

Agenda for a meeting of the Audit & Risk Committee of the Waikato District Council to be held in Committee Rooms 1 & 2, 15 Galileo Street, Ngaruawahia on **WEDNESDAY, 9 DECEMBER 2020** commencing at **9.30am**.

Information and recommendations are included in the reports to assist the Committee in the decision-making process and may not constitute Council's decision or policy until considered by the Committee.

1. APOLOGIES AND LEAVE OF ABSENCE

2. CONFIRMATION OF STATUS OF AGENDA

Representatives from Audit New Zealand and KPMG will be in attendance.

3. DISCLOSURES OF INTEREST

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GJ Ion
CHIEF EXECUTIVE

Open Meeting

To	Audit & Risk Committee
From	Gavin Ion Chief Executive
Date	09 December 2020
Prepared by	Brendan Stringer
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Confirmation of Minutes

1. EXECUTIVE SUMMARY

To confirm the minutes of the Audit & Risk Committee held on Wednesday, 23 September 2020.

2. RECOMMENDATION

THAT the minutes of the Audit & Risk Committee held on Wednesday, 23 September 2020 be confirmed as a true and correct record of that meeting.

3. ATTACHMENTS

A&R Open Minutes - Wednesday 23 September 2020

MINUTES of a meeting of the Audit & Risk Committee of the Waikato District Council held in the Committee Rooms 1 and 2, District Office, 15 Galileo Street, Ngaruawahia held on **WEDNESDAY, 23 SEPTEMBER 2020** commencing at **9.30am**.

Present:

Ms M Devlin (Chairperson)
His Worship the Mayor Mr AM Sanson [*until 10.21am and then from 10.31am*]
Cr AD Bech
Cr JM Gibb
Cr JD Sedgwick [*until 11.26am and then from 11.31am*]
Cr JA Church

Attending:

Cr N Smith [*from 11.50am*]

Mr C Susan (Director, Audit NZ)
Ms K Macown (Assistant Manager, Audit NZ)
Mr D Sutton (KPMG)
Ms G Wyborn (KPMG)

Mr GJ Ion (Chief Executive)
Mr TG Whittaker (Chief Operating Officer)
Mrs S O’Gorman (General Manager Customer Delivery)
Mr R MacCulloch (General Manager Service Delivery)
Ms A Diaz (Chief Financial Officer)
Mr K Abbott (Projects & Innovation Manager)
Mr G King (Chief Information Officer)
Mr J Quinn (Communications, Engagement and Marketing Manager)
Mrs K Jenkins (Risk Advisor)
Mrs L Shirley (Zero Harm Manager)
Ms C Pidduck (Legal Counsel)
Mr R Ashley (Community Assets Manager)
Mr B Stringer (Democracy Manager)

APOLOGIES AND LEAVE OF ABSENCE

All members were present.

CONFIRMATION OF STATUS OF AGENDA ITEMS

The Chairperson outlined the agenda for the meeting and advised flexibility may be required to accommodate the KPMG presenters for Item 7.8 – *KPMG Assessment of Flexible Working Review*.

Resolved: (Cr Gibb/Mayor Sanson)

THAT the agenda for a meeting of the Audit & Risk Committee held on Wednesday, 23 September 2020 be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 8 which shall be discussed with the public excluded;

AND THAT all reports be received.

CARRIED

A&R2009/01

DISCLOSURES OF INTEREST

Cr Sedgwick declared a non-financial interest in item 2.2 in the Public Excluded agenda [*Member conflict of interest – Office of Auditor-General response and steps taken by the Council*], though did not consider this created a conflict of interest.

The Chair, Ms Devlin, advised members of the committee that there were references to Watercare in reports in the agenda. She declared a non-financial interest as a Director of Watercare. It was also noted that there were no decisions required in respect of Watercare.

It was noted that all Committee members were recorded in item 7.12 in the Open Agenda (*Register of Interests – Elected and Appointed Members*).

A query was raised as to the inclusion of staff names in the Elected Members' Register of Interests in the Open Agenda.

ACTION: Staff to check for reference to staff names in item 7.12 (*Register of Interests – Elected and Appointed Members*).

Post-Meeting Note: The Register was checked and there were no references to staff, other than staff who held an elected position.

CONFIRMATION OF MINUTES

Resolved: (Crs Sedgwick/Bech)

THAT the minutes of a meeting of the Audit & Risk Committee held on Wednesday, 3 June 2020 be confirmed as a true and correct record of that meeting.

CARRIED

A&R2009/02

ACTIONS REGISTER

The report was received [ref S&R2009/01] with the progress noted against each action.

REPORTS

Strategic Risk Register Review September 2020
Agenda Item 6.1

The report was received [ref A&R2009/01].

In speaking to the report, and responding to questions, the following points were discussed:

- The timing of why changes to the Risk Register (as highlighted red in the attachment to the staff report) were presented prior to December training session.
- Typo error in R00192 - “uniformed” to read “uninformed”
- R00183 – Council partnerships and cross-border issues for North Waikato. Clarity provided on the difference between stakeholder and key partners. Care to be taken that this matter does not fall between the gaps of ‘stakeholder risk’ and ‘partnership risk’.

ACTION: Partnership and stakeholder risk to be considered in training to take place in December 2020.

- Cyber security attacks and risks with staff working remotely (including non-Council staff being able to access/view Council information). Protocols and processes in place to set clear expectations for staff.
 - Staff code of conduct and employment agreements set out confidentiality obligations; Code of Conduct for elected members. Rely on staff and members to adhere to these requirements.
 - Community Board members would not be part of a public excluded meeting.

ACTION: Targeted protocols to be drafted to address confidentiality of Council information for remote working (including online meetings).

- Data hierarchy – which data required higher security measures, and contractual requirements in place for contractors hosting/processing Council data.

ACTION: Staff to provide overview of data hierarchy for Council information and identify procurement requirements that were in place to protect Council information held by third parties

Resolved: (Mayor Sanson/Cr Gibb)

THAT the Audit & Risk Committee recommends that Council approve the proposed updated risk register, as attached to the staff report.

CARRIED

A&R2009/03

Risk Appetite Review September 2020
Agenda Item 6.2

The report was received [ref A&R2009/01]. The following matters were discussed:

- The Risk Advisor summarised the context and timing for the review. The Risk Appetite would be considered in the December training session and, if required, could be reviewed again in 2021.
- Explanation of key changes made, including the inclusion of Covid-19. A tracked-change version was not included in the agenda as such a version was difficult to read.
- Innovation Corporation outcomes extracted from *Our Plan* and represent objectives the organisation would seek to implement; they were aspirational in nature.
- Risk and governance – purpose of the Risk Appetite Statement was to assist with decision-making and empower staff to make decisions as part of ‘business as usual’.
 - As required, matters would be presented to the Committee or Council for consideration.
 - Where Council was placed in comparison with other organisations. The Risk Advisor explained the Council’s risk programme; the organisation was currently positioned about 2 on a scale of 1 to 5 in terms of risk maturity.
- Statement needed to clarify organisation’s zero tolerance for health & safety risk.
 - Explanation of difference between ‘appetite’ and ‘tolerance’. Fraud risk discussed as an example.
 - Organisation’s journey for managing health & safety risk; improvements still to be made.
 - Expectation was that staff would not be doing anything to exacerbate the organisation’s health & safety risk.

ACTION: Staff to circulate a marked-up version of the Risk Appetite Statement to highlight changes, together with a recommendation for the Committee to approve the statement by email resolution.

ACTON: Risk Appetite Statement to be clear in terms of organisation’s tolerance for risks (e.g. fraud).

ACTION: Risk Appetite Statement to be considered in elected member training session in December 2020.

Strategic Risk Register and Emerging Risks September 2020
Agenda Item 7.1

The report was received [ref A&R2009/01]. The Chairperson provided context to the report and the Risk Advisor noted that comments and actions in relation to stakeholder engagement had now been addressed in the Register. The following matters were discussed:

Strategic Risk Gap Analysis

- Council's evolving journey to improve management of risk.
- Efforts made by the organisation in last 12 months; important that Council continues to deliver what it had said it would do and remain agile.
- Table 2 (p39 Agenda):
 - Explanation of 'High' rating for Risk R00230 (Growth) and how it aligned with the Risk Appetite. Further discussion between the Executive Leadership Team and Council would be required.
 - Whether Risk R00188 (Economic and Social Development) was out of alignment with Risk Appetite.

ACTION: Executive Leadership Team to conder Risks 00230 and 00188 in terms of alignment with Risk Appetite.

ACTION: Committee to explore Health & Safety risk at December 2020 meeting, in particular how the organisation will move from an Extreme to Low rating.

- Risk R00187 – Elected members' performance and succession planning.

ACTION: Staff to consider this risk and next steps required as part of December training session.

Emerging Risks

- The Risk Advisor summarised the report and the improvements that had been made by the organisation, including expansion of BCPs to provide increased granularity required and work undertaken with other councils.
- Planning roadmap would be presented to Council in the next month to identify how different planning documents aligned and were kept updated.
- Staff had a programme to connect with newly appointed Ministers after the national election in October 2020.
- Staff awaiting direction from Regional Group Controller, following conversation with him, on how to address re-emergence of Covid-19 within or on the boundaries of the District.

- Connection with national agencies to better understand responsibilities and to identify the lead agency.

Mayor Sanson had raised the issue with the Minister for Civil Defence.

- Climate change
 - Action Plan would include strategies of what the organisation needed to 'look like' to address risks. Organisation needed to address the potential risks to Council's assets and potential costs of mitigation/adaptation.
 - Programme of work contemplated by the organisation.

ACTION: Staff to circulate the link to Committee members of the Office of Auditor-General work on climate change assumptions and impact on financial strategies and asset management plans.

- Strategic Risk Register
 - Risks were aligned to roles in the system; the name of person who held the role was produced when the report was collated.

ACTION: Staff would consider the four wellbeings as part of forming mitigation plans.

Mayor Sanson withdrew from the meeting at 10.21am and re-joined the meeting at 10.31am during discussion on the above item.

Risk Conversations – Legal Team Agenda Item 7.2

The report was received [ref A&R2009/01]. The Legal Counsel highlighted, and responded to questions, on the following matters:

- The table on page 81 of the agenda reflected the risks as at the end of 2019, when the report was originally scheduled to be presented to the Committee.
- Some of the mitigation measures were challenging for the Legal team to implement during Covid (e.g., RL 002 engagement of Legal Team).
- Increased capacity with recent additional member to the team.
- Benefits to organisation in receiving in-house legal advice.
- Legislative Compliance risk – Legal team commenced review of external resource (ComplyWith) to track organisation's compliance with legislative obligations; the benefits of the reporting function provided.
- HARM Register – explanation provided on how the register was collated, Residual Risk Assessment, and Critical Risk extract.

- Fatigue and workplace stress (RL-008) – mitigation measures that had been implemented and positive impact of the additional team member.

ACTION: HARM Register to be removed for Risk Conversation reports, and issues to be addressed directly in relevant team's report.

- Impending changes to the Privacy Act – programme of work proposed by the Legal team to increase awareness in the organisation.

Waikato District Council Asset Management Planning - Strategic Risk Deep Dive Report Agenda Item 7.3

The report was received [ref A&R2009/01] and was introduced by the Community Assets Manager. The following matters were discussed:

- Context of the risk framework and asset management across the business; work that had been done and initiatives that still needed to be worked on.
- Prudent and appropriate asset management was a relatively complex process.
- Impairment to assets
 - unfulfilled risk with climate change recognised in asset management plan
 - condition assessment of assets (e.g. structures in land transport space).
- Organisation well-placed in terms of asset management in triennial planning (e.g. LTP); still some issues to work through before plans could be publicly consulted on.
 - Value of internal resource leading this work.
 - Asset management maturity.
- How learnings from Covid-19 were captured.

Cr Sedgwick withdrew from the meeting at 11.26am during discussion on the above item.

Waikato District Council Zero Harm Report Agenda Item 7.4

The report was received [ref A&R2009/01]. The Zero Harm Manager highlighted the recent work undertaken by the Zero Harm team and the work that would be presented to the Committee in the near future. The following matters were discussed:

- Dog bite injury to staff member and investigation that had commenced. Zero Harm had expedited work on the bowtie critical risk for working with dangerous animals.
- Negative safety conversations and opportunity they provided to improve controls to produce a positive result.

- Health & safety issues with staff returning to work post-lockdown. Zero Harm were working with People & Capability to identify and respond to issues.
 - Level of near-miss and events reporting had picked up since the return to Level 1.
 - Fatigue and wellbeing of staff. Work-related stress was a bowtie critical risk that Zero Harm would be working on in the coming year.

Cr Sedgwick re-joined the meeting at 11.31am during discussion on the above item.

CAPEX Project Delivery Capability Agenda Item 7.5

The report was received [ref A&R2009/01]. The General Manager Service Delivery summarised the report and the key work underway. The following matters were discussed:

- Long-term record of carry-forwards and analysis that had been undertaken.
- Next steps involved planning for an appropriate level of works, that the work programme would be understood by staff and the communities, and completion of well-defined asset management plans.
- Procurement team now involved earlier in projects.
 - How Council engaged with contractors and capacity of contractors to deliver work.
 - Importance of planning out future works with contractors to provide certainty.
- Adjustments made to Annual Plan every year to take account of carry-forwards. Funds held in reserve for incomplete capital projects. The historic nature of the carry-forwards issue was discussed.

ACTION: Staff to provide an update report at the December Committee meeting, including status on delivery of initiatives.

Cr Smith joined the meeting at 11.50am during discussion on the above item.

Chief Financial Officer Report Agenda Item 7.6

The report was received [ref A&R2009/01] and summarised by the Chief Financial Officer. The following matters were discussed:

- Affordability to communities was a significant issue considered by the organisation. This was reflected in Council sitting well under its debt capacity given the impact debt had on rates.
- Payment for, and affordability of, infrastructure projects going forward; the Council was not currently over-demanding of developers.

- Extensive powers of the Unitary Development Authority, which Council needed to take into account as part of future planning.
- Work done by the Funding and Partnership Manager with the Mayor's office in keeping an open dialogue with central government on what Council was doing and planned initiatives.

Audit & Risk Committee Key Achievements

Agenda Item 7.7

The report was received [ref A&R2009/01] and taken as read.

KPMG Assessment of Flexible Working Review

Agenda Item 7.8

The report was received [ref A&R2009/01]. Mr Sutton and Ms Wyborn (KPMG) provided highlights from the report:

- Good work undertaken by management in this space.
- Integration of people, projects and places into one overall programme of work.
- Risk assessment and prioritisation; work to be done detailing risk mitigations and actions over specified timeframes.
- Emerging risks would arise as the work programme was implemented, which would need to be monitored.

The following matters were discussed:

- The Projects & Innovation Manager was the project manager, with support from the Chief Information Officer and People & Capability Manager.
- Acknowledged that reporting on risk assessments should include the Committee and Council, as well as the Executive Leadership Team.
- Disconnect between management and political wing in relation to the organisation's journey; communication and maintaining relationships were important.
- Recognised staff responded differently to significant changes, and the process undertaken to ensure all staff had the opportunity to feedback and be part of the changes.
 - Speed of changes and flexibility required.
 - Work on the project had commenced pre-Covid

Quality and Governance Assurance

Agenda Item 7.9

The report was received [ref A&R2009/01] and taken as read.

2019/20 Annual Report Update

Agenda Item 7.10

The report was received [ref A&R2009/01] and taken as read.

Updated Future Work Plan

Agenda Item 7.11

The report was received [ref A&R2009/01] and taken as read.

Register of Interests – Elected and Appointed Members

Agenda Item 7.12

The report was received [ref A&R2009/01] and taken as read.

EXCLUSION OF THE PUBLIC

Agenda Item 8

ACTION: Items 2.2 (*Member conflicts of interest – Office of Auditor-General response and steps taken by the Council*) and 2.3 (*Cyber Security*) in the Public Excluded Agenda to be deferred to the next Committee meeting.

Resolved: (Mayor Sanson/Cr Gibb)

THAT the public be excluded from the following parts of the proceedings of this meeting.

The general subject 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(1) for the passing of this resolution
1 – Confirmation of Minutes	Good reason to withhold exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
2.4 Register of Members' Interests – Senior Staff		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item No.	Section	Interest
Item 1		Refer to the previous Public Excluded reason(s) in the agenda for that meeting.
Item 2.4	7(2)(a)	To protect the privacy of natural persons, including that of deceased natural persons.

AND THAT the Audit NZ representatives be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of audit requirements for Waikato District Council. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter to inform and advise the Committee members.

CARRIED

A&R2009/03

Resolutions A&R2009/04 – A&R2009/05 are contained in the public excluded section of these minutes.

Having resumed the open meeting and there being no further business the meeting was declared closed at 12.40pm.

Minutes approved and confirmed this day of 2020.

Margaret Devlin
CHAIRPERSON

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	30 November 2020
Prepared by	Sharlene Jenkins Executive Assistant
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Updated Audit & Risk Committee Action Register

1. EXECUTIVE SUMMARY

The purpose of this report is to present an updated Audit & Risk Committee Action Register for the Committee's information.

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3. ATTACHMENTS

- Updated Audit & Risk Committee Action Register

Audit & Risk Committee: Action Register – December 2020

#	Action	Owner	Date Assigned	Date Due	Status
1.	<u>Member Training and Development</u> JUNE 2020: Staff would explore, with the Chair, options for training of Committee members, including reviewing information available from the Office of the Auditor-General.	Mayor	December 2018	March 2020	KPMG (David Sutton) have been organised to provide risk training for Committee members and interested Councillors. This has been scheduled for 11 December. David provides training on risk for the Institute of Directors. Health and Safety training was delivered on 01 September for Councillors.
2.	<u>Strategic Risk Register</u> To continue the discussion as part of the overall stakeholder engagement workshop following the local authority elections, and to review examples of best practice from other Councils.	Communications, Marketing & Engagement Manager	September 2019	September 2020	In progress. Council has updated its Communication & Engagement Strategy, which will be given effect to in 2020, including through communication and engagement on Council's next LTP.
3.	<u>Disclosures of Interest</u> Staff to check for reference to staff names in item 7.12 (<i>Register of Interests – Elected and Appointed Members</i>)	Democracy Manager	September 2020	December 2020	Complete. The Register was checked and there were no references to staff, other than staff who held an elected position.
4.	<u>Strategic Risk Register Review September 2020</u> Partnership and stakeholder risk to be considered in training to take place in December 2020	Risk Advisor	September 2020	December 2020	To be considered in the risk training and/or subsequent risk workshop with Councillors.
5.	<u>Strategic Risk Register Review September 2020</u> Targeted protocols to be drafted to address confidentiality of Council information for remote working (including online meetings).	Risk Advisor	September 2020	December 2020	Complete. This is included in <i>Strategic Risk Register and Emerging Risks December 2020</i> report.

#	Action	Owner	Date Assigned	Date Due	Status
6.	<u>Strategic Risk Register Review September 2020</u> Staff to provide overview of data hierarchy for Council information and identify procurement requirements that were in place to protect Council information held by third parties.	Risk Advisor	September 2020	December 2020	Complete. This is included in <i>Strategic Risk Register and Emerging Risks December 2020</i> report.
7.	<u>Risk Appetite Review September 2020</u> Staff to circulate a marked-up version of the Risk Appetite Statement to highlight changes, together with a recommendation for the Committee to approve the statement by email resolution.	Risk Advisor	September 2020	December 2020	Complete.
8.	<u>Risk Appetite Review September 2020</u> Risk Appetite Statement to be clear in terms of organisation's tolerance for risks (e.g. fraud).	Risk Advisor	September 2020	December 2020	Noted. How this is described will be considered at the risk workshop.
9.	<u>Strategic Risk Register and Emerging Risks September 2020</u> Executive Leadership Team to consider Risks 00230 and 00188 in terms of alignment with Risk Appetite.	Risk Advisor	September 2020	December 2020	These risks and their associations will be included considered in the risk workshop scheduled for December. Outcomes from the workshop will be updated in the strategic risk register.
10.	<u>Strategic Risk Register and Emerging Risks September 2020</u> Staff to circulate the link to Committee members of the Office of the Auditor-General work on climate change assumptions and impact on financial strategies and asset management plans.	Risk Advisor	September 2020	December 2020	The link has been provided. Further information will be provided with the Asset Management Plans via the Long Term Plan process.
11.	<u>Strategic Risk Register and Emerging Risks September 2020</u> Staff would consider the four wellbeings as part of forming mitigation plans.	Risk Advisor	September 2020	December 2020	Noted.

#	Action	Owner	Date Assigned	Date Due	Status
12.	<u>Risk Conversations – Legal Team</u> HARM Register to be removed for Risk Conversation reports, and issues to be addressed directly in relevant team’s report.	Risk Advisor	September 2020	December 2020	Complete.
13.	<u>CAPEX Project Delivery Capability</u> Staff to provide an update report at the December Committee meeting, including status on delivery of initiatives.	General Manager Service Delivery	September 2020	December 2020	Complete. <i>CAPEX Project Delivery Capability</i> report included in the December 2020 agenda.
14.	<u>Exclusion of the Public</u> Items 2.2 (<i>Member conflicts of interest – Office of Auditor-General response and steps taken by the Council</i>) and 2.3 (<i>Cyber Security</i>) in the Public Excluded Agenda to be deferred to the next Committee meeting.	Democracy Team	September 2020	December 2020	<i>Members conflicts of interest – Office of Auditor-General response and steps taken by Council and Cyber Security</i> reports are included in the December 2020 agenda.

Open Meeting

To	Audit and Risk Committee
From	Alison Diaz Chief Financial Officer
Date	30 November 2020
Prepared by	Colin Bailey Finance Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	2019/20 Annual Report

I. EXECUTIVE SUMMARY

The purpose of this report is for the Audit & Risk Committee to review the preparation and related process of Annual Report 2019/20 and Annual Report Summary 2019/20 from a risk perspective.

Due to the evolving situation of COVID-19 and the implications it has had for organisations in regards to annual reporting, an amendment to the Local Government Act 2002 was passed by Government in August this year through the COVID-19 Response (Further Management Measures) Legislation Act 2020. The amendment provided an extension of the time limit for 2019/20 financial year annual reports by two months, changing the requirement from 31 October 2020 to 31 December 2020.

A draft of the Annual Report and Annual Report Summary was presented to the Strategy & Finance Committee on 25 November 2020 to allow for queries to be raised ahead of final audit clearance. Council is scheduled to adopt the Annual Report 2019/20 and Annual Report Summary 2019/20 at their meeting to be held on 14 December 2020.

At the time of writing this report, Council staff, Watercare Services Limited staff and Audit New Zealand (“Audit NZ”) were working through mandatory water and wastewater response measure evidence queries. This is an area that has been highlighted as a potential for a qualified audit opinion.

2. RECOMMENDATION

THAT the report from the Chief Financial Officer be received;

AND THAT subject to receiving final clearance from Audit New Zealand, the Audit & Risk Committee recommends to Council the adoption of the Annual Report 2019/20 (as attached to the staff report) from a risk perspective;

AND FURTHER THAT improvements to the Annual Report process be captured, and progress on actions be reported to the 10 March 2021 Committee meeting.

3. AREAS OF RISK

A. Audit New Zealand's (Audit NZ) audit plan identified four areas of focus

I. Property, plant and equipment

Audit NZ reviewed the scope and standard of the assets revaluation, considered whether the entire asset class has been revalued, enquire of the Valuer regarding the valuation assumptions and reviewed adjustments posted to the general ledger as part of the revaluation.

Infrastructure assets are revalued each year. Land and buildings are revalued every three years and are due for revaluation this year.

- Bridges were usually revalued in conjunction with Roothing assets by one Valuer. For the 2019/20 financial year it was decided to use different Valuers for Roothing and Bridge assets. The valuer of the Bridge assets is the main consultant to Council for this class of asset and the valuation resulted in an increase of \$106.3 million in the value for Bridges due to a different basis of valuation. Audit NZ have agreed on the new basis of valuation.
- The 2018/19 Audit Management Letter recommended that Council reviewed the rates used for revaluing Roothing assets. The review was undertaken in conjunction with the revaluation itself and resulted in a reduction of \$266.9 million in the value of Roothing assets. The rates were reviewed and compared with other council rates and current rates for contracts for similar work. Audit NZ have satisfied themselves the revised rates are appropriate.
- Audit NZ were initially concerned that these adjustments required adjustments to be made to the prior year comparison amounts shown in the Annual Report. Their technical team have now advised the restatement of prior amounts is not required because the adjustments are changes in accounting treatments.
- Additions made to property, plant and equipment are not depreciated in the year of acquisition. Audit NZ have raised this as an issue despite this being the practice for several years. This amount of \$0.6 million is not material enough to warrant adjustment and will appear on the schedule of unadjusted errors and a recommendation will be made by Audit NZ to review the current practice.
- Revaluations of other asset classes were completed without changes to the bases of valuation and Audit NZ have not communicated any concerns with the outcomes.

2. Development Contributions

Audit NZ reviewed controls to check that development contributions were charged in accordance with policy.

The teams responsible for charging development contributions and applying the funds were well prepared for the audit and Audit NZ have not communicated any concerns in this area.

3. “Three waters” management

Audit NZ updated their understanding of the impact of staff changes at Council and of the systems and processes for the water assets at Council and Watercare.

The Audit NZ report to Council for the year ended 30 June 2019 recommended external accounting advice been obtained on how the contract should be treated in the 2019/20 financial statements. This advice has not been requested because Audit NZ have not raised any concerns regarding the accounting treatment of the impact of staff changes and payments of benefits etc. to staff either transferring to Watercare or leaving WDC.

During April 2020 and June 2020 Audit NZ reviewed the audit impacts and the Council’s approach to accounting for this contract. Early requests were made to Audit NZ to establish their detailed requirements, most importantly seeking their agreement that a Type 2 Report was not required. (A Type 2 Report is an audit report from WSL’s external auditors as to the accuracy of the financial transactions and operating information supplied in terms of the contract.) A Type 2 Report was not required and Audit NZ raised no concerns regarding the systems and processes for the water assets at Council and Watercare, with one exception:

- The response times to Waters service requests have not yet been verified. Audit NZ requires documentary evidence to support the times recorded in the electronic reporting system. The documents are proving difficult to locate despite the process being the same as was in place for the 2018/19 financial year.

4. The risk of management override of internal controls

Audit NZ have tested the appropriateness of selected journal entries, reviewed accounting estimates and evaluated any unusual or one-off transactions. Nothing has been raised for the attention of staff as part of the final audit.

The final management report, once received will identify areas of improvement.

B. Public Benefit Entity Standards 34 to 38: financial reporting and disclosure assessment

The five new accounting standards, replacing standards 6 to 8 came into effect on 1 July 2019 and cover Council’s interests in other entities. The new standards are:

- PBE IPSAS 34 Separate Financial Statements
- PBE IPSAS 35 Consolidated Financial Statements
- PBE IPSAS 36 Investments in Associates and Joint Ventures

- PBE IPSAS 37 Joint Arrangements
- PBE IPSAS 38 Disclosure of Interests in other Entities

The purpose of the new standards is to convey the results of Council's assessment of the impact on Council's financial reports and the identification of potential risks.

At present there are two entities classified as subsidiaries over which Council has control. Those are *Strada Corporation Limited* (Strada) and the *Waikato District Community Wellbeing Trust* (WBT).

In the case of Strada, Council has 100% ownership of the shares and voting rights while Council members and Council appointees make up the Board of Trustees of WBT.

These two relationships clearly fit with the revised definition, meaning that Council continues to have control and the current accounting treatment remains valid. This position is supported by Audit NZ.

The equity investments in three other entities are currently treated as financial assets and are carried at either cost or fair value. Those companies are *Waikato Regional Airport Limited* (WRAL), *Waikato Local Authority Shared Services Limited* (WLASS) and *Civic Financial Services Limited* (Civic). Council's shareholding in each of these companies is between 0.37% and 15.6%.

Council's relationship with these entities does not conform with Joint Control or Significant Influence, therefore the accounting treatment remains unchanged. Once again, Audit NZ agrees with the accounting treatment of these investments.

The second difference can be found in PBE IPSAS 32 which defines a Service Concession Arrangement as a binding arrangement between a grantor and an operator in which:

- The operator uses the service concession asset to provide a public service on behalf of the grantor for a specified period, and
- The operator is compensated for its services over the period of the service concession arrangement.

Council has had two contracts with Watercare Services Limited (WSL). The first contract has been in place since late 2010 and relates to the supply of bulk water and treatment of wastewater in the Pokeno and Tuakau areas of the District. This contract is a contract for service and does not involve the use of Council's assets and does not conform to the definition of a Service Concession Arrangement. The second contract with WSL began operation from 01 October 2019 with the objective of WSL undertaking the operation and management of the facilities and assets owned by Council in order to deliver reticulated potable water supply, stormwater services and wastewater services to customers within the District. In this case the service concession assets are the Three Waters Assets and WSL is being compensated in terms of the contract. This contract is clearly a Service Concession Arrangement. Audit NZ agree with the reporting and accounting treatment given to these two contracts.

Council contracts with both Downer New Zealand Limited and City Care Limited to provide services. There are no Service Concession Assets involved in these contracts, the services are provided to Council and do not involve any element of control or influence outside that

service provision. Audit NZ agrees there are no disclosure requirements under the new standards.

C. Strada Corporation Limited

Council's tax advisors, PricewaterhouseCoopers (PwC) have provided advice regarding how best to wind down the company in a way that reduces the reporting burden and retains the sizeable tax losses held by this entity. Their advice was to liquidate the remaining assets (these comprise funds on deposit only) and to transfer all funds to Council. This was done prior to 30 June 2020 and PwC applied on behalf of Council for Strada to be classified as not active and therefore non-reportable. Audit NZ have raised no issues in this regard.

D. Statutory Breach Note in the 2019/20 Annual Report in respect of incomplete Funding Impact Statement Disclosures in respect of 2018/19 Annual Plan

The Audit NZ report to Council for the year ended 30 June 2019 identified a breach of schedule 10 clause 20(5) of the Local Government Act 2002: the 2019/20 Annual Plan Rates Funding Impact Statement does not include examples of the impact of the rating proposals on the rates assessed on differential categories of rateable land with a range of property values.

This breach has been remedied in the 2020/21 Annual Plan and a disclosure relating to the statutory breach is noted in the attached Draft Annual Report. Audit NZ have yet to comment on the note.

E. The impacts of the Covid-19 pandemic

Audit NZ has requested that the current note in the Annual Report document in respect of the impacts of the Covid-19 pandemic is updated to provide more detail of the risk mitigation actions taken, despite there being no major impacts to report. This revised note is being re-drafted.

4. ATTACHMENTS

To be circulated under separate cover:

1. Draft 2019/20 Annual Report
2. Draft 2019/20 Annual Report Summary

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	30 November 2020
Prepared by	Katja Jenkins Risk Advisor
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Strategic Risk Register and Emerging Risks December 2020

1. EXECUTIVE SUMMARY

This report details:

- Strategic Risk update (gap analysis);
- Emerging Risks

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3. STRATEGIC RISK GAP ANALYSIS

Waikato District Council is currently managing twelve Strategic Risks. Tables 1 and 2 below detail these risks and their alignment with Councils Risk Appetite. Six of the twelve risks are currently assessed to be outside of Councils Risk Appetite. Gap analysis drills into the difference between the residual risk assessment and risk appetite to provide assurance that priority is being given to address the identified gaps.

Table I. The Strategic Risks documented below **do not** align with Councils current Risk Appetite. Details of work being undertaken to align the residual risk assessment is outlined below each risk.

Key	Title	Residual Likelihood	Residual Consequence	Residual Rating	APPETITE
R00184	Zero Harm: Significant harm is caused to workers, or others, due to poor or inactive health and safety systems, non-compliance with legislative requirements, or inadequate governance/ management of shared health and safety responsibilities with other PCBUs.	Likely (4)	Catastrophic (5)	Extreme (20)	Low
	The Zero Harm team continue to deliver outcomes in accordance with the Zero Harm work programme. The programme aims to address key risk areas including monitoring and progressing mitigations identified in the Zero Harm critical risk register. Programme details are communicated to the Committee through the "Zero Harm Update" report. Excellent progress is being made against the work programme.				
R00191	Projects & Initiatives: Council fails to produce required project benefits due to poor delivery of projects caused by a lack of capability or as the result of unsuitable project processes and systems.	Likely (4)	Catastrophic (5)	Extreme (20)	Moderate
	In the context of project delivery, the organisation has collectively prioritized the delivery of LTP projects including those with carry forward budgets. Corporate functions supporting project delivery have been briefed and are focusing on project delivery. In the context of process, system and structure, outcomes achieved during the last quarter: <ul style="list-style-type: none"> • Project Management Office Manager has commenced employment • All staff part of the project delivery process have been briefed on the collective responsibility of all to deliver on the outcome • Reestablishment of the Portfolio Governance Group • Conversion of the existing project management system to cloud based technology Future works include: <ul style="list-style-type: none"> • Optimisation of project management system to enable better business outcomes • Continuous improvement in reporting capability Further details of risk areas associated with project processes and systems will be communicated to the Committee through the "Risk Conversations" report.				
R00185	Asset Management: Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose.	Likely (4)	Major (4)	High (16)	Low

Key	Title	Residual Likelihood	Residual Consequence	Residual Rating	APPETITE
	<p>The asset and activity planning cycle is on track. Asset Management Plans across the portfolio are now complete other than Growth and Finance information which is scheduled to be finalised after 24 November. Asset condition assessments are progressing as planned: Three waters – Completed (scheduled for review) Council Facilities – Contracted (on-going) Solid Waste - Completed Parks and Reserves - In progress Land Transport – Completed (on-going) The assessments facilitate risk mitigation planning and are therefore expected to reduce risk in this area.</p>				
R00128	<p>Cyber Security: Council is exposed to significant business disruption caused by unauthorized access or damage to privileged information and or reduced data integrity resulting from cyber-attack or employee behaviour (externally or internally initiated).</p>	Possibly (3)	Major (4)	High (12)	Low - Moderate
	<p>Work to close the gap between appetite and risk level is included in the following projects:</p> <ul style="list-style-type: none"> • Master Data Management project (PR-1381), which will implement data management disciplines, governance, & ownership, and; • HRIS project (PR-1381) which will implement a repository through which Council can implement role-based security. <p>The combination of the two projects enables Council to meet its cyber security & information management obligations regarding information held by Council. A separate paper on Council's work focus in this area is included in the agenda.</p>				
R00053	<p>Business Resilience: Business function is significantly interrupted due to a lack of organisational resilience.</p>	Possibly (3)	Moderate (3)	Moderate (9)	Low
	<p>Several projects contribute to reducing the level of risk in this area including the Business Continuity Framework project, Risk Culture project and Digital roadmap. As maturity in the risk space develops and as outcomes from the digital roadmap advance it is expected that the level of risk will decline. Greater understanding of COVID-19 and business changes based on learnings from the COVID-19 experience may also impact the risk level going forward.</p>				
R00187	<p>Stakeholder Engagement: Council fails to deliver appropriate community outcomes and or wastes resources due to unsuitable stakeholder identification and interaction practices.</p>	Possibly (3)	Moderate (3)	Moderate (9)	Low
	<p>Achievements in this area</p> <ul style="list-style-type: none"> • Communications and Engagement Strategy is due to be rolled out prior to the end of the year (2020) • Improved disciplines in the project management space are expected to have a positive impact on this risk see (R00191) • Training, identified as a key engagement activity for elected members, has been sourced and will be provided during December. 				

Table 2. The Strategic Risks documented below **do** align with current Risk Appetite.

Key	Title	Residual Likelihood	Residual Consequence	Residual Rating	APPETITE
R00230	Growth: Council experiences significant business, financial and community disruption as the result of inaccurate growth forecasts.	Possibly (3)	Major (4)	High (12)	High
R00190	People & Culture: Business outcomes are significantly impacted due to an inability to attract and or retain suitable personnel.	Possibly (3)	Moderate (3)	Moderate (9)	Moderate
R00188	Economic & Social Development: Waikato district suffers inhibited economic and social development and or missed funding opportunity as a result of poor planning, investment strategy, and or relationships.	Possibly (3)	Moderate (3)	Moderate (9)	Moderate - High
R00192	Compliance Management: Council is exposed to significant financial loss or business disruption caused by non-compliance with legislative, regulatory or policy requirements.	Possibly (3)	Moderate (3)	Moderate (9)	Low - Moderate
R00189	Regional & National Strategic Planning & Legislative Reform; Council experiences significant disruption to business function caused by structural and legislative changes by central government and or national / regional strategic planning exercises.	Likely (4)	Minor (2)	Moderate (8)	Moderate
R00183	Council Partnerships: Council experiences diminished public confidence and or operations are significantly impacted due to actions, representations or conduct of key partners.	Unlikely (2)	Moderate (3)	Moderate (6)	Low - Moderate

It should be noted that a workshop facilitated by KPMG will be held with Councillors in December to reassess Councils current risk appetite and review the strategic risk register.

A copy of the current strategic risk register is attached (Appendix I).

Strategic Risk Activities

During the last quarter, the following risk activities were conducted:

- Risk Culture Survey
- Risk Culture Survey Analytics (in progress).

