well as key infrastructure areas such as water supply, stormwater, wastewater, access and transport, coastal management assets, and parks and open spaces.
- ▶ Inquired with Asset Managers to gain understanding of the variability of capital works delivery and obtained evidence to substantiate such assertion.
- ▶ For the financial forecast areas identified, we reviewed the track record of actual spending against forecast and considered whether this indicates reasonable estimate of what may happen in the future.



Infrastructure Assets (Cont.)

The following analysis shows Council’s historical performance in delivering against capital budgets on a category-by-category basis.

Activity	Average Delivery Against Budget
Water Supply	48%
Wastewater	103%
Stormwater	141%
Coastal	62%
Access & Transport	73%
Parks and Open Spaces	41%

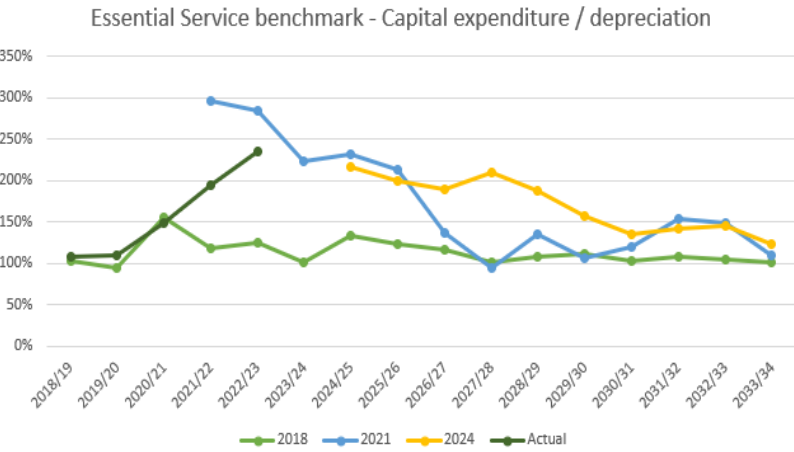
To enable the Council to deliver the proposed capital works programme, the following actions were undertaken:

- ▶ Establishment of Project Management Office which focused is on procurement for, and management of, the Council’s projects;
- ▶ Increasing the capability and capacity of the relevant teams;
- ▶ The use of third-party experts to assist with matters such as planning, design and costing, where appropriate;
- ▶ Securing contracts for key projects occurring near future where possible; and
- ▶ Considering alternative procurement models such as partnering or collaboration with neighbouring Councils.

These assumptions underpin the Council’s ability to deliver the capital works programme included in the LTP. Further, we are satisfied that the disclosures in the consultation document, LTP and the assumptions paper appropriately outline the assumption implied, the associated risk, the likelihood and impact of the risk occurring and the mitigating factors that Council have in place.

Sustainable investment in infrastructure assets

Capital expenditure, as a percentage of depreciation, is planned to be significant over the early years of the LTP period, before gradually reducing ahead of the next expected increase in capital spending to address a notable amount of renewals work for underground water assets. A high-level benchmark that can be used to determining if capital renewals work is progressing at a reasonable pace is the extent to which capital renewals are equal, or greater than depreciation.



Sustainable investment in infrastructure assets

The graph above shows Council’s planned capital expenditure for renewals exceeds forecast depreciation.

Key judgements: Asset condition and performance, underlying data quality, Council’s ability to deliver

Level of complexity or management judgement: HIGH



Funding

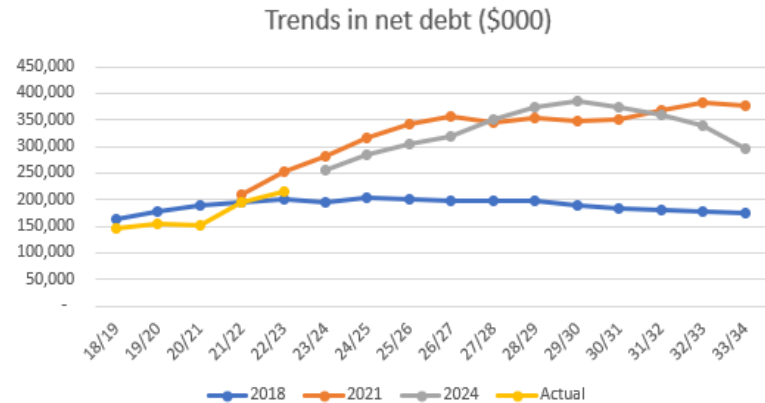
Our Understanding

Rates levied represents the Council’s primary revenue source. Rates along with subsidies and debt are the main funding sources to finance the Council’s activities. A key principle in the Local Government Act (the Act) is the requirement for Councils to manage their finances prudently.

Debt levels and rates setting

The Infrastructure and Finance Strategies are hybrid of the previous two strategies in the previous LTPs. The 2024 strategies focus on effectively managing the existing assets, building new assets for growth and funding everyday operations from everyday revenues whilst deliberately reducing debt over the course of this LTP.

The Council forecasted debt to increase by \$125m or an average of \$21m per annum over the next six years before gradually reducing from 2030 onwards. At the end of the LTP period, net borrowing is projected to be \$295m compared to \$255m in 2024.



EY Perspective

Debt levels and rate setting

As part of our assurance procedures we:

- ▶ Obtained an understanding of, and walking through the process for, how rates and debt are incorporated into the financial model.
- ▶ Obtained the model for calculating borrowing and other capital funding and testing a sample of items of expenditure to check that the borrowing and other funding have been correctly calculated for those items.
- ▶ Checked that the Council's assumption for interest rates of the long-term plan had been consistently applied.
- ▶ Checked the correlation between debt levels and the interest expense.

Council's forecasts remain within all the prudential regulatory benchmarks for the LTP period except debt servicing as detailed on page 229. The amount of debt decreases over the LTP period due to the planned rates funded repayments of debt.

Key judgements: Balanced budget, financial prudence

Level of complexity or management judgement: MEDIUM



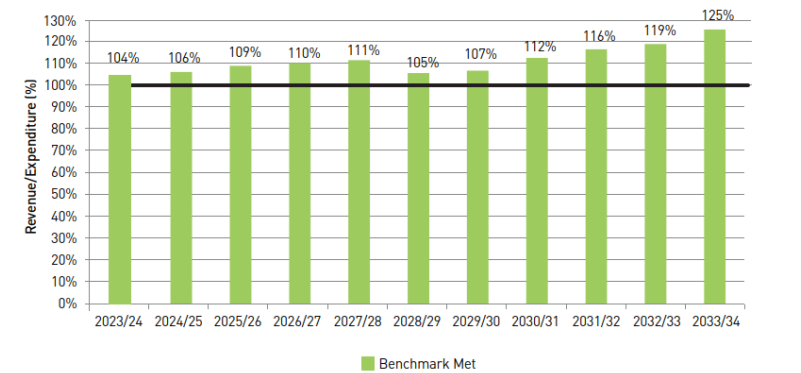
Funding

Our Understanding

Balanced budget

Section 100 of the Act requires Councils to balance the budget for each year forecasted meaning operating revenue is required to be equal to, or greater than, operating expenditure. If a Council chooses to not balance the budget for a particular year a resolution must be passed that it is prudent to do so having regard to levels of service, ability to fund the maintenance of assets, the equitable allocation of funding responsibility over the life of assets and the Council’s funding and financing policies.

Council is forecasting a balanced budget (using the LGA benchmark) across the 10-year period ranging from 105% - 125% across the 10 years.



EY Perspective

Balanced budget

Council has not met the balanced budget benchmark for two of the last five reporting years, with latest year being 2023, due to reduced funding from Waka Kotahi because of lower spending on access and transport renewal projects. In the 2024-34 LTP, Council has forecasted significant surpluses due vested assets, planned increases in rates, development contributions, reductions in interest expense from repayment of borrowings and subsidies from Waka Kotahi.

Key judgements: Balanced budget, financial prudence

Level of complexity or management judgement: MEDIUM



Significant Forecasting Assumptions

Our Understanding

In preparing the 10-year financial forecasts, the Council made a number of assumptions including sources of funds, continued availability of external funding, revaluation of non-current assets, financial implications of natural disasters, etc.

The key assumptions that have significant implications for the LTP are:

- ▶ Climate change assumptions and associated disclosures
- ▶ Population growth and demand forecasts
- ▶ Expected funding from New Zealand Transport Agency (Waka Kotahi)
- ▶ Three waters reform programme
- ▶ Other significant assumptions

Evaluating the appropriateness of these assumptions and their disclosure in key documents such as the consultation, LTP, Financial Strategy and the Infrastructure Strategy is important.

EY Perspective

We completed the following procedures:

- ▶ Evaluated change to the significant forecasting assumptions post consultation process.
- ▶ Understood the approach taken by the Council to the development and application of their significant forecasting assumptions.
- ▶ Examined the linkage of the assumptions with the Asset Management Plans, Financial Strategy, Infrastructure Strategy, financial model and LTP.

Climate change assumptions and associated disclosures

Responding to climate changes is key theme of the LTP driven by the declaration of a climate emergency by the Council in May 2019 which reaffirmed its commitment to carbon neutrality by 2040.

There is a range of possible impacts of climate change on the district due to its geographical location with heightened risks from natural hazards such as floods, landslides, storm surges and coastal erosion.

Throughout the LTP Council acknowledges the possible impacts of climate change, associated uncertainties and incorporated these into their planning process. Planning for the risks associated with climate change is reflected in Council’s strategic direction outlined in the LTP and the accompanying strategies.

In June 2024, Council received the recommendation report from the Takutai Kāpiti Coastal Advisory Panel and noted further technical work and community engagement will be carried out over the 12 to 18 months as Council considers what actions are required. As the timing, extent and cost of any future work coastal adaption is not yet known, no amounts are included in the Long-Term Plan financial modelling.

Key judgements: Appropriateness and reasonableness of the assumptions and projections used

Level of complexity or management judgement: MEDIUM



Significant Forecasting Assumptions (Cont.)

Expected funding from New Zealand Transport Agency (Waka Kotahi)

At the date of adoption of CD, Waka Kotahi had not provided Councils with the expected funding for the three years from 2024 to 2027 causing a high level of uncertainty over the Council's funding assumptions that support roading maintenance, renewals and CAPEX budgets.

In June 2024, Waka Kotahi's Board approved the indicative funding for the three-year period totalling \$37.5 million for the Council which is \$2.3m (\$1.2m KCDC share) lower than modelled for the Consultation Document. Waka Kotahi has provided greater direction on the categories of funding being local road pothole prevention, local road operations and local road improvements - bridges and structure renewals.

The indicative funding also outlined that funding for footpath and cycleway maintenance and renewals and regional road safety promotions will be confirmed after the Board adopts the National Land Transport Programme (NLTP) in August.

Council assessed that the overall shortfall is not material to the LTP forecasts with reference to flexibility of timing of spend in the three-year period and Council's previous experience in obtaining additional funding.

No guidance has been given on funding levels for years 4 to 10, Council has continued to assume funding will be available at forecast levels detailed in the Consultation Document.

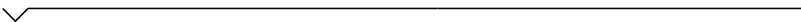
Council discloses its Waka Kotahi planning assumptions on page 156 of the LTP, including the fact a high level of uncertainty exists.

EY Perspective

We consider the indicative funding from Waka Kotahi to be the best available information. We accept Council's conclusion the \$1.2m funding shortfall for the initial period is not significant and have recorded an unadjusted difference to reflect the best available information.

We continue to assess Council's assumed Waka Kotahi funding assistance rate to be reasonable for years 4 to 10 of the LTP and the level of uncertainty is adequately disclosed.

Key judgements: Appropriateness and reasonableness of the assumptions and projections used
Level of complexity or management judgement: MEDIUM



Audit Differences

Summary of Unadjusted Differences - 10-year financial model

Below difference has been identified during the course of our audit and has not been considered material by management or by us for adjustment. We are bringing this to the Council's attention to enable you to form your own view on this items:

	Assets Increase/(Decrease) (\$000)	Liabilities Decrease/(Increase) (\$000)	Equity/P&L Decrease/(Increase) (\$000)
Net adjustment to correct CAPEX cost and updated phasing for some planned projects (1)	146	(146)	-
Depreciation and Finance costs impact due to change in CAPEX above (2)	(1,104)	-	1,104
NZTA indicative funding allocation shortfall (3)	-	(1,172)	1,172
Total	(958)	(1,318)	2,276

- (1) The impacts on annual periods range from a decrease of \$4.2m to an increase of \$1.9m in individual years with a net impact of \$0.146m across the 10 years.
- (2) The related impact on estimated depreciation and finance costs due to these changes is not material to any given year
- (3) The \$1.2m difference in funding is for the three-year period 2025-2028, the impact on any given year is not yet defined. We have assumed any shortfall in funding is substituted with debt

Assessment of Control Environment

Internal Controls

As part of our audit of the 2024-34 LTP, we obtained an understanding of the internal control environment relevant to forecasting and planning for the coming 10-year period in order to sufficiently plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we communicate to you significant deficiencies in internal control.

We will issue a formal management letter containing all of the identified points. We have observations in the following areas which had a significant impact on the LTP process.

- ▶ Project management and coordination
- ▶ Accuracy and completeness of capital budgets
- ▶ Rates affordability analysis
- ▶ Infrastructure and finance strategies
- ▶ Three Waters asset management plans

Throughout our audit we communicated to management observations regarding control matters and other issues arising from our procedures.

}	APPENDICES	A. Outstanding Matters	15
		B. Independence	16



Appendices

A. Outstanding Matters

The following items relating to the completion of our audit procedures are outstanding at the date of the release of this report:

Matter	How matter was addressed	Responsibility
Signed LTP report	Receipt of the signed LTP report approved by Council on 27 June 2024	
Representation letter	Receipt of signed representation letter from Council and the CEO	 
Subsequent events review	Completion of subsequent events procedures to the date of signing the assurance report	 

Key:

-  EY Responsibility
-  Management Responsibility



Appendices

B. Independence

We confirm that in our professional judgment the engagement team and the Firm are independent.

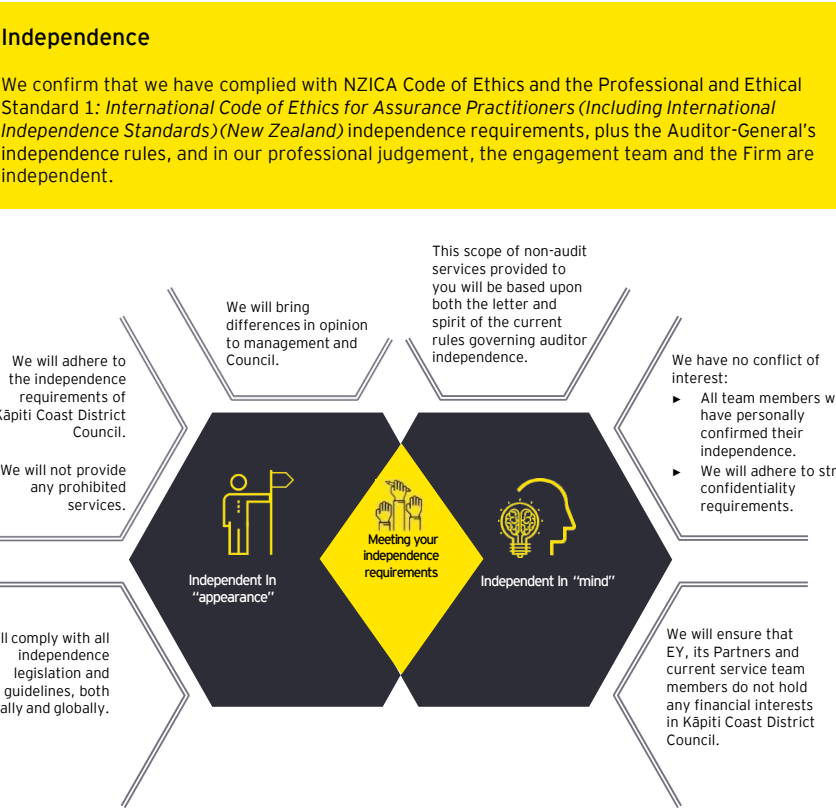
We are satisfied that all EY locations which have provided services in the past or are currently providing services to Council have complied with the relevant independent requirements. We are satisfied that the services provided by EY as of date do not impact our independence.

We are not aware of any relationships between the Firm or other firms that are members of the global network of EY firms and Council that, in our professional judgment, may reasonably be thought to bear on independence.

In addition to the audits of the consultation document and LTP, we also performing the following services:

Description of service	Safeguards adopted
Audit of the Annual Report	Independent assurance services
Debenture Trust Deed Reporting	Independent assurance services

We consider that our independence in this context is a matter that should be reviewed by both you and ourselves.



EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, 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. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

© 2024 Ernst & Young, New Zealand
All Rights Reserved.

ED None

This report is intended solely for the information and use of the Council, committees of the Council and senior management of Kāpiti Coast District Council, and should not be used for any other purpose nor given to any other party without our prior written consent. We disclaim all responsibility to any other party for any loss or liability that the other party may suffer or incur arising from or relating to or in any way connected with the contents of this report, the provision of this report to the other party or the reliance upon this report by the other party.

ey.com

9.2 EY CONTROL FINDINGS: 2022-23 AUDIT - UPDATEKaituhi | Author: **Sharon Foss, Manager Risk and Assurance**Kaiwhakamana | Authoriser: **Mark de Haast, Group Manager Corporate Services****TE PŪTAKE | PURPOSE**

- 1 This report provides the Risk and Assurance Committee with a progress report on resolving 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.1 That the Risk and Assurance Committee notes the progress made to resolve the Control Findings from Ernst & Young for the year ended 30 June 2023 to be re-assessed as part of their audit for the year ended 30 June 2024.

TŪĀPAPA | BACKGROUND

- 4 In accordance with NZ Auditing Standards, Ernst & Young (EY) reviewed 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. That review is part of EY's annual Audit Plan, as considered by this Committee, and reflects the areas of focus set by the Office of the Auditor General.
- 5 The EY Report on Control Findings highlights weaknesses in our first line of defences (controls). Those findings are given a risk ranking from the three options below.

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 There are currently three open control findings from the last two external audits by EY. These will be considered for 'closing' by EY during their audit of the 2023/24 financial year.

Control Findings open at 30 June 2023 by risk ranking	Risk Ranking			Total
	High	Moderate	Low	
	----	1	2	
				3

- 7 The table below details the year-to-date progress against these control findings.

EY Risk Ranking	Control Findings at 30 June 2023	Summary - as at 26 July 2024 (updates are in blue font)	Completion Status
Moderate	2.1.1 Accuracy of response and resolution times (MagiQ service request data refers)	<p>Agreed action: Undertake an internal review of the performance measure data prior to finalising. Update the process for recording requests for service to correct this weakness.</p> <p>Action update: The issue of inaccurate response and resolution times in service requests relates to user difficulties with our 30 year old MagiQ software system.</p> <p>Note, when Datascape replaces MagiQ next calendar year we expect these inadvertent errors will not reoccur. Until then the inadequacies of and difficulties using MagiQ means the potential for inaccurate response and resolution times remains.</p> <p>EY are aware of the cause and the improvement Datascape will bring. Meantime, to manage the control weakness - the supporting guidance documentation has been updated, associated training provided and staff carry out a manual quality check of service request data.</p>	Complete

EY Risk Ranking	Control Findings at 30 June 2023	Summary as at 26 July 2024 (updates are in blue font)	Completion Status
Low	2.2.1 Aged work in progress (WIP) review (Waikanae duplicate rising main infrastructure project refers)	<p>Agreed action: Establish annual reviews of aged work in progress projects. Document the review and ensure the assessment includes consideration of:</p> <ul style="list-style-type: none"> the age of the work in progress, whether the asset is ready for use, and any indicators of impairment. <p>Action update: Generic Improvement Assurance around Aged Work in Progress.</p> <p>As agreed with EY, any aged Work in Progress balances that are standalone projects with no movement in the last 12 months will be assessed as part of the year-end review process for impairment. Those reviews documented in accordance with standard accounting practice.</p> <p>Action update: Specific Finding: Aged WIP - Waikanae Duplicate Rising Main Project</p> <p>Completion still expected in 2025. Note: resource consent delays resulted in the original 30 June 2024 completion date not being met.</p>	<p>In Progress</p> <p>Likely be carried over</p>

EY Risk Ranking	Control Findings at 30 June 2023	Summary as at 26 July 2024 (updates are in blue font)	Completion Status
Low	2.2.2 Overhead rate applied to projects	Agreed action: Develop a specific overhead allocation model. Action update: A review has been undertaken for the year ending 30 June 2024 to ensure the allocation is reasonable.	Complete

He take | Issues

8 There are no additional issues to be raised in this report.

Ngā kōwhiringa | Options

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

Mana whenua

10 There are no mana whenua considerations arising from this report.

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

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

Ahumoni me ngā rawa | Financial and resourcing

12 There are no additional financial or resource issues arising from this report.

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

13 There are no legal considerations arising from this report.

Ngā pānga ki ngā kaupapa here | Policy impact

14 There are no policy implications arising from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

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

Whakatairanga | Publicity

16 There are no publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Appendix 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

EY | 4

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

9.3 HEALTH AND SAFETY QUARTERLY REPORT: 1 APRIL 2024 TO 30 JUNE 2024

Kaituhi | Author: **Rach Wells, Group Manager People and Capability**

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

TE PŪTAKE | PURPOSE

- 1 This Report presents the Health and Safety Quarterly Report for the period 1 April 2024 to 30 June 2024

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An Executive Summary is not required for this report.

TE TUKU HAE PAPA | 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 April 2024 to 30 June 2024 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 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 in the next available Quarterly Report.

