



# **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: Tuesday, 11 March 2025**

**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 Tuesday 11 March 2025, 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

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**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 EMERGENCY MANAGEMENT UPDATE

Kaituhi | Author: **Roddy Hickling, Manager Emergency Management**

Kaiwhakamana | Authoriser: **Sean Mallon, Group Manager Infrastructure and Asset Management**

### TE PŪTAKE | PURPOSE

- 1 This report provides the Risk and Assurance Committee with key findings from the Wellington Region Emergency Management Office (WREMO) annual capability assessment of the emergency management system delivered by Kāpiti Coast District Council (KCDC), as well as the Rū Whenua a Rohe Evaluation Report.
- 2 These findings will inform governance on the current state of emergency preparedness, highlight areas for improvement, and shape the focus of the 2025 work program to enhance the district's ability to respond and recover from emergencies.

### TAUNAKITANGA | RECOMMENDATIONS

- A. That the Risk and Assurance Committee notes this update.

### TŪĀPAPA | BACKGROUND

- 3 Under the CDEM Act (2002) local authorities have a responsibility to ensure that the district is able to function to the fullest extent possible, even though this may be at a reduced level during and after an emergency, and to plan and provide for civil defence emergency management within their District.
- 4 In recent years, there has been an increase in frequency and severity of weather events. There is a critical need to be able to respond and then recover effectively from such events at the same time as preparing for lower frequency but higher impact events like a major earthquake and/or tsunami.
- 5 This is the first time a capability assessment of this kind has been conducted for KCDC. It provides an evidence-based understanding of the current state of emergency management and will guide future resource allocation, decision-making, and operational improvements.
- 6 Together with the Ru Whenua a Rohe exercise evaluation, the assessment has identified key areas of strength and areas requiring improvement, which have been incorporated into the 2025 work program.

### HE TAKE | ISSUES

- 7 No issues noted.

### NGĀ KŌWHIRINGA | OPTIONS

- 8 No options noted.

### NGĀ MAHI PANUKU | NEXT STEPS

- 9 The Risk and Assurance Committee is requested to note and support these initiatives as part of KCDC's ongoing efforts to strengthen emergency preparedness and response.

### NGĀ ĀPITI HANGA | ATTACHMENTS

1. Emergency Management Update [↓](#)



# Risk and Assurance Committee

## Emergency Management Update

11 Mar 25

- Roddy Hickling  
Manager Emergency Management  
KCDC
- Mark Duncan  
Continuous Improvement & Assurance  
WREMO



# Sequence

- What Are the Key Risks We Face?
- How Prepared Are We?
- What Have We Learnt?
- What Gaps Need To Be Addressed?
- Capability and Capacity to Respond?

November 2024

# New Zealand's riskscape

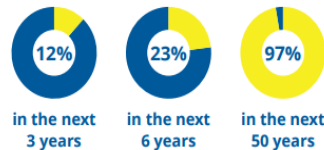


Modelled scenarios	Likelihood in next 50 years	Modelled building/ infrastructure losses	Likely consequences	
Auckland volcanic eruption	10%	\$5bn-\$65bn (buildings only)	Potential full evacuation of Auckland City, with only days to week's warning.	
Taranaki eruption	Small eruption	30%	~\$1bn	Similar size to 1995-96 Ruapehu eruptions. Impacts dominated by ashfall and lahars; evacuations likely.
	Large eruption	1%	\$10bn-\$15bn	Similar size to 1886 Tarawera eruption. Likely severe impacts to oil/gas production and farming sector; mass evacuation probable.
Hikurangi subduction zone earthquake and tsunami	M8+	25%	~\$10bn-\$20bn	Strong and long ground shaking for east coast of North Island, and large tsunami produced.
	M9.1	1%	\$144bn (buildings only)	Catastrophic scenario. Est. potential fatalities >20,000 (tsunami).
Ruapehu / Tongariro / Ngauruhoe / Whakaari ash producing eruption	Almost certain	~\$1bn	Disruption mostly from ashfall to aviation, electricity transmission, and tourism and primary industry sectors.	
Hutt River flood (over stopbank design event)	5%	\$5bn-\$10bn	Hutt city - greatest exposure for any flood plain in New Zealand.	
Wellington Fault M7.5 earthquake	5%	~\$16bn (buildings only)	Likely serious and prolonged damage and disruption to Wellington, including government.	
South American M9+ earthquake & NZ tsunami	25%	~\$5bn (buildings only)	Large exposure for eastern coast of New Zealand, especially Christchurch City/Canterbury	
Alpine fault - M8 earthquake	75%	~\$10bn	High-probability event, extensive co-seismic landslides will compound impacts.	
<b>Actual events</b>				
Cyclone Gabrielle equivalent event	80%	\$9bn-\$14bn (est. actual)	Moderate-sized event, causing severe multi-hazard impacts across multiple regions.	
Kaikōura earthquake (2016)	1.7%	\$2bn-\$3bn (actual)	Moderate impacts to Wellington despite distance, severe critical infrastructure impacts.	
Canterbury Earthquake Sequence (2010-11)	<1%	\$40bn (actual)	Largest disaster in a generation. Major and long-lasting impacts to Christchurch city, complex recovery.	

## What might the next 50 years look like for the emergency management system?

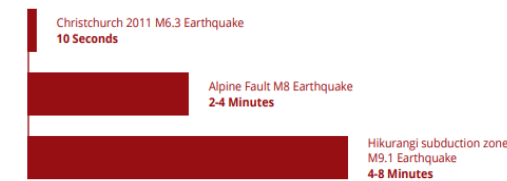
This page shows a summary of well-understood natural hazard risk scenarios, which helps to give some sense what we face as a nation. While this is not in any way an exhaustive list and is subject to many uncertainties, it provides some insights as to the relative likelihoods and consequences.

When we consider all of the modelled scenarios with >\$10bn expected damage costs, the estimated probability of any one of these events occurring is:



Note - this is not an exhaustive list of possible scenarios. Modified from LGNZ 2014; updated and new data from GNS Science, NIWA, EQC, and Massey and Canterbury Universities

The shaking in Christchurch on 22 February 2011 lasted for around 10 seconds. An Alpine Fault earthquake could cause shaking for two to four minutes, and a Hikurangi subduction zone earthquake could cause shaking for four to eight minutes.



## Challenges

It is very likely we will experience two or more concurrent major events. This will lead to long and overlapping recoveries.

The relative vulnerability of people, property and infrastructure is growing. Climate change may also lead to a greater frequency of events in short succession and compounding socio-economic pressures.

It's critical we have a deep understanding of our risks in all their complexity.

Understanding how to reduce our risks is essential. We need to engage with and influence the right people and organisations. Communication and education with communities is at the heart of this.

We need to understand and work within the complexities of communities. We need to understand how they change over time and with different experiences and how this might impact their awareness of hazard risks.

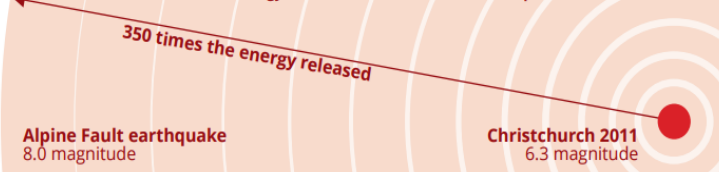
## The human cost of emergencies

In addition to economic costs, large scale emergency events have significant wider impacts on people, such as death, injury, psychosocial and other social impacts. For example, a Hikurangi M9.1 event would potentially result in tens of thousands of fatalities, injuries, and massive displacement of communities.

## Alpine Fault

New Zealand remains exposed to costly earthquake events: researchers estimate a 75% probability of an Alpine Fault earthquake in the next 50 years, with a 4 out of 5 chance that it will be a magnitude 8+ event with potential to cause significant damage.

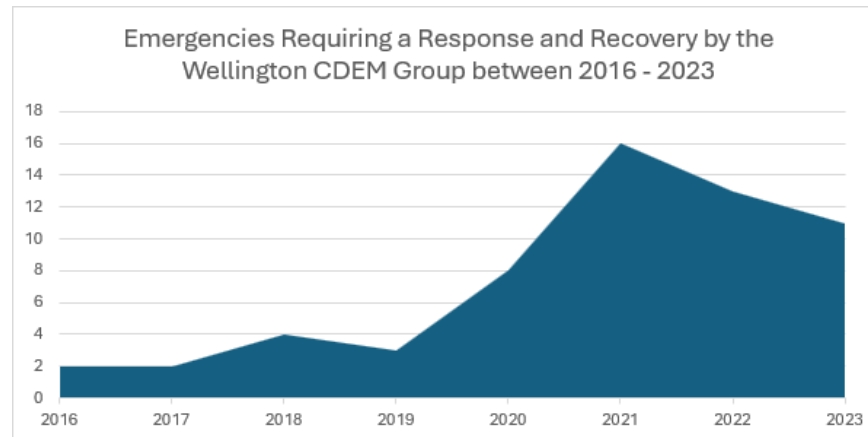
An Alpine Fault magnitude 8 rupture will release 350 times more energy than the 2011 Christchurch earthquake.





# Regional Perspective

Increasing levels of exposure to hazards and risks being felt in the region





## Local Community Preparedness

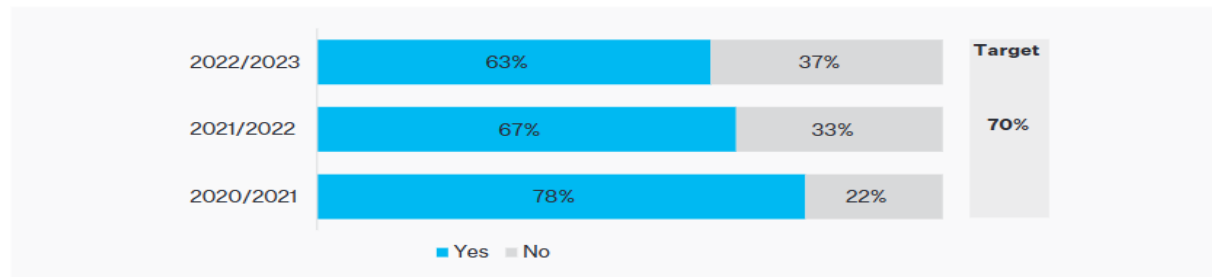
### Wellington CDEM Group Community Preparedness Survey June 2023

#### KCDC Results

- **33%** of residents **have not stored water** for emergencies.
- **42%** lack **emergency toilet arrangements**
- **48%** do **not have a household emergency plan** to reconnect with family
- **57%** of survey respondents had taken **no preparedness steps** in the last 12 months.

### Kāpiti Coast Residents' Opinion Survey – Annual Report 2022/23

- Residents that have an emergency plan and kit sufficient to last for seven days



#### So What?

- Low preparedness = Increased vulnerability.
- Expectation immediate assistance will be readily available
- Communities that prepare in advance recover faster

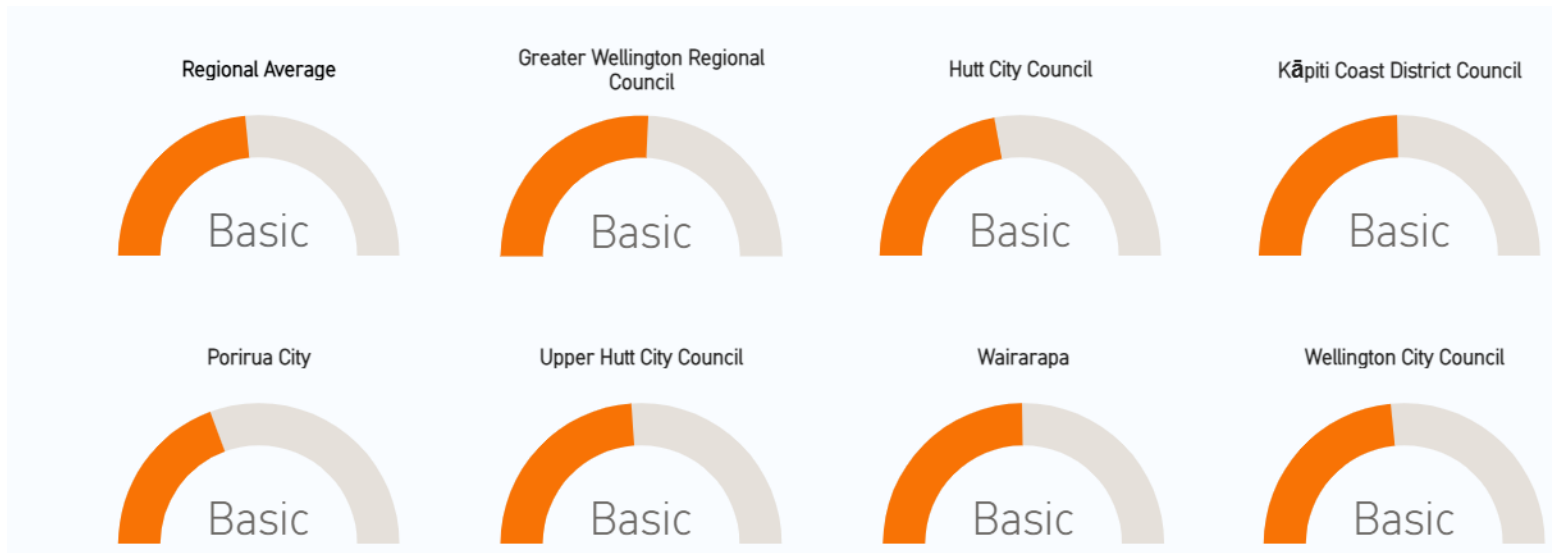
# Capability Assessment

KCDC emergency management system was assessed to be at a “Basic” level of maturity

