



# **AGENDA**

## **Audit and Risk Committee Meeting Friday, 8 March 2024**

**Date: Friday, 8 March 2024**

**Time: 9.30 am**

**Location: Ngā Hau e Whā, William Fraser Building, 1  
Dunorling Street, Alexandra**

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

**Peter Kelly  
Chief Executive Officer**



Notice is hereby given that an Audit and Risk Committee will be held in Ngā Hau e Whā, William Fraser Building, 1 Dunorling Street, Alexandra and live streamed via Microsoft Teams on Friday, 8 March 2024 at 9.30 am. The link to the live stream will be available on the Central Otago District Council's website.

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**Members** Mr B Robertson (Chair), Cr T Alley, His Worship the Mayor T Cadogan, Cr N Gillespie, Cr T Paterson

**In Attendance** P Kelly (Chief Executive Officer), L van der Voort (Group Manager - Planning and Infrastructure), S Righarts (Group Manager - Business Support), D Rushbrook (Group Manager - Community Vision), D Scoones (Group Manager - Community Experience), S Reynolds (Governance Support Officer)

**1 APOLOGIES**

**2 PUBLIC FORUM**

**3 CONFIRMATION OF MINUTES**

Audit and Risk Committee - 12 December 2023



**MINUTES OF CENTRAL OTAGO DISTRICT COUNCIL  
AUDIT AND RISK COMMITTEE  
HELD IN CROMWELL SERVICE CENTRE, 42 THE MALL, CROMWELL  
AND LIVE STREAMED VIA MICROSOFT TEAMS ON TUESDAY, 12 DECEMBER 2023 AT  
10.00 AM**

**PRESENT:** Mr B Robertson (Chair), Cr T Alley, His Worship the Mayor T Cadogan,  
Cr T Paterson

**IN ATTENDANCE:** P Kelly (Chief Executive Officer), S Righarts (Group Manager - Business Support), D Rushbrook (Group Manager - Community Vision), D Scoones (Group Manager - Community Experience), L van der Voort (Group Manager - Planning and Infrastructure), S Finlay (Chief Financial Officer), N McLeod (Chief Information Officer), H Strydom (Health, Safety and Wellbeing Advisor), D McKewen (Systems and Corporate Accountant), A Crosbie (Senior Strategy Advisor), W McEnteer (Governance Manager)

## **1 APOLOGIES**

### **APOLOGY**

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#### **COMMITTEE RESOLUTION**

**Moved:** Robertson  
**Seconded:** Cadogan

That the apology received from Cr Gillespie be accepted.

**CARRIED**

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## **2 PUBLIC FORUM**

There was no public forum.

## **3 CONFIRMATION OF MINUTES**

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#### **COMMITTEE RESOLUTION**

**Moved:** Alley  
**Seconded:** Cadogan

That the public minutes of the Audit and Risk Committee Meeting held on 29 September 2023 be confirmed as a true and correct record.

**CARRIED**

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## **4 DECLARATIONS OF INTEREST**

Members were reminded of their obligations in respect of declaring any interests. There were no further declarations of interest.

## 5 REPORTS

### 23.4.2 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 noted during discussion that the internal audit programme was on hold until next year, but there had been a number of closed recommendations from the external audit programme.

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#### COMMITTEE RESOLUTION

**Moved:** Paterson

**Seconded:** Alley

That the report be received.

**CARRIED**

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### 23.4.3 PROGRESS IN THE PREPARATION OF THE 2024-34 LONG-TERM PLAN

To update the Committee on the progress in preparing the 2024-34 Long-term Plan.

It was noted that although the project team was behind at the present time, the Long-term Plan would be completed and adopted by the legislative deadline.

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#### COMMITTEE RESOLUTION

**Moved:** Paterson

**Seconded:** Alley

That the Audit and Risk Committee:

- A. Receives the report and accepts the level of significance.
- B. Notes the progress in the preparation of the 2024-34 Long-term Plan.

**CARRIED**

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### 23.4.4 POLICY AND STRATEGY REGISTER

To consider the updated Policy and Strategy Register.

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#### COMMITTEE RESOLUTION

**Moved:** Alley

**Seconded:** Paterson

That the report be received.

**CARRIED**

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**23.4.5 LEGISLATIVE COMPLIANCE REVIEW**

To consider the 2023 Legislative Compliance Review.

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**COMMITTEE RESOLUTION**

**Moved:** Robertson

**Seconded:** Cadogan

That the report be received.

**CARRIED**

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**23.4.6 SIGNIFICANCE AND ENGAGEMENT POLICY**

To consider the Significance and Engagement Policy.

It was noted that this policy was planned to be consulted on through the Long-term Plan process.

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**COMMITTEE RESOLUTION**

**Moved:** Alley

**Seconded:** Robertson

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
- B. Recommends to Council that the Significance and Engagement Policy is approved for consultation.

**CARRIED**

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**23.4.7 INFORMATION AND RECORDS MANAGEMENT POLICY REVIEW**

To provide an update on the review of the Information and Records Management (IRM) Policy.

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**COMMITTEE RESOLUTION**

**Moved:** Alley

**Seconded:** Cadogan

That the report be received.

**CARRIED**

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**23.4.8 HEALTH, SAFETY AND WELLBEING REPORT**

To provide the Audit & Risk Committee with an update on the health, safety and wellbeing performance of the organisation.

It was noted during discussion that there was work being done on raising awareness of near misses and their reporting.

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**COMMITTEE RESOLUTION**

**Moved:** Paterson  
**Seconded:** Alley

That the report be received.

**CARRIED**

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**23.4.9 FINANCIAL REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2023**

To consider the financial performance for the period ending 30 September 2023.

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**COMMITTEE RESOLUTION**

**Moved:** Robertson  
**Seconded:** Paterson

That the report be received.

**CARRIED**

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**6 CHAIR'S REPORT****23.4.10 CHAIR'S REPORT**

To consider the Chair's report.

Mr Robertson reflected on the current Long-term Plan and in particular was concerned about staff wellbeing and the extra workload.

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**COMMITTEE RESOLUTION**

**Moved:** Robertson  
**Seconded:** Cadogan

That the report be received.

**CARRIED**

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**7 MEMBERS' REPORTS****23.4.11 MEMBERS' REPORTS**

To consider the members' reports.

His Worship the Mayor also reflected on staff wellbeing in general at the present time.

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**COMMITTEE RESOLUTION**

**Moved:** Robertson

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**Seconded: Alley**

That the reports be received.

**CARRIED**

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## **8 STATUS REPORTS**

### **23.4.12 DECEMBER 2023 GOVERNANCE REPORT**

To report on items of general interest and the current status report updates.

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#### **COMMITTEE RESOLUTION**

**Moved: Robertson**

**Seconded: Cadogan**

That the report be received.

**CARRIED**

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## **9 DATE OF THE NEXT MEETING**

The date of the next scheduled meeting is 8 March 2024.

## **10 RESOLUTION TO EXCLUDE THE PUBLIC**

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#### **COMMITTEE RESOLUTION**

**Moved: Robertson**

**Seconded: Alley**

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:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48 for the passing of this resolution</b>
<b>Confidential Minutes of Ordinary Committee Meeting</b>	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege  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)  s7(2)(j) - the withholding of the information is necessary to	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

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	prevent the disclosure or use of official information for improper gain or improper advantage	
<b>23.4.13 - Cybersecurity, Information and Records Management, and Privacy Plans for 2022-2025 Implementation Update</b>	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	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
<b>23.4.14 - Key Risk Register Update</b>	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	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
<b>23.4.15 - Litigation Register</b>	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
<b>23.4.16 - December 2023 Confidential Governance Report</b>	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)	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

**CARRIED**

The public were excluded at 11.34 am and the meeting closed at 12.39 pm.



## **4 DECLARATIONS OF INTEREST**

### **24.1.1 DECLARATIONS OF INTEREST REGISTER**

**Doc ID: 1450466**

#### **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 - 20240408 AR Declarations of Interest - Bruce Robertson** [↓](#)

**Appendix 2 - 20240408 AR Declarations of Interest.docx** [↓](#)



## Interest declaration as at 01 December 2023

<b>Entity</b>	<b>Role</b>	<b>Comment</b>
RBruce Robertson Ltd	Shareholder & director	Governance and advisory services
<b>Local authorities</b>		All roles on Local Authorities relate to Audit and Risk Committees
Hamilton	Deputy Chair	
Thames Coromandel	Chair	
Waipa	Chair	
Waitomo	Chair	
Taupo	Chair	
Bay of Plenty	Deputy Chair	
Tauranga	Member	
Gisborne	Chair	
Napier	Chair	
South Wairarapa	Chair	
Wellington	Chair	
Timaru	Chair	
Central Otago	Chair	
Invercargill	Chair	
Southland	Chair	
<b>Central Government</b>		
Ministry of Primary Industries	Chair	Audit and Risk Committee
<b>CCO</b>		
Regional Software Holdings Ltd (RSHL)	Board member	Software and support services to the Regional Council sector

Name	Member's Declared Interests	Spouse/Partner's Declared Interests	Council Appointments
Tamah Alley	Manuherikia Irrigation Co-operative (shareholder) Cliff Care Ltd (family connection) Aviation Cherries Ltd (Director) Tenaya New Zealand Ltd (Director and Shareholder) Southern Lakes Trails (Trustee)	Manuherikia Irrigation Co-operative Society Ltd (shareholder) Emergency Management Otago Group Controller (employee) Aviation Cherries Ltd (Director)	Alexandra Community House Trust Central Otago Wilding Conifer Control Group Destination Advisory Board
Tim Cadogan	Business South Central Otago Advisory Group (member) Alexandra Squash Club (member) LGNZ National Council (member) Clyde Volunteer Fire Brigade (member)	Two Paddocks (Employee) Alexandra Blossom Festival (Committee)	Manuherekia Exemplar Group Eden Hore Steering Committee Major Projects Reference Group Airport Reference Group
Neil Gillespie	Contact Energy (Senior Specialist - Hydro Sustainability) 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)		Tarras Hall Committee

Tracy Paterson	Matakanui Station (Director and shareholder) Matakanui Development Co (Director and shareholder) A and T Paterson Family Trust (Trustee) A Paterson Family Trust (Trustee) Central Otago Health Inc (Elected Member) Bob Turnbull Trust (Trustee / Chair) New Zealand Wool Classers Association (Vice chair) Central Otago A&P Association (Member) Manuherikia Exemplar Governance Group (Member) Central Otago Riding for the Disabled (Volunteer)	Matakanui Station (Director and shareholder) Matakanui Development Co (Director and shareholder) A Paterson Family Trust (Trustee) A and T Paterson Family Trust (Trustee) Federated Farmers (On the executive team) Omakau Irrigation Co (Director) Matakanui Combined Rugby Football Club (Committee) Manuherikia Catchment Group (Co-chair) Omakau Domain Board Omakau Hub Committee (Chair) Manuherikia Valley Community Hub Trust (Trustee) Southern Cross Sheep Ltd (Director) Mt Stalker Ltd (Trustee) Mt Stalker Pastoral Ltd DKIL Ltd (Shareholder)	Omakau Recreation Reserve Committee Ophir Welfare Association Committee Central Otago Health Incorporated
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## 5 REPORTS

### 24.1.2 POLICY AND STRATEGY REGISTER

Doc ID: 1456725

#### 1. Purpose

To consider the updated Policy and Strategy Register.

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#### Recommendations

That the report be received.

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#### 2. Discussion

Organisational performance sits at 84.76%. This is above the audited target of 80%, and below the organisational target of 90%.

The total cumulative length of expiry has increased from 2,284 days in November 2023 to 3,792 as of 19 February 2024.

##### Business Support

92.86% of policy documents are in date. The LTP policies have been updated to June 2024 – this was correcting an inaccuracy on the register.

The Fraud, Bribery and Corruption Policy is on this meeting's agenda. Work is underway on both the Vehicle Procurement Policy and the Staff Interests Policy.

The cumulative length of expiry for Business Support policies is 211 days.

##### Community Experience

88.89% remain in date. The cumulative length of expiry is 841 days.

##### Community Vision

71.43% of policy documents are in date, with an extension on two expired policies on the February Council agenda. The cumulative length of expiry is 283 days.

Community Vision are expected to return to full compliance in February. Work is underway on the Economic Development Strategy, due May 2024.

##### Planning and Infrastructure

80% of policy documents are in date. The current cumulative length of expiry is 1,666 days.

##### People and Culture

93.33% of policy documents are in date. The Leave Management Policy was updated in January, and the Reward and Recognition Policy was added.

The Remuneration Policy is currently under review. The cumulative length of expiry is 50 days and they are expected to return to 100% within the next quarter.

Three Waters

42.86% of policy documents are in date. The cumulative length of expiry is 741 days.

### 3. Attachments

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

Report author:

Reviewed and authorised by:



Alix Crosbie  
Senior Strategy Advisor  
19/02/2024

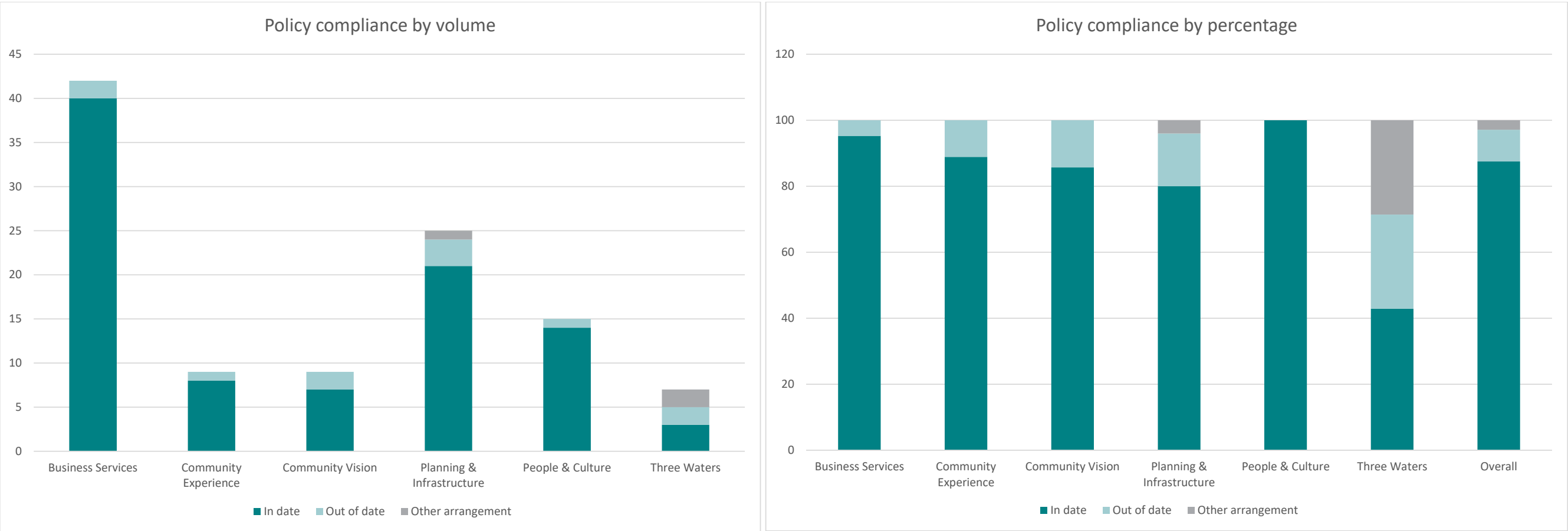


Dylan Rushbrook  
Group Manager - Community Vision  
19/02/2024



Central Otago Policy Register

Policy compliance snapshot



Department	Total number of policies, strategies, and plans	Total number of policies assessed for compliance	Not assessed	Policies in date	Policies out of date without formal arrangement	Policies out of date with formal arrangements	Compliance (%)
Business Support	42	42	0	39	3	0	92.86%
Community Experience	10	9	1	8	1	0	88.89%
Community Vision	7	7	0	5	2	0	71.43%
Planning & Infrastructure	26	25	1	20	4	1	80.00%
People & Culture	15	15	0	14	1	0	93.33%
Three Waters	7	7	0	3	2	2	42.86%
Total	107	105	2	89	13	3	84.76%

Compliance target:

Cumulative length of expiry:

Status:

Prepared:

80%

2,824 days

Compliance target met

19 February 2023





## Business Support

Responsible officer: General Manager Business Support

### Executive Function

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Annual Plan	June 2023	30 June 2025	Council	Produced in each of the two years between Long-term plans. Refreshes budgets and work programmes and considers whether adjustments are needed. Legislative requirement under the Local Government Act.	External	Operational. Review underway.
Annual Report			Council	Produced at the end of each financial year. Sets out performance and delivery against budgets and targets.	External	Operational
Organisational Business Plan	July 2023	July 2024	CEO	Describes the organisational business focus for the year.	Internal	Operational
Long-term Plan	June 2021	30 June 2024	Council	Core functional document and legislative requirement. Sets the strategic direction and work programme for the 10 years ahead. Describes the council's activities and relevant community outcomes. Outlines services, projects, costs, how they are paid for, and the relevant measurements of success and effectiveness. Produced every three years to statutory timeframes. Local Government Act 2002 Section 93 (6) (c)	External	Operational. Process has begun for next LTP.
Significance and Engagement Policy	June 2021	June 2024 LTP	Audit & Risk Council	Legislative requirement and core document. Identifies the degree of significance, when and how communities can expect to be engaged, and the decision-making process. Reviewed through Long-term Plan	External	Operational
Staff Interests Policy	December 2021	December 2023	Audit & Risk CEO	Manages conflict of interest to maintain the impartiality, transparency, and integrity of Council and protect employees from potential perceptions or allegations of bias.	Internal	Out of date.

