



AGENDA

Audit and Risk Committee Meeting Friday, 25 February 2022

Date: Friday, 25 February 2022

Time: 9.30 am

Location: Microsoft Teams and Live Streamed

(Unless there is a move from the current Red Alert level, in which case it may be held at Nga Hāu e Whā, William Fraser Building, 1 Dunorling Street, Alexandra.

In both cases, due to COVID-19 restrictions and limitations of the physical space, public access will be available through a live stream of the meeting.

The link to the live stream will be available on the Central Otago District Council's website.)

**Sanchia Jacobs
Chief Executive Officer**

Notice is hereby given that an Audit and Risk Committee meeting will be held via Microsoft Teams and live streamed on Friday, 25 February 2022 at 9.30 am. A link will be provided on the Central Otago District Council website.

Order Of Business

1	Apologies	5
2	Public Forum.....	5
3	Confirmation of Minutes.....	5
	Audit and Risk Committee meeting Meeting - 3 December 2021	7
4	Declaration of Interest	14
	22.1.1 Declarations of Interest Register.....	14
5	Reports	18
	22.1.2 Policy and Strategy Register.....	18
	22.1.3 Audit and Risk Committee Terms of Reference	30
	22.1.4 External and Internal Audit Updates	35
	22.1.5 Financial Report for the Period ending 31 December 2021	39
	22.1.6 Cyber Security Plan 2018-2021 update	50
	22.1.7 Local Government Official Information and Meetings Act 1987 (LGOIMA) Request Policy.....	68
	22.1.8 Privacy Policy	74
	22.1.9 Health, Safety and Wellbeing Report	80
6	Chair's Report	86
	22.1.10 February 2022 Chair's Report.....	86
7	Members' Reports.....	87
	22.1.11 February Members' Reports	87
8	Status Reports	88
	22.1.12 February Governance Report	88
9	Date of the Next Meeting	92
10	Resolution to Exclude the Public	93
	22.1.13 Wastewater Overflow Procedure review	93
	22.1.14 Water Services Capital Projects Update	93
	22.1.15 Strategic Risk Register	94
	22.1.16 Litigation Register.....	94
	22.1.17 February 2022 Confidential Governance Report.....	94

- Members** Ms L Robertson (Chair), His Worship the Mayor T Cadogan, Cr N Gillespie, Cr S Jeffery, Cr N McKinlay
- In Attendance** S Jacobs (Chief Executive Officer), L Macdonald (Executive Manager - Corporate Services), J Muir (Executive Manager - Infrastructure Services), L van der Voort (Executive Manager - Planning and Environment), S Righarts (Chief Advisor), R Williams (Governance Manager) and W McEnteer (Governance Support Officer)

- 1 APOLOGIES**
- 2 PUBLIC FORUM**
- 3 CONFIRMATION OF MINUTES**

Audit and Risk Committee meeting - 3 December 2021

**MINUTES OF CENTRAL OTAGO DISTRICT COUNCIL
AUDIT AND RISK COMMITTEE HELD IN NGĀ HAU E WHĀ, WILLIAM FRASER BUILDING,
1 DUNORLING STREET, ALEXANDRA AND LIVESTREAMED ON MICROSOFT TEAMS
ON FRIDAY, 3 DECEMBER 2021 AT 9.30 AM**

PRESENT: Ms L Robertson (Chair), His Worship the Mayor T Cadogan (via Microsoft Teams), Cr S Jeffery, Cr N McKinlay

IN ATTENDANCE: Cr I Cooney, S Jacobs (Chief Executive Officer), L Macdonald (Executive Manager - Corporate Services), J Muir (Executive Manager - Infrastructure Services), L Fleck (Executive Manager – People and Culture), G McFarlane (Business Risk and Procurement Manager), Q Penniall (Environmental Engineering Manager), I Evans (Water Services Manager), A McDowall (Finance Manager), A Crosbie (Senior Strategy Advisor), R Ennis (Health, Safety and Wellbeing Advisor) and R Williams (Governance Manager)

1 APOLOGIES

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the apology from Cr N Gillespie be received and accepted.

CARRIED

2 PUBLIC FORUM

There was no public forum.

3 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the public minutes of the Audit and Risk Committee Meeting held on 1 October 2021 be confirmed as a true and correct record.

CARRIED

4 DECLARATION OF INTEREST

Members were reminded of their obligations in respect of declaring any interests. There were no further declarations of interest. The Mayor noted two changes to his declaration.

5 REPORTS**21.4.2 POLICY REGISTER**

To consider the updated Policy and Strategy Register. The Committee requested that when due dates on the register changed, that this information was included on the register.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the report be received.

CARRIED

21.4.3 RISK REGISTER

To consider an update on the Risk Register. It was noted that the table included with the agenda was still in a work in progress and a further update would be provided at the February meeting. The committee complimented the work to date and suggested that in addition to the register presented a more high level dashboard document be developed.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the report be received.

CARRIED

21.4.4 THE STAFF DELEGATIONS MANUAL

To receive the Staff Delegations Manual.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the report be received.

CARRIED

21.4.5 SOFT REVIEW OF THE FRAUD, BRIBERY AND CORRUPTION POLICY AND THE PROTECTED DISCLOSURES (WHISTLE BLOWER) POLICY

To consider the findings of the soft review of the Fraud, Bribery and Corruption Policy and the Protected Disclosures (Whistle Blower) Policy.

During discussion a typographical error on fourth bullet point on page 4 of the Fraud, Bribery and Corruption Policy was noted, with the word "risk" to be deleted. The committee also agreed that a

statement about possible staff disciplinary action, if an investigation is found to be substantive, would be added to the policy.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the Audit and Risk Committee

- A. Receives the report.
- B. Recommends to Council that they approve the Fraud, Bribery and Corruption Policy with the amendments noted above.

CARRIED

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the Audit and Risk Committee recommends to Council that they approve the Protected Disclosures (Whistle Blower) Policy.

CARRIED

21.4.6 AUDIT NZ AND INTERNAL AUDIT UPDATE

To consider an update on the status of the external and internal audit programme and any outstanding actions for completed internal and external audits. It was agreed that estimated completion dates for each action would be included in future updates. The Committee also requested for the internal audit plan to be included as a standing agenda item at each meeting.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the report be received.

CARRIED

21.4.7 FINANCIAL REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2021

To consider the financial performance for the period ending 30 September 2021.

COMMITTEE RESOLUTION

Moved: Robertson
Seconded: McKinlay

That the report be received.

CARRIED

21.4.8 ASSET MANAGEMENT POLICY

To review and recommend to Council that they approve the 2021 Asset Management Policy. Corrections to the document were noted, and the words “for renewal and operational parts of the Long-term Plan” were added to the Council responsibility section of table two in the policy.

COMMITTEE RESOLUTION

Moved: Robertson

Seconded: McKinlay

That the Audit and Risk Committee

- A. Receives the report.
- B. Recommends to Council that they approve the 2021 Asset Management Policy with the above amendment.

CARRIED

21.4.9 INFRASTRUCTURE CONSTRUCTION PROJECTS UPDATE

To consider monthly status reports for Clyde Wastewater and Lake Dunstan Water Supply projects and to provide an update on the implementation of project management software.

Staff tabled and spoke to a “Summary Status Report Dashboard” document before responding to questions.

COMMITTEE RESOLUTION

Moved: Robertson

Seconded: McKinlay

That the report be received.

CARRIED

21.4.10 HEALTH, SAFETY AND WELLBEING

To provide with information on health, safety and wellbeing risks and controls at Central Otago District Council. The Chief Executive Officer provided an update on the organisation’s response and preparations under the COVID-19 protection framework.

COMMITTEE RESOLUTION

Moved: Robertson

Seconded: McKinlay

That the report be received.

CARRIED

6 CHAIR'S REPORT**21.4.11 DECEMBER 2021 CHAIR'S REPORT**

There was no Chair's report.

7 MEMBERS' REPORTS**21.4.12 DECEMBER MEMBERS' REPORTS**

There were no members' reports.

8 STATUS REPORTS**21.4.13 DECEMBER GOVERNANCE REPORT**

To report on items of general interest, consider the Audit and Risk Committee's forward work programme and the current status report updates.

COMMITTEE RESOLUTION

Moved: Robertson

Seconded: McKinlay

That the report be received.

CARRIED

9 DATE OF THE NEXT MEETING

The date of the next scheduled meeting is 25 February 2022.

10 RESOLUTION TO EXCLUDE THE PUBLIC**COMMITTEE RESOLUTION**

Moved: Robertson

Seconded: McKinlay

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

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
Confidential Minutes of the Audit and Risk Committee	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.</p> <p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest.</p> <p>s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public.</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege.</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.)</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
21.4.14 - Litigation Register	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
21.4.15 - Otago Regional Council Issue of Abatement Notices	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
21.4.16 - December 2021 Confidential Governance Report	s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for

	to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public	withholding would exist under section 6 or section 7
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CARRIED

The public were excluded at 11.25 am and the meeting closed at 12.06 pm.

4 DECLARATION OF INTEREST

22.1.1 DECLARATIONS OF INTEREST REGISTER

Doc ID: 567429

1. Purpose

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

2. Attachments

Appendix 1 - Declarations of Interest [↓](#)

Name	Member's Declared Interests	Spouse/Partner's Declared Interests	Council Appointments
Tim Cadogan	Alexandra Musical Society (member) Otago Chamber of Commerce Central Otago Advisory Group member Dunstan Golf Club (member) Alexandra Squash Club (member) Ministerial Working Group on representation, governance and accountability of new water entities (member)	Two Paddocks (employee) Blossom Festival Committee member	Airport Reference Group Maniototo Curling International Inc Eden Hore Steering Group Tourism Central Otago Advisory Board Ministerial Working Group on Responsible Camping LGNZ Governance and Strategy Group
Neil Gillespie	Contact Energy (Specialist - Community Relations and Environment) Clyde & Districts Emergency Rescue Trust (Secretary and Trustee) Cromwell Volunteer Fire Brigade (Chief Fire Officer) Cromwell Bowling Club (patron) Otago Local Advisory Committee - Fire Emergency New Zealand Returned Services Association (member)		Lowburn Hall Committee Tarras Community Plan Group Tarras Hall Committee
Stephen Jeffery	G & S Smith family Trust (Trustee) K & EM Bennett's family Trust (Trustee) Roxburgh Gorge Trail Charitable Trust (Chair) Roxburgh and District Medical Services		

	Trust (Trustee) Central Otago Clutha Trails Ltd (Director) Teviot Prospects (Trustee) Teviot Valley Community Development Scheme Governance Group Central Otago Queenstown Network Trust		
Nigel McKinlay	Transition To Work Trust (Board member) Gate 22 Vineyard Ltd (Director) Everyday Gourmet (Director) Central Otago Wine Association (member) Long Gully Irrigation Scheme (member)		

I, **Linda May Robertson**, hereby disclose the following 'interests' and am to be regarded as interested in any transaction involving the following entities:

Nature of interest	Appointment date	Details of relevant entities	Monetary Value of Interest (other than director fees, if quantifiable)
Director & Shareholder	January 2008	RML Consulting Ltd	Company I charge my director fees through
Director	October 2013	Dunedin City Holdings Limited	Nil
Director	October 2013	Dunedin City Treasury Limited	Nil
Chair	November 2015	Crown Irrigation Investments Ltd (Chair from April 2019)	Nil
Director	November 2015	New Zealand Local Government Funding Agency	Nil
Chair	June 2016	Audit & Risk Committee, Central Otago District Council	Nil
Chair	December 2017	Central Lakes Trust (Chair from October 2018)	Nil
Director	July 2018	Dunedin Stadium Property Limited	Nil
Director	September 2018	Central Lakes Direct Limited	Nil
Member	February 2019	Capital Markets Advisory Committee – The Treasury	Nil
Member	March 2019	Risk and Audit Committee – The Treasury	Nil
Director	July 2020	Dunedin Railways Ltd (subsidiary of DCHL)	Nil
Director	August 2020	Alpine Energy Ltd	Nil
Member	May 2021 – effective Jan '22	Audit and Risk Committee - Office of the Auditor-General and Audit New Zealand	Nil
Director	July 2021	Kiwi Wealth companies comprising of; Kiwi Wealth Management Limited, Kiwi Wealth Investments General Partnership Limited, Kiwi Investment Management Limited, Kiwi Wealth Limited, Portfolio Custodial Nominees Limited	Nil

Signed:



Date: 12 July 2021

5 REPORTS

22.1.2 POLICY AND STRATEGY REGISTER

Doc ID: 567659

1. Purpose

To consider the updated Policy and Strategy Register.

Recommendations

That the report be received.

2. Discussion

The following updates were made to the register:

People and Culture

- Staff Interests Policy was reviewed with no changes suggested. A copy has been attached to this report.

Information Services

- Information and Records Management Policy updated.

Regulatory

- Dangerous and Insanitary Buildings Policy timeframes updated to align with the consultative process dates.

Roading

- Roothing Policy was due for review in January 2022. This has been delayed to second quarter 2022 due to work prioritisation.

Libraries

- Three policies were due for review in late 2021, with two more policies due for review in early 2022. A review has commenced of these policies and it is anticipated these will be completed before the next Committee meeting.

General

- Asset Management Policy updated in January 2022.

Colour coding

At the last meeting, the Committee suggested colour coding on the register to clearly show when policies are overdue.

- Orange text has been added for policies overdue by less than six months.
- Red text has been added for policies overdue by six months or more.

3. Attachments

Appendix 1 - Policy and Strategy Register [↓](#)

Appendix 2 - Staff Interest Policy [↓](#)

Report author:

Reviewed and authorised by:



Alix Crosbie
Senior Strategy Advisor
8/02/2022



Saskia Righarts
Chief Advisor
11/02/2022

Name	Date Issued / Review Beginning	Due for Review / Completion	Responsibility
People and Culture			
Equal Employment Opportunity (EEO), Discrimination, Harassment and Bullying Policy	September 2021	September 2023	CEO
Performance Management Policy	August 2021	August 2023	CEO
Staff Interests Policy	December-2021	December-2023	AR > CEO
Working From Home Guidelines	August-2020	August-2023	CEO
Respect at Work Guidelines	February-2020	February-2022	CEO
Leave Management Policy	December-2020	December-2023	CEO
Vehicle User Policy	February-2020	February-2023	CEO
Future Work Items			
Drug and Alcohol Policy		2022 (second quarter)	CEO
Child Protection and Safeguarding Policy		Q1 2024	CEO
Information Services			
Acceptable Use of Public Wi-Fi Policy	March-2019	March-2022	Council
Copyright Policy	September 2021	September-2024	CEO
Cyber Security Policy	August 2021	August 2024	AR > Council
Information and Records Management Policy	February 2022	February-2025	Council
Future Work Items			
Digital Strategy		June-2022	Council
Privacy Policy		May-2022	AR > CEO
LGOIMA Policy		February-2022	AR > CEO
Drone Policy		December 2021	CEO
CCTV Policy		December 2021	Council
Governance			
Appointment and Remuneration of Directors Policy	October-2019	October-2022	Council
Code of Conduct	October-2019	October-2022	Council
Delegations Register (incl. Audit and Risk Terms of Reference)	August-2020	October-2022	Council
Elected Members Allowances and Reimbursements Policy	October-2019	October-2022	Council
Standing Orders	October-2019	October-2022	Council
Parks and Property			
Outdoor Recreation Strategy	June-2012	June-2022	Council
Council-owned Earthquake-prone Buildings Policy	June-2020	June-2023	Council
Cemeteries Bylaw	November-2020	November-2025	Council
Community Leasing and Licensing Policy	February-2021	February-2024	Council
District Tree Policy	August-2020	February-2022	Council
Public Toilet Strategy	July-2008	March-2022	Council
11x Reserve Management Plans	Various	Various	Council
Smokefree and Vapefree Policy	September-2021	September-2024	Council
Future Work Items			
Playground Strategy		2022	Council
Reserve Management Plans		2022	Council
Reserve Naming Policy		2022	Council
Responsible Camping Strategy		Hold pending government policy decision	Council
Plaques and Memorials Policy		2022	Council
Regulatory			
Alcohol Restrictions in Public Places Bylaw	May-2019	May-2024	Council
Dangerous and Insanitary Building Policy	September-2013	April-2022	Council
Dog Control Bylaw	December-2020	December-2025	Council
Dog Control Policy	December-2020	December-2025	Council
Easter Sunday Trading Policy	July-2018	July-2023	Council
Gambling and Board Venue Policy	June-2020	June-2023	Council
Lighting Policy	March-2019	March-2022	Council
Litter Offences	July-2019	July-2022	Council
Psychoactive Substances Policy	June-2019	June-2024	Council
Future Work Items			
Enforcement Strategy		2022	Council
Environmental Engineering			
Development and Financial Contributions Policy	June-2021	June-2024	Council
Subdivision Engineering Standards	September-2019	September-2024	Council
Sustainability Strategy	April-2019	April-2024	Council
Waste Management and Minimisation Plan	June-2018	June-2023	Council
Waste Management and Minimisation Bylaw	March 2021	March 2026	Council

Three Waters			
Leakage Remissions Policy*	June-2021	December-2023	Council
Sewer Lateral Policy	July-2016	December 2022	Council
Drinking Water Quality Policy Statement	March-2020	March-2023	Council
Trade Waste Bylaw	June-2001	To be replaced by Water Bylaw	Council
Water Supply Bylaw	May-2008	To be replaced by Water Bylaw	Council
Future Work Items			
Water Bylaw		December 2022	Council
Water Policy		December 2022	Council
Roading			
Roading Bylaw	November-2020	November-2025	Council
Roading Policy	January-2016	Q2-2022	Council
Speed Limit Bylaw	November-2007	June-2022	Council
Transportation Procurement Strategy	May-2020	May-2025	AR > Council
Libraries			
Cataloguing Policy	July-2018	March-2022	CEO
Collection Development Policy	October-2018	March-2022	CEO
Deselection Policy	March-2019	March-2022	CEO
Donations Policy	August-2018	March-2022	CEO
Interloans Policy	May-2020	May-2023	CEO
Lost Property Policy	May-2019	May-2022	CEO
Community and Engagement			
Arts Strategy	April-2013	April-2024	Community Owned
14x Community Plans	Various	Various	Community Owned
Grants Policy	June 2021	August-2022	Council
Heritage Strategy	April-2018	April-2023	Community Owned
Film Friendly Policy	June-2018	June-2023	Council
Media Policy	January-2020	January-2023	Council
Museum Strategy (Sector-led)	August 2020	August 2025	Community Owned
Significance and Engagement Policy*	June-2021	December 2023	AR > Council
Social Media Policy	January-2020	January-2023	Council
Community Development Strategy	March 2021	May 2023	Council
Future Work Items			
Wellbeing Strategy		Expected Completion: June-2022	CEO
Communications and Engagement Strategy		Expected Completion: April-2022	Council
Council lead Museum Investment Strategy		Expected Completion: June 2022	Council
Finance			
Credit Card Policy	June 2021	June 2024	AR > CEO
Financial Reserves Policy	July 2021	June 2024	Council
Financial Strategy*	June-2021	December-2023	Council
Fixed Asset and Disposal Policy	June 2021	June 2024	AR > CEO
Fraud Bribery and Corruption Policy	October 2021	October-2022	AR > Council
Investment Policy*	June-2021	December-2023	AR > Council
Liability Management Policy*	June-2021	December-2023	AR > Council
Procurement Policy	August-2020	June 2022	AR > Council
Protected Disclosures (Whistleblowing) Policy	May-2020	June 2022	AR > Council
Rates Remission Policy*	June-2021	December-2023	AR > Council
Rating Policy*	June-2021	December-2023	AR > Council
Revenue and Financing Policy*	June-2021	December-2023	AR > Council
Risk Management Policy and Process	August-2020	June-2022	AR > Council
Sensitive Expenditure Policy	June 2021	June 2024	AR > Council
Staff Delegations Manual	June 2021	June 2024	AR > Council
Travel Policy	June 2021	June 2024	AR > Council
Vehicle Procurement Maintenance and Disposal Policy	October-2020	October-2023	CEO
Future Work Items			
Health, Safety and Wellbeing			
Health and Safety Policy Statement	September-2021	September-2022	CEO
Future Work Items			
Health and Safety Framework		Expected Completion: December 2021	CEO
General			

Annual Plan/LTP	June-2021	June-2022	Council
Asset Management Policy	January-2022	January-2025	AR > Council
District Plan	April-2008	December-2022	Council
Economic Development Strategy	May-2019	May-2024	Council
Infrastructure Strategy*	June-2021	December-2023	AR > Council
Tourism Strategy	June-2019	June-2024	Council
Future Work Items			
Housing Strategy		Expected Completion: Q1 2022	Council

*Updated through Long-term plan process



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Staff Interest Policy

Department:	Corporate Services
Document ID:	378335
Approved by:	Chief Executive Officer
Effective date:	16 December 2021
Next review:	16 December 2024

Purpose

This policy aims to ensure that employees making decisions on behalf of Central Otago District Council (CODC) disclose and manage any conflict of interest they may have, and act in a manner consistent with their responsibilities to CODC and the public. The policy is intended to protect employees from potential perceptions or allegations of bias or preferential treatment, maintaining the impartiality, transparency and integrity of CODC.