HE KŌRERORERO | DISCUSSION**He take | Issues**

- 6 There are no issues to highlight in addition to those included in Appendix One to this report.

Ngā kōwhiringa | Options

- 7 There are no options arising from this report.

Mana whenua

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

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

- 9 There are no climate change considerations arising from this report.

Ahumoni me ngā rawa | Financial and resourcing

10 There are no financial or resourcing considerations arising from this report.

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

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

Ngā pānga ki ngā kaupapa here | Policy impact

12 There are no policy considerations arising from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

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

Te mahere tūhono | Engagement planning

14 An engagement plan is not needed regarding this report.

Whakatairanga | Publicity

15 There are no publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Health & Safety Quarterly Report for the period of 1 April 2024 to 30 June 2024 [↓](#)

KĀPITI COAST DISTRICT COUNCIL
Health and Safety Quarterly Report to the Risk and Assurance Committee
1 April 2024 – 30 June 2024

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.

There was a slight increase in EAP sessions utilised compared with the previous quarter, however when compared to the same period last year the session numbers are again higher.

The number of work issues shared for this period was higher than in the previous 4 quarters. Work issues noted in this period included:

- Low Motivation
- Communication problems
- Conflict
- Contemplating resignation
- Inability to cope
- Anger/irritability
- Decreased productivity
- Poor concentration
- Poor decision making/confusion
- Organisational restructuring

The increase in work related reasons is expected as the Council has faced several changes in recent months, including:

Implementation of New Structure:

- In February, we undertook the implementation of a new organisational structure. This initiative aimed to streamline our operations and enhance efficiency. While this involved the disestablishment of a few roles, it also brought about new reporting lines, updated seating arrangements, and changes in our ways of working.

Appointment of New Group Managers:

- We welcomed new Group Managers for People & Capability, and Customer & Community. Their expertise and leadership have already begun to positively influence their respective areas, contributing to our strategic goals and fostering a supportive work environment.
- External impacts are still affecting work issues also include cost-of-living crisis, downsizing of the public sector, and changes in Government focus.

2 INCIDENTS

2.1 Notifiable Events

There were no WorkSafe notifiable events reported in this period.

KĀPITI COAST DISTRICT COUNCIL
Health and Safety Quarterly Report to the Risk and Assurance Committee
1 April 2024 – 30 June 2024

Appendix One

2.2 Significant Events

Date of incident	Incident	Findings and Actions Taken
7 May 2024	<p>Member of public became agitated and aggressive at the Aquatic Centre Cafe.</p> <p>Threats were made to cut a dogs head off and shoot members of the public</p>	<p>Person received trespass notice from council.</p> <p>Manager HSW will work with Organisation Development to ensure appropriate de-escalation and situational awareness training is being provided to our front facing staff.</p>

3 LEAD INDICATORS**3.1 Corporate Health and Safety Training Summary**

Training Type	Training Course Name	Scheduled	Status
<i>Role Related</i>	<ul style="list-style-type: none"> NZ Pool Lifeguard (Level 3) Certificate 	Feb 2024	Completed
<i>Critical Risk Related</i>	<ul style="list-style-type: none"> Confined space and Gas Detection Refresher (individual) ICAM (individual) 	June 2024 April 2024	Completed Completed
<i>Leadership</i>	<ul style="list-style-type: none"> Kamahi Hui 	July 2024	Completed
<i>General Health & Safety</i>	<ul style="list-style-type: none"> Comprehensive First Aid First Aid Refresher Health & Safety Rep training 	May 2024 May 2024 April 2024	Completed Completed Completed

3.2 Health Monitoring

Health Monitoring	Staff recipients (this period)	Staff recipients (previous period)
Eye Examinations	19	9
Ergonomic Assessments by Occupational Health Specialist	6	12

3.3 Drug And Alcohol Management

- Pre-employment Drug and Alcohol Tests continue to be undertaken by all preferred applicants.
- No Reasonable Cause tests were conducted during this quarter.

2

KĀPITI COAST DISTRICT COUNCIL
Health and Safety Quarterly Report to the Risk and Assurance Committee
1 April 2024 – 30 June 2024

Appendix One

3.4 Risk Management

- As of 25 June 2024, there are a total of 204 selected Contractors on the SiteWise system.
- As of 25 June 2024, there were 59 Care Register entries, which includes two new additions and two removed by updates.
- Customer Service teams have reported an increase in agitated customers since the rates increases were announced. A 2-hour resilience workshop has been provided to this team. There is ongoing work to identify suitable de-escalation and situational awareness training for front facing staff.
- The 2024 Employee Engagement survey included an additional question centred on wellbeing. The overall score for this question ranked the lowest of the 13 questions asked (3.25/5). With the Manager Health Safety and Wellbeing on board, work will be undertaken to understand the contributors to this result and identify opportunities for continuous improvement in psychosocial risk management factors.

3.5 Leadership Team

- The Manager Health Safety and Wellbeing commenced in July, along with the Manager Payroll Data and Insights. Induction for both roles is underway.

3.6 Organisation Health and Safety Committee

- Monthly meetings were held in April, May and June 2024.
- Health and Safety Representative numbers remain at 16.
- A new Chair and Deputy Chair have been elected.



Health Safety and Wellbeing Dashboard: April – June 2024

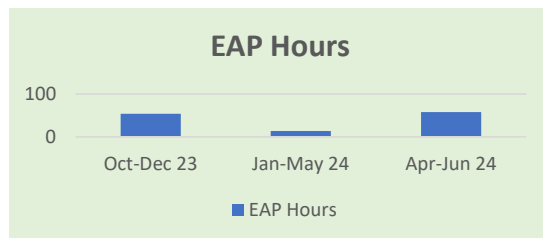
Number of Actual or Potential 'Severe' 'Major' & 'Moderate' Events related to Critical Risk		Jan-Mar 2024	Apr-Jun 2024 -
	Aggressive interactions	9	8
	Biological hazards & unknown organisms	0	12
	Contractor Management	7	1
	Driving	3	5
	Fatigue	0	0
	Hazardous Substances	2	1
	Psychological H&S	1	0
	Remote & Isolated Work	0	0
	Working with animals	1	0

Total Events 99 (183) April-June	Overdue Corrective Actions for Incidents Rated Severe/Major/Moderate 1 Target 0	H&S Representative Numbers 16 Target > 10
HSW Induction module (modules assigned vs completions) 16 (7) (16/24) 67% (46%) Target > 95%	Notifications to WorkSafe 0 Apr-Jun 0 YTD	Improvement Notices from WorkSafe 0 Apr-Jun 2 YTD
ACC Days 109 Days * Average calendar days on ACC	ACC Support 14 cases April-June	ACC Work/Non-work 14% Work related injuries 86% Non-work related injuries

* Numbers in brackets show previous quarter

Key Insights

- The number of actual or potential events relating to critical risks that were rated severe, major or moderate was 18.
- 12 hazardous issues due to faeces in the swimming pools
- Health and Safety Representative numbers are back up to 16
- The number of Council staff showing as having completed the HSW Induction via the e-Ako module is below target. 16.
- There were no WorkSafe notifiable or serious harm events this quarter.
- EAP issues reported under 'work' have increased since the last quarter with issues relating to workload pressures, mental health issues and stress.
- Of the 14 ACC cases recorded in this period, 6 remained on ACC at the end of the quarter, 5 of which are now on a gradual return to work plan.



Next quarter Officer activities or site visit opportunities

July	No action
August	Water Treatment Plant contractor conducts toolbox talks every Thursday morning at 7.30am. (Brian Perry Civil)
September	TBC

1

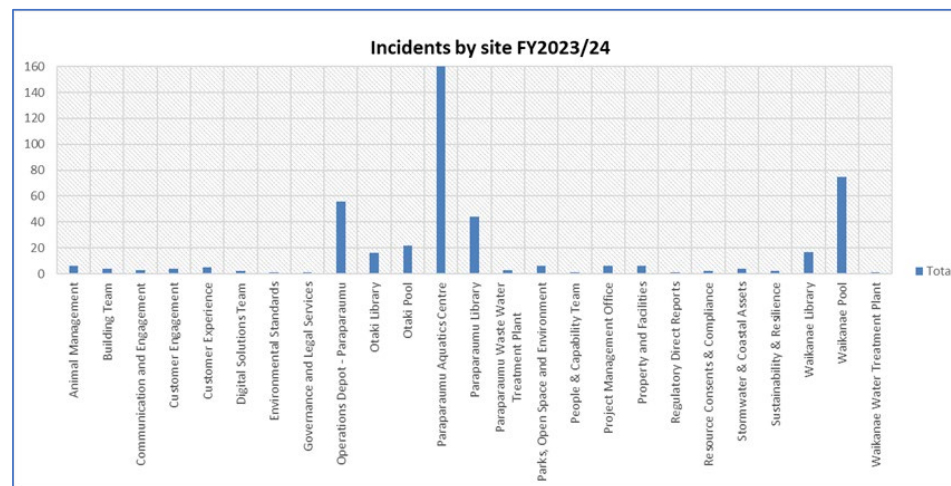
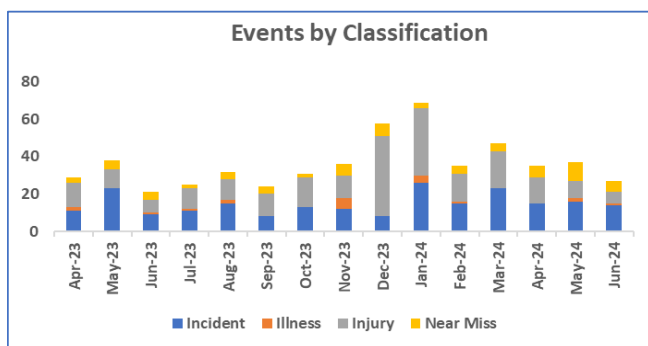
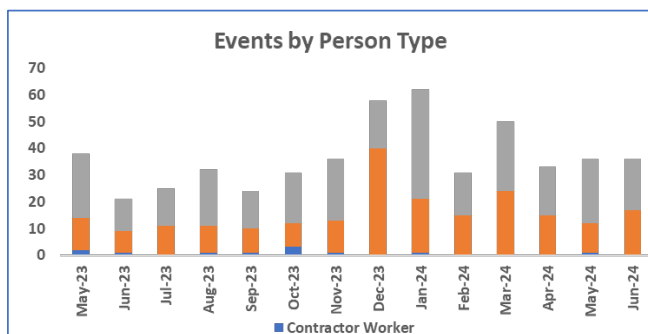


Health, Safety & Wellbeing Performance Report – Group Dashboard – April – June 2024

YTD starting April2024

Group Overview		People and Capability		Strategy and Growth		Customer and Community		Corporate Services		Regulatory and Environment		Infrastructure and Asset Management		Iwi Partnerships		Total	
		Apr - Jun	YTD	Apr - Jun	YTD	Apr - Jun	YTD	Apr - Jun	YTD	Apr - Jun	YTD	Apr - Jun	YTD	Apr - Jun	YTD	Apr - Jun	YTD
Lead Indicators	Near Miss Reporting	0	0	0	0	10	10	0	0	1	1	0	0	0	0	11	11
	H&S Representatives	1	1	1	1	3	3	2	2	2	2	6	6	1	1	16	16
Lag	Total Events Reported by Group	0	0	0	0	53	53	0	0	2	2	14	14	0	0	67	67

NB: Due to restructure in Feb '24 YTD numbers were spread into other areas of the business. Restarted from Q2.





Actual or Potential 'Severe' 'Major' & 'Moderate' Events related to Critical Risk and Emerging Risks: April – June 2024

Critical Risk	Date of Incident	Type	Key Information	Risk	Description	Investigation / Corrective actions
	11/04/24		Vault ID 6707 Rating - Major	Slips, trips, fall - same level	Slip on the entrance of the playground as I was picking up the blocks due to the rain. landed on my knees and right arm muscle is a bit sore.	Action required: Clearer and improved decision making required to determine when the blocks go out and when they stay in, with rain forecast a key factor in the decision.
	09/04/24	Injury	Vault ID 6710 Rating - Mod	Slips / Trips / Falls	Customer lost her balance while getting into the Spa. They fell hitting the back of their head.	Initial actions taken: First aid provided and 111 called. Ambulance Officers assessed the patient, and no further treatment was required.
	18/04/24	Near Miss	Vault ID 6738 Rating - Mod	Aquatics wet rescue	Customer was following her sister into the deep end and then realised that she couldn't touch the bottom. She started struggling in the water and couldn't swim.	Initial actions taken: Lifeguard jumped in and pulled her to her mum, then took the opportunity to explain to mum she must be watching at all times.
Yes	08/05/24		Vault ID 6763 Rating - Mod	Aggressive Interaction - In person	Man came to the library to get help with email files. They started to get agitated after noticing the term and condition page on the computer. He started ranting about how he is mistreated by the council due to his dog and paying taxes. While he wasn't threatening directly, it was very uncomfortable standing there receiving his anger and I felt unsafe about my personal safety.	Initial actions taken: Manager took over talking to him. Follow up action: The previous incident was discussed at a team meeting. Another team meeting has been scheduled to share experiences, strategies, and best practice used by members of the team to deal with such scenarios; these incidents will be used as examples.
Yes	07/05/24		Vault ID 6773 Rating - Mod	Behaviour Concerning	Customer entered aquatic cafe at 8.00am. He was calm to begin with, however manner escalated rapidly. He stated he feels he gets harassed by council and community, after 20 minutes of abusive body language (pacing and arms in the air) threatening to cut his dogs heads off and shoot members of KCDC, a manager arrived at work. The receptionist asked the Manager to come to the cafe to make sure the situation didn't get worse. The customer left and returned around 10.00am to let me know he had been down to council to "rark them up". The staff member found the interaction unsettling and concerned he may come back they are prepared to push the panic button.	Initial actions taken: Recommendation to Manager to trespass this person. Follow up action: Referral gone to Legal and trespass notice imminent.
	16/05/24	Illness	Vault ID 6775 Rating - Mod	Medical Incident	Customer advised she was in the sauna for 40 minutes, after being there for so long she started to feel faint as she was walking out of the sauna. Another customer noticed and alerted another person who happened to be a nurse. Lifeguards and team leader were on scene and took over from the off-duty nurse. The customer mentioned she has celiac disease and hadn't eaten much this morning, those 2 factors and having been in the sauna for so long would give enough reason to why she felt faint at the time.	Initial actions taken: off duty nurse and sauna user got a towel to put under the customers head and lay her down. team leader went and got a blanket and a bottle of water for the customer.
	07/06/24	Injury	Vault ID 6800 Rating - Mod	Slips, trips, fall - same level	A customer talking to the Aquafit instructor before the 9.15am class started tripped and fell over the power extension cord that was connected to the aquafit speaker. She primarily landed on her right arm (wrist) and landed on her left knee. Aquafit instructor notified the team leader that she had tripped and potentially had broken her wrist from the impact of falling over. The customer was then taken into the staffroom and was attended to by a Lifeguard and team leader. The lifeguard attending to the customer is also a trained paramedic which took the customers details down on paper.	Initial actions taken: basic first aid was given by staff and 111 was called. The cable was set back up, and then the lifeguard went to get a mat to cover the cable. As per Aquatic procedures all potential trip hazards need to be dealt with immediately. Unfortunately, in this case the cable was set up and there was a delay in the next, most important, step of the process which is covering the cable and reducing the risk of the trip hazard. The policies and training that are in place are satisfactory. There was a complacency in the order of the process which has unfortunately led to an injured customer.
Yes	07/06/24		Vault ID 6801 Rating - Mod	Aggressive Interaction - In person	Customer came in to have printing done, at the time the staff member was attending to another customer with a large printing order that was in progress and would take some time to complete. The customer was unhappy they had to wait and verbalized this. The customer then asked the other customers where they were from, and upon learning their affiliation to the Waitangi Tribunal hearings, she proceeded to question them and make aggressive comments. Although the customers handled her questions and accusations graciously, her behavior remained aggressive, and she persisted in trying to provoke them. Her parting sentence to them was, "I hope you're not going to take the (Ōtaki) campsite,". They assured her this was not going to happen. I told her she was being very rude and to leave the library.	Initial actions taken: Staff member tried to protect the customers they were serving from the concerning behaviour of the other customer by asking her to cease her aggressive questioning. Follow-up action: 13/06/24 Consulting broadly with Council, the Hub Lead Otaki and Manager of Kapiti Libraries are working on a letter for the patron drawing her attention to the code of conduct in Council Properties. This will be run by Legal before being shared.
Yes	12/06/24		Vault ID 6803 - Rating - Mod	Aggressive Interaction - In person	A customer was agitated, and started banging on the table with her fists, saying she upset with Tamariki time, stating its too loud and the noise has burst her ear drums. She said that we should move the children outside, and that she is a rate payer and demanding that we put a stop to story time. She then yelled that she refuses to pay her rates until we stop Tamariki time altogether while still banging her fists. She then walked out of the library.	Initial actions taken: Attempted to contact a manager but was unable to get in touch. Attempted to take her details to pass on, but the customer refused. We were unable to inform her of the complaints process as she was yelling.

3

9.4 TOP 10 ORGANISATIONAL RISK REPORT

Kaituhi | Author: **Nienke Itjeshorst, Lead Risk and Assurance Advisor**

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 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 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 Organisational 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,’ an emerging organisational risk 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 next table 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 o Waitangi
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 digital technology risks.
ORG 8	Failure to prudently manage Council's financial stability including fraudulent activity.
ORG 9	Failure to maintain business continuity for essential services and inadequate planning and preparedness for emergencies.
ORG 10	Inability to attract and retain sufficient capacity to deliver Council's objectives.

- 9 A list of *AS/NZ/ISO 3100:2018 Standard: Risk Management – Guidelines* definitions is included in the Heatmap Report on the last page.

HE KŌRERORERO | DISCUSSION

- 10 This report provides an update of the current Top Organisational Risks. The associated Risk Heatmap Report (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.
- Changes to Top Organisational Risks**
- 11 A workshop with SLT was held in July 2024 to consider 'refreshing' the Top 10 Organisational Risk that was set in May 2023. This was done by looking back at the challenges faced by the organisation in the past year, considering external/internal changes impacting the organisation and looking at Council's Strategic Outcomes and targeted actions of the Long Term Plan 2024-34.
- 12 SLT discussed whether any new risks should be identified, or that new controls and treatments should be identified to mitigate existing and/or increasing risks.
- 13 Some new controls and treatments have been added as a result. For example, a control and risk treatment were added to the ORG 2 Risk to reflect that development of a Client Relationship Management System is underway, mitigating this risk.
- 14 Updates and minor amendments have been made following meetings with individual SLT members and other control and treatment owners.
- 15 All the changes have been highlighted in blue font in the Risk Heatmap Report.

He take | Issues

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

Ngā kōwhiringa | Options

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

Mana whenua

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

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

- 19 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

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

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

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

Ngā pānga ki ngā kaupapa here | Policy impact

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

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

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

Whakatairanga | Publicity

- 24 There are no publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

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



Top 10 Organisational Risks - Heatmap Report

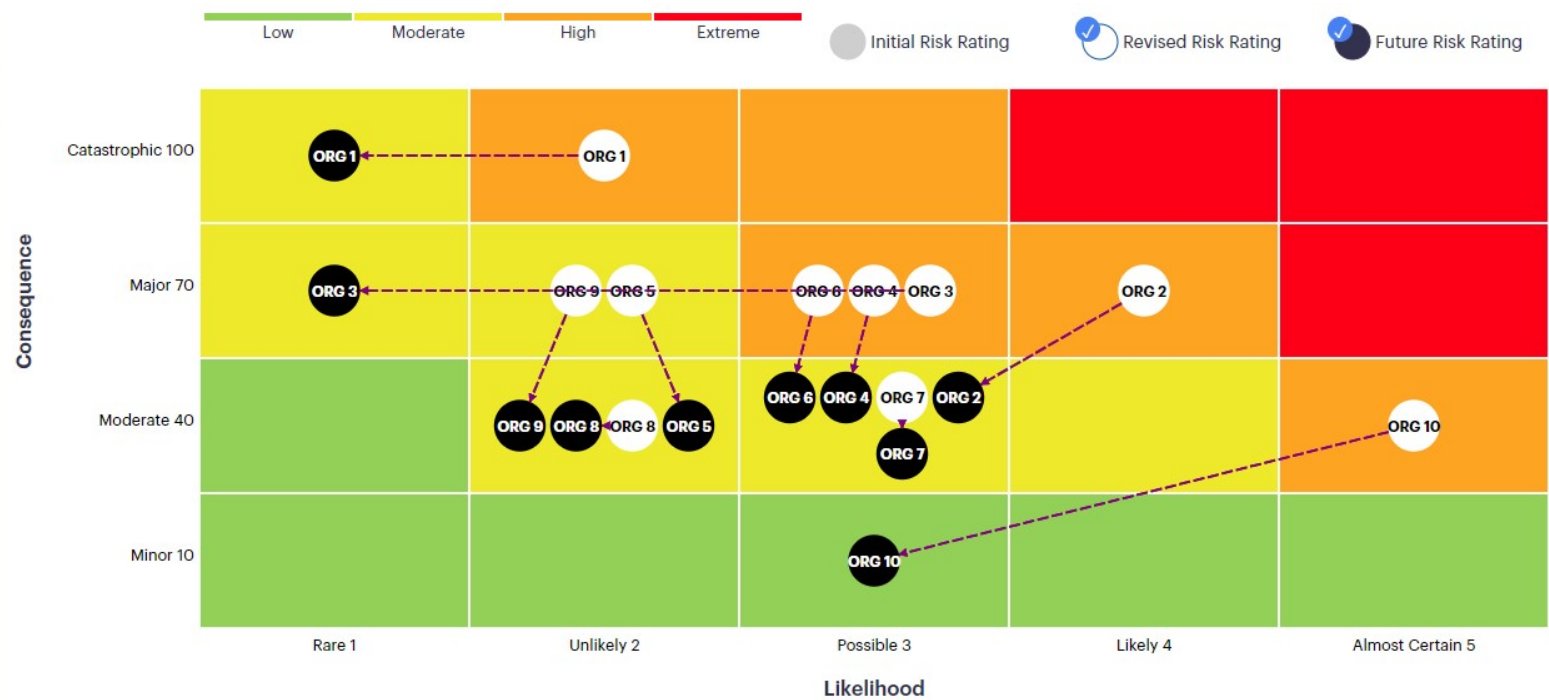
Camms.