### Finance

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Credit Card Policy	June 2021	June 2024	Audit & Risk CEO	Guidance for employees and Elected Members on the use of credit cards – defines parameters and mitigates risk	Internal	Operational
Financial Reserves Policy	July 2021	June 2024	Council	Guidance to ensure Council's financial reserves are managed consistently, accurately, and transparently within clearly defined parameters.	External	Operational
Financial Strategy	June 2021	June 2024 LTP	Council	Sets out the two guiding principles of affordability and sustainability. Includes how we fund, spend, and deliver. Reviewed through Long-term Plan process.	External	Operational
Fraud, Bribery, and Corruption Policy	December 2022	December 2023	Audit & Risk Council	Clear guidance to staff who encounter or suspect fraud, bribery, and/or corruption. Raise awareness about how to recognise fraud, bribery, and corruption.	External	Out of date.
Investment Policy	June 2021	June 2024 LTP	Audit & Risk Council	Reviewed through Long-term Plan process. Legislative requirement of the Local Government Act Sections 102(2)(c) and 105. Ensures all statutory requirements are met. Ensures Council appropriately manages funds for legislated purposes.	External	Operational
Liability Management Policy	June 2021	June 2024 LTP	Audit & Risk Council	Reviewed through Long-term Plan process. Legislative requirement of the Local Government Act Sections 102(2)(b) and 104 and Sub Part 4 of Part 6 (Sections 112 to 122). Ensures all statutory requirements are met. Ensures Council has appropriate funding facilities and complies with lending and risk requirements.	External	Operational
Procurement Policy	October 2023	October 2024	Audit & Risk Council	Guided by New Zealand Government Procurement Rules released by the Ministry of Business, Innovation, and Employment.	External	Operational





Protected Disclosures (Whistleblowing) Policy	September 2022	September 2025	Audit & Risk Council	Provides a consolidated view of the procurement objectives and requirements. Legislative requirement – Protected Disclosures (Protection of Whistleblowers Act 2022). Provides principles, objectives and a framework by which serious wrongdoing may be reported and the subsequent protections afforded to the whistleblower. Encourages the reporting of suspected or actual wrongdoing.	External	Operational
Rates Remission Policy	June 2021	June 2024 LTP	Audit & Risk Council	Reviewed through Long-term Plan process. Clear guidance when and how a rates remission can be sought.	External	Operational
Rating Policy	June 2023	June 2024 LTP	Audit & Risk Council	Reviewed through Long-term Plan process. Defines categories of rateable land, due dates and penalties, and spells out the rating charges and the total rates to be collected for a given year.	External	Operational
Revenue and Financing Policy	June 2021	June 2024 LTP	Audit & Risk Council	Reviewed through Long-term Plan process. Sets out the council's policies in respect of funding operating and capital expenditure.	External	Operational
Risk Management Policy and Process	October 2023	October 2024	Audit & Risk Council	Sets objectives, principles, processes, and parameters to ensure risk management practices are embedded and reviewed across the organisation. Notes for 2023 review in DOC:599884	External	Operational
Sensitive Expenditure Policy	June 2021	June 2024	Audit & Risk Council	Clearly defined parameters for sensitive expenditure to ensure it is consistently assessed, authorised, and reviewed. Ensures Council is a responsible user of public money.	External	Operational
Travel Policy	June 2021	June 2024	Audit & Risk Council	Provides a clear, transparent, consistent, and cost-effective approach to travel-related expenses incurred. Ensures both travel risks and costs are effectively identified, managed, authorised, and monitored.	Internal	Operational
Vehicle Procurement Maintenance and Disposal Policy	October 2020	October 2023	CEO	Provides a co-ordinated, consistent, cost-effective, and transparent approach to the procurement, maintenance, and disposal of council-owned motor vehicles. Supports value for money and sustainability objectives.	Internal	Out of date.

### Governance

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Appointment and Remuneration of Directors Policy	October 2022	October 2025	Council	Legislative requirement of Section 57(1) of the Local Government Act 2002. Sets an objective and transparent process for the identification, appointment, and remuneration of directors.	External	Operational
Code of Conduct	October 2022	October 2025	Council	Legislative requirement. Sets out standards of behaviour expected from members in the exercise of their duties. Reviewed through electoral process.	External	Operational
Delegations Register (including Audit and Risk Terms of Reference)	October 2022	October 2025	Council	Derived from Schedule 7, clause 32 (2) and sub clause 32 (1) of the Local Government Act 2002. Outlines the assignment of power, function or duty of action – and the related authority to complete the action assigned. Reviewed through electoral process.	External	Operational
Elected Members Allowances and Reimbursements Policy	July 2022	July 2025	Council	Legislative requirement. Relates to the Local Government Act 2002, Remuneration Authority Act 1977, and Local Government Elected Members (2021/22) (Certain Local Authorities) Determination 2021. Provides a framework for allowances, expenses claimed, and resources available to elected members during their term in office.	External	Operational
Governance Statement	March 2023	March 2026	Council	Legislative requirement of the Local Government Act 2002. Outlines how Council makes decisions and shows how residents can influence those processes. Council is obliged to provide a new governance statement within six months of each triennial election.	External	Operational



Otago Local Authorities' Triennial Agreement	2023	1 March 2026	Council and external bodies	Legislative requirement. Section 15 of the Local Government Act 2002 requires local authorities within a region to enter into a Triennial Agreement to ensure appropriate levels of communication, coordination, and collaboration.	External	Operational
Pre-election Report	July 2022	2025	CEO	Legislative requirement of the Local Government Act 2002 (section 99A). Provides an update on the state of business in Central Otago for public discussion.	External	Operational
Standing Orders (Community Boards)	October 2022	October 2025	Council	Legislative requirement. Sets out rules for the conduct of proceedings. Relates to Local Government Act 2002, Local Government Official Information and Meetings Act 1987, Local Authorities (Members' Interests) Act 1968. Reviewed through electoral process.	External	Operational
Standing Orders (Council)	October 2022	October 2025	Council	Legislative requirement. Sets out rules for the conduct of proceedings. Relates to Local Government Act 2002, Local Government Official Information and Meetings Act 1987, Local Authorities (Members' Interests) Act 1968. Reviewed through electoral process.	External	Operational

### Information Services

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Closed Circuit Television (CCTV) Policy	January 2023	January 2026	Council	Provides guidance on the management and use of Council's CCTV network.	External	Operational
Copyright Policy	September 2021	September 2024	CEO	Identified as a gap in a legislative compliance review – will be folded into the Information and Records Management Policy at a future review.	Internal	Operational
Cybersecurity Plan	2022	2025	CEO	Details approach to cybersecurity.	Internal	Operational
Digital and Information Strategy	July 2022	July 2025	CEO	Guidance how to integrate digital services and information to meet community need	Internal	Operational
Information and Communication Technology Disaster Recovery Plan	April 2023	April 2024	CEO	Manages the backup and recovery of digital information and information systems in the event of a disaster or emergency event	Internal	Operational
Information and Records Management Disaster Recovery Plan	April 2023	April 2024	CEO	Manages protecting and salvaging physical records and archives in the event of a disaster	Internal	Operational
Information and Records Management Plan	2022	2024	CEO	Comprehensive plan for the effective retention, appraisal, and disposal of Council information and records.	Internal	Operational Review underway
Information and Records Management Policy	February 2022	February 2025	Council	Guidance for the effective retention, appraisal, and disposal of Council information and records. Part of Information and Records Management Plan.	Internal	Operational
Privacy Policy	February 2022	February 2025	Audit & Risk CEO	Outlines Council's code of practice and legal obligations in accordance with the Privacy Act 2020.	Internal	Operational
Privacy Plan	2022	2025	CEO	Details approach to privacy.	Internal	Operational
Protection of Information and Information Systems (Cybersecurity) Policy 2019-2022	August 2021	August 2024	Audit & Risk Council	Protects users of council information and information systems, including personal information. Will include Acceptable Use of Public Wi-Fi Standard. Report to December Audit and Risk meeting.	Internal	Operational Review underway
LGOIMA Request Policy	February 2022	February 2025	Audit & Risk CEO	Ensures Council meets the legal obligation on granting requests for official information under the Local Government Official Information and Meetings Act (LGOIMA) 1987. Provides a framework to ensure processes are open and transparent.	Internal	Operational



Community Experience

Responsible officer: General Manager Community Experience

Libraries

Policy Name	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Collection Development Policy	October 2018	October 2021	CEO	Shared policy with QLDC.	Internal	Out of date. Review underway
Library Policy	September 2022	September 2025	CEO	Replaces expired policies including deselection, donations, and lost property policy.	External	Operational

Parks and Recreation

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Cemeteries Bylaw	November 2020	November 2025	Council	Regulates the management of cemeteries.	External	Operational
Cemeteries Handbook 2020	2020	2025	Council	Further details the management of cemeteries	External	Operational
District Tree Policy	November 2022	November 2025	Council	Specifies principles, policies, and objectives regarding Council’s ongoing protection and management of Council-owned trees within the district.	External	Operational
Parks and Recreation Activity Management Plan	2021	2026	Council	Formally documents the management philosophy applied to parks and recreation assets and services	Internal	Operational
Plaques and Memorials Policy	February 2023	February 2025	Council	Provides a framework to guide the installation, location, and management of commemorative memorials on parks and reserves.	External	Operational
Reserve Management Plans (RMP) x11	Various	Various	Council	Contain objectives and policies for the management, protection, and future development of a reserve. Relate to the Reserves Management Act 1977.  11 Reserve Management Plans are in place covering 55 reserves.	External	Various
Smokefree and Vapefree Policy	September 2021	September 2024	Council	Designates smokefree and vapefree public areas, including all parks and reserves, and within 10m of the entrance of any council-owned building or bus stop. Linked to the Government’s Smokefree Aotearoa Plan 2025.	External	Operational
Wilding Conifer Control Policy	July 2021	July 2024	Council	Provides guidance on Council’s approach to managing wilding conifers on council owned or managed land.	External	Operational

Future work items: Open Spaces Strategy; Playground Strategy; Responsible Camping Strategy, Reserve Naming Policy



Community Vision

Responsible officer: Executive Manager Community Vision

Community and Engagement

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Community Development Strategy	March 2021	May 2023	Council	Framework for well-beings, community outcomes, identity values, and community development.	External	Out of date
Grants Policy	June 2021	January 2024	Council	Ensures a robust, fair and contestable process is in place for giving public money. Due for review in 2024; earlier review programmed during LTP process.	External	Out of date
Media Policy	October 2023	October 2026	Council	Guides staff and elected members on their roles and responsibilities with regard to external media communications and social media platforms	Internal	Operational

Future work: Wellbeing Strategy; Communications and Engagement Strategy

Strategy and Economic Development

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Economic Development Strategy	May 2019	May 2024	Council	Economic development framework to assist in achieving gains in economic performance and manage challenges. Supports well-being (core function.)	External	Operational
Film Friendly Policy	June 2023	June 2026	Council	Partnership agreement with Film NZ to agree to Film Friendly Regulations – application of NZ Local Government Filming Protocols. There are conditions both Film NZ and the Council must meet.	External	Operational
Policies Policy	February 2022	February 2025	Council	Outlines processes and expectations around policies.	Internal	Operational

Future work: Housing Strategy; Council Investment in Museums Strategy

Tourism

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Destination Management Plan	October 2022	2027	Council	Brings together different stakeholders to achieve the common goal of developing a well-managed, sustainable visitor destination aligned to aspirations and values of our communities and mana whenua.	External	Operational



Planning and Infrastructure

Responsible officer: General Manager Planning and Infrastructure

Executive Function

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Fixed Asset Management and Disposal Policy	January 2023	January 2025	Audit & Risk Council	Provides guidance and clarity surrounding the management and disposal of Council assets, ensuring probity, accountability, and transparency.	External	Operational
Infrastructure Resilience Plan	June 2020	June 2025	CEO	Assesses the resilience of Council’s infrastructure networks to hazards and identifies opportunities to strengthen.	Internal	Operational
Infrastructure Response Plan	June 2020	June 2025	CEO	Council’s arrangements for responding to significant failures		Operational
Infrastructure Strategy	June 2021	June 2024 LTP	Audit & Risk Council	Required under section 101B of the Local Government Act 2002. Identifies significant infrastructure issues for the next 30 years, the options for managing those issues, and the implications of the options. Currently covers Three Waters and Roading. 2024 version won’t include Three Waters but should include Parks and Property. Reviewed through Long-term Plan.	External	Operational

Environmental Engineering

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Development and Financial Contributions Policy	June 2021	June 2024 LTP	Council	Outlines Council’s approach to funding development infrastructure via development contributions under the Local Government Act 2002 and Resource Management Act 1991. Reviewed through Long-term Plan.	External	Operational
Subdivision Engineering Standards	September 2019	September 2024	Council	Implemented as an addendum to New Zealand Standard 4404:2004. Provides appropriate standard for land development and subdivision engineering.	External	Operational Work underway
Sustainability Strategy	April 2019	April 2024	Council	Provides sustainability workstreams, goals, actions, and measures of success. Assists with compliance Toitū carbonreduce programme.	External	Operational Under review
Waste Management and Minimisation Bylaw	March 2021	March 2026	Council	Supports the promotion and delivery of effective and efficient waste management and minimisation as required under the Waste Minimisation Act 2008.	External	Operational
Waste Management and Minimisation Plan	June 2018	June 2023 LTP	Council	Supports the Waste Management and Minimisation Bylaw. Reviewed through Long-term Plan.	External	Out of date Review underway

Property

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Council-owned Earthquake-prone Buildings Policy	June 2020	June 2025	Council	To provide clear guidance for the management of a specific issue. For compliance with the Building (Earthquake-prone Buildings) Amendment Act 2016.	External	Operational
Community Leasing and Licensing Policy	July 2022	July 2025	Council	To provide a consistent and equitable framework for community leases and licences. To provide fairness, equity, and prudent financial management.	External	Operational
Public Toilet Policy	April 2023	April 2026	Council	Provides guidance around the provision of public toilets	External	Operational

Planning

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status



District Plan	April 2008	TBD	Council	Alternate timeframe ratified by Council.	External	Agreed alternate timeframe
Lighting Policy	March 2019	June 2022	Council	Public spaces lighting policy – protects night skies from light pollution. Applies to land owned or managed by Council. Currently under review - completion will follow Dark Skies Plan	External	Out of date Review programmed
Master and Spatial Plans <ul style="list-style-type: none"><li>Alexandra Airport Masterplan (2021)</li><li>Cromwell (2019)</li><li>Vincent (2022)</li></ul>	Various	Various	Council	Provides guidance to facilitate growth.  Teviot Spatial Plan in development.	External	Operational

Regulatory

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Alcohol Restrictions in Public Places Bylaw	May 2019	May 2024	Council	Legislative mechanism to set controls on the consumption of alcohol in public places.	External	Operational
Dangerous and Insanitary Building Policy	March 2022	March 2025	Council	Requirement of the Building Act 2004.	External	Operational
Dog Control Bylaw	December 2020	December 2025	Council	Bylaw created under the Dog Control Act. Includes regulatory provisions for dog control in the district.	External	Operational
Dog Control Policy	December 2020	December 2025	Council	Complementary to the Dog Control Bylaw. Establishes the framework on which the bylaw and associated fees regarding dog registration and offences are based.	External	Operational
Easter Sunday Trading Policy	June 2022	June 2027	Council	Enables local businesses to trade on Easter Sunday in line with the Shop Trading Hours Amendment Act 2016. Legislation allows for five-year rollover. Requires consultation for each renewal – even with no changes – however can remain operational for up to two years after it lapses.	External	Operational
Gambling and Board Venue Policy	June 2020	June 2023	Council	Requirement under the Gambling Act. Establishes a framework for the regulation and control of Class 4 Gambling and Board Venues.	External	Out of date Review underway
Psychoactive Substances Policy	June 2019	June 2024	Council	Provision of Section 66 of the Psychoactive Substances Act 2013. Regulates the availability of psychoactive substances. Enables Council and community to have influence over the location of retail premises in the district.	External	Operational

