

	Urgent	Necessary	Beneficial	Assigned	Estimated Completion	Status	Comments
<b>Audit NZ 2019 Management Report</b>							
<b>Asset valuation recommendations and processes (4.1)</b>							
<p>Management should review and address the asset valuation recommendations made by the District Council's valuer.</p> <p>The valuation reports for both the roading and the 3-waters asset classes made several recommendations for improvement opportunities. In reviewing the valuation reports we concur with the valuer's recommendations and have noted the more significant recommendations below.</p>		✓		Executive Manager - Infrastructure Services and Executive Manager - Corporate Services		In progress	Bridges are contained within the RAMM database, but are valued outside of RAMM as there are not standard rates that can be used due to the varying materials used for bridge components, and the different lives for these. Each bridge needs to be assessed by a structural engineer and valued individually. This will be done again for the 2020 Activity Management Plan. The replacement options will also be confirmed during the development of the 2020 bridge strategy, which also forms part of the 2020 Activity Management Plan. Longer term the roading industry is considering the development of a more specific bridge asset database for use in the New Zealand environment.
<p><b>Roading</b> – the valuer made assumptions around installation dates for certain assets, as the construction date information was not recorded in RAMM. It is recommended that management review and update the dates for the next valuation. We note that management has performed some work already to address this, identifying that some relate to assets constructed as part of the Cromwell relocation when the Clyde Dam was constructed.</p>							<p>A project is currently underway to enable component information to be collected for water treatment sites. This will enable more accurate valuations to be undertaken from 2020.</p> <p>The engagement of valuers for the 2018/2019 valuation was delayed, until the issues relating to the previously unaccepted 2017 valuation could be clarified. The valuations are a costly process, and it was not financially prudent to continue with these until the outstanding issues had been cleared with Audit NZ. This has now occurred, and no delays are anticipated with future valuations.</p>
<p>Roading – bridge assets were revalued outside of RAMM and it was recommended these assets should be moved to RAMM. In addition it was identified that some bridges may not be replaced at the end of their useful lives and the District Council should consider this as part of its Bridging Strategy.</p>							<p>For the 2019/20 year the finance and Infrastructure staff created a timetable for the valuation of each activity which is reviewed on an annual basis. This improved the process somewhat. 2019/20 was the first time since the asset management process was updated where parks, reserves and pools assets have been revalued. Audit New Zealand were not expecting this, as the revaluation cycle falls outside of the three-year cycle and so was missed off their schedule. This contributed to increased audit fees. Council planned to do the land and building valuation in 202/21 however with the growth Council has been facing it was decided to do this in 2019, which caused some delays for Audit New Zealand as well.</p>
<p><b>3-Waters</b> – the valuers noted that detailed component information for new plant projects completed since the previous valuation, have not been included in the plant asset register. Instead, high level project costs have been used.</p>							
<b>Annual report preparation process (4.2)</b>							
<p>Council should introduce a robust internal quality review process over the draft annual report to improve the quality of the draft information provided for audit.</p>		✓		Executive Manager - Corporate Services / Finance Manager		Ongoing	<p>Preparation for the Annual Report has been completed for 2019-20. For the first few weeks we had a more experienced team and have met our internal timetable. We also requested that Audit NZ meet their timeline. During the later part of the audit we lost two key staff which created challenges for CODC and Audit NZ also struggled with timelines due to reduced staff and delays across the councils due to COVID-19 disclosures. While there were improvements, there is still room for further improvement.</p>
<b>Processing of NZTA claims (4.4)</b>							
<p>The NZTA claims are submitted on a timelier basis, for example monthly.</p>		✓		Executive Manager - Infrastructure Services		Complete	<p>The submission of NZTA claims was sporadic due to changes in Roothing Management. This task has now been re-assigned and claims have been submitted monthly for 2019/20.</p>

<b>2017 Management Report</b>							
<b>Review of general ledger reconciliations</b>							
We recommend that general ledger reconciliations (e.g. bank, debtors and creditors) be independently reviewed, dated and evidenced as such.		✓		Executive Manager - Corporate Services / Finance Manager		Complete	General ledger reconciliations are being digitally reviewed, dated and evidence provided.
<b>2015 Management Report</b>							
<b>Independent review of journals</b>							
We recommend, as best practice, implementation of procedures to ensure that all journals posted into the financial system have been reviewed and are complete.		✓		Executive Manager - Corporate Services / Finance Manager		Complete	Journals and supporting documentation are prepared by a member of the finance team and then reviewed by the Finance Manager. Before posting journals, the finance team is ensuring appropriate supporting documentation or narrative is provided and that the journal is correctly coded. This is all provided to the Finance Manager who reviews the documents and signs a monthly journal checklist form.