15 August 2024

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 and their effectiveness
- Target Risk Rating - The future risk level taking into consideration planned risk treatments, new and existing controls and their effectiveness
- The target risk rating represents the Risk Appetite, which means the level of risk Council is willing to accept when delivering on its objectives.



RISK SUMMARY

Organisational Risk

Risk Title	Last Report	Current	Trend
ORG 1 - Loss of life, serious injury or illness due to insufficient Health, Safety and Wellbeing management	High	High	↔
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. Control effectiveness was reviewed in June and controls were added with a focus on H&S systems. There is currently no change in the trend towards target risk.			
ORG 2 - Failure to adequately maintain social licence	High	High	↔
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. The effectiveness of existing controls was reviewed in July. The Top 10 Risks were discussed in light of Council's Top 10 Strategic Priorities in the Long Term Plan 2024. As a result two new controls were added for this risk.			
ORG 3 - Failure to give effect to Te Tiriti o Waitangi.	High	High	↔
Risk Sponsor Comments: Should Council fail to give effect to its obligations of partnership under Te Tiriti o Waitangi with iwi, hapu and Maori, this poses a reputational and legal risk to Council and will impact on Council's ability to deliver on its Strategic Priorities. Developing cultural competency and building and nurturing relationships with iwi and Maori are essential, and this is the focus of an across organisation work programme delivered by the Iwi Partnerships Group. As the programme and risk controls are being established, there is no current change in risk trend.			
ORG 4 - Inadequate mitigation and adaptation responses to known and future climate change challenges	High	High	↔
Risk Sponsor Comments: We are seeing increasing impacts of climate change and will need to continually increase our response to adapt to and mitigate climate change. This is a long-term response where Council is also advocating for action from others and influencing decision-makers.			
ORG 5 - Failure to achieve legislative obligations	Moderate	Moderate	↔
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 roles. Both the current and target risk rating operate at a moderate risk appetite level but currently at a different consequence rating. Most of the controls are considered effective, actions are place towards increasing internal alignment.			
ORG 6 - Inadequate management of the impacts of central government reform/change	High	High	↔
Risk Sponsor Comments: This risk is evolving due to a second tranche of changes, post-delivery of the Government's 100 Days plan, now coming through. The next phase of change focuses on rebalancing the priority between growth and a resilient environment, and legislative change is pending. The widespread changes to central government entities and their roles, such as Kainga Ora, will have significant impact on how local level systems work and Council's involvement over time. Our priority for managing this risk will remain focused on influencing the central government agenda through engagements with Ministeries and Departments, who are driving advice re these changes to highlight impacts at a local level. We are also advocating concerns directly to Ministers, and sharing lessons learnt with the Public Service Commission.			
ORG 7 - Inadequate safeguards against digital technology risks.	Moderate	Moderate	↔
Risk Sponsor Comments: Following an SLT discussion the title of this risk was widened to digital technology risk and two controls have been added, with one considered effective and the other partially effective. As a result, there is no change to the current rating and operating at target risk level is maintained			

Kapiti Coast District Council

Heatmap Report

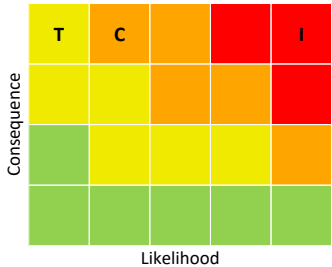
Risk Title	Last Report	Current	Trend
ORG 8 - Failure to prudently manage Council's financial stability including fraudulent activity	Moderate	Moderate	↔
Risk Sponsor Comments: Generally satisfied with internal controls of the financial system. More regular training and awareness of the fraud mitigation policy is under development as part of the development of an across council rolling education-programme. The majority of controls are effective, operating at target risk level is maintained.			
ORG 9 - Failure to maintain business continuity for essential services and inadequate planning and preparedness for emergencies.	Moderate	Moderate	↔
Risk Sponsor Comments: Best practice asset management and business continuity remains a key area of focus. Work is underway to create a more consolidated approach to BCP planning. A high level of planning for emergencies across the 4'R's (reduction, readiness, response and recovery) is essential for Council in order to meets its statutory obligations and support the community in case of an emergency. Because business continuity risk is rated differently than Emergency Mangement risk, two risk heatmaps have been included under ORG 9 in this report.			
ORG 10 - Inability to attract and retain sufficient capacity to deliver Council's objectives	High	High	↔
Risk Sponsor Comments: Our Council is experiencing challenges in attracting and retaining suitably skilled and experienced staff. This challenge is also compounded through candidate remuneration expectations balanced against what the Council can afford to pay. Controls were review in July, but there is no further change in the current trend towards target risk.			

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



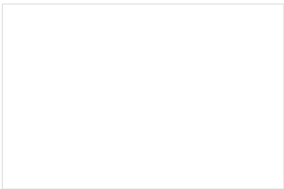
ORG 1	Loss of life, serious injury or illness due to insufficient Health, Safety and Wellbeing management			
Risk Categories: Health, Safety and Wellbeing - Safety and Wellbeing, Legal and Regulatory Compliance, Reputational and Stakeholder Relationship		Risk Sponsor: Chief Executive	Secondary Risk Sponsor(s): Senior Leadership Team (SLT)	Last Reviewed Date: 24 Jul, 2024
				Next Review Date: 08 Nov, 2024

Individual Heatmap



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

Effectiveness of control
C Partially Effective



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

Risk Treatment: Accept,Take further action to modify impact / likelihood





Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Continuing the risk-based approach / assessment focus on: asbestos, hazardous substances and contractor management.	GM People and Capability	Partially Effective	30 Oct, 2024
(2) Well-being initiatives for staff	GM People and Capability	Partially Effective	30 Oct, 2024
(3) H&S prequalification requirements for contractors.	GM People and Capability	Effective	30 Oct, 2024
(4) Employee Assistance Programme for Kapiti staff	GM People and Capability	Effective	30 Oct, 2024
(5) Consistent use of Health and safety management systems	GM People and Capability	Partially Effective	30 Oct, 2024
(6) Proactive modelling of good Health & Safety behaviours to promote well-being	GM People and Capability	Partially Effective	30 Oct, 2024

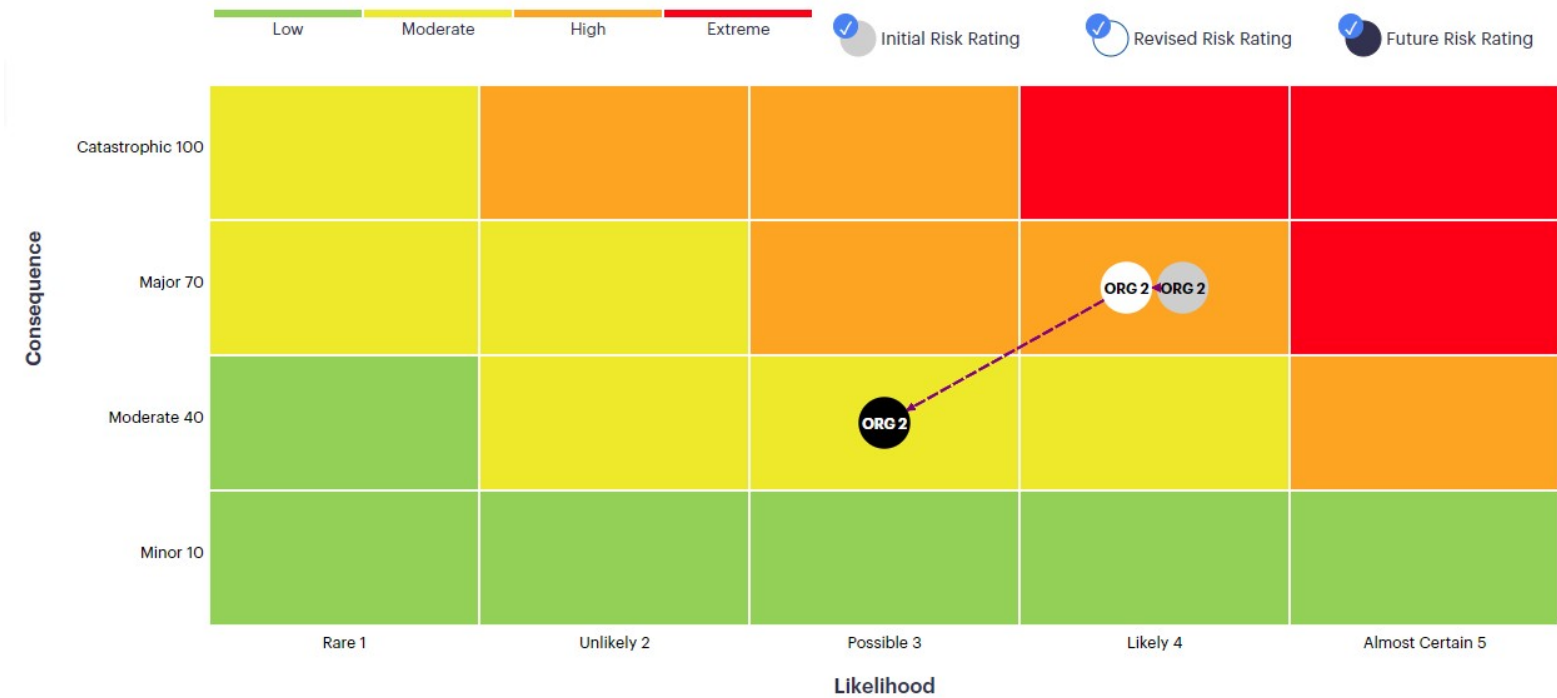
Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(7) Kapiti staff Health and Safety Committee	GM People and Capability	Effective	30 Oct, 2024

Current Risk Treatments

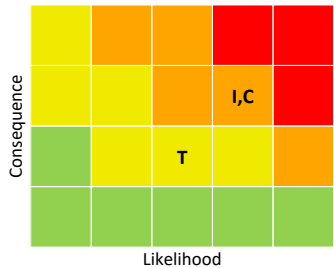
Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(1) Implement Asbestos Control Framework.	GM People and Capability	In Progress	25	31 Dec, 2024	 GREEN
Progress Comment: An asbestos handling framework for contractors was developed setting out Council's standards for handling asbestos. The H&S Advisor is working with contract managers and contractors to embed the use of the framework.					
(5) Develop a Vault training calendar for specified users and clear user guidance	GM People and Capability	Not Started	0	30 Oct, 2024	 N/A
Progress Comment: System is in place and well used but further training and user guidelines are needed to make the use of the system more effective for reporting across the business.					
(5) Upgrade and extend Health & Safety systems.	GM People and Capability	In Progress	10	30 Jun, 2025	 GREEN
Progress Comment: A Health & Safety Management Strategy and work programme will be developed, which will include H&S tools for delivery.					
(6) Project Safety Audits and reporting.	GM People and Capability	In Progress	24	31 Dec, 2024	 GREEN
Progress Comment: The Project Manager is responsible for is carrying our Safety Audits for their project and liaise with the contractor on any findings. The Health & Safety Advisor is carrying out 'spot' checks/safety audits on projects and provides feedback to the Project Manager.					

ORG 2 - Failure to adequately maintain social licence



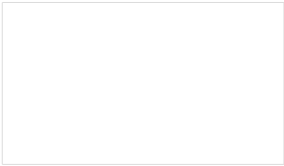
ORG 2 Failure to adequately maintain social licence				
Risk Categories: Reputational and Stakeholder Relationship - Reputation,Stakeholder Relationship, Assets & Infrastructure Resilience, Environmental Impact, Legal and Regulatory Compliance	Risk Sponsor: GM Customer & Community	Secondary Risk Sponsor(s): Senior Leadership Team (SLT)	Last Reviewed Date: 29 Jul, 2024	Next Review Date: 08 Nov, 2024

Individual Heatmap



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

Effectiveness of control	
C	Partially Effective



Causes






- Inconsistent approaches to engagement and collaboration
- Lack of transparency and accountability
- Poor alignment with strategic priorities in decision-making (reports)
- Poor understanding of and responsiveness to community needs and expectations

Risk Treatment: Take further action to modify impact / likelihood

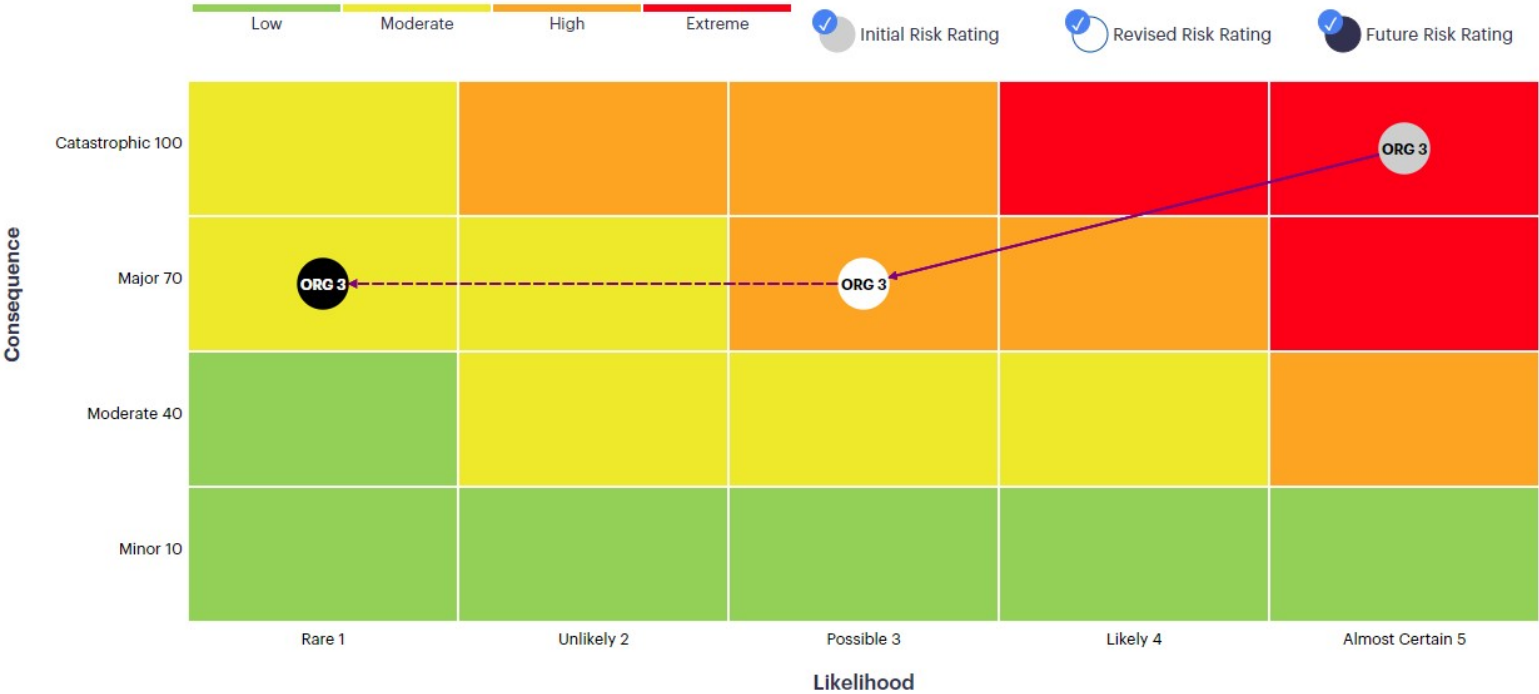
Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Transparency and pro-active disclosure: LGOIMA requests published on the Council website, Council briefings open to the public	Manager Legal Services	Effective	30 Oct, 2024
(2) Communication, Media and Social Media Policy 2021 implementation	Manager Communications and Engagement	Partially Effective	30 Oct, 2024
(3) Adherence to Codes of Conduct by staff and by Elected Members	Senior Leadership Team (SLT)	Partially Effective	30 Oct, 2024
(4) Communication and Engagement Strategy implementation: Providing adequate opportunities for the public to understand and get involved in decision making.	Manager Communications and Engagement	Partially Effective	30 Oct, 2024
(5) Key (and Strategic) Partnerships	Manager Research and Policy	Partially Effective	30 Oct, 2024
(6) Continuous improvement programme to be agile and responsive to (changing) customer communication preferences and needs.	Manager Communications and Engagement	Partially Effective	30 Oct, 2024
(7) Significance and Engagement Policy	Principal Advisor Corporate Services	Partially Effective	30 Oct, 2024
(8) Protected Disclosures Policy	Manager Legal Services	Partially Effective	30 Oct, 2024
(9) Investing in and lifting communications and engagement capability across the organisation.	Manager Communications and Engagement	Partially Effective	30 Oct, 2024

Current Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(3) Regular Elected Members communications on transparency and EM code of conduct.	Manager Democracy Services	Completed	100	30 Jun, 2024	 GREEN
Progress Comment: Messaging is embedded in elected members induction programme and will be reinforced through regular elected members updates and communications. A workshop with Elected Members on this topic was held in May.					
(3) Regular staff communications about transparency, accountability and code of conduct.	Manager Communications and Engagement	Completed	100	30 Jun, 2024	 GREEN
Progress Comment: Messaging is being embedded in staff induction programme and reinforced through regular managers updates and other staff communications.					
(4) Review Communication and Engagement Strategy.	Manager Communications and Engagement	In Progress	15	28 Feb, 2025	 GREEN
Progress Comment: The review has started.					
(5) Establish a cross-organisation system for key partners engagement and reporting.	Manager Research and Policy	In Progress	30	30 Nov, 2024	 GREEN
Progress Comment: Work has started to develop a CRM (client relationship management system) which will provide an overview of Key (and Strategic) relationships that support us to deliver on the Top 10 Priorities. This across-organisation work is part of the Policy Work Programme and it will enable us to seek engagement from key partners on the new impact measures that will help us understand how well we are engaging with our partners over time.					
(6) Develop and provide new opportunities for elected members to engage.	Manager Communications and Engagement	Ongoing	0	21 Nov, 2024	 N/A
Progress Comment: More opportunities for elected members to engage have been arranged, such as video messages and participation in webinars. Planning is underway for more permanent engagement hubs.					