Future work: Enforcement strategy; Trading in Public Places Bylaw

Roading

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Roading Activity Management Plan	September 2021	November 2025	Council	Guides management of strategic asset	External	Operational
Roading Bylaw	November 2020	November 2025	Council	Provides the regulatory framework to facilitate the Council in achieving a safe, efficient, and fully accessible transportation network.	External	Operational
Roading Policy	January 2016	June 2022	Council	Ensures a safe, efficient, and fully accessible transportation network is in place. Puts in place a minimal regulatory framework and ensures enforcement can be undertaken.	External	Out of date. Review underway.
Transportation Procurement Strategy	May 2020	May 2025	Audit & Risk Council	Ensures resources are used effectively and economically to deliver fit for purpose infrastructure.	External	Operational





## People and Culture

Responsible officer: General Manager People and Culture

### Human Resources

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Equal Employment Opportunity (EEO), Discrimination, Harassment and Bullying Policy	September 2023	September 2026	CEO	Embeds equal employment opportunity and anti-discriminatory practices to provide a workplace free from discrimination, harassment, and victimisation.	Internal	Operational
Code of Conduct	July 2023	July 2026	CEO	Sets out staff responsibility in the areas of integrity, conduct and performance	Internal	Operational
Flexible Working Policy	February 2023	February 2026	CEO	Sets out staff arrangements for flexible working.		
Leave Management Policy	January 2024	January 2027	CEO	Provides direction in relation to the administration of leave benefits. Relates to the Holidays Act 2003, Parental Leave and Employment Protection Amendment Act 1987, and Volunteers Employment Protection Amendment Act 1973.	Internal	Operational
Performance Management Policy	August 2023	August 2026	CEO	Provides a framework for dealing with instances where employees are alleged not to have met the required standards of behaviour, performance, conduct, and attendance. Ensures prompt, consistent, and fair treatment.	Internal	Operational
Police Vetting Guidelines	2021	2026	CEO	Ensures compliance with the Children's Act 2014	Internal	Operational
Remuneration Policy	December 2022	December 2023	CEO	To ensure that the Central Otago District Council attracts and retains employees through effective, competitive and affordable remuneration practices.	Internal	Out of date. Review underway.
Reward & Recognition Policy	January 2024	January 2027	CEO	The reward & recognition policy sets out to value our people and ensure contributions are recognised.	Internal	Operational
Staff Delegations Manual	June 2021	June 2024	Audit & Risk Council	Sets out the delegations given to officers in relation to certain administrative and financial matters, statutory duties, responsibilities, and powers.	External	Operational
Vehicle Use and Safe Driving Policy	February 2023	February 2026	CEO	Supports a safe driving culture to reduce the number of vehicle-related incidents and injuries and to reduce the costs associated with poor driving.	Internal	Operational
Working from Home Policy	September 2021	September 2024	CEO	Sets our staff arrangements for Working from Home		

### Health, Safety, Wellbeing and Security

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Adverse Weather Guidelines	January 2022	January 2025	CEO	Work practises to ensure safety in adverse weather	Internal	Operational
Health, Safety and Wellbeing Management Framework	June 2022	March 2024	CEO	Designed to support CODC to meet or exceed its duty to provide a safe and healthy working environment.	Internal	Operational
Health and Safety Policy Statement	November 2023	September 2024	CEO	Sets out commitment under the Health and Safety at Work Act 2015 to protect the health and safety of employees, contractors, volunteers, and customers.	Internal	Operational
Safeguarding and Child Protection Policy	July 2022	July 2025	CEO	Ensures Council has a strong culture of child protection and appropriate vetting is in place. Complies with the Children's Act 2014. Includes: <ul style="list-style-type: none"> <li>Procedure for responding to child abuse and neglect (against staff)</li> <li>Procedure for responding to disclosed or suspected child abuse or neglect</li> <li>Publication of photo and video consent form</li> </ul>	External	Operational
Smoke and Vaping Free Workplaces Policy	January 2023	January 2026	CEO	Sets out the expectations around smoking at Central Otago District Council (CODC) workplaces under the Smokefree Environments and Regulated Products Act 1990 (the Act) and subsequent amendments.	Internal	Operational
Trespass Policy	January 2023	January 2026	CEO	Sets out the procedure for authorised employees to trespass a person or persons who pose a risk to Council, property, or any person under the Trespass Act 1980.	Internal	Operational



Three Waters

Responsible Officer:

Three Waters

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Drinking Water Quality Policy Statement	March 2020	March 2023	Council	Policy position on drinking water quality.	Internal	Out of date
Leakage Remissions Policy	June 2021	June 2024 LTP	Council	Standardised procedure to assist ratepayers who have excessive water rates due to a fault/leak. Reviewed through Long-term Plan process.	External	Operational
Sewer Lateral Policy	July 2016	December 2022	Council	Defines responsibilities of sewer lateral pipes connecting to the main sewer system.	External	Out of date
Trade Waste Bylaw	June 2001	Hold.	Council	Covers the discharge of trade waste to the wastewater system. On hold, pending transition requirements to new entity – expected to be covered in Bill 2.	External	Hold
Water Safety Plans <ul style="list-style-type: none"><li>Lake Dunstan Water Supply (2022)</li><li>Cromwell (2015)</li><li>Naseby (2016)</li><li>Omakau (2017)</li><li>Patearoa (2008)</li><li>Pisa Village (new)</li><li>Ranfurly (2016)</li><li>Roxburgh (2016)</li></ul>	Various	Various	CEO	Requirement of the Water Services Act 2021 from 14 November 2022.	Pending	Operational
Water Services Asset Management Plan	2021	2024 Will transition prior to review.	CEO	Plan for management of strategic asset. 2024 AMP is being prepared now for new water services entity. CODC is providing information for this and does not need to do a separate CODC Three Waters AMP.	Internal	Operational
Water Supply Bylaw	May 2008	Hold.	Council	Regulates water supply. To be replaced by Water Bylaw – on hold, pending outcome of Three Waters review.	External	Hold





Other Documents

Emergency Management

Note: Emergency Management Plans are administered by Central Otago Emergency Management, managed by the Otago Regional Council. They are not included in calculations of Council’s overall target.

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Community Response Plans <ul style="list-style-type: none"><li>Cromwell</li><li>Clyde, Earnsclough, and Alexandra</li><li>Naseby, Ranfurly, Maniototo</li><li>Manuherikia Valley</li><li>Teviot Valley</li><li>Queensberry</li><li>Ida Valley</li></ul>	Various	Various	Central Otago Emergency Management (Otago Regional Council)	Localised advice and preparation for response to emergency situations. <a href="https://www.otagocdem.govt.nz/districts/central-otago">https://www.otagocdem.govt.nz/districts/central-otago</a>	External	Operational

Community-owned Strategies and Plans

Note: Community-owned strategies and plans are maintained by the relevant communities. They are not included in calculations of Council’s overall target.

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Arts Strategy	April 2013	April 2024	Community owned	Administered by the Arts Trust	External	Operational Under review
Community Plans <ul style="list-style-type: none"><li>Alexandra (2013)</li><li>Clyde (2011)</li><li>Cromwell (2021)</li><li>Maniototo (2007)</li><li>Naseby (2016)</li><li>Omakau (2014)</li><li>Ophir (2015)</li><li>Oturehua (2014)</li><li>Patearoa and Upper Taieri (2019)</li><li>Pisa (2009)</li><li>Roxburgh and Teviot Valley (2011)</li><li>St Bathans (2006)</li><li>Tarras (2007)</li><li>Waipiata (2008)</li></ul>	Various	Various		Community plans are visions made by the local community. Actions are identified through these plans.	External	Operational
Heritage Strategy	2021	2024	Community owned	Administered by the Central Otago Heritage Trust. An action plan designed to provide a long-term solution to the sustainable identification, preservation, management, and celebration of heritage.	External	Operational
Museum Strategy	August 2020	August 2025	Community owned	Administered by the Central Otago Museums Trust. Articulates a high-level vision, mission, and strategic objectives for museums. Includes a framework for collaboration and overarching actions for development into an operational plan.	External	Operational



## Central Otago policy standard

The intention of the register is to provide an accurate and up to date overview to the Audit and Risk Committee. This enables the committee to carry out their function of providing oversight and governance to ensure appropriate systems and practice are delivered throughout the Council and its activities.

The register includes all bylaws, strategies, and policies. Relevant plans and guidelines have also been included.

Central Otago policy documents are reviewed over the following time period:

- Bylaw – 5 years
- Policy – 3 years
- Plans – 5 years
- Strategies – 5 years
- Guidelines – 5 years

No set timeframes apply to community owned documents.

Longer timeframes may apply when a policy or document is drawn directly from legislation – in these instances, timeframes follow the relevant act.

Policies are reviewed annually where appropriate.

## Compliance

Compliance is calculated based on the number of items on this register that meet the timeframes above. The following exclusions have been made:

- Reserve Management Plans have been excluded from compliance figures.
- Community owned plans have been excluded from compliance figures as they are administered directly by the community.
- Community response plans have been excluded from compliance figures as they are administered by the Otago Regional Council.
- The Regional Identity has been excluded from compliance figures as there is no one set document to base the calculation on.

## Publication

All Central Otago policies adopted by Council are published externally.

Policies that primarily relate to the management of staff, including human resource provisions, are not published. These policies have been marked as ‘internal’ on the register.

Publication generally refers to the Council website [codc.govt.nz](http://codc.govt.nz). Some work also appears on the Central Otago New Zealand website [centralotagonz.com](http://centralotagonz.com). The Long-term Plan and related policies are also published in hard copy.

### 24.1.3 AUDIT NZ AND INTERNAL AUDIT UPDATE

Doc ID: 1461109

#### 1. Purpose

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

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#### Recommendations

That the report be received.

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#### 2. Discussion

##### *External audit programme*

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.

Council's management report for the 2023/24 Annual Report is yet to be received from Audit New Zealand. If it is received in time staff will provide a copy at the next Audit and Risk Committee meeting.

There are six recommendations from the 2021-22 and 2022-23 Audit New Zealand Management Reports. Two of these recommendations are now complete. Appendix 1 details outstanding actions from previous audits, alongside commentary on progress.

##### *Internal audit programme*

As presented at the last committee meeting, the draft internal audit needs reviewing and will be delayed to the next financial year. There has been no action on the review of the draft internal audit programme since the last meeting.

#### 3. Attachments

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

Report author:

Reviewed and authorised by:



Saskia Righarts  
Group Manager – Business Support  
26/02/2024



Peter Kelly  
Chief Executive Officer  
1/03/2024

			Completion			
<b>Audit NZ 2022 Management Report</b> Revalue all assets within a class When a valuation is undertaken, it is necessary for all assets within a class of property, plant and equipment to be revalued.		The financial reporting standards require that when an asset is valued, the whole class of assets is subject to revaluation. However, as the non-valued assets were insignificant and audit procedures were applied to the full population, we accepted the exclusion of certain items from the revaluation on the basis of materiality only.	Systems and Corporate Accountant	30-Jun-24	In progress	All assets for Roding and 3 Waters that are included in the specific asset classes were reviewed at the time of preparing the revaluation inputs. It has been noted that there are some assets for Roding and 3 Waters that are not included in the revaluations and are not included in the asset class being revalued. These can include Vehicles and equipment used by the team that do not meet the criteria of an infrastructure plant or network assets and are therefore recognised within motor vehicles and plant and machinery.
<b>Audit NZ 2021 Management Report</b> Transfer and capitalisation of completed WIP (Work in Progress) to PPE (Property, Plant and Equipment) on a timely basis.			Chief Financial Officer	30-Dec-22	CLOSED	WIP reviews are taking place on a monthly basis with the finance team talking with budgetholders in regards to the timing of completion of major capital projects on a regular basis. An extensive WIP review is sent out to budgetholders on a quarterly basis to ensure that the capitalisation of assets are maintained regularly.
	Management should expedite the process of transferring the completed WIP to PPE and should improve the processes of identifying completed projects.		Systems and Corporate Accountant			
Review of the depreciation policy		Management should consider reviewing the useful lives of assets for the fully depreciated assets and for assets with depreciation rates outside the range specified in the accounting policy	Chief Financial Officer	30-Dec-22	CLOSED	As part of the Property, Plant and Equipment asset reconciliation the review of the depreciation years has now been added as part of that process.
			Systems and Corporate Accountant			
Update to the sensitive expenditure policy		The updates to good practice for sensitive expenditure from Office of the Auditor-General (OAG) guidelines can be incorporated into the sensitive expenditure policy.	Group Manager - Business Support	31-Jun-24	In progress	The sensitive expenditure and travel policies recommendations will be actioned when these policies are due for renewal (June 2024). This financial year Council adopted the 'Policies Policy' that outlines the approach and process for renewal of council policies.
System password settings		Previously we noted that certain user authentication password settings were not consistent with the Generally Accepted Leading Practice (eg the minimum length of a password is six characters and the password complexity requirement is disabled). Weak password settings increase the risk of unauthorised access to Council information systems	Chief Information Officer		In progress	As per our Cybersecurity Plan 2022-2025 we are planning to move to 14-character passwords for all staff and all information system. This was approved through the annual plan but has been delayed due to the telephony and computer renewal project delays. Re-planning to occur. This forms part of the Password Improvement Project. New target date is before the end of 2023. This is not as simple as changing the policy, which will result in staff writing passwords down. A password tool for all staff will be sourced and implemented for all staff.
Broader Audit Risk assessments - Contract Management - Conflicts of interest - Asset management		Management should consider establishing a contract management policy, implementing the improvement recommendations from the values for asset management and ensuring that the members' interest declaration register is consistent with employee interest declaration register in terms of level of detail.	Chief Financial Officer Governance	30-Jun-23	In progress	<b>Contract management policy:</b> Work has been undertaken to revise the Procurement Policy since the role of Risk & Procurement Manager was filled on a part-time basis in May 2023. This policy was adopted by Council on the 25 October 2023. Spot checks will be undertaken on an ongoing basis to ascertain levels of policy adherence. Reporting to the Audit and Risk Committee will commence this year and this will show the contracts entered into within each quarter, with additional analysis and reporting undertaken as and when required. This will align with the Contract Management Policy, which is yet to be developed. This will align with the Contract Management Policy, which is yet to be developed.  <b>Values for asset management: Comments from Chantal Green for 3 waters Valuation 2022:</b> • Plant Assets: Replacement Costs and Standard Lives Review – A full revaluation of Cromwell and Alexandra wastewater treatment plants by a technical valuer was requested due to some issues with mapping plant assets. This is because the asset register has had some revisions to account for more componentised and more detailed assets and the mapping of original cost data to those is difficult. A valuation of these two sites was completed by Beca and included in the overall valuation for 2023 so this recommendation has now dropped off the 2023 3 Waters Valuation report. • Alignment to Financial Register – More frequent reviews of WIP has resolved this issue as it was mainly around the timing/reconciliation between WIP and the asset register, again this is no longer in the improvement programme in the 2023 3 Waters Valuation report. • Capitalisation Policy – Council does have a FAR capitalisation policy but this recommendation relates more to the internal 3 Waters team procedure which is not covered under this policy. This has not been implemented yet but is on the list of policies and procedures that need Comments from Mark Hardman for Roding valuation 2022: • VALUATION ASSUMPTION – Council's RAMM database will soon undergo a transformation to align with the AMDS structure. A review of construction/installation date assumptions will follow this transformation and the transition to the "new" RAMM valuation module.  • RAMM CONTRACTOR – Council acknowledges the ongoing challenges associated with using RAMM dispatch data for determining unit rates. This is a challenge rather than a specific improvement and will exist into perpetuity. The improvement item is not included in the 2023 valuation report. • BRIDGES AND MAJOR CULVERTS – The principles underpinning Council's bridge strategy have been developed. 2023 valuation remaining lives are consistent with those applied in the bridge strategy work. Advice from both DCL consulting and Beca is that a component level valuation for bridges is not warranted and would not improve the accuracy of the valuation, nor would it influence the availability of funding from Waka Kotahi. • FOOTPATHS – Further componentisation of footpaths is not warranted. The improvement item is not included in the 2023 valuation report.

					Completion	<ul style="list-style-type: none"> <li>MINOR STRUCTURES – Council's RAMM database will soon undergo a transformation to align with the AMDS structure. Further data improvements are likely to follow this transformation and will facilitate improved valuation processes.</li> <li>UNSEALED WEARING COURSE – As per Minor Structures.</li> <li>ALEXANDRA AIRPORT – A desktop review of the asset register was completed and verified by Council's property team. I site visit was not completed. The value of completing a site visit will be discussed with Council's property team prior to the next valuation.</li> <li>LAND VALUATION – A change to the inclusion and methodology for valuing land is not deemed necessary. The improvement item is not included in the 2023 valuation report.</li> </ul> <p>Interest declarations: Elected member interest declarations in terms of level of detail adhere to what is required in the legislation.</p>
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#### 24.1.4 TREASURY REPORT

Doc ID: 1457077

##### 1. Purpose

To consider the first quarterly report treasury report.

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##### Recommendations

That the report be received.

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##### 2. Discussion

Council's Liability Management Policy requires quarterly reporting to the Audit and Risk Committee and Council.