Planned activities for the next quarter include:

- Risk Management Training (Audit & Risk Committee and Elected Members)
- Strategic Risk Register and Risk Appetite Statement Workshop
- Business Continuity Plan updates.

Outstanding Actions

R00183 Council Partnerships: *Council experiences diminished public confidence and or operations are significantly impacted due to actions, representations or conduct of key partners.*

The Committee had concerns that key relationships, including how we interact with other operational authorities e.g. Auckland City Council, Regional Council etc were not adequately covered through the scope of the Partnerships or Stakeholder Engagement Risks. The Committee sought to understand how we can develop our operational relationships with other authorities being mindful of the potential for subsequent waves of COVID-19.

The scope of the risks will be explored during a KPMG facilitated workshop scheduled for December. Outcomes from the workshop will be updated in the strategic risk register.

R00128 Cyber Security: *Council is exposed to significant business disruption caused by unauthorized access or damage to privileged information and or reduced data integrity resulting from cyber-attack or employee behaviour (externally or internally initiated).*

The Committee raised concerns that remote working arrangements may increase risk of cyber security due to:

- Council staff inadvertently or intentionally facilitating family, friends or others access to Council information e.g., during virtual meetings or via document access
- perceived lack of protocols and processes relating to code of conduct and confidentiality obligations.

Council has in place clear expectations for staff behaviour and confidentiality obligations through:

- Code of conduct (for staff and for elected members)
- Employment agreements.

Management relies on staff and members to adhere to these requirements. Confidentiality breaches or breaches of the code of conduct will be dealt with according to appropriate performance management processes. Management highlights that, though there is a move to increase workplace agility and facilitate remote working, many members of staff worked remotely prior to COVID-19 with no demonstrated increase in incidents of this nature.

The Committee also requested an overview of Councils data hierarchy in the context of security. Council has a Master Data Management project (PR-1301) focused on delivery to the CIA triad (Confidentiality, Integrity, Access). The high-level objective of the project is to:

- Introduce Master Data Management disciplines to Council
- Bring strong processes and rigor to how we manage and use our data
- Ensure we have accurate and reliable data upon which decisions can be based.

The scope of this project includes:

- Definition of Master Data for Council
- Identification of Authoritative Data Repositories
- Identification of Authoritative Data Repositories business owners
- Documentation and implementation of Governance model for Authoritative Data Repositories
- Documentation and implementation of policies and processes related to the maintenance of authoritative data repositories
- Documentation and implementation of policies and processes related to the consumption of authoritative data repositories
- Review of Organisational Structure with recommendation on a structure that best supports Master Data disciplines.

A key project output which delivers to the security question is the Governance model:

D-04	Establish Governance model of Master Data entities	<p>For each of the identified master data entities, work with stakeholders to establish the governance model to be used to manage both the authoritative data repository and any integrated repositories. This will include:</p> <ul style="list-style-type: none"> • Identification of the business owner of the master data • Policies related to the maintenance of the master data • Policies related to the consumption of the master data • Procedures and processes related to the maintenance of the master data • Procedures and processes related to the consumption of the master data
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R00230 Growth; *Council experiences significant business, financial and community disruption as the result of inaccurate growth forecasts.*

R00188 Economic & Social Development; *Waikato district suffers inhibited economic and social development and or missed funding opportunity as a result of poor planning, investment strategy, and or relationships.*

The Committee requested the Executive Leadership Team to consider the Growth and Economic Development risks in terms of their interaction with each other and their alignment

with Councils risk appetite. These risks and their associations will be included during a KPMG facilitated workshop scheduled for December. Outcomes from the workshop will be updated in the strategic risk register.

4. EMERGING RISKS

The following activities are identified as having potential business impact in the risk context.

I. Pandemic Response; Ongoing Planning

Impact: **Zero Harm:** *Significant harm is caused to workers, or others, due to poor or inactive health and safety systems, non-compliance with legislative requirements, or inadequate governance/management of shared health and safety responsibilities with other PCBUs*

Impact: **Business Resilience:** *Business function is significantly interrupted due to a lack of organisational resilience.*

The COVID-19 situation has changed frequently since first being identified. Council recognises that the business cannot return to pre-pandemic operations and that living with COVID-19 is the new normal. The current situation is still evolving and as a business Council needs to remain agile and responsive in how we deliver our services in the foreseeable future.

To remain resilient Waikato District Council has adopted the following mitigations as new workplace standards:

- Increased remote working capability
- Advanced technology systems including appropriate training
- COVID-19 Safe Systems of Work Plan; Council Operations at Alert Levels 4, 3 and 2 (in draft).

The purpose of the COVID-19 Safe Systems of Work Plan is to:

- Ensure the health and safety of our people and our communities by preventing the spread of COVID-19
- Apply relevant guidance from the Ministry of Health and other Government agencies to Council's environments and current operating procedures under the Alert Level system
- Sit alongside our existing Zero Harm controls to ensure our people are safe at work and go home safe every day
- Detail how Council will manage the risk of COVID-19
- Encourage a safe, respectful work environment with clear and open communication between all.

Subsequent incidents associated with COVID-19 will be managed by the Incident Management Team using the COVID-19 Safe Systems of Work Plan to inform decision making. It is acknowledged that, to assist our communities and continue to deliver services, the organisation must maintain an adaptable approach to unknown and changing circumstances.

The impact of workplace changes on people, expedited as a result of COVID-19, is examined in the December Deep Dive Risk Report.

2. Climate Change

Impact: **Business Resilience:** *Business function is significantly interrupted due to a lack of organisational resilience.*

Impact: **Asset Management:** *Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose.*

Impact: **Compliance Management:** *Council is exposed to significant financial loss or business disruption caused by non-compliance with legislative, regulatory or policy requirements.*

Impact: **Economic & Social Development:** *Waikato district suffers inhibited economic and social development and or missed funding opportunity as a result of poor planning, investment strategy, and or relationships.*

The Climate Action Project is in the final stages of developing Councils Climate Action Plan, due for Council approval by 31 December 2020. The plan outlines Councils strategic direction and captures existing, proposed and potential mitigation and adaptation actions for consideration and prioritisation in asset and activity planning and in operational and strategic decision making.

5. CONCLUSION

The Executive Leadership Team are confident that the strategic risks have appropriate visibility and that they are being considered during the decision-making process.

Scheduled risk activities during December are expected to provide opportunity for robust discussion to assist with aligning Executive Leadership and Elected Member risk appetite. This is expected to enable improved activity prioritisation and communication.

Work continues to manage identified emerging risks and improve risk reporting and escalation.

6. ATTACHMENTS

- Appendix I: Strategic Risk Register September 2020

Filter: Portfolio(s): Strategic

RESIDUAL
20.0
EXTREME

INHERENT
25.0

R00184

COMPLIANCE/ REGULATORY, PEOPLE, STRATEGIC, STRATEGIC (A&R COMMITTEE)

Zero Harm;
Significant harm is caused to workers, or others, due to poor or inactive health and safety systems, non-compliance with legislative requirements, or inadequate governance/ management of shared health and safety responsibilities with other PCBUs.

People are harmed as a result of the Council failing to identify, implement, review and maintain appropriate health and safety policies, procedures, and processes or develop and sustain a culture of Zero Harm by eliminating or managing health, safety and wellbeing risks.

OWNER Gavin Ion
CREATED 9/5/2016 10:47:22 AM

RISK LIKELIHOOD Almost Certain (5)
DESCRIPTORS

RISK CONSEQUENCE Catastrophic (5)
DESCRIPTORS

RESIDUAL RISK LIKELIHOOD Likely (4)
DESCRIPTORS

RESIDUAL RISK CONSEQUENCE Catastrophic (5)
DESCRIPTORS

TREATMENT MC00415

Zero Harm Strategic Plan

The strategic plan identifies high level strategic health and safety improvement activities to deliver on the Organisation's Zero Harm vision. The plan is developed by the Zero Harm Team and reviewed and approved by the ELT, SLT and Safety Action Team. Progress on achieving the plan is reported on to the Council via the Monthly Council Report and to the ELT on a weekly basis.

This treatment impacts the likelihood of the risk by providing clear expectation of organisational requirements and describing agreed governance and management methods.

TREATMENT MC00416

Monitor and maintain operational Zero Harm critical risk and hazard registers. Critical risks are identified and managed using the BowTie Risk Management approach. Critical risks are contained in an organisational risks register. Operational hazards are identified and recorded in hazard registers.

This treatment impacts the likelihood of harm by identifying and prioritizing operational risks across the organisation and planning mitigation to reduce, transfer or avoid the risk.

TREATMENT MC00435

Council Health and Safety management systems and processes are audited to AS/NZS 4801 Standard, currently Council has achieved ACC WSMP tertiary level. The chief executive and management team carry out due-diligence site visits in compliance with the Health and Safety at Work Act 2015. Contractors are audited on an on going schedule.

This treatment impacts the likelihood of the risk by ensuring that our systems and processes meet the required standards however, it should be noted that they may not meet the legislative requirements.

SIGNOFF(S): Lynn Shirley
DUE DATE: 01 Jun 2021
FREQUENCY: 1st day of every 6 months

SIGNOFF(S): Kylie Anderson
Lynn Shirley
DUE DATE: 01 Jun 2021
FREQUENCY: 1st day of every 6 months

SIGNOFF(S): Lynn Shirley
DUE DATE: 01 Feb 2021
FREQUENCY: The first Day of every 12 months

TREATMENT MC00437

The Executive Leadership Team review the organisation critical risk register 6mthly. Service delivery review risks specific to their operational group monthly.

The Executive Leadership Team hold safety conversations with staff around the critical risks to ensure what we say we do and what is actually done is in agreement or note any differences. The conversation also uncovers whether there are any other outstanding or important matters from a zero harm perspective that should be considered. This treatment impacts the likelihood of the risk by ensuring the Executive Leadership Team and Managers are aware of the risks and relevant treatment processes.

TREATMENT MC00456

Civil Defence & Emergency Management (CDEM) Waikato District Council is part of the CDEM group. The role of the group is to work in partnership with communities to ensure the effective and efficient delivery of emergency management within the Waikato region. Council employees are obligated to provide support where necessary as part of their roles (subject to situation specific circumstance). Council staff are trained in specific emergency management roles and have processes and procedures that aim to both reduce the impact of incidents and (where possible) to maintain the provision of Council services.

This treatment impacts the consequences of the risk by ensuring there is an organisational understanding of Councils commitment to maintain and manage the on-going delivery of Council services during an incident.

SIGNOFF(S):

Gavin Ion

DUE DATE:

31 Dec 2020

FREQUENCY:

The last Thursday of every 6 months

SIGNOFF(S):

Kelly Newell

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 6 months

TREATMENT MC00521

The Waikato District Council Welfare Plan is to enable a coordinated approach to welfare services support for both people and animals in the Waikato DC area following an emergency event.

Welfare service response is a coordinated action undertaken by government and non-government agencies and organisations, of which some are voluntary, to ensure individuals/whaanau and communities affected by an emergency are supported to be able to cope with the event in the best possible way under adverse circumstances. It is important that in such times, those affected have timely access to welfare services support including shelter, food, clothing, financial assistance, psychosocial support, advice, shelter and accommodation.

The Civil Defence Emergency Management Act 2002 under Section 9 "Powers of Director" states "the provision of other services necessary to restore community services and provide for welfare of the public." Under Section 85(1) (d) "Emergency powers of Civil Defence Emergency Management Groups" states "provide for the relief of distress, including emergency food, clothing, and shelter."

TREATMENT MC00545

Waikato District Council has a Risk and Hazard management system known as BWare. BWare is used to record identified critical risks and hazards. Controls to manage critical risks and hazards are documented in BWare and actions can be assigned for control implementation. BWare is managed by the Zero Harm Team however it is the responsibility of all workers, management and contractors to comply with risk and hazard identification and management processes and procedures. The completion of actions is tracked weekly by the Zero Harm Team and status reports provided and discussed with the Executive Leadership Team (ELT) on a weekly basis.

This treatment impacts the likelihood of the risk by detailing site and occupation specific hazards and capturing and communicating relevant safety requirements.

SIGNOFF(S):

Kelly Newell
Donna Tracey
Angela Parquist
Kelly Newell
Mervyn Balloch
William Gauntlett
Kurt Abbot
Reece Turner
Kelly Newell

DUE DATE:

FREQUENCY:

Once

SIGNOFF(S):

Lynn Shirley
Kylie Anderson

DUE DATE:

31 Jul 2021

FREQUENCY:

The last Day of every 12 months

TREATMENT MC00574

The Incident Management Framework (Business Continuity) is designed to respond the incidents significantly affecting business with the potential to have an effect on the community. This may occur prior to escalation to CDEM response or simultaneously where different management teams are required to manage different impacts.

Consistency in our approach to incidents and emergencies as an organisation means we have the ability to manage an event of any size, undertaken as a matter of scalability. Should an incident escalate and require a significant CDEM response all we would be required to do is increase the response capability. The alignment of our business continuity with CDEM practices means the training we undertake, the language we use and how we respond to our community is done efficiently and effectively to reduce the overall impact.

TREATMENT MC00584

The contract and tendering process has specifications which ensure that all contractors that are selected to undertake works (long or short term) supply details of H&S practices, including how and who will manage them. This process includes the contractor being added to the SHE Prequalified Contractor Database and ensures that all selected contracts include and meet Councils requirements for H&S and H&S legislative standards. Periodic checks are performed by Councils Zero Harm team to monitor contractor compliance.

This treatment impacts the likelihood of the risk by providing clear and documented expectations to contractors during the selection and on-boarding process, reducing the risk of non-compliance.

TREATMENT MC00606

Leadership and Commitment

A documented health and safety policy and related health and safety objectives are established and are compatible with the strategic direction of the organisation.

This treatment reduces the likelihood of the risk by providing clear and visible organisational health and safety commitments and expectations.

TREATMENT MC00607

Roles and Responsibilities

Health and safety responsibilities and authorities for relevant roles are assigned, documented and communicated at all levels within Council.

This treatment reduces the likelihood of the risk by ensuring clear and transparent responsibilities for organisational health and safety.

SIGNOFF(S):

Kelly Newell
Donna Tracey
Angela Parquist
Kelly Newell
Kurt Abbot
Reece Turner
Mervyn Balloch
William Gauntlett

DUE DATE:

FREQUENCY:

Once

SIGNOFF(S):

Lynn Shirley

DUE DATE:

02 Aug 2021

FREQUENCY:

The first Weekday of every 12 months

SIGNOFF(S):

Lynn Shirley

DUE DATE:

01 Aug 2021

FREQUENCY:

1st day of every 12 months

SIGNOFF(S):

Lynn Shirley

DUE DATE:

01 Aug 2021

FREQUENCY:

1st day of every 12 months

TREATMENT MC00608

Worker Engagement and Consultation
Documented processes are in place for the establishment, implementation and maintenance of a worker health and safety consultation and participation system.

This treatment reduces the likelihood of the risk by providing clear and transparent health and safety expectations to workers.

SIGNOFF(S):

Lynn Shirley

DUE DATE:

01 Aug 2021

FREQUENCY:

1st day of every 12 months

RESIDUAL

20.0

EXTREME

INHERENT

25.0

R00191

POLITICAL, REPUTATION/ IMAGE, STRATEGIC, STRATEGIC (A&R COMMITTEE)

Projects & Initiatives;
Council fails to produce required project benefits due to poor delivery of projects caused by a lack of capability or as the result of unsuitable project processes and systems.

Inconsistent knowledge, practices and or efficiency results in Council failing to deliver or perform against expected programme or project outcomes.

OWNER Kurt Abbot

CREATED 9/5/2016 12:23:20 PM

RISK LIKELIHOOD DESCRIPTORS Almost Certain (5)

RISK CONSEQUENCE DESCRIPTORS Catastrophic (5)

RESIDUAL RISK LIKELIHOOD DESCRIPTORS Likely (4)

RESIDUAL RISK CONSEQUENCE DESCRIPTORS Catastrophic (5)

TREATMENT MC00430

Every three years Council creates Long Term Plan (LTP) works streams that capture programmed works scheduled to deliver the LTP commitments. These work streams include annual Activity Management Plans (AMPs) that dictate which programmes will be undertaken (through projects and initiatives) for the subsequent period.

This treatment impacts the likelihood of the risk by detailing and documenting Councils annual and triannual work plan.

TREATMENT MC00431

In 2010 Council introduced a business specific Project Management Framework based on best practice project management methodology. In 2018 the methodology was reviewed and is currently being tested and rolled out to the business. The methodology provides a common and widely understood set of processes and tools to be used across Council to:

1. Deliver a consistent project approach
2. Align projects to strategic goals and outcomes
3. Facilitate collaboration between organisational teams
4. Offer an organisational view of all project work
5. Improve status/progress reporting
6. Increase project management knowledge
7. Identify opportunity for improvement and development

Dedicated project support staff augment and administrate the framework including delivery of system and methodology based training programmes.

This treatment impacts the likelihood by providing a higher level of transparency, by facilitating the identification and assessment of risks during planning and by providing a consistent approach to planning and managing project work.

SIGNOFF(S):

Ian Cathcart
Sue O'Gorman

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 12 months

SIGNOFF(S):

Kurt Abbot

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 6 months

TREATMENT MC00436

Implementation of Project Management Forum. The forum was mandated in September 2016 in response to recommendations of an external audit commissioned by Audit & Risk Committee during 2016. The Forum is primarily tasked to deliver priority recommendations that both aim to improve future project delivery at Council and provide greater consistency in project management and understanding across the organisation.

This treatment impacts the likelihood by promoting cross organisation buy-in and developing a consistent project minded culture.

TREATMENT MC00438

Portfolio Management governance structure

The purpose of the governance structure is to:

- to prioritise a programme of work that delivers the Our Plan objectives

- to support and work with Project Managers to ensure projects are set up and executed correctly
- provide a level of governance and reporting medium for the programme to ensure transparency in project progress
- make decisions on project/programme specifics including; funding; resource allocation; prioritizing issues

This treatment impacts the consequence of the risk by ensuring that issues are identified and addressed in a timely manner and the likelihood by providing an additional, high level of governance and structure to projects that are likely to have strategic impact.

TREATMENT MC00610

Project Resources & PMO Structure

The organisation has a resource pool of trained project managers and project management office resources. Existing internal resources were trained over the course of 2018-2019 and skilled and experienced project managers were hired during the 2018 restructure.

This treatment reduces the likelihood of the risk by significantly increasing capability.

TREATMENT MC00611

Project Management System

The organisation has a dedicated, integrated project management system (CAMMs Project) which is consistently used for project planning, documentation and reporting.

This treatment impacts the likelihood and consequence of the risk by providing process, audit capability and project review.

SIGNOFF(S):

Kurt Abbot

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 6 months

SIGNOFF(S):

Kurt Abbot

DUE DATE:

01 Aug 2021

FREQUENCY:

1st day of every 12 months

SIGNOFF(S):

Alan Kuyper

DUE DATE:

01 Aug 2021

FREQUENCY:

1st day of every 12 months

SIGNOFF(S):

Alan Kuyper

DUE DATE:

01 Aug 2021

FREQUENCY:

1st day of every 12 months

RESIDUAL
16.0
HIGH

INHERENT
20.0

R00185

BUSINESS CONTINUITY, STRATEGIC, STRATEGIC (A&R COMMITTEE)

**Asset Management;
Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose.**

Assets failures (including Waters and Roding) caused by poor planning, maintenance and or management.

OWNER Roger MacCulloch

CREATED 9/5/2016 11:06:29 AM

RISK LIKELIHOOD
DESCRIPTORS Likely (4)

RISK CONSEQUENCE
DESCRIPTORS Catastrophic (5)

RESIDUAL RISK LIKELIHOOD
DESCRIPTORS Likely (4)

RESIDUAL RISK
CONSEQUENCE
DESCRIPTORS Major (4)

39

TREATMENT MC00162

Activity Management Policy

Councils Activity Management Policy provides statements on how Council will manage assets and deliver associated services in a cost effective, sustainable, well planned and coordinated manner to provide agreed levels of service. Its purpose is to outline the level of management appropriate for each activity for Council to achieve best management practice and meet statutory obligations.

This treatment impacts the likelihood of the risk by outlining what level of activity management the organisation is willing to commit to, therefore setting expectations for the organisation to deliver against.

TREATMENT MC00163

The WDC 2015-2045 Infrastructure Strategy documents the management philosophy that is applied to Waikato Districts' infrastructure assets.

The strategy covers the following asset types:

- Water Treatment and supply
- Wastewater Treatment and Disposal
- Stormwater Drainage
- Roads and Footpaths.

This treatment impacts the likelihood of the risk by detailing and providing visibility of expectations to ensure Council works to a consistent standard.

TREATMENT MC00464

The National Asset Management Standards dictate and define the Councils Activity Management Plans (AMPs). The AMPs are reviewed yearly and undergo a 3 yearly re-write to feed into Councils Long Term Plan (LTP) cycle.

This treatment impacts the likelihood of the risk by ensuring Councils AMPs adhere with national standards.

SIGNOFF(S):

Sue O'Gorman
Robert Ashley

DUE DATE:

01 Sep 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Ross Bayer
Carole Nutt

DUE DATE:

01 Apr 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Sue O'Gorman
Robert Ashley

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 12 months

TREATMENT MC00465

Council has a number of asset management specific strategies in place and under development. These include:

- Parks & Facilities;
- Toilet Strategy, Cemetery Strategy, Trails Strategy, Te Kauwhata Trails Strategy, Esplanade Strategy, Parks Strategy, Aquatic Facilities Strategy, Sport and Recreation Strategy (joint with Sport Waikato), Playground Strategy
- Roading;
- Waikato Integrated land transport strategy (TO DO)
- Waters;
- 50 year water/wastewater/storm water strategies, 30 year infrastructure plan

This treatment impacts the likelihood of the risk by detailing and making visible Councils commitments for the management and maintenance of assets along with Councils commitment to level of service requirements.

TREATMENT MC00466

Service Delivery performs regular and continual collection of asset data for the purpose of condition assessment. This data informs programmes of work associated with asset maintenance and renewals. Data collection sources include (but are not limited to):

- RAMM
- Asset Finder
- SPM
- dTIMS

This treatment impacts the likelihood of the risk by ensuring that data driven planning can take place to maintain assets. It also impacts the consequence by supplying the information required to ensure currency of asset condition reporting and any required contingency activities.

SIGNOFF(S):

Ross Bayer
Megan May

DUE DATE:

01 Apr 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Ross Bayer
Megan May

DUE DATE:

01 Apr 2021

FREQUENCY:

The first Day of every 12 months

TREATMENT MC00427

Cyber security insurance cover (CyberEdge Liability Insurance) has been purchased. Inclusions listed are:

- Data administrative investigations
- Data administrative fines
- Electronic data
- Repair of policy holders reputation
- Repair of individuals reputation
- Notification and monitoring costs
- Forensic service costs
- Media content library
- Cyber extortion
- Network interruption insurance

This impacts the consequence of the risk by facilitating expert resources, financial support and remedial works in the event of an incident.

SIGNOFF(S):

Alison Diaz

DUE DATE:

01 Dec 2020

FREQUENCY:

The first Day of every 12 months

RESIDUAL
12.0
HIGH

INHERENT
20.0

R00128

BUSINESS CONTINUITY, STRATEGIC, TECHNICAL, STRATEGIC (A&R COMMITTEE)

**Cyber Security;
Council is exposed to significant business disruption caused by unauthorized access or damage to privileged information and or reduced data integrity resulting from cyber attack or employee behaviour (externally or internally initiated).**

Council systems or the information contained within are compromised by cybercrime or a lack of compliance with process resulting in significant financial, reputational, and or business impact.

OWNER Geoff King

CREATED

RISK LIKELIHOOD
DESCRIPTORS Likely (4)

RISK CONSEQUENCE
DESCRIPTORS Catastrophic (5)

RESIDUAL RISK LIKELIHOOD
DESCRIPTORS Possibly (3)

RESIDUAL RISK
CONSEQUENCE
DESCRIPTORS Major (4)

41

TREATMENT MC00428

IM Business Continuity Plan:

The IM team have in place an IM BCP including a disaster recovery plan to align the technical IT recovery procedures with the enterprise BCP. It includes;

- a communication plan
- prioritising the critical systems for recovery first
- regular tests of back up and recovering procedures
- simulations with various scenarios

This treatment impacts the consequence by detailing priority procedures in the case of an incident, ensures systems/process are fully functional and that staff are aware of their responsibilities and trained to manage them in the case of an event.

The suitability of the enterprise BCP is being reviewed in the 2020/21 year (see PR-1390 - led by the Projects & Innovation team)

SIGNOFF(S):

Geoff King

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 12 months

TREATMENT MC00433

Effective management & mitigation of cyber security risk is achieved through a balanced implementation of appropriate People, Process, & Technology controls.

Currently Cyber security is managed using security measures at various layers of connection.

- a) Firewalls
- b) Server
- c) PC
- d) User
- e) Physical
- f) Wireless access
- g) WDC website

This impacts the likelihood by increasing the security of the environment.

The IM risk position is accessed through external audits & assessments (eg the 2015 SSS ICT Security Risk Assessment, 2017 Vo2 Cyber Security Protection assessment, & annual Audit NZ IS Controls audit) with plans put in place to address risks identified. The delivery of these actions are tracked through the Risk Register which is monitored through the Audit & Risk committee. Monitoring is also provided through the National Cyber Security Centre (NCSC) monitoring of our internet traffic.

The ALGIM Cyber Security maturity & benching marking assessment is currently underway, the outcome of which will inform our 3 year cyber security maturity improvement programme across people, process, & technology controls. The council is also adopting, where it is appropriate to do so, the AoG NZISM frameworks, with the adoption of the Cloud Risk Assessment framework currently underway.

TREATMENT MC00434

Internal and external audit and review (as part of the annual audit programme). This impacts the likelihood of the risk occurring by identifying possible weaknesses in process.

SIGNOFF(S):

Geoff King

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 12 months

SIGNOFF(S):

Geoff King

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 12 months

43

TREATMENT MC00612

Digital Road-map

The IM digital road-map includes outputs which seek to improve the cyber risk position, facilitate greater working flexibility and increase employee technical capability. It is embedded within the Innovation Chapter of Our Plan whereby the prioritized initiatives for 2020/21 were agreed by ELT.

Whilst the Our Plan & the Innovation Chapter does not have a specific section covering Cyber Security, initiatives to improve the councils cyber security risk position are being delivered through a number of projects including:

- PR-1462: Windows 10, Office 365, & Teams – implementation of Bitlocker resulting in the encryption of hard drives, remediation of AV for remote workers, implementation of Intune for device management, etc [In Progress, complete by Dec]
- PR-1212: Network Improvements – securing of WiFi [In Progress, complete by Dec]
- PR-1425: Single Sign On – Implementation of two factor authentication [Planned]
- BAU: Citrix Upgrade (secure ICA) [In Progress, complete by Dec]
- BAU: FortiGate firewall [In Progress, complete by Dec]

This treatment reduces the likelihood of the risk by facilitating improved information and data security, reporting, and remote capabilities through cloud based technology.

Planned work, to commence after Win10 & O365 implementation is completed, is the migration to Exchange Online & the implementation of the Microsoft Advanced Threat Protection solution.

SIGNOFF(S):

Geoff King

DUE DATE:

01 Aug 2021

FREQUENCY:

1st day of every 12 months

TREATMENT MC00500

District Development (Growth) Strategy

The purpose of the District Development Strategy is to provide the Council with a strategic spatial framework for development planning. The District Development Strategy links to the District Plan Review, the Long Term Plan, the Economic Development Strategy, the Infrastructure Strategy and the Integrated Land Transport Strategy.

This treatment impacts the likelihood of the risk by ensuring Council has an integrated strategic framework for regulation and growth related decision making. This assists with better economies of scale and enables provision of affordable infrastructure. The strategy is subject to periodic review.

SIGNOFF(S):

Jim Ebenhoh
William Gauntlett

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 12 months

RESIDUAL
12.0
HIGH

INHERENT
20.0

R00230

BUSINESS CONTINUITY, STRATEGIC, STRATEGIC (A&R COMMITTEE)

**Growth;
Council experiences significant business, financial
and community disruption as the result of inaccurate
growth forecasts.**

This may include but is not limited to; decay in LOS, unmanageable funding allocations, speed of growth exceeding or not meeting growth forecasts, etc.

OWNER Clive Morgan

CREATED 8/14/2018 2:19:14 PM

RISK LIKELIHOOD
DESCRIPTORS Likely (4)

RISK CONSEQUENCE
DESCRIPTORS Catastrophic (5)

RESIDUAL RISK LIKELIHOOD
DESCRIPTORS Possibly (3)

RESIDUAL RISK
CONSEQUENCE
DESCRIPTORS Major (4)

44

TREATMENT MC00590

Hamilton to Auckland Corridor Programme and Future Proof Partnership
This project examines growth pressures and opportunities across district boundaries.

This treatment impacts the likelihood of the risk through an enduring partnership approach, coordination of growth challenges and opportunities with the intention of giving effect to governments Urban Growth Agenda. It also impacts the consequence of the risk by ensuring transparency allowing for mitigation strategies to be implemented should developments arise.

TREATMENT MC00592

District wide & Local Area Blueprints
These documents capture communities visions and will help to inform future work programmes (including funding allocation).

This activity impacts the likelihood of the risk by ensuring that our growth management approach reflects community aspirations and provides a platform of understanding for Council to facilitate planning. Furthermore it provides an idea of the disruption that Council is trying to avoid. It also informs the growth strategy in coordination with other sub-regional initiatives e.g. corridor plan.

TREATMENT MC00593

District Plan Review
Incremental reviews are performed e.g. plan changes. Council is in the process of a comprehensive review (since 2014).

This treatment impacts the likelihood of the risk by setting the regulatory framework for sustainable use of natural resources and growth management to ensure it reflects strategic direction of Council and partners.

OVERDUE

SIGNOFF(S):

DUE DATE:

FREQUENCY:

Vishal Ramduny

31 Aug 2020

The last Day of every 6 months

SIGNOFF(S):

DUE DATE:

FREQUENCY:

Jim Ebenhoh
William Gauntlett

28 Feb 2021

The last Day of every 6 months

SIGNOFF(S):

DUE DATE:

FREQUENCY:

Jim Ebenhoh
William Gauntlett

28 Feb 2021

The last Day of every 6 months

TREATMENT MC00595

Integrated Land Use & Infrastructure Planning
This treatment is not stand alone, it informs all strategic, policy and infrastructure planning undertaken by Council.

This approach includes;

- Recognition of the need within Council for a more integrate, focused and agile approach e.g. the creation of the Community Growth Group
- Development and maintenance of relationships with partners/agencies/service providers to enable a more unified planning approach as well as increasingly collaborative work with our neighboring councils (Hamilton and Auckland) to manage cross-boundary effects of growth.
- Addressing climate change mitigation by factoring such considerations into our network infrastructure planning, protecting highly versatile soils for food production, and identification of hazards
- Ensuring that this integrated planning approach flows through into funding decisions in the next Long Term Plan.

This treatment impacts the likelihood and consequences of the risk.

TREATMENT MC00596

Community Growth Group

This group was created as part of the restructure in response to identified growth impact. The intent of the group is to ensure an integrated approach to land use, infrastructure planning and economic and social development across Council.

Within the Community Growth Group a Growth Analytics function has been created to monitor growth and population changes to better prepare us to respond to growth pressures.

This treatment impacts the likelihood of the risk by providing a dedicated team focusing on growth, growth management and community development.

TREATMENT MC00597

Implementation of National Policy Statement on Urban Development.

This action impacts the likelihood of the risk by ensuring that Council monitors the adequacy of residential and business land to meet forecast demand.

SIGNOFF(S):

Clive Morgan

DUE DATE:

28 Feb 2021

FREQUENCY:

The last Day of every 12 months

SIGNOFF(S):

Clive Morgan

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 12 months

OVERDUE

SIGNOFF(S):

Mark Davey
Vishal Ramduny
Jim Ebenhoh

DUE DATE:

31 Aug 2020

FREQUENCY:

The last Day of every 6 months

RESIDUAL
9.0
MODERATE

INHERENT
20.0

R00192

COMPLIANCE/ REGULATORY, FINANCIAL, STRATEGIC, STRATEGIC (A&R COMMITTEE)

**Compliance Management;
Council is exposed to significant financial loss or business disruption caused by non-compliance with legislative, regulatory or policy requirements.**

Council are impacted as a result of being uninformed and or failing to comply with legal requirements.

OWNER Alison Diaz

CREATED 9/5/2016 12:23:40 PM

RISK LIKELIHOOD DESCRIPTORS Likely (4)

RISK CONSEQUENCE DESCRIPTORS Catastrophic (5)

RESIDUAL RISK LIKELIHOOD DESCRIPTORS Possibly (3)

RESIDUAL RISK CONSEQUENCE DESCRIPTORS Moderate (3)

46

TREATMENT MC00493

Council Committees

Council has regular committee and council meetings where proposals and issues are considered and decisions are made. The format of Committee and Council reports requires staff to refer to any legislative or policy aspects and implications, i.e. statutory authorities or duties to act, or policy consideration, pertaining to the information and recommendations of the reports. Councillors are informed of proposed, new or amended legislation at Council or Committee meetings.

This treatment impacts the likelihood of the risk by providing information to reduce the possibility of Council acting in contravention of statutes or policies.

TREATMENT MC00494

In-House Legal Team

council has a legal team which provides advice on legislative requirements across the organisation. The team promotes early involvement and input in projects and activities in respect of legal aspects.

This treatment reduces the likelihood of Council being unaware of, or ignoring legal obligations in the course of conducting business.

TREATMENT MC00495

Corporate Documents

Long Term and Annual Plans and Reports, finance policies and documented processes mitigate Councils exposure to financial risk by documenting planning activities and financial forecasts.

This treatment reduces the likelihood of Councils planning and expenditure being undertaken in contravention of good stewardship and governance principles required under the Local Government Act 2002.

TREATMENT MC00496

Council Reporting

Regular Council function includes scheduled reporting that captures key considerations (such as financial and legal matters). Furthermore, Council is actively managing compliance with corporate procurement practices through data analytics. A report is prepared and presented to the Audit and Risk Committee every six months.

This treatment impacts the likelihood of the risk by providing Council confidence when making decisions that all pertinent legislative, regulatory and/or policy considerations have been taken into account.

SIGNOFF(S):

Sue O'Gorman
Roger MacCulloch
Tony Whittaker

DUE DATE:

01 Apr 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Alison Diaz

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Gavin Ion

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Tony Whittaker
Sue O'Gorman
Roger MacCulloch

DUE DATE:

01 Apr 2021

FREQUENCY:

The first Day of every 12 months

47

TREATMENT MC00497

Periodic Audit (Internal/External)

Waikato District Council performs regular periodic audit (both internal and external) of processes and services for the purpose of identifying failures, weaknesses and/or exceptions. The audit process includes the provision of recommendations/mandate for improvement.

This treatment reduces the likelihood of non-compliance by ensuring the Council is meeting requirements and/or identifies non-compliance for action.

TREATMENT MC00498

Documented processes and systems that require/encourage process adherence.

Council uses an internal centralized repository (Promapp) to document organisational processes to allow cross organisational visibility for access and application.

Also, many of the organisational systems used for the purpose of capturing business work flow e.g. Property and Rating, require specific steps relating to process adherence for the user to progress with system use.

This treatment impacts the likelihood of the risk by providing a tool to guide users in the application of required standardised procedures, contributing to compliance management.

TREATMENT MC00508

Waikato District Council employs a number of Specialist Technical Roles that contribute to Compliance Management. Recruitment procedures for these roles require evidence of capability and/or certification. Where roles are unable to be filled with fully qualified personnel, training and development is facilitated to ensure staff have the required level of specialist knowledge to perform their roles in line with compliance requirements.

SIGNOFF(S):

Kurt Abbot

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Madelina Baena-Escamilla

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Vanessa Jenkins

DUE DATE:

30 Apr 2021

FREQUENCY:

The last Day of every 12 months

RESIDUAL
9.0
MODERATE

INHERENT
20.0

R00053

BUSINESS CONTINUITY, STRATEGIC, STRATEGIC (A&R COMMITTEE)

**Business Resilience;
Business function is significantly disrupted due to a lack of organisational resilience.**

Council operations are impacted through failure to and create prioritize action plans for implementation in the event of a business impact incident.

OWNER Kurt Abbot

CREATED

RISK LIKELIHOOD DESCRIPTORS Likely (4)

RISK CONSEQUENCE DESCRIPTORS Catastrophic (5)

RESIDUAL RISK LIKELIHOOD DESCRIPTORS Possibly (3)

RESIDUAL RISK CONSEQUENCE DESCRIPTORS Moderate (3)

48

TREATMENT MC00138

The Business Continuity Project was completed as part of the Our Plan 2015/16 programme of work. As a result of the project the following business resilience planning and analysis has taken place;

- Departmental business continuity impact analysis has been performed and documented
- Potential governance was considered as part of the project closure resulting in the implementation of a structured incident management team (including associated communication procedures and processes) and is now monitored by the Process Improvement Forum.

A complete review and re-launch is underway during 2020 (PR-1390). As part of this programme, Council is developing a robust Business Continuity Framework. The purpose of the Framework is to provide the organisation the appropriate tools, templates and resources to create pragmatic plans that can be applied in the event of a significant incident to minimize disruption by managing and maintaining the delivery of critical services to our communities.