CDEM Capability Assessment Tool					
Scoring Guide					
Score	Frequency scale	Maturity scale	Maturity model	Achievement scale	Arrangements scale
NO (0)	Never			Not achieved, no progress, no sign of forward action	No arrangements in place
2	Infrequently	Ad Hoc	Response coordination structures in place, may be fragmented or ad hoc. Reactive preparedness measures	Minor progress, with few signs of forward action in plans or policy	Arrangements are either old, in the early stages of development, or have considerable doubts about their current viability
4	Sometimes	Basic	Documented and repeatable processes. Established protocols for communication, resource allocation, and control structure	Some progress, but without systematic policy and/or organisational commitment	Some work completed but requires further work to develop, test, verify and/or embed in the organisation
6	Often	Defined	Integrated across all agencies and functions. Clear lines of communication and collaboration	Organisational commitment attained or considerable progress made, but achievements are not yet comprehensive of needs or requirements	Informal and/or untested arrangements in place, but with a high degree of confidence they will be effective, OR, formal and/or tested arrangements but with further work identified as needed
8	Mostly	Managed	Proactive response strategies based on evolving circumstances and changing needs	Substantial achievement but with some recognised limitations in capacities, capabilities and/or resources	Formalised arrangements, tested, mostly effective, mostly reliable, and largely embedded within the organisation
YES (10)	Always	Adaptive	Adaptive and anticipatory systems and approaches	Comprehensive achievement with sustained commitment and capacities at all levels	Formalised arrangements, tested, effective, reliable, and embedded within the organisation



# Regional Capability Assessment Results Summary





# Exercise Ru Whenua a Rohe Evaluation

Exercise evaluation assessed the level of maturity demonstrated in this exercise to be at the **"Defined"** level for KCDC.

CDEM Capability Assessment Tool					
Scoring Guide					
Score	Frequency scale	Maturity scale	Maturity model	Achievement scale	Arrangements scale
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# Common Threads and Themes

- **Coordination and Communication:**
  - Both reports highlight the importance of effective coordination and communication across various functions and agencies.
  - The introduction of the Tākaihere function significantly improved engagement with local iwi, enhancing overall response efforts.
- **Staffing and Training:**
  - There is a recurring theme of needing adequate staffing and regular training to ensure preparedness and effective response.
  - Exercises have shown that higher staff turnout leads to better performance and learning environments.
- **Facility and Equipment Limitations:**
  - Both reports mention the limitations of current facilities and equipment, such as the need for dual screens, better EOC layouts, and reliable communication tools.
- **Community Preparedness:**
  - Community preparedness levels are varied, with significant gaps in water storage, emergency toilet arrangements, and household planning.
  - Public Information Management and warning systems are strengths, but there is a dependency on official warnings which could be risky.
- **Capability and Capacity:**
  - The overall capability and capacity to manage emergencies are at a basic level, with specific areas like welfare needing improvement.

# Enhancements to Current Work Program

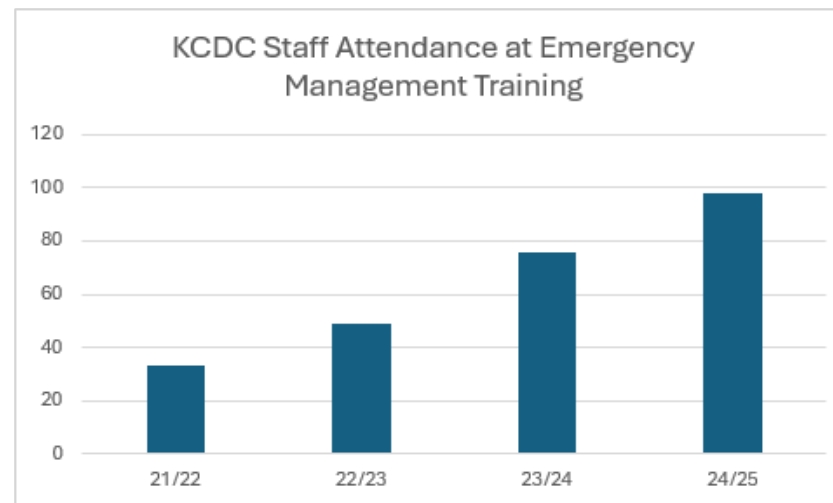
- **Coordination and Communication:**
  - Champion regular coordination meetings with all relevant agencies and functions.
    - Kāpiti Emergency Services Coordination Committee
    - Local Welfare Committee
    - Kāpiti Community Network Meeting
- **Staffing and Training:**
  - Drive comprehensive training programs that includes regular exercises, desk meetings, and capability development sessions.
    - 2025 Exercise Theme – Regional Sourced Tsunami
      - May 25 – Pre-Wave Arrival
      - Sep 25 – Post Wave Arrival
  - Strengthen interdependencies between Welfare, Logistics, and Tākaihere functions initially.
  - Increased efforts to recruit and retain staff for critical functions like Welfare (EAC) and Operations.
  - All in Approach
- **Facility and Equipment Upgrades:**
  - Conduct a thorough review of EOC facilities and develop a plan to upgrade and expand as needed.
  - Procure necessary equipment, including dual screens, tablets, and reliable communication tools.
- **Community Preparedness Initiatives:**
  - Community Board Champions:
    - Support educational campaigns focused on improving household preparedness and reducing dependency on official warnings.
    - Work with local communities to develop and implement emergency plans and increase participation in Community Emergency Hubs.
  - Establish Community Emergency Water Stations.



# Capability to Respond


## KCDC Staff Emergency Management Training Overview (2021-2025)

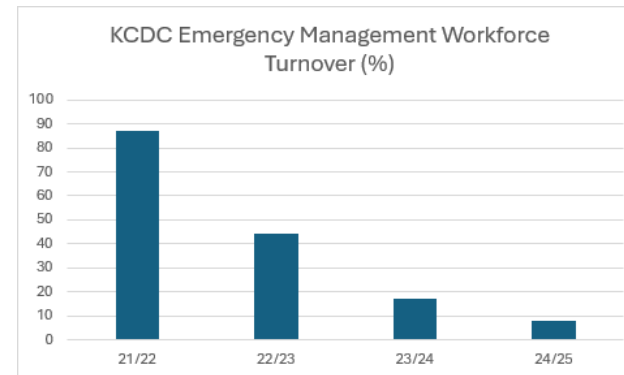
*We are starting to see a significant increase in training attendance as a result of the extra effort KCDC is putting into the emergency management workforce – this graph demonstrates this noting the we are still early in the 24/25 training year*





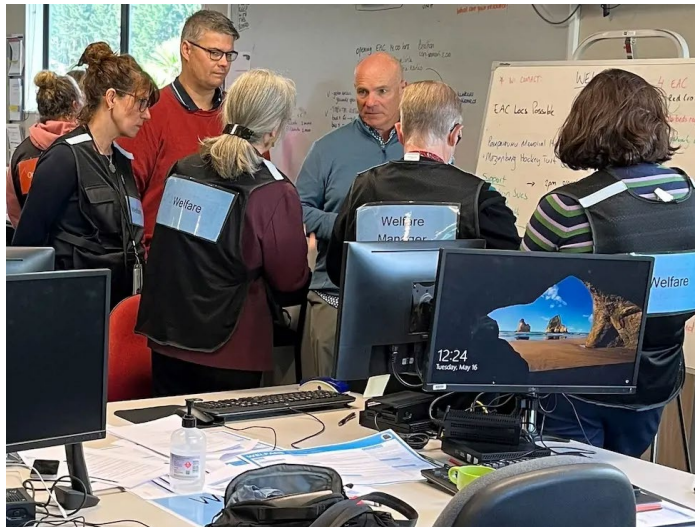
## Capacity to Respond

- Staffing Levels
  - EOC 2 shifts
  - EAC 1 EAC
  - Local Surge Staff 65 pers
- EM Workforce Turnover
  - 8 – 10%
- Risk
  - Local Controllers  3 pers



## Actions

- Risk and Assurance Committee:
  - **Note** the Emergency Management Update



## 9 PŪRONGO | REPORTS

### 9.1 ERNST & YOUNG AUDIT PLAN FOR THE YEAR ENDED 30 JUNE 2025

Kaituhi | Author: **Michael Parrish, Manager, Financial Accounting**

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 Audit Plan, on behalf of the Office of the Auditor General (OAG), for the year ending 30 June 2025.

#### HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 Not required.

#### TE TUKU HAEPAPA | DELEGATION

- 3 Risk and Assurance Committee has delegated authority to consider this report under section C.3 of the Governance Structure and Delegations.
  - *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 the Ernst & Young Audit Plan for the year ending 30 June 2025 attached as Appendix 1 to this report.

#### TŪĀPAPA | BACKGROUND

- 4 The Council's Auditors, Ernst & Young (Audit), have been engaged to undertake the audit of the Council's Annual Report and Summary Annual Report along with compliance with its Debenture Trust Deed, for the year ended 30 June 2025.
- 5 The Audit Plan is attached as Appendix 1 to this report. This provides an overview of Audit's focus areas, their risk assessment and their audit approach for the year ended 30 June 2025.

#### HE KŌRERORERO | DISCUSSION

- 6 The areas of audit focus are summarised below:
  - Property, Plant and Equipment
  - Rates setting, invoicing and collection
  - Non-financial performance reporting
  - Expenditure, procurement and tendering
  - Debt facilities and derivatives
  - Revenue from grants and subsidies.

**Materiality**

- 7 Audit has set their materiality threshold at \$4.0 million, being 3% of forecast expenditure for 2024/25. Materiality is broadly defined as the quantum of any misstatements (through error or otherwise), that would likely mislead users of the financial statements. Any identified misstatements impacting on the Council's operating result by more than \$198,000 will be reported to the Committee by way of Audit's Closing Report on conclusion of their audit

**He take | Issues**

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

**Ngā kōwhiringa | Options**

- 9 There are no options to consider.

**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 considerations within this report.

**Ahumoni me ngā rawa | Financial and resourcing**

- 12 As disclosed in the audit proposal letter dated 27 June 2023, the fees for the period ending 30 June 2025 will equate to \$255,000. This is before any estimated disbursements and is exclusive of GST.

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

- 13 There are no legal and organisational risk 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**

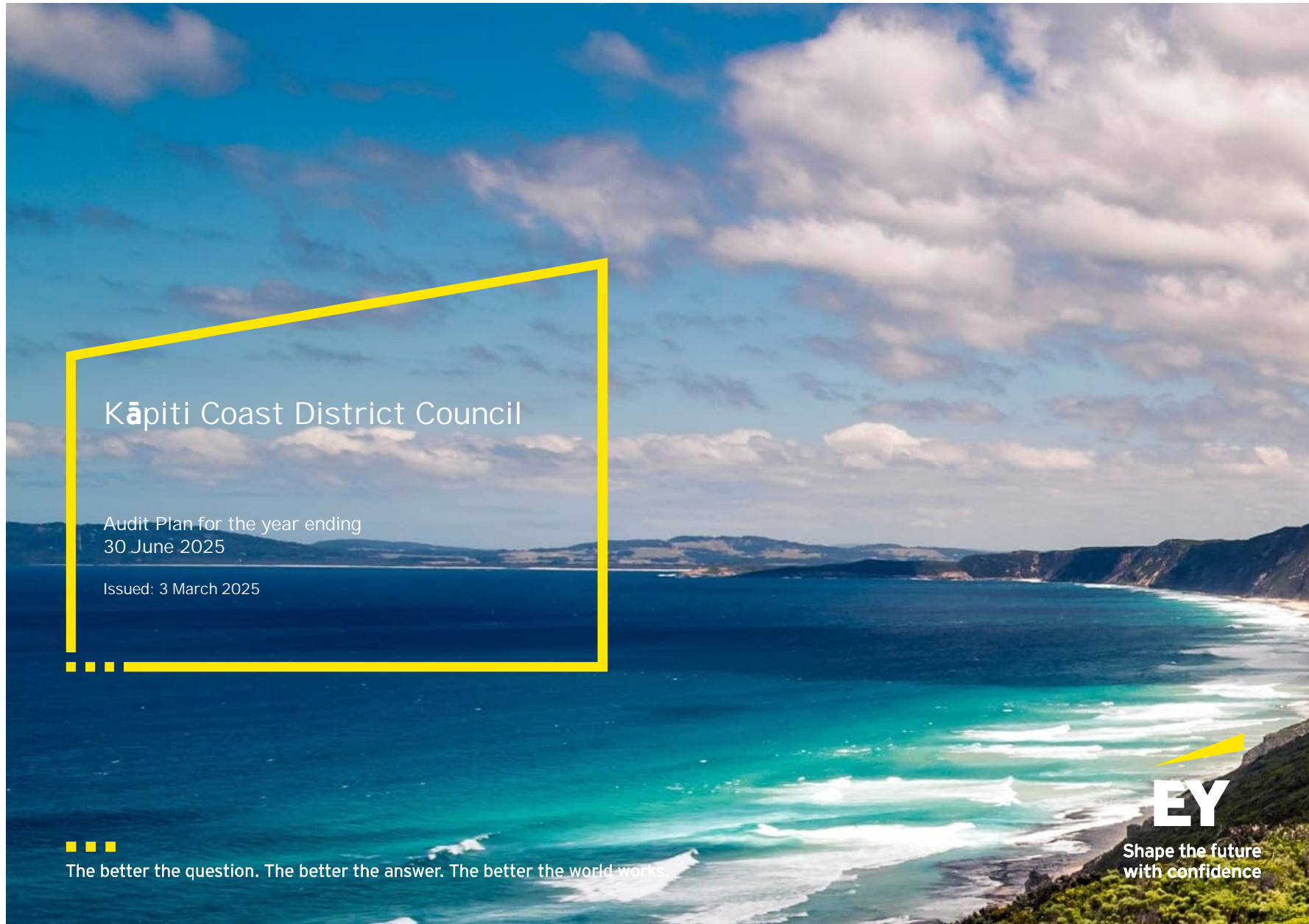
- 15 An engagement plan is not required for this report.