Schedule 2 of the policy states the following:

The quarterly report presented to the Audit and Risk Committee and Council should contain the following:

- Total debt utilisation, including sources of debt
- Interest rate hedging profile against hedging percentage limits
- New interest rate hedging transactions completed
- Weighted average cost of funds
- A statement of policy compliance
- Details of any exception reports including remedial action taken or intended to be taken.

The first quarterly treasury report is attached as Appendix 1. A draft report was tabled at the Committee's December 2023 meeting. No changes were requested at that time and it was agreed it would be on the agenda for the March 2024 meeting.

Miles O'Connor, Council's treasury consultant, will be present at the meeting to discuss the contents of the report as well as discuss any changes the Committee would like to see. The report will be refined if required and then presented to the Audit and Risk Committee and then Council on a regular quarterly basis.

##### 3. Attachments

**Appendix 1 - CODC Treasury Dashboard Feb 24** [↓](#)

Report author:



Saskia Righarts  
Group Manager - Business Support  
24/02/2024

Reviewed and authorised by:



Peter Kelly  
Chief Executive Officer  
24/02/2024





# Treasury Dashboard Report

As at 19 February 2024



# Economic Commentary

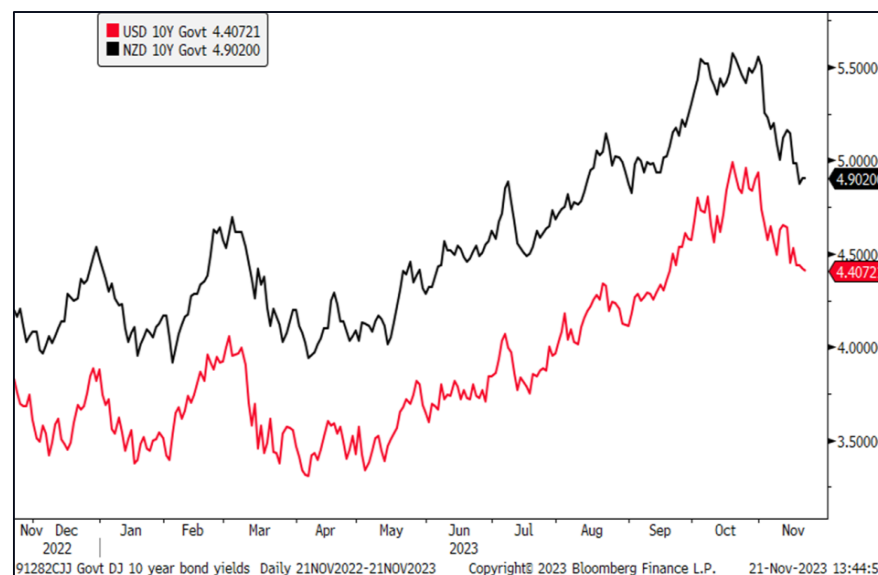
## Global

2

The start of 2024 provided a sense of optimism, at least outside China, with US equity indices trading at record highs. Bond markets adjusted their 'overly optimistic' cutting cycles priced in during December although they were still expecting significant cuts from the US Federal Reserve ("Fed") this year, with the main debate around when cuts will commence.

No one was expecting an adjustment in the Fed funds 5.25%-5.50% range from the February meeting with the focus on the Fed's view on a potential easing cycle. The Federal Open Market Committee ("FOMC") statement provided some positivity about cuts with the removal of the previous reference that "additional policy firming" may be required. The statement did however highlight that the timing of the easing cycle will be data-dependent stating that, "The Committee does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2.0%."

One of the key questions for 2024, with the global GDP growth outlook deteriorating, was which country, or economic block, will contribute to global growth alongside the US, or if the US falters. At this stage, it appears highly unlikely that the Chinese economy will provide such stimulus given that the domestic economy appears to be in a deflationary spiral with CPI at -0.3% and PPIs at -2.7% for the last 12 months with the ongoing monthly declines worse than those seen in the Asian Crisis in the late 1990s. While GDP printed at 5.2% for 2023, it was China's slowest annual pace of annual growth since the 1990s and many independent analysts argue that it was closer to zero given the ongoing plunge in property prices and construction levels.



# Economic Commentary

## New Zealand

3

	OCR	90-day	2 years	3 years	5 years	7 years	10 years
<b>30 November 2023</b>	5.50%	5.62%	5.24%	4.98%	4.78%	4.75%	4.78%
<b>19 February 2024</b>	5.50%	5.71%	5.15%	4.85%	4.63%	4.62%	4.67%
<b>Change</b>	+0.00%	+0.09%	-0.09%	-0.13%	-0.15%	-0.13%	-0.11%

In late December, the third quarter 2023 GDP data was released and to say it was an outlier would be an understatement, as GDP contracted by 0.3% versus expectations of a 0.3% increase. Even worse, Q2 GDP was revised downwards from 0.9% to 0.5%, occurring in a backdrop of soaring migration (at levels not seen since 1947) and the downward revision to the Q1 data once again put the country into recession for the six months ending 31 March 2023. The market then moved to a stance where it was pricing in 4-5 rate cuts in 2024.

The latest inflation data for New Zealand (the 2023 Q4 CPI release) showed that inflation is subsiding with the headline rate at 0.5% for the quarter and 4.7% for the year, which was in line with market expectations but lower than the RBNZ projection in its November MPS. However, there was some bad news as non-tradeable inflation, or to put it another way, inflation generated within the New Zealand economy, came in at 5.9% for the year and at 1.1% on the quarter. This saw some of the more optimistic forecasters scale back their calls for a fast-track rate cutting cycle. At the same time, a speech by the Reserve Bank of New Zealand's ("RBNZ") Chief Economist, Paul Conway, supported this adjustment as he warned, *"Private demand in the economy, which is more interest-rate sensitive, has mostly been revised up, with stronger consumption and business investment than first reported,"* before concluding that, *"Monetary policy is working, with the economy slowing and inflation falling. But we still have a way to go to get inflation back to the target midpoint."*

While the RBNZ is still trying to temper market enthusiasm around rate cuts this year, softening local data and projected cuts in the US mean that the RBNZ will cut at some stage, but this is probably a second half of 2024 story. Current market pricing has the first OCR cut priced in for mid-2024 and for the rate to fall to 4.50%-4.75% by May 2025. In the November *Monetary Policy Statement*, the RBNZ forecast the first OCR cut to occur by September 2025, however it should be noted that this was before the release of the September quarter GDP data.

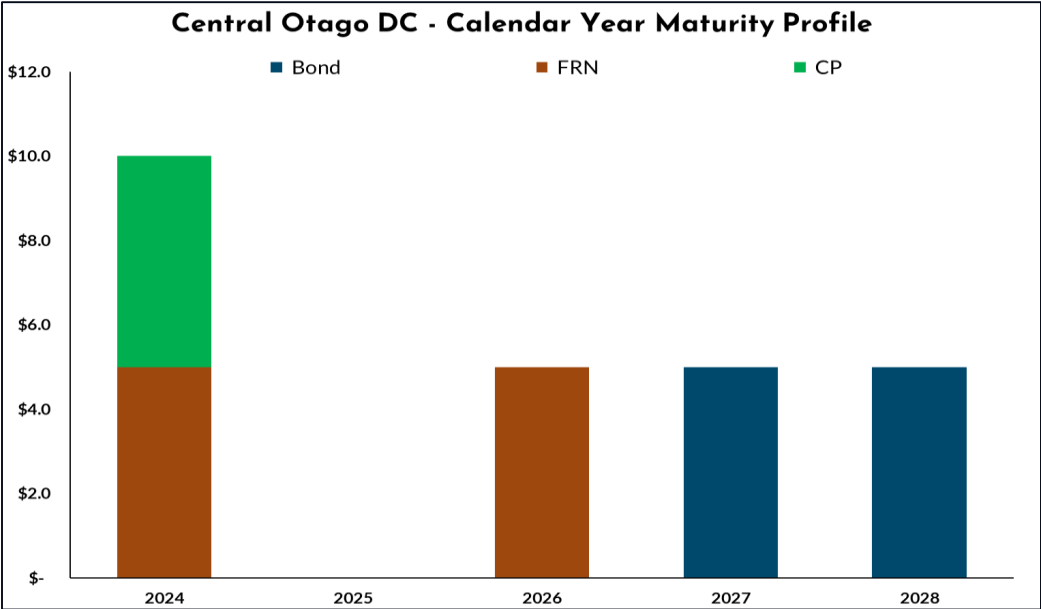
Over the last six weeks, there has been a significant adjustment to interest rates (after the sharp fall that ended in late December) with the 2 year swap increasing by 0.53% to 5.15%, the 5 year by 0.57% to 4.63% and the 10 year by 0.38% to 4.67%. Also, markets have pushed back the expected commencement of the easing cycle and the extent of the future cuts. This is illustrated below by projected pricing for the OCR on 15 January (lhs) and 16 February (rhs).

New Zealand	Rate	Change
<i>Current Rate</i> ¶	5.50	<i>from current</i>
Wed 28 Feb 24	5.56	0.06
Wed 10 Apr 24	5.60	0.10
Wed 22 May 24	5.63	0.13
Wed 10 Jul 24	5.61	0.11
Wed 14 Aug 24	5.51	0.01
Wed 9 Oct 24	5.39	-0.11
Wed 27 Nov 24	5.15	-0.35
Wed 19 Feb 25	4.85	-0.65

New Zealand	Rate	Change
<i>Current Rate</i> ¶	5.50	<i>from current</i>
Wed 28 Feb 24	5.58	0.08
Wed 10 Apr 24	5.65	0.15
Wed 22 May 24	5.66	0.16
Wed 10 Jul 24	5.60	0.10
Wed 14 Aug 24	5.49	-0.01
Wed 9 Oct 24	5.38	-0.12
Wed 27 Nov 24	5.14	-0.36
Wed 19 Feb 25	4.95	-0.55



# Funding



Policy Compliance	Compliant
Have all transactions been transacted in compliance with policy?	Yes
Is fixed interest rate cover within policy control limits?	No
Is the funding maturity profile within policy control limits?	Yes
Is liquidity within policy control limits?	Yes
Are counterparty exposures within policy control limits?	Yes

CODC has a very minor fixed rate cover policy breach in the 2-4 year timeframe which will be rectified using an interest rate swap when the BNZ put in place an interest rate swap dealing line.

Debt  
**\$25.0m**  
External Drawn Debt

Debt from LGFA  
**\$25.0m**

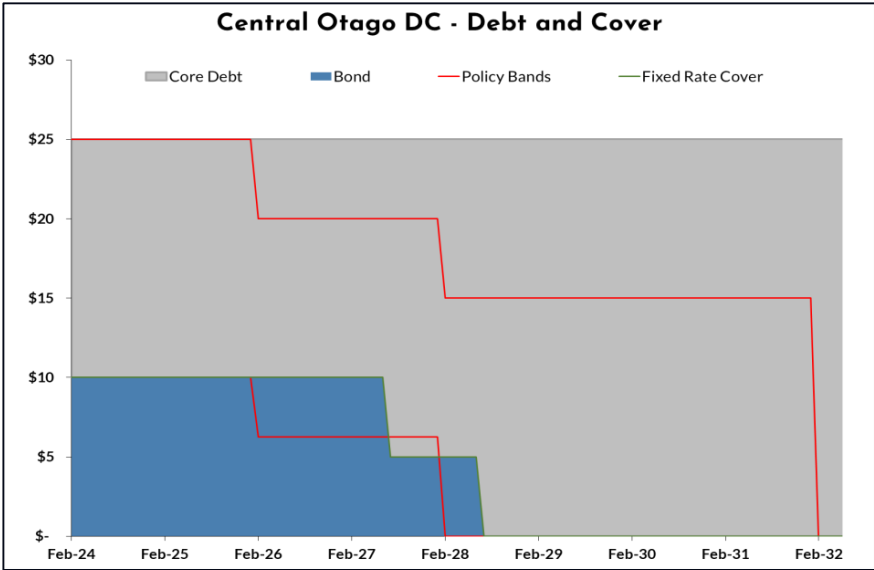
Term deposits + cash in bank  
**\$7.2m**

Liquidity ratio (must be >110%)  
**\$128.8%**

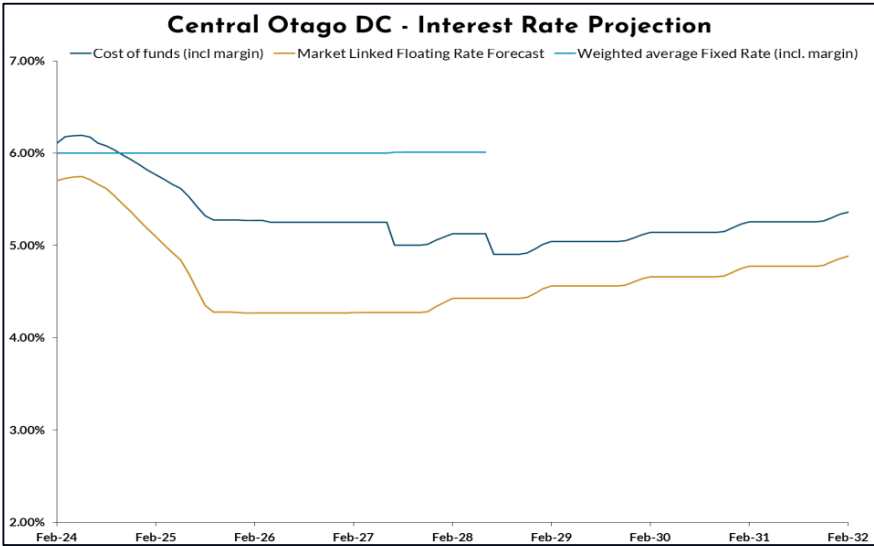
Cost of Funds as at 19 February  
**6.07%**



# Interest Rate Risk Management



Current % of Debt Fixed	40.0%
Current % of Debt Floating	60.0%
Value of Fixed Rate (m)	\$10.0
Weighted Average Cost of Fixed Rate Instruments	6.00%
Value of Floating Rate (m)	\$15.0
Current Floating Rate	5.70%
Current Floating Rate (incl margin)	6.18%
All Up Weighted Average Cost of Funds Including Margin	6.07%
Total Facilities In Place	\$25.0



Fixed Rate Hedging Bands			
	Minimum	Maximum	Policy
0 - 2 years	40%	100%	Compliant
2 - 4 years	25%	80%	Non-Compliant
4 - 8 years	0%	60%	Compliant

# Central Otago DC - Funding

As of 16 February 2024, CODC had \$25 million of core debt, all of which is sourced from the Local Government Funding Agency ("LGFA") using Commercial Paper ("CP"), Floating Rate Notes ("FRN"), and Fixed Rate Bonds ("FRB"), which are detailed in the table below.

Instrument	Maturity	Yield	Margin	Amount
LGFA CP	07-Mar-24	5.84%	0.20%	\$5,000,000
LGFA FRN	01-Jul-24	6.28%	0.65%	\$5,000,000
LGFA FRN	15-Jul-26	6.23%	0.59%	\$5,000,000
LGFA FRB	01-Jul-27	5.99%	N/A	\$5,000,000
LGFA FRB	01-Jul-28	6.01%	N/A	\$5,000,000
				<b>\$25,000,000</b>



# LGFA Funding Rates as at 19 February

7

Listed below are the credit spreads and applicable interest rates as at 19 February for Commercial Paper (“CP”), Floating Rate Notes (“FRN”) and Fixed Rate Bonds (“FRB”), at which CODC could source debt from the Local Government Funding Agency (“LGFA”).

Maturity	Margin	FRN (or CP Rate)	FRB
3-month CP	0.20%	5.93%	N/A
6-month CP	0.20%	6.00%	N/A
April 2024	0.49%	6.22%	6.20%
April 2025	0.61%	6.34%	6.26%
April 2026	0.71%	6.44%	5.94%
April 2027	0.85%	6.58%	5.81%
May 2028	0.94%	6.67%	5.77%
April 2029	1.01%	6.74%	5.79%
May 2030	1.08%	6.81%	5.85%
May 2031	1.17%	6.90%	5.95%
April 2033	1.26%	6.99%	6.05%
May 2035	1.32%	7.05%	6.17%
April 2037	1.37%	7.10%	6.28%





## Disclaimer

### IMPORTANT NOTICE

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## 24.1.5 FRAUD, BRIBERY AND CORRUPTION POLICY

Doc ID: 1401812

### 1. Purpose of Report

To consider an update to the Fraud, Bribery and Corruption Policy.

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### Recommendations

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
  - B. Recommends that Council adopt the Fraud, Bribery and Corruption Policy.
- 

### 2. Background

The Fraud, Bribery and Corruption Policy was previously adopted at the 26 January 2022 Council meeting and it due for renewal. The Policy has been reviewed to ensure the content remains relevant and is up to date.

### 3. Discussion

The Office of the Auditor General and the Serious Fraud Office previously provided guidance on how to handle events of fraud, bribery, corruption and whistle blowing as well as requirements recommended to be contained within policy documents. The policy documents were compiled based on this guidance, which has not changed since the adoption of the Fraud, Bribery and Corruption Policy.