This impacts the consequence by identifying and prioritizing critical business function in the event of an incident. It also provides a defined method of governance and communication to ensure management, support and recovery procedures are conducted in a coordinated manner.

TREATMENT MC00456

Civil Defence & Emergency Management (CDEM) Waikato District Council is part of the CDEM group. The role of the group is to work in partnership with communities to ensure the effective and efficient delivery of emergency management within the Waikato region. Council employees are obligated to provide support where necessary as part of their roles (subject to situation specific circumstance). Council staff are trained in specific emergency management roles and have processes and procedures that aim to both reduce the impact of incidents and (where possible) to maintain the provision of Council services.

This treatment impacts the consequences of the risk by ensuring there is an organisational understanding of Councils commitment to maintain and manage the on-going delivery of Council services during an incident.

SIGNOFF(S):

Kurt Abbot

DUE DATE:

01 Dec 2020

FREQUENCY:

1st day of every 12 months

SIGNOFF(S):

Kelly Newell

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 6 months

TREATMENT MC00574

The Incident Management Framework (Business Continuity) is designed to respond the incidents significantly affecting business with the potential to have an effect on the community. This may occur prior to escalation to CDEM response or simultaneously where different management teams are required to manage different impacts.

Consistency in our approach to incidents and emergencies as an organisation means we have the ability to manage an event of any size, undertaken as a matter of scalability. Should an incident escalate and require a significant CDEM response all we would be required to do is increase the response capability. The alignment of our business continuity with CDEM practices means the training we undertake, the language we use and how we respond to our community is done efficiently and effectively to reduce the overall impact.

TREATMENT MC00601

Risk Management Framework:
Councils Risk Management Framework includes policy, processes, support, tools, templates and user guides. The Framework details organisational expectations and best practice risk management behaviours across all levels of the business.

This treatment impacts the likelihood of the risk by ensuring that Council employees are equipped to effectively identify and manage risks and the associated consequences. It assists employees to appropriately plan and implement contingency plans.

SIGNOFF(S):

Kelly Newell
Donna Tracey
Angela Parquist
Kelly Newell
Kurt Abbot
Reece Turner
Mervyn Balloch
William Gauntlett

DUE DATE:

FREQUENCY:

Once

SIGNOFF(S):

Katja Jenkins

DUE DATE:

01 Jun 2021

FREQUENCY:

1st day of every 12 months

TREATMENT MC00603

In-House Resilience Resources

Through the 2018 restructure a number of key resources were assigned to work in the business resilience space. These include;

- Risk Advisor; developed from part-time to a full time role with accountability for the Risk and Business Continuity portfolios
- Community Resilience Coordinator; a new role implemented through the restructure aiming to build strong relationships specific to community preparedness and resilience.
- Emergency Management Advisor; migrated from Civil Defence to a Council owned role through the restructure to deliver on the strategic direction for building resilience for the organisation and the community.

These resources operate independently and as a virtual team to provide internal and external risk and hazard identification, response and coordination, as well as liaising across regional and national stakeholder groups to enable continuous improvement and partnership opportunities.

This treatment impacts the likelihood of the risk by facilitating cross organisational oversight of resilience functions and enabling delivery of resilience related programmes (both internally and externally) through appropriate resourcing. It addresses the consequence through facilitation of appropriate response and contingency planning.

TREATMENT MC00604

Annual Resilience Work Programme (Appendix 2)

The programme is developed to address priority activities outlined through the CDEM capability assessment, the organisational change requirement and continuous improvement initiatives. It includes key pieces of work such as;

- Community Response & Resilience Planning
- Strategic Planning for Recovery
- Business continuity planning
- Public Education

This treatment impacts the consequence of disruptive events by increasing community preparedness, incorporating risk mitigation and response into community planning activities and through the contingency planning process.

SIGNOFF(S):

Kurt Abbot

DUE DATE:

01 Dec 2020

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Kelly Newell

DUE DATE:

01 Dec 2020

FREQUENCY:

The first Day of every 12 months

51

TREATMENT MC00605

Implementing Risk Culture Project:

The project aims to progress Councils risk culture by enabling an appropriate and consistent approach to risk taking and encouraging the use of risk practices to inform decision making. A programme focusing on educating teams on risk purpose, organisational risk appetite and application of risk practices is a key output of the project

This treatment impacts the likelihood by providing employees a greater level of understanding of appropriate risk practice and promoting the benefits of proactive risk management and continuity planning. It also addresses the consequences of the risk through developing organisational processes associated with contingency planning.

TREATMENT MC00612

Digital Road-map

The IM digital road-map includes outputs which seek to improve the cyber risk position, facilitate greater working flexibility and increase employee technical capability. It is embedded within the Innovation Chapter of Our Plan whereby the prioritized initiatives for 2020/21 were agreed by ELT.

Whilst the Our Plan & the Innovation Chapter does not have a specific section covering Cyber Security, initiatives to improve the Councils cyber security risk position are being delivered through a number of projects including:

- PR-1462: Windows 10, Office 365, & Teams – implementation of Bitlocker resulting in the encryption of hard drives, remediation of AV for remote workers, implementation of Intune for device management, etc [In Progress, complete by Dec]
- PR-1212: Network Improvements – securing of WiFi [In Progress, complete by Dec]
- PR-1425: Single Sign On – Implementation of two factor authentication [Planned]
- BAU: Citrix Upgrade (secure ICA) [In Progress, complete by Dec]
- BAU: FortiGate firewall [In Progress, complete by Dec]

This treatment reduces the likelihood of the risk by facilitating improved information and data security, reporting, and remote capabilities through cloud based technology.

Planned work, to commence after Win10 & O365 implementation is completed, is the migration to Exchange Online & the implementation of the Microsoft Advanced Threat Protection solution.

SIGNOFF(S):

Kurt Abbot

DUE DATE:

01 Dec 2020

FREQUENCY:

The first Day of every 6 months

SIGNOFF(S):

Geoff King

DUE DATE:

01 Aug 2021

FREQUENCY:

1st day of every 12 months

RESIDUAL
9.0
MODERATE

INHERENT
16.0

R00190

BUSINESS CONTINUITY, PEOPLE, STRATEGIC, STRATEGIC (A&R COMMITTEE)

**People & Culture;
Business outcomes are significantly impacted due to an inability to attract and or retain suitable personnel.**

Council are unable to recruit, promote or keep staff in core service positions due to a lack of appropriately trained people, industry competition or perceived or actual Council culture.

OWNER Vanessa Jenkins

CREATED 9/5/2016 12:22:54 PM

RISK LIKELIHOOD Descriptors Likely (4)

DESCRIPTORS

RISK CONSEQUENCE Descriptors Major (4)

DESCRIPTORS

RESIDUAL RISK LIKELIHOOD Descriptors Possibly (3)

DESCRIPTORS

RESIDUAL RISK CONSEQUENCE Descriptors Moderate (3)

DESCRIPTORS

52

TREATMENT MC00474

HR Strategy

The HR Strategy guides the direction of Councils personnel management including but not limited to;

- Succession, recruitment and workforce planning
- Initiatives
- Support requirements (inc technology, market analytics and metrics)

This treatment impacts the likelihood by providing the structure to implement pro-active actions associated with attracting and maintaining resources.

TREATMENT MC00475

Maintenance of peripheral workforce.

Council's business groups maintain relationships with key consultancy practices for the purpose of employing specialist services and/or for providing resources where personnel vacancies exist or where it is identified that supplementary personnel are required in addition to the permanent workforce.

This treatment impacts the consequence of the risk by providing options for temporarily filling vacancies facilitating time for recruitment whilst maintaining business as usual.

TREATMENT MC00476

An organisational change program has been implemented to deliver initiatives associated with improved workplace culture and leadership. The program comprises a number of project work-streams championed by the Executive Leadership Team.

A Change Manager has been appointed to oversee and lead the process. Implementation is underway of new staff structure and reporting lines.

This treatment impacts the likelihood of the risk by providing a strategic approach to changing the organisational culture.

TREATMENT MC00600

Council has used new recruitment strategies with new media channels and new messaging which have increased the quality and quantity of applicants.

OVERDUE

SIGNOFF(S):

Vanessa Jenkins

DUE DATE:

01 Sep 2020

FREQUENCY:

The first Day of every 6 months

OVERDUE

SIGNOFF(S):

Roger MacCulloch
Sue O'Gorman
Tony Whittaker

DUE DATE:

01 Oct 2020

FREQUENCY:

The first Day of every 6 months

SIGNOFF(S):

Gavin Ion

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 3 months

SIGNOFF(S):

Jacob Quinn

DUE DATE:

Once

FREQUENCY:

Once

RESIDUAL
9.0
MODERATE

INHERENT
16.0

R00187

POLITICAL, REPUTATION/ IMAGE, STRATEGIC, STRATEGIC (A&R COMMITTEE)

**Stakeholder Engagement;
Council fails to deliver appropriate community outcomes and or wastes resources due to unsuitable stakeholder identification and interaction practices.**

People become/remain disengaged as a result of Council failing to communicate/consult appropriately.

OWNER Jacob Quinn

CREATED 9/5/2016 11:20:04 AM

RISK LIKELIHOOD Likely (4)
DESCRIPTORS

RISK CONSEQUENCE Major (4)
DESCRIPTORS

RESIDUAL RISK LIKELIHOOD Possibly (3)
DESCRIPTORS

RESIDUAL RISK Moderate (3)
CONSEQUENCE
DESCRIPTORS

53

TREATMENT MC00121

Engagement practices, including public meetings, are conducted to provide public engagement opportunities. These include but are not limited to:

- Long Term Plan, Bylaws and Annual Plans Special Consultative Procedure
 - Reserve Management Plan (RMP - as per the Act)
 - Policy or strategy (statutory) Special Consultative Procedure
 - Policy or strategy (non-statutory) Section 82 and significance and engagement policy specification.
- This treatment impacts the likelihood by providing opportunities for people within the community to engage with Council in a variety of different mediums.

TREATMENT MC00164

Engagement Strategy:

This Strategy provides WDC with guidance on its community engagement activities and practices.

The treatment impacts the likelihood of the risk by providing Council employees a practical guide to how we engage.

TREATMENT MC00165

Significance & Engagement Policy

The policy outlines how WDC will assess "significance", as required by the LGA amendment bill. A particular issue is the determination of whether an issue is of "high" significance or not in regard to the impact on communities, rather than just on economic impact which is generally the current basis for council decisions.

Environmental, social and cultural well-beings must also form part of a significance determination which should not be overshadowed by financial considerations.

This treatment impacts the likelihood of the risk by providing a practical guide that outlines how to assess the impact of action and suitable engagement practices to meet the assessment.

TREATMENT MC00457

Implementation of appropriate strategies and policies to ensure community needs are captured and met. These include, but are not limited to:

- Significance and engagement policy
 - Community engagement strategy
 - Customer complaints and compliments policy
- This treatment impacts the likelihood of the risk by documenting Councils commitments and associated expectations relating to how councils engages with the community.

SIGNOFF(S):

Jim Ebenhoh
William Gauntlett

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 12 months

SIGNOFF(S):

Jim Ebenhoh
William Gauntlett

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 12 months

SIGNOFF(S):

Jim Ebenhoh
William Gauntlett

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 12 months

SIGNOFF(S):

Jim Ebenhoh
William Gauntlett

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 6 months

TREATMENT MC00458

Council has a Communications Framework (a 2016 strategy) in place which guides the way we do things. A specific engagement strategy is under development as a key Our Plan project in 2019, as well as a refresh of Councils Communications Framework/Strategy.

This treatment will impact the likelihood of the risk by providing practical guidance for Council to support community engagement practices and the consequence by ensuring a consistent, defined and measured approach when planning and/or managing communications.

TREATMENT MC00459

CE and Executive Team provide updates to Councillors, Community Boards and Committees on community plans through forward facing meetings.

This treatment impacts the likelihood of the risk by ensure adequate engagement with the community by communicating relevant plans, decisions and actions and by providing opportunity (through Board or Committee, venue or other medium) for feedback.

TREATMENT MC00460

Community Development roles and Operational Field Staff.

A number of roles including Youth Engagement Advisor, Iwi Liaison and Community Development Advisor, aim to ensure that appropriate engagement is conducted with specific community groups. These roles are targeted, extending and adding to the engagement activities of front facing field staff e.g. Animal Control, Building, Libraries etc

This treatment impacts the likelihood of the risk by facilitating consideration of communication and engagement practices for community minorities, isolated groups and/or key community stakeholders.

TREATMENT MC00461

Engagement Virtual Team

It is anticipated that the establishment of an Engagement Virtual Team will be one of the actions of the 2020 Engagement Strategy. This team will pull together key people from across the business so they can collectively ensure the Strategy is implemented.

This treatment will impact the likelihood of the risk by providing a dedicated team whose function is to ensure cross organisational strategic alignment.

OVERDUE

SIGNOFF(S):

Jacob Quinn

DUE DATE:

01 Nov 2020

FREQUENCY:

1st day of every 3 months

SIGNOFF(S):

Gavin Ion

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 6 months

SIGNOFF(S):

Tony Whittaker

DUE DATE:

01 Apr 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Jacob Quinn

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 12 months

TREATMENT MC00462

Council operates library and Council services from a number of locations across the district. This provides outreach and accessibility for communities within the district. Along with the provision of multiple offices, late night opening hours have been implemented to accommodate availability and convenience for communities. This treatment impacts the likelihood of the risk by facilitating community engagement through the facilitation of front facing interactions.

SIGNOFF(S): Brian Cathro
 DUE DATE: 01 Apr 2021
 FREQUENCY: 1st day of every 12 months

TREATMENT MC00613

Mana Whenua Forum
 Initial relationship building for the Forum is underway. Terms of Council engagement, representation and conflict resolution will be established along with set up, cost and levels of authority. The implementation of the forum will impact the likelihood and consequence of this risk by providing an agreed regular engagement medium to broaden transparency, relationships and engagement opportunity.

SIGNOFF(S): Jacob Quinn
 DUE DATE: 01 Feb 2021
 FREQUENCY: 1st day of every 3 months

RESIDUAL
9.0
 MODERATE

INHERENT
16.0

FINANCIAL, POLITICAL, STRATEGIC, STRATEGIC (A&R COMMITTEE)

Economic & Social Development; Waikato district suffers inhibited economic and social development and or missed funding opportunity as a result of poor planning, investment strategy, and or relationships.

Council fails to promote and or identify opportunity for economic and social growth or fails to engage appropriately to encourage growth and development.

OWNER Clive Morgan
 CREATED 9/5/2016 11:32:26 AM
 RISK LIKELIHOOD DESCRIPTORS Likely (4)
 RISK CONSEQUENCE DESCRIPTORS Major (4)
 RESIDUAL RISK LIKELIHOOD DESCRIPTORS Possibly (3)
 RESIDUAL RISK CONSEQUENCE DESCRIPTORS Moderate (3)

TREATMENT MC00163

The WDC 2015-2045 Infrastructure Strategy documents the management philosophy that is applied to Waikato Districts' infrastructure assets.

The strategy covers the following asset types:
 - Water Treatment and supply
 - Wastewater Treatment and Disposal
 - Stormwater Drainage
 - Roads and Footpaths.

This treatment impacts the likelihood of the risk by detailing and providing visibility of expectations to ensure Council works to a consistent standard.

SIGNOFF(S): Ross Bayer
 Carole Nutt
 DUE DATE: 01 Apr 2021
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00469

Economic Development Strategy

The strategy assesses the economic profile of the district and identifies SWOT for the purpose of informing strategic direction.

There is a limited reference to social development within the strategy however community development initiatives are active and drafting a social development strategy has been scheduled for late 2019 - early 2020.

A regional economic development strategy is also in place to serve the wider community at a regional level, this strategy is aligned to the Waikato District EDS.

This treatment impacts the likelihood of the risk by ensuring that communities and businesses are engaged on an on-going basis, allocates effort and funding to targeted economic development initiatives and promotes the district as a viable prospect for business investment, residential and visitor (lifestyle) growth and development.

TREATMENT MC00471

Social Development Initiatives

Council has adopted a number of socially related strategies that aim to consider and provide for the social outcomes in the districts communities.

These include, but are not limited to:

- Place Making Strategy
- Heritage Strategy
- Youth Engagement Plan
- Grant Funding Scheme

Although these initiatives impact the likelihood of the risk by providing a degree of focus and resources dedicated to social development they are essentially limited as a result of no guiding social development strategy or policy (for example, the ex-Frankin Social Wellbeing Policy).

TREATMENT MC00472

Cross Boundary Initiatives

These initiatives aim to foster integrated planning across territorial boundaries, ensuring greater efficiencies and settlement planning across boundaries.

Example:

- North Waikato Infrastructure Programme Business Case,
- Future Proof
- Waikato Plan
- MOU Auckland Council
- National Policy Statement on Urban

Development capacity (requires collaboration with HCC to make land available for infrastructure to support residential and commercial development)

This treatment impacts the likelihood of the risk by providing a holistic approach to economic development and preventing limitations associated with territorial authority boundaries.

SIGNOFF(S):

Clive Morgan

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 6 months

SIGNOFF(S):

Julie Dolan

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 6 months

SIGNOFF(S):

Vishal Ramduny

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 12 months

TREATMENT MC00500

District Development (Growth) Strategy

The purpose of the District Development Strategy is to provide the Council with a strategic spatial framework for development planning. The District Development Strategy links to the District Plan Review, the Long Term Plan, the Economic Development Strategy, the Infrastructure Strategy and the Integrated Land Transport Strategy.

This treatment impacts the likelihood of the risk by ensuring Council has an integrated strategic framework for regulation and growth related decision making. This assists with better economies of scale and enables provision of affordable infrastructure. The strategy is subject to periodic review.

SIGNOFF(S):

Jim Ebenhoh
William Gauntlett

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 12 months

RESIDUAL
8.0
MODERATEINHERENT
12.0

R00189

POLITICAL, STRATEGIC, STRATEGIC (A&R COMMITTEE)

Regional & National Strategic Planning & Legislative Reform;
Council experiences significant disruption to business function caused by structural and legislative changes by central government and or national / regional strategic planning exercises.

Amendments to local or national legislation, government practices or other authorities require significant change to business operations.

OWNER Clive Morgan

CREATED 9/5/2016 12:21:58 PM

RISK LIKELIHOOD DESCRIPTORS Likely (4)

RISK CONSEQUENCE DESCRIPTORS Moderate (3)

RESIDUAL RISK LIKELIHOOD DESCRIPTORS Likely (4)

RESIDUAL RISK CONSEQUENCE DESCRIPTORS Minor (2)

TREATMENT MC00135

Council participates as a key stakeholder in the Waikato Mayoral forum, Waikato LASS and Future Proof. Through these initiatives Council proactively contributes to a single voice for the Waikato region to central government.

This treatment impacts the likelihood of the risk by capitalising on relationships with other councils in the region and by being part of a collaborative governance approach.

TREATMENT MC00490

The Long Term Plan (LTP) and Annual Plan process provide a basis for an assessment of legislative and other external and internal influences on the business.

This treatment impacts the likelihood of the risk by ensuring Council is adequately informed of Regional and National governance development and provides a set process to accommodate currency of information to future planning.

TREATMENT MC00491

Through applied process Councils keeps abreast of Government's legislative pronouncements and becomes involved through the submissions process in any development that would advocate Councils best interest.

This treatment impacts the likelihood of the risk by ensuring that Council not only has the required information regarding developments but an avenue to respond to/influence outcomes.

SIGNOFF(S):

Gavin Ion

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 3 months

SIGNOFF(S):

Jim Ebenhoh
William Gauntlett

DUE DATE:

01 Jan 2021

FREQUENCY:

1st day of every 3 months

OVERDUE

SIGNOFF(S):

Christine Pidduck

DUE DATE:

01 Nov 2020

FREQUENCY:

1st day of every 3 months

58

TREATMENT MC00492

Councils Chief Executive (CE) is committed to building a relationship with Wellington to facilitate open communication and ensure the organisation receives timely information and has opportunity for response and contribution.

Regular meetings are held with Central Government ministers and with a key manager in the Department of Internal Affairs.

This treatment impacts the likelihood of the risk by assisting in the timely communication of information and developments.

TREATMENT MC00500

District Development (Growth) Strategy
The purpose of the District Development Strategy is to provide the Council with a strategic spatial framework for development planning. The District Development Strategy links to the District Plan Review, the Long Term Plan, the Economic Development Strategy, the Infrastructure Strategy and the Integrated Land Transport Strategy.

This treatment impacts the likelihood of the risk by ensuring Council has an integrated strategic framework for regulation and growth related decision making. This assists with better economies of scale and enables provision of affordable infrastructure. The strategy is subject to periodic review.

TREATMENT MC00598

Alignment of Council's "People and Capability" function to current and potential future needs of the organisation in terms of participating in, and responding to, national and regional strategic planning and legislative reforms.

This treatment impacts the likelihood of the risk by ensuring adequate numbers of staff, with diverse, flexible skills, including negotiation and persuasion, and the ability to provide value in a variety of planning and governance frameworks.

SIGNOFF(S):

Gavin Ion

DUE DATE:

01 Feb 2021

FREQUENCY:

1st day of every 3 months

SIGNOFF(S):

Jim Ebenhoh
William Gauntlett

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 12 months

SIGNOFF(S):

Jim Ebenhoh
Vanessa Jenkins

DUE DATE:

05 Apr 2021

FREQUENCY:

The first Monday of every 12 months

RESIDUAL
6.0
MODERATE

INHERENT
9.0

R00183

REPUTATION/ IMAGE, STRATEGIC, STRATEGIC (A&R COMMITTEE)

**Council Partnerships;
Council experiences diminished public confidence
and or operations are significantly impacted due to
actions, representations or conduct of key partners.**

Councils reputation/operations are impacted as a result of actions, representations or conduct demonstrated by key contract or partnership personnel.

OWNER Sue O'Gorman

CREATED 9/5/2016 10:34:01 AM

RISK LIKELIHOOD
DESCRIPTORS Possibly (3)

RISK CONSEQUENCE
DESCRIPTORS Moderate (3)

RESIDUAL RISK LIKELIHOOD
DESCRIPTORS Unlikely (2)

RESIDUAL RISK
CONSEQUENCE
DESCRIPTORS Moderate (3)

59

TREATMENT MC00483

Council has in place a robust tender process that includes in-depth detail regarding contractual requirements.

Long term public facing contracts and partnerships are effected through rigorous contractual agreements and continuous management and governance plans. These include terms relating to contractual service level agreements (monitored and reported against as key performance indicators), employee training plans, safety inductions (all employees), and audit expectations. Long term contracts and partnerships include (but are not limited to):

- Belgaria Aquatics
- City Care
- Franklin Trees
- Alliance
- Water Care
- HCC (for water supply & waste water treatment)

This treatment impacts the likelihood of the risk by ensuring that all partners and long term contracts are selected through compliance with Councils requirements, and, that they understand Councils expectations and commit to delivering an agreed level of service in a safety and appropriate manner.

TREATMENT MC00485

This treatment will expire 30 September 2020

Shared Services (HCC, Waipa & WDC)
Councils shared services agreements are managed using agreed processes and a governance structure which ensures they deliver against expectations. Arrangements include:

- Quarterly governance meetings
- Monthly operational meetings
- Auditing schedule (zero harm perspective).

The signed agreement can be found in ECM: Doc ID 856313

This treatment impacts the likelihood of the risk by ensuring regular communication and identification of emerging risks or issues and the consequence by providing opportunity for timely governance and action where issues are identified and/or it is deemed that expectations are not being met.

SIGNOFF(S):

Sarah Quinn
Jackie Bishop

DUE DATE:

01 Feb 2021

FREQUENCY:

The first Day of every 6 months

SIGNOFF(S):

Gavin Ion

DUE DATE:

FREQUENCY:

Once

TREATMENT MC00499

Council has in place a process that defines how we plan to implement new partnerships/long term contracts from the perspective of providing seamless integration of systems and resources at the point of requirements design and tender review.

This treatment aims to impact the likelihood of risk by minimizing lost efficiency and the consequence by reducing the risk of impact on customer services.

TREATMENT MC00507

Section 17a Review

Local authorities are under obligation to review and consider options for governance, funding and delivery of infrastructure, local public services and local regulation to ensure cost-effectiveness and quality of service.

Section 17A is one of several measures designed to encourage councils to seek efficiency, and to encourage councils to “partner” with each other and with other bodies to deliver services efficiently.

This treatment impacts the likelihood of the risk by acting to identify and therefore act against inefficiencies and/or inadequacies in the delivery of services.

TREATMENT MC00584

The contract and tendering process has specifications which ensure that all contractors that are selected to undertake works (long or short term) supply details of H&S practices, including how and who will manage them. This process includes the contractor being added to the SHE Prequalified Contractor Database and ensures that all selected contracts include and meet Councils requirements for H&S and H&S legislative standards.

Periodic checks are performed by Councils Zero Harm team to monitor contractor compliance.

This treatment impacts the likelihood of the risk by providing clear and documented expectations to contractors during the selection and on-boarding process, reducing the risk of non-compliance.

SIGNOFF(S):

Jackie Bishop

DUE DATE:

01 Jan 2021

FREQUENCY:

The first Day of every 3 months

SIGNOFF(S):

Tony Whittaker

DUE DATE:

30 Apr 2021

FREQUENCY:

The last Day of every 12 months

SIGNOFF(S):

Lynn Shirley

DUE DATE:

02 Aug 2021

FREQUENCY:

The first Weekday of every 12 months

Open Meeting

To	Audit & Risk Committee
From	Gavin Ion Chief Executive
Date	27 November 2020
Prepared by	Lynn Shirley Zero Harm Manager
Chief Executive Approved	Y
Reference/Doc Set #	GOV1318
Report Title	Waikato District Council Zero Harm Safety Management System Review

I. EXECUTIVE SUMMARY

The purpose of this report is to present a review of Council's Zero Harm Safety Management System (ZHSMS) to ensure its continuing suitability, adequacy and effectiveness. As Council is using AS/NZS ISO 45001 ("the Standard") as its health and safety management system framework, this review has been undertaken in accordance with the Standard.

The review attempts to provide an overview of the status of Council's evolving safety management system and highlights areas that have been developed and those that are currently in progress or planned for completion. The components that are planned for completion are detailed in the FY20/21 Zero Harm Strategic Improvement Plan. Preparations are also underway to commence an internal auditing programme to provide assurance against compliance with the Standard.

2. RECOMMENDATION

THAT the report from the Chief Executive be received.

3. REPORT

Primary Objective

Council is committed to pursuing a culture of Zero Harm by eliminating or managing health, safety and wellbeing risks.

Our Zero Harm Safety Management System (consisting of policy, standards, processes and procedures) will enable us to develop a sustainable zero harm culture and achieve best practice health and safety performance.

We aim for more than just compliance by observing the principle that workers and others should be given the highest level of protection against harm to ensure their health, safety and wellbeing.

Zero Harm Policy

Council's Zero Harm Policy was reviewed to ensure its alignment with AS/NZS ISO 45001:2018 and then communicated to the entire organisation as part of the Team Up event held in January. The policy is now known as our Zero Harm Commitment.

Key content of the Zero Harm Commitment was further communicated during the Work Safe, Home Safe 2020 week held in February. Of particular focus was the Chief Executive's commitment to the organisation that "work should only start when all safety critical controls are in place".

It is again planned to reinforce key elements of the Zero Harm Commitment during Work Safe, Home Safe 2021 event.

OUR ZERO HARM COMMITMENT





Waikato District Council is committed to pursuing a culture of Zero Harm by eliminating or managing health, safety and wellbeing risks.

Our Beliefs
We believe that:

- By looking after ourselves and others we will return home safe every day
- Health and safety is everyone's non-negotiable responsibility
- Work should only start when all safety critical controls are in place

Our Commitment
We are committed to providing a safe and healthy working environment for our staff, elected members, contractors, volunteers and our communities.

To deliver on this commitment we will:

- Be visible leaders across our teams through actively demonstrating our Zero Harm essentials
- Foster an environment of collaboration and innovation on all matters relating to the health and safety of our people and our communities
- Align our health and safety objectives with Council's strategies and risk profiles
- Monitor and review health and safety performance to ensure our objectives are being met
- Design, construct, operate and maintain our assets to provide a healthy and safe working environment for our people and community
- Remain open to change through continuous improvement of our safety management system to minimise exposure to critical safety risks
- Observe, implement and fulfil the requirements of all relevant health and safety legislation, regulations and codes of practice
- Focus on opportunities to actively encourage participation and promote the merits of good health and safety practice
- Ensure all our people are aware of and carry out their health and safety requirements

Our Actions
Together through commitment, communication, acts of safety and a strong Zero Harm culture, we will make Waikato District Council a healthy and safe place to work and visit.


Gavin J. Ion
 Chief Executive
 10 January 2020



Zero Harm Safety Management System (ZHSMS) Overview

Worked has progressed over the last twelve months on developing, implementing, and updating our documented safety management system known as the Zero Harm Safety Management System (ZHSMS). The ZHSMS is made of following types of documents:

Standards – These detail the minimum requirements that Council shall implement to manage a particular area of health and safety.

Forms and Tools – These enable our people to perform the processes required to manage a particular area of health and safety.

The following table illustrates the current Elements of the ZHSMS and the status of the Management Standards within each Element.

		Status of Management Standards		
Section	Elements	Developed	Underway	Not Yet Commenced
1.1	Leadership, Engagement and Governance	<ul style="list-style-type: none"> • Worker Engagement, Participation and Representation Standard • Health and Safety Governance Standard 	<ul style="list-style-type: none"> • Safety Leadership and Culture Standard 	
1.2	Planning and Review			
1.3	Event Management	<ul style="list-style-type: none"> • Event Management Standard • Post Critical Incident Response Standard 	<ul style="list-style-type: none"> • First Aid Management Standard 	
1.4	Hazard and Risk Management	<ul style="list-style-type: none"> • Hazard and Risk Management Standard • Remote Working Management Standard • Personal Protective Equipment and Clothing Standard • Computer Workstation Management Standard 		
1.5	Health and Wellbeing			<ul style="list-style-type: none"> • Occupational Health Monitoring • Workplace Monitoring – Occupational Hygiene
1.6	Injury Management	<ul style="list-style-type: none"> • Early Pain and Discomfort Management Standard 		<ul style="list-style-type: none"> • Injury Management and Rehabilitation Standard
1.7	Management of Change		<ul style="list-style-type: none"> • Management of Change Standard 	
1.8	Contractor Management		<ul style="list-style-type: none"> • Contractor Management Standard 	
1.9	Emergency Management			
1.10	Volunteer Worker Management	<ul style="list-style-type: none"> • Volunteer Worker Management Standard 		
1.11	Community Event Management			
1.12	Performance Reporting	<ul style="list-style-type: none"> • Measuring and Monitoring Health and Safety Performance Standard • Legal Compliance Standard 		
1.13	Training and Competency	<ul style="list-style-type: none"> • Training and Competency Management Standard • Worker Health and Safety Induction Management Standard 		
1.14	Zero Harm System Auditing	<ul style="list-style-type: none"> • Zero Harm Auditing Standard 		
2.0	Safe Systems of Work	<ul style="list-style-type: none"> • Job Safety Analysis (JSA) Standard 		<ul style="list-style-type: none"> • Standard Operating Procedures (SOP) Standard
3.0	Critical Risks	<ul style="list-style-type: none"> • Critical Safety Risk Management Standard • Asbestos Management Standard • Workplace Violence Management Standard • Hazardous Substances Management Standard • Working Alone Management Standard • On Road Driving Management Standard 	<ul style="list-style-type: none"> • Working with Firearms Management Standard 	<ul style="list-style-type: none"> • Working with Dangerous Animals Management Standard • Working On or Near Roadways Management Standard • Work-Related Stress Management Standard • Work-Related Fatigue Management Standard • On-Site Traffic Management Standard

The following tables detail key areas that have been considered in relation to the current suitability, adequacy and effectiveness of Council's Zero Harm Safety Management System (ZHSMS) as per AS/NZS ISO 45001:2018.

Changes in external and internal Issues that are relevant to the ZHSMS including:

- 1. The needs and expectations of interested parties***
- 2. Legal requirements and other requirements***
- 3. Risks and opportunities***

A risk assessment undertaken at the Raglan Wharf in October by external consultants Beca identified the need for the ZHSMS to include consideration of the risk of on-site traffic management. This risk is also present at the Woodlands Estate and Raglan and Hakanoa Holiday Parks. The scope of the ZHSMS will be updated to include the risk of on-site traffic management.

The introduction of flexible working principles into the organisation has required the scope of the ZHSMS to now consider remote working (e.g. working from home) and detail how the risks associated with it should be managed. The approach taken for the management of remote working risks is in line with the advice currently provided by WorkSafe NZ.

Newly released WorkSafe NZ Good Practice Guidelines – Violence in the Health and Disability Sector published in October 2020 may provide some additional guidance into the management of workplace violence that Council could adopted. A review of these new guidelines will be undertaken as part of the next Workplace Violence critical risk review.

In July 2020 the Coordinated Incident Management System (CIMS) 3rd Edition came into effect as New Zealand's official framework to achieve effective co-ordinated incident management across responding agencies. One of the significant notable changes in the 3rd Edition is the separating out of the "Safety" function to ensure that the necessary prominence is given to safety. The role now reports directly to the Incident Controller. Consideration will need to be given going forward of how Council will meet its PCBU (Person Conducting a Business or Undertaking) duties during a civil defence response, especially when engaging contractors or volunteer workers.

The extent to which the OH&S objectives have been met

The Covid-19 Pandemic had a significant impact on the delivery of the FY19/20 Zero Harm Strategic Plan. A number of objectives were not achieved as planned due to changed priorities. These objectives have been carried forward into the FY20/21 Strategic Plan.

Information on the OH&S performance, including trends in

- 1. Incidents, non-conformances, corrective actions and continual improvement**
- 2. Monitoring and measurement results**
- 3. Results of evaluation of compliance with legal requirements and other requirements**
- 4. Audit results**
- 5. Consultation and participation of workers**
- 6. Risks and opportunities**

The dog bite event that occurred in August 2020 was the most significant event that has occurred in the last 12 months. This event not only had a considerable impact on the injured worker but also on their team who provided immediate support and first aid. As part of the post event management, Council initiated its Post Critical Incident Response Procedure to support the team. This event has led to a prioritisation of work and the Executive Leadership Team (ELT) approved the engagement of an external health and safety consultant to expedite the development of the bowtie for working with dangerous animals. Work is now progressing on undertaking a gap analysis against the bowtie control plan.

Consultation and participation of workers has been a focus of the Zero Harm Strategic Plan for the last two years. This year Safety Action Team (SAT) representatives have attended a range of training courses including;

- Workplace Risk Assessment
- Job Safety Analysis
- Safety Representative Stage One

SAT representatives are part of the Work Safe, Home Safe 2021 Project Team. SAT representatives have also participated in the critical risk reviews (On Road Driving and Asbestos) that have been completed this year.

The Zero Harm Team in conjunction with the Executive Leadership Team (ELT) has continued to make steady progress on the implementation of improvement actions identified from the H&S Governance audit undertaken by KMPG. The audits' focus was on Council's duties in relation to Section 44 of the Health and Safety at Work Act (HSWA).

Council received 29 improvement actions and to date we have now completed ~ 75% (22 actions) and two more actions are scheduled to be completed in December. All actions continue to be tracked via BWare Safety Manager.

Work has also commenced on building an internal programme, to audit the development, implementation and functioning of Council's ZHSMS. It is expected that the first element of the audit programme will be trialed in early 2021 and the subsequent results reported to the ELT, Council and the Audit & Risk Committee.

Adequacy of resources for maintaining an effective OH&S management system

In November 2019 KPMG undertook a Health and Safety Governance Review of Council in relation to how Council identified and responded to the obligations of officers to exercise due diligence as outlined in Section 44 of the Health and Safety at Work Act 2015. One of six areas of focus for the review was 'resourcing' and whether the organisation has adequate resources (plant, equipment, people and processes) and has utilised these resources to manage the organisation's health and safety risks.

The review found that Council needs to ensure that it has adequate resource to continue developing, implementing and maintaining its Zero Harm Safety Management System Framework. It also concluded that as the health and safety management system matures, there is likely to be additional resource requirements from health and safety technical experts (for example to complete the second line of assurance (audits) on contracted services).

A recent analysis of the work being undertaken by the Zero Harm Manager and Zero Harm Advisor has shown that there is significant increase in demand for health and safety technical and specialised advice being required by the organisation. This has led to the Zero Harm Manager role being drawn into more advising on health and safety issues than undertaking strategic activities such as designing and developing Council's Zero Harm Safety Management Framework or coaching and providing training to People Leaders on their health and safety role and responsibilities.

The Zero Harm Manager is currently preparing a business case to present to the ELT for additional health and safety technical resource.

Relevant communication(s) with interest parties

Engagement and communication with both internal and external stakeholders has and must continue to be a key focus for the Zero Harm Team, to support the ongoing development, implementation and continual improvement of the ZHSMS.

Quarterly Zero Harm Workshops are now being undertaken with Elected Members. These provide an opportunity to deliver information and education on relevant elements of the ZHSMS along with the ability to have deeper conversations on health and safety issues relevant to the interest parties represented by the Elected Members.