**Whakatairanga | Publicity**

- 16 There are no specific publicity considerations arising from this report.

**NGĀ ĀPITI HANGA | ATTACHMENTS**

1. Ernst & Young Audit Plan for the year ending 30 June 2025 [↴](#)



## WELCOME



### Dear Risk and Assurance Committee Members

We are pleased to present our External Audit Plan (“Audit Plan”) for Kāpiti Coast District Council (“KCDC” or “the Council”) for the year ending 30 June 2025. Our meeting with you on 11 March 2025 is a forum to discuss our Audit Plan, the scope of our work, confirm your current expectations and make certain that our efforts are aligned with your expectations.

Our audit is designed to express an audit opinion on the 30 June 2025 full year financial statements, service performance information and information included in the annual report in compliance with the *Local Government Act 2002* and *Local Government (Financial Reporting and Prudence) Regulations 2014*.

Our Audit Plan has been prepared acknowledging, and with consideration of, the Council’s current and emerging risks and the resultant financial statement impacts. It is designed to be responsive to the unique needs of KCDC, to maximise audit effectiveness and to deliver the high-quality audit you expect.

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

We look forward to discussing our Audit Plan with you at the Risk and Assurance Committee (“the Committee”) meeting on 11 March 2025.

Yours faithfully



Sam Nicolle  
Partner  
3 March 2025



Shiela Mae Guardo  
Manager  
3 March 2025

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# EXECUTIVE SUMMARY

Kāpiti Coast District Council  
For the year ending 30 June 2025

## 6 AREAS OF AUDIT FOCUS

6 key focus areas identified that remain broadly consistent with the prior year

Our areas of audit focus have been summarised below and explained in detail in the Areas of Audit Focus section.

- Property, Plant and Equipment HIGH
- Rates Setting, Invoicing and Collection HIGH
- Non-financial Performance Reporting MEDIUM
- Expenditure, Procurement and Tendering LOW
- Debt Facilities and Derivatives LOW
- Revenue From Grants and Subsidies LOW

## YOUR EY TEAM

Sam Nicolle is the Appointed Auditor on behalf of the Auditor-General and he will be supported by Shiela Mae Guardo who will be the Audit Manager.

## AUDIT FEE

The audit fee has been agreed in the audit proposal letter dated 27 June 2023 for the 2025 financial year and is set out below.

	\$'000s
Audit fee	234
OAG contribution	21
<b>Audit fee excluding disbursements</b>	<b>255</b>

## AUDIT APPROACH

A substantive approach will be taken to the following key financial statement processes:

- Financial statement close process
- Asset management and tendering process
- Expenses and payables process
- Maintenance and operations expense process
- Rates setting and collection process
- Other income (Sales of goods and services)
- Government grants and contributions (NZTA and others)
- Payroll process
- Statement of service performance process
- Water rates process
- Derivatives/financial instruments process

## \$4.0M PLANNING MATERIALITY

Our planning materiality has been set at \$4.0m, calculated at 3% of forecasted expenditure for 2024/25.

The basis for calculating planning materiality is consistent with prior year. We will report all audit differences over \$198k.

Materiality will be set individually for each significant performance measure selected for testing.

## INDEPENDENCE

We will confirm our independence throughout the audit and remain in compliance with the NZICA Code of Ethics and the Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand)* independence requirements and the Auditor General's independence requirements.



EY | Kāpiti Coast District Council | For the Year ending 30 June 2025

## Summary – Areas of Audit Focus

Set out below are the areas of audit focus and a description of our planned approach.

### 1 Property, Plant and Equipment

Property, plant and equipment are KCDC's highest value assets with a carrying value of \$2.3b at 30 June 2024. These assets are held at fair value less accumulated depreciation and are re-valued on a systematic basis.

KCDC will perform a revaluation of its roading assets (excluding land under roads) with the other revalued asset classes subject to an assessment whether there are any factors or circumstances that would suggest that the carrying values of property, plant and equipment don't approximate fair value.

### 2 Rates Setting, Invoicing and Collection

Rates income levied represents KCDC's primary revenue source. There is specific legislation in place which must be adhered to for the rates set to be lawful. In the local authority context, failure to comply with rating law and the associated consultation requirements can create significant risks to the integrity of rates revenue collected by KCDC.

### 3 Non-financial Performance Reporting

The Council is required to report its performance against performance measures included in the 24-34 Long-Term Plan (LTP). These measures are key to the Council providing a 'performance story' to the community.

### 4 Expenditure, Procurement and Tendering

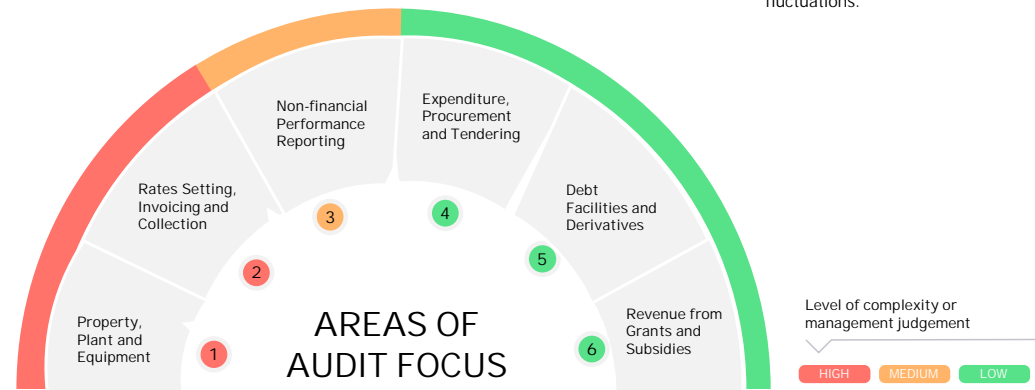
As a public entity, all expenditure should be subject to a high standard of probity and financial prudence and should be able to withstand public scrutiny. Areas of expenditure such as travel, accommodation, training and catering can present opportunities for personal benefit, or perceived personal benefit, and therefore require additional focus.

### 5 Debt Facilities and Derivatives

Borrowing represents one of the main sources of funding for KCDC's capital costs and debt levels change with the timing of planned capital projects and repayment timelines. The total forecast value of debt at year end is \$345m (\$320m in FY24). KCDC accesses debt through the Local Government Funding Authority (LGFA) and has reporting requirements and debt covenant compliance obligations. KCDC maintains interest rate swaps to manage the Council's exposure to interest rate fluctuations.

### 6 Revenue from Grants and Subsidies

The Council receives grant funding from a number of different funding providers. Accounting standards requires KCDC to meet the conditions stipulated in each funding contract in order to recognise revenue and any unspent amounts be recorded as a liability until the funds are utilised for the relevant project.



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## Property, Plant and Equipment

### Our Understanding

- Property, plant and equipment represents the bulk of the Council's balance sheet with a 30 June 2024 carrying value comprising:

Assets	\$million
Operational assets	164
Infrastructural assets	1,945
Restricted assets	189
<b>Total value</b>	<b>2,298</b>

- Infrastructural assets primarily comprise of roading, three waters, and seawall assets and are valued using Optimised Depreciated Replacement Cost (ODRC).
- Operational and restricted assets primarily comprise of land and buildings and are valued at market value.
- In FY25, KCDC will perform a full revaluation of its roading assets (excluding land under roads) with the other revalued asset classes subject to an assessment whether there are any factors or circumstances (e.g. significant movements in replacement costs) that would suggest that the carrying values of these assets do not approximate their fair values.
- The integrity of the classification of maintenance and/or capital expenditure is important both from the perspective of correct classification in the financial statements and tracking asset condition.
- As part of the ongoing Local Water Done Well reform programme, the Local Government (Water Service Preliminary Arrangements) Act 2024 requires council that deliver water services to submit water services delivery plans (WSDP) to the Secretary of Local Government by 3 September 2025. The WSDP should include baseline information about the Council's water services operations, assets, revenue, expenditure, pricing, and projected capital expenditure, as well as necessary financing arrangements. Councils must formally consult their community on the anticipated or proposed model or arrangement for delivering water services. As of date of this report, KCDC is still working on the consultation for the WSDP and is expected to be in March 2025.

### Planned Audit Approach

- We will validate, on a sample basis, key inputs to the valuation including unit costs and underlying data.
- We will assess whether the asset information provided by the valuers is reflective of the asset data maintained in the Council's Asset Management Systems.
- We will obtain assurance that all material assets within the asset class are included in the valuation.
- We will perform procedures to obtain assurance that the valuation has been appropriately recorded in the fixed asset register and general ledger.
- We will obtain reliance letters confirming the independence of the valuers and assess their professional expertise.
- We will assess the extend of due diligence performed by management and whether this is adequate for the purpose of recording the revaluation in the financial statements.

Key judgements: Unit costs, useful lives, and classification of capital and maintenance costs

Relevant accounting standards: [PBE IPSAS 17 Property, Plant and Equipment](#)

Level of complexity or management judgement: HIGH



## Rates Setting, Invoicing and Collection

### Our Understanding

- Rates income levied represents KCDC's primary revenue source. The rates setting process is guided by specific legislation which must be adhered to for the rates set to be lawful. With this in mind, we note that failure to comply with rating law and the associated consultation requirements could create significant risks to the integrity and collectability of rates revenue.
- Below is a summary of the rates revenue recognised by the Council for the year ended 30 June 2024 and per 24/25 in 24-34 Long-Term Plan (LTP).

Rates revenue	2024 Annual Report \$million	2025 24-34 LTP \$million
General rates	32.2	33.1
Targeted rates	57.6	74.0
Internal rates and rates remitted	(2.2)	(2.0)
<b>Total value</b>	<b>87.6</b>	<b>105.1</b>

- The requirement for there to be consistency between the rates resolution, the Funding Impact Statement for that year, and the Revenue and Financing Policy in the LTP is fundamental because this is the thread that links community consultation to the rates levied by KCDC.
- Accuracy of rates revenue is largely dependent on the integrity of the rates database. The reliability of the rates billing system is also key to rates being billed appropriately.
- Certain rate paying groups may represent collection risks to the Council.
- Management has a history of consulting with external legal counsel (Simpson Grierson) to check compliance with rating legislation is maintained.
- Revaluations for the Kāpiti Coast District as at 1 August 2023 were approved by LINZ on 20 October 2023 and will be used to calculate rates from 2024/25.

### Planned Audit Approach

- We will review KCDC's procedures for ensuring the rates set are compliant with the Local Government Rating Act and test that the rates set are being applied appropriately to the rating database and invoiced accordingly.
- We will test the accuracy of the use of underlying valuation information (as prepared by Quotable Value) within the rating database and its application to rates set.
- On a sample basis, we will undertake a review of the billing to specific ratepayers and subsequent collection.
- For a sample of rates invoiced, we will agree the amounts to supporting information and trace the cash received to bank statements.
- We will obtain the rates strike for 2024/25 and review for consistency with recommendations made by Council's legal advisor.
- For water rates, we will perform analytical procedures through considering changes in the district population and rates.

Key judgements: Compliance with the *Local Government (Rating) Act 2002* and provisioning for outstanding rates debtors

Relevant accounting standards: [PBE IPSAS 23 Revenue from Non-Exchange Transactions](#)

Level of complexity or management judgement: HIGH



## Medium and Low Risk Focus Areas



### Areas of Audit Focus

Non-financial Performance Reporting

MEDIUM



### Background

- The Council is required to report its performance against performance measures included in the Long-Term Plan (LTP). These measures are key to the Council providing a 'performance story' to the community. The performance framework set as part of the 2024-34 LTP is applicable to the current financial year which has some changes from FY24.
- Our audit opinion on the service performance report covers compliance with generally accepted accounting practice, and whether the service performance report fairly reflects the Council's actual service performance for the period.
- Consistent with previous periods, we have identified the following activities as significant in the context of our audit of 2024/25 Annual Report. However, we will consider the entire performance report in providing general feedback to management.
  - Access and transport
  - Stormwater
  - Coastal management
  - Drinking water
  - Wastewater
  - Recreation and leisure



### Planned Audit Approach

- We will update our understanding of key performance reporting processes and review the collation methodologies applied by the Council.
- We will examine, on a sample basis, the Statement of Service Performance to determine if measures have been reported on and outputs have been achieved where stipulated. For the selected measures, this will include obtaining the underlying supporting documentation on a sample basis and re-performing the calculations.
- We will assess the completeness and effectiveness of the performance framework utilised.
- We will check whether all mandatory performance measures stipulated by the Non-Financial Performance Measures Rules 2013 have been reported appropriately.