A ramifications section, however, has been added to the policy document to ensure completeness.

The Fraud, Bribery, and Corruption Policy has been updated to ensure best practice is reflected and the policy is aligned to the Performance Management Policy adopted in August 2023. The updated policy can be found at Appendix 1. A track changed copy is included as Appendix 2 so that the Committee can see the recommended changes from the previous policy.

The Ministry of Justice's guidance on creating a fraud and corruption policy has been utilised to ensure that all elements of best practice are included within the updated policy.

It is recognised that awareness and understanding of fraud, bribery, and corruption risks, processes, and responsibilities are key elements in preventing such acts being perpetrated. As such, following adoption of the revised Fraud, Bribery, and Corruption Policy, the associated processes will be reviewed and updated and subsequently rolled out to all staff. A set of training slides is being developed to enable staff to increase their knowledge and understanding of fraud, bribery, and corruption.

The updated policy makes clear the responsibilities of all staff to maintain awareness of fraud, bribery, and corruption risks, and report suspected fraudulent or corrupt activity. Other

roles and responsibilities have been defined to ensure clarity for all individuals involved in the fraud, bribery, and corruption process.

Detail has been added to the policy to ensure that risk factors for fraud, bribery, and corruption are understood, and the investigation process and its links to performance management processes are clear.

#### **4. Financial Considerations**

There are no budget or cost implications resulting from this decision.

#### **5. Options**

##### Option 1 – (Recommended)

Adopt the updated Fraud, Bribery and Corruption Policy.

Advantages:

- Provides guidance on the ramifications of a fraud, bribery or corruption event
- Protects elected members and council staff by providing comprehensive guidance in a wrongdoing event
- Protects Council's reputation
- Protects the communities' assets
- Confirms Council's zero tolerance stance in relation to fraud, bribery, and corruption
- Generates awareness about the topic of fraud, bribery and corruption
- Generates a 'speak up' culture of reporting instances of wrongdoing.

Disadvantages:

- None

##### Option 2

Council retains the existing Fraud and Corruption Policy.

Advantages:

- None

Disadvantages:

- Lack of guidance on the ramifications of a fraud, bribery or corruption event.
- Lack of clarity regarding roles and responsibilities, risk awareness, and the investigation process.

**6. Compliance**

<b>Local Government Act 2002 Purpose Provisions</b>	This decision enables democratic local decision making and action by, and on behalf of communities by ensuring the organisation conducts business in an open transparent and democratically accountable manner.
<b>Decision consistent with other Council plans and policies? Such as the District Plan, Economic Development Strategy etc.</b>	The Policy is a revision of the Fraud and Corruption Policy. The Policy maintains consistency with other Council policies and processes such as the Code of Conduct for elected members and the Protected Disclosure (whistle blower) Policy.
<b>Considerations as to sustainability, the environment and climate change impacts</b>	There are no implications.
<b>Risks Analysis</b>	The policy generates awareness of the ramifications of wrongdoing, which may decrease the risk.
<b>Significance, Consultation and Engagement (internal and external)</b>	The changes proposed to the policy are not significant and are unlikely to generate community or media interest. No consultation is required as this is not deemed significant under the Significance and Engagement Policy.

**7. Next Steps**

The Policy, once adopted, will be made available to staff and elected members. Staff will then be notified of the updated policy through the council intranet. Training slides are being developed and will be rolled out alongside the updated process that sits beneath this policy.

**8. Attachments**

**Appendix 1 - Fraud, Bribery, and Corruption Policy 2024-26** [↓](#)

**Appendix 2 - Fraud Bribery and Corruption Policy 2024-26 - Tracked Changes** [↓](#)

Report author:



Amelia Lines  
Risk and Procurement Manager  
22/02/2024

Reviewed and authorised by:



Saskia Righarts  
Group Manager - Business Support  
23/02/2024



# Fraud, bribery and corruption policy

<b>Department:</b>	<b>Business Support</b>
<b>Document ID:</b>	568296
<b>Approved by:</b>	Council [Resolution 22.1.7]
<b>Effective date:</b>	25 April 2024
<b>Policy expiration:</b>	25 April 2026
<b>Next review:</b>	January 2026

## Introduction

Central Otago District Council (CODC) employees and representatives are expected to maintain the highest possible standards of honesty and integrity. A zero-tolerance approach to fraud, corruption and bribery is in place and all suspected or actual incidences are investigated. All investigations found to have substance are forwarded to the Police or the Serious Fraud Office.

## Purpose

The purpose of the Fraud, Bribery and Corruption Policy is:

- To detail Council's response to suspected fraudulent or corrupt activities;
- To provide clear guidance to staff and stakeholders who encounter or suspect fraud, bribery and/or corruption;
- To provide clear guidance to staff with responsibilities in relation to investigating and managing reports of suspected or actual fraud, bribery, and/or corruption;
- To ensure ongoing compliance with all relevant legislation; and
- To raise awareness throughout the organisation about how to recognise fraud and corruption, as well as behaviours and circumstances known to be associated with fraud, bribery and corruption.

## Scope

This policy applies to:

- All CODC employees, including temporary, casual, or contracted employees;
- Elected or appointed members of CODC;
- Volunteers or unpaid staff; and
- All activities and services undertaken or delivered by CODC.



This policy does not address instances in which fraud is attempted through a cyber-attack. The Cybersecurity Incident Management Policy must be referred to if such an incident has taken place.

## Definitions

If there is a question as to whether an action constitutes fraud, bribery, corruption or activities of wrongdoing, contact the Group Manager – Business Support for guidance.

Word or phrase	Definition
Fraud	<p>The term 'Fraud' encompasses a wide range of criminal conduct, specifically involving deliberate deception in order to receive unfair, unjustified or unlawful gain. This gain is not specifically limited solely to financial incentives and may include other tangible or intangible benefits. Fraud includes all forms of dishonesty, such as but not limited to the following.</p> <ul style="list-style-type: none"> <li>• Knowingly providing false, incomplete or misleading information to the Council for unfair, unjustified or unlawful gain.</li> <li>• Unauthorised possession, use, or misappropriation of funds or assets, whether belonging to Council or a third party.</li> <li>• Destruction, removal, or inappropriate use of Council property for unfair, unjustified or unlawful gain</li> </ul>
Bribery	<p>The Crimes Act 1961 states that a bribe means "any money, valuable consideration, office or employment or any benefit, whether direct or indirect." Bribery is the practice of offering something in order to gain an illicit advantage by altering the behaviour of the recipient.</p>
Corruption	<p>'Corruption' is defined as a lack of integrity or honesty or the abuse of a position of trust for dishonest gain. This may include, but is not limited to, bribery (both domestic and foreign), coercion, destruction, removal or disclosure of data, materials, assets or similar forms of inappropriate conduct.</p> <p>Examples of corrupt conduct include, but are not limited to:</p>



Word or phrase	Definition
	<ul style="list-style-type: none"> <li>A member of the public influencing or trying to influence a public official, employee, contractor, person seconded to, or any other party that has a business involvement with the Council to use his or her position in a way that is dishonest, biased or in breach of public trust.</li> <li>Any person who has a business involvement with the Council, attempting to or improperly using, the knowledge, power or resources of their position for personal gain. For example, fabrication of a business travel requirement to satisfy personal situations;</li> <li>Knowingly providing, assisting or validating in providing false, misleading, incomplete or fictitious information to circumvent Council's procurement processes and procedures to avoid further scrutiny or reporting.</li> </ul>
Wrongdoing	<p>Serious wrongdoing is defined as:</p> <ul style="list-style-type: none"> <li>A criminal offence such as fraud, theft, assault, or wilful damage</li> <li>A serious risk to the maintenance of the law, including the prevention, investigation and detection of offences and the right to a fair trial</li> <li>A serious risk to public health, public safety or the environment</li> </ul>
Error	<p>There is a distinct divide between the definitions of the term 'fraud' and 'error'.</p> <p>Error refers to an unintentional act or omission, made unknowingly by an individual or group lacking in knowledge or oversight. Error may be an unintentional misstatement of information including the unintentional omission of an account or a disclosure; performing an action that created unexpected or unintentional outcomes or consequences. In contrast, acts of wrongdoing or fraud are deliberate breaches of Council's policies and public trust.</p>

## Policy

Central Otago District Council has a 'zero tolerance' stance toward fraud, bribery and corruption. No level of fraud, bribery and/or corruption in association with the organisation, its employees or stakeholders is accepted. Employees of Central Otago District Council and



those who work around them must pursue the highest possible standards of honesty and integrity whilst conducting their duties; this needs to be visible to the whole Council community and external stakeholders.

Central Otago District Council upholds all laws and regulations relevant to countering fraud, corruption, and bribery in all areas of the organisation. Further, regardless of the guidelines and procedures set, Council and those persons working for and with the organisation, have an overriding obligation to comply with applicable laws and regulations.

Opportunities for fraud, bribery and corruption are minimised through the development, implementation and regular review of the Risk Framework and associated Risk Registers alongside regular fraud awareness training. Council recognises that fraud and corruption prevention and control are integral components of good governance and risk management.

The functions of Fraud Control Officer are fulfilled by the Group Manager – Business Support.

It is recognised that staff and elected or appointed members could commit acts of fraud, bribery, or corruption against CODC or against other external parties. It is also recognised that CODC could be the victim of fraud through acts undertaken by parties external to the organisation. This policy aims to details CODC's approach to such instances.

## Roles and responsibilities

### *Staff*

All members of staff are responsible for immediately reporting suspected fraud, bribery, or corruption should they encounter suspicious or actual fraudulent or corrupt activity. Staff must read and understand this policy in order to maintain awareness of fraud, bribery, and corruption risks and practices.

### *Group Manager – Business Support and General Manager – People and Culture*

The Group Manager – Business Support and General Manager – People and Culture will receive reports of suspected or actual fraud, bribery, or corruption. They will be responsible for providing these reports to the Chief Executive Officer or Independent Chair of the Audit & Risk Committee and supporting and overseeing subsequent investigations.

### *Chief Executive Officer*

The Chief Executive Officer will receive all reports of suspected or actual fraud, bribery, or corruption, unless these reports relate to the Chief Executive Officer.

### *Independent Chair – Audit and Risk Committee*



The Independent Chair of the Audit and Risk Committee will receive notification of any reports of suspected or actual fraud, bribery, or corruption relating to the Chief Executive Officer.

#### *Mayor*

The Mayor will receive notification of any reports of suspected or actual fraud, bribery, or corruption relating to elected or appointed members.

#### *Managers*

Managers are responsible for following the Performance Management Policy and implementing the relevant procedure when instructed by the Group Manager – Business Support and/or General Manager – People and Culture.

## Recognising fraud, bribery, and corruption risks

Generally, there are three conditions associated with the undertaking of fraud, bribery, and corruption. If all three conditions are present in an individual's personal and/or work life, the risk of fraud, bribery, or corruption being perpetrated is increased.

- **Incentives/pressure:** Management, other employees or external parties have an incentive or are under pressure, which motivates them to commit fraud or wrongdoing (for example, personal financial trouble).
- **Opportunities:** Circumstances exist that allow employees to commit fraud or corruption, such as an organisation not having appropriate fraud and corruption controls in place, or employees are able to get around or override ineffective controls (for example, managers being able to approve and authorise their own sensitive expenditure).
- **Attitudes/rationalisation:** Employees are able to rationalise committing fraud (for example, holding attitudes or beliefs such as “everybody else is doing it nowadays” or “they made it so easy for me”).

## Reporting suspected fraud, bribery, or corruption

When a member of staff witnesses or has suspicions about fraud, bribery, or corruption, a report must be immediately made to:

- Group Manager – Business Support **and/or**
- General Manager – People and Culture

Reports of fraudulent or corrupt behaviour or incidents may be related to:

- CODC staff members;





- Elected or appointed members;
- Suppliers (i.e., suppliers of goods, works, or services to CODC, including sub-contractors);
- Members of staff at Council Controlled Organisations;
- Ratepayers, customers, or members of the public; and
- Incidents where the parties involved are not yet confirmed.

Reports may be made via:

- Email
- Phone call
- Face to face meeting

Any member of staff may alternatively make an anonymous report by following the Protected Disclosures (whistleblowing) Policy.

Any member of staff found to have submitted a dishonest or malicious report may be subject to disciplinary proceedings.

## Investigating suspected fraud, bribery, or corruption

When the Group Manager – Business Support and/or General Manager – People and Culture receive a report relating to fraud, bribery, or corruption, the following steps will be undertaken.

- Notification will be made to the Chief Executive Officer of the report received (unless the report relates to the Chief Executive Officer).
- In the event that the report relates to the Chief Executive Officer, notification will be made to the Independent Chair of the Audit and Risk Committee.
- Where the report relates to a member of staff, the relevant line manager will be made aware of the report and the investigation will be undertaken in accordance with the Performance Management Policy. The Group Manager – Business Support and General Manager – People and Culture may decide to appoint an independent manager to undertake the investigation and subsequent performance management process (an independent manager is a manager with no association with the member/s of staff being investigated i.e., is not their manager or group/general manager, and has no personal relationship with the individual/s being investigated).
- Where the report relates to an elected or appointed member, the Mayor will be informed and will work together with the Group Manager – Business Support, General Manager – People and Culture, and the Chief Executive to identify a suitable



investigator. This investigator or investigators may be internal staff members, or external consultants.

- Where the report relates to activity undertaken by an individual outside the organisation, the Group Manager – Business Support and/or General Manager – People and Culture will appoint a sufficiently skilled or experienced member of staff to complete an investigation in order to validate the content of the report. Where this is not possible, the Group Manager – Business Support and/or General Manager – People and Culture may appoint an external consultant to complete this investigation or move straight to the next step.
- The Group Manager – Business Support and/or General Manager – People and Culture will report incidents of suspected or actual fraud, bribery, or corruption to the relevant authorities and parties as and when appropriate. Relevant authorities include the police and the Serious Fraud Office. Relevant parties include a suspected individual's employer.
- Where an investigation confirms there is no basis for suspicion that a fraudulent or corrupt act has taken place, the Group Manager – Business Support and/or General Manager – People and Culture may decide to complete the investigation and not inform any other parties.
- The process undertaken must be appropriately recorded, including minute-taking of relevant meetings. Rationale for decisions made must be documented e.g., where no further action is to be taken, the investigating and overseeing parties must agree that this is appropriate and document the reasons behind this decision.
- The process must be undertaken with due regard for confidentiality.

The Group Manager – Business Support and General Manager – People and Culture will not notify individuals including staff and external parties where such a notification may be classed as tipping off or where doing so may impede any investigation being undertaken.

The Group Manager – Business Support and/or General Manager – People and Culture will immediately inform the police of incidents that are urgent in nature.

## Outcomes

Outcomes of all investigations will be documented for record-keeping purposes and, where appropriate or necessary, action will be taken to improve processes, systems, or staff training and awareness.



In accordance with the Performance Management Policy, investigations may result in staff dismissal in the event that gross misconduct is found to have occurred.

## Relevant legislation

- Secret Commissions Act 1910
- Crimes Act 1961
- Protected Disclosures Act 2022
- Local Authorities (Members' Interests) Act 1968
- Local Government Act 2002

## Related documents

- Fraud, Bribery and Corruption Process
- Performance Management Policy
- Cybersecurity Incident Management Policy
- Procurement Policy
- Protected Disclosures (Whistle Blowing) Policy
- Sensitive Expenditure Policy
- Staff Interests Policy



# Fraud, bribery and corruption policy

Department:	<del>Corporate Services</del> Business Support
Document ID:	568296
Approved by:	Council [Resolution <a href="#">22.1.7</a> ]
Effective date:	<del>25 January 2022</del> April 2024
Policy expiration:	<del>25 January 2024</del> April 2026
Next review:	January <del>2026</del> 2023

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## Introduction

Central Otago District Council ([CODC](#)) employees and representatives are expected to maintain the highest possible standards of honesty and integrity. A zero-tolerance approach to fraud, corruption and bribery is in place and all suspected or actual incidences are investigated. All investigations found to have substance are forwarded to the Police or the Serious Fraud Office.

## Purpose

The purpose of the Fraud, Bribery and Corruption Policy is:

- To ~~provide detail~~ Council's ~~position with respect~~ response to ~~suspected~~ fraudulent or corrupt activities;
- To provide clear guidance to staff and stakeholders who encounter or suspect fraud, bribery and/or corruption;
- ~~To provide clear guidance to staff with responsibilities in relation to investigating and managing reports of suspected or actual fraud, bribery, and/or corruption;~~
- To ensure ongoing compliance with all relevant legislation; and
- To raise awareness throughout the organisation about how to recognise fraud and corruption, as well as behaviours and circumstances known to be associated with fraud, bribery and corruption.