Communication, coordination and consultation with other PCBUs that Council shares overlapping duties has required and will continue to require significant focus by the Zero Harm Team and other relevant parties. Work is currently underway to develop a template as part of the ZHSMS to adequately capture the detail from these engagements to ensure that all involved parties are aware of their health and safety responsibilities. This work has commenced for the Waikato District Alliance relationship with Downer NZ.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

This report is to assist Councillors with their due diligence requirements as Officers. The report should start the conversation and provide opportunities for Councillors to raise questions and discuss progress.

4.2 OPTIONS

Council could choose to accept the report or not. Council could ask for additional information if needed.

5. CONCLUSION

This report provides an overview of our Zero Harm Safety Management System to assist management with undertaking an annual review of its continuing suitability, adequacy and effectiveness.

6. ATTACHMENTS

NIL

Open Meeting

To	Audit & Risk Committee
From	Gavin Ion Chief Executive
Date	27 th November 2020
Prepared by	Lynn Shirley Zero Harm Manager
Chief Executive Approved	Y
Reference/Doc Set #	GOV1318 / 1866302
Report Title	Waikato District Council Zero Harm Update

1. EXECUTIVE SUMMARY

The purpose of this report is to present an overview of Waikato District Council's current health and safety performance to the Audit & Risk Committee

2. RECOMMENDATION

THAT the report from the Chief Executive be received.

3. REPORT

Primary Objective

Council is committed to pursuing a culture of Zero Harm by eliminating or managing health, safety and wellbeing risks.

Disciplined Management Systems

Zero Harm "Work Safe, Home Safe" Strategic Plan for FY20/21

The Zero Harm Team has been progressing the implementation of the strategic improvement activities detailed in the FY20/21 Zero Harm Strategic Plan. The five activities planned for Quarter 1 have been completed and the 9 activities planned for Quarter 2 are all underway. The FY20/21 Zero Harm Strategic Plan is attached for reference.



Safe Systems of Work (Job Safety Analysis - JSA)

Over the last three months the Zero Harm Team has arranged and coordinated the delivery of training to support;

- the identification and management of workplace hazards,
- the auditing of contractors hazard and risk management documentation and;
- the development of quality Promapp processes (Standard Operating Procedures) for operational tasks undertaken by Council staff

The table below illustrates the training that has been delivered.

Training delivered	Number of workers trained
NZQA Unit Standard 30265 Workplace Risk Assessment	40
NZQA Unit Standard 19522 Job Safety Analysis (JSA)	24

Hazard and Risk Management

Hazard and risk management is a core component of the 'Work Safe Home Safe' (WSHS) 2021 event that is currently being planned. During the WSHS 2021 event all teams will be tasked with reviewing their workgroup hazard register to ensure it accurately reflects the hazards that they are or may potentially be exposed to. The Zero Harm Team is currently developing education materials and tools to support this activity.

Contractor Management

We are continuing to develop and implement our Contractor Health and Safety Management Standard and its supporting tools. Steady progress has been made over the past three months including;

- Workplace Risk Assessment and Job Safety Analysis (JSA) training delivered to Contract Managers
- An end of Project or Contract Health and Safety Review form has been re-designed and trialled on two projects that have recently been completed

The Zero Harm Team has also been providing a significant amount of health and safety technical advice over the last three months to Contract Managers due to the amount of work currently being organised.

Zero Harm Audits

The Zero Harm Team in conjunction with the Executive Leadership Team (ELT) has continued to make steady progress on the implementation of improvement actions identified from the H&S Governance audit undertaken by KMPG. The audits' focus was on Council's duties in relation to Section 44 of the Health and Safety at Work Act (HSWA).

Council received 29 improvement actions and to date we have now completed ~ 75% (22 actions) and two more actions are scheduled to be completed in December. All actions continue to be tracked via BWare Safety Manager.

Critical Safety Risk Management

Critical Safety Risk Reviews

As planned, over the last quarter the Zero Harm Team has met with the ELT champions and Safety Action Team (SAT) representatives of the following critical safety risks to undertake a 6 monthly risk review:

- On Road Driving – Gavin Ion
- Asbestos – Alison Diaz

The status of these risks is illustrated in the following table.

Critical Safety Risk	Implemented Controls Status				Controls not yet Implemented	Implementation % (target of > 80%)
	Strong	Adequate	Weak	Total		
On Road Driving				31	2	94%
Asbestos	6	15	2	23	5	82%

The On Road Driving and Asbestos Critical Risk Reviews are attached for reference.

Workplace Violence

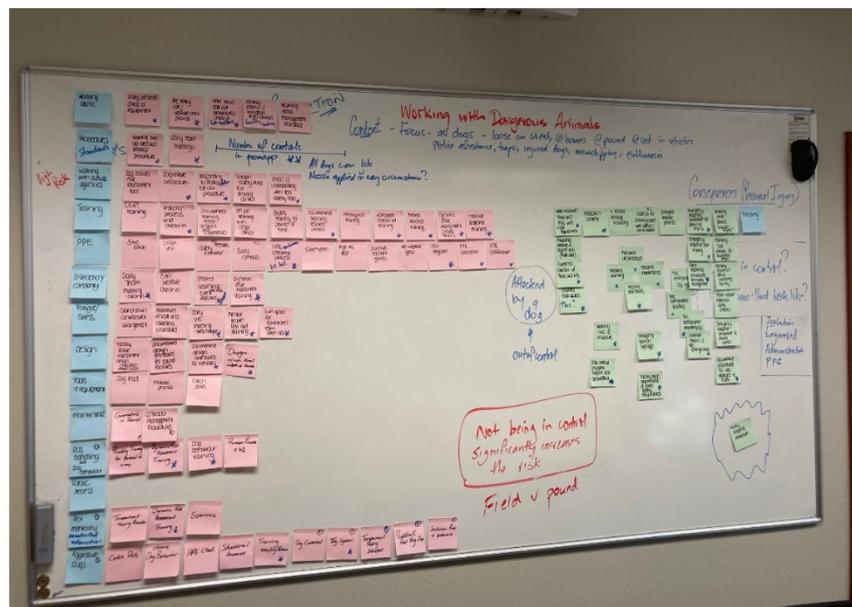
All of the Blackline G7C cellular and satellite personal safety devices have been deployed to the workgroups identified as needing this critical risk control. The Zero Harm Advisor has been working with the Fleet Coordinator to enable these devices to be booked using the ERoad 'U Book It' system that is used to book our council vehicles. Training has also been delivered to the last of the identified workgroups.

Planning is underway with external training provider CERT to deliver two more Situational Safety and Tactical Communications training courses in February and March 2021 for 20 additional people who work in high risk roles (e.g. Raglan Camp security guards).

Working with Dangerous Animals

On 21st October Frank McCutcheon an external safety consultant from Impac Services Ltd facilitated the development of a bowtie for the risk of working with dangerous animals (dogs).

The workshop involved representatives from the Council's Animal Control Team, Zero Harm and external subject matter expertise from the HCC Animal Control Team. The development of the bowtie (risk control framework) is one of the corrective actions from the recent dog bite event investigation. The gap analysis against the bowtie is scheduled to be undertaken in early December with the Animal Control Team.



People and Organisational Safety Culture

Leadership and Governance

In September and October, the Elected Members and the ELT attended a four-hour Health and Safety Leadership and Governance training course delivered by Impac Services Ltd. Following this workshop, the ELT has implemented a H&S Governance Activity Plan to provide a structure for undertaking due diligence. H&S Governance Guidelines have also been prepared for the Elected Members and will be workshopped in December as part of the Elected Members Zero Harm Quarterly Workshop.

Safety Engagement Conversations

A total of 428 Safety Engagement Conversations were recorded in BWare for September and October. The Zero Harm Team are currently engaging with the developers of the BWare software to see if it is possible to make some improvements to the way we record and report on Safety Engagement Conversations.

Work Safe, Home Safe (WSHS) 2021

A WSHS 2021 project team has formed and is meeting fortnightly to progress arrangements for our annual Work Safe Home Safe event to be held during the week of 9th to 12st February 2021. The weeklong event will again have three areas of focus;

- Organisational Commitment and responsibilities for Zero Harm
- Personal role and responsibilities for Zero Harm
- Health and wellbeing

The project team includes representatives from the Safety Action Team (SAT) and feedback is being sought from staff at Council's outer offices and facilities to ensure that the week has activities available to all of our people regardless of where they are located.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

This report is to assist Councillors with their due diligence requirements as Officers. The report should start the conversation and provide opportunities for Councillors to raise questions and discuss progress.

4.2 OPTIONS

Council could choose to accept the report or not. Council could ask for additional information if needed.

5. CONSIDERATION

5.1 FINANCIAL

There are no direct financial requirements identified in this report.

5.2 LEGAL

This report is prepared as part of assisting Council to meet its duties in accordance with the Health and Safety at Work Act 2015 and associated regulations.

5.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

Council has a Zero Harm Commitment (Policy) and Zero Harm Strategy which forms the basis of our health and safety philosophy and management system.

5.4 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

Highest levels of engagement	Inform	Consult	Involve	Collaborate	Empower
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Councillors, as Officers under the Health & Safety at Work Act 2015 are required to undertake due diligence to ensure appropriate health & safety systems are in place and operating.					

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
			Internal
			Community Boards/Community Committees
			Waikato-Tainui/Local iwi
			Households
			Business
			Other Please Specify

6. CONCLUSION

This report provides an update on our Zero Harm Safety Management System and monthly health and safety performance.

7. ATTACHMENTS

Zero Harm Dashboard – (October 2020)
 Zero Harm “Work Safe, Home Safe” Strategic Plan 2020/2021 V3
 On Road Driving Critical Risk Review September 2020
 Asbestos Critical Risk Review November 2020

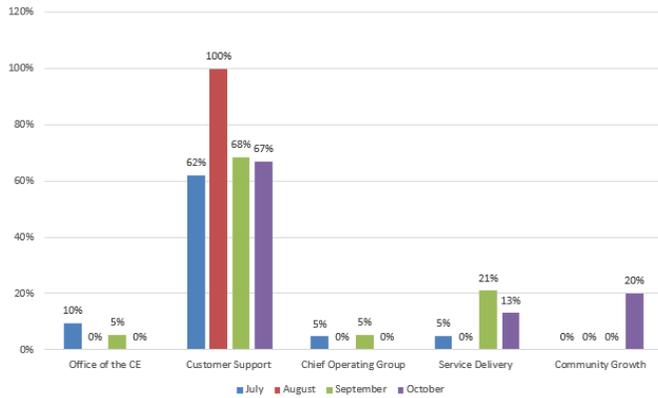
Zero Harm Performance Dashboard - October 2020



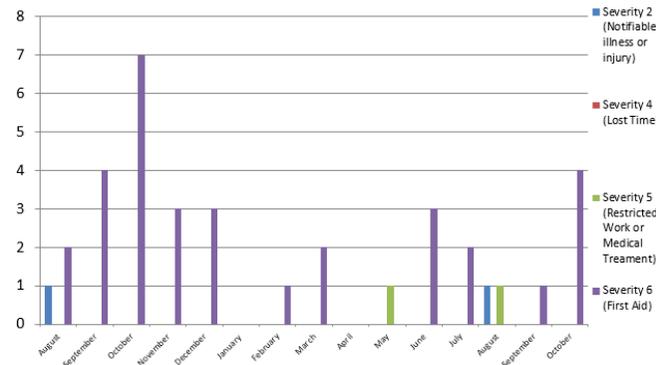
Event Management

73

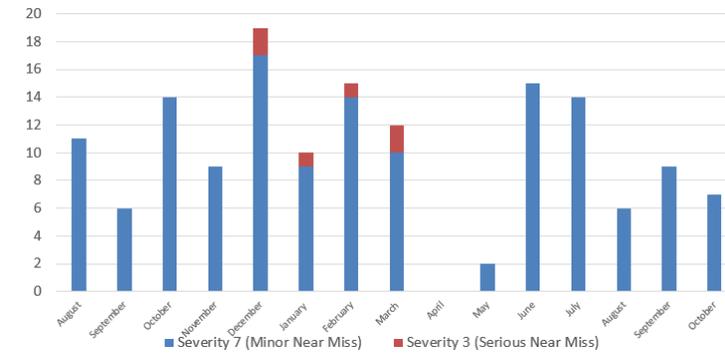
Percentage of Total Events Reported by Business Unit



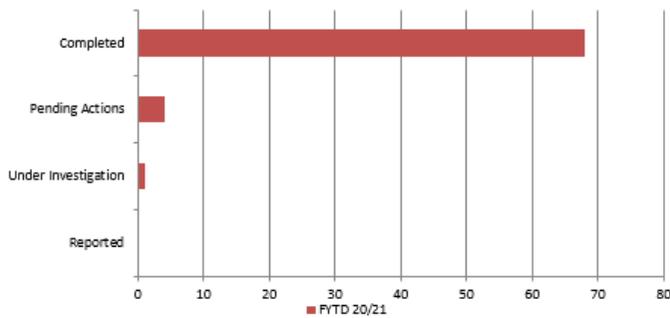
Personal Injury Events by Severity Rating



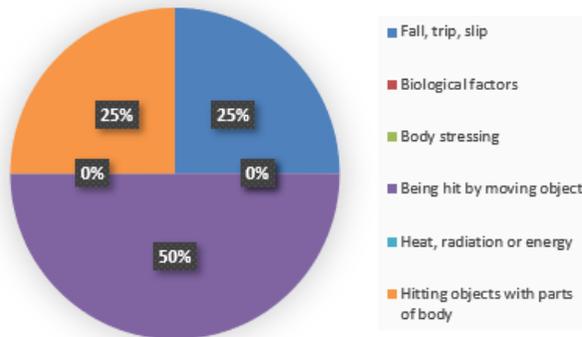
Near Miss Events



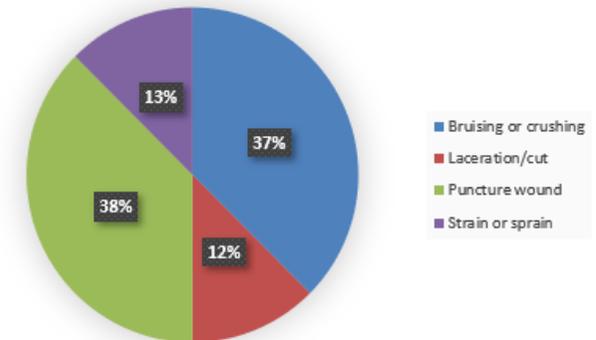
Event Management Status



Mechanism of Harm Year to Date

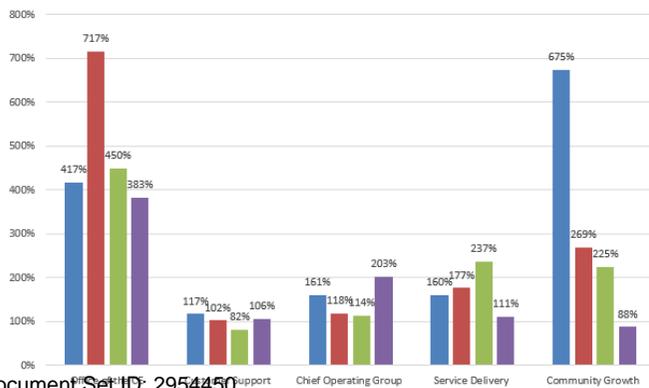


Nature of Injury Year to Date

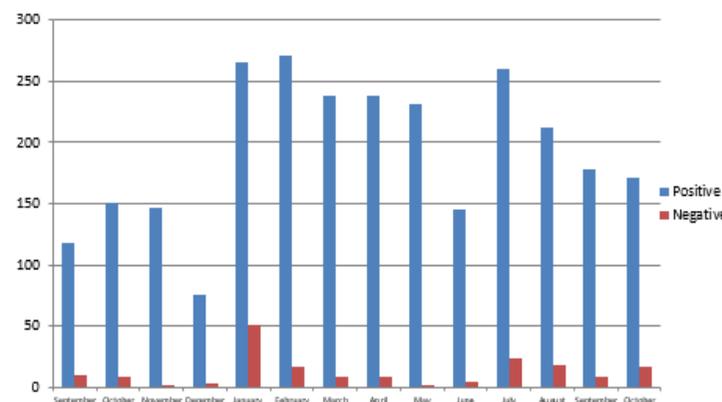


Safety Leadership

Safety Engagement Conversations (Percentage of target)



Nature of Safety Engagement Conversation



Key Take Outs

A summary of key insights in relation to Event Management and Safety Leadership and Engagement

- Two trip and fall events this month. One involved a Contractor inspecting a Pest control bait station at the Nga Pound.
- Two first aid events recorded in Community Growth this month (Trip and fall and puncture wound from staple in finger).
- The management of health and safety events (incidents) via BWare continues to be a focus for the Zero Harm Team.

Zero Harm Performance Dashboard - October 2020



Contractor Safety Management

74

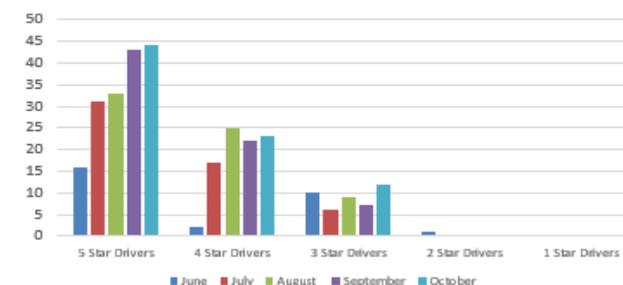
Zero Harm Team Contractor Safety Management Activity Undertaken	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Contracted Work H&S Risk Assessment	4	3	3									
Contractor Site Visit or Inspection	1		9	2								
Contractor Pre-Start or Tool Box Meeting			1									
Contractor H&S Meeting			4	1								
Contractor Task or JSA Review and Approval	2	1	4	5								
Contractor Task or JSA Field Audit		1	2									
Contracted Work Safety Plan Review and Approval	4	3	2	1								
Contracted Work Safety Plan (SSSP) Field Audit				1								
Contracted Work End of Project H&S Review				1								

Interaction with other PCBUs		
Issues Raised/ Opportunity for Improvement	Actions (Us and Others)	Other Comments
Site visit to Te Kauwhata Wastewater Treatment Plant with Waters Governance Board and Watercare. Discussed security of site	Have requested Watercare to undertake a risk assessment to review site security and control of unauthorized access	
Bowtie Risk Development Workshop for Working with Dangerous Animals was undertaken		Hamilton City Council Animal Control Team Leader participated in workshop and shared knowledge and experience
Health and Safety risks identified with Raglan Wharf Operation	Zero Harm Team is developing Wharf Safety Management Plan to share with all stakeholders	

Critical Risk Management

Risk	Description	People Exposed	Risk Management Activities	Gaps/ Improvements/ Progress	Controls in Place	Controls to be Implemented	Level of Assurance	Incidents/ Issues/Events
On Road	Drivers and passengers of light vehicles driven on a public road or access way are at risk of sustaining potential serious injuries or becoming a fatality when involved in accidents or incidents with other vehicles, structures, animals or people. Light vehicles include cars and light trucks used by employees or contractors who either drive a company owned, leased or privately owned vehicle for work related purposes. Road crashes are one of the most common causes of work-related fatalities, injuries and absence from work and are responsible for significant numbers of bystander and commuter fatalities.	Workers (ours and contractors), members of the public	ANCAP 4 star rated vehicles. Servicing and maintenance in accordance with manufacturers specifications. Licensed drivers.	On Road Driving is planned to be a key focus again during the WSHS Event planned for 9th to 12th February 2021. Areas of focus will include 1. Fleet Coach on line driver training 2. Monthly documented vehicle checks 3. Emergency Response Plan testing	31	2	94%	A very small number of drivers have been 3 Star drivers for three consecutive months. This data has now been escalated to the relevant General Manager and an action assigned for the completion of a safety coaching conversation in BWare

WDC ERoad Driver Star Rating



Worker Engagement

Key items raised at Safety Action Team (SAT) meeting and other worker feedback

- Review of mechanisms for raising issues with ELT from the SAT and receiving feedback was workshopped at October SAT meeting. SAT have now requested monthly report from the CE and a section has been added to the SAT minutes now to raise issues with ELT
- WSHS Project Team has developed a Communications Plan for the WSHS 2021 event and this is now ready for sharing with ELT and SAT
- Two Animal Control Officers and the Animal Control Team Leader participated in a Bowtie Development Workshop for the risk of Working with Dangerous Animals

Vision (Mission)

Mahi Tika Kainga ora "Work Safe Home Safe"

We are committed to pursuing a culture of Zero Harm by eliminating or managing health, safety and wellbeing risks. We believe that :

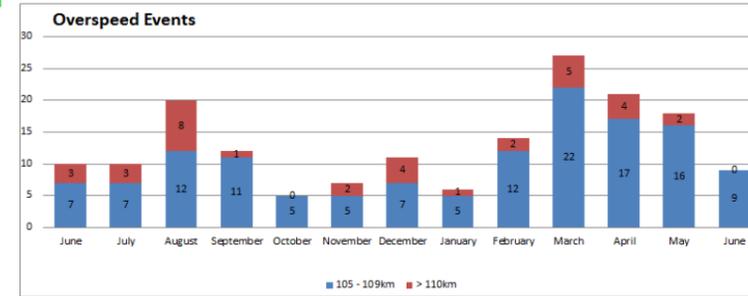
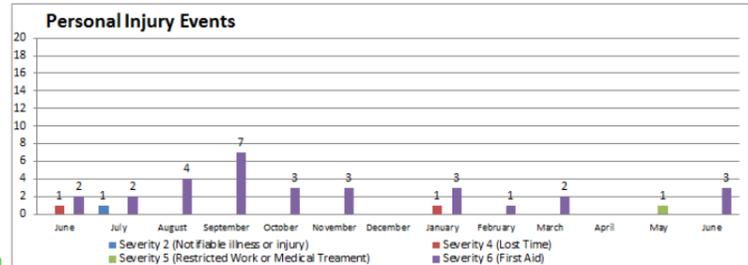
- By looking after ourselves and others we will return home safe every day
- Health and safety is everyone's non-negotiable responsibility
- Work should only start when all safety critical controls are in place



Performance, gaps and targets (Key Challenges) Where are we?

2019 / 2020 Performance

- 3 Total Recordable Injuries (TRIs) (63% reduction on 18/19)
- 264 events reported in BWare (21% reduction on 18/19)
- 160 Over speed events (46% reduction on 18/19)
- 32 Over speed events at greater than 110km (52% decrease on 18/19)
- 1 WorkSafe NZ Notifiable Injury event (Slip at Huntly Pool)
- The number of safety engagement conversations being held has increased (67% increase on 18/19)



Gaps

- Our documented H&S Management System is still being developed
- We have limited visibility of our legislative obligations and assurance of compliance to these obligations
- A number of people leaders have not received safety leadership training
- Implementation of our critical risk standards and bowtie control plans has been slower than planned

Reflection on activities (2019/2020) (Key Activities) How did we perform?

Theme	Rating	Key result/meaning?
People	Green	The Safety Action Team (SAT) received Health and Safety Representative Stage 1 Training. Work Safe, Home Safe 2020 Week was successfully delivered in accordance with the project plan. 75% of the organisation completed the on-line Zero Harm Induction refresher assessment. Zero Harm continued to support the Wellbeing Collective and wellbeing activities were integrated into the Work Safe Home Safe week. Personal health testing and influenza vaccinations were offered to all staff and uptake was similar to FY18/19.
Disciplined Management Systems	Green	Have continued to develop our documented Zero Harm Safety Management System (ZHSMS) with 17 procedures now implemented. The ZHSMS is now being developed to meet the requirements of AS/NZS ISO 45001:2018. New additions include Hazard & Risk Management, Volunteer Worker Management, Training and Competency and Worker H&S Induction. Significant progress continues to be made reviewing current physical works contractor H&S plans. Work is still continuing on our documented contractor health and safety management procedures. Workgroup hazard registers continued to be reviewed and updated. BWare continues to be used successfully for the management of all risks, hazards, events and corrective actions.
Managed Risks	Yellow	A documented management standard was developed for On Road Driving and the Workplace Violence standard was revised to include training requirements. Due to Covid 19 no work was undertaken on the development of the Working on or Near Roads or Work-related Fatigue management standards. Implementation of controls for the first four critical risks has continued to progress. Significant progress has been made on the implementation of controls for managing the risk of working alone.

"Work Safe, Home Safe" 2020/2021 (Team Objectives, Tactics, Projects and Targets)

Goal	Activities	Lead	Q1	Q2	Q3	Q4
Our People Activity Key: Planned (Grey) Completed (Green) Underway (Yellow) Not started (Red)	1. Develop Safety Leadership and Culture Management Standard	ZHT		Yellow		
	2. Undertake a Safety Leadership survey with all People Leaders	ZHT			Grey	Grey
	3. Further develop and deliver Safety Leadership training programme for People Leaders	ELT/ ZHT				Grey
	4. Work Safe, Home Safe 2021 Campaign developed and deployed to all workers and councillors	ZHT		Yellow	Grey	
	5. Support and promote the activities detailed in the Wellbeing Collective 2020 Plan	ZHT	Green	Green	Grey	Grey
Disciplined Management Systems	1. Develop Zero Harm Compliance Calendar	ZHT			Grey	Grey
	2. Develop and implement the Zero Harm Management System Framework to AS/NZS ISO 45001:2018	ZHT	Green	Yellow	Grey	Grey
	3. Develop and implement revised Contractor H&S Management System	ZHT	Green	Yellow	Grey	Grey
	4. Implement the H&S Training and Competency Management Standard	ZHT	Green	Yellow	Grey	Grey
	5. Develop and implement Safe Systems of Work— Job Safety Analysis (JSA) Management Standard	ZHT		Yellow	Grey	
	6. Develop and implement ZHSMS auditing programme	ZHT			Grey	Grey
	7. Develop and implement H&S Legislative Obligations Register and assurance process	ZHT, ELT, Legal			Grey	Grey
Managed Risks	1. Implement Bowtie Controls for Hazardous Substances, Workplace Violence, Asbestos and On Road Driving Critical Risks	ZHT	Green	Yellow	Grey	Grey
	2. Develop Critical Risk Standard and Bowtie for Working on or Near Roads	ZHT			Grey	
	3. Develop Critical Risk Standard and Bowtie for Working with Dangerous Animals	ZHT		Yellow		
	4. Develop Critical Risk Standard and Bowtie for Work-related Stress	ZHT			Grey	
	5. Develop Critical Risk Standard and Bowtie for Working with Firearms	ZHT				Grey

Zero Harm “Work Safe, Home Safe” Strategic Plan 2020/2021

KEY PERFORMANCE INDICATORS

Objective and detail	Target (+/- 15%)	Unit	Deadline	Completed
1. Undertake Safety Leadership survey with all People Leaders	74	Surveys completed	31st March 2021	
2. Further develop and deliver Safety Leadership Training programme for People Leaders	74	People Leaders trained	30th June 2021	
3. Work Safe, Home Safe 2021 campaign developed and deployed including induction refresher training	260+	People completing induction re-fresher training	31st March 2021	
4. Support and promote the activities detailed in the Wellbeing Collective 2020 Plan including the delivery of personal health testing	128+	Personal health tests completed	31st March 2021	
5. Support and promote the activities detailed in the Wellbeing Collective 2020 Plan including the delivery of annual influenza vaccinations	96+	Flu vaccinations completed	30th June 2021	
6. Continue to review and further develop the Zero Harm Safety Management System Framework including standards and procedures to AS/NZS ISO 45001:2018	25+	Standards/procedures developed	30th June 2021	
7. Develop and implement Safe Systems of Work—Job Safety Analysis Management Standard		Standard developed	30th June 2021	
8. Develop and implement Zero Harm Safety Management System auditing programme	2+	Event Management and Contractor Management Audits completed	30th June 2021	
9. Implement Bowtie Controls for Hazardous Substances	80%+	Controls implemented	30th June 2021	
10. Implement Bowtie Controls for Workplace Violence	80%+	Controls implemented	30th June 2021	
11. Implement Bowtie Controls for Asbestos	90%+	Controls implemented	30th June 2021	
12. Implement Bowtie Controls for On Road Driving	100%	Controls implemented	30th June 2021	

Critical Safety Risk Review Form

Section 1. Critical Safety Risk Overview

Risk Description:	Drivers and passengers of light vehicles driven on a public road or access way are at risk of sustaining potential serious injuries or becoming a fatality when involved in accidents or incidents with other vehicles, structures, animals or people. Light vehicles include cars and light trucks used by employees or contractors who either drive a company owned, leased or privately owned vehicle for work related purposes. Road crashes are one of the most common causes of work-related fatalities, injuries and absence from work and are responsible for significant numbers of bystander and commuter fatalities.		
Risk Classification:	On Road Driving		
Inherent Risk Score:	20	Residual Risk Score:	10
Number of Controls Implemented:	31	Number of Controls Still to be Implemented:	2 out of 33
Assessment of Implemented Control Status:	Number of Strong:	Number of Adequate:	Number of Weak:
Overall Risk Control Status:	Implementing (94% of controls implemented. This has increased from 67% after the last risk review in September 2019)		
Review Team:	Lynn Shirley (Zero Harm Manager), Gavin Ion (ELT Critical Risk Champion, Jason Wright and David Johnstone (Safety Action Team Reps), Neil Hancock (Fleet Management Officer)		
Review Date:	7 th September 2020		
BWare updated by:	Lynn Shirley		
Date:	23/10/2020		

Section 2. Risk Review Questions

#	Review Action	Yes/No/N/A	Comments
1.	Are the implemented controls from the control plan (Bow Tie) still in place, robust and effective?	Yes	Discussed existing implemented controls. All controls previously implemented remain in place.
2.	Is there a management (action) plan in place to close out identified control gaps?	Yes	Actions have been assigned in BWare
3.	Are all the actions for identified gaps in the risk control plan (Bow Tie) correctly assigned?	Yes	Yes, since last review there has been no change in roles who have responsibility for implementing actions
4.	Are there any outstanding action items for this risk?	Yes	Implementation of ERoads was slowed due to Covid 19. This has now been implemented. More work needs to be done on the implementation of Fleetcoach as uptake has been low.
5.	Have there been any new hazards identified or events occurred with the same risk classification since the last review? What were the findings from these reports? (Is there anything that needs to be taken into consideration in relation to the management of the risk?)	No	

Critical Safety Risk Review Form

6.	Are there any new actions that need to be raised as a result of the review of this risk?	Yes	Refer to Section 3. for detailed description of actions
7.	Has the status of each control been updated (where applicable) for this risk?	Yes	Updated in spreadsheet
8.	Have any relevant documents been updated in relation to this risk?	Yes	On Road Driving Critical Risk Management Standard has now been published. Use of Council Vehicle Policy is currently being finalised.

Section 3. Control Implementation Actions or Opportunities for Improvement from Risk Review

#	Control Description	Progress Comments	Further Action Required	Due Date	Who
1.	Emergency Response Procedure Testing	Control is not yet implemented	Investigate with ERoads and determine how a CARA alert can be sent to Guardian Angel so we can check their response to this notification	13/12/2020	Neil Hancock
2.	Weekly Inspection	No action on this control to date. Control is not yet implemented	Investigate, plan and implement weekly documented vehicle checks for all personally assigned or team vehicles using the E Hubo unit. This could be planned to be incorporated into the WSHS 2021 week.	12/02/2021	Neil Hancock
3.	Fatigue Management	Implemented but can be strengthened	Incorporate personal responsibilities regarding this in WSHS 2021 annual induction refresher	12/02/2021	Lynn Shirley
4.	Pre-start check	Implemented but can be strengthened	Incorporate personal responsibilities regarding this in WSHS 2021 annual induction refresher	12/02/2021	Lynn Shirley
5.	Restraint devices	Implemented but can be strengthened	Incorporate personal responsibilities regarding this in WSHS 2021 annual induction refresher	12/02/2021	Lynn Shirley
6.	Training	Implemented but can be strengthened The organisation should consider extra training to operate a light vehicle over and above NZ Legislation. Extra training may include but not be limited to defensive driver training for high use drivers, off road driver training for drivers required to operate a vehicle off road.	Discuss with ELT the provision of extra training in the form of Fleetcoach online driver training for staff who are regular drivers of Council vehicles. ELT support and leadership will be required to implement this improvement action.	30/11/2020	Gavin Ion

Section 4. Feedback to ELT, SAT, Council, Audit and Risk Committee

A significant investment has been made in further managing this critical safety risk by the implementation of ERoads in all Council vehicles and the external monitoring of the CARA (crash and rollover alerting) notifications by Guardian Angel. The external 24/7 third party monitoring response has really strengthened the recovery controls for this risk.

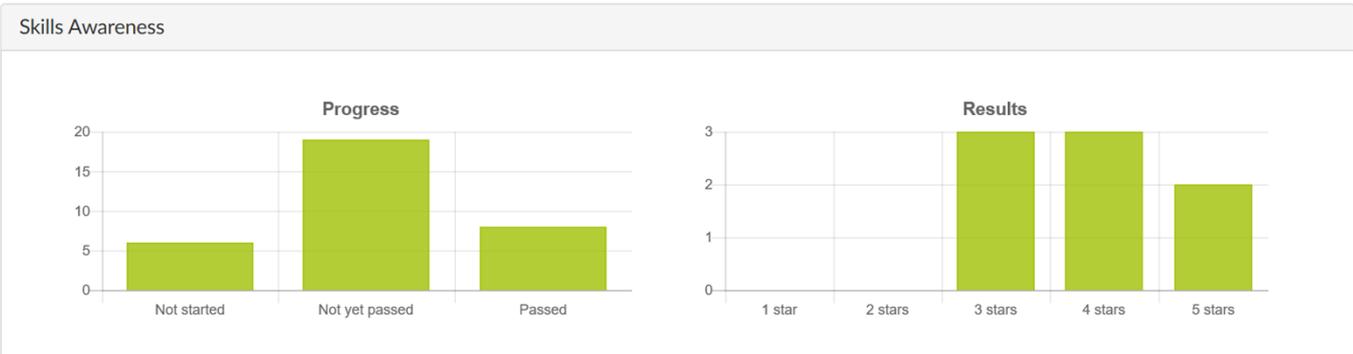
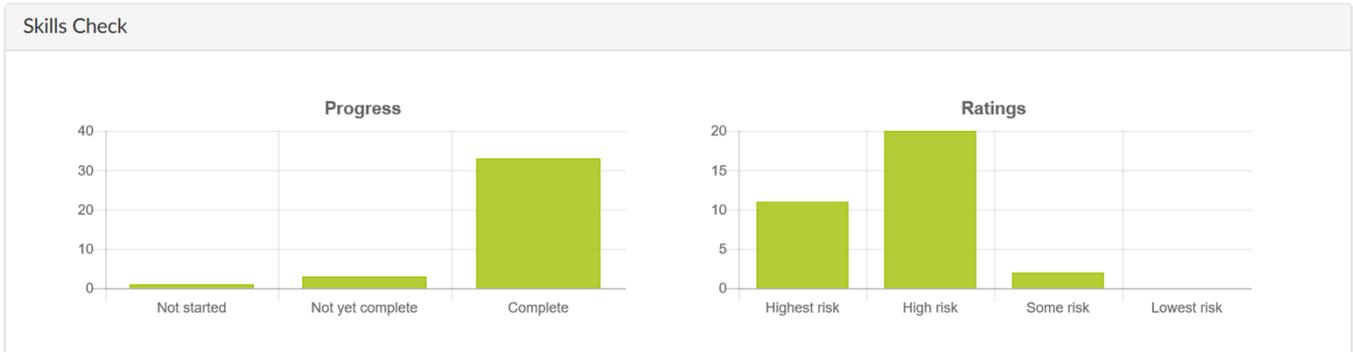
Only two controls in the Bowtie Control Plan are yet to be implemented. These controls are;

- Emergency Response Plan Testing – This involves implementing a process to test Guardian Angels response to a CARA notification
- Weekly Documented Vehicle Inspections – This involves the completion of a documented weekly vehicle inspection of personally assigned or team vehicles using the EHubo unit installed in the vehicle.

Critical Safety Risk Review Form

In February the Fleetcoach Online Driver training programme was offered as part of WSHS 2020. Fleetcoach ran three workshops with staff who said they were interested in completing the training. Fleetcoach training licences were purchased based on the number of staff who wanted to complete the training. The follow table shows the status of the training of WDC staff to date. The Initial Skills Check showed most staff were either classified as highest risk or high-risk following assessment (as illustrated in the below graph).

Number of staff training licences sent to	45
Number of staff who have completed the Initial Skills Check	33
Number of staff who a have completed Skills Awareness Training Module	8



Other key points to note from the Fleetcoach rollout to date:

- It takes approximately 1.5 hours to complete the Skills Awareness Training Module. Of the 33 staff who completed the Initial Skills Check only 6 have not started the Skill Awareness Training Module. Staff do not have to complete the Skills Awareness module all in one sitting and Fleetcoach recommend doing 10mins a day.
- Of the eight drivers who to date have completed the Skills Awareness module only three would be described as high frequency vehicle users.
- Fleetcoach is a cost-effective training programme for staff who are exposed to the critical risk of on road driving. To date Council has delivered a one day practical skills driver training programme to 14 staff. This cost \$200 per driver. The intention was to use Fleetcoach to identify and prioritise drivers who may need further practical skills training.