ORG 3 - Failure to give effect to Te Tiriti o Waitangi

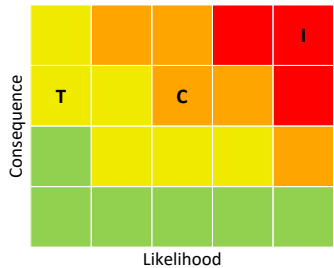


Kapiti Coast District Council

Heatmap Report

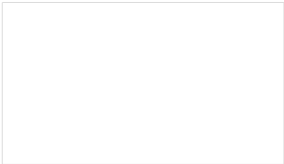
ORG 3	Failure to give effect to Te Tiriti o Waitangi.			
Risk Categories: Reputational and Stakeholder Relationship, Assets & Infrastructure Resilience, Environmental Impact, Financial Exposure, Legal and Regulatory Compliance	Risk Sponsor: GM Iwi Partnerships	Secondary Risk Sponsor(s): Chief Executive	Last Reviewed Date: 29 Jul, 2024	Next Review Date: 08 Nov, 2024

Individual Heatmap



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

Effectiveness of control	
C	Partially Effective



Causes

- Inadequate cultural competency
- Inadequate capacity and capability to partner, collaborate and engage
- Failure to be a supportive partner to mana whenua iwi
- Inadequate support for resourcing of mana whenua iwi
- Miscommunication or No communication

Risk Treatment: Take further action to modify impact / likelihood

Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Long Term Plan and other strategic and operational plans.	Senior Leadership Team (SLT)	Partially Effective	30 Oct, 2024
(2) Organisational Te Ao Maori capability training	Manager Iwi Partnerships	Partially Effective	30 Oct, 2024
(3) Mana whenua representation in Council Governance Structure	GM Iwi Partnerships	Effective	30 Oct, 2024
(4) Funding for Iwi capacity	GM Iwi Partnerships	Partially Effective	30 Oct, 2024
(5) Memorandum of Partnership - Whakahoatanga Manatu	GM Iwi Partnerships	Partially Effective	30 Oct, 2024
(6) Te Whakaminenga o Kapiti work programme	GM Iwi Partnerships	Partially Effective	30 Oct, 2024

Current Risk Treatments

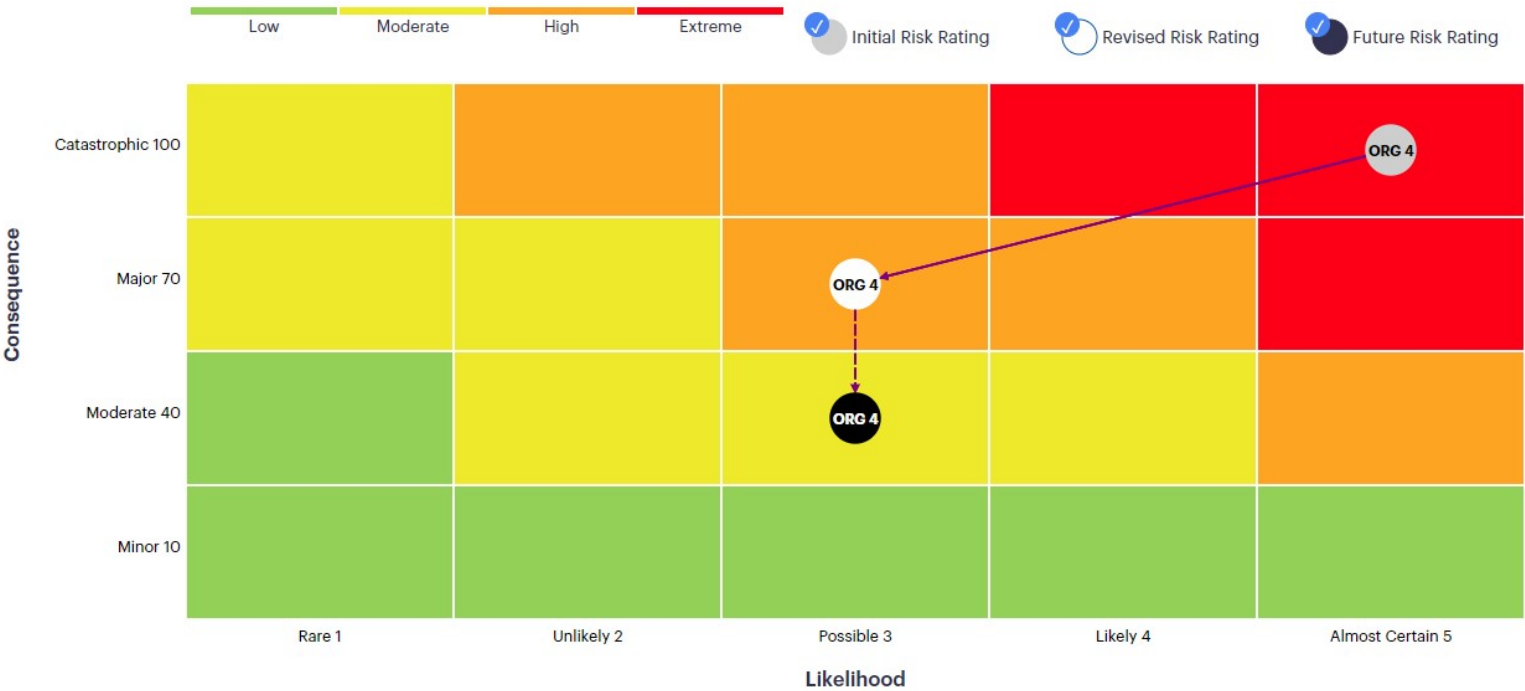
Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(2) Process and programme development for across organisation collaboration with the Iwi Partnerships Group.	Manager Iwi Partnerships	In Progress	16	31 Dec, 2024	<div><div></div><div></div><div></div><div></div></div> GREEN
Progress Comment: The team has been established and this work has started.					
(2) Review of organisational cultural capability training	Manager Iwi Partnerships	In Progress	20	31 Dec, 2024	<div><div></div><div></div><div></div><div></div></div> AMBER
Progress Comment: This review and programme development for cross organisation capability building is now underway					

Kapiti Coast District Council

Heatmap Report

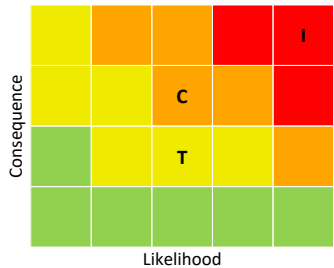
Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(4) Scoping aspirational and funding needs of iwi partners.	Manager Iwi Partnerships	In Progress	12	01 Jul, 2025	 AMBER
Progress Comment: Staff has been recruited and gathering of information from iwi partners to improve effective work and budget planning to deliver on these needs has started.					
(5) Work with our mana whenua iwi partners to review the Memorandum of Partnership and Te Whakaminega o Kapiti terms of reference	Principal Advisor Iwi Partnerships	In Progress	30	31 Dec, 2024	 RED
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.					
(new) Regional collaboration.	Principal Advisor Iwi Partnerships	In Progress	16	31 Dec, 2024	 GREEN
Progress Comment: Work has started to collaborate with other iwi partnership teams across the region to align engagement with iwi.					

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



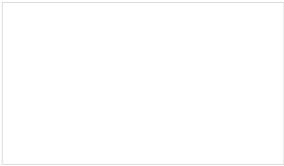
ORG 4 Inadequate mitigation and adaptation responses to known and future climate change challenges				
Risk Categories: Environmental Impact, Assets & Infrastructure Resilience, Health, Safety and Wellbeing, Reputational and Stakeholder Relationship	Risk Sponsor: GM Strategy and Growth	Secondary Risk Sponsor(s): GM Corporate Services,GM Infrastructure and Asset Management,GM Regulatory and Environment	Last Reviewed Date: 29 Jul, 2024	Next Review Date: 08 Nov, 2024

Individual Heatmap



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

Effectiveness of control	
C	Partially Effective



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
- Property and assets losses/impacts
- Increased capital costs for resilient assets
- Increased wastewater overflow
- 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)

Risk Treatment: Take further action to modify impact / likelihood





Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Deliver asset management and capital projects to make core infrastructure assets resilient to a changing climate.	GM Infrastructure and Asset Management	Effective	30 Oct, 2024
(2) Carbon Footprint and Emissions Reduction support across the organisation and internal and external education programmes.	Manager Climate Action and Connected Communities	Partially Effective	30 Oct, 2024
(3) Natural Catastrophe Insurance	GM Corporate Services	Effective	30 Oct, 2024
(4) Embed climate change thinking, planning and action into all council activities.	Manager Climate Action and Connected Communities	Effective	30 Oct, 2024
(5) Land Use Planning (Local and Regional projects) - to mitigate risks from increasing natural hazards and support emissions reductions through low carbon development.	Manager District Planning	Partially Effective	30 Oct, 2024
(6) Implement further 'direct emissions' reductions from Council's services delivery towards reaching the 2032 and 2040 targets	Manager Climate Action and Connected Communities	Effective	30 Oct, 2024

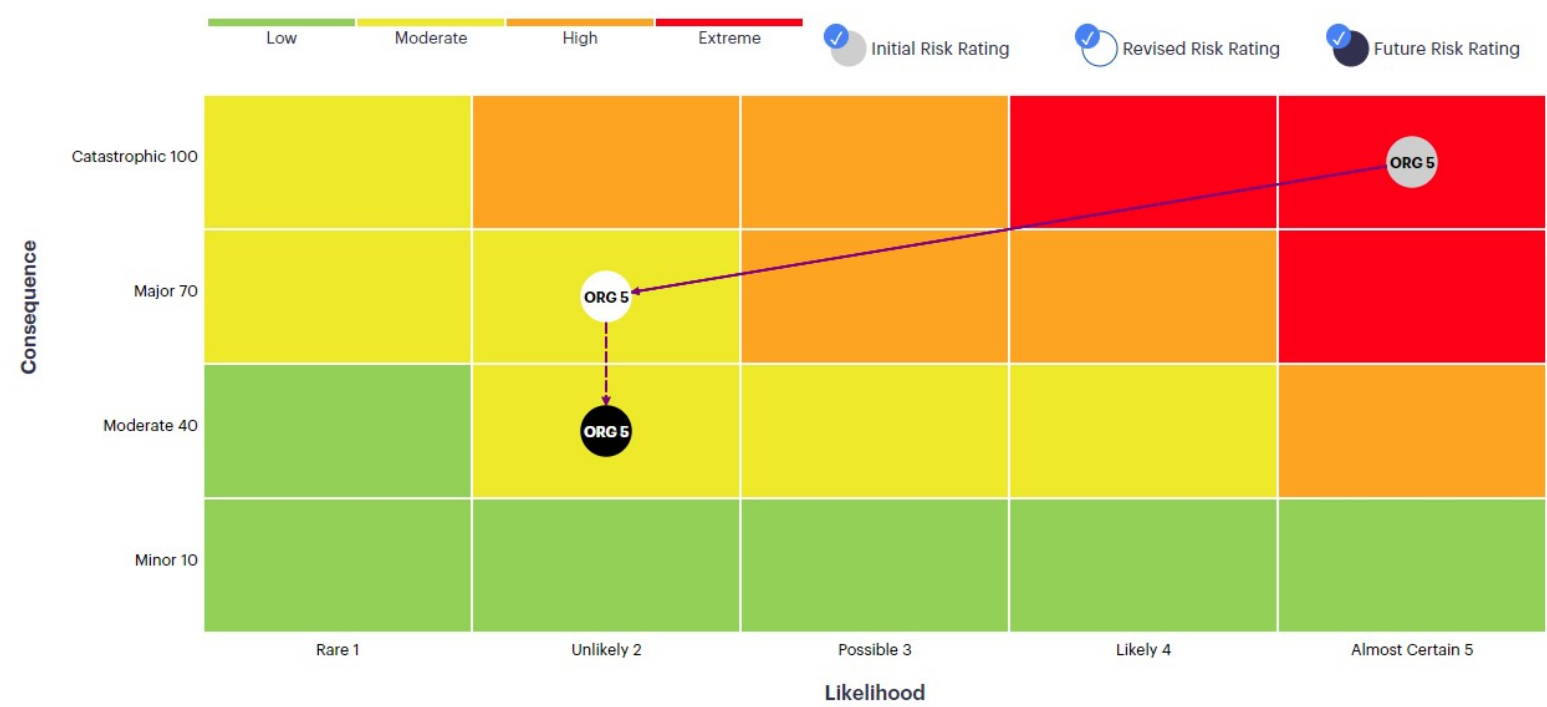
Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(7) Implement Climate Emergency Action framework and report through Climate Emergency Update Reports (LTP 2021)	Manager Climate Action and Connected Communities	Partially Effective	30 Oct, 2024

Current Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(5) Coastal Adaptation Panel (CAP) recommendations to Council	Manager District Planning	Completed	100	30 Jun, 2024	 GREEN
Progress Comment: The Coastal Advisory Panel have presented their recommendations to Council at the end of June.					
(5) Progress coastal erosion district plan change	Manager District Planning	In Progress	10	31 Dec, 2026	 GREEN
Progress Comment: Council will receive a report in August to discuss the proposed approach for this work.					
(5) Progress flood risk plan change.	Manager District Planning	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).					
(new) Introduce a Climate Strategy	Manager Strategy	In Progress	65	31 Dec, 2024	 GREEN
Progress Comment: The Direction of Travel document was finalised and is due back to SOF in October . Works continues with the Climate Change and Resilience Think Tank and Council's operational teams.					

ORG 5 Failure to achieve legislative obligations

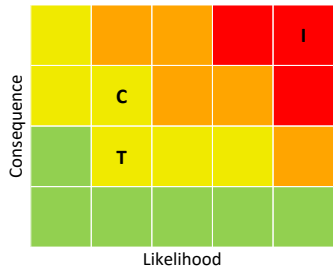


Kapiti Coast District Council

Heatmap Report

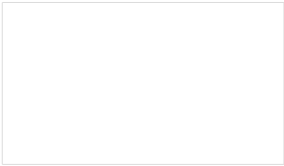
ORG 5 Failure to achieve legislative obligations				
Risk Categories: Legal and Regulatory Compliance, Reputational and Stakeholder Relationship		Risk Sponsor: GM Regulatory and Environment	Secondary Risk Sponsor(s): GM Corporate Services,GM Customer & Community,GM Infrastructure and Asset Management,GM Strategy and Growth	Last Reviewed Date: 29 Jul, 2024
				Next Review Date: 08 Nov, 2024

Individual Heatmap



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

Effectiveness of control	
C	Partially Effective



Causes

- Breach of internal 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 applying legislation incorrectly
- Staff providing incorrect advice to Council

Consequences

- Community impact
- Public safety impacted negatively
- 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

Risk Treatment: Accept,Take further action to modify impact / likelihood

Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Compliance with Local Government Act 2002 and all other relevant legislation	Senior Leadership Team (SLT)	Effective	30 Oct, 2024
(2) Compliance with statutory standards and associated Annual Reports	GM Regulatory and Environment	Effective	30 Oct, 2024
(3) Compliance Reports on sanitary services to Taumata Arowai.	GM Infrastructure and Asset Management	Effective	30 Oct, 2024
(4) Advice available from external legal service providers	Manager Legal Services	Effective	30 Oct, 2024
(5) Internal legal counsel services	Manager Legal Services	Effective	30 Oct, 2024
(6) Monitoring policy/legislative change announcements	Principal Advisor Regulatory and Environment	Effective	30 Oct, 2024

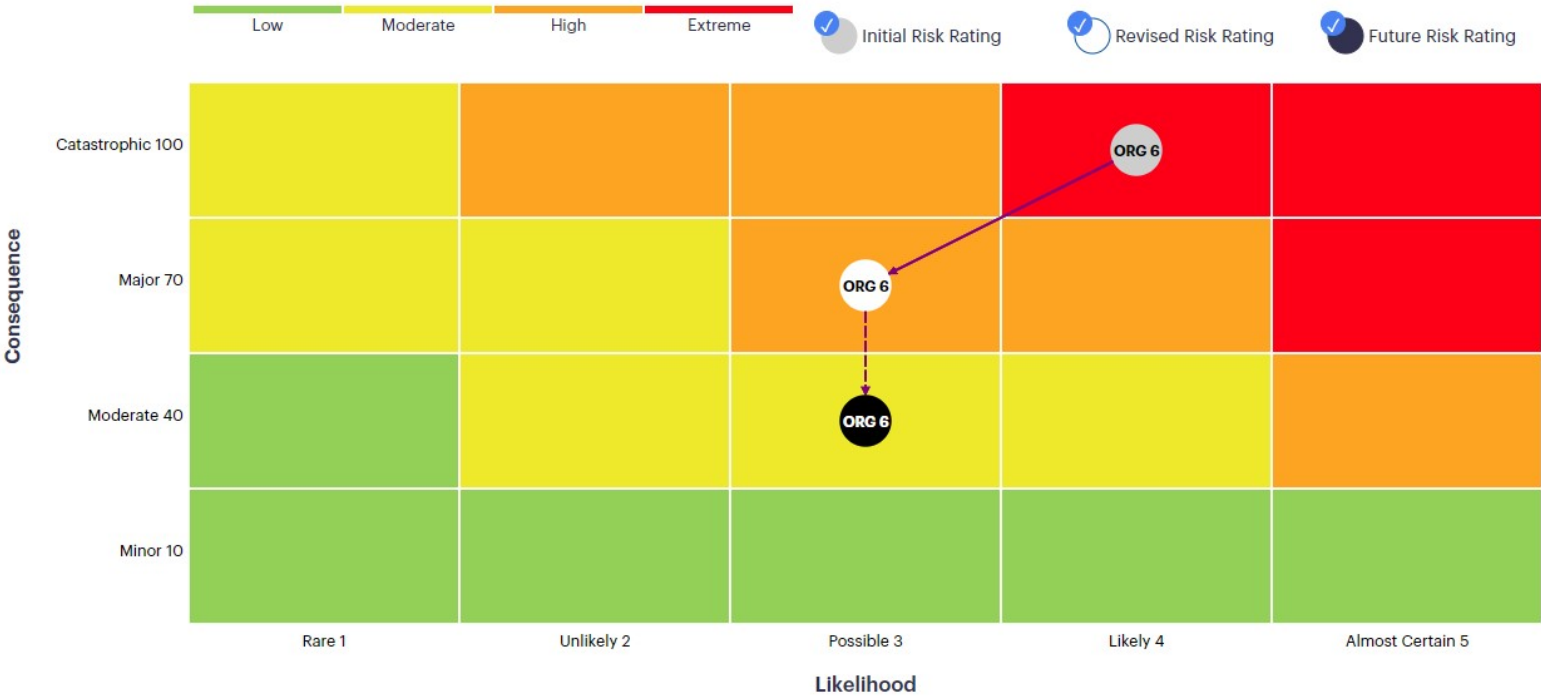
Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(7) Maintain building consent authority International Accreditation New Zealand (IANZ)	Manager Building	Effective	30 Oct, 2025
(8) Implement District Plan and other relevant land use planning legislation	Manager District Planning	Partially Effective	30 Oct, 2024
(9) Ensuring internal alignment for major projects (developments)	Director Strategic Development	Partially Effective	30 Oct, 2024
(10) Training for staff to ensure that (new) legislative requirements are well understood by decision-makers.	Principal Advisor Regulatory and Environment	Effective	30 Oct, 2024

Current Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(10) Extending Government Regulatory training for staff.	Principal Advisor Regulatory and Environment	In Progress	20	31 Dec, 2024	 AMBER
Progress Comment: The current G-REG training is underway, the next cohort is planned to start G-REG training in October. Infrastructure staff will be invited to attend as part of the new cohort.					
(10) Promote a collaborative culture in the regulatory and technical decision-making process.	Manager Resource Consents and Compliance	In Progress	40	01 Nov, 2024	 GREEN
Progress Comment: This is a treatment to support and improve peer-to-peer upskilling and across group collaboration. A draft Relationship Management Matrix and Management plan has been developed. These and the proposed actions for implementation will be finalised through discussions in the next month.					
(2) Better analysis of regulatory process reporting	GM Regulatory and Environment	In Progress	40	31 Dec, 2024	 GREEN
Progress Comment: SLT was provided with the latest quarterly report on regulatory compliance and decision making.					
(5) Implementation of the Legal Strategy	Manager Legal Services	In Progress	25	31 Dec, 2025	 GREEN
Progress Comment: Continued to implement necessary changes required to deliver the internal Legal Strategy adopted in June 2024. This progress includes recruitment to fill the new in-house legal function, and development of an implementation plan for both internal and external legal services that has a completion date of December 2025.					
(9) Implement strategic project alignment for (land use) developments across the organisation.	Director Strategic Development	In Progress	45	01 Oct, 2024	 GREEN
Progress Comment: Refine and clarify current processes in place for gaining strategic, technical, regulatory and risk alignment across the business when upcoming large developments are socialised by developers. Planning a two-monthly agenda item for SLT is underway, to report back on this process with regard to up-and-coming developments and developments in the pre-application stage. A hui across groups is planned for early August.					

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



Kapiti Coast District Council

Heatmap Report

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 Customer & Community,GM Infrastructure and Asset Management,GM Iwi Partnerships,GM Regulatory and Environment

Last Reviewed Date: 30 Jul, 2024

Next Review Date: 3 08 Nov, 2024

Individual Heatmap

Consequence

I

C

T

Likelihood

I

Initial Risk Assessment

C

Current Risk Assessment

T

Target Risk Assessment

Effectiveness of control

C

Partially Effective

Causes

- Change in Government direction
- Inadequate regulatory impact statements affecting local government
- Government intervention
- Government timeframes for local government engagement

Consequences

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

Risk Treatment:

Take further action to modify impact / likelihood

Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Continued Waters Reform: develop and deliver Water Services Delivery Plan.	GM Infrastructure and Asset Management	Effective	30 Oct, 2024
(2) Established Health Sector Engagement (Iwi Maori Partnership Board) (IMPB)	GM Strategy and Growth	Effective	30 Oct, 2024
(3) Monitoring policy and legislative announcements to respond and prepare for change.	Manager Strategy	Effective	30 Oct, 2024
(4) Raising issues of concern for our community through formal processes (Health, Housing)	Manager Strategy	Partially Effective	30 Oct, 2024
(5) Regional and national collaboration, knowledge sharing and creating opportunities to influence decision-making.	Manager Strategy	Partially Effective	30 Oct, 2024
(6) Identify short to medium term high impact legislative changes to include budgets in Long Term Plans	Chief Financial Officer	Partially Effective	30 Oct, 2024

Current Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(4) Health Strategy Development	Manager Strategy	In Progress	65	31 Dec, 2024	<div><div></div><div></div><div></div><div></div><div></div></div> <div>GREEN</div>
Progress Comment: A Health Strategy is being drafted to outline how Council will support addressing the implications of health reform for Kāpiti. A report will be presented to Council shortly.					

15-Aug-2024

Camms.