#### Good practice guidance

##### Performance reporting in local government

The OAG has published guidance providing a range of individual examples of good practice, including where different councils have done more than simply meet minimum statutory requirements.

<https://oag.parliament.nz/2024/performance-reporting>

##### Report on drinking water quality

The OAG has published a report on how Councils comply with the drinking water standards.

<https://oag.parliament.nz/2024/drinking-water>

##### Climate change

The OAG has published recommendations/approaches Councils need to consider when preparing and implementing responses to climate change.

<https://oag.parliament.nz/2024/climate-actions>



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## Medium and Low Risk Focus Areas



### Areas of Audit Focus

Expenditure, Procurement and Tendering

LOW



### Background

- The appropriateness of Councillor and management expenditure continues to be an area of interest to ratepayers.
- Areas of expenditure such as travel, accommodation, training and catering can present opportunities for personal benefit.
- The Council's capital works programme involves significant cash spend. The Council has a range of policies that seek to ensure procurement is managed in the best interests of the Council.
- We will maintain an awareness of transactions or events that could indicate waste or probity concerns.
- OAG's controlling sensitive expenditure guidelines for public entities require expenditure decisions to:
  - Have a justifiable business purpose
  - Be cost-effective
  - Preserve impartiality
  - Be made with integrity
  - Be moderate and conservative, having regard to circumstances
  - Be made transparently
  - Be appropriate in all respects
- In FY25, the Council is working to move Datascape, a cloud-based software platform from MagiQ applications suite with a target go live date of July 2025.



### Planned Audit Approach

- We will review the incurrence and approval of a sample of operational expenditure.
- We will review the use of a sample of credit cards and whether expenditure has been incurred for a reasonable purpose.
- We will update our understanding of Council's processes over expenditure are in place.
- For a sample of contracts tendered during the year, we will establish an understanding of how the tendering process was managed. This will be completed with reference to KCDC's tendering policies and good practice.
- In considering sensitive expenditure, we will review the Council's policies to check if there is adequate guidance regarding the procedures for handling sensitive expenditure within the organisation and the policy is consistent with best practice guidelines issued by the OAG.

#### Recent OAG publications

##### Auckland Council: Improving emergency preparedness

The OAG noted Auckland Council's significant progress towards setting up a well-functioning emergency response system, in line with review recommendations last year. <https://oag.parliament.nz/2024/auckland-council>

##### Procurement lessons

The OAG has published a report on how well the public sector manages procurement and highlighted the areas where most improvement is needed. <https://oag.parliament.nz/2024/procurement-lessons>



## Medium and Low Risk Focus Areas



### Areas of Audit Focus

Debt Facilities and Derivatives

Low



### Background

- Borrowing represents one of the main sources of funding for KCDC's capital projects and debt levels change with the timing of planned capital projects and repayment profile. The total forecast debt for FY25 is \$345m (FY24: \$320m).
- KCDC accesses debt through the Local Government Funding Authority (LGFA) and has reporting requirements and debt covenant compliance obligations. The Council is responsible for preparing Reporting Certificates to the Trustee in accordance with the requirements of the Trust Deed and we are required to report to the Trustee with respect to the accuracy of the reporting certificates.
- KCDC continues to maintain interest rate swaps to manage the Council's exposure to interest rate fluctuations arising from borrowing activities.



### Planned Audit Approach

- We will update our understanding of debt facility agreements maintained in the year and review the relevant debt facility agreements including the process for managing drawdowns.
- We will consider the term or current classification of the debt.
- We will obtain LGFA confirmation of the outstanding debt position at year end.
- We will confirm derivative positions in place at year end and independently value a sample of derivative contracts.
- We will examine Council's reported covenant compliance as at 30 June 2025.
- We will review disclosures associated with the debt and swap positions held to check that they are in accordance with the reporting standards.
- We will review the prudence benchmark measures relating to debt, interest levels and sustainability as required by legislation.
- We will also complete procedures required of us by the debenture trust deed.



## Medium and Low Risk Focus Areas



### Areas of Audit Focus

Revenue from Grants and Subsidies

LOW



### Background

- Council receives grant funding from a number of different funding providers.
- KCDC receives NZTA funding to subsidise costs associated with local roads. The funding assistance rate is typically 51% with higher amounts being available in certain circumstances. Financial reporting standards require NZTA subsidies to be recognised as revenue, while a portion of the associated expenditure is capitalised as part of roading assets.
- In June 2021, the previous government introduced the IAF initiative as part of the Housing Acceleration Fund. The Council and Kāinga Ora-Home and Communities have reached into an agreement to expedite infrastructure projects aimed at enhancing resiliency in Ōtaki. In FY24, the Council received a capital grant of \$3.3m and is anticipated to invoice a significant amount in advance for FY25.
- Accounting standards require KCDC to meet the conditions stipulated in each funding contract in order to recognise revenue and any unspent amounts be recorded as a liability until the funds are utilised for the relevant project.



### Planned Audit Approach

- We will check, on a sample basis, that the costs being recovered are in line with the funding agreements.
- We will check, on a sample basis, that revenue is being recognised in line with obligations/undertakings being satisfied.
- We will examine subsidy claims from NZTA, on a sample basis, to check the expenditure is allowed to be claimed and the funding assistance rate applied is appropriate.
- We will carry out an assessment of the reasonability of NZTA subsidy income and its completeness in consideration of the level of costs incurred for the period.
- We will assess the disclosures in the annual report in relation to each funding is in line with relevant accounting standards.



## Internal Control Environment

The primary responsibility for the design and operating effectiveness of the internal control environment, including the prevention and detection of fraud and error, rests with those charged with governance and management.

We obtain an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit is not designed to express an opinion on the effectiveness of internal control we are required to communicate significant deficiencies in internal control to you.

Our assessment of internal controls covers:

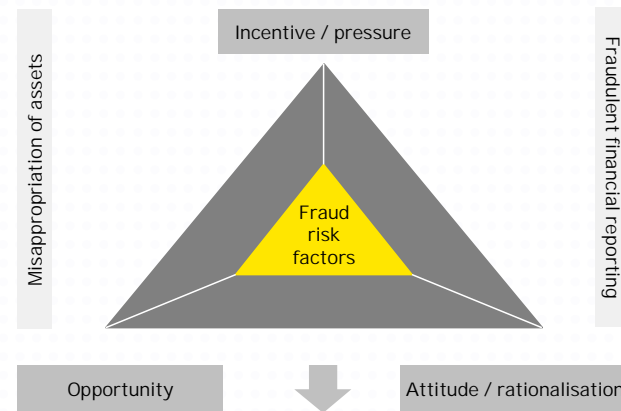
- The control environment including entity level controls
- KDCDC's risk assessment procedures
- The design and operating effectiveness of internal controls (including IT general controls)
- Monitoring of controls (internal audit and self-assessment).

We provide management with a report during the audit process, outlining our findings and our recommendations on where improvements in internal controls can be made. Where significant deficiencies come to our attention, we will communicate these to the Council.

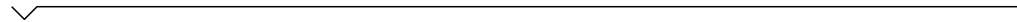
## Assessing the Risk of Fraud

Our responsibility as the external auditor is to consider the risk of fraud and the factors that are associated with it so as to provide reasonable assurance that the financial statements are free from material misstatement resulting from fraud. However, it is important to note that while our external audit work is not primarily directed towards the detection of fraud or other irregularities, we will report any matters identified during the course of our work.

When developing our Audit Plan, we use professional judgement in determining whether a fraud risk factor is present. We determine fraud risk factors in the context of the three conditions generally present when fraud occurs (i.e., incentive/pressure, opportunity and attitude/rationalisation).

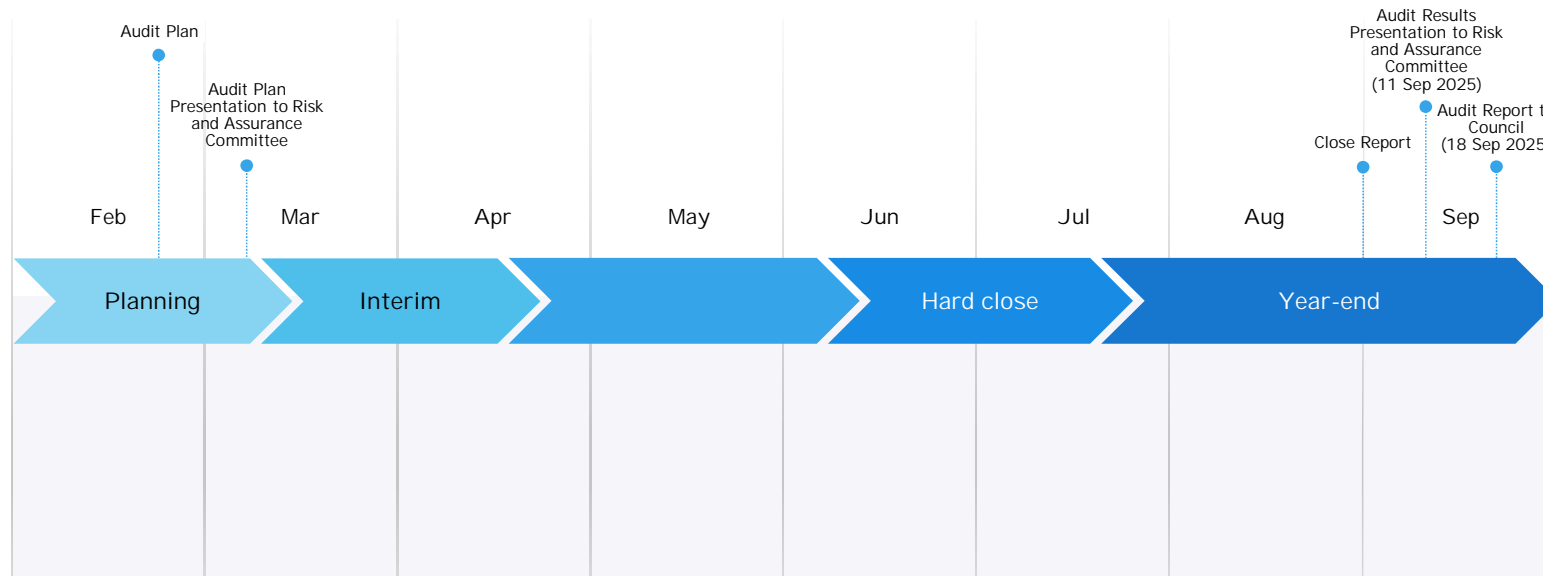


EY | Kāpiti Coast District Council | For the Year ending 30 June 2025



## Engagement Execution

### FY25 Timeline



Legend:  
● EY Key audit activity

**∞ Continuous communication approach**  
We will have continuous communication with management and the finance team throughout the year. We anticipate meeting to discuss business operations, financing and transactions, as well as perspectives on other key matters as we collaboratively progress the audit.



Appendices

## A. Independence

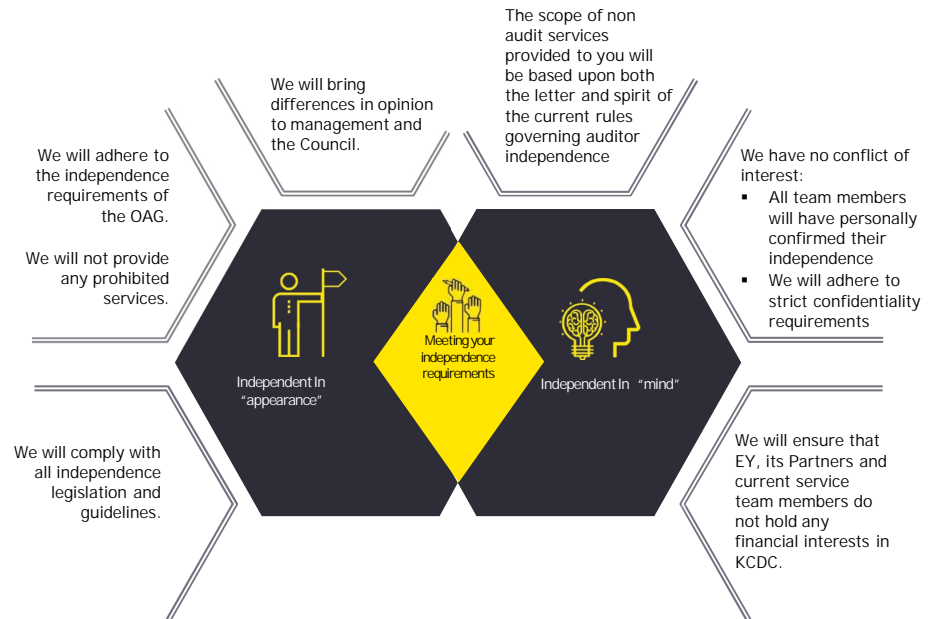
Independence is fundamental to EY as our ongoing reputation and success is connected to our ability to meet both KCDC's and broader regulatory independence requirements.

We have consistently complied with all professional regulations relating to auditor independence including those outlined in:

- PES 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)
- OAG independence rules.

Accordingly, we ensure that there are controls in place and actions taken on a regular basis that mitigate any risks to our independence.

There are no matters that, in our professional judgement, bear on our independence which need to be disclosed to the Risk and Assurance Committee.