The Zero Harm Team has identified via a training needs analysis approximately 150 staff who would meet the description of a high frequency vehicle users of Council vehicles. Funding has been set aside in the FY20/21 Zero Harm budget to purchase additional Fleetcoach licences to enable all 150 staff to receive training. The cost per staff member for the 12month licence is \$36. This is an all of government rate and WLASS contract is in place.

The rollout of this training could be promoted and undertaken during WSHS 2021 however it will require both ELT and Senior management support and leadership to ensure that staff understand that completing the Skills Check and Skills Awareness course is a priority.

Support or Direction Required from ELT

- Decision required from ELT on whether to progress with the rollout of Fleetcoach to 150 staff during WSHS 2021.

Critical Safety Risk Review Form

Section 1. Critical Safety Risk Overview

Risk Description:	Asbestos is a natural occurring silicate rock mineral. Asbestos has been incorporated into a number of materials for construction, cladding and thermal acoustic insulation of offices, factories and in a wider range of products including vehicle brake pads. The presence of asbestos does not automatically denote risk. The potential release of asbestos fibres includes but is not limited to activities where materials containing asbestos are sanded, swan, drilled, water blasted or handled in maintenance and removal tasks. Asbestos containing materials that are in a poor condition may also pose a risk. Inhalation of asbestos fibres has been shown to pose a potentially fatal health risk. Harm may result from any exposure level.		
Risk Classification:	Asbestos		
Inherent Risk Score:	25	Residual Risk Score:	10
Number of Controls Implemented:	23	Number of Controls Still to be Implemented:	5
Assessment of Implemented Control Status:	Number of Strong: 6	Number of Adequate: 15	Number of Weak: 2
Overall Risk Control Status:	Implementing		
Review Team:	Lynn Shirley (Zero Harm Manager), Alison Diaz (ELT Critical Risk Champion), Robert Ashley (Community Assets Manager), Megan May (Community Connections Manager), Gavin Benseman (Property Operations Team Leader), Annette Brodie (SAT Representative)		
Review Date:	4 th November 2020		
BWare updated by:	Lynn Shirley		
Date:	13 th November 2020		

Section 2. Risk Review Questions

#	Review Action	Yes/No/N/A	Comments
1.	Are the implemented controls from the control plan (Bow Tie) still in place, robust and effective?	No	New review format has rated implemented controls as either strong, adequate or weak. The risk review has identified two implemented controls that are weak. Actions have been developed to strengthen these controls
2.	Is there a management (action) plan in place to close out identified control gaps?	Yes	Actions have been raised in BWare to close gaps
3.	Are all the actions for identified gaps in the risk control plan (Bow Tie) correctly assigned?	Yes	Yes all assigned to the correct roles
4.	Are there any outstanding action items for this risk?	No	Currently there are no overdue actions associated with this risk in BWare
5.	Have there been any new hazards identified or events occurred with the same risk classification since the last review? What were the findings from these reports? (Is there anything that needs to be	No	Only event that occurred since last risk review was some minor damage to a small section of wall cladding in the Storage Garage at Brownlee Avenue. It is unknown

Critical Safety Risk Review Form

	taken into consideration in relation to the management of the risk?)		how long this has been damaged for. Gavin Benseman immediately arranged for Asbestos Solutions to encapsulate the broken edge. 
6.	Are there any new actions that need to be raised as a result of the review of this risk?	Yes	Detailed below in Section 3.
7.	Has the status of each control been updated (where applicable) for this risk?	N/A	No changes to control status. Still 5 controls yet to implement.
8.	Have any relevant documents been updated in relation to this risk?	Yes	Organisational Asbestos Management Plan is being updated due to changes in Waters Operations.

Section 3. Control Implementation Actions or Opportunities for Improvement from Risk Review

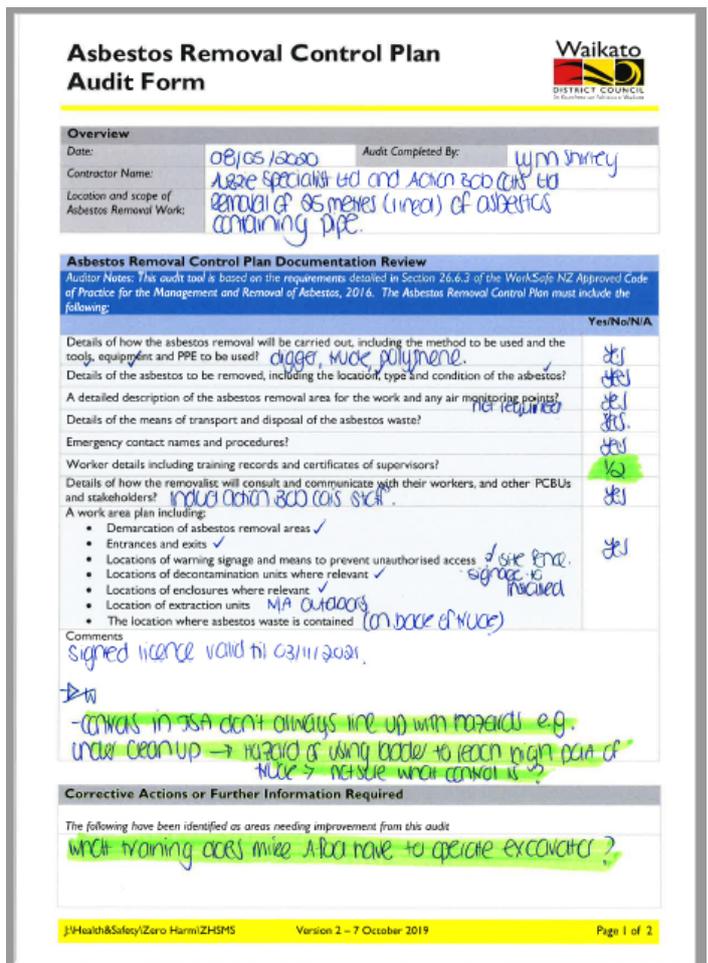
#	Control Description	Progress Comments	Further Action Required	Due Date	Who
1.	Organisation Asbestos Management Plan	Strong – But due for content review	Plan needs to be updated to reflect change in Waters Operations.	15/12/20	Lynn Shirley
2.	Procedures	Control not yet implemented	Develop Asbestos Management Plan Report Template for a Facility and investigate this being linked to a QR code so the plan can be accessed at any point in time.	20/12/20	Trish Vane
	Asbestos Management Plan for each Facility	Control not yet implemented			
3.	Asbestos Register	Adequate – But needs to be audited to ensure all surveys have been stored in SPM	Review what Asbestos Management Surveys have been loaded in SPM against the list provided by Zero Harm	20/12/20	Trish Vane
4.	Training	Adequate – But new workers in roles that could benefit from Asbestos Awareness Training	Arrange for the delivery of Asbestos Awareness training via Safety N Action using money in Zero Harm budget	30/04/21	Shelley Woollett
5.	Risk Assessments	Control not yet implemented	Progress completion of Asbestos Management Surveys with money requested in LTP for 2021	30/11/21	Megan May
6.	Signage	Control not yet implemented	Work with Gavin Benseman to arrange for Cushman Wakefield to install asbestos signage on all ACM that has been identified to date	20/12/20	Lynn Shirley
7.	Signage Inspections	Weak – Process needs to be automated via SPM and undertaken as part of Facilities Maintenance Contract	Work with Cushman Wakefield to implement Asbestos Annual Signage Inspection Programme by having this building into the preventative maintenance programme.	28/02/21	Megan May
			Work with Cushman Wakefield to determine if Asbestos related data from SPM can be actioned and	20/12/20	Robert Ashley

Critical Safety Risk Review Form

			scheduled in the Cushman Wakefield work order system		
8.	Emergency Response Procedures	Weak – Information on what actions to take in the event of disturbance of ACM need to be readily available	Incorporate Emergency Response Procedure information for disturbance of ACM into Asbestos Management Plan template developed in SPM	20/12/20	Trish Vane

Section 4. Feedback to ELT, SAT, Council, Audit and Risk Committee

- Two implemented controls that were assessed as “weak” during the review have had corrective actions identified to strengthen them.
- Contract Managers have been identifying the risk of asbestos using the Contracted Work Health and Safety Risk Assessment Tool. This has led to the expectations regarding the management of asbestos removal being clearly documented in the contract documentation. These recent examples are Elbow Reserve Landing and Tregoweth Lane.
- The Zero Harm Team audited the Asbestos Removal Control Plans prior to work commencing, for both above asbestos removal activities.
- To date 21 (16%) of the required 134 Asbestos Management Surveys have been undertaken. Megan May has confirmed that funding has been requested via the LTP for the next three years to undertake Asbestos Management Surveys. Work will need to be undertaken to prioritise which facilities are completed first.
- The Community Assets Team (Trish Vane and Robert Ashley) are developing the Asbestos Management Plan template for each facility via SPM, and investigating the use of QR codes to display this information.



Asbestos Removal Control Plan Audit Form

Waikato DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

Overview

Date: 08/10/2020 Audit Completed By: Lynn Shirley
Contractor Name: Asbestos Specialist Ltd and Action Bob Coils Ltd
Location and scope of Asbestos Removal Work: Removal of 85 metres (linear) of asbestos containing pipe.

Asbestos Removal Control Plan Documentation Review

Auditor Notes: This audit tool is based on the requirements detailed in Section 26.6.3 of the WorkSafe NZ Approved Code of Practice for the Management and Removal of Asbestos, 2016. The Asbestos Removal Control Plan must include the following:

	Yes/No/N/A
Details of how the asbestos removal will be carried out, including the method to be used and the tools, equipment and PPE to be used?	Yes
Details of the asbestos to be removed, including the location, type and condition of the asbestos?	Yes
A detailed description of the asbestos removal area for the work and any air monitoring points?	Yes
Details of the means of transport and disposal of the asbestos waste?	Yes
Emergency contact names and procedures?	Yes
Worker details including training records and certificates of supervisors?	No
Details of how the removalist will consult and communicate with their workers, and other PCBUs and stakeholders?	Yes
A work area plan including:	
• Demarcation of asbestos removal areas	Yes
• Entrances and exits	Yes
• Locations of warning signage and means to prevent unauthorised access	Yes
• Locations of decontamination units where relevant	Yes
• Locations of enclosures where relevant	Yes
• Location of extraction units	Yes
• The location where asbestos waste is contained	Yes

Comments:
signed licence valid til 03/11/2021.
- controls in JSA don't always line up with reports e.g. under clean up → hazard of using blade to reach high part of tube → remove what control is?

Corrective Actions or Further Information Required

The following have been identified as areas needing improvement from this audit:
which training does Mike A had have to operate excavator?

Health&Safety/Zero Harm/ZHSMS Version 2 – 7 October 2019 Page 1 of 2

Open Meeting

To	Audit & Risk Committee
From	Kurt Abbot Projects & Innovations Manager
Date	30 November 2020
Prepared by	Kirsty Wellington Project Management Office Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Risk Conversations – Project Management Office

I. EXECUTIVE SUMMARY

The purpose of this report is to enable key staff within the organisation who are managing risk in their everyday activities (expect this to be third tier managers and/or team leaders) to come and share “their business”, from a risk perspective, with the Audit & Risk Committee. This will provide the Committee an opportunity to dialogue with these staff to obtain assurance, from a governance perspective, that appropriate controls and culture are in place.

The intention is to have one of these conversations at every Audit & Risk Committee meeting. The Project Management Office (“PMO”) will attend the December Audit & Risk meeting for this purpose.

Attached is the business risks register for the PMO. The register includes operational risks and controls affecting this area of the business.

2. RECOMMENDATION

THAT the report from the Projects & Innovations Manager be received.

3. ATTACHMENTS

- Project Management Office Risk Register (Operational)

Risk Register


 Team / Project Name: **Project Management Office**

 Completed By: **Kirsty Wellington**

Project Number (if applicable):

 Date: **19/11/2020**

Risk Ref #	Risk Statement	Inherent Risk			Expected Monetary Value (EMV) <small>Physical Works Projects Only</small>			Risk Treatment	Residual Risk score			Contingency action(s)	Risk Owner	Monitoring/ Reporting	Monitoring timeframe
		Likelihood	Consequence	Factor	Probability (%)	Impact (\$)	EMV		What can we do about each significant risk to either eliminate it or reduce it?	Likelihood	Consequence				
PMO-R001	Stakeholders lose trust in project reporting from CAMMS and start creating off system reports, due to poor quality of data entered into CAMMS project management tool	3	3	Moderate			\$ -	Aligned to the upgrade of CAMMS, the PMO will support the training and behavioural change to enable project managers to understand data quality expectations and compliance measures.	1	3	Low	Escalation to ELT support requirement to ensure use of CAMMS.	Kirsty Wellington	Kirsty Wellington	Quarterly
PMO-R002	Project Managers (people managing projects) do not use the CAMMS tool as they find 'easier' ways to manage their projects	3	3	Moderate			\$ -	All project managers use the CAMMS tool for project management as directed by ELT. Enhance CAMMS to deliver more of an end to end experience for project management. Measure compliance to tool use and data quality.	1	3	Low	Escalation to ELT support requirement to ensure use of CAMMS.	Kirsty Wellington	Kirsty Wellington	Quarterly
PMO-R003	Council tries to do too much (all projects across all portfolios) risking project delivery quality, timelines and budgets and the overall delivery of LTP.	3	4	High			\$ -	Develop prioritisation tool for use across the project pipeline in PGG. Prioritise and resource projects (as prioritised by PGG). Use prioritisation tool outputs to inform decisions.	1	3	Low	Prioritise across all portfolios of known work to ensure we work together on the right things first. Use prioritisation tool in PGG across project pipeline.	PGG	Kirsty Wellington	Quarterly
PMO-R004	PMO Stakeholders fail to engage with the PMO due to a lack of understanding of the role of the PMO in enabling project management across the council.	3	3	Moderate			\$ -	ELT continuing to lead project management expectation for the use of tools and methodologies, and project management expertise.	1	3	Low	Escalation to ELT, for support and reaffirmation of project management expectations.	Tony Whittaker	Kirsty Wellington	Quarterly
PMO-R005	Project Management Framework and tool does not meet the need of the business and we have little visibility of project delivery quality, .	3	4	High			\$ -	CAMMS functionality further enhanced to meet project management requirements. Further develop the Project Management Framework to include procurement, change management, risk management and contract management.	1	3	Low		Kirsty Wellington	Kirsty Wellington	Quarterly

To	Audit & Risk Committee
From	Vanessa Jenkins People & Capability Manager
Date	26 November 2020
Prepared by	Katja Jenkins Risk Advisor
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Strategic Risk Deep Dive Report – People and Culture

I. EXECUTIVE SUMMARY

The Deep Dive report aims to provide an opportunity for Governance to gain a true understanding of how Management view risk and to assess Managements control actions and mitigation procedures. The report includes:

- Risk background
- Internal/external threats and impact
- Examination of associated treatments
- Residual risk assessment
- Forecast
- Recommendations.

This report relates to the strategic risk: **People and Culture (R00190):** *Business outcomes are significantly impacted due to an inability to attract and or retain suitable personnel.*

It specifically explores the people and culture risk in the context of the impact of planned workplace changes, delivering increased flexibility and resilience, expedited as a result of COVID-19 on Council staff.

NOTE:

COVID-19 management tactics including; lockdown, self-isolation, shift patterns and prescribed social distancing, **are not an element of the flexible and resilient operating model.** They are explicit operational tactics aimed to control the potential spread of the COVID-19 virus. A COVID-19 Safe Systems of Work Plan is being created (currently in draft). This document details how Council operates in the event of subsequent waves of COVID-19 and, at the discretion of the Executive Leadership Team and the Incident Management Team, will supersede all other work models in the event of a pandemic response.

2. RECOMMENDATION

THAT the report from the People & Capability Manager be received.

3. BACKGROUND

3.1 SITUATION

Over the past two years Waikato District Council has been undertaking significant organisational change to improve our capacity for productivity, collaboration, and innovation. The Gearing for Growth and Greatness (“G4GG”) project aimed to modernise the business, preparing the organisation to better meet community needs now and in the future. It included:

- a restructure that considered district growth
- investment in data and technology capabilities which support a modern business model
- investment in trained and experienced project managers
- a focus on facilitating co-design with our communities; and
- a focus on workplace culture enabling staff to focus on business outcomes.

Through 2019 and early 2020 a significant portion of the G4GG project had been implemented delivering benefits including:

- improved recruitment
- Better retention of staff; and
- improved project delivery competencies.

In February 2020, the emergence of COVID-19 resulted in the organisation needing to quickly adapt to a looming pandemic. It was necessary to prioritise and expediate G4GG project deliverables which enabled mobility and agility, specifically remote working capability, to continue to deliver services to our communities during the national lockdown. It included:

- Rolling out laptops and mobile devices to all staff
- Implementation of cloud-based software
- Implementation of collaboration software.

A transition to this style of working was always part of the G4GG project plan, however longer time scales for completing the change had been planned. Although it was accepted there was risk associated with expediting the change and that some staff may struggle to adapt, it was considered there was no option other than to adapt.

We have experienced the initial impact of COVID-19, including a significant lock-down period, and, more recently, a second wave of the pandemic saw regional boundaries closed. The business has decided it will not return to pre-pandemic operations and has accepted that living with COVID-19 is the new normal. As the situation evolves Council needs to remain responsive and has committed to an agile working model that is resilient to restrictions associated with COVID-19 as well as other business impact events.

3.2 DEFINITIONS

- People Describes all staff at Waikato District Council including Managers and the Executive Team.
- Culture Describes the organisation's leadership, values, beliefs, interactions, behaviours and attitudes that contribute to the work environment.
- Key principles of WDC culture:
- Geared for growth
 - Here to serve
 - Team Up
 - Represent the district.

4. DISCUSSION AND ANALYSIS

4.1 RISK DESCRIPTION

Waikato District Councils commitment to a flexible, resilient working model presents a risk to our people from the perspective of:

- Peoples individual capacity to cope with change
- The potential impact on our existing workplace culture; and
- Our people leader's ability to manage performance within the new work model.

This risk should be considered in conjunction with the organisation's responsibility to:

- Adhere to national strategies to manage the COVID-19 pandemic; and
- Meet Councils own Zero Harm commitments.

It must also be balanced with consideration to change related opportunities including:

- Modernisation of our operating model
- Organisational resilience (capacity to adapt and recover)
- Remaining competitive in the employment market (flexibility in work)
 - Recruitment
 - Retention of staff
- Potential cost reductions
- Potential environmental benefits.

The risk therefore is captured as:

Our people become disengaged as the result of organisational change associated with the flexible and resilient work model.

4.2 INTERNAL/EXTERNAL THREATS & IMPACT

The following information describes the identified risk components and their impact within scope of the risk.

RISK PORTFOLIO	RISK DESCRIPTION	RISK TRIGGERS	THREAT IMPACT
People	People are unwilling/unable to adapt to the resilient and flexible work model	Implementation of office layout changes Option for staff to work remotely Option for staff to have increased flexibility (outcomes-based performance) Implementation of new technology (hardware and software)	Key staff leave the organisation Increased attrition
	People are unwilling/unable to learn how to use new technology	Implementation of new technology (hardware and software) Implementation of office layout changes	Employee performance decreased Key staff leave the organisation Increased attrition
	People Leaders are unable to effectively manage staff	Option for staff to work remotely Option for staff to have increased flexibility (outcomes-based performance) Implementation of office layout changes	Employee performance decreased
	People feel isolated and/or disconnected from the organisation and their colleagues	Implementation of office layout changes Option for staff to work remotely Option for staff to have increased flexibility (outcomes-based performance)	Poor health and wellbeing (mental health) Increase sick leave Employee performance decreased Key staff leave the organisation Increased attrition
	Teams are less effective because they have less physical contact with each other	Implementation of office layout changes Option for staff to work remotely Option for staff to have increased flexibility (outcomes-based performance)	Employee performance decreased
	People feel discontent as a result of perceived inequality associated with flexible work	Option for staff to work remotely Option for staff to have increased flexibility (outcomes-based performance)	Employee performance decreased

Associated strategic risks that may have an impact or be impacted by the risk have been considered as part of the assessment process:

RISK DESCRIPTION	ASSOCIATION – RISK IMPACT / OPPORTUNITY
Cyber Security; Council is exposed to significant business disruption caused by unauthorized access or damage to privileged information and or reduced data integrity resulting from cyber-attack or employee behaviour (externally or internally initiated).	Increased reliance on technology, remote working, and the potential for disengaged staff may increase the likelihood of this risk.
People & Culture; Business outcomes are significantly impacted due to an inability to attract and or retain suitable personnel.	The potential for staff to become disengaged and leave the organisation may increase the likelihood of this risk. Flexibility and outcomes-based performance potentially balances or even supersedes this impact.
Compliance Management; Council is exposed to significant financial loss or business disruption caused by non-compliance with legislative, regulatory or policy requirements.	New technologies, remote working and the potential for staff to become disengaged may increase the likelihood of this risk specifically with consideration to records management and confidentiality.
Business Resilience; Business function is significantly disrupted due to a lack of organisational resilience.	Creating a more adaptable and resilient workforce may decrease the likelihood and consequences of this risk.

Several direct and in-direct risks have been identified and considered as part of the risk assessment process:

RISK AREA	RISK SUMMARY
COVID-19 Pandemic	Subsequent national, regional or location specific lockdowns and restrictions.
Records Management	Compliance with legislation, policy and procedure e.g. physical records, records created / shared using new technologies
Privacy and Confidentiality	Compliance with legislation, policy and procedure e.g. friends/family overhearing virtual meetings / phone conversations
Performance Management	Capability of People Leaders to manage a remote workforce. Loss / change of existing workplace culture.
Health & Wellbeing	Workplace stress associated with change.
Technology limitations	People do not have the appropriate tools to support the resilient and flexible work model resulting in decreased performance
Customer service	Customer services are impacted as the result of less visibility and accessibility to staff.

Note: all identified risks have been documented as part of the Flexible Working Project (PR-1526; document ref # 2691418) and will be managed in accordance with Councils risk management policy and associated processes.

Inherent Risk Score

With consideration to identified internal and external impacts and associated risks (documented in this report) the inherent risk is assessed to be:

- Likelihood: **Likely (4)**
 - Strong probability of occurrence in the foreseeable future / history of frequent occurrence

- Consequence: **Moderate (3)**
 - Lost time injury (Severity 4)
Example:
 - LTI as the result of a medical diagnosis of anxiety or depression that can be attributed to the work environment
 - Moderate and short-term resourcing deficit (trained/skilled specialist roles)
Example:
 - Increased Attrition
 - Decreased Performance

The inherent risk factor is therefore considered to be **High**.

* Refer to Appendix I for full Likelihood and Consequence Guide

This assessment is consistent with the current inherent risk level for the strategic risk “People and Culture”.

4.3 EXAMINE ASSOCIATED TREATMENTS

This table discusses the treatments that have been established to address the risk.

REF #	TREATMENT	IMPACT COMMENT
PR-1526	<p>The purpose of the Flexible Working project is to understand the desired spectrum of flexible working to support decision making in relation to the flexible and resilient working model.</p> <p>The project will support roll out of the model, which includes an 18-month transition phase, and supports the changed behaviour required for the model including the technology, space and functional change elements.</p>	<p>This treatment impacts the likelihood of the risk by providing a strategic change for the flexible and resilient working model. It also impacts the consequences of the risk by assisting to identifying areas of the business that are most likely to struggle with the change process, facilitating early intervention.</p> <p>The Flexible Working project provides significant insights, action planning and outcomes to effectively deliver the flexible and resilient working model e.g. all of organisation team flexible working workshops.</p> <p>It is therefore the most effective mitigation for this risk.</p>
MC00476	<p>An organisational change program has been implemented to deliver initiatives associated with improved workplace culture and leadership. The program comprises several project work-streams championed by the Executive Leadership Team.</p> <p>A Change Manager has been appointed to oversee and lead the process. Implementation is underway of new staff structure and reporting lines.</p>	<p>This treatment impacts the likelihood of the risk by providing a strategic approach to changing the organisational culture.</p> <p>Specific focus has been on becoming a learning organisation to develop our people and aid in retention. A flow on is the internal promotions we have seen (also a retention tactic). Currently the organisation has an extremely low labour turnover.</p> <p>The Change Manager has a significant role in identifying requirements and driving and championing activities that will coach people through the change to the flexible and resilient working model.</p> <p>This mitigation is therefore partially effective.</p>
ECM doc-2747307	<p>KPMG: Assessment of Flexible Working Implementation Plan</p> <p>The objective of KPMG's review was to assess WDC's flexible working implementation plan, including actions delivered to date. This included reviewing and challenging Management's assessment of risks associated with a flexible working environment, the related mitigations put in place by Management and how this risk assessment has informed the implementation plan.</p>	<p>This treatment impacts the likelihood of the risk by providing a framework by which Council evaluated the flexible working projects performance.</p> <p>Recommendations are being managed as part of project outcomes e.g. a disconnect was raised between people, product, and place. One recommendation was for a program overlay with a programme manager. This has been established and is in place.</p> <p>This mitigation is partially effective</p>
PR-1516	<p>The Our Recovery Plan project has committed to equip people leaders with the tools and confidence to help their teams perform, focusing on outcomes. It discusses the potential requirement for performance management. It includes the People Leaders Tool Kit, developed to support People Leaders in people management practices, which has a specific element relating to flexible work.</p>	<p>This treatment impacts the likelihood of the risk by enabling People Leaders in the organisation to manage their teams effectively</p> <p>The People Leaders Toolkit assists to the develop skills and confidence in people management disciplines within the flexible and resilient working model.</p> <p>This mitigation is partially effective.</p>

REF #	TREATMENT	IMPACT COMMENT
POL/HRO 2	<p>Code of Conduct</p> <p>The Code of Conduct provides guidance on the standards of behaviour that are expected from all employees at Waikato District Council.</p>	<p>This treatment impacts the likelihood of the risk by providing clear expectations of acceptable behaviours and outlining consequences should breaches be identified.</p> <p>All staff are expected to adhere to the code which includes behaviour and conduct associated with Councils; Values, Policies, Procedures and, Performance. Breaches will be dealt with in accordance with the Discipline Policy</p> <p>This mitigation is partially effective.</p>
PR-1408 & PR-1372	<p>Staff Survey</p> <p>The annual staff survey aims to measure staff engagement.</p>	<p>This treatment impacts the likelihood of the risk by providing key insights into strategic and operational requirements relating to Councils people and culture. It also impacts the consequences of the risk by identifying potential obstacles associated with change (facilitating early intervention).</p> <p>Outcomes from the 2020 staff survey revealed that engagement levels are steady. It also demonstrated that all staff wanted the opportunity for flexible working with 71% of our people saying they enjoy working from home and 77% saying their views on flexible working have changed since COVID. It went on to say that that support by management for flexible work was important to them.</p> <p>This treatment is partially effective.</p>
N/A	<p>Zero Harm</p> <p>Council has in place several wellbeing support services including;</p> <ul style="list-style-type: none"> • Vitae; a national provider of workplace wellness and support services. • Councils Wellbeing Collective; whose purpose is facilitating, leading and promoting workplace wellbeing initiatives • Tracksuit Inc.; a wellbeing partner providing an electronic platform with health and wellbeing information 	<p>This treatment impacts the likelihood of the risk by providing people services to facilitate appropriate mental wellbeing help for staff e.g. managing the pressures of work and life.</p> <p>These services are free and allow people to access them directly, via request or as a recommendation from people leaders/management.</p> <p>This treatment is partially effective.</p>
PR-1521	<p>Workspace 2020</p> <p>The aim of Workspace 2020 is to redesign the Ngaruawahia office into a flexible, productive and collaborative workspace using the results from the building usage and flexible working survey.</p>	<p>This treatment impacts the likelihood by providing people a place for in office work and collaboration. It ensures that people who prefer to work in office have the option to do so. It also impacts the consequence of the risk by facilitating the social aspect of the workplace in a cost effective and efficient way.</p> <p>The office will have a Community and Innovation space for collaboration work in the centre of the building. Each team will have an assigned neighbourhood which will be a base for in office work. Overflow hot desk space is also included.</p> <p>This treatment is partially effective.</p>

REF #	TREATMENT	IMPACT COMMENT
PR-1523 PR-1462 PR-1432 PR-1422 PR-1524	<p>Technical Solutions</p> <ul style="list-style-type: none"> Laptop & Mobility (PR-1523) <p>Accelerated the transition from desktop computers to Laptops & Tablets to enable greater flexibility and resilience.</p> <ul style="list-style-type: none"> Windows 10 & o365 (PR-1462) <p>Transitioning all staff to Windows 10, Office 365, & Teams collaboration platform to enable all access working anywhere within our district.</p> <ul style="list-style-type: none"> Mobile Phones & cloud-based call centre (PR-1432) <p>Accelerated the transition of staff from desk phones to mobile phones & introduced cloud-based call centre functionality.</p> <ul style="list-style-type: none"> Cloud Transformation (PR-1422) <p>Transitions applications to cloud like infrastructure enabling working anywhere within the district.</p> <ul style="list-style-type: none"> Video Conferencing - Room & Workspace enablement (PR-1524) <p>Solutions enabling collaboration from a variety of workplaces.</p>	<p>This treatment impacts the likelihood of the risk by providing people tools that enable flexibility and improve resilience whilst increasing capacity for connectivity and collaboration. It also impacts the consequence of the risk by both providing People Leaders effective tools for managing staff performance within a flexible environment and by allowing people to connect with each other even if they cannot in person which improves health and wellbeing.</p> <p>Compulsory training in the use of the tools is included, with all teams due to be trained prior to the end of the year.</p> <p>This treatment is partially effective.</p>
PR-935	<p>Space Utilisation Study</p> <p>During 2019 Unispace was commissioned to carry out a space utilisation study.</p> <p>Outcomes from the study are being used to support the Workspace 2020 project to reconfiguring the Ngaruawahia office. The work will enable meeting strategic goals associated with changing the way we work, incorporating our values and vision, getting our people working together and breaking down silo mentality.</p>	<p>This treatment impacts the likelihood of the risk by ensuring the Ngaruawahia office space meets business requirements and those of the staff associated with connecting teams, collaborating in person and providing space for individual work.</p> <p>The study was completed over a two-week period by observing actual staff presence and movements. The key findings were:</p> <ul style="list-style-type: none"> At its peak, the occupancy level at workstations was 47.5% On average, the occupancy level at workstations was 34.1% <p>In simple terms, this means that during the time of the study if you were to walk around the office, on average there would be only 104 desks out of 314 with people at them.</p> <p>This treatment is partially effective.</p>

4.4 RESIDUAL RISK ASSESSMENT

With consideration to identified treatments (documented in this report) the residual risk is assessed to be;

- Likelihood: Possible (3)
 - Feasible; a possibility of occurrence / History of casual occurrence

- Consequence (Zero Harm): Insignificant (1)
 - First aid injury or potential for a person to seek first aid (Severity 6)
 Example:
 - Potential for the requirement of Vitae services
 - Potential for some associated sick leave absences

- Consequence (People & Culture): Minor (2)
 - Temporary resourcing deficit (trained/skilled specialist roles)
 Example:
 - Normal rates of attrition
 - No significant decrease in performance

Considering anticipated risk exposure and existing treatments and their effectiveness, the residual risk factor is assessed to be **Low to Moderate**.

* Refer to Appendix I for full Likelihood and Consequence Guide.

Waikato District Councils risk appetite for risks associated with Zero Harm is documented as **'Low'**.

Waikato District Councils risk appetite for risks associated with People and Culture is documented as **'Moderate'**.

Appetite and risk within the scope of the risk; *“Our people become disengaged as the result of organisational change associated with the flexible and resilient work model”*, are therefore aligned.

4.5 CONSIDERATIONS

There are significant behaviour changes required to successfully work differently. These changes are recognised and have been factored into the organisations change program as established in section 4.3 (Examine Associated Treatments) of this report.

The Executive Leadership Team are carefully monitoring the impact of changes on staff well-being and on their productivity and, despite several significant impacts during 2020, including COVID-19 and our considerable change requirement, our recent staff survey results show engagement levels remain steady.

Staff have communicated they wish to continue to work outside the office at least part of the week and it is considered that focused work can be best achieved at home for many. This flexibility has been seen to enable business outcomes in more ways than expected, for example, people with children have the option to work from home if their children are sick rather than taking sick leave to care for them. As a result, sick leave is reducing. Annual leave is seen to be increasing, possibly due to the cancelling of holidays, but also because flexibility allows staff to work around life commitments rather than taking annual leave, longer term this may work towards improved wellness as annual leave is used for rest and recreation. Productivity remains stable at this time, measured by consent processing numbers, completed site visits, contacts made to and by staff, etc.

For those who wish to work more often in the office, either due to the nature of their work or personal preference, there will be opportunity to do so. The Ngaruawahia office space will continue to accommodate staff working individually in office and ensure continued team connectivity whilst having new spaces for inter-team collaboration and socialisation.

Research supporting a move to a more flexible and resilient work model includes:

- Stats NZ; more than 50% of employees in New Zealand have flexible work hours, allowing them to start and finish work at different times each day, and one-third have worked from home
- International Workplace Group (published in 2019); Flexible Working is now a top consideration in the battle for attracting talent with 80% of US workers noting that they would turn down a job that didn't offer flexible working.

Other benefits need also be considered, such as potential financial savings e.g., reduced need for office expansion, improved environmental impacts e.g., less travel, increased efficiency as the result of improved technology, Councils ability to remain competitive in the employment market and of course our overall resilience and capacity to continue to deliver services in the event of subsequent COVID-19 waves or other business disruptions.

4.6 FORECAST

It is expected that the highest inherent risk level from people becoming disengaged as the result of organisational change associated with the flexible and resilient work model will be experienced during the next twelve to eighteen months. During this time people will be exposed to new technology and need to establish new norms in how, where and when they work, whether in the office or at home.

The Executive Leadership Team acknowledges that there may be people who are not willing to align with the required changes but considers that the benefits of the change outweigh the risk and therefore accept that some attrition may be attributed to the change. Focus will be placed on ensuring that staff are coached through the change via a comprehensive transition plan that enables them to embrace a more flexible and resilient working model. This will include:

- Learning to use new technology to keep stay connected
- Empowering our People Leaders to manage a modern workforce
- Embracing new office environments; and
- Measuring productivity based on outputs and outcomes rather than time and visible personnel.

Specialist functions, including People and Capability, Change Management, Innovation and Information Management have a key role in supporting the transition and helping to develop an organisational culture that is both open and resilient to the impacts of change. People Leaders, at all levels across the organisation, will also have a significant impact on the success of the transition.

During this timeframe, the inherent risk for the strategic risk associated with People and Culture is likely to increase. The key risk indicator for probability in this assessment is attrition, which will need to be monitored closely. Decrease will most likely become apparent as people become more familiar with the new working model.

Although the change would normally also escalate risk in relation to business continuity, the change is more likely to decrease this risk due to the organisation building a higher degree of resilience into operations as an output of the change, particularly in relation to the less disruption in the event of COVID-19 outbreaks.

Increased inherent risk is likely to be seen in the Compliance space, specifically in relation to document storage and management. Gaps in the effectiveness of existing treatments are likely to become apparent over the transition period which may also impact the residual risk in this area.

Inherent risk attributed to Cyber Security is likely to temporarily increase however existing mitigations are considered sufficient to maintain the existing residual risk.

4.7 RECOMMENDATION

The move to a more flexible and resilient work model comes with significant risks, specifically those attributed to engaging people during a time of great change. Council has established a robust treatment plan with appropriate influence over the successful delivery of the treatments:

- People e.g. People Leaders Toolkit, technical learning and development
- Place e.g. Workspace 2020
- Product e.g. cloud-based technology, mobile devices, laptops, video conferencing.

It is therefore reasonable to determine that at this time additional controls are deemed unnecessary however, key areas of focus for monitoring risk include:

- Compliance; specific to records and document management. This may include reviewing the effectiveness of existing treatments and exploring improvement opportunities
- Engagement; via the annual staff survey and with particular attention to attrition including information provided during exit interviews.

There are substantial opportunities within the challenge which have the potential to not only maintain but even improve workplace culture. For this reason, the following recommendations are made:

- Formal post implementation reports specific to the Workspace 2020 and Flexible Work projects to establish key insights for continuous improvement
- Consideration to be given to capturing data that can be used to measure change benefits e.g. environmental, financial
- On-going learning and development program focused on optimising new technology
- Review of existing benefits measures e.g. project measures, to become more inclusive of people related benefits.

5. CONCLUSION

There is no doubt the past year has been challenging. The Executive Leadership Team have however seen the unique opportunities afforded by the challenges and capitalised on them to achieve a great deal of the organisations change ambitions more quickly.

Flexible working was a goal prior to COVID-19 but the pandemic created an urgency that didn't exist previously. It is now business-as-usual for most public and many private sector organisations and has enabled Council to increase the organisations capacity significantly and efficiently for resilience.

Most staff support the changes and are excited by the opportunities they present, both from a development perspective, but also from a wellbeing perspective. For those that are struggling, Council has in place an effective support system to assist on the change journey.