Page 21 of 36

Item 9.4 - Appendix 1

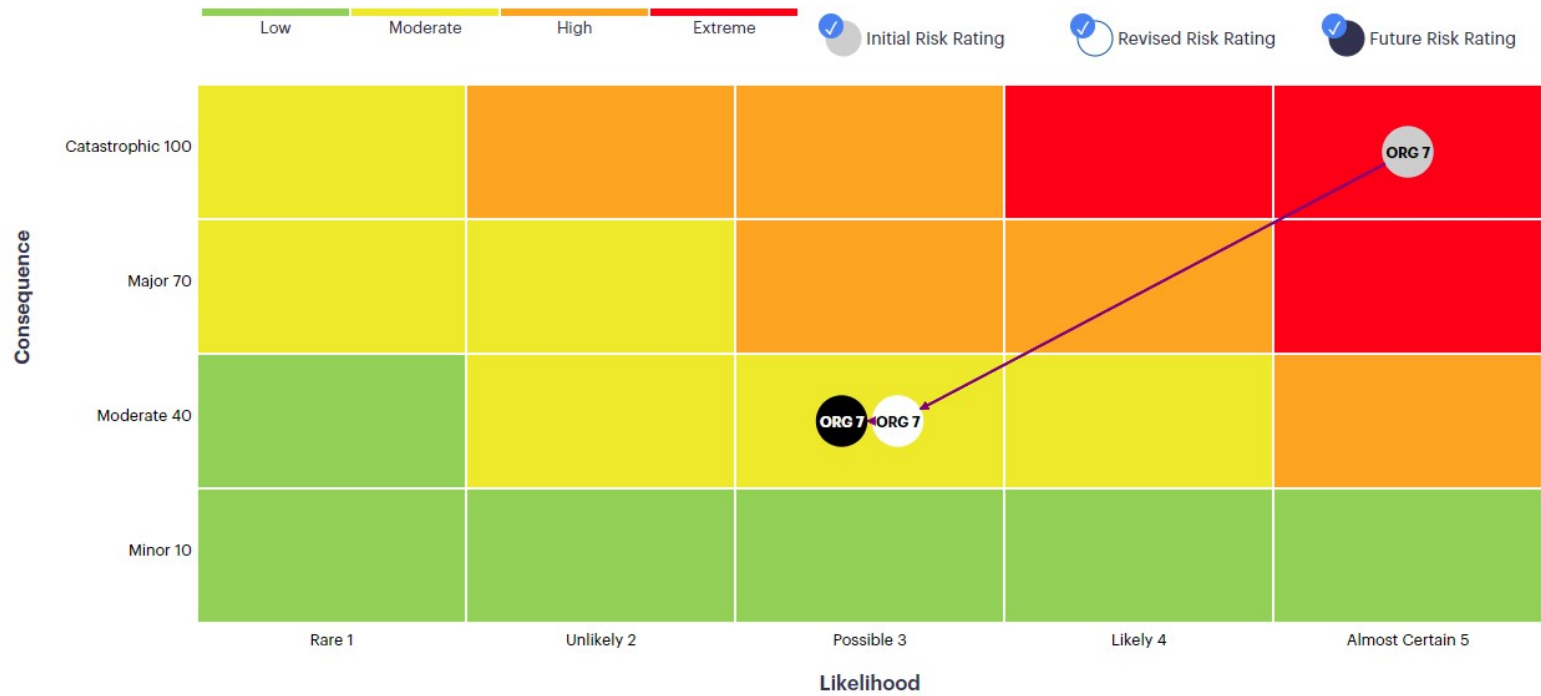
Page 92

Kapiti Coast District Council

Heatmap Report

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(5) Regional and national collaboration and knowledge sharing	Manager Strategy	In Progress	85	31 Oct, 2024	<div><div></div><div></div><div></div></div> GREEN
Progress Comment: The second of 'all of Government Services' meeting took place in July. All relevant agencies have started work towards priority-development areas under the Wellington Region Leadership Committee work programme. An update to SOF in collaboration with government is being planned.					
(N) Scenario planning that will inform our short, medium and long term direction (includes input to LTP)	Manager Strategy	Not Started	0	31 Mar, 2025	<div><div></div><div></div><div></div></div> N/A
Progress Comment: Councillors have agreed that developing scenarios will be part of the Vision Kapiti development. This work is part of the next phase of Vision Kāpiti and is planned to start in September.					

ORG 7 - Inadequate safeguards against digital technology risks

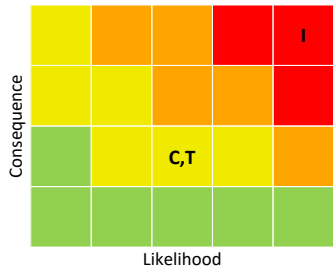


Kapiti Coast District Council

Heatmap Report

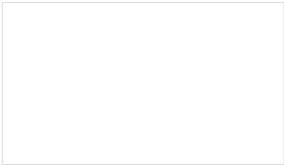
ORG 7	Inadequate safeguards against digital technology risks.		
Risk Categories: Information and Data Management, Financial Exposure, IT Systems and Processes, Reputational and Stakeholder Relationship	Risk Sponsor: GM Corporate Services	Last Reviewed Date: 01 Aug, 2024	Next Review Date: 08 Nov, 2024

Individual Heatmap



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

Effectiveness of control	
C	Effective



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

Risk Treatment: Accept

Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Regular review of IT Disaster Recovery Plan (critical IT systems).	Chief Information Officer	Effective	31 Oct, 2024
(2) Artificial Intelligence (AI) education and guidelines.	Chief Information Officer	Partially Effective	30 Oct, 2024
(3) Cyber Security Awareness Training	Chief Information Officer	Effective	30 Oct, 2024
(4) Annual independent cyber security audit	Chief Information Officer	Effective	30 Oct, 2024
(5) Software security patches	Chief Information Officer	Effective	30 Oct, 2024
(6) User Security Permissions (2 factor authentication, systems access, data access, physical access)	Chief Information Officer	Effective	30 Oct, 2024
(7) Security Incident Management System (SIEM) - pro-active monitoring of cyber security threats.	Chief Information Officer	Effective	30 Oct, 2024
(8) Quarterly testing of IT team response to cyber threats (team BCP)	Manager Information Technology	Effective	30 Oct, 2024

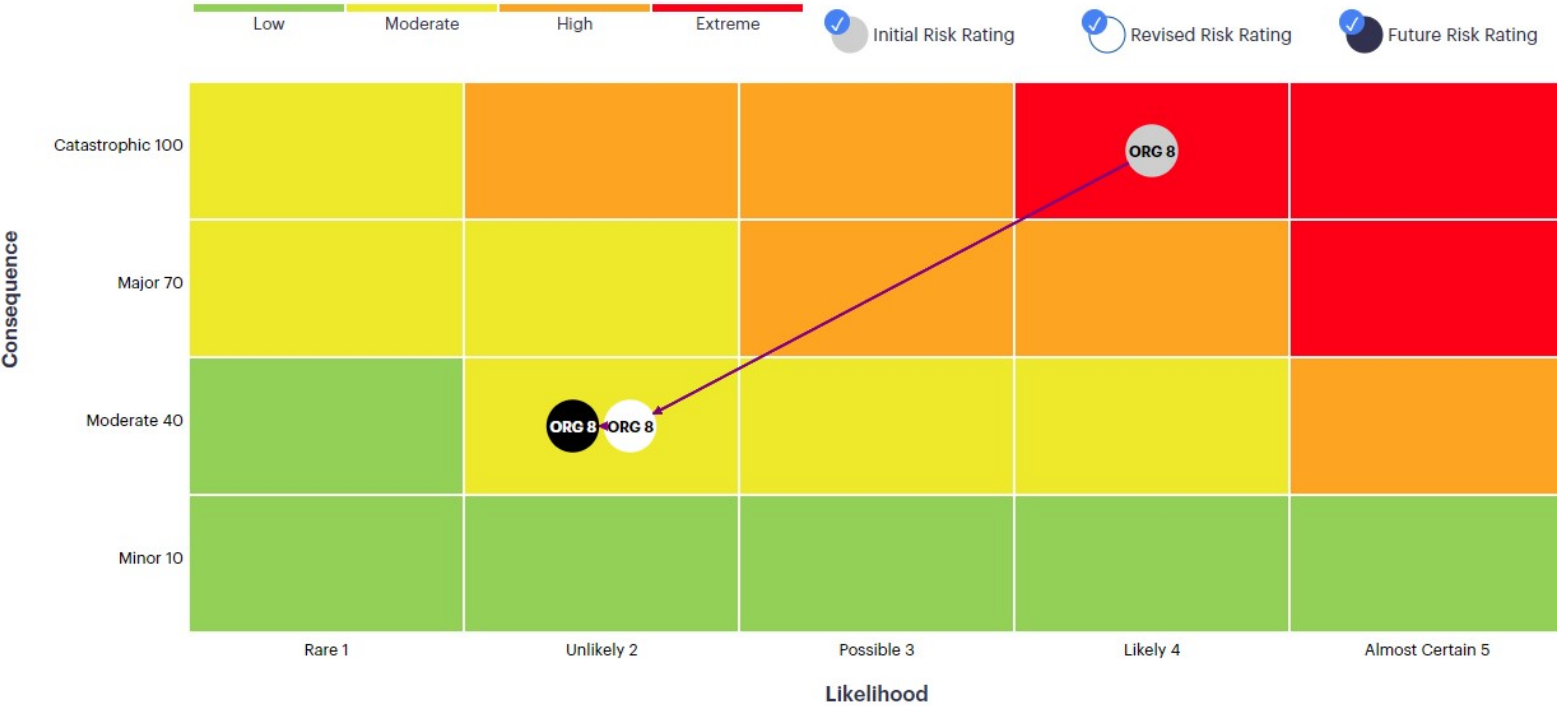
Consequences

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

Current Solutions

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(2) AI education and guidelines	Chief Information Officer	In Progress	40	31 Dec, 2024	<div><div></div><div></div><div></div><div></div><div></div></div> <div>GREEN</div>
Progress Comment: AI Guidelines have been provided to staff. An AI Policy has been developed and will be presented to SLT.					

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



Kapiti Coast District Council

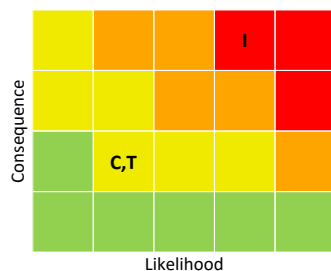
Heatmap Report

ORG 8 Failure to prudently manage Council's financial stability including fraudulent activityRisk Categories: Financial Exposure,
Reputational and Stakeholder Relationship

Risk Sponsor: GM Corporate Services

Last Reviewed Date:
29 Jul, 2024Next Review Date:
08 Nov, 2024

Individual Heatmap



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

Effectiveness of control

C Effective

Causes

- Cyber security attack
- Decreased revenue
- Inadequate financial controls
- Increased insurance premiums
- Inflation
- Lack of process controls
- Major government policy changes
- Rising costs

Risk Treatment: Take further action to modify impact / likelihood

Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Employee screening	GM People and Capability	Effective	30 Oct, 2024
(2) Enterprise Risk Management	Manager Risk and Assurance	Effective	30 Oct, 2024
(3) Fraud and Corruption awareness training	Manager Risk and Assurance	Partially Effective	30 Oct, 2024
(4) Protected Disclosures Policy	Manager Legal Services	Partially Effective	30 Oct, 2024
(5) Mitigation of Fraud Policy	Manager Risk and Assurance	Partially Effective	30 Oct, 2024
(6) Internal Audit work programme	Manager Risk and Assurance	Effective	30 Oct, 2024
(7) Financial External Audits	Chief Financial Officer	Effective	30 Oct, 2024
(8) Financial Internal verification processes (checks and balances).	Chief Financial Officer	Effective	30 Oct, 2024
(9) Financial management awareness training	Chief Financial Officer	Effective	30 Oct, 2024
(10) Financial reporting	Chief Financial Officer	Effective	30 Oct, 2024

Consequences

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

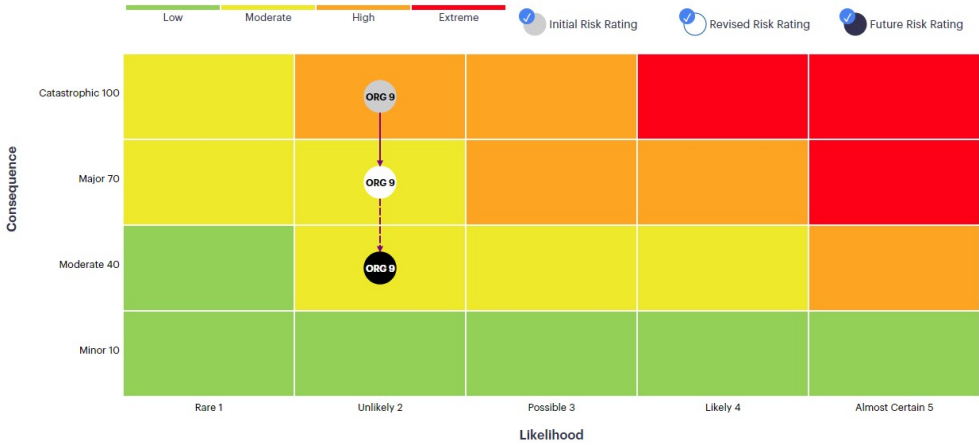
Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(11) Financial Strategy	GM Corporate Services	Effective	30 Oct, 2024
(12) Procurement Policy and Manual implementation.	Chief Financial Officer	Partially Effective	30 Oct, 2024
(13) Insurance and re-insurance of Council assets	GM Corporate Services	Effective	30 Oct, 2024
(14) Code of conduct and Corporate Policies	Senior Leadership Team (SLT)	Partially Effective	30 Oct, 2024
(15) Council's Long-Term Plans and Annual Plans	Senior Leadership Team (SLT)	Effective	30 Oct, 2024
(16) Financial Policies (implementation and review).	Chief Financial Officer	Partially Effective	30 Oct, 2024

Current Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(12) Procurement Policy and Framework	Chief Financial Officer	In Progress	60	31 Dec, 2024	 AMBER
Progress Comment: The procurement framework has been reviewed and change recommendations are being implemented.					
(14) Develop and implement a staff education programme.	GM People and Capability	In Progress	30	30 Oct, 2024	 AMBER
Progress Comment: Continuing work on developing the education programme for Code of Compliance, Finance, Procurement, Legal and Iwi Partnerships. The roll out will include an e-Ako module and more in-depth training.					
(3) Develop Fraud and Corruption awareness training module.	Manager Risk and Assurance	In Progress	40	30 Oct, 2024	 GREEN
Progress Comment: Staff is finalising an online training module.					
(6) Annual review of Conflicts of Interest (COI) register.	Manager Risk and Assurance	In Progress	80	30 Jul, 2024	 AMBER
Progress Comment: The draft (internal) audit report is currently being validated.					

ORG 9 Failure to maintain business continuity for essential services and inadequate planning and preparedness for emergencies



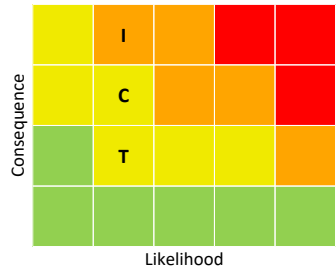
Risk rating for Failure to maintain business continuity for essential services



Risk rating for Inadequate planning and preparedness for emergencies

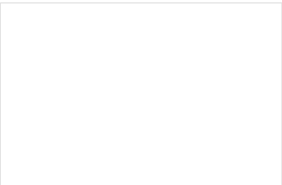
ORG 9 Failure to maintain business continuity for essential services and inadequate planning and preparedness for emergencies.				
Risk Categories: Assets & Infrastructure Resilience - Asset,Infrastructure,Supply chain disruption, Environmental Impact, Financial Exposure, Health, Safety and Wellbeing, IT Systems and Processes, Legal and Regulatory Compliance, Reputational and Stakeholder Relationship	Risk Sponsor: GM Infrastructure and Asset Management	Secondary Risk Sponsor(s): GM Corporate Services,GM Customer & Community,GM Regulatory and Environment	Last Reviewed Date: 29 July, 2024	Next Review Date: 08 Nov, 2024

Individual Heatmap



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

Effectiveness of control	
C	Partially Effective



Causes

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

Consequences

- Homelessness
- Negative impact on Council and community resilience
- Public/staff harm
- Legal implications
- Customer dissatisfaction
- Failure to meet statutory requirements
- Delays to work programmes
- Disruption to core Infrastructure
- Failure to achieve business objectives
- Financial exposure
- Reputational damage
- Service disruption

Risk Treatment: Take further action to modify impact / likelihood









Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Capital Programme Board to provide oversight over all (medium to large) capital projects.	GM Infrastructure and Asset Management	Effective	30 Oct, 2024
(2) Asset Management Planning and investing in resilient infrastructure.	Senior Leadership Team (SLT)	Partially Effective	30 Oct, 2024
(3) SLT maintains oversight of Asset Management Plans and work programmes	Senior Leadership Team (SLT)	Partially Effective	30 Oct, 2024
(4) Business Continuity Plans	Senior Leadership Team (SLT)	Partially Effective	30 Oct, 2024
(5) Resourcing, training, professionalisation and integration with WREMO and use of the CIMS model.	Manager Emergency Management	Partially Effective	30 Oct, 2024
(6) Sufficient emergency management staffing levels to provide better preparedness, response and recovery.	Manager Emergency Management	Partially Effective	30 Apr, 2024
(7) Kapiti Local Emergency Response Plans are up to date and joint operational readiness through KESCC is in place.	Manager Emergency Management	Partially Effective	30 Apr, 2024

Current Controls

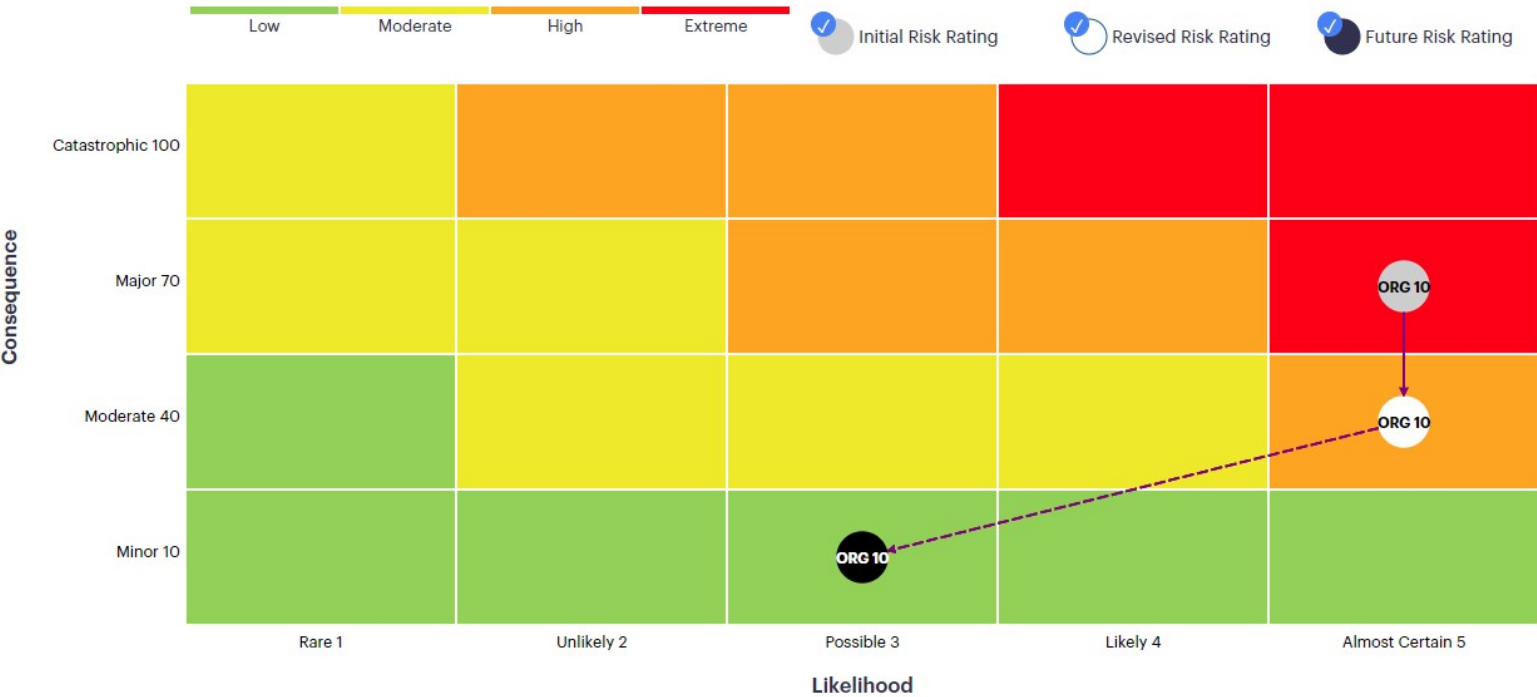
Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(8) Continued Community Resilience Education Programmes delivered by in Kapiti by WREMO.	Manager Emergency Management	Effective	30 Jun, 2024
(9) Development of more comprehensive Recovery Planning.	GM Strategy and Growth	Partially Effective	30 Oct, 2024

Current Risk Treatments

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(3) Develop Asset Management Strategy/Policy including SLT review programme and RAC reporting cycle. Progress Comment: Develop a Strategic Asset Management Plan and AMP Policy that set out the strategic approach to asset management and processes and timelines for reviewing AMPs and work programmes by SLT (in alignment with maturity score from IMMM (Int. Infrastructure Management Manual). Include a reporting cycle to RAC on delivery on AMP improvement plans and key changes/updates to work programmes (if any). This work will get underway in August.	GM Infrastructure and Asset Management	In Progress	15	31 Dec, 2024	 AMBER
(3) Share findings of external AMP audits with SLT (LTP cycle). Progress Comment: RAC will receive the EY Closing Report for the LTP 2024 and the associated Control Findings report on 15 August. The recommendations will be monitored by the Risk & Assurance Team who will work with GMs. Discussion at SLT will follow.	GM Infrastructure and Asset Management	In Progress	40	30 Oct, 2024	 GREEN
(4) Develop a BCP Governance framework for SLT and a 'one format one system' approach across Business Units. Progress Comment: Half-yearly review of inventory of existing BCPs across the business has started. Framework being readied for validation. Discussions about one format one system approach underway. Readiness reminders to test and review will be included in this process and in CAMMS Risk system; and are also issued on after 'headline' events e.g. July '23 CrowdStrike global outage.	Manager Risk and Assurance	In Progress	45	31 Oct, 2024	 AMBER
(4) Review and update Infrastructure BCP's Progress Comment: Infrastructure Services BCPs review will get underway shortly in alignment with the BCP Governance Framework	GM Infrastructure and Asset Management	In Progress	33	31 Dec, 2024	 GREEN
(5) Professionalise EOC structure in order to build and retain capacity and capability. Progress Comment: Renumeration as part of employment agreement started per 1 July with controllers - for be followed for other EOC staff.	Manager Emergency Management	In Progress	20	31 Dec, 2025	 GREEN
(6) Increasing emergency staffing numbers. Progress Comment: The 'all-in' approach training requirements launched on 1 July 2024, with the first Foundations training starting in August.	Manager Emergency Management	In Progress	15	31 Dec, 2025	 GREEN
(7) Kāpiti Local Emergency Response Plan development and implementation. Progress Comment: The draft local response plan is being finalised and will be presented to SLT for approval.	Manager Emergency Management	In Progress	80	01 Sep, 2024	 AMBER
(7) Work programme to enhance inter-agency collaboration locally (KESCC) and joint operational readiness	Manager Emergency Management	In Progress	55	31 May, 2025	 GREEN

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
Progress Comment: Conducted a KESCC meeting on 11 June and KCDC attended the Horowhenua ESCC in July. A joint Kapiti/Horowhenua ESCC meeting is planned for October including a joint tabletop exercise.					
(8) Recovery Plan development.	Manager Strategy	In Progress	30	30 Jun, 2025	<div><div></div><div></div><div></div></div> GREEN
Progress Comment: The principal lead for recovery planning has not started, staff has been attending Recovery Masterclasses and the Recovery function has been embedded into the EOC Response. Staff have been working with WREMO to implement a new regional recovery framework with Kāpiti as the first pilot district. The RAC will receive a briefing at the 15 August meeting on this approach for Recovery and the work that has been done with WREMO.					