Scope

This policy applies to all current or prospective employees of CODC, including independent contractors and persons acting on behalf of CODC. Public business ought to be conducted with:

- integrity
- impartiality
- trustworthiness
- respect
- responsiveness.



Conflicts of interest may arise, without anyone being at fault. These conflicts often cannot be avoided but can be managed by identifying and taking appropriate steps.

This policy will outline the rules regarding conflict of interests and the responsibilities of employees and CODC in resolving any such discrepancies.



Definitions

Word or phrase	Definition
Interest	A commitment, obligation, duty or goal associated with a particular role or practice.
Conflict of Interest	A situation where an employee may be compromised when their personal interests or obligations conflict with the responsibilities of their job or position. It means that their independence, objectivity or impartiality can be called into question.
Financial Interest	A financial conflict of interest is one where the decision or act could reasonably give rise to an expectation of financial gain or loss to the conflicted person. A financial interest may take many forms and need not involve cash changing hands directly. It could, for instance, relate to effects on the value of land or shares that the person owns, or effects on the turnover of a business that the person is involved in.
Non-financial interest	Any interest other than financial, that can generate, or be perceived as causing bias.
Actual Conflict	This exists when an employee is in a position to be influenced by their private interests in the course of their employment.
Perceived Conflict	Where an interest could give the appearance that a competing interest could improperly influence the performance of your official duties
Potential Conflict	A potential conflict exists when an employee is in a position where they may be influenced in the future by their private or public interests when doing their job.
Conflict of Interest Register	To establish a recording of actual employee interests either actual; potential or perceived interests.
Register of interest	A record of actual, potential or perceived conflicts interest that a member identifies.



Policy

A conflict of interest is any situation in which an employee's personal interest or loyalties could affect their ability to make a decision in the best interest of the organisation.

All employees have a duty to act in the best interests of the organisation. Being clear about any real, perceived or potential conflicts from the beginning is good practice and is an essential aspect of effective governance.

Employees who are in a position to influence a decision relating to the supply of goods and services to council, should declare the interest and notify their manager if they, directly or indirectly, hold any financial, personal or other interest in the organisation negotiating for the supply of goods or services.

The public needs to have confidence that any decisions made are made impartially, for the right reasons and are not influenced by personal interests or ulterior motives.

Employees should not recommend an external organisation as a potential supplier without first disclosing any interest held.

Responsibilities

Employees

- Identifying and disclosing to their manager any and all potential, perceived or actual conflict of interest, and any changes to these interests, as soon as practicable after the employee becomes aware of them;
- Resolving, where possible, any conflicts in consultation with their manager;
- In the instance that a conflict of interest is unable to be resolved, the employee does not participate in any decisions relating to matters in which they have a personal interest.

Managers

- Creating and maintaining awareness of the risks of conflicts of interest;
- Ensuring employees are aware of the policy and the register;
- Take appropriate action to address the conflict of interest;
- Ensuring the conflict of interest and actions taken to address it is recorded on the interest register;



- Must ensure that known conflicts of interest are considered in the undertaking of any new work and escalated to their Executive Manager.

Executive Team

- Creating and maintaining awareness of the risks of conflicts of interest;
- Ensuring employees are aware of the policy and the register;
- Ensuring conflicts of interest involving employees are managed appropriately.

Conflict Identification

Employees must identify and disclose any actual or potential conflict of interest or amendments to an existing interest, that may affect, or may be seen to affect, their impartiality when acting on behalf of the council. This includes *perceived* conflicts, whether the employee believes an actual conflict exists or not.

The [Staff Interest form](#) is available to employees on the council intranet. This form is to be completed in full and passed on to the Executive Manager – People and Culture, to be held in a register.



Employees must consider how an impartial observer might reasonably perceive a potential conflict of interest situation or relationship.

Employees must consider ethics as well as rules. Just because it's not unlawful to participate, that does not necessarily mean it would be appropriate to participate.

After a conflict of interest has been identified, this situation must be dealt with as soon as reasonably practicable.

Conflict identification is a continual process - as often interests and conflicts develop and change over time. A regular review of conflicts of interest is required by the organisation to ensure employees regularly review their own interests and fully disclose any conflicts as early as possible.

As part of the recruitment process, all new employees will be required to declare any conflict of interests.



Disclosing the Conflict

The disclosure of potential conflicts of interest may involve disclosing personal information. The information provided will be handled with respect to the privacy of the individual.

Disclosure of conflicts of interest is a continuous process as interests change and new conflicts may emerge in the course of day to day business.

In the event that an employee's conflict requires altering or deletion, a [Changes to Staff Interests form](#) is available to employees on the council intranet.

It is best to err on the side of caution when disclosing. If in doubt, discuss this with your manager.

A good question to ask when considering conflicts of interest is "What would this look like as headline news?"



Some situations are not clear-cut and may involve questions of degree. If in doubt, contact your manager. If there is any concern that an action might create a conflict, this conflict should be raised with an appropriate manager.

Conflict Management

As soon as a conflict of interest has been declared, it must be determined if the conflict may affect (or be perceived to affect) an employee's actions, and if so, any further actions which must be taken. The employees' manager, in consultation with the employee, will decide on a course of action to manage or avoid the conflict of interest.

Assessing a situation to identify whether a conflict of interest exists and the appropriate actions moving forward involves multiple factors. Weighing up the interests of the organisation, the public interest, and the legitimate interests of the individual concerned, as well as other factors such as the position the individual holds and the nature, seriousness and significance of the conflict.

Multiple mitigation options may be taken to manage the conflict.

- Taking no action.
- Imposing additional oversight or review over the employee.
- Withdrawing from discussing or voting on a particular item of business at a meeting.
- Exclusion from a committee or working group dealing with the issue.



- Re-assigning certain tasks or duties to another person.
- Agreement or direction not to do something.
- Withholding certain confidential information or placing restrictions on access to information.
- Transferring the employee (temporarily or permanently) to another position or project.
- Relinquishing the private interest; or
- Resignation or dismissal from one or other position or entity.

In circumstances where the Chief Executive Officer or the Executive Team are involved in conflicts of a pecuniary interest, a “one up” approval process will be applied.

All decisions and actions surrounding the conflict of interest must be recorded on the staff interests register.

Gifts and the Gifts Register

The giving and receiving of gifts can be perceived as bribery or as a means of influencing a council decision-making process.

Further information on the process of receiving gifts can be found in the [Sensitive Expenditure Policy](#).

Staff Interest Register

Conflicts of interests are to be provided to the Executive Manager – People and Culture on the [Staff Interests form](#), which may be found on the council intranet.

Conflicts which have been disclosed and identified are recorded in a register held by People and Culture.

The register is updated as required and reviewed bi-annually by the Executive Team.

All declarations are to be updated or confirmed before 1 July each year. Potential conflicts are to be resolved before the register of interests is updated.



Compliance

As a Council employee you are expected to comply with the requirements of this policy at all times. If an employee breaches this policy by withholding an interest, that may lead to disciplinary action.

Disputes Procedure

In the instance of a dispute arising relating to a conflict of interest, this may be referred to the Executive Manager – People and Culture for review.

Relevant legislation

- Privacy Act 1993

Related documents

- Code of Conduct
- Procurement Policy
- Fraud, Bribery and Corruption Policy
- Fraud, Bribery and Corruption Process
- Protected Disclosures (Whistle Blower) Policy
- Staff Interests Register
- [Managing conflicts of interest: Guidance for public entities – Controller and Auditor](#)
- [NZ Government Quick-Guide: Conflicts of Interest](#)

22.1.3 AUDIT AND RISK COMMITTEE TERMS OF REFERENCE

Doc ID: 567439

1. Purpose of Report

To consider the terms of reference for the Audit and Risk Committee.

Recommendations

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
 - B. Recommends to Council that they accept the proposed amendments to the Audit and Risk Committee's terms of reference as detailed in appendix 2 of the report.
 - C. Recommends to Council any additional changes (if applicable) to the Audit and Risk Committee's terms of reference.
-

2. Background

The Local Government Act 2002 (the Act) Schedule 7 Clause 32 states that for the purposes of efficiency and effectiveness a local authority may delegate to a committee or other subordinate decision-making body, community board, or member or officer of the local authority any of its responsibilities duties or powers unless expressly provided otherwise in the Act or any other Act.

At its inaugural meeting, held on 23 October 2019, the Central Otago District Council reconstituted the Audit and Risk Committee as a standing committee of Council. The terms of reference are attached as **Appendix one**.

Council will reconsider its committee structure and delegations following the 8 October 2022 local bodies election.

This report provides an opportunity for the Audit and Risk Committee to consider its terms of reference to present to the current Council in time to make recommendations for the incoming Council to consider.

3. Discussion

The Office of the Auditor General reinforced the importance of effective audit and risk committees for councils in its May 2019 report "*Our 2018 work about Local Government*."

The report notes "*audit and risk committees provide guidance and advice to councillors, typically on the council's financial reporting, risk management, system of internal controls, and external and internal audit matters.*

Importantly, they can provide different and independent perspectives on the risks, issues, and challenges councils face. Although audit and risk committees should improve the governance of councils, they do not replace that governance."

The terms of reference for the Central Otago District Council's Audit and Risk Committee reflects this.

Staff have suggested minor amendments, to reflect current practise and changes requested by the Committee in its currently term to date. These are attached as a tracked changes document at **Appendix 2**.

The Committee are asked to consider what, if any, other changes it would like to recommend to Council to consider.

4. Financial Considerations

There are no financial considerations as a consequence of this report. The independent chair is remunerated for their contribution, and this is included in existing budgets.

5. Options

Option 1 – (Recommended)

Endorse the proposed amendments to the Audit and Risk Committee's terms of reference and suggest any further amendments for Council to consider.

Advantages:

- The Committee's terms of reference will be updated and reflect current practise.

Disadvantages:

- There are no identified disadvantages to the recommended option.

Option 2

Do not update the Audit and Risk's Committee's terms of reference.

Advantages:

- There are no identified advantages to this option.

Disadvantages:

- The Committee's terms of reference would remain unchanged and potentially out of date.

6. Compliance

Local Government Act 2002 Purpose Provisions	This decision enables democratic local decision making and action by, and on behalf of communities by ensuring independent advice and guidance is offered by the Audit and Risk Committee on appropriate matters.
Decision consistent with other Council plans and policies? Such as the District Plan, Economic Development Strategy etc.	Yes, this decision will enhance the Council's Delegation Register.

Considerations as to sustainability, the environment and climate change impacts	There are no implications from this decision.
Risks Analysis	There are no risks with the recommended option.
Significance, Consultation and Engagement (internal and external)	This is a procedural matter and, therefore, no external consultation or engagement is required.

7. Next Steps

Changes to the Audit and Risk Committee's terms of reference will be forwarded to Council for its consideration. An updated Register of Delegations will then be presented to the incoming Council to consider at its inaugural meeting in October.

8. Attachments

Appendix 1 - Audit and Risk Terms of Reference [↓](#)

Appendix 2 - Audit and Risk Terms of Reference with Tracked Changes [↓](#)

Report author:



Rebecca Williams
Governance Manager
9/02/2022

Reviewed and authorised by:



Sanchia Jacobs
Chief Executive Officer
18/02/2022

AUDIT AND RISK COMMITTEE

REPORTING TO:	Council
CONSTITUTION:	Mayor, three Councillors plus an independent representative as the Chair
QUORUM:	No less than three members of the Committee, including the independent Chair
MEETING FREQUENCY:	Three times per year and then as and when required

OBJECTIVE:

To provide governance and oversight in the areas of audit and risk to ensure systems and practices are of a standard to provide assurance that there is sufficient risk identification and mitigation in place.

SCOPE OF ACTIVITY:

The Committee will review, evaluate and feed back to Council on a broad range of matters including:

- Internal and external audits
- External financial reporting
- Oversight of the preparation of the Long-term Plan, Annual Plan and Annual Report
- Financial and non-financial risk management
- Internal systems and controls
- Strategic management and operational performance
- Policy review, for policies within the scope of the Committee
- Appointment of an external committee member
- Appointment of the Audit and Risk Chair and Deputy Chair
- Legislative compliance

POWER TO ACT:

The Committee can report to and make recommendations to Council on matters and proposals relevant to risk management and internal control practices.

AUDIT AND RISK COMMITTEE

REPORTING TO:	Council
CONSTITUTION:	Mayor, three Councillors plus an independent representative as the Chair
QUORUM:	No less than three members of the Committee, including the independent Chair
MEETING FREQUENCY:	Three <u>Four</u> times per year and then as and when required

OBJECTIVE:

To provide governance and oversight in the areas of audit and risk to ensure systems and practices are of a standard to provide assurance that there is sufficient risk identification and mitigation in place.

SCOPE OF ACTIVITY:

The Committee will review, evaluate and feed back to Council on a broad range of matters including:

- Internal and external audits and monitoring the progress of the auditor's recommendations
- External financial reporting
- Oversight of the preparation of the Long-term Plan, Annual Plan and Annual Report
- Financial and non-financial risk management
- Internal systems and controls
- Strategic management and operational performance
- Policy review, for policies within the scope of the Committee
- ~~Appointment of an external committee member~~
- Appointment of the Audit and Risk ~~Chair and~~ Deputy Chair
- Legislative compliance
- Litigation overview

The Mayor and three Councillor members of the committee, will select and appoint the external committee member / Chair each triennium.

POWER TO ACT:

The Committee can report to and make recommendations to Council on matters and proposals relevant to risk management and internal control practices.

22.1.4 EXTERNAL AND INTERNAL AUDIT UPDATES

Doc ID: 563930

1. Purpose

To consider an update on the status of the external and internal audit programme and any outstanding actions for completed external and internal audits.

Recommendations

That the report be received.

2. Discussion

Council has a legislative requirement to complete external audits of annual reports and the Long-term Plan through Audit New Zealand. Audit New Zealand complete a governance report on their findings and any recommendations for improvements. A schedule of actions is then created and allocated to staff to manage the completion of these recommendations.

The 2020-2021 management report has yet to be received. Staff are expecting to receive this soon. However, Audit New Zealand are experiencing significant delays in their audit schedule due to a lack of staff which could result in further delays.

The 2019-2020 Audit New Zealand Management Report was presented to Audit and Risk at the June 2021 meeting. There were eight recommendations, of which four were already completed by June 2021. A fifth one was completed by December 2021, leaving three remaining. The Audit Action Register contains the three remaining actions, of which one is now closed, as there is a process in place to manage that particular recommendation. A further one has been completed but is pending Audit New Zealand's sign off, and one remains outstanding, with the goal of it being completed by May 2022.

The 2018-2019 Audit New Zealand Management Report had six actions remaining as presented in previous Audit and Risk meetings. One has been completed in December 2021, two recommendations are not being implemented, and a third will either be closed off or remain a permanent ongoing action. The 3-waters recommendation remains in progress, as does the IT control environment recommendation. Both outstanding items have plans in place for completion.

In addition to external audits, Council also carries out several internal audits annually to provide assurance over compliance and to mitigate business risks. Two recommendations remain in progress in the payroll area, one is now completed, and one has been delayed. Training was scheduled for February 2022. But due to staff working in separate 'bubbles' due to COVID-19 and the threat of Omicron this training cannot take place until staff are able to fully interact with each other on a one-to-one basis. Dependant on the COVID-19 situation it is anticipated this should be completed by July 2022.

Appendix 1 and 2 list the outstanding tasks and any progress with these tasks. Once the Committee have viewed the completed tasks these are removed from the schedule.

The internal audit programme is reviewed every three years to provide assurance over compliance and to mitigate business risks. In August 2020, Deloitte's recommended a four-year internal audit programme based on factors such as budgetary constraints, recently completed engagements and the current view of the risk landscape in the local government sector. This was then prioritised, and the Committee approved the programme of work as detailed below for the next four years (2021 – 2024) ending June 2024. This programme will be reviewed in the December 2022 Audit and Risk Committee meeting, post the Council elections. This is to ensure this programme reflects the appropriate priorities, and to consider whether the remaining items in red should be included in the next three-year programme.

The proposed audits, in the cyber security and procurement activities, are planned and scheduled to happen this financial year.