## Scope

~~The policy shall apply to all fraud, bribery and/or corruption incidents, whether suspected, alleged or proven, committed against the organisation by a person (legal or natural). For the avoidance of doubt, any reference to employees or staff in this policy shall include:~~

- ~~An organisation's former employees, volunteers, employees, persons seconded to Council and as appropriate, contractors (individuals, contractor staff, sub-contractors~~



~~or affiliated persons with third parties) members of the public and/or other parties with a business relationship with the Council, including Council-controlled Organisations.~~

~~This policy does not cover Elected Members, who are subject to provisions within the Local Authorities (Members' Interests) Act 1968 and Local Government Act 2002. This policy applies to:~~

- ~~• All CODC employees, including temporary, casual, or contracted employees;~~
- ~~• Elected or appointed members of CODC;~~
- ~~• Volunteers or unpaid staff; and~~
- ~~• All activities and services undertaken or delivered by CODC.~~

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~~This Policy complements the following policies:~~

- ~~• *Protected Disclosures (Whistleblowing) Policy* – This policy enables individuals to report serious wrongdoing enabling the protections available under the Protected Disclosures (Protection of Whistleblowers) Act 2022~~
- ~~• *Performance Management Policy* – This establishes Councils expectations for employee behaviour and outlines disciplinary actions.~~
- ~~• *The Staff Interests Policy* – This establishes the parameters for what Council considers to be a relevant conflict or relationship and provides guidelines for employees to make declarations and/or report their concerns regarding other employees' conflicts or relationships.~~

~~*Sensitive Expenditure Policy* – The policy outlines the procedures surrounding the receiving of gifts and hospitality, providing guidance and a Register for employees to declare gifts.~~

- ~~• This policy does not address instances in which fraud is attempted through a cyber-attack. The Cybersecurity Incident Management Policy must be referred to if such an incident has taken place.~~

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~~These Policies may also require consideration in situations involving Fraud, Bribery and/or Corruption. Whilst such policies often overlap, the key difference is that the acts of fraud, bribery and/or corruption have key elements of dishonesty or unlawful gain.~~

## Definitions

If there is a question as to whether an action constitutes fraud, bribery, corruption or activities of wrongdoing, contact the [General Group Manager – Business Support](#) for guidance.



Word or phrase	Definition
Fraud	<p>The term 'Fraud' encompasses a wide range of criminal conduct, specifically involving deliberate deception in order to receive unfair, unjustified or unlawful gain. This gain is not specifically limited solely to financial incentives and may include other tangible or intangible benefits. Fraud includes all forms of dishonesty, such as but not limited to the following.</p> <ul style="list-style-type: none"> <li>• Knowingly providing false, incomplete or misleading information to the Council for unfair, unjustified or unlawful gain.</li> <li>• Unauthorised possession, use, or misappropriation of funds or assets, whether belonging to Council or a third party.</li> <li>• Destruction, removal, or inappropriate use of Council property for unfair, unjustified or unlawful gain</li> </ul>
Bribery	<p>The Crimes Act 1961 states that a bribe means "any money, valuable consideration, office or employment or any benefit, whether direct or indirect." Bribery is the practice of offering something in order to gain an illicit advantage by altering the behaviour of the recipient.</p>
Corruption	<p>'Corruption' is defined as a lack of integrity or honesty or the abuse of a position of trust for dishonest gain. This may include, but is not limited to, bribery (both domestic and foreign), coercion, destruction, removal or disclosure of data, materials, assets or similar forms of inappropriate conduct.</p> <p>Examples of corrupt conduct include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• A member of the public influencing or trying to influence a public official, employee, contractor, person seconded to, or any other party that has a business involvement with the Council to use his or her position in a way that is dishonest, biased or in breach of public trust.</li> <li>• Any person who has a business involvement with the Council, attempting to or improperly using, the knowledge, power or resources of their position for personal gain. For example, fabrication of a business travel requirement to satisfy personal situations;</li> </ul>



Word or phrase	Definition
	<ul style="list-style-type: none"> <li>Knowingly providing, assisting or validating in providing false, misleading, incomplete or fictitious information to circumvent Council's procurement processes and procedures to avoid further scrutiny or reporting.</li> </ul>
Wrongdoing	<p>Serious wrongdoing is defined as:</p> <ul style="list-style-type: none"> <li>A criminal offence such as fraud, theft, assault, or wilful damage</li> <li>A serious risk to the maintenance of the law, including the prevention, investigation and detection of offences and the right to a fair trial</li> <li>A serious risk to public health, public safety or the environment</li> </ul>
Error	<p>There is a distinct divide between the definitions of the term 'fraud' and 'error'.</p> <p>Error refers to an unintentional act or omission, made unknowingly by an individual or group lacking in knowledge or oversight. Error may be an unintentional misstatement of information including the unintentional omission of an account or a disclosure; performing an action that created unexpected or unintentional outcomes or consequences. In contrast, acts of wrongdoing or fraud are deliberate breaches of Council's policies and public trust.</p>

## Policy

Central Otago District Council has a 'zero tolerance' stance toward fraud, bribery and corruption. No level of fraud, bribery and/or corruption in association with the organisation, its employees or stakeholders is accepted. Employees of Central Otago District Council and those who work around them must pursue the highest possible standards of honesty and integrity whilst conducting their duties; this needs to be visible to the whole Council community and external stakeholders.

Central Otago District Council upholds all laws and regulations relevant to countering fraud, corruption, and bribery in all areas of the organisation. Further, regardless of the guidelines and procedures set, Council and those persons working for and with the organisation, have an overriding obligation to comply with applicable laws and regulations.

Opportunities for fraud, bribery and corruption are minimised through the development, implementation and regular review of the Risk Framework and associated Risk Registers



alongside regular fraud awareness training. Council recognises that fraud and corruption prevention and control are integral components of good governance and risk management.

The functions of Fraud Control Officer are fulfilled by the [General Group Manager – Business Support](#).

[It is recognised that staff and elected or appointed members could commit acts of fraud, bribery, or corruption against CODC or against other external parties. It is also recognised that CODC could be the victim of fraud through acts undertaken by parties external to the organisation. This policy aims to details CODC's approach to such instances.](#)

[If fraud, bribery or corruption is either suspected or occurring, it is to be reported immediately to the General Manager – People and Culture or the General Manager – Business Support who must then to report this to the Chief Executive Officer, unless the complaint relates to the Chief Executive Officer.](#)

[Complaints about the Chief Executive Officer must be reported to the chair of the Audit and Risk Committee.](#)

[Reports may be made anonymously or under the protection of the Protected Disclosures Act 2022 \(also known as whistle blowing\), providing a safe, documented and widely available process for all employees to report fraud.](#)

## Roles and responsibilities

### Staff

[All members of staff are responsible for immediately reporting suspected fraud, bribery, or corruption should they encounter suspicious or actual fraudulent or corrupt activity. Staff must read and understand this policy in order to maintain awareness of fraud, bribery, and corruption risks and practices.](#)

### Group Manager – Business Support and General Manager – People and Culture

[The Group Manager – Business Support and General Manager – People and Culture will receive reports of suspected or actual fraud, bribery, or corruption. They will be responsible for providing these reports to the Chief Executive Officer or Independent Chair of the Audit & Risk Committee and supporting and overseeing subsequent investigations.](#)

### Chief Executive Officer

[The Chief Executive Officer will receive all reports of suspected or actual fraud, bribery, or corruption, unless these reports relate to the Chief Executive Officer.](#)

### Independent Chair – Audit and Risk Committee

[The Independent Chair of the Audit and Risk Committee will receive notification of any reports of suspected or actual fraud, bribery, or corruption relating to the Chief Executive Officer.](#)

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### Mayor

The Mayor will receive notification of any reports of suspected or actual fraud, bribery, or corruption relating to elected or appointed members.

### Managers

Managers are responsible for following the Performance Management Policy and implementing the relevant procedure when instructed by the Group Manager – Business Support and/or General Manager – People and Culture.

## Recognising fraud, bribery, and corruption risks

Generally, there are three conditions associated with the undertaking of fraud, bribery, and corruption. If all three conditions are present in an individual's personal and/or work life, the risk of fraud, bribery, or corruption being perpetrated is increased.

- **Incentives/pressure:** Management, other employees or external parties have an incentive or are under pressure, which motivates them to commit fraud or wrongdoing (for example, personal financial trouble).
- **Opportunities:** Circumstances exist that allow employees to commit fraud or corruption, such as an organisation not having appropriate fraud and corruption controls in place, or employees are able to get around or override ineffective controls (for example, managers being able to approve and authorise their own sensitive expenditure).
- **Attitudes/rationalisation:** Employees are able to rationalise committing fraud (for example, holding attitudes or beliefs such as "everybody else is doing it nowadays" or "they made it so easy for me").

## Reporting suspected fraud, bribery, or corruption

When a member of staff witnesses or has suspicions about fraud, bribery, or corruption, a report must be immediately made to:

- Group Manager – Business Support **and/or**
- General Manager – People and Culture

Reports of fraudulent or corrupt behaviour or incidents may be related to:

- CODC staff members;
- Elected or appointed members;
- Suppliers (i.e., suppliers of goods, works, or services to CODC, including sub-contractors);
- Members of staff at Council Controlled Organisations;

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- Ratepayers, customers, or members of the public; and
- Incidents where the parties involved are not yet confirmed.

Reports may be made via:

- Email
- Phone call
- Face to face meeting

Any member of staff may alternatively make an anonymous report by following the Protected Disclosures (whistleblowing) Policy.

Any member of staff found to have submitted a dishonest or malicious report may be subject to disciplinary proceedings.

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### **Investigating suspected fraud, bribery, or corruption**

When the Group Manager – Business Support and/or General Manager – People and Culture receive a report relating to fraud, bribery, or corruption, the following steps will be undertaken.

- Notification will be made to the Chief Executive Officer of the report received (unless the report relates to the Chief Executive Officer).
- In the event that the report relates to the Chief Executive Officer, notification will be made to the Independent Chair of the Audit and Risk Committee.
- Where the report relates to a member of staff, the relevant line manager will be made aware of the report and the investigation will be undertaken in accordance with the Performance Management Policy. The Group Manager – Business Support and General Manager – People and Culture may decide to appoint an independent manager to undertake the investigation and subsequent performance management process (an independent manager is a manager with no association with the member/s of staff being investigated i.e., is not their manager or group/general manager, and has no personal relationship with the individual/s being investigated).
- Where the report relates to an elected or appointed member, the Mayor will be informed and will work together with the Group Manager – Business Support, General Manager – People and Culture, and the Chief Executive to identify a suitable investigator. This investigator or investigators may be internal staff members, or external consultants.
- Where the report relates to activity undertaken by an individual outside the organisation, the Group Manager – Business Support and/or General Manager –

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People and Culture will appoint a sufficiently skilled or experienced member of staff to complete an investigation in order to validate the content of the report. Where this is not possible, the Group Manager – Business Support and/or General Manager – People and Culture may appoint an external consultant to complete this investigation or move straight to the next step.

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- The Group Manager – Business Support and/or General Manager – People and Culture will report incidents of suspected or actual fraud, bribery, or corruption to the relevant authorities and parties as and when appropriate. Relevant authorities include the police and the Serious Fraud Office. Relevant parties include a suspected individual's employer.
- Where an investigation confirms there is no basis for suspicion that a fraudulent or corrupt act has taken place, the Group Manager – Business Support and/or General Manager – People and Culture may decide to complete the investigation and not inform any other parties.
- The process undertaken must be appropriately recorded, including minute-taking of relevant meetings. Rationale for decisions made must be documented e.g., where no further action is to be taken, the investigating and overseeing parties must agree that this is appropriate and document the reasons behind this decision.
- The process must be undertaken with due regard for confidentiality.

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The Group Manager – Business Support and General Manager – People and Culture will not notify individuals including staff and external parties where such a notification may be classed as tipping off or where doing so may impede any investigation being undertaken.

The Group Manager – Business Support and/or General Manager – People and Culture will immediately inform the police of incidents that are urgent in nature.

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## Outcomes

If it is suspected that wrongdoing has occurred, an internal disciplinary process is undertaken in accordance with Central Otago District Council Performance Management Policy.

All substantiated investigations are passed on to the appropriate authority, being the Police or Serious Fraud Office. Outcomes of all investigations will be documented for record-keeping purposes and, where appropriate or necessary, action will be taken to improve processes, systems, or staff training and awareness.

In accordance with the Performance Management Policy, investigations may result in staff dismissal in the event that gross misconduct is found to have occurred.



### Relevant legislation

- Secret Commissions Act 1910
- Crimes Act 1961
- Protected Disclosures Act 2022
- Local Authorities (Members' Interests) Act 1968
- Local Government Act 2002

### Related documents

- Fraud, Bribery and Corruption Process
- [Performance Management Policy](#)
- [Cybersecurity Incident Management Policy](#)
- Procurement Policy
- Protected Disclosures (Whistle Blowing) Policy
- Sensitive Expenditure Policy
- [Staff Interests Policy](#)

## **24.1.6 2024-34 LONG-TERM PLAN DEFERRAL**

**Doc ID: 1443512**

### **1. Purpose of Report**

To update the Committee on decisions made by Council following the options provided by the Government on the preparation of 2024-34 long-term plans.

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### **Recommendations**

That the Audit and Risk Committee:

- A. Receives the report and accepts the level of significance.
  - B. Notes that Council have resolved to prepare an Annual Plan for the 2024/25 financial year and prepare a long-term plan next year for 2025-34.
- 

### **2. Background**

The Committee has oversight of the preparation of the 2024-34 Long-term Plan. The Committee receives regular updates on progress as well as reviews key documentation prior to them being taken to Council. This paper outlines the Government's recent announcements on how councils can approach the preparation of 2024-34 long-term plans and the approach this Council is going to take.

### **3. Discussion**

On 14 December 2024, the Council received a Ministerial letter regarding the Government's intention to repeal the Three Waters legislation and the options to enable councils to incorporate this change into their 2024-34 Long-term plan (the LTP).

The Three Waters legislation to be repealed includes the Water Services Entities Act 2022, the Water Services Entities Amendment Act 2023, and the Water Services Legislation Act 2023.

The implication of this legislation repeal for the LTP process means councils will need to budget Three Waters for ten years (as opposed to two), produce a Three Waters Activity Management Plan, and re-incorporate the Three Waters into their Infrastructure Strategy. These are all significant pieces of work.

The Council, at the meeting on 28 February 2024, received a report to consider the options provided by the Government contained within Part 8 "Provision relation to Water Services Acts Repeal Act" of the Local Government Act 2002.

These options were:

- status quo and adopt by 30 June 2024
- delay up to three months and adopt by 30 September 2024
- proceed with any of the above options, together with the additional option of an unaudited Consultation Document
- defer their adoption of the LTP by 12-months, and instead prepare an 'enhanced' 2024-25 Annual Plan (the AP). This is conditional upon:

- an order from Council must be obtained by 30 April 2024
- compulsory public consultation of the Annual Plan
- for this Council the only enhancement listed in the Bill which is over and above our standard Annual Plan document, was the inclusion of significant negative effects for each activity which is usually only included in the LTP document.

A copy of this report can be found in **appendix 1**.

The Council resolved the following:

- A. Receives the report and accepts the level of significance.
- B. Notes the legislative options provided by the Water Services Acts Repeal Bill for the delivery of the 2024-34 Long-term Plan.
- C. Agrees to defer adopting the 2024-34 Long-term Plan by 1-year in accordance with the clauses contained within Part 8 “Provisions relating to Water Services Acts Repeal Act 2024” of the Local Government Act 2002.
- D. Authorise the Chief Executive Officer to do all that is necessary to give effect to this resolution.

The organisation has now switched from an LTP to an Annual Plan process. The deadline to reach the adoption of the 2024-25 Annual Plan by 30 June 2023 will be tight.

Council staff's work on the 2024-34 LTP process will not be redundant. Once the 2024-25 Annual Plan process is complete, staff will then revert to continuing work for what will then become the 2025-34 LTP.

The Audit and Risk Committee will receive their next 2025-34 LTP programme update at their 4 October 2024 meeting.

#### 4. Attachments

##### Appendix 1 - Council Report - 28 February 2024 [↓](#)

Report author:



Christina Martin  
Project Manager - Organisational  
29/02/2024

Reviewed and authorised by:



Saskia Righarts  
Group Manager - Business Support  
29/02/2024



28 February 2024

## 24.2.28 OPTIONS FOR THE DELIVERY OF 2024-34 LONG-TERM PLAN

Doc ID: 1425726

### 1. Purpose of Report

To consider the options provided by the Government for the delivery of the 2024-34 Long-term Plan.

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### Recommendations

That the Council

- A. Receives the report and accepts the level of significance.
- B. Notes the legislative options provided by the Water Services Acts Repeal Bill for the delivery of the 2024-34 Long-term Plan.
- C. Agrees to defer adopting the 2024-34 Long-term Plan by 1-year in accordance with the clauses contained within Part 8 "Provisions relating to Water Services Acts Repeal Act 2024" of the Local Government Act 2002.
- D. Agrees to progress with the development of an Annual Plan for the financial year 2024/25.
- E. Authorise the Chief Executive Officer to do all that is necessary to give effect to this resolution.