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

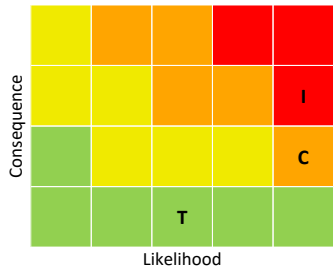


Kapiti Coast District Council

Heatmap Report

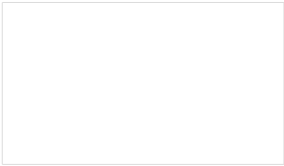
ORG 10Inability to attract and retain sufficient capacity to deliver Council’s objectives				
Risk Categories: Health, Safety and Wellbeing	Risk Sponsor: GM People and Capability	Secondary Risk Sponsor(s): Senior Leadership Team (SLT)	Last Reviewed Date: 29 Jul, 2024	Next Review Date: 08 Nov, 2024

Individual Heatmap



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

Effectiveness of control	
C	Partially Effective



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

Risk Treatment: Take further action to modify impact / likelihood





Current Controls

Control Title	Control Owner	Control Effectiveness Rating	Control Next Review Date
(1) Engaging Contractors / Consultants for specific and short-term work delivery.	GM People and Capability	Partially Effective	30 Oct, 2024
(2) Monitoring and reviewing job grades	GM People and Capability	Partially Effective	30 Oct, 2024
(3) Monitoring Remuneration trends	GM People and Capability	Effective	30 Oct, 2024
(4) Professional development opportunities	GM People and Capability	Partially Effective	30 Oct, 2024
(5) Regular staff engagement surveys and associated work programmes	GM People and Capability	Partially Effective	30 Oct, 2024
(6) Workforce and Succession Planning	GM People and Capability	Ineffective	30 Oct, 2024
(7) Reprioritisation of Work Programmes	Senior Leadership Team (SLT)	Partially Effective	30 Oct, 2024
(8) People and Culture Strategy implementation	GM People and Capability	Partially Effective	30 Oct, 2024

Current Risk Treatments

Kapiti Coast District Council

Heatmap Report

Risk Treatment Title	Responsible Officer	Treatment Status	% Completed	End Date	Performance
(2) Grade relativity review	Manager Human Resources Service Delivery	In Progress	15	30 Oct, 2024	 GREEN
Progress Comment: The relativity review has started and will be reported back to SLT.					
(4) Improve the digital systems for robust and timely performance management.	Manager Human Resources Service Delivery	In Progress	15	30 Jun, 2025	 GREEN
Progress Comment: A more planned and monitored approach is needed for regular performance reviews.					
(6) Provide input into development of AMP Policy and review/reporting process - linking capacity/capability to delivery.	Manager Human Resources Service Delivery	Not Started	0	31 Dec, 2024	 N/A
Progress Comment: This control and treatment are linked to control and treatment in ORG risk 9 (SLT oversight of AMPs and work programmes).					
(8) Refresh the People & Capability Strategy	Manager Human Resources Service Delivery	In Progress	10	31 Oct, 2024	 GREEN
Progress Comment: The refresh of the strategy has started on 24 July with a hui working with people leaders to develop a roadmap to ensure we're enabled to deliver on this strategy.					

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

9.5 INTERNAL AUDIT WORK PROGRAMME - UPDATE

Kaituhi | Author: Sharon Foss, Manager Risk and Assurance
Kaiwhakamana | Authoriser: Mark de Haast, Group Manager Corporate Services

TE PŪTAKE | PURPOSE

- 1 This report provides the Risk and Assurance Committee with a progress report on the 2024 Internal Audit work programme.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 This report does not require an Executive Summary.

TE TUKU HAEPAHA | DELEGATION

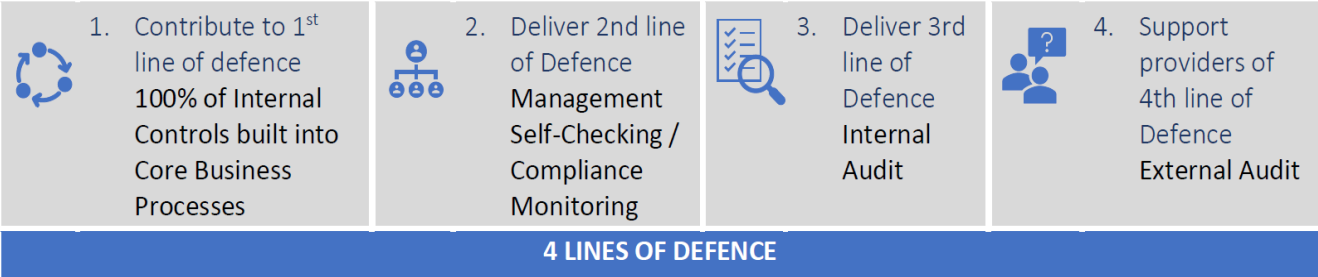
- 3 The Committee has delegated authority to consider this report under section C.3 of the Governance Structure and Delegations.
- Ensuring that the Council has in place a current and comprehensive risk management framework and making recommendations to the Council on risk mitigation.

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee receives and notes the progress update on the 2024 Internal Audit work programme.

TŪĀPAPA | BACKGROUND

- 4 Internal audit is line three of the ‘Four Lines of Defence’ model used in the Risk and Assurance workflow.



- 5 Each of the above four sources of assurance contribute to the overall level of assurance provided and the classification into four categories demonstrates how they are integrated into Council business.
- First line: Risks are managed and controlled day-to-day. Assurance comes directly from those responsible for delivering specific objectives or processes.
- Second line: The 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.

Third Line of Defence (Internal Audit)






- 6 In accordance with both the NZ Auditing Standards and our external auditors, EY, the internal audits have been given a risk ranking from the three options below.










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.

- 7 Validation of audit findings and recommendations is an important part of the internal audit approach. As previously advised this practice assures full discussion, consideration and management acceptance of observations/recommendations and report content through to final authorisation of the report.
- 8 The 2024 internal audit work programme approved by this Committee in February 2024 was set until 30 June 2024. This allowed for the carryover of audits from 2023 and aligned the audit scheduling with the adoption of the Long-Term Plan 2024-34.

HE KŌRERORERO | DISCUSSION

- 9 The following table updates this Committee on progress made on the internal audit work programme. The status categories include a new category titled "Finalised" to better reflect a draft audit report proceeding through the validation process.

Progress Status Categories				
				
Planned	Ongoing	In Progress	Finalised	Completed

Risk	Activity	Status: 26 July 2024	
High	Compliance with Mitigation of Fraud Policy.		Completed
High	Compliance with Procurement Policy Framework.		Completed
High	Compliance with Employee Code of Conduct document.		Finalised
High	Review Employee Conflict of Interest Declarations.		Finalised
High	Compliance with General Expenses Policy.		In Progress
Moderate	Compliance with Protected Disclosures (Protection of Whistleblowers) Policy.		Finalised
Moderate	Compliance with Receipt of Gifts and Hospitality Policy.		Finalised
Moderate	Monitor progress against Ernst & Young Control Findings: Close Report F/Y 2022-23		In Progress - until EY complete their F/Y 2023-24 external audit
Low	Review preparedness for business interruption and continuously improve.		Ongoing

He take | Issues

10 There are no issues to be raised in this report.

Ngā kōwhiringa | Options

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

Mana whenua

12 There are no mana whenua considerations arising from this report.

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

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

Ahumoni me ngā rawa | Financial and resourcing

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

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

15 There are no legal considerations arising from this report.

Ngā pānga ki ngā kaupapa here | Policy impact

16 There are no policy implications arising from this report.

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

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

Whakatairanga | Publicity

18 There are no publicity requirements or considerations arising from this report.

NGĀ ĀPITI HANGA | ATTACHMENTS

Nil

9.6 QUARTERLY TREASURY COMPLIANCE

Kaituhi | Author: **Ian Georgeson, 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 June 2024.

HE WHAKARĀPOOTO | EXECUTIVE SUMMARY

- 2 An Executive Summary is not required for this report.

TE TUKU HAEPAPA | 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:

A.1 Receives and notes this report.

A.2 Notes the Council's non-compliance with its old Policy in three areas:

- i. Debt maturities (6% in 5-10 year bucket vs policy minimum 10%)
 - ii. Fixed/Floating Risk Control limit (54% hedged vs policy minimum 55%)
 - iii. Hedging Instrument maturities (14% in 5-10 year bucket vs policy minimum 15%)
- (these non-compliant areas have been further discussed in this report).

A.3 Notes the Council has fully complied with all other requirements of the old Policy for the three months ended 30 June 2024.

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 with 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 June 2024 against the 2023/24 full year budget and the prior year closing balance.

Table 1	June YTD Actual	Full Year Budget	Prior year 2022/23
	\$000's	\$000's	\$000's
External debt	320,000	315,000	275,000
less borrower notes	(7,460)	(7,335)	(6,110)
less Term Deposits	(60,000)	(60,000)	(55,000)
less cash	(7,953)	(7,875)	(14,084)
Net debt	244,587	239,790	199,806

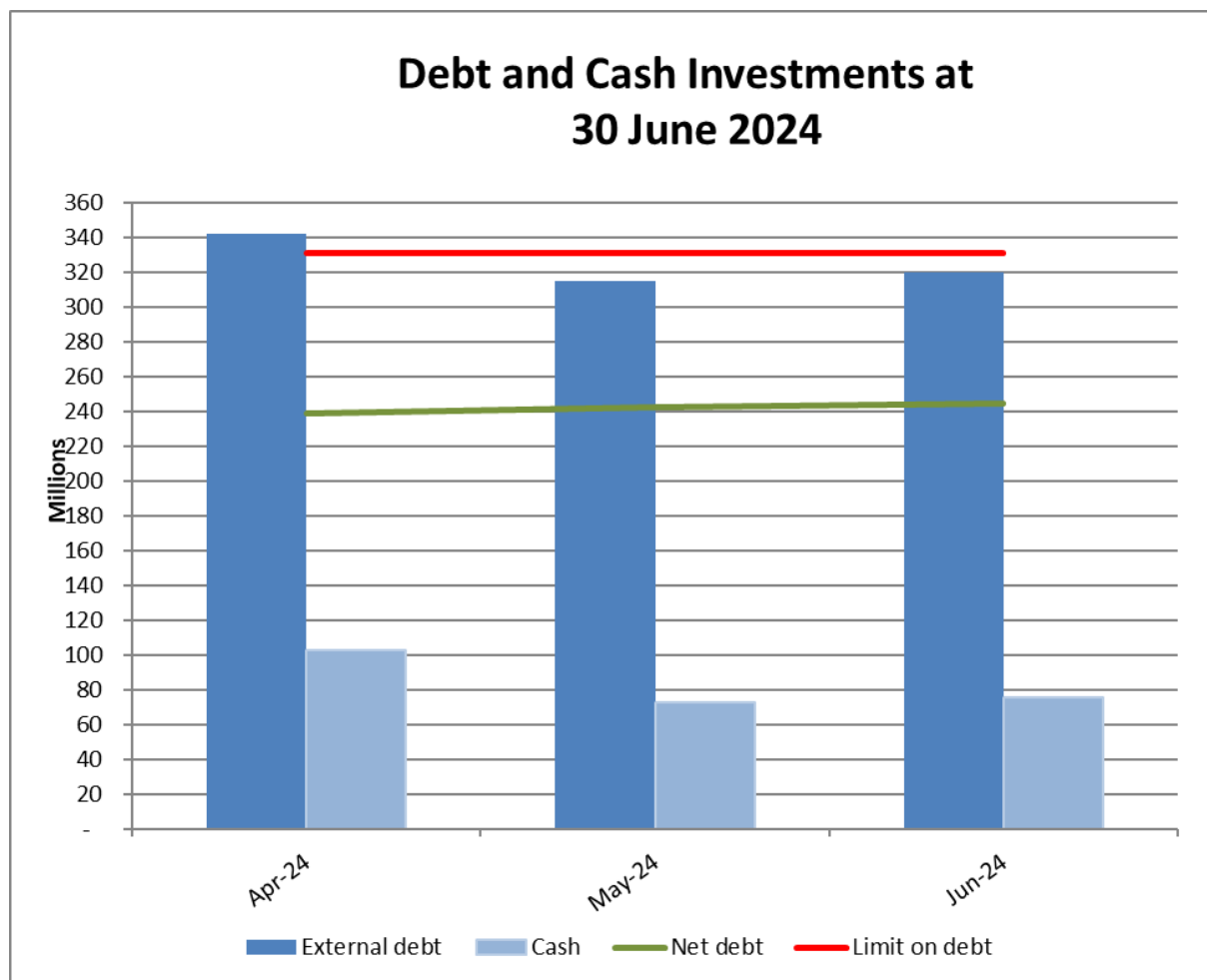
- 8 During the past three months, the Council has issued \$35 million of new debt. This was used to pre-fund the April 2025 debt maturity (\$10 million), and 2023/2024 capex programme costs (\$25 million).
- 9 The table below shows (a) the movement in the Council's external debt balance, (b) the movement 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 twelve months ended 30 June 2024.

Borrowings	Gross borrowings \$000	Pre-funding					CAPEX
		TD Oct 2023 \$000	TD May 2024 \$000	TD Oct 2024 \$000	TD Apr 2025 \$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	100,000	-	-	30,000	30,000	60,000	40,000
Matured Long term debt	(55,000)	(25,000)	(30,000)	-	-	(55,000)	n/a
Total	320,000	-	-	30,000	30,000	60,000	40,000

- 10 As at 30 June 2024 the Council had \$75.4 million of cash, borrower notes and term deposits on hand. This is broken down as follows:

Term deposits, cash & borrower notes	Prefund borrowings	Borrower notes	Cash	Total
	\$000	\$000	\$000	\$000
LGFA debt maturing Oct 2024	30,000	-	-	30,000
LGFA debt maturing Apr 2025	30,000	-	-	30,000
Surplus cash	-	-	7,953	7,953
Borrower notes held	-	7,460	-	7,460
Total	60,000	7,460	7,953	75,413

- 11 For the three months ended 30 June 2024, the Council has not breached its net debt upper limit, as shown in the chart below.

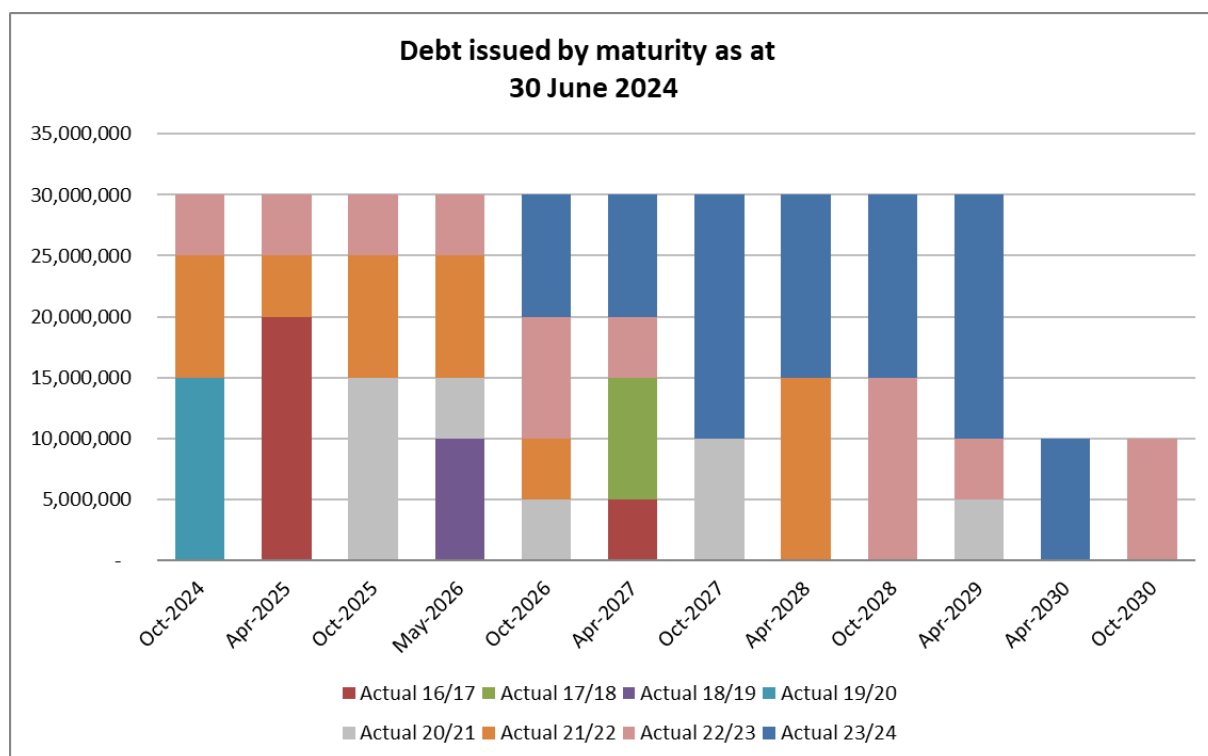


- 12 The Council targeted through its LTP 2021-41 financial strategy to keep net borrowings below 280% of total operating income with a preferred limit of 250%. As at 30 June 2024, the Council's net borrowings are 205.7% of actual 2024 total operating income.

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.

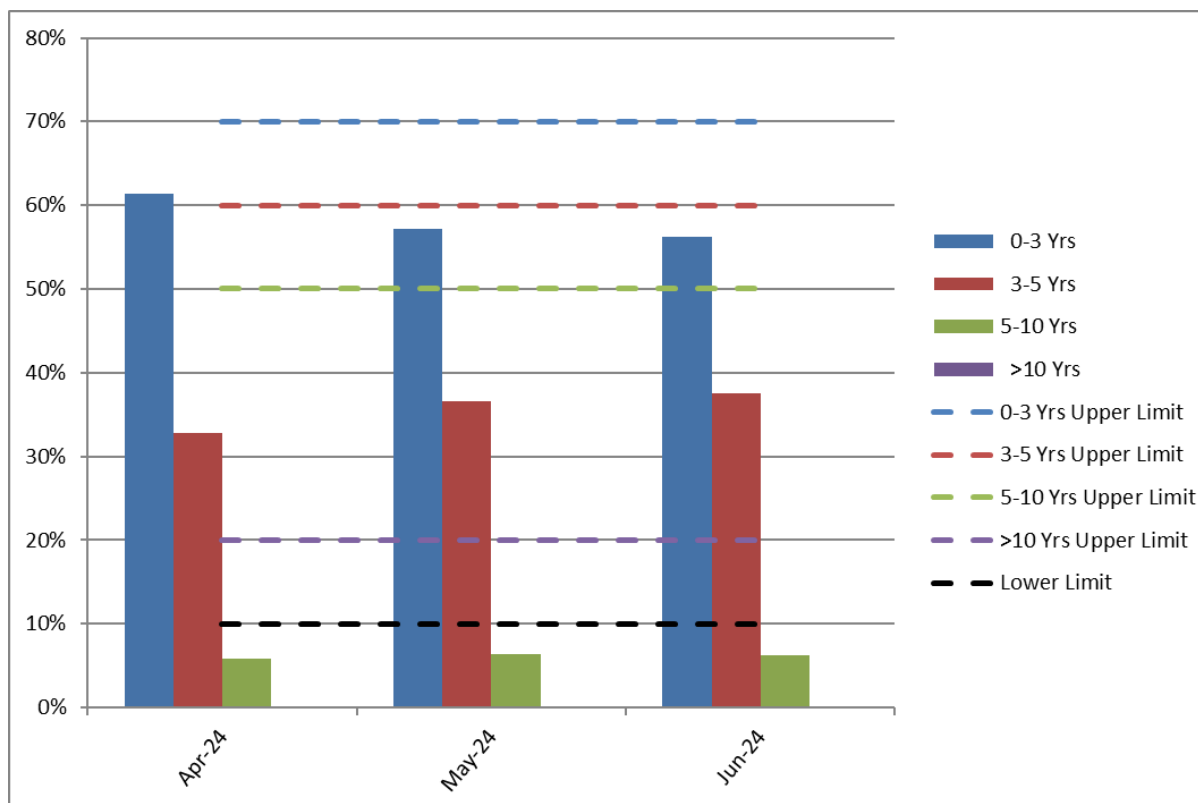


- 16 Debt maturities must fall within maturity compliance buckets. These maturity buckets are as follows:

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 June 2024, the Council has breached its debt maturity limits in the 5-10 year maturity bucket, with council having 6% of debt in this maturity bracket while the Policy requires a lower limit of 10%.