Internal Audit Review Programme	FY 20-21	FY 21-22	FY 22-23	FY 23-24
Information and Records Management	✓			
Procurement		✓		
Cyber Security		✓		
Contract Management			✓	
Capital Expenditure Planning and Monitoring			✓	
Health & Safety				✓
Recruitment Review				✓
Environmental Management (including Sustainability)				
Business Continuity / Disaster Recovery				
Asset Management				
Benefits Realisation				
Legislative Compliance				

Red – denotes suggested alternative audit review options

3. Attachments

Appendix 1 - Audit New Zealand - Audit Action Register [↓](#)

Appendix 2 - Internal Audit Action Register [↓](#)

Report author:



Gabi McFarlane
Risk and Procurement Manager
21/12/2021

Reviewed and authorised by:



Leanne Macdonald
Executive Manager - Corporate Services
9/02/2022

	Urgent	Necessary	Beneficial	Assigned	Estimated Completion	Status	Comments
Audit NZ 2020 Management Report							
Reconciliation of land sales and costs (5.3) A reconciliation between the property team's tracking sheet and accounting journals needs to be performed on a regular basis.		✓		Finance Manager		Closed	No further action required.
Payments for hurt and humiliation (5.5) Review the policy regarding out of court settlements for hurt and humiliation and consider making a voluntary disclosure to the IRD			✓	Executive Manager - People and Culture		In progress	Pending Audit NZ 2020-21 Management Report.
Third party acknowledgement of Council's security policies (5.8) Introduce a formal process whereby third parties such as IT vendors or other non-staff acknowledges that they have received and read these Security Policies and that they understand their responsibilities to comply with those policies.			✓	Information Services Manager	May-2022 Dec-2024	In progress	Challenges with setting up the process to manage the agreements from initiation to completion.
Audit NZ 2019 Management Report							
Asset valuation recommendations and processes (4.1) Management should review and address the asset valuation recommendations made by the District Council's valuer. 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.		✓		Executive Manager - Infrastructure Services and Executive Manager - Corporate Services		Completed	Considered by the Audit and Risk Committee in December 2021. An asset valuation schedule was included in the asset management policy which was considered by the Audit and Risk Committee on 3 December 2021.
Roading – 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.						Completed	No further action.
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.						Completed	No further action.
3-Waters – 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.						In progress	Asset data for 3 waters plant sites is currently being collected as a stimulus funded project and will be in the asset system for the next valuation.
Annual report preparation process (4.2) 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.		✓		Executive Manager - Corporate Services / Finance Manager		Ongoing	Preparation for the Annual Report has been completed for 2020-21. Pending Audit New Zealand's findings, this will either remain ongoing or be completed.
IT Control Environment To strengthen the Council's overall IT control environment, we recommend the Council considers the following: • A formal IT strategic plan that supports the overall business strategic objectives • Business led IT governance group with clear terms of reference • A formal IT risk management process • A formal management reporting that provide the organisation with the level of service that IT provides and insights as to value of its IT investments.			✓	Information Services Manager		In progress	To strengthen the Council's overall IT control environment, we recommend the Council considers the following: • A formal IT strategic plan that supports the overall business strategic objectives – Estimated completion date July 2022, workshop with leadership team planned for February 2022 • Business led IT governance group with clear terms of reference – A proposal for an Information Services (IS) Steering Committee has been drafted, this is yet to be presented to the Executive Manager for feedback. This forms part of the IS Activity Management Plan and IS Management & Governance Framework. • A formal IT risk management process – Information Services uses the CODC Risk Management Policy and framework. The IS Risk Register forms part of the IS Activity Management Plan and IS Management & Governance Framework. The applicable risks have also been associated with the soon to be completed Cyber Security Plan 2018-2021, the future Cyber Security Plan 2022-2024, future Information and Records Management Plan 2022-2024 and Privacy Plan. • A formal management report that provides the organisation with the level of service that IT provides and insights as to the value of its IT investments. IS programmes and projects, as part of the CODC Project Management Framework and Sentient Portfolio Program Management roll out. Executive Manager – Corporate Services reporting is targeted for January/February 2022, once bedded in expand to the Executive Team and appropriate programmes and project stakeholders. Privacy Plan, Cyber Security Plan 2022-2024, Information and Records Management Plan 2022-2024 all have reporting requirements to the Executive Team, and Audit and Risk Committee. Further reporting will be discussed with the Executive Team.

APPENDIX 1

Detailed Findings: Payroll

Description	Detail	Risk Rating	Recommendation	Determination Date	Status	Due Date	Person Responsible	Any additional Comments
Payroll								
Enhancement required for manual timesheets	Central Otago District Council has both waged and salaried employees. Timesheets for waged employees are manually entered into the Pay Global system.	Moderate	Implementing an automated process of capturing the time worked by the waged staff will increase efficiency and reduce the possibility of errors.	Aug-20	In progress	Moved to 31 July 2022 4/03/2024	Finance Manager	The electronic timesheets were scheduled for the first week of February (when the pools weren't so busy and schoolchildren were back at school. With the bubbles put in place, put a stop to this, so still on-going.
Improvements required with respect to payroll guidelines	Central Otago District Council does not have an approved procedures manual in place.	Process Improvement	Consolidates and formalises the payroll procedures manual and the desk profile process document.	Aug-20	Completed	Jun-21	Payroll Officer	A procedure manual is now in place.

22.1.5 FINANCIAL REPORT FOR THE PERIOD ENDING 31 DECEMBER 2021

Doc ID: 566721

1. Purpose

To consider the financial performance for the period ending 31 December 2021.

Recommendations

That the report be received.

2. Discussion

The quarterly financial report is presented to the Committee as part of regular updates.

3. Financial Reporting

The operating variance for December 2021 year-to-date is (\$3.551M) and is largely the result of Waka Kotahi subsidy, land sales and low operating expenditure.

Overall income has an unfavourable variance against the revised budget of (\$5.54M). This relates to the timing of land sale revenue for the Dunstan Park subdivision and a parcel of Three Waters land. The budgeted timing for these activities is earlier than actual completed land sales. This will be adjusted in the forecast to align budgets with adjusted timelines for sales. Other factors include the timing of the roading Waka Kotahi and other grants.

- Land sales have not occurred within the budgeted timeframe. Part of this relates to land Council agreed to sell as part of the long-term planning process. All other land sales from subdivisions will come through later in the financial year when they are sold. The Dunstan Park subdivision sales will start showing in the January 2022 financials.
- Government grants and subsidies are lower than budget by (\$799k). This is mainly due to the timing of the Waka Kotahi subsidy of (\$968k). This subsidy moves in conjunction with the subsidised roading operating and capital work programmes. This is offset by \$373k of Tourism Infrastructure funding for the new Clyde toilet and Miners Lane carparks. The budget for these activities is in User fees and other and will be re-aligned in the next revision of the budget.
- User fees and other has an unfavourable variance of (\$578k). Of this variance, (\$357k) is due to the grants budget being budgeted in 'other income' rather than the correct place of grants and subsidies. This budget includes the Tourism Infrastructure funding for the new Clyde toilet and Miners Lane carparks. This will be corrected in the next revision of the budget. Year-to-date revenue for this category is also down (\$25k) in swimming pool admissions and (\$132k) for water meter readings. The water meter readings result is believed to be timing and is expected to correct as the year progresses.
- Regulatory fees has a favourable variance of \$410k. This variance continues to be driven by the timing of building consent revenue received, which year-to-date is \$371k.

- Interest and dividends revenue is unfavourable against budget by (\$149k). Interest rates received on term deposit investments are continuing to remain low. This is due to low market interest rates.
- Reserves contributions has a favourable variance of \$171k. These contributions are dependent on developers' timeframes and therefore difficult to gauge when setting budgets.

Expenditure is lower than budget by \$1.996M. Operational expenditure is trending lower across all areas with no underlying variance of concern.

- Staff costs has a favourable variance of \$381k. This is due in part to the lag between staff moving and the replacement of new staff, plus the relevant recruitment costs. It also includes staff training, made up of conferences and planned attendance at workshops, travel and accommodation. Delays are due to the on-going impact of COVID-19.
- Contracts has a favourable variance of \$851k. Contract expenditure is determined by workflow and the time of the contract. This will mean that the phased budgets will not necessarily align with actual expenditure, meaning some work appears favourable, and some contracts spend year-to-date appear (unfavourable). Planned maintenance \$164k; contracts \$682k; physical works contract \$236k; and roading contracts (\$229k) are the key timing variances year-to-date. The contracts variance of \$682k is being driven by the timing of the Three Waters Stimulus operational improvements projects. Three Waters income and expenditure will be reflected in the February forecast.
- Professional fees has a favourable variance of \$437k. This is similar to contract expenditure where budget and actuals do not align throughout the year but typically align by the end of year. Major variances include: asset management plans and management costs (\$75k); engineers fees \$82k; management consultants \$312k; planning consultants (review) \$82k and recoverable professional fees (\$130k). The asset management plans and management costs variance of (\$75k) relates waste services contract that is currently under review.
- Depreciation has an unfavourable variance of (\$219k). This is mainly due to a difference between the actual and budgeted wastewater depreciation. This is being investigated in more depth. It is likely due to the timing of project stages and carry forwards, which has impacted on the budget systems automation for calculating the depreciation. This will correct the Annual Plan 2022/23. Areas with major variances include: libraries (\$31k); information services (\$33k); parks reserves recreation \$226k; property \$38k; wastewater (\$293k); and waste management (\$42k). Wastewater is also reflecting the updated valuations which occurred after the Long-term Plan was approved.
- Refuse and recycling costs has a favourable variance of \$168k. This is due to the timing of waste and recycling processing costs. These will fluctuate against the budget from time to time.
- Repairs and maintenance has a favourable variance of \$100k. This is mainly due to the timing of various projects as well as building maintenance requirements.
- Loss of sale of asset has an unfavourable variance of (\$262k). This is due to the disposal of District Rural Fire building assets to Fire and Emergency New Zealand (FENZ) as part of Council resolution 21.2.6 dated March 2021. This includes the Omakau Fire Depot and the Tarras Fire Station.
- Projects has a favourable variance of \$130k. This is due to the phasing schedule of Tourism Central Otago projects.
- Other costs has a favourable variance of \$257k. A detailed breakdown for other costs are in a table below the financial statement.

2021/22		6 MONTHS ENDING 31 DECEMBER 2021				2021/22
Annual Plan \$000		YTD	YTD	YTD		Revised Budget \$000
		Actual \$000	Revised Budget \$000	Variance \$000		
	Income					
33,270	Rates	17,141	17,093	48	●	33,270
7,248	Govt Grants & Subsidies	7,911	8,710	(799)	●	16,217
7,323	User Fees & Other	3,112	3,690	(578)	●	7,866
17,286	Land Sales	-	4,750	(4,750)	●	14,650
2,155	Regulatory Fees	1,585	1,175	410	●	2,155
2,104	Development Contributions	1,063	1,052	11	●	2,104
388	Interest & Dividends	45	194	(149)	●	388
-	Reserves Contributions	171	-	171	●	-
55	Other Capital Contributions	91	2	89	●	55
69,829	Total Income	31,119	36,666	(5,547)	●	76,705
	Expenditure					
13,565	Staff	6,362	6,743	381	●	13,529
587	Members Remuneration	260	294	34	●	587
8,904	Contracts	4,441	5,292	851	●	9,724
2,902	Professional Fees	1,529	1,966	437	●	3,881
9,997	Depreciation	5,218	4,999	(219)	●	9,997
13,926	Costs of Sales	2	100	98	●	7,290
3,920	Refuse & Recycling Costs	1,550	1,718	168	●	3,920
1,723	Repairs & Maintenance	763	863	100	●	1,739
1,410	Electricity & Fuel	668	672	4	●	1,410
-	Loss on Sale of Asset	262	-	(262)	●	-
652	Grants	406	387	(19)	●	652
1,115	Technology Costs	503	562	59	●	1,099
303	Projects	473	603	130	●	1,206
639	Rates Expense	533	532	(1)	●	634
423	Insurance	448	423	(25)	●	423
2,037	Other Costs	759	1,016	257	●	2,041
62,103	Total Expenses	24,174	26,170	1,996	●	58,132
7,726	Operating Surplus / (Deficit)	6,945	10,496	(3,551)		18,573

This table has rounding (+/- 1)

- Other costs have been configured to include only needs-based costs which will fluctuate against budget. There are no large variances of note to report on at present.

Other costs breakdown is as below:

2021/22 Annual Plan \$000	Other Costs breakdown	YTD Actual \$000	YTD Revised Budget \$000	YTD Variance \$000		2021/22 Revised Budget \$000
535	Administrative Costs	156	265	109	●	550
690	Office Expenses	270	341	71	●	666
234	Operating Expenses	109	126	17	●	234
327	Advertising	111	154	43	●	329
175	Valuation Services	86	88	2	●	175
76	Retail	27	42	15	●	87
2,037	Total Other Costs	759	1,016	257		2,041

This table has rounding (+/- 1)

Capital Expenditure

Capital expenditure is \$13.543M against the year-to-date budget of \$31.458M. Year-to-date, 44% of the initial 2021/22 Annual Plan has been expensed, however, when considering the revised annual plan, which includes carry-forwards and capital cost revisions, the year-to-date spend reduces to 21%. Below is a summary for each activity's capital expenditure.

Due to supply chain and resource issues related to COVID-19, the capital works programme is behind the revised annual plan schedule. Staff plan to bring to Council in April 2022 the second budget revision for this financial year, assuming there is no significant impact from Omicron and its effect on staffing levels within Central Otago District Council.

Council Property and Facilities \$4.M favourable against budget:

Cromwell Town Centre projects are driving most of this variance by \$3.4M. The work programme is currently in the design phase for the Cromwell Memorial Hall and Events Centre. Next steps include site survey and concept design workshops being held in January 2022. The new Clyde toilets are progressing with the Lodge Lane toilets in operation. The Miners Lane toilets will not be operational until August 2022 when the Clyde wastewater reticulation system is complete. Other areas behind budget include airports \$20k, council offices \$281k and elderly person housing \$150k.

Waste Management \$577k favourable against budget:

The glass crushing plant project is behind budget by \$47k. The transfer station reconfiguration projects are yet to start, contributing to \$398k of the underspend.

Vehicle Fleet (\$107k) unfavourable against budget:

Vehicle renewals and purchases are ahead of budget with 42% of the \$256k total revised budget being already spent. The reforecast will re-align budgets with actuals.

Information Services \$326k favourable against budget:

Information Services projects are behind budget. Projects include geographic information services \$82k, enhanced customer experience digital services \$19k, enterprise resource planning information services \$150k and financial performance improvement \$36k.

Parks and Recreation \$1.18M favourable against budget:

This favourable variance is driven by a mixture of the timing of project budgets and contractor's availability to perform the work. Projects include landscaping, signage and irrigation. The Cromwell pool replacement heat pump is on order and is due for delivery in February 2022 with preliminary fitting work to be carried out in December 2021. This accounts for half of the capital budget variance.

Roading \$957k favourable against budget:

Roading projects are behind schedule and this is mainly due to the timing of the capital programme which tend to ramp up over the summer construction season. Projects include footpath renewals \$70k, carpark renewals \$224k, structures renewals \$233k, sealed road renewals \$558k.

Three Waters is \$10.8M favourable against budget:

The favourable variance is due to the timing of construction projects. The main drivers include the Lake Dunstan water supply \$4.2M, water treatment plant and capacity upgrades \$2.6M, water supply renewals \$791k and water stimulus fund projects \$1.5M. The Clyde wastewater reticulation network construction is progressing well.

2021/22						2021/22	Progress to date against revised budget
Annual Plan	CAPITAL EXPENDITURE	YTD Actual	YTD Revised Budget	YTD Variance		Revised Budget	
\$000		\$000	\$000	\$000		\$000	
6,058	Council Property and Facilities	626	4,699	4,073	●	9,146	7%
382	Waste Management	336	913	577	●	913	37%
-	i-SITEs	-	4	4	●	4	0%
50	Customer Services and Administration	14	31	17	●	62	23%
204	Vehicle Fleet	107	-	(107)	●	256	42%
248	Planning	-	35	35	●	348	0%
352	Information Services	129	455	326	●	1,386	9%
164	Libraries	57	93	36	●	512	11%
1,713	Parks and Recreation	505	1,685	1,180	●	3,755	13%
7,420	Roading	3,018	3,975	957	●	7,950	38%
14,243	Three Waters	8,751	19,568	10,817	●	38,726	23%
30,834	Grand Total	13,543	31,458	17,915		63,058	21%

Statement of Financial Position

The Statement of Financial Position (Balance Sheet) is a new report which will be included in the reports to both Council and to the Audit and Risk Committee. It is included to show the comparisons between actuals and budget. Below the financial position is a table summarising the reserves and the cash balances. This gives assurance that there are available funds to meet the cash financial reserve balances typically included in Council's set of financial reports.

2020/21 Actual	2020/21 YTD December Actual	STATEMENT OF FINANCIAL POSITION	2021/22 YTD* Actual	2021/22 Revised Budget	2021/22 Annual Plan
\$000	\$000	for the period ended 31 December 2021	\$000	\$000	\$000
EQUITY					
392,456	382,902	Ratepayers equity	404,206	414,890	393,593
12,321	8,492	Surplus/(Deficit)	6,945	18,491	7,644
7,035	14,442	Council Reserves	7,603	4,258	4,178
487,465	483,494	Property revaluation reserve	487,393	496,629	496,629
(17)	(20)	Investment shares fair value revaluation reserve	(17)	(20)	(20)
80	80	Restricted reserves	80	80	80
899,340	889,390	Total equity	906,210	934,328	902,104
REPRESENTED BY:					
Current assets					
6,514	9,931	Cash and cash equivalents	4,802	19,896	19,896
10,000	11,000	Other financial assets	6,000	8,000	8,000
4,852	34	Receivables	483	3,171	3,171
-	-	Non-Current assets held for sale	-	-	-
5,394	1,543	Inventories	6,613	1,509	1,509
-	-	Investment Bond	-	625	625
26,760	22,508	Total current assets	17,898	33,201	33,201
Less current liabilities					
256	295	Agency and deposits	509	273	273
13,254	3,401	Payables and deferred revenue	5,126	4,705	4,705
673	654	Employee entitlements	777	1,010	1,010
-	-	Borrowings and other financial liabilities	-	-	-
14,183	4,350	Total current liabilities	6,412	5,988	5,988
12,577	18,158	Working capital	11,486	27,213	27,213
Non-current assets					
111	109	Available for sale financial assets	111	109	109
282	317	Loans and receivables	254	333	333
26,030	21,739	Work in Progress	37,400	63,058	30,834
852,712	846,195	Property, plant and equipment	849,328	864,309	864,309
1,272	845	Intangible assets	1,275	2,271	2,271
431	355	Forestry assets	431	357	357
5,925	1,675	Investment property	5,925	1,683	1,683
886,763	871,235	Total non-current assets	894,724	932,120	899,896
Less non-current liabilities					
-	3	Provisions	-	5	5
-	-	Borrowings and other financial liabilities	-	25,000	25,000
-	3	Total non-current liabilities	-	25,005	25,005
899,340	889,390	Net assets (assets minus liabilities)	906,210	934,328	902,104

This table has rounding (+/- 1)

** year-to-date actual values are subject to change and are only indicative of the end of year totals.*

The cash balance and its reconciliation to council cash-reserves, is to provide surety to council that the cash reserves are supported by cash in the bank. Timing is not always perfect due to accrual accounting and income revenue being received in advance. What this report demonstrates is that at 30 June 2021 Council had audited (cash) financial reserves of \$7M, and \$16.5M in actual cash in the bank. The reason for the significant variance is the cash received in advance for the new financial year.