The risk (of people becoming disengaged as the result of organisational change associated with the flexible and resilient work model) is being effectively managed and will continue to be monitored through the planned transition period.

6. ATTACHMENTS

Appendix I. Risk Management - Likelihood Consequence Guide (Matrix)

RISK CONSEQUENCE CATEGORIES

Questions	Business Continuity	People	Financial	Reputation / Image	Compliance Regulatory	Environmental	Political & Strategic	Technical
	What is the risk due to inadequate or failed internal processes, activities and systems (recruitment, training, change programmes, natural disasters?)	Are there risks related to health and safety, capacity and capability of staff, behavioural and or performance issues, supplier delivery confidence	What is the risk that there is inadequate funding provided for this activity/project (either by Council and/or external funders) and/or that the final activity/project cost is >10% of the budget?	What is the risk to Council's reputation / image? Potential for negative media coverage and/or negative experiences/ perceptions of the activity/project by stakeholders and the community?	What is the risk of exposure to liability (legal action, fines, non-compliance against consent conditions)?	What is the risk to the environment (ecology, soil contamination, water quality, noise levels, odour, dust, etc.?)	What is the risk at the Political and or Corporate level due to possible impact to Council's core business objectives?	Are there risks due to specific critical technologies and or the overall technical complexity of an activity/project (has it been done successfully before? Design and or implementation complexity? Specialised technical skill required? Speed of technology change, etc.)

Likelihood	Likelihood	Probability	Frequency	Description	Rating
	Almost Certain	> 80%	Regular or frequently occurrence	Expected; Almost certain occurrence in the foreseeable future	5
	Likely	50 - 80%	1 - 5 times per year	Strong probability of occurrence in the foreseeable future / History of frequent occurrence	4
	Possible	20% - 50%	Once a year	Feasible; a possibility of occurrence / History of casual occurrence	3
	Unlikely	< 20%	Once every 2 -5 years	Not expected but there is a slight chance of occurrence at some time	2
	Rare	< 1%	Less than once every 5 years	Highly unlikely but may occur in exceptional circumstances	1

Consequence	Descriptor	Business Continuity	People	Financial	Reputation / Image	Compliance Regulatory	Environmental	Political & Strategic	Technical	Rating
	Catastrophic	Essential services are unavailable causing customer disruption (> 1 day)	Life threatening injury/fatality (Severity 1) or potential to cause life threatening injury/fatality. Significant or prolonged resourcing deficit (trained/skilled specialist roles).	Financial exposure ≥ \$1.5M in any 12 month period	Sustained (in excess of one week) high profile adverse national media campaign or sustained (in excess of 4 weeks) cumulative adverse local media campaign or irreversible loss of community confidence or initiation of government tribunal of inquiry	Breach of policy, process or legislation requiring external investigation and resulting in significant tangible loss through civil or criminal prosecution and or significant damage to reputation.	Significant environmental disaster or natural hazard or unplanned population growth causing wide spread environmental degradation/damage and/or irreversible pollution or long term effects affecting future generations or uncontained, long term serious environmental degradation.	Significant and prolonged political attention with non-achievement of LTP objectives across multiple years.	Significant and prolonged effect to levels of service, business function or resource capacity as the result of malfunction/failure of technology, tools, equipment and or design/manufacturing competency.	5
	Major	Essential services are unavailable causing customer disruption (< 1 day) or non-essential services are unavailable (<7 days)	A WorkSafe NZ notifiable injury or illness (Severity 2) or potential to cause notifiable illness or injury. Major but short term resourcing deficit (trained/skilled specialist roles).	Financial exposure ≥ \$500k but <\$1.5M in any 12 month period	High profile adverse national media attention (less than one week) or sustained (in excess of 2 weeks) cumulative adverse local media attention or loss of confidence from significant portion of community sector.	Breach of policy, process or legislation requiring external investigation and resulting in a tangible loss through civil or criminal prosecution and some damage to reputation.	Major but localised environmental degradation/damage/pollution with long term effects or major off site release caused by either a natural disaster or unplanned population growth.	Significant but short term political attention with major impact to timing or deliverables associated with LTP objectives within one given year.	Major but short term effects to levels of service, business function or resource capacity as the result of malfunction/failure of technology, tools, equipment and or design/manufacturing competency.	4
	Moderate	Essential services are unavailable causing customer disruption (< 4 hours) or non-essential services are unavailable (<3 days)	Lost time injury (Severity 4). Moderate and short term resourcing deficit (trained/skilled specialist roles).	Financial exposure ≥ \$100k but < \$500k in any 12 month period	Adverse local media coverage that if repeated over time will adversely affect Council or negatively perceived business practice leading to widespread resident/ratepayer complaints or prolonged unresolved dispute requiring legal oversight	Breach of policy, process or legislation requiring internal investigation including moderate treatment for the purpose of damage control	Moderate localised environmental degradation/damage/pollution at a localised level caused by either a natural disaster or unplanned population growth with medium term effect or off site release contained.	Short term political attention with moderate impact to deliverables associated with LTP objectives.	Moderate short term effects to levels of service, business function or resource capacity as the result of malfunction/failure of technology, tools, equipment and or design/manufacturing competency.	3
	Minor	Non-essential services maybe impacted causing customer disruption (< 1 day)	Restricted work injury or medical treatment injury or potential for medical treatment is required (Severity 5). Temporary resourcing deficit (trained/skilled specialist roles) <7days.	Financial exposure ≥ \$10k but < \$100k in any 12 month period	Adverse local media coverage or adverse social media comment or short-term issue leading to localised complaints	Breach of policy, process or legislation requiring internal investigation but requiring only minor treatment for the purpose of damage control.	Minor localised environmental damage/pollution caused by either a natural disaster or unplanned population growth.	Short term political interest with negligible impact to LTP objectives.	Minor effects to day to day business function as the result of malfunction/failure of technology, tools, equipment and or design/manufacturing competency.	2
	Insignificant	No tangible impact on services to customer but monitoring maybe required.	First aid injury or potential for a person to seek first aid (Severity 6). Temporary resourcing deficit (trained/skilled specialist roles) <1day.	Financial exposure < \$10k in any 12 month period.	Minor adverse social media comment/questions but no subsequent public interest or event affecting an individual or small group only	Minor breach of policy or process requiring no investigation and only an approval or variance to prevent any damage control requirement.	Negligible localised environmental damage caused by either a natural disaster or unplanned population growth.	Negligible political interest with no impact on LTP objectives.	Negligible effects to day to day business function as the result of malfunction/failure of technology, tools, equipment and or design/manufacturing competency.	1

RISK CONSEQUENCE CATEGORIES						
Questions	Scope / Deliverables	Time	Cost	Quality		
	What will the project deliver? Is this achievable within project constraints? What might impact/influence what the project aims to deliver?	When must the project be finished? Are there adequate resources to deliver the project within set timeframes? What might add time to the project?	Is the cost affordable and appropriate? Will adequate funds be available to deliver the desired outcomes? Where might hidden or new costs arise?	Will the project meet business expectations? Will the desired outcomes and benefits be delivered? What might interfere or prevent or impact the expectations associated with end product?		
Likelihood	Likelihood	Probability	Frequency	Description	Rating	
	Almost Certain	> 80%	Expected; Almost certain occurrence during project timeframe		5	
	Likely	50 - 80%	Strong probability of occurrence during project timeframe / History of frequent occurrence during prior projects		4	
	Possible	20% - 50%	Feasible; a possibility of occurrence during project timeframe / History of casual occurrence during prior projects		3	
	Unlikely	< 20%	Not expected but there is a slight chance of occurrence during project timeframe		2	
	Rare	< 1%	Highly unlikely but may occur in exceptional circumstances		1	
Consequence	Descriptor	Scope / Deliverables	Time	Cost	Quality	Rating
	Catastrophic	Project deliverables cannot be realised.	Timeframe exceeds LTP / Annual Plan dates	> 10%	Outcomes and benefits are undelivered	5
	Major	Project scope is impacted and requires significant review	Timeframe is impacted and requires significant review	< 10%	Outcomes and benefits are significantly impacted	4
	Moderate	Project scope is impacted and requires moderate alteration	Timeframe is impacted and requires moderate alteration	< 7%	Outcomes and benefits are delivered with moderate compromise	3
	Minor	Project scope may require minor alteration	Timeframes may require minor alteration	< 5%	Outcomes and benefits are delivered with minor compromise	2
	Insignificant	No tangible impact on project scope but monitoring maybe required.	No tangible impact on project time but monitoring maybe required.	< 3%	No tangible impact on outcomes or benefits	1

Table 1

Likelihood of Occurrence

Likelihood	Descriptor	Probability
Almost Certain	Expected; Almost certain occurrence in the foreseeable future	5
Likely	Strong probability of occurrence in the foreseeable future / History of frequent occurrence	4
Possible	Feasible; a possibility of occurrence / History of casual occurrence	3
Unlikely	Not expected but there is a slight chance of occurrence at some time	2
Rare	Highly unlikely but may occur in exceptional circumstances	1

Table 2

Risk Consequence Criteria

Rating	Criteria Descriptor Guide	Probability
Catastrophic	Essential services unavailable (>1day) Life threatening injury/fatality (Severity 1) Significant or prolonged resourcing deficit (trained/skilled specialist roles) Financial exposure per annum ≥ \$1.5M Sustained high profile adverse national or local media campaign or irreversible loss of community confidence Breach of policy, process or legislation requiring external investigation and resulting in significant tangible loss Significant environmental disaster/natural hazard/unplanned population growth causing wide spread environmental degradation/damage and/or irreversible pollution or affecting future generations Significant and prolonged political attention with non-achievement of LTP objectives across multiple years Significant prolonged effect to service levels/business function/resource capacity due to failed/faulty technology/equipment or design/manufacturing competency.	5
Major	Essential services unavailable (<1day), non-essential services unavailable (<7days) A WorkSafe NZ notifiable injury or illness (Severity 2) Major but short term resourcing deficit (trained/skilled specialist roles) Financial exposure per annum ≥ \$500k but <\$1.5M High profile adverse national or local media attention or loss of confidence from significant portion of community sector Breach of policy, process or legislation requiring external investigation and resulting in a tangible loss Major but localised environmental degradation/damage/pollution with long term effects or major off site release caused by either a natural disaster or unplanned population growth Significant but short term political attention with major impact to annual LTP timing/deliverables Major but short term effects to service levels/business function/resource capacity due to failed/faulty technology/equipment or design/manufacturing competency.	4
Moderate	Essential services unavailable (<4hrs), non-essential services unavailable (<3 days) Lost Time Injury (Severity 4) Moderate but short term resourcing deficit (trained/skilled specialist roles) Financial exposure per annum ≥ \$100k but < \$500k Adverse local media coverage/business practice resulting in complaints/prolonged unresolved dispute requiring legal oversight Breach of policy, process or legislation requiring internal investigation including moderate treatment for the purpose of damage control Moderate localised environmental degradation/damage/pollution due to natural disaster/unplanned population growth (medium term effect) or contained off site release Short term political attention with moderate impact to LTP deliverables/timings Moderate short term effects to service levels/business function/resource capacity due to failed/faulty technology/equipment or design/manufacturing competency.	3
Minor	Non-essential services impacted (<1day) Restricted work injury or medical treatment injury or potential for medical treatment is required (Severity 5) Temporary resourcing deficit (trained/skilled specialist roles <7days) Financial exposure per annum ≥ \$10k but < \$100k Minor adverse local media coverage/social media comment leading to localised complaints Breach of policy, process or legislation requiring internal investigation requiring minor treatment for the purpose of damage control Minor localised environmental damage/pollution due to natural disaster/unplanned population growth Short term political interest with negligible impact to LTP objectives Minor effects to daily business function due to failed/faulty technology/equipment or design/manufacturing competency.	2
Insignificant	No tangible impact on services to customer (monitoring maybe required) First aid injury or potential for a person to seek first aid (Severity 6) Temporary resourcing deficit (trained/skilled specialist roles <1day) Financial exposure per annum < \$10k Social media comment/questions but no subsequent public interest or event affecting an individual or small group Minor breach of policy or process requiring no investigation and only an approval or variance to prevent any damage control requirement Negligible localised environmental damage due to natural disaster/unplanned population growth Negligible political interest with no impact on LTP objectives. Negligible effects to daily business function due to failed/faulty technology/equipment or design/manufacturing competency.	1

Table 3

LIKELIHOOD	Almost Certain (5)	Low (5)	Moderate (10)	High (15)	Extreme (20)	Extreme (25)
	Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	Moderate (10)
	Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)	
CONSEQUENCE						

Consequence Category / Portfolio	Description
Business Continuity	Business continuity risks impacting the day to day business function and level of service delivery. These can be from inadequate or failed internal processes, activities and systems (recruitment, training, change management), or from unforeseen external events (such as a natural disaster) that disrupt normal business operations.
People	Risks associated with health and safety, or the capacity and capability of staff, elected members or partnerships; the behavioural and/or performance of staff, elected members or partnerships; and supplier confidence. People risks typically result from staff constraints (cannot fill critical open positions), incompetence (employees, partners or suppliers lack the necessary skill & knowledge to do jobs correctly), dishonesty (theft, fraud) or a corporate culture that does not cultivate risk awareness (i.e. lack of regard for Health & safety processes, risk management processes)
Financial	Risks related to the financial management of WDC and the ability to fund Council activities and operations now, and into the future. Risks related to the management of operational and or project budgets (potential for loss). External economic factors related to changes in the prevailing market conditions that impact on the organisations financial capability.
Reputation/Image	Risks related to the impact of organisational actions (business undertakings). Reputational risks typically result when public perception of Council actions and/or Council personnel are deemed to be inappropriate.
Compliance Regulatory	Risks related to WDC exposure to liability (legal action, fines, non-compliance against consent conditions, codes etc.)
Environmental	Potential or actual negative environmental or ecological impacts, regardless of whether these are reversible or irreversible in nature. Risks can arise from; - Natural hazards e.g. landslides - Waste & Refuse, emissions, resource depletion etc. - Emergency/ Disaster management - Growth & Development
Political/Strategic	Risks that may impact on the organisations ability to achieve its strategic objectives created by political conditions. This may be due to internal factors (actions of politicians) and or external conditions e.g. events or decisions that could have effect on the achievement of strategic objectives.
Technical	Risks affecting the ability of WDC to complete or have confidence in the function or completion of a task, activity, project, operation. These are quality risks e.g. failure due to lack of technical capability or certainty in; - Existing equipment, tools, technology, software, hardware etc. - Design surety, manufacturing competency, technical performance etc.

Open Meeting

To	Audit & Risk Committee
From	Roger MacCulloch General Manager Service Delivery
Date	09 December 2020
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	CAPEX Project Delivery Capability

1. EXECUTIVE SUMMARY

At the Audit & Risk Committee meeting on 29 September 2020, the General Manager Service Delivery presented a report to the Committee on the initiatives underway to improve and speed up delivery of Councils capital works programme. Although this report was well received, it was noted close monitoring of the success of the initiatives was required to ensure performance improves. Accordingly, the Committee asked staff to provide an update on progress made at the December Committee meeting.

This report provides that update and clarifies the procurement status of the main projects in the work programme. It also identifies work underway and projects that have been completed so far this financial year.

2. RECOMMENDATION

THAT the report from the General Manager Service Delivery be received.

3. DISCUSSION

To address the issue of high carry forwards and ongoing non-delivery of capital projects in the Service Delivery programme, significant work has been undertaken to clarify what needs to be delivered, how this can be achieved, and what additional project management, reporting and governance controls need to be put in place to give the best chance of success.

Since the September meeting, good progress has been made in most of these areas. Specific achievements are noted below:

- Kirsty Wellington has been employed as Council's Project Management Office Manager and is making good progress assessing Councils current project management framework and systems, understanding current LTP commitments, identifying road blocks to delivery, and identifying ways to fast track projects to meet community expectations and reduce carry forwards.

- Business owners have taken full ownership, responsibility and control of their portfolio's and have clarified what can be delivered this financial year, by whom and how. Project plans and procurement plans have / are being developed for all projects and impediments to delivery are being identified and escalated where necessary.
- Workshops are being held between the project manager and business owners with the Zero Harm, Legal, Procurement and PMO teams to discuss project plans to ensure all parts of the business involved in the delivery of projects are comfortable with what's being proposed / are able to support the process adequately.
- Project Steering Groups have been set up to oversee the various programmes of work, assess risks and facilitate the resolution of issues raised by Project Managers.
- A Procurement Governance Panel has been established (consisting of Tony Whittaker, Alison Diaz, Roger MacCulloch and Kurt Abbot) to consider requests from Project Managers to approve procurement plans / proposals that are inconsistent with usual practice. The discretion exercised in this area is very important with any management override of standard policies needing careful consideration and robust reporting.
- Variations are being made to the contracts of key supplier partners (e.g. Waikato District Alliance, Citycare and Cushman Wakefield) to leverage off these existing relationships and rates and get additional work delivered.
- A meeting was convened by the Chief Operating Officer with all managers and technical support staff involved in the delivery of the capital works programme which:
 - Reminded everyone that the delivery of the 2020/21 works programme is critical for our communities and that it should be their top priority;
 - Confirmed collective responsibility and accountability in delivering the programme;
 - Highlighted the level of commitment, cooperation and support required to do this;
 - Stressed the need for a can-do attitude and agile approach which is needed to overcome any obstacles that may be encountered.
 - Confirmed the ELT commitment to support enablement of delivery by addressing roadblocks (see above Procurement Governance Panel).
- A new procurement policy, templates and guideline documents are being developed to align current practice with national standards and Councils objectives, simplify the process, and ensure consistency in decisions made. Until this work is complete, the procurement team is working with project managers and business owners, on a one on one basis to discuss the procurement strategies and plans being proposed for each project. They are also helping to identify issues early in the process and find ways to progress and expedite project delivery.
- Good progress is being made on the introduction of the latest version of CAMMs, Councils project management software, into the business. Vendor presentations on functionality are occurring, data migration and testing is in progress, and integration requirements are in development / being planned with rollout in the first quarter of 2021. This will provide much great functionality for users and more informative reporting. A robust change management programme is also being developed to ensure the project's success.

From a capital expenditure and project status perspective, it is noted that:

- The total capital expenditure proposed by the Service Delivery Group for the 2020/21 financial year, in the September Audit and Risk Committee meeting, was approximately \$63 million (excluding waters projects). This is clearly an ambitious target as the average annual spend, including waters, has historically been approximately \$46 million.
- By the end of October 2020, capital expenditure was \$10.7 million (November figures were not available when writing this report but should be available at the meeting). This may appear low when compared to the proposed target as most high value projects get delivered during the summer construction season.
- As of 30 November 2020, there is \$28.3m worth of construction projects that have either been completed or are underway and are due to be completed before the end of the financial year.
- There are \$11.3m worth of projects out in the market for external procurement (tender processes, quotes, or purchase orders using existing external supplier under an umbrella agreement).
- Planning is underway for the procurement of \$10.7m worth of projects.
- Variations worth approximately \$4.3m are being directed to the Waikato District Alliance.

Based on the above, the Service Delivery Team is optimistic that this year's capital spend is likely to be in the order of \$50 to \$60 million. This is slightly lower than that forecast at the beginning of the year due to unexpected issues being encountered during the detailed planning stage of some projects which has resulted in their deferral.

A full breakdown of this proposed expenditure / project status is attached to Appendix I of this report.

4. CONCLUSION

To address the high level of carry forwards and ongoing non-delivery of capital projects, significant work has been undertaken to clarify what needs to be delivered, how this can be done, and what additional project management, reporting and governance controls need to be put in place to give the best chance of success.

Good progress is being made in most of these areas with a solid number of projects having either gone to or in the process of being taken to market for completion this financial year.

Based on current information, the Service delivery Team is on track to deliver between \$50 to \$60 million worth of work by the end of the financial year which will be a significant improvement on previous years, especially given the fact that it doesn't include waters capital projects.

5. ATTACHMENTS

Appendix I – Service Delivery November 2020/21 Work Programme Status Report

Service Delivery November 2020/21 Work Programme Status Report

Project	Budget	Comment	Business owner (Megan or Jackie)	Community Projects managing	Business unit managing	External procurement (tender, quotes or existing contractor)	Alliance delivery (BAU or variation)
Completed							
Ngaruawahia Cemetery Access Road	228,436	Completed	MM	x			
Huntly Hall Stage 1	6,000	Completed	MM	x			
Huntly Hall Stage 2	24,241	Completed	MM	x			
The Point Toilets Refurbishment	159,313	Completed	MM	x			
Onewhero Reserve Wastewater	105,607	Completed	MM	x			
Cliff St Jetty Repair	20,000	Completed	MM	x			
Total	543,597						
In construction and tracking to plan							
River Rd roundabout - variation to WDA	1,150,000	Operational by Xmas, final completion January	JB		x		x
All Alliance capex works as part of their yearly program – road rehabilitation, resurfacing, drainage renewals, low cost low risk, bridge renewals	18,682,242	Completion by end June 2021	JB		x		x
	19,832,242						
DW Toilets - Centennial Park	249,870	Operational by Xmas	MM	x		x	
Huntly Railway Station and Park and Ride	2,261,995	Operational by Xmas, services expected in February/March	Vishal	x			x
Munro Sports Park - Stream Diversion Earthworks	1,925,757	Complete by Xmas	MM	x		x	
Workspace 2020	388,313	Expected completion in January	MM	x		x	
Ngaruawahia Cricket Nets	48,000	Complete by Xmas	MM	x		x	
Huntly CCTV	100,000	Complete by Xmas	MM	x		x	
Huntly Grandstand	266,683	Working timing with Transpower around power shutdowns	MM	x		x	
	5,240,618						
District Wide Parks and reserves Renewals	1,201,641	Multiple small to medium sized renewals projects underway (e.g. park furniture, carparks, retaining walls, Goal posts, fences and more). Completion of project expect end of 2020FY.	MM		x	x	
Ngaruawahia Parks and Reserve Renewals	396,643	Multiple renewals projects underway Completion expected end of 2020FY	MM		x	x	
Woodlands secret garden	17,809	Secret garden project with new fountain, will be completed end of Jan 2021	MM		x	x	
Vehicle Fleet	818,108	Value of vehicles currently on order \$470,660 , vehicles planned to be ordered in the next 8 weeks = \$300,000	MM		x	x	
Ohinewai Access and Fencing Improvement	100,000	Rivercare managed project underway	MM		x	x	
District Wide Sports Ground Renewals	8,523	Goal Post Renewals	MM		x	x	
Cemeteries DW	175,536	Additional berms, ash berms and seating using the 1CM-0119 budget. DW cemetery signage project, managed by xyst and DW fencing by NS contracting using the 1CM-0121 budget.	MM		x	x	
	2,718,260						
Total	27,791,120						

Out in the market now for external procurement							
Te Awa Cycleway - Gully and road sections	4,258,515	Market process nearly complete. Contract award pre-Xmas	JB		x	x	
Horsham Downs	4,150,000	ROI out now. Will be shortlisted with RFT issued prior to Xmas and closing in New Year. Pending Tainui sign off to be able to issue RFT as NZTA funding is subject to this.	JB	x		x	
	8,408,515						
DW Toilets - Pokeno Toilet Demolition	30,000		MM	x		x	
Whangarata Cemetery - Earthworks	600,000	Being added into Munro Sportspark Earthworks Contract	MM	x		x	
Tuakau Library Extension	1,886,695	Tenders evaluated and to be awarded	MM	x		x	
Perry Bridge Lighting	50,000	Awaiting pricing from WEL	MM	x		x	
	2,566,695						
Raglan Wharf	169,333	An additional \$2.5 million will be received from MBIE for this project. Multiple procurements including hand rails, structural work, additional pontoon and walkways. Some completed, some underway, some to occur. Project to be completed in current FY	MM		x	x	
NGA Aquatic Centre	30,010	Replacement of the boundary fence on Market St. Quote accepted, construction to start in Dec.	MM		x	x	
District Wide Pensioner Housing	174,883	Quotes received currently in procurement process	MM		x	x	
	374,226						
Total	11,349,436						
Variation to Alliance pending							
Pokeno Urban Upgrade (section around near school)	1,750,000	Variation expected to be issued prior to Xmas and works commencing February 2021	JB		x		x
Annebrook Rd	650,000	Variation expected to be issued prior to Xmas and works commencing early 2021	JB	x			x
Tregoweth Lane	TBC	Community Projects still working through detail	JB	x			x
Gilmour St	366,000	Community Projects still working through detail	JB	x			x
Fraser Road Footpath	55,000	Pending final design	JB		x		x
	2,821,000						x
Carpark Renewals	596,863	Negotiation with Downer Projects Team in Hamilton via WDA	MM	x			x
Papahua Walkway - entranceway	81,107	Negotiation with Downer Projects Team in Hamilton via WDA	MM	x			x
Papahua Walkway - Stage I	152,597	Negotiation with Downer Projects Team in Hamilton via WDA	MM	x			x
Papahua Walkway - Stage II	TBC	Negotiation with Downer Projects Team in Hamilton via WDA	MM	x			x
Rangiriri Cemetery	202,574	Negotiation with Downer Projects Team in Hamilton via WDA	MM	x			x
Whangarata Cemetery - Pavement	431,557	Negotiation with Downer Projects Team in Hamilton via WDA	MM	x			x
Raglan Skate Park Concrete Path Connection	41,902	Negotiation with Downer Projects Team in Hamilton via WDA	MM	x			x
	1,506,600						
Alliance Washbay	16,606	This was on hold for several years, delays with adjacent property owner, this has now been resolved, the Alliance are now handling this work.	MM		x		x
	16,606						
Total	4,344,206						
Other projects yet to go out to external procurement							
LCLR market component	1,269,161	Will go to market in new year	JB				x
Koheroa Slip	450,000	Expected to go to market pre-Christmas but pending final design	JB				x
Travers Rd shared walkway/cycleway Stage 2	128,758	Community Projects still working through detail. May go to WDA	JB	x			x
Harrisville Road Bridges x 2	2,216,484	Pending finalisation of HPMV route assessment by Beca. May be deferred pending outcome.	JB				x
	4,064,403						
Mercer Community Centre	379,953	May be purchasing existing building - in discussions	MM	x			x
Cemetery Fencing	120,983	Specialist bricklaying contract	MM	x			x
DW Playgrounds	1,021,341	Expect to advertise tender imminently (early December)	MM	x			x
Elbow Boat Ramp	325,520	In design phase (Tonkin & Taylor)	MM	x			x
Tamahere Performance Platform	314,266	Selecting from two architects from PSP	MM	x			x
Toilets - Tamahere	250,000	Design being packaged	MM	x			x
Toilets - Te Kowhai	479,316	Design being packaged	MM	x			x
Wastewater upgrade - Port Waikato	TBC	Emergency works	MM	x			x
Tuakau Skatepark	331,279	Design nearing completion - MOU required (DIA/Trust)	MM	x			x
Whatawhata Hall	666,981	Awaiting external funding application - Lotteries	MM	x			x
Sportsfield Lighting Huntly	96,375	Specialist contractor	MM	x			x
	3,986,014						

NGA Office External Cladding	150,000	Investigation work completed ,awaiting report ,expect end of Nov.	MM		x	x	
Whatawhata Playground (District wide Boatramp)	337,993	Report with Infrastructure Committee, awaiting outcome before next steps are taken.	MM		x	x	
District Wide Aquatics	83,559	Currently working on an RFQ for the Aquatic strategy	MM		x	x	
Huntly Aquatic Centre	62,170	Yet to obtain quotes for this works , may require additional funding	MM		x	x	
Tuakau Aquatic Centre	200,000	New entranceway. We have had an on-site meeting with members of the community board and local Councilors , a decision is yet to be made on this .	MM		x	x	
District Wide Community Centres	99,000	Earquake strengthening , a Decision is yet to be made on the future of NGA Town Hall	MM		x	x	
Tuakau Town Hall	208,897	Quotes received to replace the Ridge capping of the Hall a decision on the roof replacement will be made at this time , The work is delayed due to the Hall being used as a temporary Library . Concerns around the noise which will be created.	MM		x	x	
The Alliance site re-roofing	325,695	Waiting on a Roof report for this work	MM		x	x	
District Wide CCTV	121,320	Currently working on an RFQ for this work ,	MM		x	x	
District Wide walkways (Rotokauri)	354,814	Walkway designs developed, tender ready for market awaiting consultation with manawhenua before moving to the next phase of project.	MM		x	x	
Pokeno tennis court renewal	150,000	Scoping document currently being prepared	MM		x	x	
District Wide property general	526,290	Multiple projects over number of sites including Huntly Library Lift	MM		x	x	
Woodlands - Huntly Brick wall	84,846	Project to be managed by external consultant. To be completed by end of FY	MM		x	x	
	2,704,584						
Total	10,755,001						
Other							
Pokeno library	152,036	Land purchase has just been completed. As requested by customer support - design and build has not progressed as feasibility study to be completed by CD team prior to work commencing. Additional funds budgeted in new LTP. Current funds surplus	MM		x		
Tuakau Playground	202,300	Development and playground project to be completed in future years. Current budget surplus. Revised budget requested in LTP	MM		x		
Tamahere Walkways	60,000	For use by community groups developing walkways. Awaitign signing of MOU before next phase.	MM		x		
Raglan Sports Ground	447,563	For the development of further sports	MM		x		
Ngaruawahia library	723,233.00	Surplus funds. Decision has not been made on this project and therefore can not be progressed	MM		x		
Ngaruawahia investment property	1,802,181.00	Surplus funds. Decision has not been made on this project and therefore can not be progressed	MM		x		
Tuakau Dog Pound	2,336,877	Budget for land purchase and build. Land negotiotion underway. Surplus funds will not be spent in this financial year. Budgeted in next LTP.	MM		x		
Total	5,724,190						
Developer lead projects and vested assets, requiring interface but not capital works delivery by WDC. Not all being delivered this year. Includes the below							
WEX revocation - Huntly and Rangiriri sections, with SH1B next year	40,089,500	NB asset valuation from NZTA suggests this is more likely to be \$80,450,000 in total with \$26,450,000 this year	JB		x		
Pokeno Structure Plan projects - balance	6,893,040	Pokeno Urban Upgrade is included this year (above) but balance are deferred and will come under next LTP, with exception of minor works by developers.	JB		x		
Pokeno Parks	2,527,807	Developer lead projects in Pokeno	MM		x		
Raglan Structure Plan	6,060,200	Raglan Bridge and causeway and Oporoto Bay Road. Expected to vest this year.	JB		x		
Horotiu Structure Plan	11,553,879	Expecting \$9.8m to be vested this year, balance next year (includes bridge)	JB		x		
Te Kauwhata Structure Plan	1,690,622	Approx \$1.2m deferred for Scott Road, rest is pending developer vesting for lowering Travers Road	JB		x		
Tuakau Structure Plan	1,939,200	E1 Collector - will be planning costs only this year, not build	JB		x		
Total	63,861,208						

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	25 November 2020
Prepared by	Alison Diaz Chief Financial Officer
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Insurance Renewal 2020

I. EXECUTIVE SUMMARY

This report provides an update on the recent insurance renewal and the outcomes from a premium perspective. Most products have been subject to increases due to both increases in declared values as well as tightening in the insurance market.

Renewal Outcomes

Premiums have increased by \$176,000 across the portfolio (~23%), related mainly to a \$111,000 increase in the Professional Indemnity Premiums required for this year.

Aon New Zealand Limited estimate that the current Professional Indemnity premium pool for all Local Authorities in New Zealand is approximately \$16 million, yet in the last 3 years over \$100 million of claims have been paid and notified, relating to Building Consenting issues, with others still to go through the courts.

Actuarial modelling suggests that there is a 3 to 5 year lag between a consent being issued and a possible claim being made. For sustainability, the insurers look to establish sufficient premium pool to allow for future losses. Sustainability is the key as without a premium pool to pay Building Act losses Insurers will simply restrict or remove coverage or in the worst-case cease providing coverage altogether.

Material Damage

Council's Total Declared Value ("TDV") for the 2019 period was \$257,614,444. The TDV for 2020 was advised at \$262,520,612, an increase of \$4,906,168 or ~2%. The total premium for the 2019 period was \$323,160 (ex-Fire Service Levies and GST). For the 2020 period the premium is \$359,916 (ex-Fire Service Levies and GST). This represents an 11% increase, however when you consider the 2% increase in TDV the actual premium increase is ~9%.

Infrastructure Insurance

The TDV for the 2019 period was \$433,120,102. For the 2020 period the values were declared as \$447,233,345, a 3% increase. The total premium for 2019 was \$146,534. For the 2020 period this premium has increased to \$151,702, a 4% increase.

Motor Vehicle

The TDV for the 2019 period was \$2,967,603. For the 2020 period the values were declared as \$2,616,540, a 12% decrease. The total premium for 2019 was \$47,878. For the 2020 period this premium has increased to \$59,088, a 23% increase. Claim history data for commercial motor demonstrates that most claims are the fault of the insured as opposed to third party, and that within that approximately 36% of incidents relate to hitting static objects. WDC's claim processes will be looked at through the insurable risk review.

The table below details the changes:

Waikato District Council						
Policy	2019		2020		% Change in Premium	% Change in TDV
	Premium	TDV	Premium	TDV		
Material Damage (excl Fire)	\$240,780	\$257,614,444	\$269,937	\$262,520,612	12.11%	1.90%
Material Damage (Fire)	\$82,380		\$89,979		9.22%	
Infrastructure Cover	\$84,523	\$433,120,102	\$101,040	\$447,233,345	19.54%	3.26%
Infrastructure Cover - Primary Layer	\$62,011	\$433,120,102	\$50,662	\$447,233,345	-18.30%	3.26%
Commercial Motor	\$47,878	\$2,967,603	\$59,088	\$2,616,540	23.42%	-11.83%
Business Interruption	\$6,363	\$4,552,916	\$7,130	\$4,552,916	12.06%	0.00%
Employers Liability	\$1,056		\$1,109		5.02%	
Statutory Liability	\$8,125		\$8,531		5.00%	
Fidelity/Crime	\$12,503		\$13,128		5.00%	
General Liability	\$47,988		\$50,387		5.00%	
Professional Indemnity	\$138,975		\$250,156		80.00%	
PL & PI - Liability Excess Layer	\$27,329		\$31,016		13.49%	
Cyber Liability	\$15,295		\$19,120		25.01%	
Boiler Explosion	\$383		\$355		-7.26%	
Personal Accident	\$916		\$916		0.00%	
Standing Timber	\$564		\$708		25.48%	
Aviation Hull	\$636		\$437		-31.28%	
Aviation Non Owners / Hangerkeepers	\$800		\$800		0.00%	
Marine Hull	\$697		\$697		0.00%	
Trustees Liability	\$1,200		\$1,260		5.00%	
Total Premium (excl GST, FSL & EQC levies)	\$780,401		\$956,456		22.56%	

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3. ATTACHMENTS

NIL

Open Meeting

To	Audit & Risk Committee
From	Alison Diaz Chief Financial Officer
Date	30 November 2020
Reference #	GOV1318
Report Title	Chief Financial Officer Report

I. EXECUTIVE SUMMARY

This report aims to keep the Audit & Risk Committee abreast of risks and issues that could impact council and its stakeholders from a financial perspective.

Infrastructure to service growth

Council's financial strategy towards development to date has been that "growth funds growth", however as housing supply pressure continues this approach will be challenged.

Private plan changes have been advantageous for Council as the relative costs and timing of planning and infrastructure provision are considered by the developer at the outset. This coupled with the locality of these plan changes has allowed for just-in-time provision of infrastructure based on upgrades to existing assets.

The anticipated district growth, in particular greenfield development in the central corridor, is likely to require significant upfront investment to ensure trunk infrastructure is consented in advance of growth occurring. The long-term planning process for 2021-2031 highlights a mismatch between the district plan live zoning and the ability to service that growth within ten years. A broader piece of work is required to quantify the likely timing issues (e.g. securing suitable land/access and allowing for regional consenting) and funding implications.

Council's current financial strategy stipulates an overall limit that rates revenue will not exceed 0.7% of the district's rateable capital value, which is in line with other similar sized municipal property taxation systems such as Norway's where property taxes sit at between 0.2% and 0.7% of capital value. However, at a detailed level a property with a value of \$300,000 in Ngaruawahia connected to all services is paying rates at 0.9% of capital value. The balance between just-in-time service provision and existing ratepayers having to contribute upfront will have an impact on affordability.

Extended the Government Procurement Rules

The Ministry of Business, Innovation and Employment (MBIE) has had a discussion paper out for consultation (closing date for submissions was 23 November) seeking feedback on a proposal to extend the mandatory Government Procurement Rules to all government entities in New Zealand.

The main thrust of the initiative is to ensure that procurement is leveraged by all public sector entities to achieve broader outcomes such as increased opportunities for New Zealand businesses, improving the size and skillset within the construction industry, improving labour practices, and supporting the reduction of waste and emissions.

MBIE have outlined the following potential benefits:

- Consistency in procurement policies and practices
- Greater transparency of procurement opportunities for businesses
- Greater uptake of social procurement practices
- A greater focus on 'public value' rather than lowest cost.

The potential costs and other impacts are:

- Curtailment of procurement flexibility and increase in operational cost, process time and resource
- Less scope for direct sourcing
- Participation in complaints process may add to tendering costs
- Increased reporting requirements may put pressure on resourcing.