- 18 This is shown in the following chart. The limits, as shown by dashed lines, relate to the bars of the same colour. For example, the 0 to 3 years 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.



- 19 It should be noted that longer maturity dates carry a higher lending margin so are more expensive, and this is the reason council has been reluctant to take longer date debt.
- 20 The new Treasury policy applying from 1 July 2024 has a less prescriptive approach to the spread of maturities instead requiring that no more than 40% of debt shall mature in any rolling 12 month period. This amendment alleviates the need to micromanage exposures to comply with policy while in reality adding additional cost and complexity to the risk management process.

Interest rate risk control limits

- 21 The Council seeks advice 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.
- 22 Without such hedging, the Council would have difficulty absorbing adverse interest rate movements. A 1% increase in interest rates on \$320 million of external debt would equate to additional interest expense of \$3.20 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.
- 23 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.

- 24 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%.

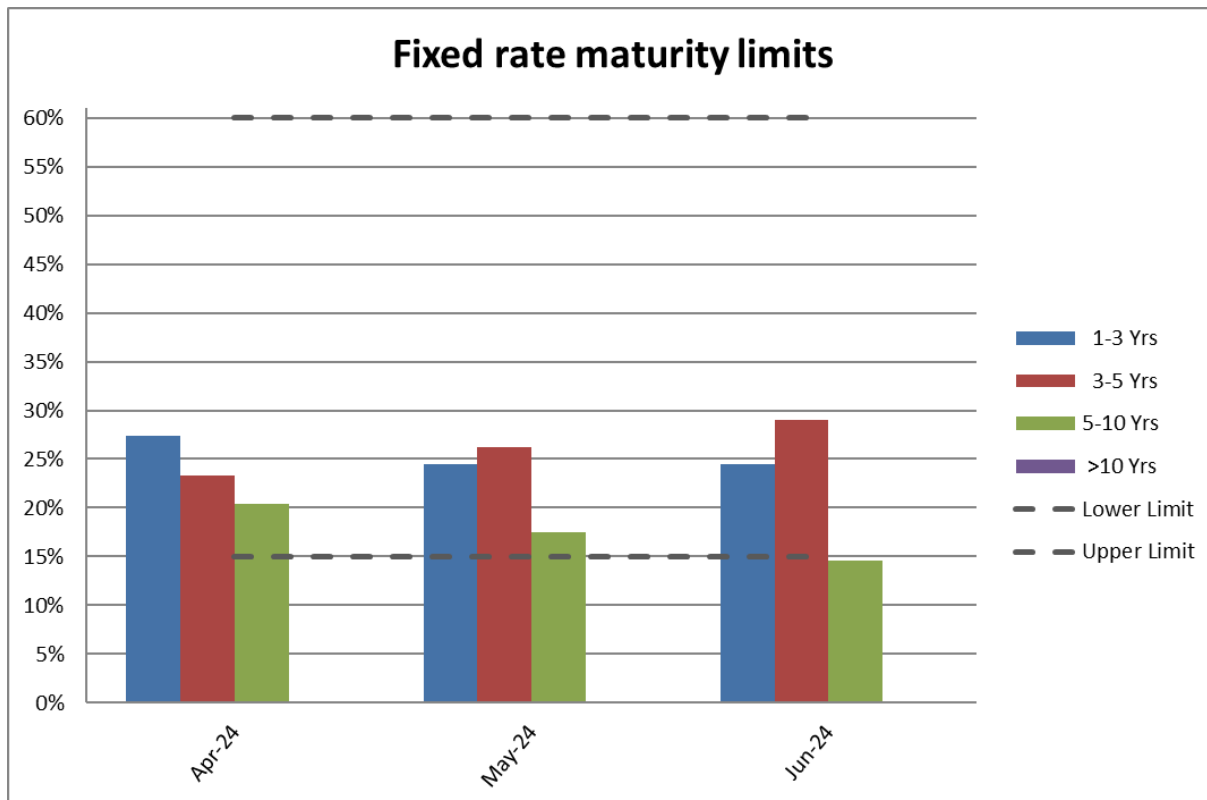
- 25 For the three months ended 30 June 2024, the Council has breached its fixed/floating risk control limits, in that total hedging fell slightly below the policy limit of 55%. This is shown in the table below.

\$000's	Apr-24	May-24	Jun-24
External debt (floating	342,000	315,000	320,000
Swaps (fixed portion)	172,000	172,000	172,000
Fixed %	50.3%	54.6%	53.8%
Unfixed debt	170,000	143,000	148,000

- 26 It is noted that in the recent high interest rate environment the Council has intentionally held off entering into new swap contracts, resulting in this policy breach.
- 27 Looking forward, Council will not immediately be in compliance with the new policy parameters but the intention is to become compliant over the September quarter. The effect of not taking out additional hedging over the last few months is expected to be of material benefit to Council as interest rates have fallen significantly since early June, the 2 year swap (for example) down by 0.80% to 4.40%, the 5 year swap down 0.78% to 3.96% and the 10 year swap by 0.75% to 4.12%. Since the peak of interest rates in October 2023 the falls have been much greater, the 2 year swap is down by 1.49%, the 5 year by 1.45% and the 10 year by 1.25%. Council will look to lock in lower swap rates progressively as market conditions dictate.
- 28 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%

- 29 As shown by the following chart. The Council breached its hedging maturity compliance buckets in June 2024, with 14% in the 5-10 year maturity bucket against the policy lower limit of 15%. The new Policy adopts different maturity buckets against which Council will be fully compliant from 1 July 2024. Note that maturities falling within 1 year are not included. The Council has no hedging instrument maturities in ten years' time or beyond.
- 30 As noted in paragraph 26 and 27 above, the Council has held off entering into new swap contracts in the recent high interest rate environment but expects to recommence shortly.



Counterparty Credit Risk

- 31 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.
- 32 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

- 33 The Council was in full compliance with all counterparty credit limits for the three months ended 30 June 2024. The tables below show the Council's investments and risk management instruments holdings per counterparty for this period.

Term deposit & Cash investments

Counter party	Apr-2024		May-2024		Jun-2024		Comply
	\$000	%	\$000	%	\$000	%	
NZ Registerd Bank 1	35,000	36.87%	20,000	30.59%	20,000	29.43%	✓
NZ Registerd Bank 2	20,000	21.07%	20,000	30.59%	20,000	29.43%	✓
NZ Registerd Bank 3	35,000	36.87%	20,000	30.59%	20,000	29.43%	✓
NZ Registerd Bank 4	4,924	5.19%	5,391	8.24%	7,953	11.70%	✓
	94,924	100.00%	65,391	100.00%	67,953	100.00%	

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

Interest rate swaps

Counter party	Apr-2024		May-2024		Jun-2024		Comply
	\$000	%	\$000	%	\$000	%	
NZ Registerd Bank 1	40,000	23.26%	40,000	23.26%	40,000	23.26%	✓
NZ Registerd Bank 2	80,000	46.51%	80,000	46.51%	80,000	46.51%	✓
NZ Registerd Bank 3	52,000	30.23%	52,000	30.23%	52,000	30.23%	✓
	172,000	100%	172,000	100%	172,000	100%	

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

Specific Borrowing Limits

- 34 In managing debt, the Council is required to adhere to the specific borrowing limits.
- 35 The Council fully complied with these limits for the three months ended 30 June 2024 and the results are shown below:

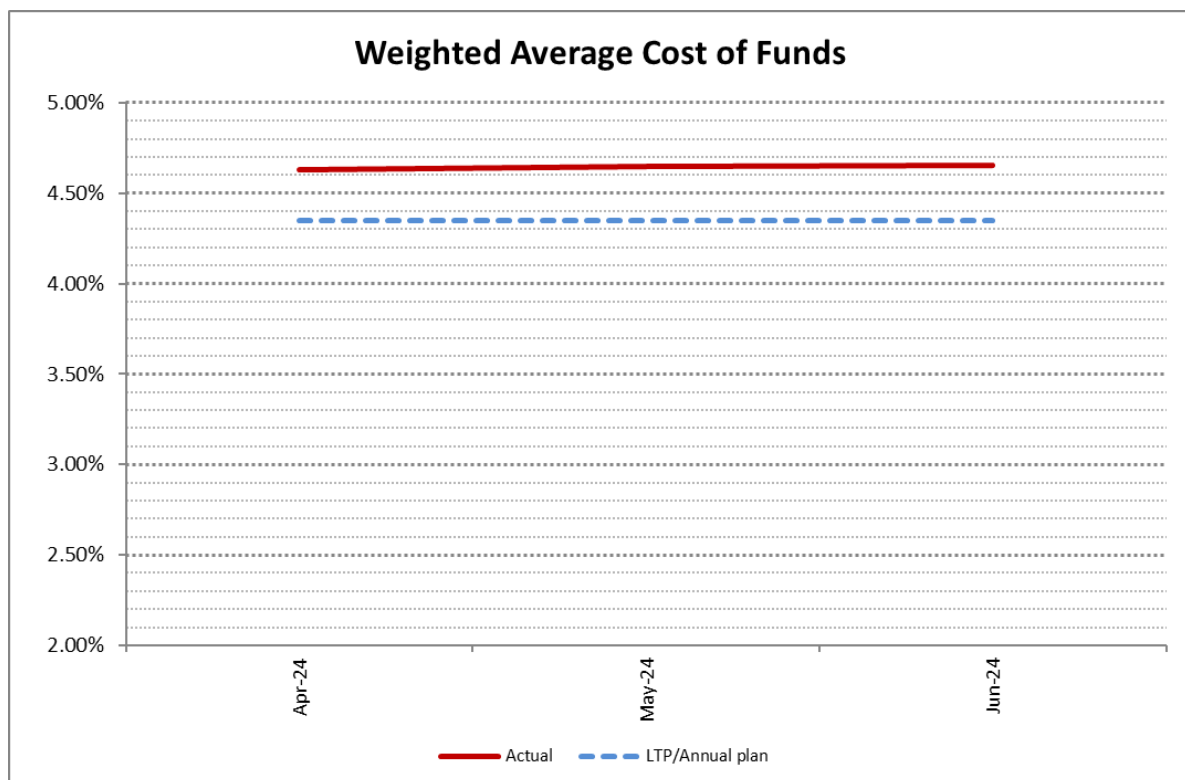
Borrowing limit	Policy limit	2023/24	Comply
Net interest expense/Total Operating Income	< 20%	7.9%	✓
Liquidity ((total debt +total committed facilities +cash on hand)/total debt))	> 110%	124.4%	✓
Net External Debt/Total Operating Income	< 280%	205.7%	✓

Risk Management Performance

- 36 The following table shows the Council's interest income and expense for the three months ended 30 June 2024 together with the weighted average cost of borrowing (WACB), compared to year-to-date budget.

	June YTD Actual \$000	YTD Budget \$000	Variance (Fav/UnFav) \$000
Interest Expense	14,411	12,838	(1,573)
less: Interest Income	(5,047)	(3,915)	1,132
Net Interest Cost	9,364	8,923	(441)
Weighted Average Cost of Borrowings	4.66%	4.35%	-0.31%

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



He take | Issues

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

Ngā kōwhiringa | Options

- 39 There are no options to be considered.

Mana whenua

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

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

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

Ahumoni me ngā rawa | Financial and resourcing

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

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

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

Ngā pānga ki ngā kaupapa here | Policy impact

- 44 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

- 45 An engagement plan is not required for this report.

Whakatairanga | Publicity

46 There are no publicity considerations arising from this report.

NGĀ ĀPITI HANGA | ATTACHMENTS

Nil

9.7 LEGISLATIVE COMPLIANCE 1 APRIL TO 30 JUNE 2024

Kaituhi | Author: **Sarah Wattie, General Counsel**

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

TE PŪTAKE | PURPOSE

- 1 The purpose of this report is to notify the committee of legislative non-compliance in the fourth quarter of the financial year, 1 April 2024 to 30 June 2024.

HE WHAKARĀPOOTO | EXECUTIVE SUMMARY

- 2 An executive summary is not required.

TE TUKU HAE PAPA | 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:
 - *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.

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee:
 - A.1 notes legislative non-compliance for the fourth quarter of the financial year from 1 April 2024 to 30 June 2024 as outlined in Attachment 1 to this report.

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 the Council carrying out its functions under the Local Government Act 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 the Council's top 10 risks.
- 5 Each quarter key Council staff responsible for the 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 2 to this report. The 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 fourth quarter of the financial year, 1 April 2024 to 30 June 2024, 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 the 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, land information memorandum (LIM) requests, and 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 two privacy breaches reported in the period.
Procurement	There were no reported procurement breaches in the period.
Unauthorised expenditure	There was no reported unauthorised expenditure in the period.
Cyber security	There were no reported cyber security breaches in the period.
LGOIMA	There was one breach of requirement under the LGOIMA regarding the official information and meeting requirements and one breach regarding a LIM in the period.

Legislative Compliance Breaches

- 12 Legislative compliance breaches for the fourth quarter of the financial year are set out in Attachment 1 to this report. 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 The 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 The 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 arising directly from this report.

Ahumoni me ngā rawa | Financial and resourcing

- 18 There are no financial implications arising directly from this report.

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

- 19 Except for the issues noted in this report, there are no other legal or risk implications.

Ngā pānga ki ngā kaupapa here | Policy impact

- 20 There are no policy implications arising directly from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

- 21 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

22 There is no requirement for engagement planning.

Whakatairanga | Publicity

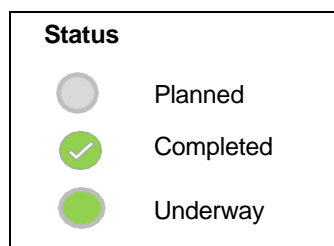
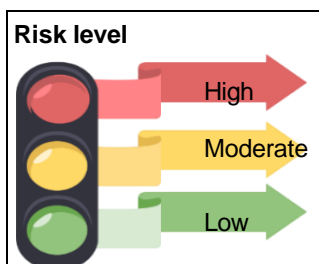
23 There are no additional publicity considerations arising directly from this report.

NGĀ ĀPITI HANGA | ATTACHMENTS





1. Legislative Compliance Breaches and Updates 1 April to 30 June 2024 [↓](#)
2. Legislative Compliance Schedule [↓](#)



Attachment 1: Legislative compliance breaches 1 April to 3 June 2024


Note: This report is presented in a two-part format: Part A: New Matters and Part B: Previously Reported Matters: (updates are in yellow)



Part A - New matters							
Ref	Non-compliance description	Group(s)	Breach Type	Date Received	Corrective Action	Risk Level	Current Status
A-1	A spreadsheet containing contact details and water testing results from customers was accidentally emailed to another customer.	Infrastructure and Asset Management	Privacy	Q4 23/24	Q4 23/24 <ul style="list-style-type: none"> Privacy Officer notified immediately. Breach contained by the customer confirming they had deleted the email attachment. The breach is not a notifiable breach. 	Low	Complete ✓
A-2	'Request for a funds transfer' document with name, email, mobile and dog owner number sent to wrong email address.	Corporate Services	Privacy	Q4 23/24	Q4 23/24 <ul style="list-style-type: none"> Privacy Officer notified immediately. Breach contained by customer confirming they had deleted the email. Not a notifiable breach. 	Low	Complete ✓
A-3	For the 30 May 2024 meeting, Council did not meet the requirement to make the agenda available for inspection at least two days prior. The LTP report was not available due to late notice changes to the LTP options as resolved by Councilors at a Council meeting the day before the agenda was required to be published.	Corporate Services	LGOIMA	Q4 23/24	Q4 23/24 <ul style="list-style-type: none"> A placeholder was added to the agenda advising that the report would be available later and it was emailed out and the agenda updated the day before the meeting. Changes to the process are not considered necessary as breach was due to circumstance rather than process. 	Low	Complete ✓

Part A - New matters							
Ref	Non-compliance description	Group(s)	Breach Type	Date Received	Corrective Action	Risk Level	Current Status
A-4	The council's Building Consent Authority (BCA) did not issue all granted building consents or code compliance certificates (CCC) within the 20-working day statutory timeframe during the fourth quarter. 96.42% of building consents and 97.22% of code of compliance certificates were issued within the 20-working day statutory timeframe	Regulatory and Environment	Building Act	Q4 2324	Q4 2324 <ul style="list-style-type: none"> The delays were mainly the result of sickness and IT malfunction. Council's BCA is working with IT to reduce the risk of the issues reoccurring and in the medium term the Council is moving to a new IT platform replacing the older software that is prone to issues. 	Low	Complete 
A-5	One LIM was not issued within the 10-day statutory timeframe set out in the LGOIMA.	Regulatory and Environment	LGOIMA	Q4 2324	Q4 2324 <ul style="list-style-type: none"> This was a result of human error. Additional training has been provided to ensure this does not reoccur. 	Low	Complete 
A-6	82% of Resource Consents were processed within the statutory timeframe for quarter 4. Resource Consents were processed on average within 26 working days, which is higher than the 20 working days required under the RMA.	Regulatory and Environment	Resource Consents	Q4 2324	Q4 2324 <ul style="list-style-type: none"> This is attributed to a number of historical consents that came off hold when further information was received. Staff changes since the applications were originally received have contributed to the timeframe. Staff are utilising s37 of the RMA to put applications on hold with the agreement of applicants in instances where timeframes cannot be met. 	Low	Complete 
A-7	The period for completing the Dangerous and Insanitary Buildings Policy review is now beyond the five years identified in section 132(4) of the Building Act 1994.	Strategy and Growth	Building Act	Q4 2324	Q4 2324 <ul style="list-style-type: none"> Section 132 (5) identifies that the Policy does not cease to have effect because it is being reviewed. The Dangerous and Insanitary Buildings Policy is currently under review. An internal review had previously been completed but additional changes are now sought from MBIE requiring consultation. The review and consultation on the Policy has been added to the Policy Work Programme in May and due to be completed by the end of this year. 	Low	Complete 

Part B - Previously reported matters							
Ref	Non-compliance description	Group	Breach Type	Date Received	Corrective Action (Update for this meeting highlighted in yellow)	Risk Level	Current Status
B-1	Given we have volumetric water charges, we are not able to 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	2014	Q4 22/23 <ul style="list-style-type: none"> Compliance not possible given we have volumetric water charges. 	Low	Ongoing 
B-2	<p>Under section 35(2AA) of the RMA each local authority is required to complete a review and publish the results of the efficiency and effectiveness of policies, rules, or other methods in its policy statement or its plan.</p> <p>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 22/23	Q4 22/23 <ul style="list-style-type: none"> To address the suggested non-compliance, Council is currently scoping a section 35 review of those provisions. Q1 23/24 <ul style="list-style-type: none"> Technically we have not met requirements around updating the operative district plans chapters on coastal hazards (required every 10 years). Due to previous litigation on this matter, and an agreement to undertake community engagement work via Takutai Kāpiti which will not finish until May 2024, we will not complete the district plan change until 2025/26. Our district is not alone in these challenges. The community disagrees with guidance provided by the Ministry for the Environment (MfE) on coastal hazard identification. In October, we have written to the MfE and Department of Conservation about the issues and asked them to clarify expectations for local authorities. Q2 23/24 <ul style="list-style-type: none"> MfE and DOC provided useful clarification which is available on the Council website. Takutai Kāpiti continues to make significant progress towards a final set of recommendations, which include recommendations intended to inform Council's approach to a future coastal plan change, to be received by Council (at a June 2024 meeting). 	Low	Underway 

Part B - Previously reported matters							
Ref	Non-compliance description	Group	Breach Type	Date Received	Corrective Action (Update for this meeting highlighted in yellow)	Risk Level	Current Status
					<ul style="list-style-type: none"> The Section 35 Review will be completed in 2024 in time to incorporate any necessary changes into the coastal plan change, which is expected to be publicly notified in mid-2025. <p>Q4 2324</p> <ul style="list-style-type: none"> The Coastal Advisory Panel's Recommendation Report was received by Council was received by Council at the June 2024 meeting. A procurement process was initiated for expert district planning services to review the coastal environment chapter (and related provisions) of the District Plan. We anticipate engaging the preferred planning provider, procuring other supporting expert services, and formally initiating work on the coastal environment plan change in Q1 24/25. 		
	Confidential external investigation covering both areas.	People and Partnerships	Procurement breach; Unauthorised expenditure	Q1 2324	<p>Q1 2324</p> <ul style="list-style-type: none"> Reported via PE. <p>Q2 2324</p> <ul style="list-style-type: none"> Breaches are isolated instances. Internal controls reviewed and enhancements made where required. Ongoing work to strengthen mechanisms in this space including updating policies and templates and providing training for staff. <p>Q4 2324</p> <ul style="list-style-type: none"> Closing as a legislative compliance matter and external referral to be monitored via litigation and external investigations report. Primary breach addressed. Other continuous improvement recommendations transferred to BAU. 	Moderate	Complete 

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
Accident Compensation Act 2001 Arts	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. Inspection of device as per Regulation 11(2,3).
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 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 and Subpart 7A	Ensure that the Building Code is complied with. Administration of Act including: 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. s17 - Ensure all building work done to a Council building complies with the building code where a building consent is not required. S108 - Annually supply the Building Team with a building warrant of fitness for all Council buildings that have a compliance schedule. s114 - Give notice to the Building Team of any change of use of a Council building. s116B - Do not allow a Council building to be used if it is insanitary or has inadequate means of escape from fire. s120 - Display notices or signs visible from outside Council building(s) that access provision is made for persons with disabilities, if this is required. s128A - Comply with notice requiring work or restricting entry to a "dangerous" or

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
		<p>"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. <p>Subpart 7A—Special provisions for residential pools</p> <ul style="list-style-type: none"> - Administration of Building Consents for swimming pools. - Investigation and enforcement regarding residential pools.
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	<p>Ensure compliance with regulations.</p> <p>Ensure monuments are only removed after regulated notice given.</p> <p>Administration and management of Cemeteries.</p>
Burial and Cremation Act 1964	Sections 5-21, Section 46AA Section 50 Section 52(2) Section 18	<p>Ensure Cemetery managed with the powers granted by the Sections.</p> <p>Ensure a certificate of cause of death or a coroner's certificate is always provided before a burial is done (including for assisted dying).</p> <p>Keep a register of all burials</p> <p>Ensure Council complies with any notice issued on behalf of the Minister of Health or a Health Protection Officer.</p> <p>All money received in respect of cemetery separately accounted for and only used for management and improvement of cemeteries under Council control.</p>
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	<p>Ensure that all camping grounds are conducted in compliance with the regulations.</p> <p>Regularly inspect all camping grounds in the District.</p>
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.