Cash Balances	Full Year Actuals 30 June 2021 \$000	YTD Actuals* as at 31 December 2021 \$000
Cash at Bank (cash and cash equivalents)	6,514	4,802
Investments* (other financial assets)	10,000	6,000
Total Cash Balances	16,514	10,802

Council Reserves	Actual Reserves 30 June 2021	YTD Reserves* 31 December 2021
District Reserves	985	(2,314)
District Targeted Reserves	(17,674)	(13,998)
Vincent Community Board	2,692	5,510
Cromwell Community Board	18,903	19,333
Maniototo Community Board	813	953
Teviot Valley Community Board	1,317	1,121
Total Council Reserves	7,035	10,604

Cash Variance to Reserves	9,479	198
----------------------------------	--------------	------------

** Investments are broken down in point 5 of this report.*

Variance made up of the timing of Cash received in advance :		
Three-waters (Stimulus)	4,200	
STAPP	365	
Rates/Water	500	
Other	1,500	
	6,565	

Cash Variance to reserves	2,914	198
----------------------------------	--------------	------------

This table has rounding (+/- 1)

** year-to-date actual values are subject to change and are only indicative of the end of year totals.*

4. Accounts Receivable

As at 31 December 2021, Council had \$136k outstanding in accounts receivables greater than 90 days. Sundry debtors are the key contributors and include:

- Ministry of Business and Innovation \$57.5k (grant funding for Welcoming Communities Programme). This has subsequently be paid in full.
- Top Shelf Productions \$5.7k (agreement to fund people on Bikes Series 2)
- Hillview Winery Limited \$5.9k (relating to rental Alexandra Airport)
- Ventia \$6k (relating to fibre drilling repairs)
- Arawata Assets \$5.9k (relating to rental of Tarbert St premise)

Resource consents include:

- Crom 1825 Limited \$7.9k (development contribution fees)
- M N Shaw \$8.5k (payment plan in place – balance to be paid by 30 June 2022)

Type of Debtor	Current	30 Days	60 Days	> 90 Days
Other	\$ 47,655	\$ 52,833	\$ 16,663	\$ 100,031
Building Consents	\$ 33,328	\$ 14,175	\$ 8,094	\$ 8,141
Resource Consents	\$ 56,763	\$ 31,810	\$ 1,939	\$ 28,010
TOTAL	\$ 137,746	\$ 98,818	\$ 26,697	\$ 136,182

Type of Debtor	December 2021	November 2021	October 2021	December 2020
Other	\$ 217,182	\$ 101,490	\$ 179,709	\$ 168,450
Building Consents	\$ 63,739	\$ 68,849	\$ 46,259	\$ 34,024
Resource Consents	\$ 118,522	\$ 96,245	\$ (37,342)	\$ 185,465
TOTAL	\$ 399,443	\$ 266,585	\$ 188,626	\$ 387,939

Debt is actively managed and monitored and if a debtor is past our three-month threshold, their information is sent to our debt collection agency, Receivables Management Limited.

There is a credit balance of (\$53k) in current month outstanding invoices in “under 500”. This relates to resource consent debtors where payment has been made in advance of the invoice.

Sundry Debtor	Totals	Under 500	500 to \$1k	\$1k to \$2k	\$2k to \$10k	\$10k to \$50k	Over \$50K
Current	\$ 137,746	\$ (53,238)	\$ 40,750	\$ 31,652	\$ 106,750	\$ 11,832	\$ -
Percentage	100%	-39%	30%	23%	77%	9%	0%
No. of Invoices	521	415	59	24	22	1	0
30 Days	\$ 98,818	\$ 11,842	\$ 17,477	\$ 18,020	\$ 27,329	\$ 24,150	\$ -
Percentage	100%	12%	18%	18%	28%	24%	0%
No. of Invoices	110	65	26	12	6	1	0
60 Days	\$ 26,697	\$ 4,915	\$ 3,371	\$ 1,139	\$ 17,272	\$ -	\$ -
Percentage	100%	18%	13%	4%	65%	0%	0%
No. of Invoices	40	29	5	1	5	0	0
> 90 Days	\$ 136,182	\$ 9,417	\$ 2,857	\$ 7,115	\$ 59,292	\$ -	\$ 57,500
Percentage	100%	7%	2%	5%	44%	0%	42%
No. of Invoices	70	48	4	5	12	0	1

5. Investment

As at 31 December 2021, council had cash balances of \$10.8M, of which term deposits totalling \$6M mature within 90 days.

Bank	Amount	Term (Month)	Start Date	End Date	Fixed Rate
KiwiBank	2,000,000	1	10 Dec 2021	10 Jan 2022	0.40%
KiwiBank	4,000,000	3	10 Dec 2021	10 Mar 2022	1.00%

Weighted average interest rates for all council term deposits is 0.80%.

6. Internal Loans

Forecast closing balance for 30 June 2022 is \$4.075M.

OWED BY	Original Loan	1 July 2021 Opening Balance	30 June 2022 Forecast Closing Balance
Public Toilets	670,000	491,239	468,048
Tarbert St Bldg	25,868	13,067	11,574
Alex Town Centre	94,420	49,759	44,545
Alex Town Centre	186,398	91,041	79,921
Alex Town Centre	290,600	155,412	139,137
Centennial Milkbar	47,821	21,284	18,192
Vincent Grants	95,000	19,000	9,500
Pioneer Store Naseby	21,589	10,949	9,609
Water	867,000	717,829	691,212
ANZ Bank Seismic Strengthening	180,000	149,030	143,504
Molyneux Pool	650,000	571,900	539,400
Maniototo Hospital	1,873,000	1,775,142	1,723,630
Alexandra Airport	218,000	204,485	197,216
Total	5,219,695	4,270,138	4,075,488

7. External Community Loans

The total amount of external loans at the beginning of the financial year 2021-22 was \$189k. As at 31 December 2021, the outstanding balance was \$161k. Council has received \$27k in principal payments and \$4.9k in interest payments.

Owed By	Original Loan	1 July 2021 Actual Opening Balance	Principal	Interest	30 December 2021 Actual Closing Balance
Cromwell College	400,000	130,770	17,451	3,607	113,318
Maniototo Curling	160,000	35,662	6,790	821	28,872
Oturehua Water	46,471	22,623	2,853	548	19,770
	606,471	189,055	27,094	4,976	161,960

8. Reserve Funds table

- As at 30 June 2021 the Council has an audited closing reserve funds balance of \$7.035M. This reflects the whole district's reserves and factors in the district-wide reserves which are in deficit at (\$16.7M). Refer to Appendix 1.
- Taking the 2020-21 audited Annual Report closing balance and adding 2021-22 income and expenditure, carry forwards and resolutions, the whole district is projected to end the 2021-22 financial year with a closing deficit of (\$10.772M).

9. Attachments

Appendix 1 - Reserves 2021_22 .pdf [↓](#)

Report author:



Ann McDowall
Finance Manager
10/02/2022

Reviewed and authorised by:



Leanne Macdonald
Executive Manager - Corporate Services
10/02/2022

CODC RESERVE FUNDS

AUDITED - 2020/21 Annual Report					2021/22 AP	2021/22 AP Closing
RESERVES BY RATE TYPE	Opening Balance	Transfers In	Transfers Out	Closing Balance	Net Transfers In and Out	AP Closing Balance
	A	B	C	D = (A + B - C)	E	F = (D + E)
General Reserves	5,140,942	1,461,175	(5,790,676)	811,442	(3,256,179)	(2,444,737)
Uniform Annual General Charge Reserves	186,374	9,717	(22,829)	173,261	(43,347)	129,914
	5,327,316	1,470,892	(5,813,505)	984,703	(3,299,526)	(2,314,824)
TARGETED RESERVES						
Planning and Environment Rate	1,949,635	424,331	-	2,373,966	31,214	2,405,180
Economic Development Rate	-	-	-	-	-	-
Tracks and Waterways Charge	442,590	43,362	(9,107)	476,845	14,952	491,797
Tourism Rate	238,245	54,424	(41,898)	250,771	18,528	269,299
Waste Management and Collection Charge	(1,344,674)	7,738	(866,131)	(2,203,067)	(341,821)	(2,544,888)
District Library Charge	99,517	38,009	(71,831)	65,694	(161,236)	(95,542)
Molyneux Park Charge	(22,805)	-	(55,941)	(78,746)	(204,243)	(282,989)
District Works and Public Toilets Rate	4,079,979	664,517	(317,935)	4,426,561	(212,876)	4,213,685
District Water Supply	(12,273,932)	1,495,595	(783,526)	(11,561,863)	2,230,636	(9,331,227)
District Wastewater	(10,340,895)	1,714,354	(3,141,747)	(11,768,288)	2,317,851	(9,450,437)
	(17,172,340)	4,442,330	(5,288,116)	(18,018,126)	3,693,004	(14,325,122)
Specific Reserves	315,692	4,694	-	320,386	6,303	326,688
Other Reserves	518,608	20,004	(515,342)	23,270	(22,524)	746
	834,300	24,698	(515,342)	343,655	(16,221)	327,434
WARD TARGETED RATES						
Vincent Community Board Reserves						
Vincent Promotion Rate	-	-	-	-	-	-
Vincent Recreation and Culture Charge	(1,706,400)	320,321	-	(1,386,080)	(333,560)	(1,719,640)
Vincent Ward Services Rate	2,906,503	139,599	(542,563)	2,503,538	3,109,890	5,613,429
Vincent Ward Services Charge	1,133	15	(11,398)	(10,251)	(3,243)	(13,493)
Vincent Ward Specific Reserves	1,165,253	24,458	(2,823)	1,186,888	35,415	1,222,303
Vincent Ward Development Fund	455,132	54,842	(1,910)	508,064	9,080	517,144
Alex Town Centre Upgrade 1991	(60,558)	283	(49,540)	(109,815)	380	(109,435)
	2,761,062	539,516	(608,234)	2,692,345	2,817,962	5,510,307
Cromwell Community Board Reserves						
Cromwell Promotion Rate	-	-	-	-	-	-
Cromwell Recreation and Culture Charge	(785,036)	122,790	(19,707)	(681,953)	(159,891)	(841,844)
Cromwell Ward Services Rate	19,596,874	2,813,940	(4,268,599)	18,142,215	557,468	18,699,682
Cromwell Ward Services Charge	1,899	28	(402)	1,525	(7,550)	(6,024)
Cromwell Ward Specific Reserves	(296,409)	9,319	(42,404)	(329,494)	8,776	(320,718)
Cromwell Ward Development Fund	1,555,686	222,649	(7,640)	1,770,695	30,992	1,801,687
	20,073,014	3,168,727	(4,338,753)	18,902,988	429,795	19,332,783
Maniototo Community Board Reserves						
Maniototo Promotion Rate	-	-	-	-	-	-
Maniototo Recreation and Culture Charge	(995,980)	1,883,384	(48,250)	839,154	11,474	850,629
Maniototo Ward Services Rate	1,418,766	188,340	(1,880,899)	(273,793)	133,178	(140,615)
Maniototo Ward Services Charge	3,104	8,260	-	11,363	(8,459)	2,904
Maniototo Ward Specific Reserves	212,789	23,274	-	236,063	4,246	240,309
Maniototo Ward Development Fund	-	-	-	-	-	-
	638,679	2,103,258	(1,929,149)	812,788	140,439	953,227
Teviot Valley Community Board Reserves						
Teviot Valley Promotion	14,683	213	-	14,897	234	15,130
Teviot Valley Recreation and Culture	285,234	19,851	(1,447)	303,639	(232,588)	71,051
Teviot Ward Services Rate	900,620	37,447	(29,457)	908,610	35,264	943,874
Teviot Ward Services Charge	-	-	-	-	-	-
Teviot Ward Specific Reserves	1,557	116	(1,838)	(165)	13	(152)
Teviot Ward Development Fund	77,962	12,667	(903)	89,726	1,554	91,280
	1,280,057	70,293	(33,644)	1,316,706	(195,523)	1,121,183
Grand Total Surplus/(Deficit)	13,742,087	11,819,714	(18,526,743)	7,035,058	3,569,929	10,604,988

22.1.6 CYBER SECURITY PLAN 2018-2021 UPDATE

Doc ID: 563929

1. Purpose

To consider an update on the 2018-2021 Cyber Security Plan.

Recommendations

That the report be received.

2. Discussion

In this report, the following topics will be covered:

- What's happening in New Zealand?
- What's happening at Central Otago District Council?
- Association of Local Government Information Management (ALGIM) Cyber Security Programme update
- Outstanding Key Recommendation Status Report (in the future, these key recommendations will be included in the ALGIM Cyber Security Programme update)
- Cyber Security programme of work

Executive Summary

A cyber security audit is planned for the first half of 2022. The new Cyber Security Plan 2022-2024 has been drafted to form the basis of the scope for this audit.

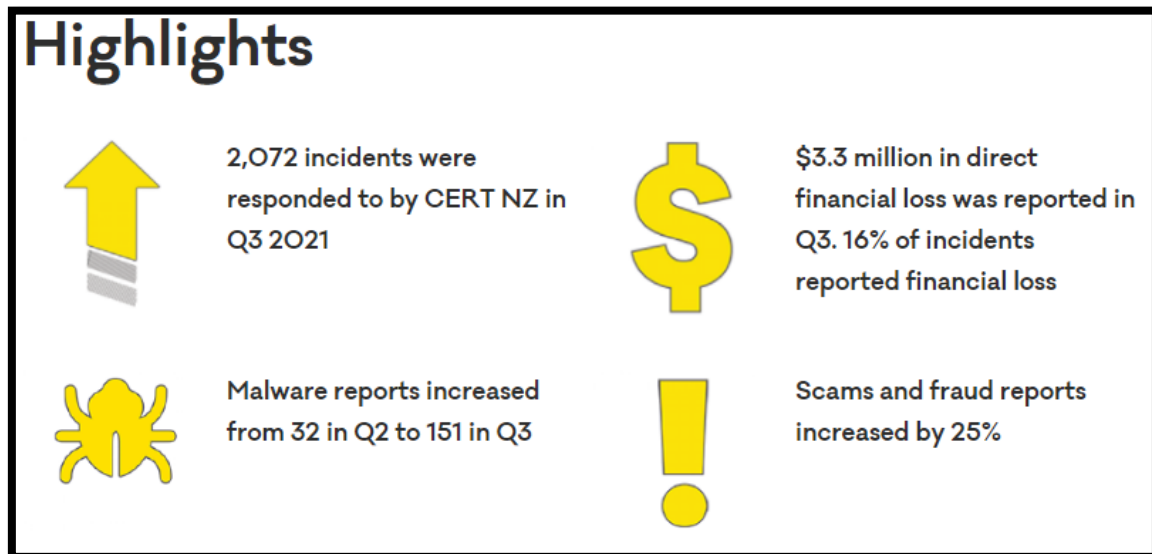
Focus areas of cyber security since the last report have been on:

- User education, training, and awareness
- Protective technology improvements to maximise value
- Updating and reviewing actions related to the requirements and controls for the (ALGIM) Cyber Security Programme framework

What's happening in New Zealand?

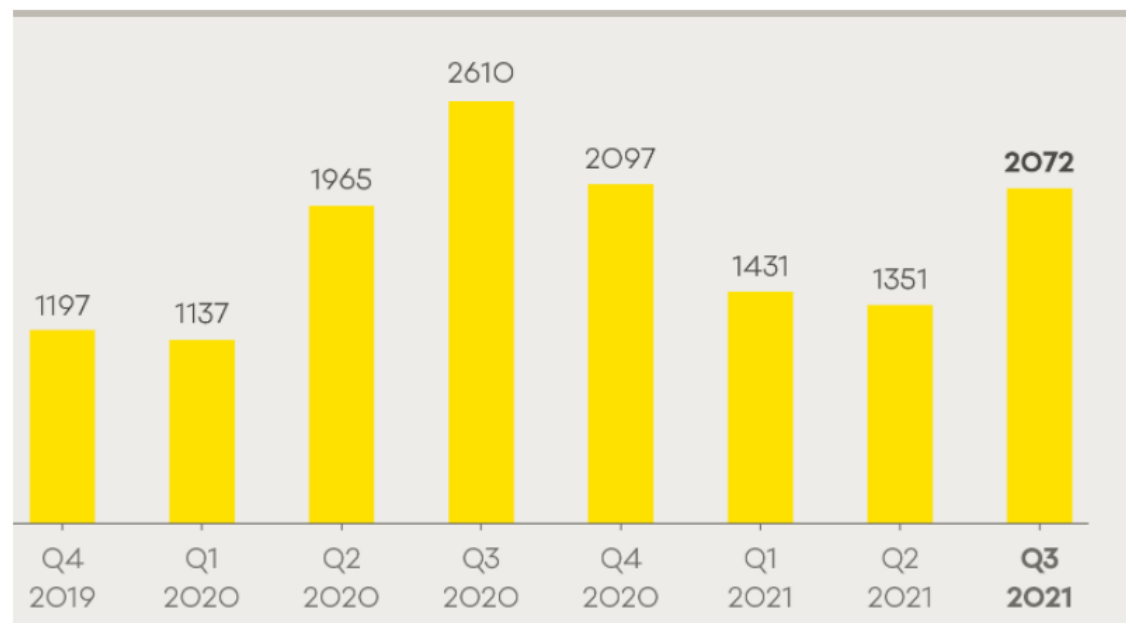
Council utilise Computer Emergency Response Team (CERT) as a resource for cyber security support. CERT NZ works to support businesses, organisations and individuals who are affected (or may be affected) by cyber security incidents. CERT provide trusted and authoritative information and advice, while also collating a profile of the threat landscape in New Zealand.

The following highlights quarter three 2021 cyber security incidents across New Zealand:



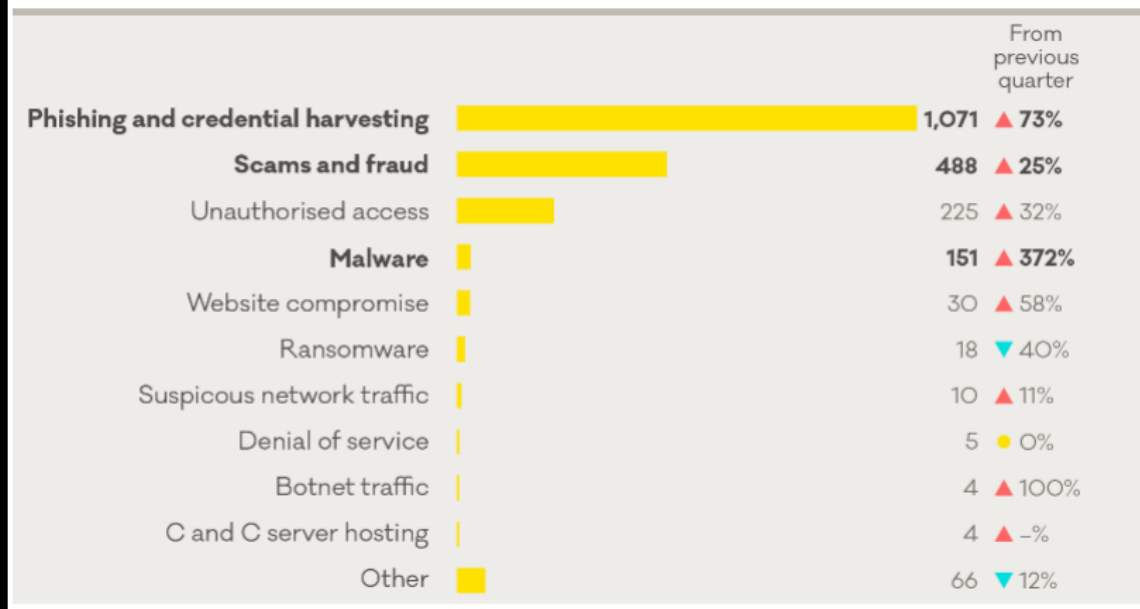
Incident numbers

A total of 2,072 incidents were responded to in Q3 2021.



Breakdown of incident category

Phishing and credential harvesting remains the most reported incident category, with 1,071 reports in Q3. A 73% increase on the previous quarter.