Appendices

## B. System of Quality Management

The annual evaluation conclusion for EY New Zealand is that the objectives of the System of Quality Management are being achieved as of 30 June 2024 and that they support the consistent performance of quality audits and related engagements.

### EY's approach to quality management

Professional and Ethical Standard 3 ("PES 3", which is the NZ version of ISQM 1) is applicable to all firms that perform audits and other similar engagements. As a result, we are required to design, implement and operate a system of quality management ("SQM") to provide reasonable assurance that:

- The member firm and its personnel fulfil their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements
- Engagement reports issued by the member firm or engagement partners are appropriate in the circumstances.

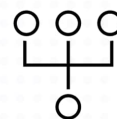
We are also required to monitor, remediate and annually evaluate the SQM as well as communicate to those charged with governance how the SQM supports the consistent performance of quality engagements. The following slides explain our approach and the results of our most recent assessment.

Individuals with SQM roles have the appropriate experience, knowledge, influence and authority, and sufficient time to fulfil their System of Quality Management roles and are accountable for fulfilling their responsibilities.

*Note: In the context of the annual evaluation of the SQM, EY New Zealand refers to the following member firms performing audits or reviews of financial statements or other assurance or related services engagements: Ernst & Young (partnership), Ernst & Young Limited and Ernst & Young Strategy and Transactions Limited.*

EY is dedicated to delivering high-quality audits and assurance engagements and serving the public interest.

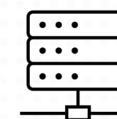
### Key elements of EY's SQM



Common processes, policies, programs and technologies



Consistent quality objectives, quality risks and responses



Commitment to conduct high-quality audits across the EY organisation

EY member firms, which include the relevant New Zealand firms, are ultimately responsible for the design, implementation, and operation of their SQM, and have the responsibility to:

- Evaluate policies, technologies, strategies, programs and baseline elements provided to them
- Determine if they need to be supplemented by the member firm to be appropriate for use.



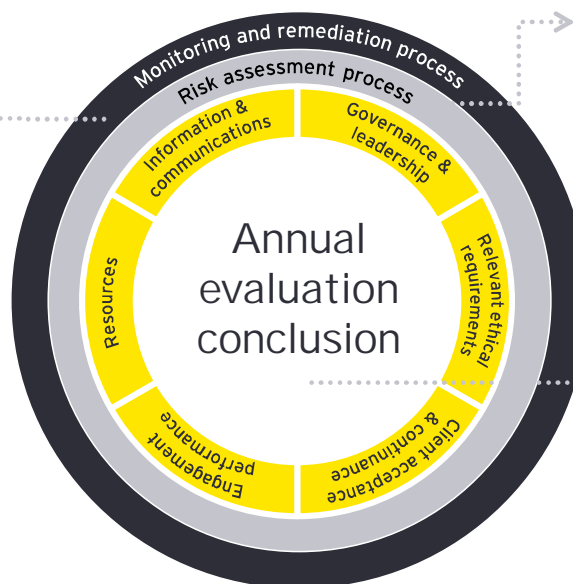
Appendices

B. System of Quality Management (continued)

SQM processes to support quality audits

Monitoring and remediation process

- Provide relevant, reliable and timely information about the design, implementation and operation of the SQM and a basis for the identification of deficiencies in the SQM.
- Monitoring activities include monitoring the entire SQM (e.g., testing SQM controls, internal inspections of completed engagements, assessing member firm and personnel's compliance with ethical requirements related to independence).
- If deficiencies are identified, they are corrected on a timely basis and an action plan is designed, implemented and evaluated for effectiveness.



Risk assessment process

- Establishing quality objectives (based on PES 3 requirements).
- Identifying and assessing quality risks.
- Designing and implementing responses (including policies, technologies and key controls).

Annual evaluation conclusion

- The annual evaluation conclusion:
- Is as of 30 June for all EY Member Firms performing engagements in the scope of PES 3
  - Considers the results of monitoring activities.

Key roles within the SQM include:

- The Country Managing Partner: assigned ultimate responsibility and accountability for the SQM by concluding on its effectiveness.
- The Country Assurance Managing Partner: assigned operational responsibility for the System of Quality Management. This includes recommending the System of Quality Management annual evaluation conclusion to the Country Managing Partner.
- The Country Independence leader: assigned operational responsibility for compliance with independence requirements.
- The Country Professional Practice Director: assigned operational responsibility for monitoring the SQM including concurring with or proposing changes to the recommended SQM annual evaluation conclusion.



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ED None

This report is intended solely for the information and use of the Risk and Assurance Committee, other members of 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.

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## 9.2 ERNST & YOUNG CONTROL FINDINGS - PROGRESS UPDATE

Kaituhi | Author: **Sharon Foss, Manager Risk and Assurance**

Kaiwhakamana | Authoriser: **Sheryl Gavin, Acting Group Manager Corporate Services**

### TE PŪTAKE | PURPOSE

- 1 This report outlines how audit matters raised as control findings from Ernst and Young (EY) relating to the Annual Report 2023-24 and the corporate planning process for the 2024-34 Long Term Plan will be addressed.

### HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 Not required.

### TE TUKU HAEPAPA | DELEGATION

- 3 The Risk and Assurance Committee is authorised to consider this matter according to section C.3 of the Governance Structure and Delegations for the 2022-2025 triennium which state the committee has the delegation to:
  - *Review and maintain the internal control framework*
  - *Obtain from external auditors any information relevant to Council's financial statements and assess whether appropriate action has been taken by management in response to the above.*

### TAUNAKITANGA | RECOMMENDATIONS





- A.1 That the Risk and Assurance Committee receives this report and notes the work programme to address the Ernst & Young control findings for the Annual Report 2023-24 and the corporate planning process for the 2024-34 Long Term Plan.







### TŪĀPAPA | BACKGROUND

- 4 EY, our external auditors, review our key financial and corporate reporting processes. They audited the Annual Report for the year ending 30 June 2024 and reviewed the Long-Term Plan 2024-34 and Consultation Document development process. While each review shares the same risk ranking reference, e.g. 'moderate', EY have applied different descriptives against each rank. The control findings across both reviews have been accepted by this Committee as corrective measures to strengthen the Council corporate planning process.

### HE KŌRERORERO | DISCUSSION

- 5 The EY Annual Report management letter lists four control findings, one ranked moderate risk and three as low risk. EY will review these in the 2024/25 audit to see if they can be closed.
- 6 The EY Long-term Plan management letter lists six findings highlighting weaknesses in our controls. Three are ranked as moderate risk and three as low risk. Key areas for improvement include the forecasting model, the consultation document development process, Long-term Plan content, and other significant matters for future planning.
- 7 The Group Manager Corporate Services will report progress updates on EY's 10 control findings to this Committee and these will be reviewed by EY during the 2024-25 audit. Commentary on each control finding and progress is provided in Appendix 1 to this report.
- 8 Summary of year-to-date progress is shown in the tables below

Risk	EY #	Part A – Annual Report Control Findings	Status: Feb 2025
Moderate	2.1.1	Accuracy of response and resolution times	 In Progress
Low	2.2.1	Aged work in progress review	 In Progress
Low	2.2.2	Overhead rate applied to projects.	 In Progress
Low	2.2.3	Approval of expenditure	 In Progress

Risk	EY #	Part B – LTP 2024-34 Control Findings	Status: Feb 2025
Moderate	2.1.1	Overall project management and timeline	 In Progress
Moderate	2.1.2	Identifying consultation issues, developing the right debate, and the readability of the consultation document	 In Progress
Moderate	2.1.3	Development of the Infrastructure Strategy and Financial Strategy	 In Progress
Low	2.2.1	Approach to financial modelling	 In Progress
Low	2.2.2	Development and peer review of asset management plans and ensuring alignment with key strategies and policies	 In Progress
Low	2.2.3	Key capital project cost assessment and estimation	 In Progress

### He take | Issues

9 There are no additional issues arising from this report.

### Ngā kōwhiringa | Options

10 There are no options arising from this report.

### Mana whenua

11 There are no tangata whenua considerations arising from this report and mana whenua have not been consulted in relation to this report – as it is procedural.

### 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.

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

14 There are no legal or risk issues from this report. The control findings are corrective measures to strengthen the Council's corporate planning processes. None of the findings are considered high risk.

### Ngā pānga ki ngā kaupapa here | Policy impact

15 There are no policy implications in relation to this 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 and no engagement is triggered.

### Whakatairanga | Publicity

17 This report and appendices will be publicly available through the agenda for the Risk and Assurance Committee meeting.

## NGĀ ĀPITI HANGA | ATTACHMENTS

1. Appendix 1 - Control Findings [↓](#)

Appendix A

**Part A – Annual Report Control Findings: Progress Summary**

**Moderate Risk Annual Report Descriptive =**  
 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.

Annual Report Finding 2.1.1	Accuracy of response and resolution times (MagiQ service request data)
<p><b>Agreed action</b>                      Review performance measure data internally before reporting.                      Update the process for recording requests for service to fix this issue.</p>	
<p><b>Action update</b>                      EY’s audit found 11 inaccurate Service Requests (SR). To fix this, we will educate staff on SR accuracy by:</p> <ul style="list-style-type: none"> <li>o ensuring staff follow best practices</li> <li>o monthly self-assurance of SR data quality by each Group</li> <li>o updating SR user guidance</li> </ul> <p>This education supports current improvements underway in performance reporting and ensures SR data quality.</p>	

**Low Risk Annual Report Descriptive =**  
 A weakness which does not seriously detract from the internal control framework. If required, action should be taken within 6 -12 months

Annual Report Finding 2.2.1	Aged work in progress review
<p><b>Agreed action</b>                      Annually review aged work in progress (WIP) projects.                      Document and act on the assessment if adjustments are needed, considering:</p> <ul style="list-style-type: none"> <li>o age of the WIP,</li> <li>o readiness of the asset for use, and</li> <li>o indicators of impairment.</li> </ul>	
<p><u>Generic Improvement:</u> <b>Assurance around Aged Work in Progress (WIP)</b></p> <p><b>Action update</b>                      As agreed with EY, aged WIP standalone projects with no activity in the last 12 months will be assessed for impairment during the year-end review</p> <p><u>Specific Improvement:</u> <b>Waikanae Duplicate Rising Main Project.</b></p> <p><b>Action Update</b>                      The Waikanae duplicate sewer rising main project, the main item in WIP as of June 2024, had no financial activity due to a delay with the resource consent. It remains categorised as Aged Work in Progress until completion. The consenting and design review are ongoing, with a new approach expected by December 2025.</p>	

<b>Annual Report Finding 2.2.1</b>	<b>Overhead rate applied to projects</b>
<b>Agreed action</b> Develop an overhead rate based on actual time and effort for Council projects.	
<b>Action update</b> A review for the year ended 30 June 2024 confirmed the allocation is reasonable. Work has begun on updating the overhead recovery method, with a new approach set for 2024/25. As agreed with EY, any aged WIP standalone projects with no activity in the last 12 months will be assessed for impairment during the year-end review.	

## Part B – Long Term Plan Control Findings: Progress Summary

### Moderate Risk LTP Descriptive =

A control weakness, which can undermine the system of internal control and/or operational efficiency and should therefore be addressed.

<b>LTP Finding 2.1.1</b>	<b>Overall project management and timetabling</b>
<b>Agreed action</b> Management accepts audit findings and recommendations. A review of the LTP process will be carried out, with work starting on core elements early in the triennium, potentially as early as the induction process. The benefits expected to flow from the new financial reporting and budgeting tools (anticipated live date of 1 July 2025) will enable further improvement to financial modelling processes, including accuracy and integration between rates and financials. Improvement of the process will include consideration of appropriate resourcing.	
<b>Action update</b> Modelling and budgeting improvements will flow from the Datascape project, enabling more integrated results for corporate planning. The LTP process is being re-designed, featuring key draft strategies and policies adopted in principle by the end of June 2026.	
<b>LTP Finding 2.1.2</b>	<b>Consultation issues, providing the right debate and the readability of the consultation document</b>
<b>Agreed action</b> Management accepts audit finding and recommendation and commits to establishment of a consultation document oversight committee of elected members and SLT to consider the right debate/story within the context of legislative compliance, significance, and affordability.	
<b>Action update</b> Early drafting of key strategies and policies will enable earlier and more informed discussion to determine issues for consultation. An oversight panel is being trialled for the 25/26 Annual Plan to improve officer-governance collaboration and consideration of the right debate within the context of compliance, significance, and affordability.	
<b>LTP Finding 2.1.3</b>	<b>Infrastructure Strategy and Finance Strategy</b>
<b>Agreed action</b> Management accepts the audit finding and recommendation and commits to early review of foundation elements of the LTP (including financial and infrastructure strategies, AMPs, and key policies) in anticipation of the 2027-37 LTP.	
<b>Action update</b> The infrastructure and financial strategies will be drafted and adopted in principle by Council no later than June 2026, along with AMPs and other key policies.	

**Low Risk LTP Descriptive =**

A weakness which does not seriously detract from the system of internal control and/or operational effectiveness/efficiency, but which should nevertheless be addressed by management.