The sector, through the Society of Local Government Managers, has provided feedback and our Procurement Manager has engaged directly with our Council assigned MBIE contact.

It should be noted that Council has already incorporated many of the government procurement requirements into our processes, but we are at the start of the journey and have not yet specifically addressed the organisations capacity or capability to meet the step-change being proposed.

2. RECOMMENDATION

THAT the report from the Chief Financial Officer be received.

3. ATTACHMENTS

NIL

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	30 November 2020
Prepared by	Sharlene Jenkins Executive Assistant
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	KPMG Resource Consents Revenue Process Review Report

1. EXECUTIVE SUMMARY

The purpose of this report is to present the KPMG Resource Consents Revenue Process Review report. KPMG will be in attendance to speak to the report.

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3. ATTACHMENTS

KPMG Resource Consents Revenue Process Review report



Resource Consents Revenue Process

Waikato District Council

27 November 2020

kpmg.com/nz

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Disclaimers

Inherent limitations

This report has been prepared in accordance with our Terms of Reference dated August 2019. The services provided under our Terms of Reference ("Services") have not been undertaken in accordance with any auditing, review or assurance standards. The term "Audit/Review" used in this report does not relate to an Audit/Review as defined under professional assurance standards.

The information presented in this report is based on that made available to us in the course of our work, publically available information and information provided by Waikato District Council. We have indicated within this report the sources of the information provided. Unless otherwise stated in this report, we have relied upon the truth, accuracy and completeness of any information provided or made available to us in connection with the Services without independently verifying it.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, Waikato District Council Management, personnel and stakeholders consulted as part of the process.

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Other than our responsibility to Waikato District Council, neither KPMG nor any member or employee of KPMG assumes any responsibility, or liability of any kind, to any third party in connection with the provision of this report. Accordingly, any third party choosing to rely on this report does so at their own risk.

Internal controls

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities may occur and not be detected. Our procedures were not designed to detect all weaknesses in control procedures as they are not performed continuously throughout the period and the tests performed are on a sample basis. As such, except to the extent of sample testing performed, it is not possible to express an opinion on the effectiveness of the internal control structure.



1. Executive summary

Introduction

Waikato District Council (“WDC”) has requested that KPMG perform a review of the processes to recover revenue for the costs incurred when processing resource consents and consent compliance activities.

Objective, scope and approach

The objective of KPMG’s review was to assess the adequacy and effectiveness of the processes performed by the Consents Team relating to the invoicing and collection of revenue associated with the granting of resource consents.

Further detail on the scope and approach of the review is provided in Appendix 1.

Overall rating

Based on the results of this review, we have rated the control environment as:

Overall Rating	Effective
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Refer to Appendix 2 for the classification of the overall ratings. Provided in Section 2 is a summary of the controls tested as part of this review.

Key strengths

- It is evident that there is a wealth of knowledge and experience within the Consents Team. Processes are well known and have been continually improved over time.
- WDC has developed its own interpretation of what is “fair and reasonable” which is readily accessible to staff to provide guidance when invoicing resource consent costs.
- Regular monitoring of financial metrics including budget vs actuals and chargeable hours targets is performed by Management.
- Good relationships are held across the Consents and Finance Teams, which allows these teams to interact effectively.

Key findings/observations

Summarised below are the number of findings identified by the risk ratings.

	High	Medium	Low
Total review findings	-	1	-

Refer to Appendix 2 for the classification of the risk ratings.

KPMG identified instances where the follow up process for late payment of resource consent invoices did not meet specified timeframes. Out of a sample of 20 resource applications that had late payments, all had delays in the late payment follow up process. Where payments are not followed up regularly and in accordance with escalation protocols, delays in revenue recovery can be experienced.

Further detail on this finding is contained in Section 3. KPMG has also identified two opportunities for improvement, which have been outlined in Section 4.

Management action plans

The findings and recommendations were discussed with Management. Management action plans have been included in the report.

Overall Management comments

A key to the success of the Consent unit is practical and timely collection of the costs that staff incur during the course of processing resource consents. An audit of processes and practices developed established and refined by the team over the past 9-10 years has confirmed they are effective given the high volume of work and invoicing, and the range of daily inputs required of a large team of planners, engineers, and admin staff. The Audits’ key finding and recommendation identifies work needed on late payment processes only developed in the last 2-3 years. It also identifies two areas as opportunities for improvement which, when implemented, will ensure these other processes are robust.

2. Summary of results

Summary of controls tested

Risk	Control	Status	Results
Staff timesheet entries in Project Partner for processing a resource consent are inaccurate resulting in under or over charging a customer.	Review and sign off of the 'Charges Sheet' (which is produced from Project Partner), including any explanation provided for non-charged costs.		Control effective Opportunity for improvement: 1
Staff time for processing a resource consent is entered in Project Partner after the application has been invoiced.	Daily check of the 'Closed Applications Report', which picks up time posted against a closed application. Investigation to determine if time posted late is an error, or legitimate. If the time is legitimate and 'material' it will be on-charged to the customer.		Not tested – Unable to test
External consultant costs are missed and/or received after a customer has been invoiced causing unbilled costs and lost revenue for WDC.	Check that all invoices have been received from external consultants noted on the 'Delegated Authority Form' and, where applicable, the last invoice from the external consultant is a 'final invoice'.		Control effective Opportunity for improvement: 2
Travel costs associated with the processing of a resource consent are missed causing unbilled costs and lost revenue for WDC.	The 'Events list' in the P&R system prompts staff to enter whether a site visit was part of the processing of the application and how many kilometres were travelled.		Control effective
Outstanding invoices are not followed up promptly resulting in delayed and/or lost revenue for WDC.	Late payment follow-up process.		Control not operating effectively Finding: 1
Unbilled WIP balances result in deferred revenue and/or lost revenue for WDC.	Weekly check of unbilled WIP.		Control effective

Benchmarking of resourcing consent charging

KPMG performed a high-level benchmarking to other councils on the basis and frequency of resource consent charging. We found some variation across the councils in relation to how hourly rates are being calculated. For example, one council uses a flat rate across all staff/levels involved in the process, which is based on an average of costs (i.e. salaries, overheads) compared with expected revenue. Another council is basing their hourly rates per staff level on an assessment of other similar councils' hourly rates, which are publically disclosed/available.

We understand that WDC's process for calculating its hourly rates for processing resource consents involves the following process:

- Finance provides Management with salaries and overhead allocations (e.g. costs associated with the provision of facilities, insurance, equipment etc.) per individual
- Management calculate average costs based on the information provided by Finance
- Management calculate estimated revenue, based on expected number of resource consents to be processed
- Estimated revenue is compared to average costs.

Across the councils the frequency of review of hourly rates typically occurred annually at a high level, with more in-depth assessment of the appropriateness of rates occurring as part of the Long Term Plan process. This is consistent with what we understand is WDC's approach.

3. Detailed findings and recommendations

1. Follow-up of late payments by the Consents and Legal Teams

Rating of finding: Medium

Finding

The Consents Administrator is responsible for following up late payments. The Property & Rating system ('P&R system') sends an alert to the Consents Administrator to follow up payments. Follow up is performed by sending reminder letters and overdue letters to customers as follows:

- A reminder letter is sent to a customer after 15 working days of no payment.
- After a further 10 working days of no payment an overdue letter is sent to the customer.
- Where the customer has still not paid after a further 10 working days, the application is sent to the Legal Team for follow up.

The P&R system alert is sent based on the date of the original invoice that was sent to the customer.

KPMG tested a sample of 20 resource consent applications with late payments. The results were as follows.

Reminder letters

- None of the invoices were followed up after the initial 15 working day timeframe.
- Seven were followed-up for the first time between 16-18 working days.
- 13 were followed-up for the first time between 21-47 working days.

Overdue letters

- 12 applications were sent overdue letters. The earliest overdue letter was sent three days after the required timeframe, with other letter being sent anywhere between 22-70 working days after the required timeframe.

Recommendations

- Consider developing a report which is frequently monitored and acted on showing overdue invoices, invoice bill date, days unpaid and the balance of the invoice still owing. It may also be useful to show the number of reminders sent out per invoice.
- Consider whether additional resource is needed to monitor and ensure follow up of late payments within the specified notification timeframes.

Legal Team follow-up

- All six instances that were referred to the Legal Team were not done so in accordance with the specified timeframe. The timeframes ranged from between 12 and 75 working days, compared to the requirement of 10.

Impact

If payments are not followed up regularly and in accordance with escalation protocols, delays in revenue recovery can be experienced impacting WDC's cashflow.

Agreed Management actions

- Review the existing processes for late payments to confirm if they are industry best practice.
 - Develop reports to enable staff and management to see and track volume, patterns, trends, and impacts regarding existing late payment activities.
 - Utilise findings from the above to inform any changes needed to processes and/or allocation of resources to this activity.
-

Responsibility	Consent Manager, Consent Administration Team Leader	Target date	30 June 2020
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4. Opportunities for improvement

1. Time recording – Number of hours spent on a resource consent

Description

Staff are required to charge all time spent while working on a resource consent via the tool Project Partner. Staff must include a brief narration to outline what work was carried out. The total time recorded in Project Partner is then used to determine the resource consent application processing fee to the customer. Under the Resource Management Act 1991, this fee is required to be “fair and reasonable”.

Before any fee is charged to the customer, a Planner reviews the ‘Charges Sheet’ (which is produced from Project Partner) to determine whether the time spent is reasonable and therefore the fee to be charged to the customer is “fair and reasonable”. Any time deemed non-chargeable is removed from the proposed fee and an explanation is provided by the Planner as to why the time is non-chargeable. The Planner is required to sign off the ‘Charges Sheet’ and the explanation provided before the fee is processed.

The ‘Charges Sheet’ is provided to the Consents Team Leader along with the Resource Consents Report. Management has indicated that it is desirable that the Consents Team Leader reviews the ‘Charges Sheet’ at the same time as reviewing the Resource Consents Report.

KPMG’s testing identified that, of the 10 samples selected, all non-chargeable/unbilled time was marked on the ‘Charges Sheet’ which had been signed off by the Planner. However, four exceptions were identified where the explanation for the non-chargeable time was not provided.

Impact

A lack of monitoring of hours spent by staff on a resource consent can lead to inaccuracies not being picked up resulting in WDC under or over charging customers.

Opportunities for improvement

- Consider formalising Management’s desire to incorporate the review of the ‘Charges Sheet’ into the Consents Team Leader’s review. Where there is non-chargeable time within the ‘Charges Sheet’, ensure that an explanation is documented.
- Consider developing a report that is reviewed on a periodic basis which identifies any unusually high or low charges for follow up/investigation by Management.

2. Missed costs – External consultants

Description

WDC often need to involve external consultants during the resource consents process for an expert opinion. External consultants will invoice WDC for the work undertaken which will then be on-charged to the customer. External consultants often issue multiple invoices during the process, so it is vital to ensure all invoices are received for on-charging to the customer.

To ensure all external consultant costs are recorded, Planners are expected to fill out a 'Delegated Authority Form' as part of the process where the Planner notes any external consultants used. During the billing process the Consents Administrator will check whether WDC has received invoices from all consultants noted on the form and ensure the last invoice from the consultant is a 'final invoice'. If at any point an invoice does not mention 'final invoice', the Consents Administrator will call or email the consultant to ensure the last invoice received was the final invoice.

KPMG's testing found exceptions as follows:

- One instance where a resource consent application had involved two external consultants, but the Delegated Authority Form noted one. However, the invoice issued to the consultant included the full costs for both consultants.
- Three instances where the invoices received from the external consultant did not specify 'final invoice'. In these cases, the 'Charges Sheet', which is used by the Consents Administrator for billing purposes, had no mention of these being final invoices.

Impact

Missed external consultant costs can result in the loss of the ability to on-charge and recover the revenue for WDC.

Opportunities for improvement

- Consider developing a report which is reviewed on a periodic basis to identify and investigate the root causes of late and not charged consultant costs. This should be an indicator of whether the current preventative controls in place are working effectively.



Appendices

Appendix 1: Scope

Objectives and scope

The objective of this review was to assess the adequacy and effectiveness of the processes performed by the Consents Team relating to the invoicing and collection of revenue associated with the granting of resource consents.

The scope of the review was to:

- 1 Assess the adequacy and effectiveness of WDC's controls regarding:
 - Tracking and managing costs incurred during the granting of resource consents
 - Invoicing the costs incurred in the granting of resource consents
 - Monitoring and managing outstanding resource consent invoices.
- 2 Understand and assess the adequacy of the interface between the Consents Team and Finance Team.
- 3 Perform a high-level benchmarking to other councils regarding the basis of resource consent charging.

This review excluded processes relating to building consents.

Approach

KPMG approach to this review was as follows:

Planning

- 1 Obtained and reviewed relevant information relating to the resource consents revenue process including strategies, policies, procedures and process documents.
- 2 Identified key individuals for interviews and agreed timings for the interviews.

Fieldwork

- 3 Performed walkthroughs to gain an understanding of the processes performed by the Consents Team to:
 - Track and manage costs incurred in the granting of resource consents
 - Invoice costs incurred during the granting of resource consents
 - Manage the receipting of revenue and any outstanding invoices.
- 4 Documented key risks and controls and used the risk and control assessment to target fieldwork to areas of significant risk.
- 5 Performed testing of key controls identified within the processes to assess the effectiveness of such controls. Detailed testing was performed in line with KPMG's Internal Audit Methodology as required to support conclusions.
- 6 Identified potential opportunities to improve the effectiveness and efficiency of the resource consents revenue process.
- 7 Performed high level benchmarking regarding the basis of resource consent charging.

Appendix 2: Ratings and classifications

Overall rating

The ratings are defined as follows:

Rating	Definition
GOOD	The controls are fit for purpose and are being performed in a manner which effectively mitigates the identified risks.
EFFECTIVE	Despite the fact that some control weaknesses were identified, existing controls within the audited process are considered to be generally adequate, appropriate and effective. They ensure that the audited business processes will achieve their control objectives.
DEVELOPING	Control weaknesses were identified which, if not appropriately addressed, could in the future result in the audited business processes not achieving their control objectives.
NOT EFFECTIVE	Existing controls are considered to be inadequate and ineffective to ensure that the audited business processes will achieve their control objectives. Significant improvements are required to improve the adequacy and effectiveness of the control environment.

Risk rating

The risk rating assigned to the findings is determined based on an assessment of the impact of the business and the likelihood of the risk occurring, defined as follows:

Rating	Definition
LOW	Matters which are unlikely to have a significant impact on the system of internal control but should be addressed as part of continuous improvement.
MEDIUM	Matters which are important to the system of internal control and should be addressed as soon as possible.
HIGH	Matters which are fundamental to the system of internal control. The matters observed can seriously compromise the system of internal control and data integrity and should be addressed as a matter of urgency.

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Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	20 November 2020
Prepared by	Madelina Baena-Escamilla, Continuous Improvement Analyst Bessie Clarke, Corporate Planner Lynn Shirley, Zero Harm Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Quality and Governance Assurance

1. EXECUTIVE SUMMARY

This report outlines those activities within the programmes designed to provide quality improvement and assurance within the organisation. It covers:

- Business Process Improvement Programme;
- Internal Audit activity; and
- Independent Audit New Zealand reviews.

2. RECOMMENDATIONS

THAT the report from the Chief Operating Officer be received.

3. DISCUSSION

3.1. Business Process Improvement Programme

3.1.1 Internal Audit Schedule (2020 – 2021)

The 2020/2021 Internal Audit schedule has been created, and internal auditors have been assigned. This years internal audit schedule will be completed by the 15th March 2021.

The schedule includes the processes that are part of the quality management system of WDC as a recognised agency under the Food Act 2014. These processes need to be audited frequently to identify non-conformances that potentially could be found by the External Audit.

We have also included in the schedule those processes that could impact the treatment of the strategic risks that are not meeting the risk appetite level. Relevant processes are being identified in Zero Harm, Business Resilience, and Asset Management, amongst others. See the attachment entitled Process Audit Schedule 2020-2021 v2.

3.1.2 Internal Audit Schedule (2019 – 2020)

A dashboard summary of internal audit outcomes is presented in Table I, including the number of internal audits planned and undertaken, the findings, and the number of outstanding non-conformances.

There is still one non-conformance outstanding. The corrective actions are expected to be completed at the end of January 2021. In Table 2 below is the update on these actions.

Table I - Outcome of the 2019-2020 Internal Audit schedule

Team	Internal Audits - Planned	Internal Audits - Undertaken	Major Non-Conformances	Minor Non-Conformances	Recommendations	Outstanding Non-conformances
Total			6	18	121	1
Animal Control	4 Audits 15 Processes	4 Audits 15 Processes	4	0	37	0
Operations - Finance - Revenue	1 Audit 3 Processes	1 Audit 3 Processes	1	1	5	1
Operations - People & Capability	1 Audit 4 Processes	1 Audit 4 Process	0	12	6	0
Service Delivery – Community connections - Venue and Events	1 Audit 2 Processes	1 Audit 2 Processes	0	1	11	0
Service Delivery – Strategic Property	1 Audit 3 Processes	1 Audit 3 Processes	0	0	8	0
Service Delivery – Contracts & Partnering	1 Audit 4 Processes	1 Audit 4 Processes	0	0	26	0
Service Delivery - Community Assets	1 Audit 3 Processes	Postponed				
Chief Executive	1 Audit 2 Processes	1 Audit 2 Processes	0	3	9	0
Community Growth - Economic and Community Development	1 Audit 2 Processes	1 Audit 2 Processes	0	0	3	0
Customer Support - Consents	1 Audits 2 Processes	1 Audit 2 Processes	1	1	16	0
Customer Support - Consents	1 Audits 2 Processes	Postponed				
Red	Major Non-conformances haven't been addressed					
Orange	Minor Non - Conformances haven't been addressed					
Green	All Non - Conformances have been addressed / There were no Non - Conformances					

Table 2- Update on outstanding actions 2019-2020 Internal Audit schedule

Name of Process	Auditor's Findings	Recommendations and Actions to be Taken (February 2020)	Update on outstanding Actions (June 2020)	Update on outstanding Actions (September 2020)	Update on outstanding Actions (December 2020)
		(Process Owner)	(Process Owner)	(Process Owner)	(Process Owner)
Prepare and Strike Annual Rates (1 Major Non-Conformance)	The Rates Strike Process Lacks Detail	Agreed. The Rates Strike Process lacked detail to the extent that it would not have been a sufficient tool to undertake the process. Resources will be allocated to document the correct process as the Rates Strike and Charge Run process informs how Council will charge and collect the correct rates revenue to fund its activities. All Rates processes in will be updated in Promap prior to 30 June 2020	No progress has been made to date on this action. The 2020/21 Rates Strike will be used to put together the detailed process and it is expected this will be completed and reviewed during the first week of July 2020.	No progress has been made due to training delays for the Finance Team Leader – Revenue (lockdown and shifts). The 2020/21 Rates Strike was done by the Finance Manager. The Promapp processes are expected to be updated and full training completed by the end of January 2021.	Training has started with the Rates Team. The Promapp processes are expected to be updated and full training completed by the end of January 2020.

3.1.3 Policy Review

The work programme for reviewing internal and external Council policies is progressing as follows:

Policies published and/or reviewed and updated in the last three months:

- Climate Response and Resilience Policy 2020

Other policies currently being created or reviewed are:

- Significance and Engagement Policy
- Petitions Policy
- Cloud Computing Policy

Policies scheduled to be reviewed in the following months:

- Development Contributions Policy
- Stock Underpass Policy
- Livestock Movement Policy
- Dog Control Policy

3.1.4 Improvement Forum

- In the last three months, the Improvement Forum has met using a mix of physical and virtual meetings, using Zoom and MS teams. The Continuous Improvement Agents continue to promote Continuous Improvement ("CI") and help process owners and experts manage and review their business processes. Since September, the number of out of date and the draft processes have reduced by 10%.
- The Innovation and Continuous Improvement survey has closed, and the Innovation & Risk Team are currently reviewing the results. A total of 209 staff responded to the survey; an increase in 28 from 2019. Last year we conducted two separate surveys, one for innovation and another around Continuous Improvement. The results and data from these surveys helped inform our work programmes for Innovation and Continuous Improvement for 2019 and 2020 and provided us with baseline measures. This year, following feedback

from within the organisation that Continuous Improvement and Innovation go hand-in-hand, we have combined the two surveys. Again the results and data from this survey will inform our Continuous Improvement and Innovation strategy and work programme for 2021.

- A series of workshops have taken place in the last three months to improve the Dog Registration experience (registering a new dog and renewing existing registrations) to make it easier for both customers and WDC staff. A cross functional team used human centred design techniques to develop both current and future state (desired) customer journeys. This methodology has helped to identify a number of pain points and improvement opportunities so far. The team are currently drafting recommendations which are expected to lead to a number of benefits such as reduced customer touchpoints, reduced risk areas (in the process) and the potential to link payments to registrations.
- Process mapping training continues to be delivered online using the Nintex University online training and follow-up meetings using MS teams or via face-to-face. In the past three months, 13 new starters have been trained in process mapping and process improvement as part of their induction.

3.2 Independent Audit Activities

The tables below outline the areas and status of issues – either completed or in progress since the last report in September 2020.

Table 3 reflects those items staff consider are completed or a work in progress.

Table 4 details all the current work in progress issues. Progress continues to be made on this issues and staff are working to complete these

Table 3 - Areas of audit issues- November 2020

	Pending	Work in progress	Complete	Total
Audit New Zealand	0	4	32	36
Cyber security	0	1	33	34
Internal audit	0	0	5	5
Procurement and contract management	0	1	14	15
Risk management	0	0	37	37
Project management	0	0	33	33
Total	0	6	154	160

Table 4 - "Work in progress" Issues

Audit Area	Domain	Recommendation / Action Required	Date first raised	Proposed Action / Plan – November 2020 A&R Committee comment
Audit NZ	Contract management	Develop and implement a contract management system	Jul-16	Phase One of this project is complete. The data has been uploaded into the system. Continuous improvement process will refine and build on capability of the system over time.
Cyber Security	IM practices	Rec09: Review and improve monitoring for security incidents, incident response plan, patch management, change control and release management processes	Dec-15	<p>In regard to the 4 different aspects of this recommendation, 3 are complete and 1 remains in progress (see below)</p> <p>1. Monitoring for security incidents: Managed through IM Service Desk. Process under review. [In Progress]</p> <p>2. Incident response plan: Managed in accordance with the councils Incident Management process [Complete]</p> <p>3. Patch management: Duplicate, tracked separately [Complete]</p> <p>4. Change control and release management processes: Duplicate, tracked separately [Complete]</p>
KPMG review of Procurement and Contract Management	Procurement	Develop a procurement strategy and ensure consistency and clarity of procurement guidelines.	Dec-16	<p>The Procurement and Contracts Roadmap project is ongoing – recent review of capex programme of works for F21 has triggered reprioritisation to ensure support to the delivery of this programme has immediate priority.</p> <p>This has meant the Procurement Strategy has been pushed out for delivery in Q3/Q4 of this year, and an update of the procurement procedures and guidance for the 'phase 0-preplan' and 'phase 1-planning' of procurement has been completed, and is being reviewed by the Project Working Group – with the intention to get Council wide feedback over the next few weeks.</p> <p>The procedures/processes also reflect an updated Procurement Policy that is also being currently being reviewed by the Project Working Group.</p> <p>Temporary resource has been extended to cover off delivery of this project work.</p>
Audit NZ	BC and DR Planning	Develop IM Business Continuity process	2011/2012	Completed: devices receive AV definition file updates and security patches from anywhere when connected to internet.

Audit Area	Domain	Recommendation / Action Required	Date first raised	Proposed Action / Plan – November 2020 A&R Committee comment
Audit NZ	IT Service performance	Change Management	Jul-16	Work in progress. Service Level Agreement to be presented to December ELT. Dashboard implementation deferred to February 2021.
Audit NZ	Systems Updates	All devices have virus definition updates and patches applied	Jul-16	Anti-virus solution implemented. Patch Management solution implemented. However, due to COVID response requiring on-premise devices to be deployed to staff homes some devices are no longer consistently updated. This is being addressed through the Windows 10 project. 49% complete. [Close by December 2020].
Audit NZ	IM practices	Dashboard reporting on key Information Management initiatives should also include reporting on availability and capacity of IT infrastructure and systems	Oct-18	Complete: local admin accounts have now been removed.
Audit NZ	IM practices	Regular reviews and reporting to be carried out on the network and within applications to ensure that only current approved users have access.	Sep-19	Business Unit BCP plan updates deferred to Mar 2021. Flow-on impact being DR plan update deferred to October 2021.
Audit NZ	Systems Updates	Review network administrators accounts and network directory organisational units	Oct-18	In regard to the 3 different aspects of this recommendation, 2 are complete and 1 remains in progress (see below) 1. Admin A/C's on Servers: Complete 2. Admin A/C's on Network Devices: Complete 3. Local Admin on PC's/Laptops: Complete: local admin accounts removed.
Audit NZ	Procurement	Procurement policies and procedures are reviewed and updated in a timely manner and sufficient training is provided to relevant staff who are involved in procurement activities	2018/2019	The Procurement and Contracts Roadmap project is ongoing – recent review of capex programme of works for F21 has triggered reprioritisation to ensure support to the delivery of this programme has immediate priority. This has meant the Procurement Strategy has been pushed out for delivery in Q3/Q4 of this year, and an update of the procurement procedures and guidance for the 'phase 0-preplan' and 'phase 1-planning' of procurement

Audit Area	Domain	Recommendation / Action Required	Date first raised	Proposed Action / Plan – November 2020 A&R Committee comment
				<p>has been completed, and is being reviewed by the Project Working Group – with the intention to get Council wide feedback over the next few weeks.</p> <p>The procedures/processes also reflect an updated Procurement Policy that is also being currently being reviewed by the Project Working Group.</p> <p>Temporary resource has been extended to cover off delivery of this project work.</p>

There are a total of 160 issues that have been raised by various audits across the organisation, 154 of which are complete.

3.3. KPMG Health and Safety Governance Audit

The Zero Harm Team in conjunction with the Executive Leadership Team has continued to make steady progress on the implementation of improvement actions identified from the H&S Governance audit undertaken by KMPG. The audits' focus was on Council's duties in relation to Section 44 of the Health and Safety at Work Act (HSWA).

Council received 29 improvement actions and to date we have now completed ~ 75% (22 actions) and two more actions are scheduled to be completed in December. All actions continue to be tracked via BWare Safety Manager.

4. ATTACHMENTS

- Combined Audit Recommendations November 2020
- Process Audit Schedule 2020-2021v2

Attachment I: Combined Audit Recommendations

Audit Area	Domain	Recommendation / Action Required	Date first raised	Proposed Action / Plan – November 2020 A&R Committee comment	Who	By When	Status
Audit NZ	Contract management	Develop and implement a contract management system	Jul-16	Phase One of this project is complete. The data has been uploaded into the system. Continuous improvement process will refine and build on capability of the system over time.	Contracts and Partnering	Dec-19	Work in progress
Cyber Security	IM practices	Rec09: Review and improve monitoring for security incidents, incident response plan, patch management, change control and release management processes	Dec-15	<p>In regard to the 4 different aspects of this recommendation, 3 are complete and 1 remains in progress (see below)</p> <p>1. Monitoring for security incidents: Managed through IM Service Desk. Process under review. [In Progress]</p> <p>2. Incident response plan: Managed in accordance with the councils Incident Management process [Complete]</p> <p>3. Patch management: Duplicate, tracked separately [Closed]</p> <p>4. Change control and release management processes: Duplicate, tracked separately [Closed]</p>	IM	Oct-21	Work in progress. Business Unit BCP plan updates deferred to Mar. Flow-on impact being DR plan update deferred to Oct

Audit Area	Domain	Recommendation / Action Required	Date first raised	Proposed Action / Plan – November 2020 A&R Committee comment	Who	By When	Status
KPMG review of Procurement and Contract Management	Procurement	<p>Develop a procurement strategy and ensure consistency and clarity of procurement guidelines.</p> <p>1) WDC should consider developing a procurement strategy. The strategy should set out:</p> <ul style="list-style-type: none"> • procurement aims and objectives for the next 3 to 5 years • procurement vision • demonstrates the support by senior management • maps out the major initiatives to be addressed in the forthcoming 3 to 5 years • WDC's public commitment to maintain and improve the day-to-day procurement work within WDC and emphasises a determination to make continual improvements in that work • framework upon which WDC's procurement policy and procedures are based • objectives against which progress can be measured and reported <p>2) Review procurement guidelines to ensure there is consistency between procurement policy, the manual and ProMapp process descriptions.</p>	Dec-16	<p>The Procurement and Contracts Roadmap project is ongoing – recent review of capex programme of works for F2I has triggered reprioritisation to ensure support to the delivery of this programme has immediate priority.</p> <p>This has meant the Procurement Strategy has been pushed out for delivery in Q3/Q4 of this year, and an update of the procurement procedures and guidance for the 'phase 0-preplan' and 'phase 1-planning' of procurement has been completed, and is being reviewed by the Project Working Group – with the intention to get Council wide feedback over the next few weeks.</p> <p>The procedures/processes also reflect an updated Procurement Policy that is also being currently being reviewed by the Project Working Group.</p> <p>Temporary resource has been extended to cover off delivery of this project work.</p>	Procurement	Dec-20	Work in progress
Audit NZ	BC and DR Planning	Develop IM BCP process		2020 - re-opened by Audit NZ "Business Continuity plan be updated with learnings from the Covid-19 pandemic and that regular tests of the plan be scheduled" being addressed through the BCP Review being lead by Projects & Innovation (PR-1390). Complete. Devices receive AV definition file updates & security patches from anywhere when connected to internet.	IM / P&I	Complete	Complete.

Audit Area	Domain	Recommendation / Action Required	Date first raised	Proposed Action / Plan – <u>November 2020</u> A&R Committee comment	Who	By When	Status
Audit NZ	IT Service performance	Change Management	Jul-16	Implemented for TechOne Enterprise Application Suite. Actions to close; rollout change management framework across all core/critical infrastructure & systems, align change process to ITIL (Business Owner ownership), and introduce Standard change and Emergency change process [Close by Feb-21]	IM	Feb-21	Work in progress. Service Level Agreement to be presented to Dec ELT. Dashboard implementation deferred to Feb-21
Audit NZ	Systems Updates	All devices have virus definition updates and patches applied	Jul-16	Anti-virus solution implemented. Patch Management solution implemented. However, due to COVID response requiring on-prem devices to be deployed to staff homes some devices no longer consistently updated. Being addressed through the Windows 10 project. Complete.	IM	Complete	Complete
Audit NZ	IM practices	Dashboard reporting on key Information Management initiatives should also include reporting on availability and capacity of IT infrastructure and systems	Oct-18	Re-opened as had stopped due to extended period with no CIO. Re-implement IM Dashboard(s) to measure and report operational & delivery KPI's. Complete.	IM	Complete	Complete, local admin accounts removed
Audit NZ	IM practices	Regular reviews and reporting to be carried out on the network and within applications to ensure that only current approved users have access.	Sep-19	Implemented automated monthly reporting of accounts which have not logged in for 60 days. Implemented monthly review and automated disablement of a/c's not logged in for 60 days. Complete.	IM	Oct-21	Complete
Audit NZ	Systems Updates	Review network administrators accounts and network directory organisational units	Oct-18	In regard to the 3 different aspects of this recommendation, 2 are complete and 1 remains in progress (see below) 1. Admin A/C's on Servers: Complete 2. Admin A/C's on Network Devices: Complete 3. Local Admin on PC's/Laptops: Being addressed through the Windows 10 project. Complete	IM	Complete	Complete, local admin accounts removed

Audit Area	Domain	Recommendation / Action Required	Date first raised	Proposed Action / Plan – <u>November 2020</u> A&R Committee comment	Who	By When	Status
Audit NZ	Procurement	Procurement policies and procedures are reviewed and updated in a timely manner and sufficient training is provided to relevant staff who are involved in procurement activities		<p>The Procurement and Contracts Roadmap project is ongoing – recent review of capex programme of works for F2I has triggered reprioritisation to ensure support to the delivery of this programme has immediate priority.</p> <p>This has meant the Procurement Strategy has been pushed out for delivery in Q3/Q4 of this year, and an update of the procurement procedures and guidance for the ‘phase 0-preplan’ and ‘phase 1-planning’ of procurement has been completed, and is being reviewed by the Project Working Group – with the intention to get Council wide feedback over the next few weeks.</p> <p>The procedures/processes also reflect an updated Procurement Policy that is also being currently being reviewed by the Project Working Group.</p> <p>Temporary resource has been extended to cover off delivery of this project work.</p>	Procurement	Dec-20	In progress

Audit Schedule 2020-2021(First half)

Group/Team	Processes	Owners and experts	Auditors	Due date
Service Delivery - Community Assets	<ul style="list-style-type: none"> Complete Parks & Facilities Asbuilt Data Sheets Enter P&F Asset Data into Asset Finda Enter P&F Asset Data into SPM 	Robert Ashley Joy Rolton	Taljit Singh-Sandhu	15 March 2021
Customer Support - Consents	<ul style="list-style-type: none"> Ensure iwi engagement in Resource Consents for activities on the surface of the river First steps to Determining Notification 	AnaMaria d'Aubert Sam Toka Ella Makin Emma Ensor	Kay Warren	15 March 2021
Community Safety - Environmental Health	<ul style="list-style-type: none"> Regulation 110(2)(a-b) - Recognised Agency: Conflicts of interest Regulation 110(2)(c) - Recognised Agency: Confidential Information Regulation 110(2)(n) - Recognised Agency: Contractual Arrangements 	Tony Pipe Baker Siddique	Stacey Solomon	15 March 2021
	<ul style="list-style-type: none"> Regulation 110(2)(d) - Recognised Agency: Staffing Regulation 110(2)(e) - Recognised Agency: Resourcing Register Template Food Control Plan (FCP) 	Tony Pipe Baker Siddique	Helen Kirby	15 March 2021
	<ul style="list-style-type: none"> Regulation 110(2)(f) - Recognised Agency: Reporting Regulation 110(2)(g-h) - Recognised Agency: Records Process Application to Register Health Premises 	Tony Pipe Baker Siddique Sudhir Kumar	James Hanright	15 March 2021
	<ul style="list-style-type: none"> Regulation 110(2)(i-j) - Recognised Agency: Non Compliance and Corrective Actions Regulation 110(2)(k) - Recognised Agency: Complaints Verify Template Food Control Plan (FCP) 	Tony Pipe Baker Siddique	Terrence Hayes	15 March 2021
	<ul style="list-style-type: none"> Regulation 110(2)(l) - Recognised Agency: Internal Management Regulation 110(2)(m) - Recognised Agency: Review of Performance Recognised Agency: Continuous Improvement Recognised Agency: Internal Audit 	Tony Pipe Baker Siddique	Sandra van der Westhuizen	15 March 2021

Group/Team	Processes	Owners and experts	Auditors	Due date
Customer Support – Customer Feedback	<ul style="list-style-type: none"> • Manage Customer Suggestions / Feedback • Resolve Customer Complaints • Manage Stakeholder Access for Promapp's Customer Feedback Register • Assign Customer Feedback (Complaints / Compliments / Suggestions) • Manage Customer Compliments • Report Customer Feedback (Formal Complaint, Compliment or Suggestion) 	Reece Turner Brian Cathro Sharlene Jenkins	Deryl Penjueli	15 March 2021

STRATEGIC RISK	RISK APPETITE	RISK LEVEL	PROCESSES	OWNERS AND EXPERTS	AUDITORS	DUE DATE
Business Resilience Business function is significantly disrupted due to a lack of organisational resilience	Low	Moderate	Risk Management Processes <ul style="list-style-type: none"> • Assess & Manage Strategic Risks • Assess & Manage Risk – Operational • Assess & Manage Risk – Projects • Monitor & Report on Risks 	Kat Jenkins Glynn Mason	Phyllis Hefang	15 March 2021
Zero Harm Significant harm is caused to workers, or others, due to poor or inactive health and safety procedures, non-compliance with legislative requirements, or inadequate governance/management of contractual health and safety requirements	Low	Extreme	<ul style="list-style-type: none"> • Identify, Report and Record a Hazard • Manage and Report a Notifiable Event • Report and Record an Injury, Near Miss or Property Damage Event • Respond to Serious Injury/Medical Incident Emergency 	Lynn Shirley Kylie Anderson	Madelina Baena	15 March 2021
Cyber Security Council is exposed to significant business disruption caused by unauthorized access to privileged information and or reduced data integrity resulting from cyber-attack or employee behaviour	Low - Moderate	High	Processes to be confirmed	TBC	TBC	15 March 2021

STRATEGIC RISK	RISK APPETITE	RISK LEVEL	PROCESSES	OWNERS AND EXPERTS	AUDITORS	DUE DATE
Projects & Initiatives Council fails to produce required project benefits due to poor delivery of projects and programmes caused by a lack of procedure or capability	Moderate	Extreme	Project Management <ul style="list-style-type: none"> • Project Issue Management • Project Change Control • Manage Physical Works Projects • Manage Business Improvement Projects • Close Project • Project Management Routines • Propose Project 	Alan Kuyper Kurt Abbot	Shelley Woollett	15 March 2021
Asset Management Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose	Low	High	Processes to be confirmed	TBC	TBC	15 March 2021
Stakeholder Engagement Council fails to deliver appropriate community outcomes and or wastes resources due to unsuitable stakeholder identification and interaction practices	Low	Moderate	Processes to be confirmed	TBC	TBC	15 March 2021

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	30 November 2020
Prepared by	Sharlene Jenkins Executive Assistant
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Updated Future Work Plan

1. EXECUTIVE SUMMARY

The purpose of this report is to present an updated Future Work Plan for the Audit & Risk Committee's information.