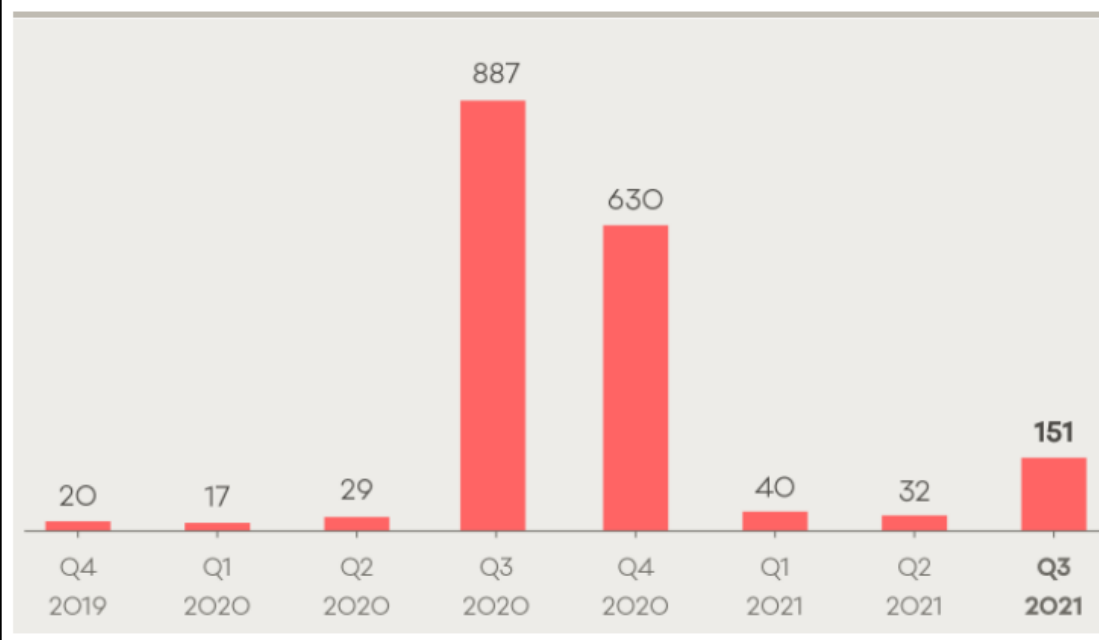
Focus area: Malware incidents more than triple

In Q3, malware reports more than tripled from the previous quarter (from 32 to 151 reports).

Malware is malicious software designed to go unnoticed and damage or compromise a computer system.

[Read more](#)

Number of malware reports to CERT NZ

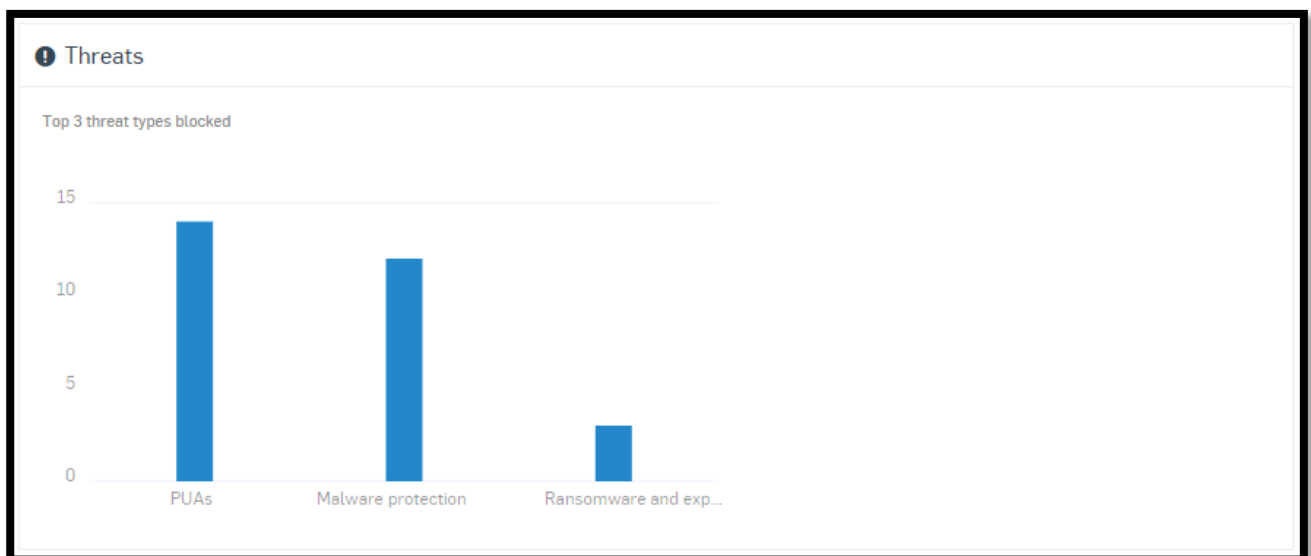
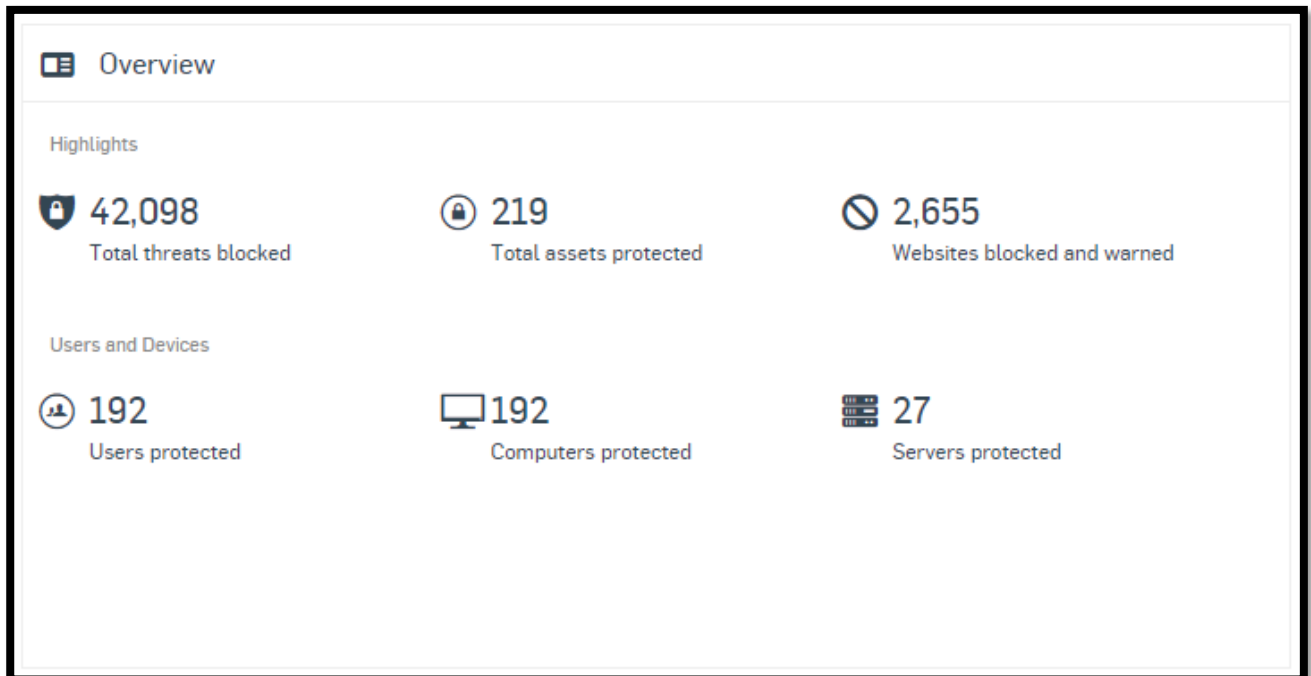


More details on the current threat landscape can be found here: [Quarter Three Report 2021 | CERT NZ](#)

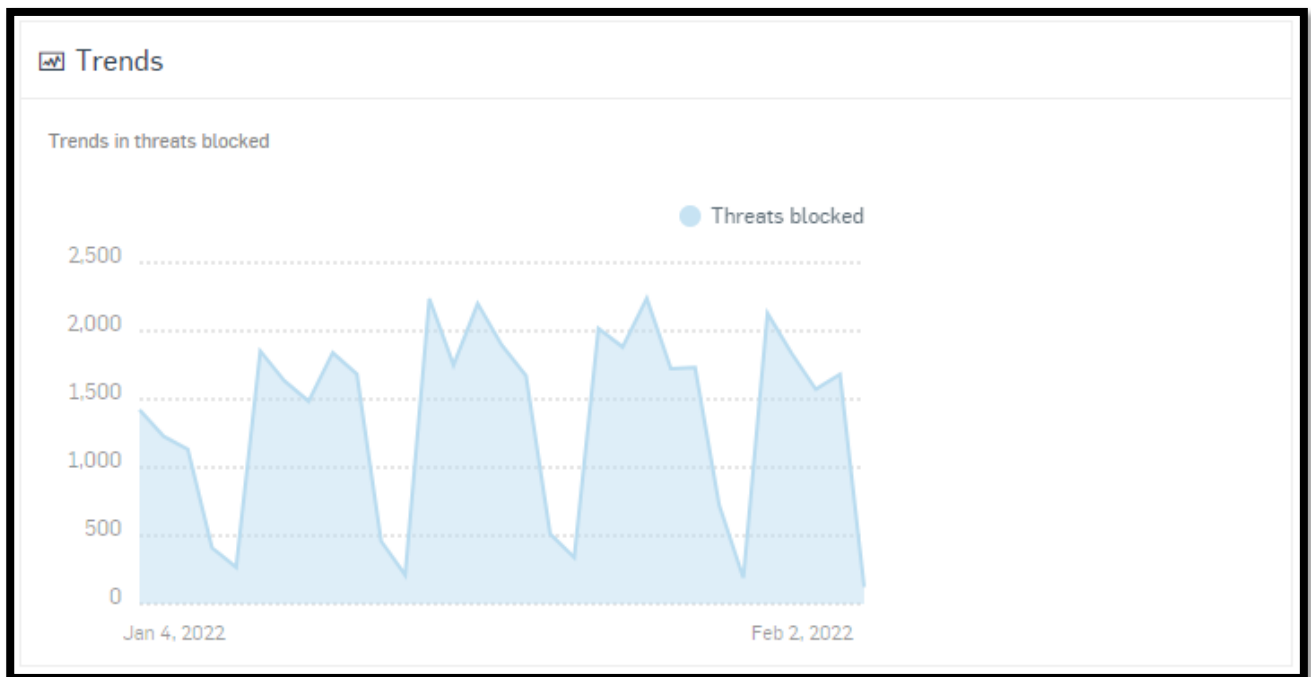
What's happening at Central Otago District Council?

Information Services is seeing a trend in technology platforms being targeted rather than people currently.

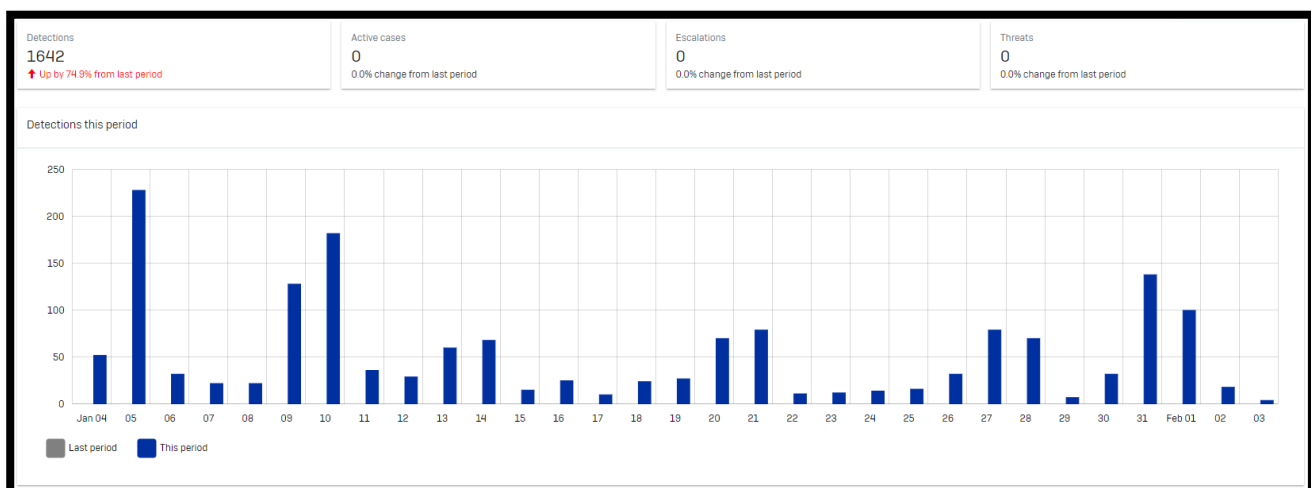
The following outlines what Council protective technologies are doing for the 4 January 2022 to 3 February 2022 period:



- Potentially unwanted applications (PUAs)



Managed Threat Response service over the last 30 days:



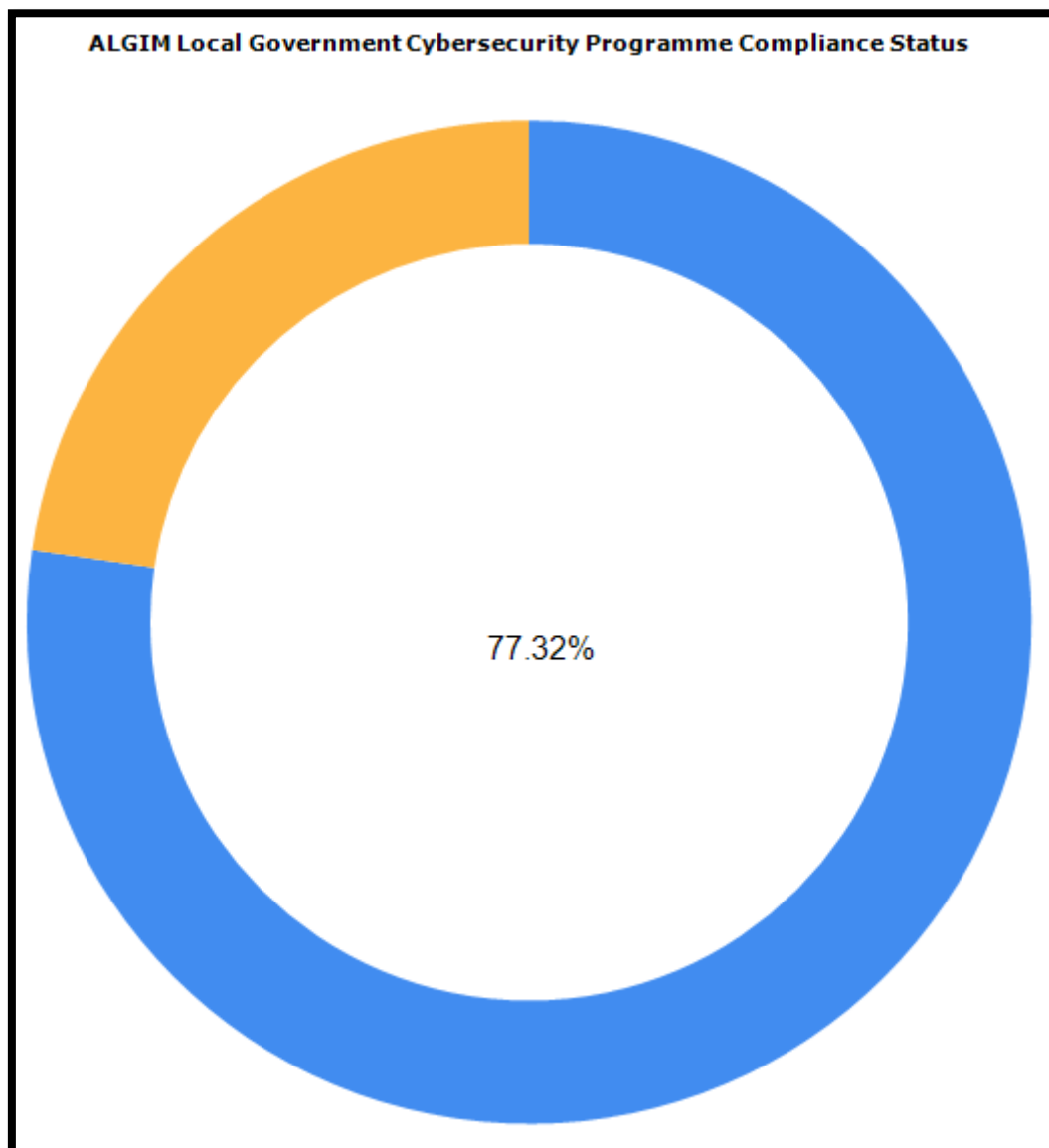
ALGIM Cyber Security Programme update

Association of Local Government Information Management (ALGIM) has defined a Cyber Security framework which is powered by Self-Assessment and Management System for Standards Compliance (SAM for Compliance) giving councils the ability to manage and reduce organisational Cyber Security related risk. As part of the programme, councils that demonstrate defined levels of achievement and improvement will receive awards at the ALGIM annual conference.

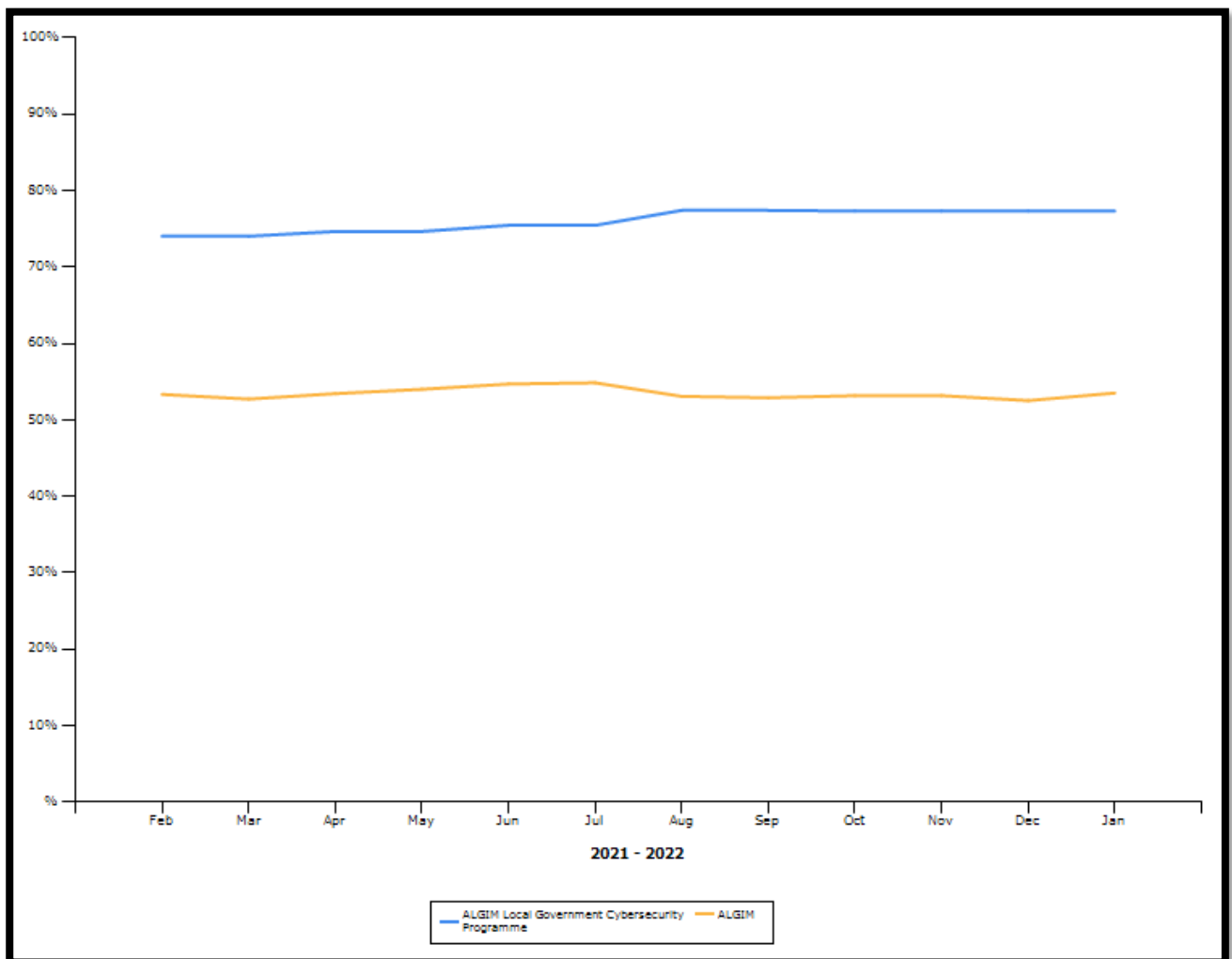
The latest Management Status Report is attached for your information (Appendix 1).