<b>LTP Finding 2.2.1</b>	<b>Approach to finance modelling</b>
<b>Agreed action</b>	Management accepts the audit finding and recommendation. The new financial modelling and reporting solution is expected to go live on 1 July 2025.
<b>Action update</b>	Work on the new financial modelling and reporting solution is underway through the Datascape project.
<b>LTP Finding 2.2.2</b>	<b>Regular maintenance of asset management plans and linkage to forecasting documents</b>
<b>Agreed action</b>	Management accepts the audit finding and recommendation and commits to earlier update and peer review of AMPs to ensure alignment with financial modelling.
<b>Action update</b>	Improvements to the Asset Management Plan (AMP) work programme will be considered as part of the re-design of the LTP process. Improvements will include peer review.
<b>LTP Finding 2.2.3</b>	<b>Key project costing</b>
<b>Agreed action</b>	Management accepts the audit finding and recommendation and commits to improving quality assurance of budget forecasts for projects.
<b>Action update</b>	Improvements to the quality assurance of budget forecasts for projects, in line with the audit recommendation, are expected to flow from the Datascape project.

**9.3 FY2024-25 QUARTER 2, - WORKPLACE HEALTH, SAFETY AND WELLBEING**Kaituhi | Author: **Kelly Newbold, Manager Health Safety and Wellbeing**Kaiwhakamana | Authoriser: **Rach Wells, Group Manager People and Capability****TE PŪTAKE | PURPOSE**

- 1 This report presents the Workplace Health, Safety and Wellbeing report for the period 1 October to 31 December 2024.

**HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY**

- 2 Not required for this report.

**TE TUKU HAEPAPA | DELEGATION**

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

**TAUNAKITANGA | RECOMMENDATIONS**

- A. That the Risk and Assurance Committee notes the Health and Safety Quarterly Insights Report for the period 1 October to 31 December 2024, attached as Appendix One to this Report.

**TŪĀPAPA | BACKGROUND**

- 4 The quarterly Health, Safety and Wellbeing Report is intended to provide the Council with insights into initiatives and activities and their progress, as part of the 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 and 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**

- 6 This report provides a summary update on the Health, Safety and Wellbeing activities, and initiatives that are underway or planned to be undertaken during the 2024/2025 financial year, across policies, risk review, audits and assessments.

**He take | Issues**

- 7 There are no issues arising from this report.

**Ngā kōwhiringa | Options**

- 8 There are no options arising from this report.

**Mana whenua**

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

**Panonitanga Āhuarangi me te Taiao | Climate change and Environment**

10 There are no climate change considerations arising from this report.

**Ahumoni me ngā rawa | Financial and resourcing**

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

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

12 There are no legal or organisational risks in addition to those noted in this report.

**Ngā pānga ki ngā kaupapa here | Policy impact**

13 There are 13 Health, Safety and Wellbeing related policies that are either under review or due to be reviewed in this financial year. Minor progress was planned during Q2 on these reviews due to resourcing constraints, reviews recommence in Q3. The review status is detailed in the below table.

Policy Name	Policy Description	Policy Review Due Date	Review Status
Corporate Policy Statement - Health and Safety	Statement from CEO to outlining Council's approach to H&S and expectations.	N/A	Implementation stage
HR-21 Contractors Health and Safety Management	To set Council expectations of Contractors working on Council sites.	Jan 2025	In progress
HR-13-020 Health and Safety	Outlines Council's approach to managing H&S	Feb 2022	In progress
HR-13-018 Hazard Management	Aims to ensure the safety of Council employees, visitors and contractors required to work on or around its premises.		To be revoked when HR-13-020 H&S Policy Review Complete
HR-13-022 Working Alone or in Isolation	Outlines the H&S responsibilities of the Council, its managers and workers. It applies to those who may be required to work alone or in remote.	May 2020	
HR-24 Personal Protective Equipment	To ensure the provision of PPE where required to minimise the risk of harm.	2 year review cycle	
HR-030 Incident and Accident Management	To ensure all safety information about accidents, incidents, and near-misses are reported and investigated appropriately	Nov 2019	
HR-13-024 Smoke Free Workplace	To provide a smokefree environment that will assist to improve the health status of all those who undertake work for or visit Council workplaces.	Dec 2021	
HR-16-034 Care Register	Sets out the guidelines and parameters for the use, maintenance and review of the Care Register.	July 2020	Planned Q3
HR-16-035 Visitors	To ensure a safe environment for visitors at a Council workplace so they remain safe from harm or risk during that visit.	Dec 2021	Planned Q4

HR-16-044 Preventing and Responding to Workplace Bullying	To provide guidance for how to identify, report, address, and help prevent workplace bullying and other undesirable behaviour in our workplace.	Dec 2021	Planned Q3
HR-18 Return to Work	Aims to ensure good communication is established and maintained between the Council, employee, treatment provider, and ACC to facilitate a RTW programme	April 2011	Planned Q3
HR-13-015 Rehabilitation Management	Aims to ensure the early, safe and lasting return to work of Council employees following injury or illness.	May 2019	Planned Q4
HR-13-017 Staff Wellness	Provides information regarding the broad range of wellness initiatives offered to employees, encompassing both emotional and physical wellbeing.	Dec 2018	Planned Q3
HR-19 Vehicle User	To clarify the responsibilities of drivers when using Council vehicles, encourage and promote safe driving behaviours.	Feb 2023	Planned Q4
HR-19-041 Alcohol in the Workplace	Provides guidance for supplying and consuming alcohol at social events in Council workplaces or at Council-owned or controlled facilities.	May 2024	Planned Q4
HR-26 Drug and Alcohol	To ensure that all workers can work in an environment free of alcohol and drug use or abuse.	Mar 2021	Planned Q4
HR-13-016 Emergency Preparedness	To ensure Council has effective emergency plan to manage emergencies likely to occur across Council worksites.	Dec 2018	
HR-16 - Flexible Working Arrangements (FWA)	Policy to provide the process for flexible working arrangements including change in hours and location.	April 2019	In progress

## TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

14 Health, Safety and Wellbeing internal communication continues to increase through a range of internal channels.

### Te mahere tūhono | Engagement planning

15 An engagement plan is not needed regarding this report.

### Whakatairanga | Publicity

16 There are no publicity considerations regarding this report.

## NGĀ ĀPITI HANGA | ATTACHMENTS

### NGĀ ĀPITI HANGA | ATTACHMENTS

1. Insights Report for the period 1 October to 31 December 2024 [↓](#)

## Health, Safety and Wellbeing Quarterly Insights Report – FY2024-25 Quarter 2 (Q2)

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### 1. Performance - How well is the organisation doing in meeting its safety objectives?

Work is progressing well on the priority initiatives in 2-year (internal) health safety and wellbeing workplan, key to success is ongoing staff involvement in the prioritised initiatives.

There were two high potential incidents reported in Q2, these are detailed further in the report.

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### 2. Assurance / verification - What is our assurance programme telling us?

The number of contractors in SiteWise has increased during Q2 with the average score remaining above the national average.

A health and safety audit framework will be developed in Q3 and implemented in Q4.

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### 3. Risks - What does our risk profile look like?

There have been no notifications to WorkSafe NZ during Q2.

Events summarised in this report focus on those related to critical risks or where there was potential for significant harm or procedure breach.

We continue to see unreasonable behaviour and threats directed towards staff during this period. These ongoing issues have triggered a review of the Trespass policy and procedures along with a review of the effectiveness of controls – this work will be completed in Q3.

---

### 4. Relationships - Are our most important relationships for Health and Safety maintained?

The HSR handbook previously highlighted in the Q1 report has now been developed and implemented providing a streamlined induction for new HSRs that join the group.

The Emergency Operation Centre (EOC) held their annual response exercise on Thursday 7 November. Safety plays a role in this with the establishment of a Safety Desk within the EOC during responses.

---

### 5. Resources - Are we providing sufficient resources and are they matched to the Councils H&S needs?

Activities in Q2 were centred around recruitment for a permanent Health, Safety and Wellbeing Business Partner to fill the vacancy left by the previous senior advisor. We successfully filled this role in December after receiving 40 applications for the position.

In November we filled the 0.6 coordinator vacancy with a fixed term contract. This role has been pivotal in catching up on a backlog of H&S administration and streamlining H&S processes. The permanent position is anticipated to be advertised in February following the P&C Operating Model review.

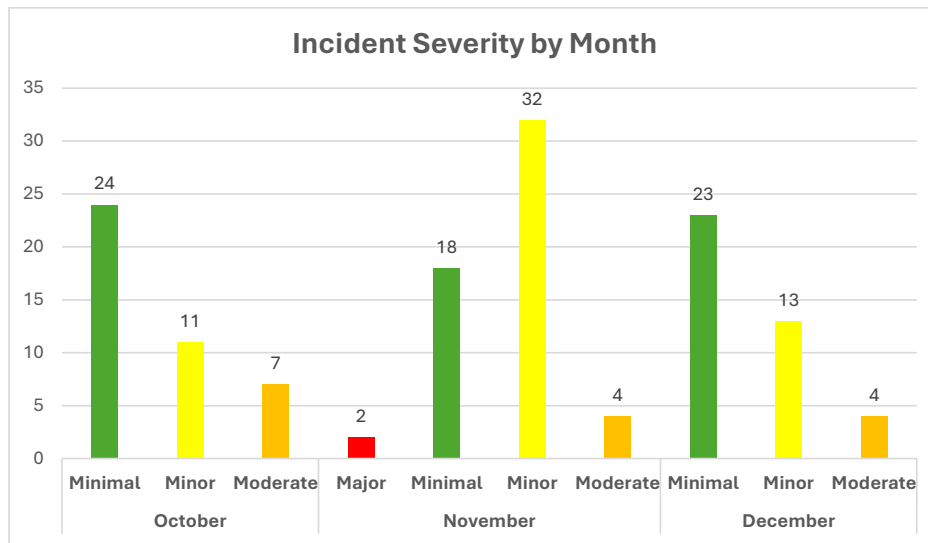
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## Quarter 1 Insights

### 1.0 Performance

#### 1.1 Incidents by potential or actual severity

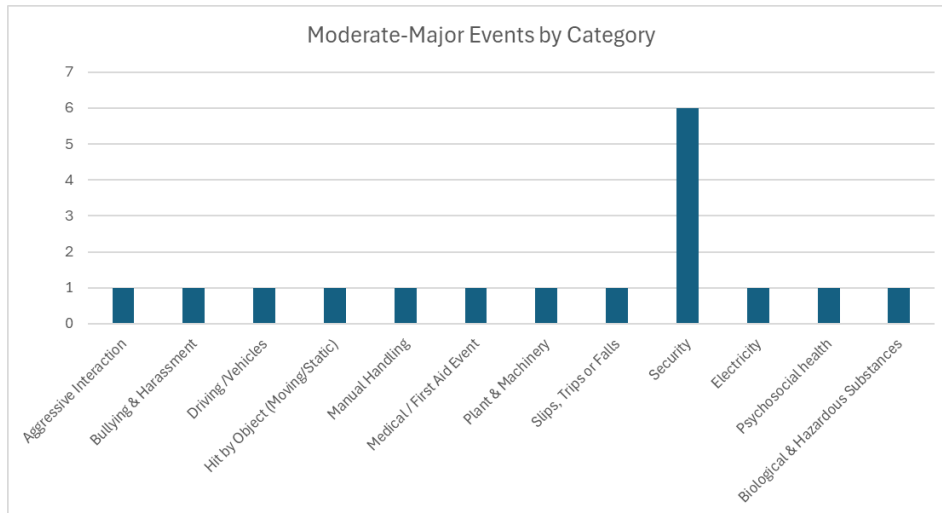
There were 139 events reported through health and safety during Q2. We anticipate seeing an increase in events reported over the summer period with increased patronage at the aquatic centres including the outdoor pool. Additionally, we saw an increase in staff related vehicle related incidents, mostly minor, during December, this resulted in increased communications to staff about responsibilities when driving Council vehicles and managers worked directly with staff where fatigue or heat was a contributing factor to an incident.



#### 1.2 Moderate severity events by hazard type

There were two major incidents recorded in Q2. One relates to a wellbeing issue which requires ongoing management, and the second event is a high potential event. The high potential event relates to a worker who was injured by a roller machine when their safety boot was caught by the roller while operating it and as a result rolled over the workers leg – fortunately in the days leading up to this event there had been significant rainfall which resulted in a softer ground. The worker returned to work after 2 weeks without permanent damage as a result of the softer ground. An investigation team was established, and the report will be finalised in Q3 and shared with Council Management.

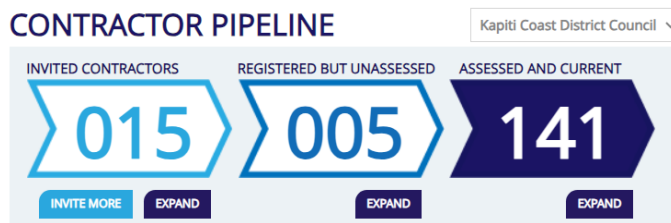
There were increased theft reports from construction sites, and vehicles/plant during November and December. The Property Team are currently looking at increase security of some of our sites to reduce the likelihood of vehicle break-ins after hours.



## 2.0 Assurance / Verification

### 2.1 SiteWise

We have 141 contractors now accredited that hold either a green or gold status. The average score for our SiteWise accredited contractors is 87% which is a 2% drop in Q2 compared with Q1. The drop is representative of an increase of 39 contractors in our pipeline, the drop does not represent any concern in quality of status - which remains above the national average of 84%.