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### 2. Background

On 14 December 2024, the Council received a Ministerial letter regarding the Government's intention to repeal the Three Waters legislation and the options to enable councils to incorporate this change into their 2024-34 Long-term plan (the LTP).

The Three Waters legislation to be repealed includes the Water Services Entities Act 2022, the Water Services Entities Amendment Act 2023, and the Water Services Legislation Act 2023.

The implication of this legislative repeal for the LTP process means councils will need to budget Three Waters for ten-years (as opposed to two), produce a Three Waters Activity Management Plan, and re-incorporate the Three Waters into their Infrastructure Strategy. These are all significant pieces of work.

The Government's options contained in the December letter to assist with meeting LTP deadlines are:

- status quo and adopt by 30 June 2024
- delay up to three months and adopt by 30 September 2024
- proceed with any of the above options, together with the additional option of an unaudited Consultation Document.

On 12 February 2024, the Government provided a further update. The Government confirmed their intentions to repeal the Three Waters legislation by passing the Water Services Acts Repeal Bill (the Bill) by 27 February 2024. Within this Bill there was another option to assist with LTP.

This additional option is for councils to:

- defer their adoption of the LTP by 12-months, and instead prepare an 'enhanced' 2024-25 Annual Plan (the AP). This is conditional upon:
  - an order from Council must be obtained by 30 April 2024
  - compulsory public consultation of the Annual Plan

Central Otago District Council already provides additional information in the Annual Plan documentation so the only additional information required for the 'enhanced' annual plan is the inclusion of significant negative effects for each activity (which is easily obtainable).

The purpose of this report is for the Council to consider these options for the delivery of the LTP.

### 3. Discussion

There are several key issues to consider when determining which option to proceed with. These key issues are considered below.

#### Human Resources

*A standard LTP process increases pressure on staff throughout the organisation. This LTP process has been far from a standard process which has put further strain on staff. This is particularly present in the finance and three water teams.*

With current resourcing levels, it is not possible to meet the status quo option of adoption of the LTP by the 30 June 2024 deadline, with or without an audited Consultation Document.

Under the two or three-month delay options, there will be a compounding effect on the finance team regarding the LTP, Annual Report, and Annual Plan cyclical workload. This will be high under the two or three-month delay options, but eliminated under the Annual Plan option.

Under the 2024-25 Annual Plan option, a switch of direction will impact more staff. Work for staff will initially remain high. There will be an initial shift to quickly comparing what was in Year 4 of the 2021-31 LTP to what was proposed in Year 1 of the draft 2024-34 LTP. Then switching to a developing Annual Plan process which overall requires less organisational wide input.

Work to date on the LTP process will not be redundant. Once the 2024-25 Annual Plan process is complete, staff will then revert to continuing work for what will then become the 2025-34 LTP.

#### Rates Instalments

*A delay in adopting an LTP will have an impact on when the rates can be struck and invoiced. The current process requires adoption by 30 June 2024, strike rates by 15 July 2024, invoice by 20 July 2024, with payment due by 20 August 2024.*

Under a three-month delay option, there is provision under Section 50 of the Local Government (Rating) Act 2002 for a Local Authority to deliver the first rates instalment invoice based on 25% of the previous year if it is not able to adopt the Annual Plan by 30 June in a given year.

Invoicing based on the previous year rates strike will not capture new rating parcels of land (rating plates) created since 1 July 2023. It will also mean that any rates increase will be spread over three instalments, not four.



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Under a two-month delay option, it is proposed that rates are not struck or invoiced until after the adoption of the LTP. This will mean that there will be a delay of two-months until ratepayers will receive an invoice. However, new rating units from 1 June 2023 will be captured, and any rate increase will be spread over the four instalments.

Going ahead with either the two or three-month delay options will require a comprehensive communication plan together with a flexible approach towards payment deadlines. For example, ratepayers with direct debits could be offered the ability to keep payments at the same rate as last year or increase these.

There is a risk here that even with the best communication plan in place, these options will create uncertainty in terms of budgeting for rate payments. This would be especially stressful for members of our community who are already under financial pressure due to the current tough economic climate.

Under the 2024-25 AP option, it will be status quo. After the adoption of the Annual Plan the rates will be struck and invoiced as we do normally in July 2024 with payment due in August 2024.

**Audit New Zealand**

*It is a legislative requirement for an LTP to be audited. This audit includes a review of the draft Activity Management Plans, various strategies and policies related to the LTP, Consultation Document, and the final LTP publication. It is an ongoing challenge for councils to align with Audit New Zealand's resource availability, costs, and the level of an auditor's experience together with their interpretation of the review expectations and still meet legislative deadlines.*

Under the two-month delay option, there will not be time to allow for the audit of the Consultation Document. Under the three-month delay option, there is.

Under the 2024-25 AP option, auditing is not required.

Audit New Zealand has provided the following advice concerning their approach and risk assessment for councils to consider when deciding whether to take the option of having an unaudited Consultation Document (CD).

*"Your auditor still needs to form a view as to what are the major matters that Council intends to consult on in their CD – as this will directly inform your opinion on whether the LTP is fit for purpose, notwithstanding the fact you won't be receiving an opinion on the CD.*

*We believe the impact of not performing a CD audit will have a marginal impact on the audit effort required and consequently audit fees. While councils can choose whether to have their CDs audited, most of the work we normally do at the CD stage of the audit goes directly to the audit opinion on the LTP.*

*Where a council elects not to have its CD audited, while we won't issue an audit opinion on the CD, the audit of the assumptions, underlying information, financial model, performance framework, infrastructure strategy, and financial strategy still needs to take place at the time the CD is being put together. Delaying this work until the LTP stage of the audit increases the risk of audit issues arising that are unable to be resolved before the LTP is adopted.*

*We expect councils and auditors to work together at the CD phase of the audit to ensure sufficient assurance is provided over these fundamental aspects of the LTP in a timely fashion."*

**Development and Financial Contributions Policy**

*The purpose of this policy is to ensure the fair, equitable, and proportionate share of increased costs of assets and services provided by the Council due to growth is funded by development. Legislation requires a review of this policy during the LTP process, and a special consultative procedure undertaken.*

*Through planning for the 2024-34 LTP it was proposed that a review of the development contributions was undertaken for network infrastructure (water supplies, wastewater and transport) and financial contributions for reserves to better align with actual project costs.*

Under the two or three-month delay options, a full review described above will be achieved.

Under the 2024-25 AP option, it is likely there will only be enough time and resources to achieve an initial review of current charges, with a full review next year.

There is an additional option contained within the Bill for local authorities taking the 2024-25 AP option to extend their current Development and Financial Contribution Policy so that the period to which it applied to ends on 30 June 2025 to align with adoption of the new LTP.

**Fees and Charges**

*The Council's Fees and Charges Schedule is reviewed annually either through the LTP or AP process.*

Under the two or three-month delay options, there would have needed to be a two-step process for implementation of these fees. Adoption of fees and charges which don't have cost recovery components would occur before 30 June 2024. Adoption of fees and charges which are based on cost recovery (i.e Resource Consent Fees) would then be implemented from the adoption of the 2025-34 LTP.

Under the 2024-25 AP option, all the fees and charges will be adopted in one step alongside the adoption of the AP.

**Local Body Elections**

*The next local body elections will be held in October 2025.*

Under the two or three-month delay options, the LTP 2025-34 consultation and adoption will be very close to the local body elections. Therefore, there is a risk to the current elected members if they wish to run for re-election if the community forms a bias due to decisions that will be required to be made during the LTP process.

Through the 2024-34 LTP process to date, it was identified that a potential item requiring public consultation is the districtisation of more council activities.

Under the 2024-25 AP option, it is proposed that there would be a separate conversation with the Council on this matter and the Council may decide to undertake a special consultation procedure, late 2024.

**Waka Kotahi Funding**

*Alongside the LTP for Roading, Council must also develop and submit its 3-year Land Transport Plan to its co-funder, Waka Kotahi (who fund 51% of qualifying projects). These two plans are one in the same, albeit working to slightly different timeframes. The Transport Plan for 2024-27 was submitted to Waka Kotahi in December 2024. From past experience there is a high risk that the that the decision on funding will not be released until after 30 June 2024.*

Under the two or three-month delay options, there is still a risk that the decision on Waka Kotahi funding will not be available in time for incorporation into the LTP budgets.

Under the 2024-25 AP option, it is unlikely that the Waka Kotahi funding decision will be available in time to be incorporated into the AP. However, it will be available for incorporation into the 2025-34 LTP.

**Three Waters Regulation**

*On 14 February a webinar was held in which the Government provided local authorities with their 12–18-month plan for the implementation of the Local Water Done Well. Within this presentation the Government signalled that there is going to be higher economic regulation for Three Waters soon.*

Under the two or three-month, there will not be enough time to incorporate the impact of this high economic regulation into the LTP. There is also an additional risk that the economic regulation might be to a level which then triggers the need to undertake an amended LTP.

Under the 2024-25 AP option, the impact of the economic regulation will be able to be incorporated into the 2025-34 LTP.

**Volumetric Charging**

*As part of the LTP process, a review of the volumetric charging was being considered. The current volumetric charge is low, and the uniform annual charge is high compared to other councils. With volumetric charging, people are charged for what they use, and because the volumetric charge is so low, this may not achieve the demand management outcomes desired for some high-demand properties, or those who were able to pay. With higher uniform annual charging, every property ends up paying more, instead of just those who have high water use.*

Under the two or three-month options, there is time and staff resources to achieve a review of the volumetric charging for water.

Under the 2024-25 AP option, there is a risk that due to time and staff resources, this review will not be achieved in time for public consultation. It would then be picked up again within the 2025-34 LTP process.

**Public Consultation vs LTP amendments**

*When considering if an item should be included in a LTP or AP Consultation Document regard to significance under the Council's Significance and Engagement Policy and legislated under the Local Government Act 2002 must be applied. The Council's Significance and Engagement Policy was reviewed and adopted for consultation as part of the 2024-34 LTP process.*

Under all options, it is proposed that the Significance and Engagement Policy will be part of the consultation process as a supporting document.

Under the AP, consideration must be given to what changes from Year four of the LTP 2021-31 are proposed in the draft Year 1 2024-34 LTP (now 2024-25 AP) will trigger consultation and if this trigger will require a further level of engagement held with in legislation that will require an amendment to the 2021-31 LTP thus triggering the full LTP process nevertheless.

A high-level comparison of budgets described above has been made. Legal advice has been received that the likelihood of triggering an amendment to an 2021-31 LTP is low. The potential changes discussed will either trigger the need to be a part of the consultation document or are not at a significant deviation away from year four of the 2021-31 LTP thus no consultation is required. While this risk is low, it will however need to be managed as the AP process develops.

**District and Council Vision**

*The project to create a district vision is underway and due to be completed mid-2024. The project to create a Council Vision is also underway. This project is planned to follow after the District Vision and be completed by the end of 2024. These two visions will provide the strategic foundations of an LTP.*

Under the two or three-month delay options, these strategic views will not be able to be incorporated into the LTP.

Under the 2024-25 AP option, these strategic views will be incorporated into the LTP.

With investigations ongoing into possible districtisations, a delay to the LTP would let this work be consulted on via a special consultative procedure which could occur in August 2024. The outcome and decisions arising from that consultation could then be worked into the 2025-34 LTP process.

**4. Financial Considerations****Audit New Zealand Fees**

Audit New Zealand has released their fee strategy for the LTP. Audit New Zealand acknowledge that further work in how fees are charged to Council is required. However, this work is due to be completed in the near future. For this LTP they have put a maximum increase of 23% on the agreed audit fee for 2021-31 LTP. The cost to audit the 2021-31 LTP was \$98,500 excluding GST.

Under an 2024-25 AP option, neither the consultation document nor the AP is audited. The increased audit fee will be delayed for a year. This will provide an opportunity to budget for this expense accordingly.

**Operation of Council between 30 June 2024 and LTP adoption**

Under the two or three-month delay options, there is going to be a gap between 30 June 2024 and the adoption of the LTP. Taituarā has advised councils to continue to operate under the approved budget within year 4 LTP 2021-31 during this time. Any new construction contracts or projects proposed in the 2024-34 LTP will need to be put on hold until adoption.

Under the 2024-25 AP option, this gap does not occur.

**5. Options**Option 1 – (Recommended)

Delay the adoption of the 2024-34 Long-term Plan by one year (the 2024-25 Annual Plan option).

Advantages:

- The overall impact on council staff is reduced
- The regular rates strike and invoicing cycle remains
- Audit New Zealand is not involved in an AP process reducing costs and impacts on staff time for this year
- Audit New Zealand fee increase can be budgeted for within the LTP
- All fees and charges will be adopted in one step along with the 2024-35 AP
- The Waka Kotahi funding decision can be incorporated into the 2025-34 LTP

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- The impact of the Government's Three Water economic regulation can be incorporated into the 2025-34 LTP
- There will be no gap between adoption and striking rates therefore the operation of council will not be affected  
The District and Council Vision projects will be completed in time for these strategic views to be incorporated into the 2025-34 LTP.

## Disadvantages:

- There will only be enough time and resources to achieve an initial review of the Development and Financial Contribution Policy's existing charges
- The 2025-34 LTP consultation and adoption will be close to the local body elections
- The volumetric water charge review might be delayed a year
- The risk that changes away from Year four of the 2021-31 LTP budgets in the proposed Annual Plan will trigger an amendment LTP and will need to be managed as part of the Annual Plan process.

Option 2

Delay the adoption of the 2024-34 LTP by two months, to 30 August 2024.

## Advantages:

- Delay to striking and rating invoice cycles are minimised compared to a delay to 30 September 2024.
- A full review of the Development and Financial Contributions Policy will be achieved
- The volumetric charging review will be achieved.

## Disadvantages:

- Moderate impact on council staff
- Moderate impact on the rates invoicing cycle. A comprehensive communication plan will be required
- Audit New Zealand will be engaged to audit the LTP documentation but not the Consultation Document. The risks associated with Audit New Zealand described above will remain together with their costs
- There will be a two-step process for implementation of the fees and charges
- The Waka Kothai funding decision may not be available in time for incorporation into the LTP
- The impact of the Government's Three Water economic regulation is unlikely to be available in time for incorporation into the 2024-34 LTP. The risk these changes will then trigger the requirement to undertake an amended LTP in the coming two years remains
- There will be a two month between adoption and striking rates therefore the operation of council will be impacted
- The District and Council Vision projects will not be completed into time for these strategic view to be incorporated into the 2024-34 LTP.

Option 3

Delay the adoption of the 2024-34 LTP by three months, to 30 September 2024.

## Advantages:

- A full review of the Development and Financial Contributions Policy will be achieved
- The volumetric charging review will be achieved

## Council meeting Agenda

28 February 2024

- To mitigate some of the risks associated with an unaudited consultation document, staff were proposing to request Audit New Zealand audit the LTP alongside the consultation document.

## Disadvantages:

- This option has the highest impact on the finance department resources, moderate impact on balance
- This option has the highest impact to the striking rates and invoicing cycle. A comprehensive communication plan will be required
- The remaining risks associated with Audit New Zealand LTP audit described in the discussion will remain together with their costs
- There will need to be a two-step process for implementation of the fees and charges
- The Waka Kothai funding decision may not be available in time for incorporation into the LTP
- The impact of the Government's Three Water economic regulation is unlikely to be available in time for incorporation into the LTP. The risk these changes will then trigger the requirement to undertake an amended LTP in the coming two years remains
- There will be a three month between adoption and striking rates therefore the operation of council will be impacted
- The District and Council Vision projects will not be completed into time for these strategic view to be incorporated into the 2025-34 LTP.

Option 4

Do not delay the adoption of the 2024-34 LTP.

## Advantages:

- None.

## Disadvantages:

- This option is not possible due to resourcing constraints.

**6. Compliance**

<b>Local Government Act 2002 Purpose Provisions</b>	This decision enables democratic local decision making and action by, and on behalf of communities by considering the options provided by the Government in the delivery of the Long-term Plan 2024-34.
<b>Decision consistent with other Council plans and policies? Such as the District Plan, Economic Development Strategy etc.</b>	Yes, this decision gives effect to Council's Register of Delegations.
<b>Considerations as to sustainability, the environment and climate change impacts</b>	This decision does not impact on the sustainability, environmental, and climate change of district.
<b>Risks Analysis</b>	The risks associated with this decision is outlined in the discussion and options above.
<b>Significance, Consultation and Engagement (internal and external)</b>	All options considered within this paper will be required to follow a special consultative procedure provided for within the Local Government Act 2002.

**7. Next Steps**

- The 2024-25 Annual Plan process is actioned
- The adoption of the 2024-25 Annual Plan
- The 2025-34 Long-term Plan process recommences

**8. Attachments**

**Nil**

Report author:



Christina Martin  
Project Manager - Organisational  
21/02/2024

Reviewed and authorised by:



Saskia Righarts  
Group Manager - Business Support  
22/02/2024

## 24.1.7 PRIVACY POLICY REVIEW

Doc ID: 654190

### 1. Purpose

To provide an update on the review of the Privacy Policy.