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
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.
Construction Contracts Act 2002	Relevant Sections	Retention of monies in separate bank account and quarterly report too suppliers re retention balance.
COVID-19 Recovery (Fast-track Consenting) Act 2020	Transitional powers	Ensure compliance with transitional provisions.
Credit Contracts and Consumer Finance Act 2003	All Sections	Ensure compliance with all relevant provisions.
Criminal Procedure Act 2011	All Sections	Ensure compliance with all relevant provisions.
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 compliance with the Act. 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.

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
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.
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.
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.
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.

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
		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.
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 Rooding Powers Act 1989	All Sections	Ensure compliance with all relevant provisions.
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.

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

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
		<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> <p>Ensure that processes are in place to enable Council to comply with worker engagement, participation, and representation.</p> <p>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.</p>
Health and Safety at Work (Asbestos) Regulations 2016	All Regulations	Ensure compliance with all relevant provisions.
Health and Safety at Work (Worker Engagement, Participation, and Representation) Regulations 2016	All Regulations	Ensure compliance with all relevant provisions.
Health and Safety at Work (Rates of Funding Levy) Regulations 2016	All Regulations	Ensure compliance with all relevant provisions.
Health and Safety at Work (Hazardous Substances) Regulations 2017	All Regulations	Ensure compliance with all relevant provisions.

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
Health and Safety at Work (General Risk and Workplace Management) Regulations 2016	All Regulations	Ensure compliance with all relevant provisions.
Health and Safety in Employment (Pressure Equipment, Cranes, and Passenger Ropeways) Regulations 1999	All Regulations	Ensure compliance with all relevant provisions.
Health and Safety in Employment (Pressure Equipment, Cranes, and Passenger Ropeways) Regulations 1999	All Regulations	Ensure compliance with all relevant provisions.
Health and Safety in Employment Regulations 1995	All Regulations	Ensure compliance with all relevant provisions.
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.
Human Rights Act 1993	All Sections - particularly Section 21, Section 66, Section 62A	Ensure that no discriminatory practices arise. 1. Do not discriminate on the following grounds: <ul style="list-style-type: none"> - sex - pregnancy - childbirth

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
		<ul style="list-style-type: none"> - 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. Unlawful to treat adversely any person suspected or assumed to be a person affected by domestic violence. Any complaints are dealt with under the appropriate policy.</p>
Impounding Act 1955	All Sections	<p>Establishment and maintenance of a public Pound Appointment of Pound Keeper Administration of Pound including recording and setting of fees and charges Dealing with trespassing stock, straying, or wandering stock</p>
Income Tax (Fringe Benefit Tax, Interest on Loans) Regulations 1995	All Regulations	All regulations as employer.
Income Tax Act 2007	All Sections	<p>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.</p>
Infrastructure Funding and Financing Act 2020	Sections relating to levies.	Ensure compliance with provisions relating to levies.
Juries Act 1981	Section 30 Section 32A	<p>Administration of wages whilst on jury service. Ensuring employee is not prejudiced for attending jury service.</p>
Kiwisaver Act 2006	All Sections	Administration of Kiwisaver in regard to payroll.

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
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. Enforcement of parking restrictions and other stationary vehicle offences.
Land Transport Act 1998	Part 10 Sections 138-141 Section 42A Sections 128D and 128E, Sections 251 and 253N 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.

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
		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
Local Government Members (2023/24) Determination 2023	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 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.
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.

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
		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	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 (2023/24) Determination 2023 – expires 30 June 2024 with this determination.	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.
Minimum Wage Act 1983	All Sections	Compliance with requirements for minimum wages.
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
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.

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
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.
Privacy Regulations 2020	All Regulations	1. Ensure compliance with Regulations regarding serving documents. 2. Procedure for giving public notice of notifiable privacy breach."
Property Law Act 2007	All Sections	Ensure compliance with all relevant provisions.
Prostitution Reform Act 2003	Section 15	Consideration of resource consents in relation to businesses of prostitution.
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.
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	Section 83	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.

LEGISLATION	PART/SECTION/REGULATION	AREA OF RESPONSIBILITY
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.
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 (Fees) Regulations 2013	All Regulations	Ensure compliance with all relevant provisions
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.
Sale and Supply of Alcohol Regulations 2013	All Regulations	Ensure compliance with all relevant provisions.
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.

LEGISLATION	PART/SECTION/ REGULATION	AREA OF RESPONSIBILITY
Shop Trading Hours Act 1990	Relevant Sections	Ensure bylaws and policies enacted under an Act complies with the legislative requirements of that Act.
Smokefree Environments and Regulated Products Act 1990	Part 1	Ensure no Council employee smokes or vapes in a Council workplace or vehicle.
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.
Wild Animal Control Act 1977	Part 4, Section 30 -31	To ensure that any destruction of wild animals in the District is undertaken in accordance with a plan approved by the Minister. Administration of Act including the decision to apply funds to the destruction of wild animals.

9.8 FORWARD WORK PROGRAMME 2024/25 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 2024/25.

HE WHAKARĀPOPOTO | 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 2024/2025 calendar year as set out in Appendix 1 to this report.

TŪĀPAPA | BACKGROUND

- 4 The work programme for 2024/25 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 2024/25 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.

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.

Mana whenua

- 9 Whilst this report does not directly affect mana 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 me te Taiao | Climate change and Environment

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

Ahumoni me ngā rawa | Financial and resourcing

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

Tūraru ā-Ture me te Whakahaere | Legal and Organisational 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. Forward Work Programme 2024/2025 [📄](#)

Forward work programme of Risk and Assurance Committee 2024/25

Area of Work (as per OAG) and Lead	Risk and Assurance Committee - Forward work programme 2024/25			
	Meeting #3 15 August 2024	Meeting #4 15 October 2024	Meeting #5 21 November 2024	Meeting #6 11 March 2025
Forward work programme <i>GM, Corporate Services</i>	Work Programme		Work Programme	Work Programme
Assurance <i>GM, Corporate Services</i>	Internal Audit activities update		Internal Audit activities update	Internal Audit activities update
Enterprise Risk Top 10 Organisational Risks <i>GM, Corporate Services</i>	Top 10 Organisational Risk Report		Top 10 Organisational Risk Report	Top 10 Organisational Risk Report
Audit Control Findings <i>GM, Corporate Services</i>	Progress Update regarding Audit Control Findings 2022/2023		Control Findings for the year ended 30 June 2024	Control Findings for the year ended 30 June 2024
Health, Safety and Wellbeing <i>Organisational Development Manager</i>	Health and Safety Quarterly Report: April to June 2024		Health and Safety Quarterly Report: July to September 2024	Health and Safety Quarterly Report: October to December 2024
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 April to June 2024		Quarterly Treasury Compliance July to September 2024	Quarterly Treasury Compliance October to December 2024
Legal Risk <i>GM, People and Partnerships</i>	Update on Litigation Status, Statutory Compliance Issues and Investigations: April to June 2024		Update on Litigation Status, Statutory Compliance Issues and Investigations: July to September 2024	Update on Litigation Status, Statutory Compliance Issues and Investigations: October to December 2024
Emergency Management <i>GM, Regulatory Services</i>	Emergency Management Recovery Update		Emergency Management Response Update	Emergency Management Response Update
Long-term Plan <i>GM, Corporate Services</i>	Ernst & Young 2024-34 LTP Close-Out Report			
			Ernst & Young 2024-34 LTP Report on Control Findings	

10 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES**10.1 CONFIRMATION OF MINUTES**

Author: Jessica Mackman, Senior Advisor Governance

Authoriser: Mark de Haast, Group Manager Corporate Services

TAUNAKITANGA | RECOMMENDATIONS

That the minutes of the Risk and Assurance Committee meeting of 23 May 2024 be accepted as a true and correct record.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Minutes of Risk and Assurance Committee Meeting of 23 May 2024 [↓](#)

RISK AND ASSURANCE COMMITTEE MEETING MINUTES

23 MAY 2024

**MINUTES OF KAPITI COAST DISTRICT COUNCIL
RISK AND ASSURANCE COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, GROUND FLOOR, 175 RIMU ROAD, PARAPARAUMU
ON THURSDAY, 23 MAY 2024 AT 9.30AM**

PRESENT: Mr David Shand, Mayor Janet Holborow, Deputy Mayor Lawrence Kirby,
Cr Glen Cooper, Mr David Cochrane

IN ATTENDANCE: Mr Cam Butler, Cr Martin Halliday, Cr Sophie Handford, Mr Mark de Haast,
Mr Darren Edwards, Ms Hara Adams, Mr James Jefferson, Ms Kris Pervan,
Mr Brendan Owens, Ms Rach Wells, Ms Anna Smith, Ms Maria Cameron,
Mr Evan Dubisky, Mr Dave Hardy, Mr Sam Nicolle (Ernst & Young),
Ms Sharon Foss, Ms Nienke Itjeshorst

WHAKAPĀHA | APOLOGIES: Mr Bernie Randall, Mr Richard Mansell

LEAVE OF ABSENCE: Cr Liz Koh, Cr Jocelyn Prvanov

1 NAU MAI | WELCOME

THE CHAIR, DAVID SHAND WELCOMED EVERYONE TO THE MEETING.

2 KARAKIA A TE KAUNIHERA | COUNCIL BLESSING

The Chair read the Council blessing.

3 WHAKAPĀHA | APOLOGIES

The Chair noted that Waikanae Community Board Chair, Richard Mansell would be absent.

APOLOGY

COMMITTEE RESOLUTION RAC2024/17

Moved: Mayor Janet Holborow

Seconder: Deputy Mayor Lawrence Kirby

That apologies received from Cr Liz Koh, Cr Jocelyn Prvanov (absent on council business),
Bernie Randall and Richard Mansell be accepted.

CARRIED

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

There were no declarations of interest made.

RISK AND ASSURANCE COMMITTEE MEETING MINUTES

23 MAY 2024

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

John Andrews spoke to the audit items on the agenda; Item 9.1 Ernst & Young Audit Plan for the Year ended 30 June 2024, and Item 9.2 Progress Update Regarding Audit Control Findings 2022/23, and read out the tabled statement attached.

The Chair invited Mr Andrews to stay for Item 9.1 Ernst & Young Audit Plan for the Year ended 30 June 2024.

TABLED DOCUMENTS

John Andrews - Tabled Document	
Appendices	
1	John Andrews Tabled Document 2024 05 23

Salima Padamsey, in her capacity as Chair of Coastal Ratepayers United (CRU) spoke to item 9.6 Legislative Compliance 1 January to 31 March 2024.

TABLED DOCUMENTS

Salima Padamsey - Tabled Document	
Appendices	
1	Salima Padamsey - Tabled Document

6 NGĀ TEPUTEIHANA | DEPUTATIONS

There were no deputations.

7 NGĀ TAKE A NGĀ MEMA | MEMBERS' BUSINESS

- (a) There were no updates by the Chair.
- (b) No requests were made for a leave of absence.
- (c) No matters of an urgent nature had been notified to the Chair prior to the commencement of the meeting.

8 HE KŌRERO HOU | UPDATES

There were no updates.

9 PŪRONGO | REPORTS

9.1 ERNST & YOUNG AUDIT PLAN FOR THE YEAR ENDED 30 JUNE 2024

Sam Nicolle, Partner at Ernst & Young, took the report as read and answered questions from members.

COMMITTEE RESOLUTION RAC2024/18

Moved: Mayor Janet Holborow
 Seconder: Mr David Shand

RISK AND ASSURANCE COMMITTEE MEETING MINUTES**23 MAY 2024**

- A. That the Risk and Assurance Committee receives and notes the Ernst & Young Audit Plan for the year ended 30 June 2024 attached as Appendix 1 to this report.

CARRIED**9.2 PROGRESS UPDATE REGARDING AUDIT CONTROL FINDINGS 2022/23**

Sharon Foss, Manager Risk and Assurance, took the report as read.

COMMITTEE RESOLUTION RAC2024/19

Moved: Mr David Shand

Seconder: Deputy Mayor Lawrence Kirby

- A. That the Risk and Assurance Committee:

- A.1 notes the progress update regarding Ernst & Young's Report on Control Findings for the year ended 30 June 2023, attached as Appendix 1 to this report, and
- A.2 that Ernst & Young will re-assess these as part of their audit for the year ended 30 June 2024.

CARRIED**9.3 HEALTH AND SAFETY QUARTERLY REPORT :
1 JANUARY 2024 - 31 MARCH 2024**

Rach Wells, Group Manager People and Capability, took the report as read and answered questions from members.

COMMITTEE RESOLUTION RAC2024/20

Moved: Deputy Mayor Lawrence Kirby

Seconder: Cr Glen Cooper

- A. That the Risk and Assurance Committee notes the Health and Safety Quarterly Report for the period 1 January 2024 – 31 March 2024 attached as Appendix One to this Report.

CARRIED**9.4 TOP 10 ORGANISATIONAL RISK REPORT**

Nienke Itjeshorst, Lead Risk and Assurance Advisor, took the report as read, highlighting the Discussion section on page 47, sections 12 through to 14, regarding changes and answered questions from members.

COMMITTEE RESOLUTION RAC2024/21

Moved: Cr Glen Cooper

Seconder: Mayor Janet Holborow

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

CARRIED

RISK AND ASSURANCE COMMITTEE MEETING MINUTES**23 MAY 2024****9.5 INTERNAL AUDIT WORK PROGRAMME - PROGRESS UPDATE**

Sharon Foss, Manager Risk and Assurance, introduced the report and provided a brief summary.

COMMITTEE RESOLUTION RAC2024/22

Moved: Mr David Cochrane

Seconder: Deputy Mayor Lawrence Kirby

- A. That the Risk and Assurance Committee receives and notes the Internal Audit progress update on the work programme for 2023/24.

CARRIED

9.6 LEGISLATIVE COMPLIANCE 1 JANUARY TO 31 MARCH 2024

Sarah Wattie, Governance & Legal Services Manager, took the report as read and answered members' questions.

COMMITTEE RESOLUTION RAC2024/23

Moved: Mr David Shand

Seconder: Mayor Janet Holborow

- A. That the Committee:

- A.1 notes legislative non-compliance for the third quarter of the financial year from 1 January 2024 to 31 March 2024 as outlined in Attachment 1 to this report.

CARRIED

9.7 QUARTERLY TREASURY COMPLIANCE

Mark de Haast, Group Manager Corporate Services, took the report as read, spoke to some specifics in the report and answered questions from the Committee.

Cr Glen Cooper left the meeting at 10:52 am and returned to the meeting at 10:54 am.

Mr David Cochrane left the meeting at 11:00 am and returned to the meeting at 11:01 am.

Mr David Shand left the meeting at 11:10 am and returned to the meeting at 11:12 am.

Cr Glen Cooper left the meeting at 11:16 am and returned to the meeting at 11:17 am.

COMMITTEE RESOLUTION RAC2024/24

Moved: Mayor Janet Holborow

Seconder: Deputy Mayor Lawrence Kirby

- A. That the Risk and Assurance Committee:

- A.1 Receives and notes this report.
- A.2 Notes the Council's non-compliance with its current Treasury Management Policy Fixed/Floating Risk Control limit in March 2024.
- A.3 Notes that the Council's Fixed/Floating Risk Control Limit is fully compliant with its new draft Treasury Management Policy, developed in conjunction with Bancorp, for the reporting period, adopted by Council on 28 March 2024 together with its draft 2024-34 Long Term Plan.

RISK AND ASSURANCE COMMITTEE MEETING MINUTES**23 MAY 2024**

A.4 Notes the Council has fully complied with all other requirements of the current Treasury Management Policy for the three months ended 31 March 2024.

A.5 Notes the Council has fully complied with all other requirements of the current Treasury Management Policy for the three months ended 31 March 2024.

CARRIED**9.8 2024 COUNCIL INSURANCE UPDATE**

Mark de Haast, Group Manager Corporate Services, took the report as read. Sam Ketley from Aon spoke via zoom to specifics in the report and answered questions from members.

Cr Glen Cooper left the meeting at 11:29 am and returned to the meeting at 11:36 am.

COMMITTEE RESOLUTION RAC2024/25

Moved: Mr David Shand

Seconder: Deputy Mayor Lawrence Kirby

A. That the Risk and Assurance Committee notes the Council's 2024 insurance renewals and the progress update regarding alternative risk financing options.

CARRIED**10 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES****10.1 CONFIRMATION OF MINUTES****COMMITTEE RESOLUTION RAC2024/26**

Moved: Cr Glen Cooper

Seconder: Mr David Cochrane

That the minutes of the Risk and Assurance Committee meeting of 15 February 2024 be accepted as a true and correct record.

CARRIED**11 TE WHAKAŪNGA O NGĀ ĀMIKI KĀORE E WĀTEA KI TE MAREA | CONFIRMATION OF PUBLIC EXCLUDED MINUTES****12 PURONGO KĀORE E WĀTEA KI TE MAREA | PUBLIC EXCLUDED REPORTS****RESOLUTION TO EXCLUDE THE PUBLIC****PUBLIC EXCLUDED RESOLUTION RAC2024/27**

Moved: Mayor Janet Holborow

Seconder: Mr David Shand

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.

Page 5

RISK AND ASSURANCE COMMITTEE MEETING MINUTES

23 MAY 2024

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
11.1 - Confirmation of Public Excluded Minutes	<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
12.1 - Litigation 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</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

Page 6

RISK AND ASSURANCE COMMITTEE MEETING MINUTES

23 MAY 2024

	should continue to be supplied Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	
CARRIED		

The Te Komiti Whakamauru Tūraru | Risk and Assurance Committee meeting went into public excluded session at 11.54am.

MOVE OUT OF PUBLIC EXCLUDE BUSINESS**COMMITTEE RESOLUTION RAC2024/30**

Moved: Deputy Mayor Lawrence Kirby

Seconder: Mr David Cochrane

That the meeting moves out of public exclude business.

CARRIED

The Te Komiti Whakamauru Tūraru | Risk and Assurance Committee came out of public excluded session at 12.21pm.

The following resolution was passed during the public excluded session to release the report (excluding attachments 1 and 2) and the resolutions from public excluded business.

12.1 LITIGATION AND EXTERNAL INVESTIGATIONS REPORT**COMMITTEE RESOLUTION RAC2024/29**

Moved: Deputy Mayor Lawrence Kirby

Seconder: Mr David Cochrane

A. That the Risk and Assurance Committee.

- A.1 Note the status of litigation and external investigations for quarter 3 of the 2023-24 financial year.
- A.2 Note the approach to the proactive release of information in this report in keeping with guidance from the Office of the Ombudsman New Zealand.
- A.3 Agree that Attachment 1 and Attachment 2 of this report be excluded from public release to protect the privacy of natural persons, the obligation of confidence and legal professional privilege (Section 7(2)(a), Section 7(2)(c)(i) and Section 7(2)(g) of the Local Government Official Information and Meetings Act 1987).
- A.4 Agree that only this report and Attachment 3 of this report be released from public excluded business.
- A.5 Agree that the resolutions be released from public excluded business.

CARRIED

Appendices

- 1 Litigation and External Investigations Report 23 May 2024 (For Public Release)

RISK AND ASSURANCE COMMITTEE MEETING MINUTES**23 MAY 2024**

The Chair asked Mayor Janet Holborow to close the meeting with karakia.

The Te Komiti Whakamauru Tūraru | Risk and Assurance Committee meeting closed at 12.21pm.

.....
HEAMANA | CHAIRPERSON

Unconfirmed

11 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
11.1 - Confirmation of Public Excluded Minutes	<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
11.2 - Litigation 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</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

	<p>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>	

12 KARAKIA WHAKAMUTUNGA | CLOSING KARAKIA

Kia tau ngā manaakitanga ki runga i a tātou katoa,	<i>May blessings be upon us all,</i>
Kia hua ai te mākihikihi, e kī ana	<i>And our business be successful.</i>
Kia toi te kupu	<i>So that our words endure,</i>
Kia toi te reo	<i>And our language endures,</i>
Kia toi te wairua	<i>May the spirit be strong,</i>
Kia tau te mauri	<i>May mauri be settled and in balance,</i>
Ki roto i a mātou mahi katoa i tēnei rā	<i>Among the activities we will do today</i>
Haumi e! Hui e! Taiki e!	<i>Join, gather, and unite! Forward together!</i>