### 2.2 Contractor Audits

With the commencement of the Health, Safety and Wellbeing Business Partner in January the development of the H&S Audit Framework will commence in Q3. Additionally, Project Managers within the PMO business group will kick off H&S spot check audits in Q3 to support continuous improvement of health and safety outcomes.

## 3.0 Risks

### 3.1 Adverse Customer Behaviour

Unreasonable behaviour directed at Council staff and some of our Contractors continued in Q2. We have a zero-tolerance policy for people who display unreasonable behaviour towards staff and recently trespassed individuals from our Council premises.

To support our zero-tolerance approach, the Legal Team are updating the Council’s trespass policy, procedure and general communications approach for trespassed individuals, and the

Health and Safety Committee plan to workshop the impact and controls in Q3 to ensure we have effective controls in place to keep our staff safe at work.

### 3.2 Summer Safety

To bring awareness to summer safety during December the Health, Safety and Wellbeing Team ran a summer campaign requiring staff to show us (via photo's) of how they are keeping safe in the sun, we also used this opportunity to bring awareness of increased fatigue caused by heat amongst our outdoor teams. The campaign was well received.

### 3.3 Significant Events

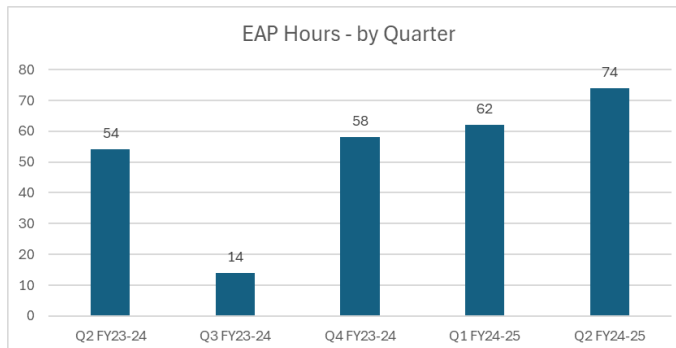
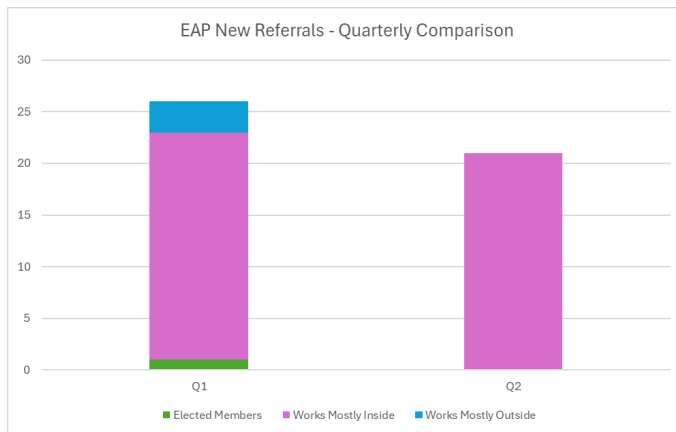
The following events occurred during quarter 2 with a moderate or higher actual or potential risk.

Date of Event	Event Type	Injury or damage	Summary	Corrective Actions	Status
Oct 03	Event	Bullying & Harassment	Member of public seen filming staff leaving civic building while making derogatory comments.	Person has not been seen again, and online footage was not found.	Closed
Oct 09	Event	Security	Break in at Otaki Depot. Tools stolen.	Reported to police	Closed
Oct 23	Injury	Medical / First Aid Event	Person fell over a barrier in the pools carpark resulting in multiple injuries.	First aid provided and ambulance called.	Closed.
Oct 12	Event	Security	Vehicle break in at Otaki Depot. Equipment and PPE stolen.	Reported to Police. Security review underway.	Ongoing
Nov 04	Injury	Manual Handling	Ongoing hand discomfort due to repetitive physical processing of books.	Manual handling assessment and training arranged for librarians	Closed
Nov 05	Near Miss	Electricity	Contractor was stopped from connecting an extension lead into a 3-pin socket located in the plant for use outside on a wet day without an RCD or any evidence of the cord being test and tagged.	Contractor instructed to test & tag electricals and RCDs to be used. Contracting Management notified.	Closed
Nov 12	Event	Security	Skatepark contractors reported theft of equipment from their fenced site.	Random security checks overnight were in place. Fence was resecured.	Closed
Nov 14	Event	Aggressive Interaction	Two property staff inspecting a pensioner unit were abused and threatened. Staff left the premises and arrangements were made to return at an alternative time.	An arrangement was agreed with a representative for the resident.	Closed
Nov 12	Injury	Hit by Object (Moving/Static)	Worker stepped in front of roller while it was moving to retrieve something from the front of it. The roller trapped their left foot. Worker was forced to fall to the left getting the rest of my body out of the way. The roller then ran over my leg.	Medical treatment sought. Investigation underway. Staff member instructed to not get off the roller when it is operating	Ongoing
Nov 28	Illness	Psychosocial health	Redacted for privacy	Ongoing management and support	Ongoing
Dec 03	Event	Plant & Machinery	Worker returning to depot didn't strap mower down on trailer properly. Mower came off trailer at Arawhata/ Kapiti Road intersection. No damage to equipment but held up traffic.	Fatigue from heat was a factor. Worker was spoken with and workload reviewed.	Closed
Dec 03	Event	Slips, Trips or Falls	Contractor fell into an open TUDS (electrical pit). Approx 0.6m fall, no injury	Contractor management instructed that all TUDS	Closed

			or damage to the electrical cabling in the pit.	lids were to be replaced when unattended.	
Dec 10	Event	Biological & Hazardous Substances	Contractor was seen spraying weed killer into kerb in high wind conditions. Concentrated spray drifting towards members of public.	Contractor was asked to stop immediately until wind reduced.	Closed
Dec 16	Event	Driving /Vehicles	HNU25 lost power on Kapiti Expressway. No power in any of the gears.	Vehicle towed and taken to mechanics.	Closed

**3.4 Workplace Wellbeing**

**3.4.1 Employee Assistance Programme**



FY2024-25 Q2 has seen a continued increase in EAP hours. This is reflective of business group changes that continued in Q2, workplace relationship conflict and personal issues.

## 4.0 Resources

### 4.1 Health, Safety and Wellbeing Team

In November we filled the 0.6 coordinator vacancy with a fixed term contract. This role has been pivotal in catching up on a backlog of H&S administration and streamlining H&S processes. A key activity of this role during the fixed-term duration is to carry out a data cleanse in the health and safety reporting system (vault) and upskilling our people leaders to utilise Vault. This role will be reviewed as part of People and Capability operating model review.

Following a review of the vacant Senior Advisor Health and Safety role, we recruited for a Health, Safety and Wellbeing Business Partner. We received over 40 applications for the role and held interviews in December. The successful candidate commenced with us in January.

### 4.2 Organisational Training – Lead Indicator

Type	Course	Total
General H&S	First Aid - Full	28
General H&S	First Aid - Refresher	13
General H&S	Resilience Workshop	-
Role Specific	Resuscitation Level 3	-

## 5.0 Relationships

### 5.1 Health and Safety Committee

The Health and Safety Committee meet monthly to discuss health, safety and wellbeing issues and review incidents, near misses and hazards. Scheduled meetings were conducted with a quorum in October, November and December as planned.

The committee remains engaged and committed to leading in this space across Council.

### 5.2 Health and Safety Representatives (HSR)

HSR numbers have reduced by 1 in December due to a resignation from Council. The vacancy will be filled following a review of work group allocations in Q3.

### 5.3 Worker participation and engagement (WEPR)

The issue of aggressive and trespassed people continues to be raised at the H&S Committee meeting. The Committee will workshop the issues and controls at the first meeting of 2025.

Health, Safety and Wellbeing provide regular topics and actions in the fortnightly Team Talk newsletter that goes out to all People Leaders, this has provided a valuable avenue to bring people leaders into health and safety conversations.

The Emergency Operation Centre (EOC) held their annual response exercise on Thursday 7 November. Safety plays a role in this with the establishment of a Safety Desk within the EOC during responses. There were several takeaways including the need to build capacity of the desk, work is underway to resource this desk appropriately.

## 6.0 Due Diligence

### 6.1 SLT Development

To support ongoing development in our approach to health and safety outcomes, Officer level training has been organised for SLT to attend in Q3.

### 6.2 Due Diligence activities

Part of an Officer's role on behalf of the PCBU (Person Conducting a Business or Undertaking) is to ensure a safe working environment and that Council has the necessary tools and resources to manage risk as far as is reasonably practicable. This is achieved in several ways

- a. At least one Group Manager attends each Health and Safety Committee meeting to ensure direct conversation between H&S Representatives and Senior Management.
- b. A H&S update is now provided to the SLT every Monday to bring attention to any significant incidents that have occurred, issues arising, along with positive observations and initiatives in progress or completed.

A two-year work plan has been developed outlining the key initiatives that will be prioritised. Three key initiatives included in the plan to support continuous improvement in health and safety governance and ensuring Officer duties are upheld will commence within this financial year. These are:

- Implement an Officer H&S Development Training Programme – commences in February
- Audit of Health and Safety procedures and culture – implementation planned for Q4
- Development of a new CE Health and Safety Commitment Statement – implementation planned for Q3

## 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 provides an update on the Top 10 Organisational Risks currently facing the organisation.

### HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 Not required.

### TE TUKU HAEPAPA | DELEGATION

- 3 The Risk and Assurance Committee has delegated authority to consider this matter in line with section C.3 of the Governance Structure and Delegations for the 2022-2025 triennium which state the committee has delegation to:
  - *Ensure 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:
  - a. 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
  - b. 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:
  - a. not ranked in order of severity,
  - b. capped at 10, to provide a clear focus for SLT and this Committee, and
  - c. 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 10 Organisational Risks. The associated Risk Heatmap Report (attached as [Appendix 1](#) to this report), and details how the organisation is treating and mitigating these risks, with progress updates against each of the individual risk treatments.
- 11 All updates/changes to the Risk Heatmap Report have been highlighted in blue font.

### He take | Issues

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

### Ngā kōwhiringa | Options

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

### Mana whenua

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

### Panonitanga Āhuarangi me te Taiao | Climate change and Environment

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

### Ahumoni me ngā rawa | Financial and resourcing

- 16 There are no financial and resourcing considerations in addition to those included in Appendix 1 to this report.

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

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

**Ngā pānga ki ngā kaupapa here | Policy impact**

18 There are no further policy considerations arising from this report.

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

19 This matter has a low level of significance under the Council's Significance and Engagement Policy and no engagement is triggered.

**Whakatairanga | Publicity**

20 This report and appendices will be publicly available through the agenda for the Risk and Assurance Committee meeting.

**NGĀ ĀPITI HANGA | ATTACHMENTS**

1. Top 10 Organisational Risks Heatmap Report 11 March 2025 [↓](#)









































































## 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 gives the Risk and Assurance Committee a progress update on the 2024 Internal Audit work programme together with a summary of the findings for each audit and seeks approval of the internal audit focus through to the close of the triennium.

### HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 This report does not require an Executive Summary.

### TE TUKU HAEPAPA | DELEGATION

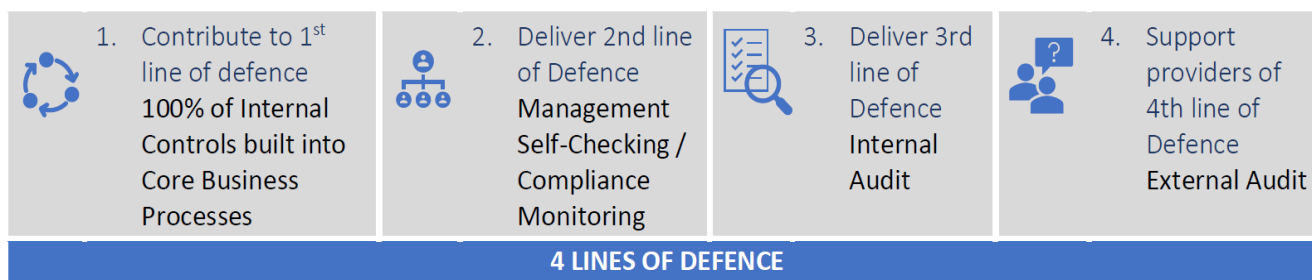
- 3 The Committee has delegated authority to consider this matter in line with section C.3 of the Governance Structure and Delegations for the 2022 – 2025 triennium which state that the committee has the delegation to:
  - *Ensure that the Council has in place a current and comprehensive risk management 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.
- B. That the Risk and Assurance Committee receives and approves the 2025 internal audit work programme until the end of the triennium.

### TŪĀPAPA | BACKGROUND

- 4 Internal audit is line three of the 'Four Lines of Defence' model used in the Risk and Assurance workstream.



- 5 Each of the following four sources of assurance contributes to the overall assurance level and shows their integration into Council business.

First line: Day-to-day risk management and control by those responsible for specific objectives or processes.

Second line: Council oversight to ensure the control framework operates effectively.

Third line: Internal audit providing reasonable assurance of governance, risk management, and controls.

Fourth line: Assurance from external independent bodies like external auditors.

- 6 The Internal audits are ranked in accordance with NZ Auditing Standards and Council’s external auditors (EY).