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3. ATTACHMENTS

- Updated Future Work Plan

Audit & Risk Committee: Future Work Plan

	09 December 2020	10 March 2021	08 June 2021	September 2021 TBA	December 2021 TBA	Standing items for all meetings
Risk	Health & Safety Framework Review	Risk Assessment of Council Controlled Organisations Statements of Intent Annual Report Risk Assessment Annual Report Programme Compliance	Risk Appetite Review Procurement and Contract Management Framework Review	Risk Management Framework Review	Health & Safety Framework Review	<ul style="list-style-type: none"> ▪ Chief Financial Officer Report Update on risks and issues that could impact council and its stakeholders from a financial perspective, including insurance and procurement matters. ▪ Strategic Risk Register and Emerging Risks Update on key strategic risks and associated management actions, including trajectory of risk assessment. Opportunity to discuss emerging risks with potential for strategic impact. ▪ Risk Conversations Opportunity for Committee to dialogue with key staff to obtain assurance that appropriate controls and culture are in place. ▪ Strategic Risk Deep Dive Detailed inspection of a key risk for the purpose of assurance. ▪ Zero Harm Update Health & Safety performance update against agreed targets, systemic issues identified which can be fed into the risk control framework. To include monthly statistics. ▪ Quality Governance and Assurance Progress against audit issues and rolling review of bylaw & policies: <ul style="list-style-type: none"> - Anti-fraud and corruption framework (and related policies) - Health & Safety Policy - Risk Management Policy - Treasury Risk Management Policy ▪ Post Implementation Reviews and/or Incident Debrief Reports Post project appraisals on key investments.
Independent Internal Audit	Resource Consents Revenue Process Review	Rates Process Review			Resource Consents Revenue Process Review	
Insurance	Insurance Policy / Premium Confirmation	Insurance Risk Strategy		Insurance Renewal Process Update Insurance review	Insurance Policy / Premium Confirmation Insurance Risk Strategy	
Annual Report		Annual Report Project Planning Final Audit Management Report		Annual Report	Final Audit Management Report	
Other	Anti-Fraud and Corruption Framework review			Audit & Risk Committee Key Achievements Review of Audit & Risk Committee performance against Terms of Reference Zero Harm Site Visit	Anti-Fraud and Corruption Framework review	

Strategic Risks

- Council Partnerships ✓
- Zero Harm ✓
- Asset Management ✓

- Waters Social Franchise Model ✓
- Stakeholder Engagement ✓
- Economic and Social Development

- People and Culture ✓
- Regional / National Strategic Planning ✓
- Projects and Initiatives

- Compliance Management
- Business Resilience ✓
- Cyber Security

Open Meeting

To	Audit & Risk Committee
From	Gavin Ion Chief Executive
Date	09 December 2020
Prepared by	Brendan Stringer Democracy Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Register of Interests – Elected and Appointed Members

I. EXECUTIVE SUMMARY

The purpose of this report is to provide a summary of interests declared by elected and appointed members of Council's committees and community boards, and the elected members of community committees.

The summary reflects the completed declaration of interest forms from elected and appointed members and any subsequent updates provided to the Democracy Team.

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3. ATTACHMENTS

Summary of Register of Interests – Elected and Appointed Members

Financial Interests	
Statement Reference	
1	I am, or my spouse or partner is, a party to a contract with Waikato District Council
2	I, or my spouse or partner, individually or together own(s) 10% or more of the shares in a contracting company or controlling company .
3	I am, or my spouse or partner is, a shareholder in a contracting company or controlling company, AND either I am, or my spouse/partner is, also a shareholder of the controlling company .
4	I am, or my spouse or partner is, a managing director or a general manager of a contracting company AND either I am, or spouse/partner is, also a shareholder of the controlling company .
5	I, or my spouse or partner, individually or together, has/have an indirect concern or interest in a contract with Waikato District Council not already disclosed above.
6	If you answered 'Yes' to any of questions 1 to 5, does the total value of all contracts listed above, exceed \$25,000 (including GST) for the current financial year.

Register of Elected Members Interests													
COUNCIL	Financial Interests			Non - Financial Interests									
	Please refer to Statement Reference here.			Companies				Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities and services (since 21 October 2019)	Debts
	1 to 6	With the exception of		Director/Manager	Financial Interests	Employment/Paid Positions	Trustee/Beneficiary	Other Bodies					
Aksel Bech	No	N/A		• Frost Solutions Ltd (Frost protections and HR consultancy)	<ul style="list-style-type: none"> Synthase Biotech (Enzyme Company) NDA Engineering (Stainless Steel Manufacturing) Wing Acoustics (Audio Driver Manufacturing) Heilala Vanilla (Vanilla Producer) Rua Biosciences (Medical Cannabis Company - formally Waiaipu Investments) Spoke Network Ltd (Telecom Software) Mighty River Power (Electricity Generator) Genesis Energy (Electricity Generator) James Street Ltd. (Property Investment) Snell Street Ltd (Property Investment) <ul style="list-style-type: none"> Mastaplex (Animal Welfare Co.) Beany (Accounting Software Co) Inhibit Coatings Ltd. (Anti-microbial Surface Coating) Toto Investments LP (Property) 	<ul style="list-style-type: none"> Synthase Biotech (Director) St. Peters Trust (Board Trustee) 	<ul style="list-style-type: none"> St. Peters School & Foundation (Trustee) Jepsen Family Trust (Trustee) A.B. Jepsen Trust (Trustee) Feline Adventure Trust (Trustee) 	<ul style="list-style-type: none"> Coastguard (Northern) - (Ordinary Member) Kerikeri Cruising Club (Ordinary Member) 	1x Tamahere (Beneficiary of Trust)	Complimentary access to Promoter's Lounge at Sevens tournament with +17 (Donor- 37 South Ltd) Waikato Business Awards (13 Nov 2020) \$219.50	N/A	• Loan to Individual in Ward.	
Carolyn Eyre	No	N/A		• Pepepe Investments (Farming)	• Pepepe Investments (Farming)	• SM Eyre Trust (Office Manager)	• SM Eyre Trust (Beneficiary)	• Waikato Diocesan School for Girls Proprietors Board (Representative)	• Huntly (Beneficiary of Trust)	2 x corporate box tickets (Hamilton City Council) Counties V Waikato Rugby @ the FMCG Hamilton Stadium Clarke Lounge. Estimate \$150. 10 Oct 2020	N/A	N/A	
Chris Woolerton	No	N/A		• Middle Ridge Farms Ltd. (Dairy farm)	<ul style="list-style-type: none"> Fonterra Balance LIC 	• Middle Ridge Farms Ltd.	• Woolerton Trust	• Oaks Church (Parish Council/ Building Committee)	• Taupiri (Owner)	N/A	N/A	N/A	
Eugene Patterson	No	N/A		• Complete Painting & Decorating (Painting)	N/A	N/A	N/A	Ngaruawahia Bowling Club (Treasurer)	•Ngaruawahia (Owner)	N/A	N/A	N/A	
Frank McInally	No	N/A		McInally Truckpainters (Panel-paint)	N/A	N/A	N/A	Huntly RSA (President)	2x Huntly (Owner)	N/A	N/A	N/A	
Jacqui Church	No	N/A		• Great Goods Limited (Coffee & Food Service Wholesale Distributor)	N/A	N/A	• Southwest Trust (Trustee)	<ul style="list-style-type: none"> Pukekohe Lions (Member) Franklin & Districts Justices of the Peace Association (Member) BPW Franklin – Business & Professional Women Franklin (Member) Port Waikato Pink Breakfast (Committee Chair) Tuakau Cleanup & Planting (Member) Franklin & North Waikato [FAWN] Trails Forum (Member) Onewhero Golf Club (Colin Church – Husband – Member & on Match Committee) Port Waikato Blue Breakfast (Colin Church – Husband – committee member) 	•2xTuakau (Owner)	2 x corporate box tickets (Hamilton City Council) Counties V Waikato Rugby @ the FMCG Hamilton Stadium Clarke Lounge. Estimate \$150. 10 Oct 2020	N/A	N/A	
Jan Sedgwick	No	N/A		N/A	<ul style="list-style-type: none"> Auckland Airport Contact Energy <ul style="list-style-type: none"> AMP Methven Cochlear Telstra Wherescape CBA Bank of Queensland (public shareholder in all above) 	N/A	<ul style="list-style-type: none"> Holbrook Family Trusy (beneficiary) Carrara Wharf Trust (Beneficiary) Harvey S'pore Trust (Beneficiary) WWF NZ - Trustee (Board Member) Te Araroa Trail Trustee (Board Member) 	N/A	• Te Kauwhata (Shareholder in company)	N/A	N/A	N/A	
Janet Gibb	No	N/A		<ul style="list-style-type: none"> JMG Ltd (Rental Properties) Ede Investments Ltd (Farming) 	N/A	• Ede Investments Ltd (Farming)	<ul style="list-style-type: none"> Janet Gibb Family Trust (Trustee/Settlor/Beneficiary) Rarangi Trust (Trustee/Beneficiary) Mangatokatoka Trust (Trustee/Beneficiary) Tironui Trust (Trustee/Beneficiary) 	• Business + Professional Women NZ (Advocacy + Education – Member/Past Executive)	<ul style="list-style-type: none"> 2x Taupiri (Owner) 4x Taupiri (Trustee or Director) 2x Taupiri (Trustee/Beneficiary/Director) 	2 Tickets to rugby match from Hamilton City Council value of \$150 5 July & 10 Oct 2020	N/A	<ul style="list-style-type: none"> ASB (mortgages Rental Properties) ASB (Farm Mortgages + Overdrafts) 	
Lisa Thompson	No	N/A		N/A	N/A	<ul style="list-style-type: none"> Raglan Area School (Board of Trustees & Administrator) Trade Aide Importer (Retail) 	<ul style="list-style-type: none"> Raglan Event & Multi Sport Trust (Event Coordinator/Trustee) 	<ul style="list-style-type: none"> Whaingaroa Raglan Affordability Project/Affordable Housing/Council Raglan Naturally (Community Organisation) Raglan Business Chamber (Local Business Development) Council & Community Board 	1x Raglan (owner)	N/A	N/A	N/A	

Register of Elected Members Interests											
COUNCIL	Financial Interests		Non - Financial Interests								
	1 to 6	With the exception of	Companies		Employment/Paid Positions	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities and services (since 21 October 2019)	Debts
			Director/Manager	Financial Interests		Trustee/Beneficiary	Other Bodies				
Noel Smith	No	N/A	N/A	<ul style="list-style-type: none"> National Australian Bank (Bank) Farmlands Loop Ltd (Farm Supplies) 	• Self Employed (Farming)	N/A	<ul style="list-style-type: none"> Waikato JP Assn Inc (JP Duties – Senior Vice President) Huntly JP Assn (JP Support – IPP) 	x2 Ngaruawhiaia (owner)	N/A	N/A	N/A
Rob McGuire	No	N/A	N/A	<ul style="list-style-type: none"> Fonterra (Shareholder) 	• Self-employed (Farming)	• McGuire Family Trust (Beneficiary)	N/A	1x Puketaha (Family Trust/Beneficiary)	N/A	N/A	N/A
Mayor Allan Sanson	No	N/A	Sanpat Ltd (Farming)	Sanpat Ltd (Farming)	N/A	AM & PA Sanson Family Trust (Trustee)	N/A	x3 Huntly (owner)	January 2020 Return Airfare to Guangzhou (China) from Yashili International Holdings, including 3 nights accommodation.	N/A	N/A
Stephanie Henderson	No	N/A	N/A	N/A	N/A	N/A	N/A	1x Te Kohanga (owner)	N/A	N/A	N/A
Shelley Lynch	No	6. No answer entered	N/A	N/A	N/A	N/A	<ul style="list-style-type: none"> Huntly Rotary (Charity) – Organisation has received, or applied to receive, funding from Council/Community Board/Community Committee BPW Huntly (Dinner meetings) Huntly & Ngaruawhia RSA (Dinner) 	x3 Huntly (owner)	N/A	N/A	N/A

Register of Elected Members Interests

Name	Financial Interests <i>Please refer to Statement Reference</i>		Non - Financial Interests								
	1 to 6	With the exception of	Companies		Employment	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities and services (since 21 October 2019)	Debts
			Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Margaret Devlin	No	N/A	<ul style="list-style-type: none"> Watercare (Provision of water and wastewater services) <ul style="list-style-type: none"> Lyttleton Port (Port Services) Waikato Regional Airport Group (Airport and associated airport services) Met Services (Provision of meteorological services) Aurora Energy (Electricity Lines Distribution) <ul style="list-style-type: none"> WINTEC (Education) Waikato University (Education) IT Partners (Technology Services) Hospice Waikato (Palliative Care) Infrastructure NZ (Industry Lobby Group) 	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Brendon John Green	No	No	<ul style="list-style-type: none"> Peak 2 Peak limited Advanced biotech 	n/a	n/a	n/a	<ul style="list-style-type: none"> Watercare (director) Ministry of Education (taumata aronui) Waikato Tainui (member) Maitiaki Advisory limited (director) Tainui Kawhia Inc (director) Manukau Institute of Technology (Runanga) 	n/a	n/a	n/a	ANZ Mortgage
Maxine Moana-Tuwhangai	No	n/a	n/a	n/a	n/a	<ul style="list-style-type: none"> Te Whakakitenga o Waikato (Marae representative) Koheroa 39D1B and 39D2 Trust (trustee) Te Aho o Te Kura Pounamu (Trustee) 	<ul style="list-style-type: none"> Haukura Hauora o Tainui (director) Kiwi Rail Holdings (director) 	n/a	n/a	n/a	n/a

Register of Elected Members Interests

		Financial Interests Please refer to Statement Reference here.		Non - Financial Interests								
Name	Community Board	1 to 6	With the exception of	Companies		Employment	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities and services (since 21 October 2019)	Debts
				Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Gabrielle Parsons	Raglan	No	N/A	• Valencia Limited (Marine Engineering)	• Valencia Limited (Marine Engineering)	• Raglan Naturally (Community led development)	• Bradley Family Trust (Trustee)	• COGS Waikato West (Committee)	1x Raglan (Owner)	N/A	N/A	N/A
Bob McLeod	Raglan	No	6 - No answer entered	• CLOUDS (Training)	N/A	N/A	N/A	• Raglan Ratepay Community Inst (President) • RCB Representative - Raglan Holiday Park Papahua Board	1x Raglan (Owner)	N/A	N/A	N/A
Satnam Bains	Raglan	No	N/A	• Satnam's Supermarket Ltd (Retails • Rano Community Trust (Grants/Community) • Downunder Developments (Property)	N/A	• Satnam's Supermarket Ltd (Retails • Rano Community Trust (Grants/Community)	• Rano Community Trust (Chairman) • Bains Family Trust (Beneficiary)	• St Johns Raglan (Executive Member)	N/A	N/A	N/A	N/A
Dennis Amoore	Raglan	No	5 - No answered entered	Fairlight Developments (Director)	N/A	Fairlight Developments (Director)	Raglan Surflife Saving - Amenities Trust (Trustee)	N/A	4x Raglan (Owner)	N/A	N/A	N/A
Tony Oosten	Raglan	No	N/A	No interests to declare	N/A	Fonterra (Dairy Manufacturer)	• Waikato Trust A&B (Trustee) • Raglan Naturally Trust (Trustee)	Trustee Raglan Naturally Community Trust (acting on behalf of Raglan Community Board)	2x Raglan (Owner)	N/A	N/A	N/A
Chris Rayner	Raglan	No	N/A	Raglan Farmstay (Accommodation)	N/A	Raglan Farmstay (Accommodation)	• Te Whare Trust (Director) • J & V Rayner Trust (Beneficiary)	N/A	1x Raglan (Director of Te Whare Trust)	N/A	N/A	N/A
Shaun Jackson	Onewhero Tuakau	No	5 - Smart Environmental (Tuakau) Have an indirect interest as Council lease a building I manage which is owned by a family member	• Lavalla Farm Ltd. (Farming Activity) • Lavalla Functions Ltd. (Function & Event Centre) • Jackson Group Developments Ltd. (Property Development) • Jackson Property Group Holdings (Property Maintenance)	N/A	Jackson Property Group Holdings Ltd. (Property Maintenance)	• Tuakau Youth Sport Trust (Chairperson)	• Tuakau Combined Sports Society (Chairperson) (has applied for Lightbody Reserve funding for field lighting)	5x Tuakau (Owner)	N/A	N/A	ANZ (Property Loan)
Caroline Conroy	Onewhero Tuakau	No	N/A	N/A	N/A	• Counties Mankau DHB (Midwife) • Midwifery Employee Representation & Advisory Service MERAS (Co-Leader of service that represents employed midwives)	N/A	Glen Murray Community Equestrian Group- Riding Centre (Chair) Received funding from OTCB in 2017 for a defibrillaotr for the County Hall & Equestrian Grounds	2x Tuakau (Owner)	N/A	N/A	N/A
Jonathan Lovatt	Onewhero Tuakau	No	N/A	• Supply Program Solutions Ltd. (Packaging Supplier)	• Powella Ltd. (Exporter) • Lovatt Holdings Ltd. (Domestic Renovations)	N/A	N/A	N/A	3x Onewhero (Owner)	N/A	N/A	N/A
Vernon Reeve	Onewhero Tuakau	Yes No. 1 No to No. 2-6	N/A	N/A	N/A	N/A	• Reeve Family Trust (Trustee/Beneficiary) • Tuakau Emergency Services Charitable Trust (Trustee) • Vern & Vicky's Ski Trust (Trustee)	• Tuakau & Districts Development Assoc. (Member)	1 x Tuakau (Trustee & Beneficiary)	N/A	N/A	N/A
Kandi Ngataki	Onewhero Tuakau	No	N/A	N/A	N/A	Te Kohanga Reo O Te Awomarahi (Kohanga Reo Education)	• Tuakau Primary School (Chair) • Huakina Development Trust (Chair)	• Tuakau Rugby League (Chair) • Tuakau Combine Society Sport Inc. (Treasurer)	N/A	N/A	N/A	N/A
Bronwyn Watson	Onewhero Tuakau	No	N/A	N/A	N/A	N/A	• Tuakau Combined Sports Society Trust (Trustee) • Franklin Integration Project (Trustee)	• Tuakau CSST Inc (Board Member) • Tuakau Community Night Patrol (Chair until October 2020 AGM)	N/A	N/A	N/A	N/A
Kiri-Kauhrangi Breeze Morgan	Ngaruawahia	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Greg Wiechern	Ngaruawahia	No	N/A	• Wiechern Properties Ltd (Rental Properties)	• Wiechern Properties Ltd (Rental Properties)	• Motorhome Solar Ltd (Electrical/Solar to Motorhomes)	N/A	N/A	N/A	N/A	N/A	N/A

Register of Elected Members Interests

Financial Interests Please refer to Statement Reference here.				Non - Financial Interests								
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				Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Jack Ayers	Ngaruawahia	No	N/A	N/A	N/A	N/A	• Waipa School Board of Trustees (Board Member)	N/A	N/A	N/A	N/A	N/A
Rongo Kirkwood	Ngaruawahia	No	N/A	• Riverbed Motel (Accommodation)	• Riverbed Motel (Accommodation)	• Trust Waikato (Community Trust)	N/A	N/A	N/A	N/A	N/A	N/A
Dianne Firth	Ngaruawahia	No	N/A	N/A	• Soalchery (Soap Making) • Shipits (Dress Making)	N/A	• Dianne Firth Family Trust (Trustee) • KH & CL Ulrich Trust (Beneficiary)	• Glen Massey School PTA (Treasurer)	1x Ngaruawahia (Beneficiary of Trust) 1x Hamilton (Beneficiary of Trust)	N/A	N/A	N/A
Venessa Rice	Ngaruawahia	No	N/A	N/A	N/A	• Ngaruawahia Community House (local community services and activities) • Ngaruawahia High School (Husband employed as groundsman)	N/A	Ngaruawahia Community Patrol	2x Ngaruawahia (Owner)	N/A	N/A	N/A
David Whyte	Huntly	No	N/A	N/A	• Zestos (Boutique citrus production, writing on environmental/tree issues, rental property management)	N/A	N/A	• New Zealand Tree Crops Association (President moving to Past President in 2021) • Waikato Tree Crops (Committee Member)	2x Ohinewai (Owner) 2x Huntly (Owner) 2x Ngaruawahia (Owner)	N/A	N/A	• Westpac (bank loan)
Red Wootton	Huntly											
Rewi Cork	Huntly											
Greg McCutchan	Huntly	No	N/A	N/A	N/A	Declined to answer	N/A	N/A	Declined to answer	N/A	N/A	N/A
Kim Bredenbeck	Huntly	No	5. GM of WEA who hold a contract for iSITE delivery services for Raglan. Contract will end possibly in June 2020 (value of contract 142k)	N/A	N/A	• Waikato Enterprise Agency Trust Inc. (Education and Tourism services)	• Friendship House Inc (Treasurer)	• Huntly War Memorial Hall Committee (Secretary) (Currently negotiating funds to continue the refurbishment of the hall as outlined by Chairperson who is the project manager aligned to plan) • Huntly Residency and Ratepayers Association (Secretary) • Lets Get Together Huntly (Committee member - delivers Wearable Arts Competition every second year- will apply to the culture fund and community board for this event in July)	1x Huntly (owner)	N/A	N/A	N/A
Eden Watawai	Huntly	No	N/A	N/A	N/A	• Waikato District Council (Employee-Customer Service)	N/A	• Huntly RSA (Committee Member) • Harty Sistaz Huntly Girls Youth Group (Co-Facilitator) Anzac Day funding for Huntly RSA Access to Council resources as Huntly Youth Action Group Contributors (Harty Sistaz)	1x Huntly (Tenant)	N/A	N/A	N/A
Dorothy Lovell	Taupiri	No	N/A	N/A	N/A	• Hamilton Hearing Assoc. (Administrator)	N/A	N/A	N/A	N/A	N/A	N/A
Howard Lovell	Taupiri											
Rudy Van Dam	Taupiri	No	N/A	• St. Isadore Co Ltd. (Farming)	N/A	N/A	N/A	N/A	1x Taupiri (Owner)	N/A	N/A	N/A
Joanne Morley	Taupiri	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sharnay Cocup	Taupiri	No	N/A	N/A	N/A	N/A	• Taupiri School Board Trustees (Trustee) • Taupiri Youth Group (Trustee) • Waikato Trout Committee (Trustee)	• Taupiri Rugby Club (Weigh in deligate)	N/A	N/A	N/A	N/A
Jacqueline Henry	Taupiri	No	N/A	N/A	N/A	• Waikato Regional Council (Senior Social Scientist)	N/A	N/A	1x Taupiri (Owner)	N/A	N/A	N/A

YELLOW INDICATES THAT THE ELECTED MEMBER DID NOT SUBMIT A COMPLETED FORM

Register of Elected Members Interests

Name	Community Committee	Financial Interests <i>Please refer to Statement Reference here.</i>		Non - Financial Interests								
		1 to 6	With the exception of	Companies		Employment	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities and services (since 21 October 2019)	Debts
				Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Jim Katu	Meremere	No	N/A	N/A	N/A	N/A	N/A	N/A	1x Meremere (Owner)	N/A	N/A	N/A
James Harman	Meremere	No	N/A	N/A	N/A	N/A	N/A	• Meremere Development Committee incorporated (Chairman) Received community funding	x1 Meremere (Owner)	N/A	N/A	N/A
Angela Dobby	Meremere	No	6 - No answer entered	N/A	N/A	N/A	N/A	N/A	1x Meremere (Beneficiary of Trust)	N/A	N/A	N/A
Lauren Horsfall	Meremere	No	N/A	N/A	N/A	N/A	N/A	• Meremere Community Development Committee (Find funding for events & programs run in Meremere) <i>Funding: Christmas events in past.</i>	x1 Meremere (Owner)	N/A	N/A	N/A
Cecilia Heta	Meremere	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$500 gift card each to Cecilia Heta, Trish van der Wende and Okeroa Rogers, all members of the MMCC Hall Committee, on behalf of MMCC, as resolved by email resolution (MMCC2002/04)	N/A	N/A
Ben Brown	Meremere	No	N/A	• Decal Ltd (Director)	N/A	N/A	N/A	• Meremere Development Committee (Secretary)	1x Meremere (Owner)	N/A		
Toni Grace	Te Kauwhata	No	N/A	N/A	• Mercury Energy (shares)	• Suits & Gumboots Country Daycare (Early Childhood Centre)	• Tolemisa Trust (Trustee)	• Te Kauwhata Squash Club (Club Captain)	1x Te Kauwhata (Owner/Trustee)	N/A	N/A	Home Mortgage
John Cunningham	Te Kauwhata	No	N/A	Aparangi Retirement Village	• Ignition Partner Ltd (Business Advice & capital raising) • Resin & Wax Holdings (Chemical Development) • Cawthron Institute (Aquaculture Research) • IMMR (Research) • Climsystems Ltd. (Climate forecasting & risk management)	N/A	N/A	N/A	2 x Te Kauwhata (Owner)	N/A	N/A	N/A
Jeanie Allport	Te Kauwhata					Land Information New Zealand			1 x Waerenga (Owner)			
Courtney Howells	Te Kauwhata	No	N/A	N/A	N/A	• Century 21 Tuakau	N/A	• Wife is District Commissioner of Te Kauwhata Area Pony Club	1x Waerenga (Owner)	N/A	N/A	Home Mortgage
Barry Weaver	Te Kauwhata	No	N/A	N/A	N/A	N/A	N/A	N/A	1 x Te Kauwhata (Owner)	N/A	N/A	N/A
Angela Van de Munckhof	Te Kauwhata	No	N/A	• Te Kauwhata Pharmacy (Pharmacy/Retail)	• Te Kauwhata Pharmacy (Pharmacy)	• Te Kauwhata Pharmacy (Retail)	N/A	N/A	1x Onewhero (Owner)	N/A	N/A	N/A
Tim Hinton	Te Kauwhata	YES Sub contractor to City Care (Value of contract \$600,00)	YES No.6	Inform Landscapes (Horticulture Contractor)	Inform Landscapes (Horticulture Contractor)	• Inform Landscapes (Horticulture Contractor)	Tim Hinton Family Trust (Director)	• Te Kauwhata Emergency Services Trust (Funding for emergency services)	1x Te Kauwhata (Owner)	N/A	N/A	N/A

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				Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Sue Robertson	Tamahere	No	N/A	Parklea Investments Ltd. (Property Development)	N/A	N/A	<ul style="list-style-type: none"> The Keith A Robertson Family Trust (Trustee/Beneficiary) Robina Trust (Trustee/Beneficiary) 	<ul style="list-style-type: none"> Bramley Gardens Body Corporate Committee (to administer the rules of the body corporate) Residential Development Hamilton City 	1x Tamahere (Beneficiary of Trust)	N/A	N/A	N/A
Leo Koppens	Tamahere	No	N/A	INCOMPLETE FOR REST								
Charles Fletcher	Tamahere											
Shelley Baker	Tamahere											
Margaret Jane Manson	Tamahere	No	N/A	N/A	N/A	<ul style="list-style-type: none"> Waikato DHB (Nurse) 	N/A	<ul style="list-style-type: none"> Anglican Action (Social Services Provider) 	N/A	N/A	N/A	N/A
Graham McAdam	Tamahere											
James Yearsley	Tamahere	No	N/A	<ul style="list-style-type: none"> ICARAS Consultatnts (JH Yearsley LTD.) Security Risk Consultancy HealthSafe NZ (Health & Safety Risk) Yggdrasil Capital Ltd. (Investment) 	<ul style="list-style-type: none"> Optima Group UK Explosive Ordnance Disposal) 	N/A	<ul style="list-style-type: none"> Yearsley Family Trust (Trustee) Yggdrasil Trust (Trustee)N 	N/A	<ul style="list-style-type: none"> 1x Tamahere (Owner) 	N/A	N/A	<ul style="list-style-type: none"> HealthSafe NZ (Debtor - Loan) ICARAS Consultants (Debtor - Loan) Optima Group UK (Debtor - Loan)
Joy Wright	Tamahere											
Tony Nelson	Tamahere											
Bevin Coley	Tamahere	No	N/A	<ul style="list-style-type: none"> Vael Holdings Coley Property Group Ltd. Coley Property General Partner Ltd. Freestone Property Ltd. Snell General Partner Ltd. Tahi Investments Ltd. 265 James Ltd. Vogler Ltd. Southend Ltd. Maxwell Place Ltd. Te Waiiti Ltd. Snell Street Limited Partnership Kake Investments Limited Partnership 313 Partnership 550 Investment Limited Charming Juno Limited 	<ul style="list-style-type: none"> Vael Holdings Coley Property Group Ltd. Coley Property General Partner Ltd. Freestone Property Ltd. Snell General Partner Ltd. Tahi Investments Ltd. 265 James Ltd. Vogler Ltd. Southend Ltd. Maxwell Place Ltd. Te Waiiti Ltd. Snell Street Limited Partnership Kake Investments Limited Partnership Charming Juno Limited 	<ul style="list-style-type: none"> Coley Property Group Ltd. (Property Management) 	<ul style="list-style-type: none"> B&C Coley Trust (Trustee & Beneficiary) BR Coley Investment Trust (Trustee & Beneficiary) Steele Trust (Beneficiary) Out Trust (Beneficiary) TH Coley Property Trust (Beneficiary) KT Coley Investment Trust (Beneficiary) RN Coley Investment Trust (Beneficiary) Phillip Coley Trust (Beneficiary) 	N/A	2x Tamahere (Owner)	N/A	N/A	All property finance- ANZ, BNZ, Kiwibank)
Janis Swan	Tamahere	No	N/A	N/A	<ul style="list-style-type: none"> Westpac Australia (Shares) Yarra (Australia) (Shares) Mercury (Shares) 	University of Waikato (Teaching and research)	<ul style="list-style-type: none"> Earle Technology Trust (Chairperson) Waikato Graduate Women's Educational Trust (Board Member) 	N/A	2x Tamahere (Owner)	N/A	Assessor of research grants (MBIE)	N/A
Lyn Harris	Tamahere	No	N/A	Livestock Sales RHB Ltd (Procurement of livestock for slaughter)	N/A	Livestock Sales RHB Ltd (Administration and Accounts)	<ul style="list-style-type: none"> Paul Harris Family Trust (Trustee & Beneficiary) Lyn Harris Family Trust (Trustee) 		1x Tamahere (Owner)	N/A	N/A	N/A
Alison Ewing	Tamahere	No	N/A	N/A	N/A	N/A	Cherry Farm Trust (Trustee)	MESH Sculpture Hamilton (Trustee)	2x Tamahere (Owner)	N/A	N/A	N/A
Jason Bates	Tamahere	No	N/A	Raid Investments Ltd. (Motel Accommodation)	Raid Investments Ltd. (Motel Accommodation)	ANZ (Bank Associate)	Tick Trust (Trustee)	N/A	1x Tamahere (Owner)	N/A	N/A	N/A
Ingrid ter Beek	Tamahere											
Ric Odom	Pokeno	No	N/A	Franklin Hospice Charitable Trust (Provision of palliative care)	Jeneric Investments Ltd. (Investment)	Franklin Hospice Charitable Trust (Provision of palliative care)	Jeneric Family Trust (Trustee)	Franklin JP Assn (Council member. Justices of the Peace)	1x Pokeno (Owner/Trustee)	N/A	N/A	New Zealand Home Loans (Mortgage)

Register of Elected Members Interests

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				Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Helen Clotworthy	Pokeno	No	N/A	Pokeno Bacon Co. (Manufacturers-Retailers)	Pokeno Bacon Co. (Manufacturers-Retailers)		David Evans Family Trust (Trustee & Beneficiary)	Pokeno Hall Committee (Treasurer) Pokeno Community Hall (Manager)	x4 Pokeno (Owner)	N/A	N/A	N/A
Lance Straker	Pokeno											
Allen Grainger	Pokeno	No	N/A	•Waikato Rugby Union •Frankton Rugby Sports Club Inc	N/A	N/A	N/A	• Waikato Rugby Union (Director) • Frankton Rugby Sports Club (Board Member)	N/A	N/A	N/A	N/A
Peter Koizumi	Pokeno											
Todd Miller	Pokeno											
Kris Hines	Pokeno	No	N/A	N/A	N/A	N/A	N/A	N/A	1x Pokeno (Owner)	N/A	N/A	N/A
Brenda Ann Roberts	Pokeno	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Doug Rowe	Pokeno	No	N/A	INCOMPLETE FOR REST								
Helen Johnson	Pokeno	No	N/A	N/A	N/A	NZ Police (Intelligence Analyst & Support)	N/A	Pokeno Tennis & Rec Club (Committee Member-rebuilding a community facility)	N/A	N/A	N/A	N/A
James McRobbie	Pokeno											

YELLOW INDICATES THAT THE MEMBER DID NOT SUBMIT A COMPLETED FORM

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		1 to 6	With the exception of	Companies		Employment	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities and services (since 21 October 2019)	Debts
				Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Judith Anne Muru	Creative Communities Scheme Assessment Committee	No	N/A	N/A	N/A	Te Wharekura o Rakaumanga - Education	N/A	N/A	Owner 1x property, Huntly	N/A	N/A	N/A
Mark Leslie Vincent	Creative Communities Scheme Assessment Committee	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Heather Joy Cunningham	Creative Communities Scheme Assessment Committee	No	N/A	N/A	N/A	Raglan Community Arts Council - Clay Tutor	N/A	N/A	N/A	N/A	Tutor Fee in employment for Raglan Community Arts Council	N/A
Annette Joan Taylor	Creative Communities Scheme Assessment Committee	No	N/A	N/A	N/A	N/A	N/A	Home Range/Number 8 Network (Editor) - received grants from WDC Discretionary Fund	N/A	N/A	N/A	N/A
Amomai Pihama	Creative Communities Scheme Assessment Committee											
Claire du Bosky	Creative Communities Scheme Assessment Committee	No	N/A	N/A	Shares in Genesis	Relief Teacher - Waitakaruru School, Te Kauwhata Primary School and Waerenga Primary School	N/A	Te Kauwhata Fitness Centre - Committee Member	Owner 1x property - Te Kauwhata	N/A	N/A	N/A
Miriama (Tilly) Turner	Creative Communities Scheme Assessment Committee	No	N/A	Mighty Fine Product Ltd (Food Caravan)	Trading as Taana Ltd (Mussel Fritters)	N/A	Hone & Miriama Turner Whanau Trust (Trust for Whanau Papakainga)	Turangawaewae Maori Women's Welfare League (Branch of the Waikato Regional MWWL and part of National MWWL)	1 x property Ngaruawahia (Trustee members & beneficiary)	N/A	N/A	ANZ Bank (Trust for home mortgage)

YELLOW INDICATES THAT THE MEMBER DID NOT SUBMIT A COMPLETED FORM

Open Meeting

To	Audit & Risk Committee
From	Gavin Ion Chief Executive
Date	9 December 2020
Prepared by	Brendan Stringer Democracy Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Exclusion of the Public

I. RECOMMENDATION

THAT the public be excluded from the following parts of the proceedings of this meeting.

The general subject 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(1) for the passing of this resolution
Item number 1.1 – Confirmation of Minutes	Good reason to withhold exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
Item number 2.1 – Fraud Declaration		
Item number 2.2 – Fraud and Corruption Risk Management Update		
Item number 2.3 – Cyber Security (Updated)		

Item 2.4 - Member conflicts of interest – Officer of Auditor General response and steps taken by Council		
Item 2.5 - Register of Members' Interests – Senior Staff		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item No.	Section	Interest
Item 1.1 Confirmation of Minutes		Refer to the previous Public Excluded reason in the agenda for this meeting.
Item number 2.1 – Fraud Declaration	7(2)(a)	To protect the privacy of natural persons, including that of deceased natural persons.
	7(2)(c)(ii)	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.
Item number 2.2 – Fraud and Corruption Risk Management Update	7(2)(a)	To protect the privacy of natural persons, including that of deceased natural persons.
	7(2)(c)(ii)	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.
Item number 2.3 – Cyber Security (Updated)	7(2)(b)(i)	To protect information where the making available of the information would disclose a trade secret.

	7(2)(b)(ii)	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
	7(2)(e)	To avoid prejudice to measures that prevent or mitigate material loss to members of the public.
	7(2)(j)	To prevent the disclosure or use of official information for improper gain or improper advantage.
Item 2.4 - Member conflicts of interest – Officer of Auditor General response and steps taken by Council	7(2)(a)	To protect the privacy of natural persons, including that of deceased natural persons.
Item 2.5 - Register of Members' Interests – Senior Staff	7(2)(a)	To protect the privacy of natural persons, including that of deceased natural persons.

AND THAT the Audit NZ representatives be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of audit requirements for Waikato District Council. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter to inform and advise the Committee members.