The following details the current snapshot of how Council is performing within this framework benchmarked against other councils:

- The following shows that Council is 77.32% compliant with the framework controls:



- The following shows how Council is tracking against other councils within this framework over the last 12 months:



- The following is a summary of the controls by status:

Framework Compliance - 281 Controls	
<u>Not Started</u>	<u>9</u>
<u>Started</u>	<u>30</u>
<u>Partially Completed</u>	<u>32</u>
<u>Mostly Completed</u>	<u>61</u>
<u>Fully Completed</u>	<u>130</u>
<u>Exempted, Excepted or No Status</u>	<u>19</u>
Completed Compliance by Level	
<u>Level 1</u>	<u>76</u>
<u>Level 2</u>	<u>41</u>
<u>Level 3</u>	<u>31</u>

Regularly review of the framework occurs once a month, updating controls and working on outstanding actions and improvements.

The following is summary of the improvements within each function:

Identify:

- Asset Management – Procedures have been finalised and changes to processes are being implemented.
- Governance – Policy and procedures are finalised and up to date. Digital and Information Strategy is due to be finalised June 2022, which will include Cyber Security.
- Risk Assessment and Management – Forms part of the Information Services Activity Management Plan, which has recently been reviewed. Cyber security risks are identified, and mitigations are being implemented and monitored.

Manage:

- Access Control – Planned physical security work has been delayed due to COVID-19. Work on remote access agreements with contractors is being progressed.
- Information and Data Security – USB portable drives access restriction testing is progressing; exemptions are yet to be agreed.
- Information Protection Procedures and Processes – Procedures have been finalised and changes to processes are being implemented.
- Maintenance – Annual review of maintenance has occurred, with changes being implemented.

Protect:

- Awareness and Training – this is currently the focus in the organisation, with Phriendly Phishing virtual training, reporting and staff education ongoing. Onsite specialist training has been delayed due to COVID-19.
- Protective Technology – After the core functionality was initially deployed and bedded in, improvements to maximise its value are being investigated and deployed to further meet Council policies and standards.

Detect:

- Anomalies and Events – Events Management Procedure is in progress to formalise and improve current processes.
- Continuous Monitoring – Investigation into enhanced continuous monitoring technologies is being progressed.

Respond:

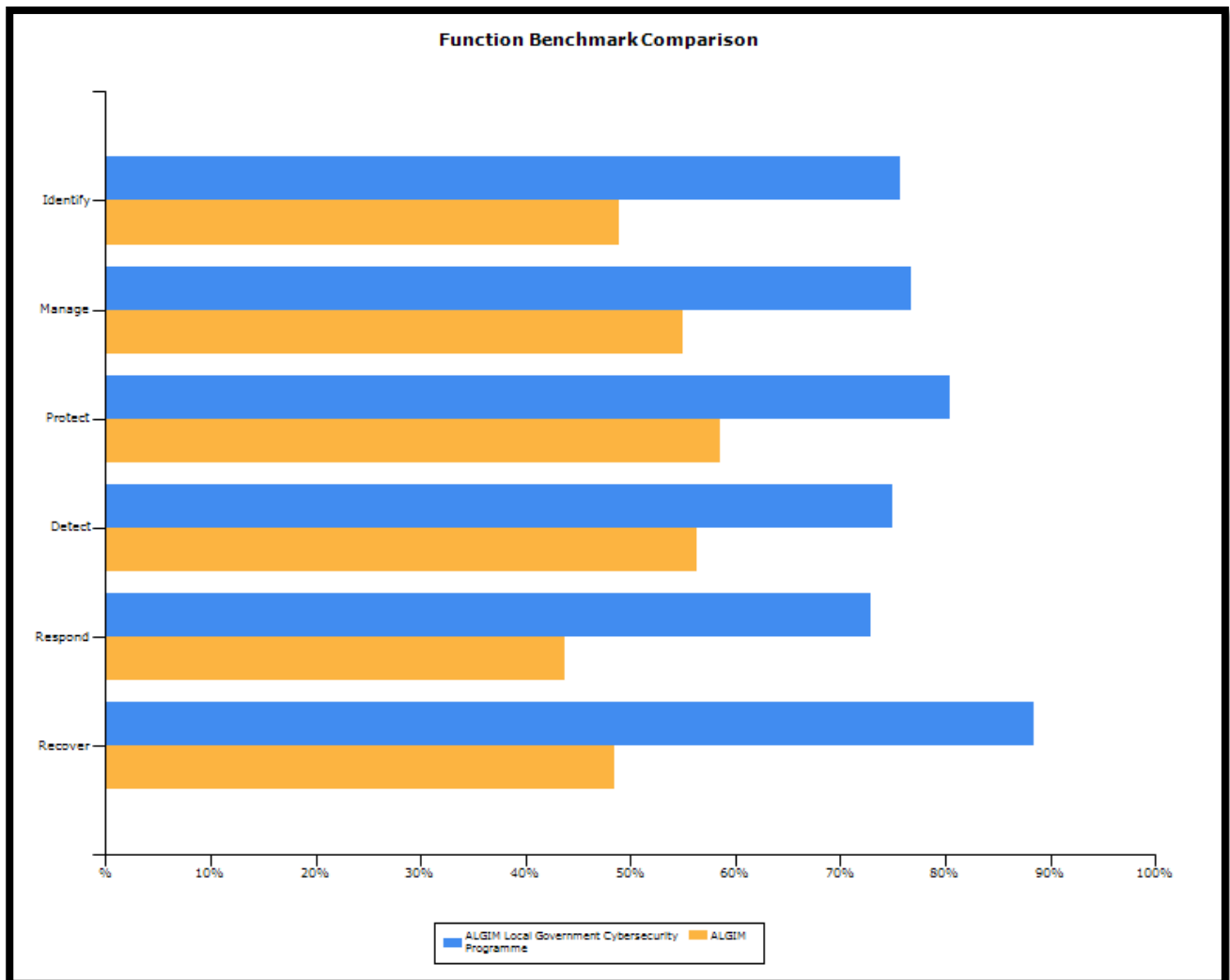
- Review of the Information and Communication Technology (ICT) Disaster Recovery Plan is underway due to the renewal of server infrastructure. This renewal has provided improved business continuity and recovery options. Testing of this updated plan will confirm Information Services ability to respond and meet the business continuity requirements of council.

Recover:

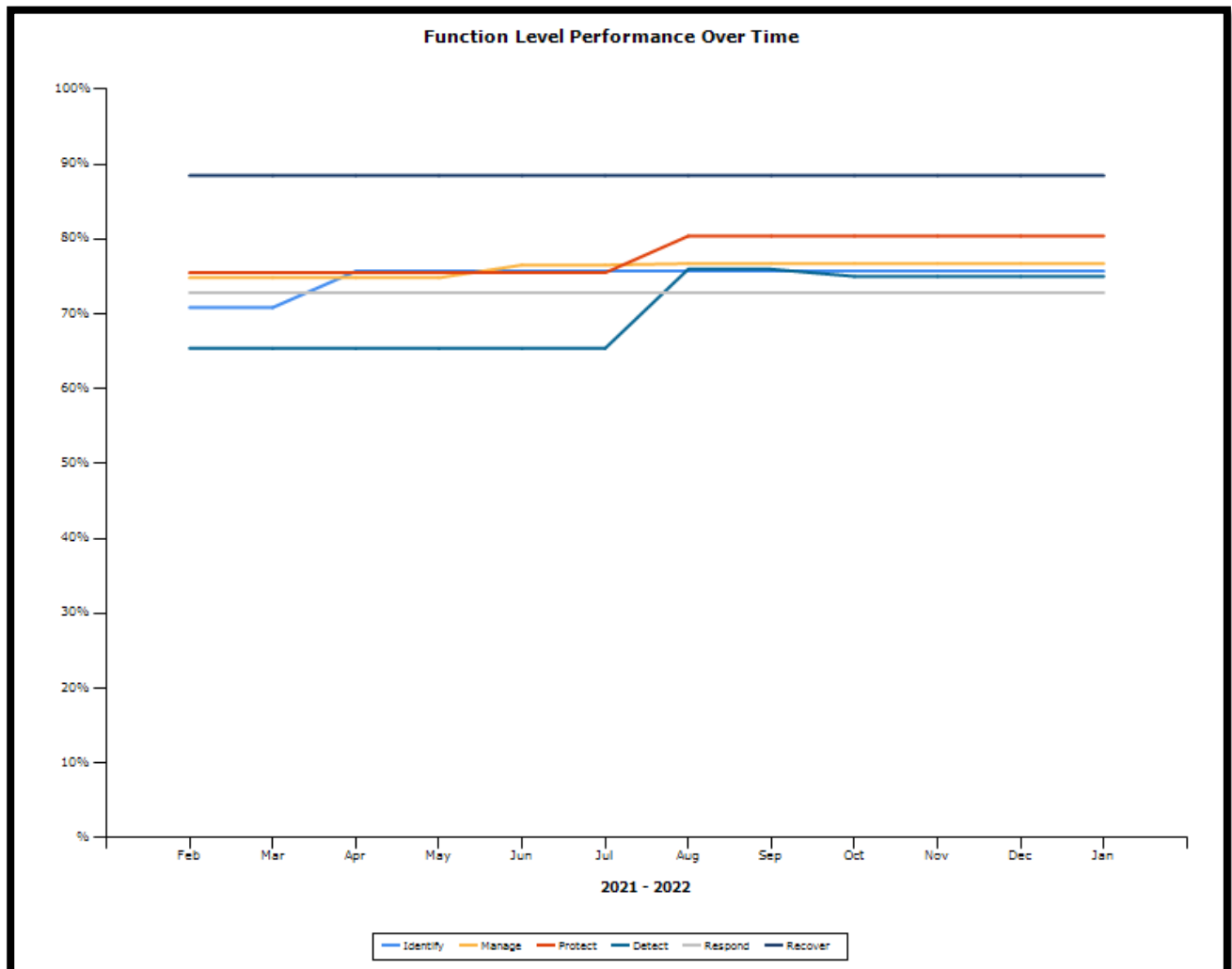
- ICT Disaster Recovery Plan is underway as the renewal project for server, storage, backup, and recovery systems is coming to an end. This environment has been replaced following a successful tender bid from The Information Management Group (TIMG). TIMG are providing the following:
 - Infrastructure as a Services (IaaS) – Fully managed service that will reside in the Alexandra server room.
 - Back-up as a Service (BaaS) – Fully managed service that will reside in the TIMG Auckland datacentre. This will provide all councils back-up requirements, including backing up critical cloud services such as Microsoft 365 and MAGIQ Cloud in the future.

- Disaster Recovery as a Service (DRaaS) – Fully managed service that will reside in the TIMG Auckland datacentre. This will provide an improved recovery solution with geographical resilience and improved recovery times.
- In addition to the ICT Disaster Recovery Plan being updated, the Back-up and Recovery Procedure is being updated taking into account the new service. This service and procedure enable Council recover from minor data loss through recovering from a major event.

The following shows how Council is tracking by each function within the framework when compared to other councils:



The following shows the trend by each function over the last 12 months. Recover and respond have not been the focus, as council's ability to respond is well established. Improvements has been made within manage, protect, and detect due to work around protective technologies and staff awareness and education.



Outstanding Key Recommendation Status Report

Following the Cyber Security Audit in 2019 key recommendations were made. There are no outstanding key recommendations.

Cyber Security programme of work

The Cyber Security Plan has been supported by Cyber Security programme of work. The current programme is nearing completion, which will be replaced by a new programme initiated by the new cyber security plan.

New Cyber Security Plan

This project is currently scheduled for first half of 2022, following the Cyber Security Audit.

Information Services Service Management procedures

These are Information Services primary service management procedures, which have a relationship with the Protection of Information and Information Systems policy and standard series:

- Asset Management Procedure

- Change Management Procedure
- Incident and Problem Management Procedure, this includes the sub process of critical incident management, which includes incident reporting
- Knowledge Management Procedure
- Preventative Maintenance Management Procedure
- Project Management Procedure
- Service Desk and Services Management Procedure

These procedures have now been finalised and iterative changes will be made as these practices mature over the coming 12 months.

3. Attachments

Appendix 1 - Management Status Report [↓](#)

Report author:

Reviewed and authorised by:



Nathan McLeod
IS Manager
17/01/2022



Leanne Macdonald
Executive Manager - Corporate Services
8/02/2022



Management Status Report for Central Otago District Council

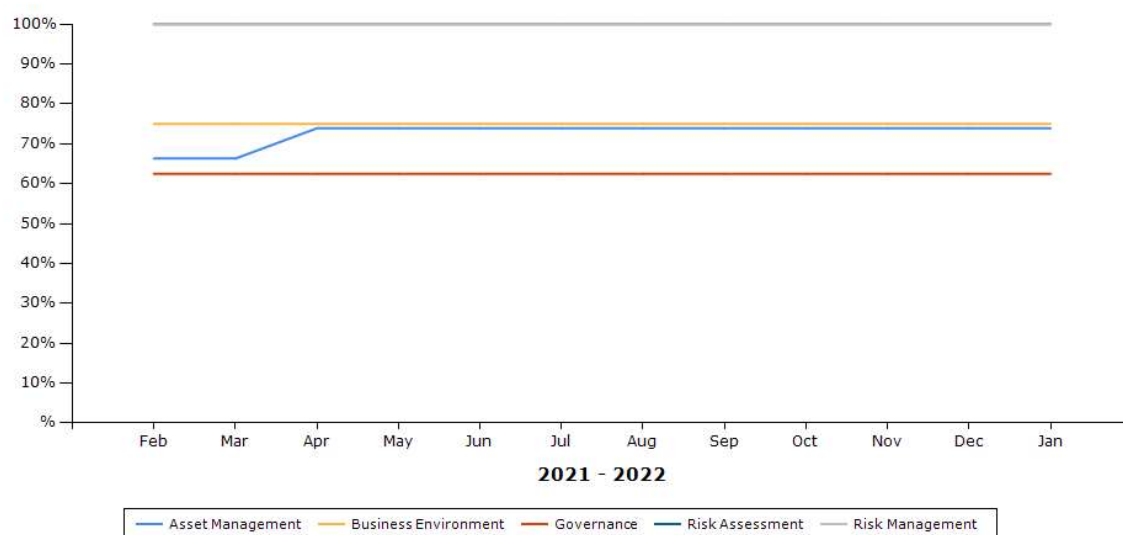
ALGIM Local Government Cybersecurity Programme as at 17 February 2022

0% - 5.00% complete	5.01% - 35.00% complete	35.01% - 65.00% complete	65.01% - 95.00% complete	95.01% - 100% complete
------------------------	----------------------------	-----------------------------	-----------------------------	---------------------------

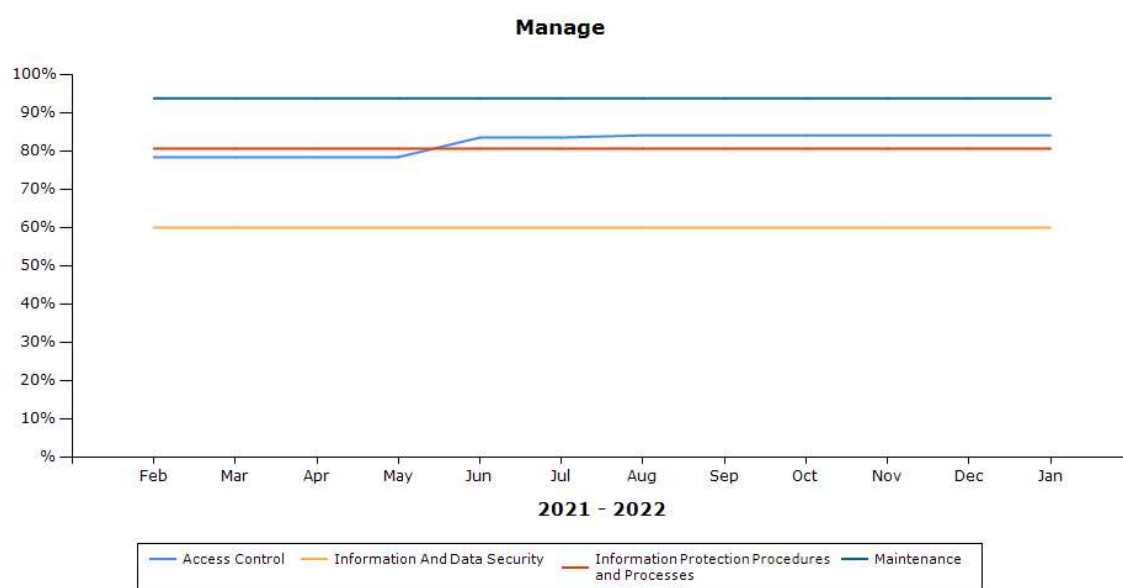
Identify - 75.70%

Function	Category	Description	Status
Identify (ID)	Asset Management (ID.AM)	Assets are managed consistent with their relative importance to business objectives and Council's risk management strategy	73.91%
	Business Environment (ID.BE)	The Council's mission, objectives, stakeholders and activities are understood and prioritised and this information is used to derive security roles, responsibilities and risk management decisions	75.00%
	Governance (ID.GV)	Management understand the importance of information and information systems and assign the appropriate cybersecurity roles and responsibilities	62.50%
	Risk Assessment (ID.RA)	Council understands the cyber security risk to operations, information, information systems assets and individuals	100.00%
	Risk Management (ID.RM)	Council's priorities, constraints and risk tolerances are established and documented within a Risk Management Strategy. This document is used to support operational risk decisions	100.00%