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

- 7 This Committee has approved the internal audit work programme and received regular updates. Presentation of this update concludes the 2024 internal audit work programme.
- 8 The internal audit process collects evidence on business effectiveness, with managers and Group Managers (GMs) verifying the findings. The Chief Executive approves the final reports and relevant GM’s then commence work on the audit recommendations. Updates are shared with Ernst & Young as a contribution to their external audits.

**HE KŌRERORERO | DISCUSSION**

- 9 Completion of the blue audit entries below concludes the 2024 internal audit work programme.
- 10 The green audit entries are the 2025 internal audit work programme until the end of this triennium. This focus addresses a problem identified by the Chief Executive: not enough resources to complete audit recommendations. This decision helps reduce the risk of not improving policy and procedure effectiveness, which could affect the organisation both internally and externally.

Risk	#	Assurance Activity (third line of Defence)	Status: Feb 2025	
<b>Audit</b>				
High	1	Audit Mitigation of Fraud Policy		Completed 2023-24
High	2	Audit Procurement Policy Framework		
High	3	Audit Employee Code of Conduct document		Completed February 2025
High	4	Audit Employee Conflict of Interest Declarations		
High	5	Audit General Expenses Policy		
Moderate	6	Audit Protected Disclosures (Protection of Whistleblowers) Policy		
Moderate	7	Audit Receipt of Gifts & Hospitality Policy		
<b>Monitor</b>				
Moderate	8	Monitor resolution of EY Control Findings		In progress
<b>Assurance Support</b>				
Moderate	9	Provide assurance support to Datascape project as requested by GM, Corporate Services (CS).		n/a to date
Moderate	10	Provide assurance support to managers with completion of their audit recommendations as requested by GM, CS		In progress

## He take | Issues

### Internal Audit Findings

- 11 Common problems identified in the audits include low awareness of policy requirements, lack of regular communication and training to boost awareness, compliance, and accountability. The audits highlight the need for better training and obligation reminders for employees.
- 12 Internal audits form part of enterprise risk management and are a continuous improvement tool. Findings from internal audits reflect exact quantification of controls (i.e. pass or fail) and this approach helps continuously improve the Council's first and second lines of defence.
- 13 The following table summarises the internal audit findings by way of key themes. These finding and/or themes are considered to be low risk as they do not reflect serious weaknesses in the Council's overall control framework. Moreso, these findings/and or themes better reflect opportunities to further strengthen and improve the Council's overall control framework.

Summary of High Level Themes	Code of Conduct	Conflict of Interest	General Expenses	Gifts and Hospitality	Protected Disclosures
Low profile. Not enough compliance reminders	X	X		X	X
Hard to follow	X	X	X		X
Incomplete or inconsistent requirements	X	X	X		
No training or Induction		X		X	X
Processes don't always align with policy requirements	X	X	X	X	
Little or no compliance monitoring		X	X	X	

### Summary of Internal Audit Findings

#### Code of Conduct Audit

- 14 The audit identified 20 findings and made 28 recommendations.
- 15 The Code of Conduct includes all content recommended by the Office of the Auditor General and outlines expected behaviours for employees. However, it has a low profile on HubKap and is not often referenced in messaging to employees.
- 16 The audit findings are:
  - 16.1 The Code of Conduct is an important guiding document for the Council but it has a low profile within the organisation.
  - 16.2 Requirements of the Code do not always appear easy for employees to identify & follow.
  - 16.3 There are areas of the Code that are out of alignment with current practice or do not show linkages to other parts of the document or other policies.

#### Conflict of Interest Audit

- 17 The audit identified 15 findings and made 18 recommendations.

- 18 Requirements for conflicts of interest not related to procurement are documented in the Code of Conduct. The separation of the procurement from the general conflict of interest declaration form towards the end of 2023 resulted in Council being without a standard conflict declaration form for some time. An old version of the form has now been added back onto HubKap as an interim measure while changes are considered.
- 19 Increasing the understanding and profile surrounding conflicts of interest would be beneficial for the organisation.
- 20 The audit findings are:
  - 20.1 The Conflict of Interest guidance on the current process is incomplete.
  - 20.2 Employees are not provided with education or reminders about non-procurement related conflicts.
  - 20.3 Information about non-procurement related conflicts has gaps, can be confusing and is inconsistent in some places.

#### General Expenses Audit

- 21 The audit identified 15 findings and made 42 recommendations.
- 22 The General Expenses Policy is not being followed consistently by employees. Reasons for non-compliance was often due to employees not understanding the requirements or because current processes do not ensure that all Policy requirements are met. Some of these issues may be resolved with the Datascope project. There is an opportunity to carry out additional monitoring to ensure that spending meets Policy requirements.
- 23 The audit findings are:
  - 23.1 Policy requirements are not followed consistently.
  - 23.2 There are requirements set out in the Policy and related guidance that are not being adhered to due to gaps in the processes currently in place.
  - 23.3 It is not always possible to tell what has been purchased, or why, from the information in MagiQ.
  - 23.4 Monitoring of Policy requirements is limited.

#### Gifts and Hospitality Audit

- 24 The audit identified 16 findings and made 22 recommendations.
- 25 The Receipt of Gifts and Hospitality Policy contains the required rules for the acceptance of gifts in the workplace. However, without regular communication to employees about the Policy's requirements, it is being overlooked and the rules are not being followed.
- 26 The audit findings are:
  - 26.1 Policy requirements are not being followed.
  - 26.2 The Policy does not provide an overview of the process to follow to notify and gain permission to accept gifts.
  - 26.3 There is no strong messaging to employees about the need for Policy compliance in order to guard against reputational damage and the perception of impropriety.
  - 26.4 Policy compliance is not being monitored or reported.

#### Protected Disclosures (Protection of Whistleblowers) Policy Audit

- 27 The audit identified 7 findings and made 7 recommendations. Note since the internal audit was carried out many of these findings have now been addressed and work already completed by the Legal Team following SLT direction to amend the Corporate Policy to a procedure.
- 28 The Protected Disclosures (Protection of Whistleblowers) Policy has been replaced by a new procedures document and the formal legal terminology on HubKap has been replaced by plain

language which is easier to understand. Further work to increase staff awareness is recommended.

29 The audit findings are:

29.1 No training or education modules are available and staff are not reminded about protected disclosures.

### Ngā kōwhiringa | Options

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

### Mana whenua

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

### Panonitanga Āhuarangi me te Taiao | Climate change and Environment

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

### Ahumoni me ngā rawa | Financial and resourcing

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

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

34 There are no legal or further risk considerations arising from this report. EY as our external audit partner have received copies of the full audit reports.

### Ngā pānga ki ngā kaupapa here | Policy impact

35 There are no policy implications arising from this report.

## TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

### Te mahere tūhono | Engagement planning

36 This matter has a low level of significance under Council's Significance and Engagement Policy and no engagement is triggered.

### Whakatairanga | Publicity

37 This report and appendices will be publicly available through the agenda for the Risk and Assurance Committee meeting.

## NGĀ ĀPITI HANGA | ATTACHMENTS

Nil

## 9.6 LEGISLATIVE COMPLIANCE 1 OCTOBER TO 31 DECEMBER 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 second quarter of the financial year, 1 October 2024 to 31 December 2024.

### HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An executive summary is not required.

### TE TUKU HAEPAPA | DELEGATION

- 3 The Risk and Assurance Committee has delegated authority to consider this report under section C3 of the Governance Structure and Delegations document for the 2022-2025 triennium. These delegations include:
  - *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 notes legislative non-compliance for the second quarter of the financial year from 1 October 2024 to 31 December 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 second quarter of the financial year, 1 October 2024 to 31 December 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, noting that the assigned Risk Levels in Attachment 1 account for an assessment of the risk and corrective actions taken together:

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

### 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 transparent, 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, including 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, committee and community board 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 reported LGOIMA breach in the period.

- 12 Legislative compliance breaches for the second quarter of the financial year are set out in Attachment 1 to this report. These include ongoing breaches previously reported to this Committee, where staff are still working on mitigations.

**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 October 2024 to 31 December 2024 [↓](#)
2. Legislative Compliance Schedule [↓](#)





















































## 9.7 QUARTERLY TREASURY COMPLIANCE

Kaituhi | Author: **Ian Georgeson, Chief Financial Officer**

Kaiwhakamana | Authoriser: **Sheryl Gavin, Acting 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 31 December 2024.

### HE WHAKARĀPOPOTO | 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.*"

### AUNAKITANGA | RECOMMENDATIONS

A. That the Risk and Assurance Committee:

- A.1 Receives and notes the "Treasury Dashboard Report" for the December 2024 Quarter, attached as Appendix 1.
- A.2 Notes the Council complied with all requirements of the Treasury Management Policy for the quarter ended 31 December 2024.

### TŪĀPAPA | BACKGROUND

- 4 As part of the 2024-34 Long-term Plan process the Council adopted an updated Treasury Management Policy, to apply from July 2024. The objectives of the Policy are to control and manage borrowing costs, investment returns, liquidity requirements, and risks associated with treasury management activity.
- 5 The Council's objectives in relation to borrowings are to:
  - 5.1 minimise borrowing costs within approved risk parameters;
  - 5.2 prudently manage the Council's exposure to interest rate changes;
  - 5.3 ensure sufficient levels of liquidity to meet planned and unforeseen cash requirements;
  - 5.4 ensure that funding risks are managed by maintaining an appropriate spread of maturities;
  - 5.5 prudently manage the Council's credit exposures; and
  - 5.6 monitor and report on the risk and the performance of debt portfolios against predetermined limits and benchmarks.

## HE KÖRERORERO | DISCUSSION

- 6 The Treasury Dashboard Report for the December 2024 quarter, as at Appendix 1 to this report, provides an economic overview and reports against Policy requirements. The dashboard has been developed with Bancorp, our Treasury advisers, and is in a style consistent with reporting produced for many of their council clients. We are able to tailor the content to meet any specific requirements we may have.
- 7 Policy compliance is reported as follows:
  - 7.1 Liquidity and funding risk
    - 7.1.1 Overall net debt / revenue within LGFA covenant 285% (page 8)
    - 7.1.2 Spread of debt maturities (page 3)
    - 7.1.3 Liquidity ratio (page 3)
  - 7.2 Interest rate risk
    - 7.2.1 Total fixed rate hedging and spread across maturity bands (page 4)
  - 7.3 Credit risk
    - 7.3.1 Counterparty exposure (page 8)
- 8 The Council complied with all policy requirements during the quarter.

### He take | Issues

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

### Ngā kōwhiringa | Options

- 10 There are no options to be considered.

### Mana whenua

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

### Panonitanga Āhuarangi me te Taiao | Climate change and Environment

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

### Ahumoni me ngā rawa | Financial and resourcing

- 13 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

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

### Ngā pānga ki ngā kaupapa here | Policy impact

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

## TE WHAKAWHITI KÖRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

### Te mahere tūhono | Engagement planning

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

### Whakatairanga | Publicity

- 17 There are no publicity considerations arising from this report.

**NGĀ ĀPITIHANGA | ATTACHMENTS**

1. The Treasury Dashboard Report for the December 2024 Quarter [↓](#)



















## 9.8 FORWARD WORK PROGRAMME TO SEPTEMBER 2025

Kaituhi | Author: **Jayne Nock, Executive Assistant Group Manager Corporate Services**

Kaiwhakamana | Authoriser: **Sheryl Gavin, Acting Group Manager Corporate Services**

### TE PŪTAKE | PURPOSE

- 1 This report seeks agreement to the forward work programme for the Risk and Assurance Committee to September 2025.

### HE WHAKARĀPOPOTO | 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 and set its annual work programme which contains matters relating to the committee's purpose: "*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 to September 2025 as set out in Appendix 1 to this report.

### TŪĀPAPA | BACKGROUND

- 4 Under Council's Standing Orders, the Chief Executive has the responsibility for approving the Committee agenda items, this report provides an opportunity for the Committee to discuss and endorse its work programme going forward which will shape the items to be discussed at future meetings.

### HE KŌRERORERO | DISCUSSION

- 5 The 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.
- 6 The work programme includes those additional items that were requested by the Committee during their last meeting held in November 2024.

### He take | Issues

- 7 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.
- 8 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 as necessary.

### Ngā kōwhiringa | Options

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

**Mana whenua**

- 10 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**

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

**Ahumoni me ngā rawa | Financial and resourcing**

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

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

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

**Ngā pānga ki ngā kaupapa here | Policy impact**

- 14 There is no impact on existing Council policies.

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

- 15 No engagement planning is required for this report.

**Whakatairanga | Publicity**

- 16 The approved forward work programme will be publicised through the publication of the agenda and minutes of this Risk and Assurance meeting.

**NGĀ ĀPITI HANGA | ATTACHMENTS**

1. Forward Work Programme [↓](#)



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

**Author:** Maria Cameron, Advisor Governance

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

**Taunakitanga | Recommendations**

That the minutes of the Risk and Assurance Committee meeting of 21 November 2024 be accepted as a true and correct record.

**NGĀ ĀPITI HANGA | ATTACHMENTS**

1. Unconfirmed Minutes of Risk and Assurance Committee Meeting 21 November 2024 [↓](#)















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**

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
<p><b>11.1 - Confirmation of Public Excluded Minutes</b></p>	<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)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p>	<p>Section 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>
<p><b>12.1 - Litigation and External Investigations Report</b></p>	<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</p>	<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>

	<p>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>	
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**13 KARAKIA WHAKAMUTUNGA | CLOSING KARAKIA**