Identify



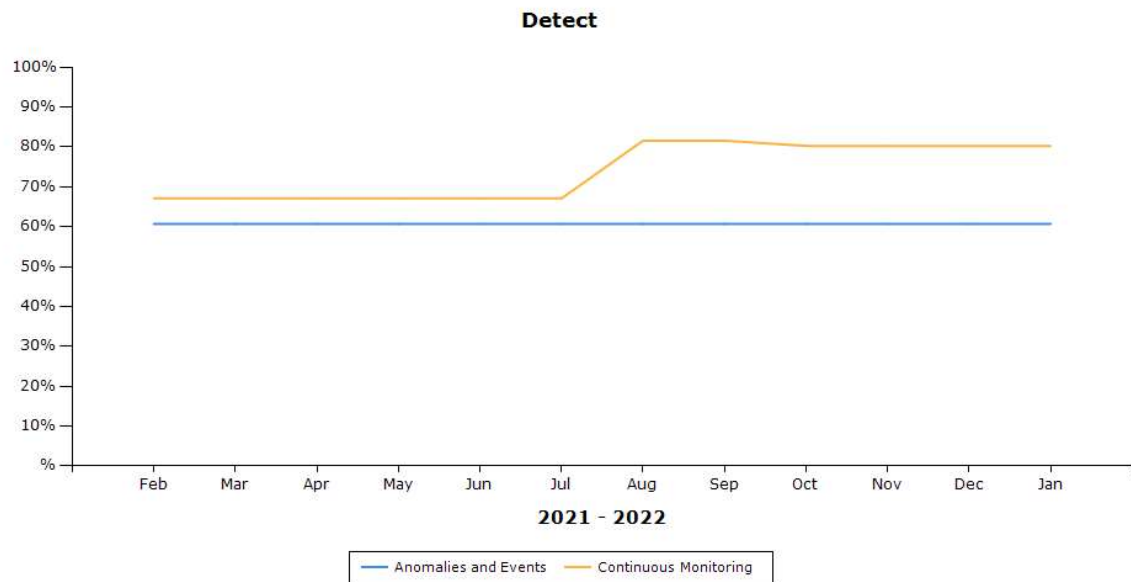
Manage - 76.71%			
Function	Category	Description	Status
Manage (MN)	Access Control (MN.AC)	Access to assets and associated facilities is limited to authorised users, processes or devices and to authorised activities and transactions	84.09%
	Information And Data Security (MN.DS)	Information and records (data) are managed consistent with Council's risk strategy to protect the confidentiality, integrity and availability of information	60.01%
	Information Protection Procedures and Processes (MN.IP)	Information, assets and resources are protected through the implementation of effective procedures and processes	80.61%
	Maintenance (MN.MA)	Information systems and industrial control systems are maintained to ensure continuity of operations	93.75%



Protect - 80.39%			
Function	Category	Description	Status
Protect (PR)	Awareness and Training (PR.AT)	Council personnel and partners are provided cybersecurity awareness education and are adequately trained to perform their information security related duties and responsibilities consistent with related policies, procedures and agreements	75.00%
	Protective Technology (PR.PT)	Technology is implemented and managed to ensure the security and resilience of systems and assets	81.55%

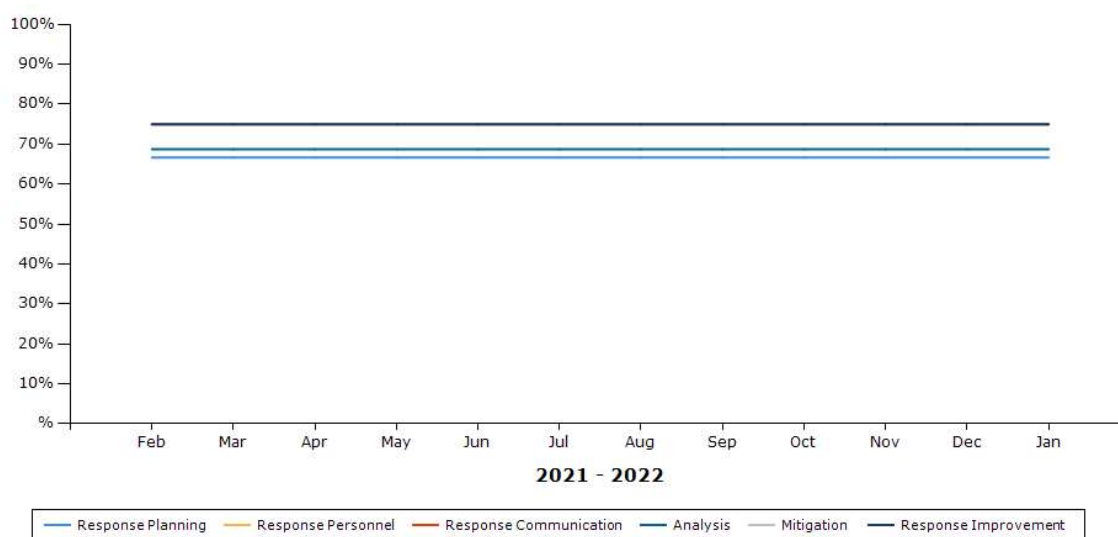


Detect - 75.00%			
Function	Category	Description	Status
Detect (DE)	Anomalies and Events (DE.AE)	Anomalous activity is detected in a timely manner	60.72%
	Continuous Monitoring (DE.CM)	Information systems and assets are monitored at discrete intervals to identify cybersecurity events and verify the effectiveness of protective measures	80.27%

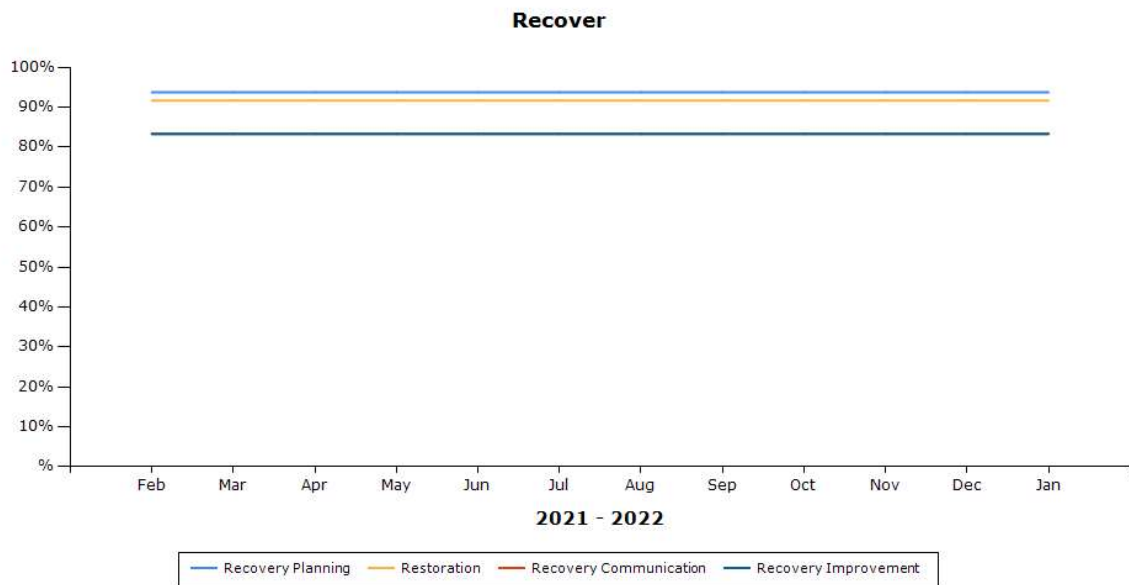


Respond - 72.83%

Function	Category	Description	Status
Respond (RS)	Response Planning (RS.RP)	Response documentation that ensures an appropriate response to incidents and events is available	66.67%
	Response Personnel (RS.PS)	Human resources with appropriate skill levels to successfully manage and mitigate an incident or event are available	75.00%
	Response Communication (RS.CO)	Response activities are co-ordinated with, and communicated to internal and external stakeholders, as appropriate, to include external support from law enforcement and regulatory agencies	75.00%
	Analysis (RS.AN)	Capability exists to carry out accurate analysis of an incident situation to ensure an appropriate response and actions	68.75%
	Mitigation (RS.MI)	Capability exists to effectively manage an event, prevent its expansion, mitigate its effects and eradicate residual content causing least impact to the organisation	75.00%
	Response Improvement (RS.IM)	Incident response capability subject to continuous improvement	75.00%

Respond

Recover - 88.46%			
Function	Category	Description	Status
Recover (RC)	Recovery Planning (RC.PL)	Council has documentation available to support a successful recovery	93.75%
	Restoration (RC.RS)	Sufficient resources and facilities are available to facilitate a successful recovery operation	91.67%
	Recovery Communication (RC.RC)	Council is able to minimise any negative impacts caused by an incident or event	83.34%
	Recovery Improvement (RC.RI)	Recovery capabilities are subject to continuous improvement	83.34%



22.1.7 LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987 (LGOIMA) REQUEST POLICY

Doc ID: 563954

1. Purpose of Report

To review and recommend the Chief Executive approves the Local Government Official Information and Meetings Act 1987 (LGOIMA) Request Policy, which is related to Council granting requests for information under the Local Government Official Information and Meetings Act 1987.

Recommendations

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
 - B. Recommends the Chief Executive approves this policy and issues to staff for implementation.
-

2. Background

Members of the public are entitled to request various information from council. The Local Government Official Information and Meetings Act 1987 provides the legislative framework for how to respond to such requests. This legislation details key considerations such as timelines and any limits on the provision of requested information. Council does not currently have a policy relating to granting access to information. Council's current procedures for LGOIMA requests follow those as prescribed in legislation.

3. Discussion

The Ombudsman's LGOIMA assessment framework recommends Council adopt policy to support Council granting the release of information. As such, to complete council's current procedures a formal policy has been prepared.

Following research and consultation, the attached policy has been prepared.

4. Financial Considerations

No financial impact.

5. Options

Option 1 – (Recommended)

The Committee recommends the Chief Executive approves the LGOIMA Request Policy.

Advantages:

- Provides requesters of information guidance on the LGOIMA Request process
- Protects Council's reputation
- Reinforces Council's approach to requesting information
- Generates awareness of information availability

Disadvantages:

- None

Option 2

The Committee recommends the Chief Executive does not approve the LGOIMA Request Policy.

Advantages:

- None

Disadvantages:

- Lack of guidance on requesting information
- Not meeting the Ombudsman recommendations

6. Compliance

Local Government Act 2002 Purpose Provisions	This decision ensures the organisation conducts business in an open, transparent, and democratically accountable manner.
Decision consistent with other Council plans and policies? Such as the District Plan, Economic Development Strategy etc.	The Policy maintains consistency with other Council policies and processes.
Considerations as to sustainability, the environment and climate change impacts	There are no implications.
Risks Analysis	This new policy supports best practice and mitigates financial and reputational risk by supporting Council granting release of information.
Significance, Consultation and Engagement (internal and external)	<p>The policy is not significant and are therefore unlikely to generate community or media interest.</p> <p>No consultation is required as this is not deemed significant under the Significance and Engagement Policy.</p>

7. Next Steps

Once approved by the Chief Executive, the Council website will be updated, and staff will be notified of the policy through the Council intranet.

8. Attachments

Appendix 1 - LGOIMA Request Policy [↓](#)

Report author:



Nathan McLeod
IS Manager
17/01/2022

Reviewed and authorised by:



Leanne Macdonald
Executive Manager - Corporate Services
8/02/2022

LGOIMA Request Policy



Department:	Information Services
Document ID:	454496
Approved by:	Council
Effective date:	March 2022
Next review:	March 2023

Purpose:

To provide the framework and formalise the Central Otago District Council's ("Council") legal obligation on granting requests for official information under the [Local Government Official Information and Meetings Act \(LGOIMA\) 1987](#).

Principles and objectives:

The guiding principle under the legislation is that if the information is held by the Council, it must be available to the public unless good reason exists under the [Act](#) for withholding it.

The objectives of this policy are:

- To ensure all council staff are aware of their responsibilities under the [LGOIMA Act 1987](#).
- To provide clear guidance to requesters of information on the Council approach to LGOIMA Requests
- To provide clear guidance on what information may be charged for.

Scope:

This policy applies to the decision-making process for requests for official information held by the Council and its contractors. Requests for official information may be made by any person.

Any LGOIMA Request received by Council is subject to the [Privacy Act 2020](#). Requesting personal information about other people from the Council is prohibited.

Out of Scope:

If the request is for personal information about the requester, the [Privacy Act 2020](#) will apply, and the request will be managed under the provisions of the [Privacy Act 2020](#).



Definitions:

The Act: The Local Government Official Information and Meetings Act (LGOIMA) 1987

LGOIMA Requests: Requests for any official information held by Council as defined in the Act

Official Information: Any information held by the Council as defined by of the [section 2](#) of the LGOIMA.

Personal information requests: Requests managed under the Privacy Act 2020.

Policy:

Request:

A request can be made in various forms including:

- Verbal or written directly from individuals
- Verbal or written directly from groups
- From other public bodies
- From individuals or groups referred by other public bodies
- From an individual's agent (e.g., a lawyer acting on behalf of a client).

Even when a request is not specified as a LGOIMA Request, it may be processed under this policy.

Decision to release and charges (if any):

Council must decide as soon as reasonably practicable after receiving the request:

- Whether a request for official information will be granted
- In what manner
- If any charges will apply.

In making this decision, Council officers will consider all aspects of the [LGOIMA Act 1987](#). Council shall adopt the principle that the material is available it shall be released, unless there are grounds to withhold it under the [Act](#).

If a request is estimated to take over one hour of staff time, Council may charge for searching for relevant material, abstracting, collating, copying, and transcribing to fulfil the request, consistent with the [Ombudsman Charging Guidelines](#).

First hour	No Charge
Initial charge for the first chargeable half hour or part thereof	\$38.00
For additional half hour or part thereof	\$38.00

Charges related to photocopying and printing can be found in [Councils fees and charges](#).



If the request is likely to incur a charge, the Council will discuss this with the requester to refine the request and accordingly reduce or remove costs. Work will not commence until an estimate of charges has been provided to the requester, and the requester has accepted and paid these charges.

Timeframes:

Council will ensure that requests are responded to within 20 working days unless the requester is notified within 5 working days of the request that the Council requires the period to be extended.

Council will make any official information available it has decided to release without undue delay.

Release of the information:

Information may be made available by the Council in several different ways and every effort will be made to make it available in accordance with the requester's preferred format. If the requester's preference is not possible, Council will provide the requester with reasons for this.

Council may decide to release information under certain conditions, with additional context, or with appropriate redactions as detailed in the Act.

Relevant legislation:

[Local Government Official Information and Meetings Act \(LGOIMA\) 1987](#)

[Official Information Act 1982](#)

[Privacy Act 2020](#)

[Local Government Act 2002](#)

Related documents:

CODC Privacy Policy

22.1.8 PRIVACY POLICY

Doc ID: 563994

1. Purpose of Report

To review and recommend the Chief Executive approves the Privacy Policy for council staff use, which is related to Council's code of practice and legal obligations in accordance with the Privacy Act 2020.

Recommendations

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
 - B. Recommends the Chief Executive approves this policy and issues to staff for implementation.
-

2. Background

Council's current privacy policy is a statement on the council website. To strengthen council's commitment to privacy and the use of personal information a new privacy policy is being recommended.

3. Discussion

Central Otago District Council's customers need to have trust and confidence in the way council manages their personal information.

Council collects large volumes of complex personal information, utilised by various procedures across council for the purpose that personal information was collected. The current privacy statement is not suitable for this level of complexity.

The proposed new privacy policy forms part of Council Privacy Plan programme of work, which ensures Council is adhering to the Information Privacy Principles, surrounding the collection and dissemination of personal information, managing privacy risks, breach notifications, privacy complaints, requests for personal information and update, and the protection of individuals.

Following research and consultation, the attached policy has been prepared.

4. Financial Considerations

No financial impact.

5. Options

Option 1 – (Recommended)

The Committee recommends the Chief Executive approves the Privacy Policy.

Advantages:

- Provides customers with trust and confidence that council manages their personal information appropriately
- Protects council's reputation
- Reinforces council's approach to managing personal information
- Generates awareness of personal information management

Disadvantages:

- None

Option 2

The Committee recommends the Chief Executive does not approve the Privacy Policy.

Advantages:

- None

Disadvantages:

- Lack of guidance on personal information management
- Does not meet council's requirements for dealing with complex personal information

6. Compliance

Local Government Act 2002 Purpose Provisions	This decision ensures the organisation conducts business in an open, transparent, and democratically accountable manner.
Decision consistent with other Council plans and policies? Such as the District Plan, Economic Development Strategy etc.	The Policy maintains consistency with other Council policies and processes.
Considerations as to sustainability, the environment and climate change impacts	There are no implications.
Risks Analysis	This new policy supports best practice and mitigates financial and reputational risk by enabling robust personal information management.
Significance, Consultation and Engagement (internal and external)	<p>The policy is not significant and are therefore unlikely to generate community or media interest.</p> <p>No consultation is required as this is not deemed significant under the Significance and Engagement Policy.</p>

7. Next Steps

Once approved by the Chief Executive, the Council website will be updated, and staff will be notified of the policy through the Council intranet.

8. Attachments**Appendix 1 - Privacy Policy** [↓](#)

Report author:



Nathan McLeod
IS Manager
17/01/2022

Reviewed and authorised by:



Leanne Macdonald
Executive Manager - Corporate Services
8/02/2022



Privacy Policy

Department:	Information Services
Document ID:	454634
Approved by:	Council
Effective date:	March 2022
Next review:	March 2023

Purpose:

To outline the Central Otago District Council's ("Council") code of practice and legal obligations in accordance with the [Privacy Act 2020](#).

Objectives:

The objectives of this policy are to:

- Create a framework to manage Council's legal obligations under the [Privacy Act 2020](#) to achieve compliance.
- Provide external communication to the public via the Council website regarding the personal information Council collects, the purpose of the collection and how Council manage, protect, and respect that information including requests under the Privacy Act 2020.
- Provide clear guidance to staff regarding the management and release of personal information including requests under the Privacy Act 2020.
- Establish privacy breach prevention mechanisms and establish responsibilities for privacy breach detection.
- Maintain a positive "privacy culture" in which staff, contractors and appointees are supported and encouraged to adopt good privacy practices and adherence to the [Information Privacy Principles \(IPPs\)](#).

Scope:

Applies to all council staff, including temporary employees, and contractors. It also applies to anyone who is involved in council operations, including volunteers and those people with honorary status or unpaid staff status.

Definitions:

Consent - Refers to authorisation from the individual concerned.

Personal Information - Any information about a specific individual. The information does not need to name the individual, as long as they are identifiable in other ways, like through their home address.



Privacy breach - Unauthorised access to or collection, use or disclosure of personal information.

Serious harm – Unwanted sharing, exposure or loss, damage, or disadvantage of access to people's personal information. Loss of a benefit or a right. May include physical harm or intimidation, financial fraud including unauthorised credit card transactions or credit fraud, family violence, psychological, or emotional harm, such as significant humiliation or loss of dignity.

Policy:

Information Privacy Principles

The Council is committed to the 13 [Information Privacy Principles \(IPPs\)](#) of the [Privacy Act 2020](#) which govern the collection, holding, use and disclosure of individuals' personal information. The types of information collected for these purposes include:

- General contact details – address, telephone, email
- Identification details – name, address, date of birth
- Images from CCTV cameras and wearable cameras
- License plate numbers for parking matters
- Financial details for payments
- Medical information for recreation programmes or events.

Sharing personal information

Personal information will only be shared outside Council when:

- The reason for sharing matches the reason the information was collected; or
- A specific legal reason or obligation to share the information exists; or
- The persons concerned give permission for it to be shared; or
- When the persons concerned sign a consent form or voluntarily provide information to Council.

Other applicable legislation includes the [Local Government \(Rating\) Act 2002](#), [Resource Management Act 1991](#), [Building Act 2004](#), [Health and Safety at Work Act 2015](#)

Building and resource consents

Documentation associated with consents such as resource and building consents are public record and will be available online for public access. This will include personal information on consenting documents and submissions.

Rating information

Section 28A of [Local Government \(Rating\) Act 2002](#) requires the Council to maintain a rating information database and to make this available to the public. You have a right to request, in writing, that your name and/or postal address be withheld from this database. You do not need to provide reasons for this request, and you can revoke this request at any time.



Privacy Officer

Council has a designated Privacy Officer who is responsible for:

- Assisting elected members and staff in managing personal information requests
- Requests for information received
- Complaints made about Council's actions or procedures
- Privacy induction for new employees.

Procedures

Council staff will contain, assess, and notify all privacy breaches, near misses, trends, risks, and other relevant information to the appropriate levels of management in accordance with the [Privacy Act 2020](#). Serious harm breaches that have caused "serious harm" to someone (or is likely to do so) must be reported to the Office of the Privacy Commissioner using the OPC online reporting tool - [NotifyUs](#).

A series of procedures to support this policy will be maintained by Council staff.

Council staff will maintain up-to-date Privacy Information on its website.

Relevant legislation:

[Privacy Act 2020](#)

[Public Service Act 2020](#)

[Human Rights Act 1993](#)

[Local Government Official Information and Meetings Act \(LGOIMA\) 1987](#)

[Official Information Act \(OIA\) 1982](#)

[Local Government Act \(LGA\) 2002](#)

[Local Government \(Rating\) Act 2002](#)

Related documents:

[LGOIMA Request Policy](#)

[Office of the Privacy Commissioner Enquiry Form](#)

[Office of the Privacy Commissioner - AskUs](#)

[Office of the Privacy Commissioner AboutMe \(Request my Info Tool\)](#)

[Office of the Privacy Commissioner Privacy Statement Generator](#)

[CODC Redaction Guidelines](#)

22.1.9 HEALTH, SAFETY AND WELLBEING REPORT

Doc ID: 566834

1. Purpose

To provide with information on health, safety and wellbeing risks and controls at Central Otago District Council.

Recommendations

That the report be received.

2. Discussion

2.1 Covid-19

2.1.1 Covid-19 Vaccination Policy

On Friday December 20, 2021, the Chief Executive Officer approved the COVID-19 Vaccination Policy.

This policy required all staff to have received their first vaccination for COVID-19 by January 5, 2022.

2.1.2 Working from home rotations

On Monday January 31, 2022, council moved to a three-bubble working model. Working bubbles are intended to support business continuity during the COVID-19 pandemic.

The bubbles minimise the contact between workers while allowing council to continue to deliver its full range of services.

In council offices, bubbles work on a fortnightly rotation between their home and council workplaces, with one bubble working fully from the office in an area isolated from the other two bubbles. This rotation allows for inspections (for example building inspectors) to continue as usual.

Customer service in the service centre is open as usual with teams in a fortnightly rotation.

Other service areas (for example, libraries and pools) are also open. Employees in these areas have been grouped as closely as possible to a two-bubble system.

As part of this decision, council requires external meetings to be held online or offsite, as appropriate.

2.2 Contractor management

Four contractors improved their score from green to gold during the last reporting period. The average contractor score improved from 88% to 89%.

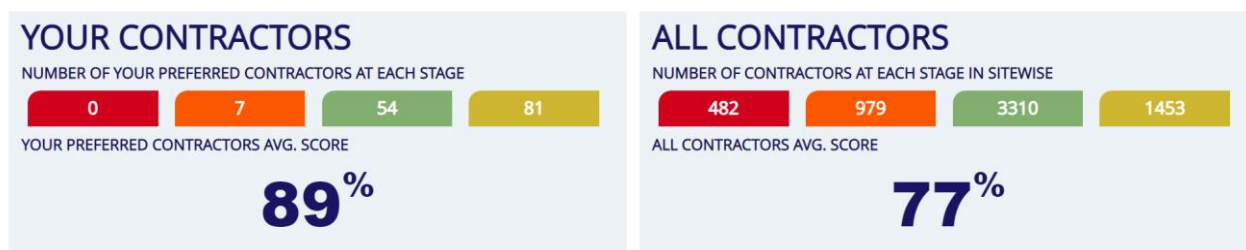


Fig 1. Sitewise scores at February 1, 2022

Major contractors Delta and Fulton Hogan have provided their updated COVID-19 management plans for red light.

No incidents involving contractors were raised to council during the reporting period October to December 2021.

2.3 Health and safety reporting

There were 143 reports made in 2021.

Report status	Reported	Reviewer	Outstanding actions	Closed
	0	0	2	143

2.3.1 Worker reports

From October to December 2021, Health and Safety focused on promoting proactive reporting of health and safety concerns.

75% of incident reports filed by employees during 2021 were proactive reports. Proactive reports include observations, near misses/exposures and unsafe behaviours.

Proactive reporting allows the People and Culture team to provide early intervention and prevention to employees to ensure that the reports do not escalate to injury or illness.

2.3.1a Worker injuries

There were eight recordable injuries during the reporting period October-December 2021.

Two lost time injuries (LTIs) occurred during this period accounting for 24 lost work hours.

In 2021, there were 80 work hours lost to injury.

Reporting period	Non-treatment injury	FAI	LTI	MTI	Fatality	Total recordable injuries
July-Sept 21	2	1	0	0	0	3
Oct-Dec 21	5	1	2	0	0	8

2.3.1b Lost time injury rate

At the December 3, 2021, meeting of the Audit and Risk Committee, the question was raised about what an acceptable rate of lost time injury might look like.

According to the Business Leaders' Health and Safety Forum Benchmark Report 2020, the New Zealand national average for LTIs is 1.99 injuries per 200,000 hours of work. This average includes data from a range of industries, including local government.

In 2021, council had a 12-month average LTI of 2.27 (accounting for 3 injuries).

From the next report, this rate will be presented as a rolling average.

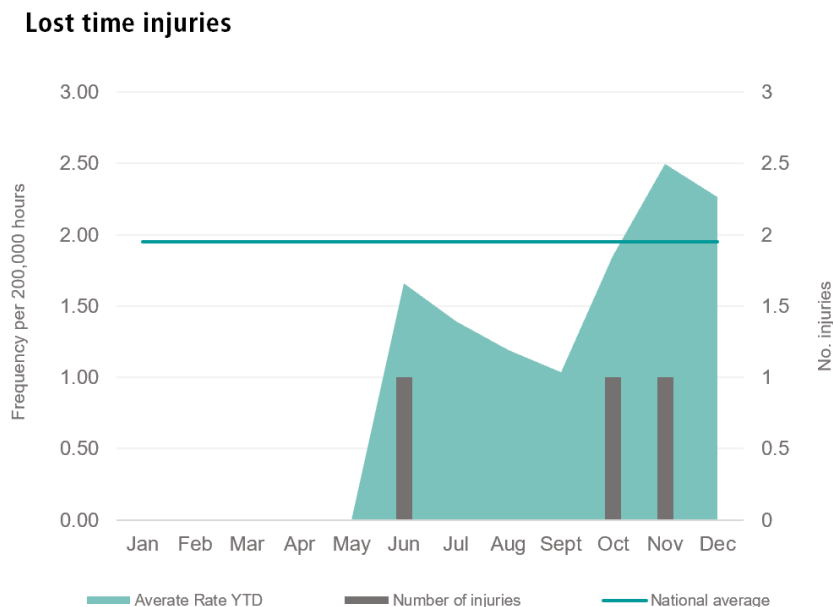


Chart 1: Average lost time injury rate in 2021 compared with national average for 2020

Month	Average LTIR (YTD)	Number of injuries
January 2021	0	0
February 2021	0	0
March 2021	0	0
April 2021	0	0
May 2021	0	0
June 2021	1.66	1
July 2021	1.39	0
August 2021	1.19	0
September 2021	1.04	0
October 2021	1.85	1
November 2021	2.50	1
December 2021	2.27	0

2.3.1c ACC report

In 2021, council had the highest number of ACC claims made by employees in five years. However, council was more effective in minimising the amount of time spent away from work due to injury. Four of the ACC claims in 2021 did not require any time away from work.

Year	No of claims
2017	6
2018	5
2019	5

2020	3
2021	7

Council has a return-to-work process for employees who are away from work due to injury or ill-health, regardless of cause (work-related or private).

Before council accepts a work-related claim, the employee must have reported the incident. Incident reporting allows Health and Safety to provide early intervention and prevention options before the employee gets to the claim stage.

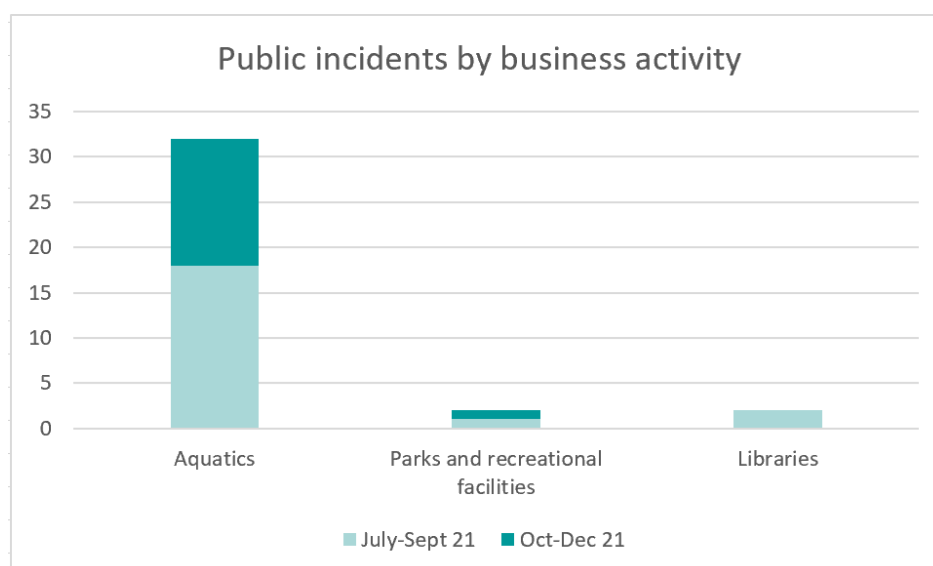
The number of claims over \$500 and the number of compensation days are used to calculate the discount or loading (penalty) applied to our annual ACC levy.

At the end of 2021 there were no employees off work on work-related ACC.

2.3.2 Public incidents

There were 15 incidents involving members of the public during October and December 2021.

Most incidents occur in the aquatic facilities.



2.3.2a Public injuries

During the reporting period, there were eleven injuries to members of the public.

Reporting period	Non-treatment injury	FAI	MTI	Fatality	Total recordable injuries
July-Sept 21	2	7	0	0	9
Oct-Dec 21	0	11	0	0	11

2.4 Critical risk

The number of incident reports made relating to critical risk has been included in this report. This is the first presentation of this data.

All incident reports relating to critical risk in 2021 were proactive reports (observations, exposure events, near misses or reports of unsafe behaviour).

For example, biological hazards had 20 related reports in 2021. These incidents include minor bleeding and faecal matter in the pool (commonly referred to as a code brown). These incidents would be considered exposure events.

Critical risk	Existing controls	New or upcoming controls	Related incident reports
Driving	<ul style="list-style-type: none"> • Vehicle User Policy • E-Roads installed in fleet vehicles • 5-Star ANCAP rated vehicles • Licenced drivers • Fleet inductions for new starters • Chain fitting training 	<ul style="list-style-type: none"> • Adverse Weather Guidelines were updated 	2
Remote or isolated working	<ul style="list-style-type: none"> • Working from Home Policy • Panic buttons • Work planning • Buddy systems • Risk assessments 	<ul style="list-style-type: none"> • Planned procurement of Lone Worker software in Q4 2021-22 • Employees working from home are required to complete a risk assessment for their work space every 6 months (or as things change) • Panic button installed at Ranfurly Pool • Trespass procedures reviewed 	0
Psychosocial hazards	<ul style="list-style-type: none"> • Employee Assistance Programme (EAP) • Wellbeing programme • Regular 1:1s • Flexible working • Equal Employment Opportunity (EEO), Discrimination, Harassment and Bullying Policy • Performance Management Policy • Fit for Work Programme 	<ul style="list-style-type: none"> • De-escalation training completed by Environmental Engineering • Referrals to EAP by People and Culture: 30 (to end of Q3) • EAP take up rate: <ul style="list-style-type: none"> • 32 individual users (Q2), • 30 individual users (Q3) 	15
Biological hazards	<ul style="list-style-type: none"> • High-risk vaccinations programme • Engineering controls • PPE is provided 	<ul style="list-style-type: none"> • Covid-19 Vaccination Policy adopted • Health and safety made site visits to all wastewater treatment facilities in district 	20
Hazardous chemicals	<ul style="list-style-type: none"> • Chemical register • Display safety data sheets 	<ul style="list-style-type: none"> • Wastewater treatment site visits 	6

	<ul style="list-style-type: none"> • Appropriate storage • Quantities stored is kept at a minimum • Ventilation and circulation of air is monitored • PPE is provided for handling or working with chemicals • Records of training are maintained • Fire schemes updated with FENZ (chemical registers) • Qualified contractors 		
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2.6 Training and initiatives

The following regular training was completed:

Training	This period	YTD
New staff inductions	9	35
First aid certificates	0	41
SiteSafe passports	5	13
Fire safety warden	14	25

Initiatives planned:

- Working from home wellbeing focus for all teams as they move into a new phase of working
- Move it March will return for 2022
- Internal values implementation team have proposed a programme for 2022

3. Attachments

Nil

Report author:



Rachel Ennis
Health, Safety and Wellbeing Officer
14/02/2022

Reviewed and authorised by:



Louise Fleck
Executive Manager - People and Culture
14/02/2022

6 CHAIR'S REPORT

22.1.10 FEBRUARY 2022 CHAIR'S REPORT

Doc ID: 567395

1. Purpose

To consider the February Chair's report.

Recommendations

That the report be received.

2. Attachments

Nil

25 February 2022

7 MEMBERS' REPORTS

22.1.11 FEBRUARY MEMBERS' REPORTS

Doc ID: 567394

1. Purpose

To consider the February members' reports.

Recommendations

That the reports be received.

2. Attachments

Nil

8 STATUS REPORTS

22.1.12 FEBRUARY GOVERNANCE REPORT

Doc ID: 567392

1. Purpose

To report on items of general interest, consider the Audit and Risk Committee's forward work programme and the current status report updates.

Recommendations

That the report be received.

2. Discussion

Forward Work Programme

The Audit and Risk Committee's forward work programme has been included for information.

Status Report

The status report has been updated with actions undertaken since the last meeting.

3. Attachments

Appendix 1 - Forward Work Programme [↓](#)

Appendix 2 - Status Report Update [↓](#)

Report author:



Rebecca Williams
Governance Manager
14/02/2022

Reviewed and authorised by:



Sanchia Jacobs
Chief Executive Officer
18/02/2022

Updated 9 February 2022

Audit and Risk
Forward Work Programme 2021 - 2022

Area of work and Lead Department	Reason for work	Committee's role (decision and/or direction)	Expected timeframes Highlight the month(s) this is expected to come to Audit and Risk in 2021/22											
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Long-term Plan 2021/31														
Long-term Plan Chief Advisor/Executive Manager - Corporate Services	Oversight of the preparation of the Long-term Plan.	Direction required: Direction on timeline and progress. To make recommendations to Council on matters and proposals relevant to risk management and internal review practices.	Not applicable until 2024/34 LTP is being prepared											
Annual Report														
Annual Report Executive Manager - Corporate Services	Oversight of the preparation of the Annual Report.	Direction required: For the Committee to recommend to Council that they adopt the 2020-2021 Annual Report subject to any changes the Committee may identify.			R									
Governance Reports														
Audit Management Reports Executive Manager - Corporate Services	Oversight of management reports post external audits	Direction required: Overseeing the progress of key recommendations arising from the audits.			R			R		R				R
Internal Audits														
Internal Audits Executive Managers / Business Risk and Procurement Advisor	Reviewing the internal audit programme of work (3 yearly) and the actions arising from those audits.	Direction required: Direction on timeline and progress. Identifying the key risks and actions arising from the audits.			R			R		R				R
Policy Reviews														
Policy Reviews Senior Strategy Advisor	Oversight of Council's policy renewal schedule and reviewing relevant updated and new policies.	Direction required: Provide feedback on policies and recommend for approval and implementation. Review policy schedule to ensure timelines are being achieved.			R			R		R				R
2022 Annual Plan														
2022 Annual Plan Executive Manager - Corporate Services	Oversight of the preparation of the Annual Plan (may include verbal update).	Direction required: Direction on timeline and progress. To make recommendations to Council on matters and proposals relevant to risk management and internal review practices.						V		V				

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			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Litigation Update														
Litigation Updates Business Risk and Procurement Advisor	Oversight of Council's litigation register.	Direction required: Keeping an oversight of litigation that the Council is either involved in, or potentially involved in, to understand any risk.			R			R		R				R
Legislative Compliance Update														
Legislative Compliance Update Senior Strategy Advisor	Annual oversight of Central Otago District Council's compliance against relevant legislative requirements.	Direction required: Keeping an oversight that Council is meeting its legislative requirements.												R

Key – R = recommendation , U = update, V = verbal update

Status Updates		Committee: Audit and Risk Committee			
Meeting	Report Title	Resolution No	Resolution	Officer	Status
4/06/2021	Fixed Asset and Disposal Policy	21.2.8	That the Audit and Risk Committee A. Receives the report and accepts the level of significance. B. Notes the draft policy, with any amendments, will be signed-off by the Chief Executive and issued to staff for implementation.	Executive Manager - Corporate Services	10 Jun 2021 Action memo sent to officer 09 Feb 2022 Signed off by the Chief Executive on 6 July 2021. MATTER CLOSED
3/12/2021	The Staff Delegations Manual	21.4.4	That the report be received.	Risk and Procurement Manager	14 Dec 2021 Actions updated. MATTER CLOSED
3/12/2021	Soft review of the Fraud, Bribery and Corruption Policy and the Protected Disclosures (Whistle Blower) Policy	21.4.5	That the Audit and Risk Committee A. Receives the report. B. Recommends to Council that they approve the Fraud, Bribery and Corruption Policy with the amendments noted above. That the Audit and Risk Committee recommends to Council that they approve the Protected Disclosures (Whistle Blower) Policy.	Risk and Procurement Manager	13 Dec 2021 Action memo sent to report writer. 14 Dec 2021 Policy updates actioned for submission to 26 January 2022 Council meeting. 03 Feb 2022 Policies approved by Council at their meeting held on 26 January 2022. MATTER CLOSED
3/12/2021	Audit NZ and Internal Audit Update	21.4.6	That the report be received.	Risk and Procurement Manager	13 Dec 2021 Action memo sent to report writer. 14 Dec 2021 Actions updated. It has been requested this report be a standing item on the agenda. CLOSED.
3/12/2021	Asset Management Policy	21.4.8	That the Audit and Risk Committee A. Receives the report. B. Recommends to Council that they approve the 2021 Asset Management Policy with the above amendment.	Environmental Engineering Manager	13 Dec 2021 Action memo sent to report writer. 03 Feb 2022 Council approved the Asset Management Policy at their meeting held on 26 January 2022. MATTER CLOSED

9 DATE OF THE NEXT MEETING

The date of the next scheduled meeting is 3 June 2022.

10 RESOLUTION TO EXCLUDE THE PUBLIC

Recommendations

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

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
Confidential Minutes of the Audit and Risk Committee	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.</p> <p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest.</p> <p>s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public.</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege.</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.)</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
22.1.13 - Wastewater Overflow Procedure review	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
22.1.14 - Water Services Capital Projects Update	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting

	<p>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</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
22.1.15 - Strategic Risk Register	<p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
22.1.16 - Litigation Register	<p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
22.1.17 - February 2022 Confidential Governance Report	<p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p> <p>s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>