-----

### Recommendations

That the report be received.

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### 2. Discussion

The current Privacy Policy was due for review in March 2023. The Government Privacy Officer also recommended an internal audit against the Privacy Maturity Assessment Framework (PMAF). This was conducted in June 2022 and resulted in a recommendation that Council formalise privacy policy, procedures, and guidelines.

In addition to this review of the Privacy Policy, Council has strengthened its approach to privacy with the following tools:

- Privacy Breach Notification Procedure (internal use)
- Request for Personal Information Procedure (internal use)
- Personal Information Collection, Use and Sharing Guidelines
- LGOIMA Request Policy
- LGOIMA Request Procedure (internal use)
- Redaction Guidelines (internal use)
- CCTV Policy.

Changes to the policy following this review include:

- Minor changes to align with latest terminology and documents.
- The addition of responsibilities and accountabilities section.
- The addition of breaches to this policy section.
- Additional formalised privacy related documents mentioned above.

### 3. Attachments

**Appendix 1 - Privacy Policy 2024-2027** [↓](#)



Report author:



Nathan McLeod  
Chief Information Officer  
25/02/2024

Reviewed and authorised by:



Saskia Righarts  
Group Manager - Business Support  
25/02/2024



# Privacy Policy

<b>Department:</b>	Information Services
<b>Document ID:</b>	574137
<b>Approved by:</b>	General Manager – Business Support
<b>Effective date:</b>	March 2024
<b>Next review:</b>	March 2027

## 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 manages, protects, and respects 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 Elected Members, 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.

Staff may only access, use, or share information that Council holds for the express purposes of conducting the role for which they are employed by Council, or with the authorisation of the person which the information relates to, and in keeping with the conditions of the Code of Conduct.



## Definitions:

**Consent** - Refers to authorisation from the individual concerned or their personal or legal representative.

**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. This may include photographs, videos or audio recordings, and camera surveillance.

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

## 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.



## 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.

## Responsibilities and Accountabilities:

This policy applies to all employees including contractors and consultants. The following positions have additional responsibilities:

### Chief Executive

The Chief Executive is responsible for ensuring that privacy practice in Council meets statutory requirements and adds value to the business operations of the Council. Ultimate responsibility for the success of the policies rests with the Chief Executive.

### Executive Leadership Team

- The Executive Leadership Team is responsible for the direction and support of privacy at Council and ensuring it conforms to statutory and business requirements.
- Support and foster a culture that promotes good privacy practices.

### Executive Sponsor

The Executive Sponsor is responsible for:

- Oversight of privacy.
- Ensuring adequate skilled privacy resources are available to implement policy.
- Monitoring, reviewing, and reporting on the Digital and Information Strategy and the Privacy Policy to ensure it meets business needs and supports compliance.

### Privacy Officer

Council has a designated Privacy Officer who is responsible for:

- Assisting elected members and staff in managing personal information requests.
- Liaising with business units to ensure that privacy is integrated into work processes, systems, and services.
- Requests for information received.
- Complaints made about Council's actions or procedures.
- Ensuring all new employees receive privacy induction and training.
- Chairing the Privacy Champions Advisory Group.
- Establishing privacy standards, procedures, and good practices for Council as a whole.
- Managing Privacy Breaches processes.



### Chief Information Officer

Chief Information Officer is responsible for:

- Monitoring, reviewing, and reporting on privacy to ensure that it is implemented, transparent, and meets business needs.
- Overseeing the budget for privacy as part of Information Services.
- Ensuring privacy responsibilities are identified and assigned in job descriptions, performance plans and service agreements.
- Ensuring adequate skilled privacy resources are available to implement policy.

### Activity Managers

Activity Managers are responsible for:

- Proactively engaging and collaborating with Information Services in the design and maintenance of privacy systems and practices throughout the Council.
- Ensuring privacy is integrated into work processes, systems, and services.

### Information Services Team

Members of the Information Services department are responsible for assisting the Executive Sponsor, Privacy Officer, and Chief Information Officer with their responsibilities, as appropriate, and setting an example in privacy standards, procedures, and good practices within the Council.

### Council employees

All employees need to be aware of cybersecurity requirements that affect the performance of their duties. It is expected that employees will:

- Comply with privacy standards, procedures, and good practices.
- Promote good privacy practices to peers.

## Breaches of this policy:

Breaches of this policy may be considered misconduct. Misconduct may result in disciplinary action under the [Performance Management Policy](#).

## 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:

Staff Delegations Manual (Internal use)

Privacy Breach Notification Procedure (Internal use)

Request for Personal Information Procedure (Internal use)

Personal Information Collection, Use and Sharing Guidelines



[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](#)  
LGOIMA Request Policy  
LGOIMA Request Procedure (Internal use)  
Redaction Guidelines (Internal use)  
CCTV Policy  
[Standing Orders 2022-2025 \(Section 12\)](#)

## 24.1.8 LGOIMA REQUEST POLICY REVIEW

Doc ID: 1430248

### 1. Purpose

To provide an update on the review of the Local Government Official Meeting Act (LGOIMA) Request Policy.

---

### Recommendations

That the report be received.

---

### 2. Discussion

The Local Government Official Meeting Act (LGOIMA) Request Policy was due for review in March 2023.

The review has been carried out, with minor changes to format and style. The policy remains fit for purpose.

### 3. Attachments

#### Appendix 1 - LGOIMA Request Policy 2024-2027 [↓](#)

Report author:

Reviewed and authorised by:



Nathan McLeod  
Chief Information Officer  
4/01/2024



Saskia Righarts  
Group Manager - Business Support  
25/02/2024



# LGOIMA Request Policy

<b>Department:</b>	Information Services
<b>Document ID:</b>	576702
<b>Approved by:</b>	General Manager – Business Support
<b>Effective date:</b>	March 2024
<b>Next review:</b>	March 2027

## 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 as per the Staff Delegation Manual 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, 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, Council will discuss this with the requester in order 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:

LGOIMA Request Procedure (Internal use)

Staff Delegations Manual (Internal use)

LGOIMA Request Training and Induction Guidelines (Internal Use)

Privacy Policy

Privacy Breach Notification Procedure (Internal use)

Request for Personal Information Procedure (Internal use)

Redaction Guidelines (Internal use)

## 24.1.9 USE OF ARTIFICIAL INTELLIGENCE POLICY

Doc ID: 1458414

### 1. Purpose

To inform the Committee about the development of the Use of Artificial Intelligence Policy.

---

### Recommendations

That the report be received.

---

### 2. Discussion

Artificial Intelligence is increasingly being used in different sectors. There are both benefits and risks for using Artificial Intelligence (AI) for various Council functions. As such a policy has been drafted.

This policy highlights the risk, while providing guidance on the use of AI at Council.

To mitigate the risks associated with AI, the implementation of the policy will include staff awareness and training, along with adopting approved AI that takes into consideration cybersecurity, information management, privacy, and technology legislation, regulations, and requirements.

### 3. Attachments

#### Appendix 1 - Use of Artificial Intelligence Policy 2024-2025 [↓](#)

Report author:

Reviewed and authorised by:



Nathan McLeod  
Chief Information Officer  
19/02/2024



Saskia Righarts  
Group Manager - Business Support  
26/02/2024

# Use of Artificial Intelligence Policy



<b>Department:</b>	Information Services
<b>Document ID:</b>	1458310
<b>Approved by:</b>	General Manager – Business Support
<b>Effective date:</b>	March 2024
<b>Next review:</b>	March 2025

## Purpose:

The purpose of this policy is to establish guidelines for the use of artificial intelligence (AI) such as ChatGPT, Bard, Bing, or other similar tools, by employees, contractors, temporary staff, elected members, or other third parties, hereafter referred to as 'employee' of our Council. This policy is designed to ensure that the use of AI is ethical, lawful, and in compliance with all applicable laws, regulations, and Council policies.

## Principles and objectives:

While Council acknowledges the potential of AI, it's recognised that advanced technologies can raise important challenges that must be addressed clearly, thoughtfully, and responsibility. These AI Principles describe our commitment to using such technologies responsibly.

- **Ethical and lawful** - Council employees will employ AI in a manner that respects human rights, dignity, and public trust. Councils use of AI will fully comply with legalisation, policies and procedures that protect privacy of our customers and our community's information.
- **Privacy and security** - Privacy is considered as a starting point by employees for responsible use of AI tools. The protection of Council's information and information systems is paramount when employing AI.
- **Reliable and professional** – High quality and trustworthy data and information is critical to the use of AI. The use of that data and information must be ethical and legal.

## Scope:

This policy applies to all employees, contractors, temporary staff, or third parties with access to artificial intelligence (AI), whether through council-owned or contractor devices in pursuit of Council activities.

Specific responsibilities are detailed in the 'responsibilities and accountabilities' section of this policy.

Council does not engage in the development of AI and will employ and source AI as per Council policies.



## Definitions:

Artificial intelligence (AI) refers to information systems that do tasks which seem like intelligent behaviour, such as finding patterns or categorising. This includes generative AI tools, as well as other systems that interpret data or automate tasks.

## Policy:

### Use of AI

Employees are authorised to use approved AI for work-related purposes. This includes tasks such as generating text or content for reports, emails, presentations, images, and customer service communications.

### Copyright

Employees must adhere to copyright laws when utilising AI. It is prohibited to use AI to generate content that infringes upon the intellectual property rights of others, including but not limited to copyright material. **If an employee is unsure whether a particular use of AI constitutes copyright infringement, they should contact the legal advisor or Information Services for guidance.**

### Accuracy

All information generated by AI must be reviewed and edited for accuracy prior to use. Employees using AI are responsible for reviewing output, and accountable for ensuring the accuracy of AI generated output before use/release. **If an employee has any doubt about the accuracy of information generated by an AI, they should not use the information generated by the AI.**

### Confidentiality

Confidential information must not be entered into an AI tool, as information may enter the public domain. Employees must follow all applicable data privacy laws and organisational policies when using AI. **If an employee has any doubt about the confidentiality of information, they should not use the information generated by the AI, they should not use the information generated by the AI.**

### Ethical Use

AI must be used ethically and in compliance with all applicable legislation, regulations, and Council policies. Employees must not use AI to generate content that is discriminatory, offensive, or inappropriate. If there are any doubts about the appropriateness of using AI in a particular situation, employees should consult with their supervisor or People and Culture.

### Label

Content produced via AI, that has not been edited (refer to the Accuracy section) must be identified and labelled or footnoted as containing AI information.

**Footnote example: Note:** This document contains AI generated content.



## Limitations

Employees should note the limitations of AI, including known issues with diversity and inclusion. Steps should be taken to ensure the use of AI does not have a discriminatory impact.

## Risk:

The use of AI has inherent risks that employees should be aware of. These risks include, but are not limited to:

## Legal

Information entered into AI may enter the public domain. This can release non-public information and breach regulatory requirements, customer, or vendor contracts, or compromise intellectual property. Any release of private/personal information without the authorisation of the information's owner could result in a breach of the principles of the Privacy Act 2020, specifically:

- Principle 5 – Storage and security of information.
- Principle 9 – Limits on retention of personal information.
- Principle 10 – Use of personal information.
- Principle 11 – Disclosing personal information.
- Principle 12 - Disclosure outside New Zealand.

Any unauthorised release of personal information and records may result in a breach of the principles of the Information and Records Management Standard issued under s27 of the Public Records Act 2005 and Councils Information and Records Management Policy.

- Information and records must be protected from unauthorised or unlawful access, alteration, loss, deletion and/or destruction.
- Access to, use of and sharing of information and records must be managed appropriately in line with legal and business requirements.

## Accuracy

AI relies upon algorithms to generate content, and there is a risk that AI may generate inaccurate or unreliable information. Employees should exercise caution when relying on AI generated content and should always review and edit responses for accuracy before utilising the content. If an employee has any doubt about the accuracy of information generated by an AI, they should not use the information generated by the AI.

## Bias

AI may produce biased, discriminatory, or offensive content. Employees should use AI responsibly and ethically, in compliance with Council policies and applicable laws and regulations.



## Security

Once data and information is entered into the AI, Council may lose control. If sensitive data and information is stored in AI platforms, these could be at risk of being breached or hacked. The use of approved AI reduces this risk.

## Data sovereignty

While an AI may be hosted internationally, information created or collected in New Zealand, under data sovereignty rules, is still under jurisdiction of New Zealand laws. The reverse also applies. If information is sourced from an AI hosted overseas for use in New Zealand, the laws of the source country regarding its use and access may apply. AI service providers should be assessed via the Information Services Assessment for data sovereignty practice by any organisation wishing to use an AI.

## Approved AI:

As per the Cybersecurity Policy and associated Asset Management Standard, an inventory of all authorised platforms and applications is created and maintained.

AI applications and platforms should be reviewed and approved for use at CODC as per the Information Services Assessment process. This assessment can also be included in procurement processes.

Once approved, AI applications and platforms will be added to the Approved Applications Register, this includes platforms, services, or Web Applications (Apps).

IS also undertake regular reviews of Applications used by staff to determine use.



## Guidelines:

### Do use

- Do use AI for presentations
- Do use AI for analysing public data
- Do use AI responsibly and ethically

### Don't use

- Don't use AI for confidential information
- Don't use AI to store public records
- Don't use AI for private customer records

### Be

- Be careful when analysing data that the AI is only using the data you have provided/specifiied
- Be careful that the use of AI does not breach copyright or intellectual rights
- Be aware of AI risks around confidentiality, accuracy, bias and security





## Responsibilities and Accountabilities:

This policy applies to all employees including contractors and consultants. The following positions have additional responsibilities:

### CEO and Executive Leadership Team

The Executive Leadership Team is responsible for the direction and support of AI at Council and ensuring it conforms to ethical, legal, and business requirements.

### Chief Information Officer

Chief Information Officer is responsible for:

- Oversight of AI across Council.
- Liaising with business units to ensure that AI is appropriately used within work processes, systems, and services.
- Ensuring all existing and new employees receive and understand this policy, risks, and guidelines.
- Support council with the design and maintenance of AI.

### Activity Managers

Activity Managers are responsible for:

- Ensuring when AI is integrated into work processes, systems, and services it's appropriately used.
- Ensuring employees read and understand this policy, risks, and guidelines.
- Proactively engage and collaborate with Information Services in the design and maintenance of AI.

### Information Services Team

Members of the Information Services department are responsible for assisting the Executive Leadership Team, Chief Information Officer, and Activity Managers and with their responsibilities as outlined in this policy.

### Council employees

All employees need to be aware of AI policy, risks, and guidelines that affect the performance of their duties. It is expected that employees will:

- Will read and understand this policy.
- Will employ AI in a manner as outlined within this policy.

## Breaches of this policy:

Breaches of this policy may be considered misconduct. Misconduct may result in disciplinary action under the [Performance Management Policy](#).

## Relevant legislation:

- [Human Rights Act 1993](#)
- [Privacy Act 2020](#)
- [Public Records Act 2005](#)
- [Local Government Official Information and Meetings Act 1987](#)



## Related documents:

- Cybersecurity Policy
- Equal Employment Opportunity (EEO), Discrimination, Harassment and Bullying Policy
- Information and Records Management Policy
- LGOIMA Request Policy
- Privacy Policy
- Procurement Policy
- Risk Management Policy

## 24.1.10 CYBERSECURITY POLICY REVIEW

Doc ID: 1457409

### 1. Purpose

To provide an update on the review of the Cybersecurity Policy.

---

### Recommendations

That the report be received.

---

### 2. Discussion

As part of Council's Cybersecurity Plan 2022-2025, to strengthen cybersecurity, a responsibilities and accountabilities section has been added the Cybersecurity Policy.

### 3. Attachments

#### Appendix 1 - Cybersecurity Policy 2024-2026 [↓](#)

Report author:

Reviewed and authorised by:



Nathan McLeod  
Chief Information Officer  
25/02/2024



Saskia Righarts  
Group Manager - Business Support  
25/02/2024



# Cybersecurity Policy

<b>Department:</b>	Information Services
<b>Document ID:</b>	593171
<b>Approved by:</b>	General Manager – Business Support
<b>Effective date:</b>	March 2024
<b>Next review:</b>	March 2026

## Purpose:

The purpose of this policy is to ensure Council has systems and processes in place to proactively to manage risks to information and information systems security. Operating Standards, defined as the “Standards for the Protection of Information and Information Systems”, including an Acceptable Use Standard, shall be documented, and implemented. The practical application of these Standards will enhance organisational information and information systems security and will assist with the management of threats and vulnerabilities that may, if exploited, put information and information systems at risk.

## Principles and objectives:

The primary objective is to protect Council information and information systems, Council will achieve this through:

<b>Identifying</b>	Council has effective governance over its systems and understands its operational environment. Council assesses and manage risks associated with its information and information systems.
<b>Managing</b>	Council has information protection procedures and processes in place. Council manages access control and data security and has systems in place for appropriate maintenance of its systems and assets.
<b>Protecting</b>	Council has protective technology in place to minimise risk associated with external and internal threats. Council has processes to increase awareness and provide training to staff.
<b>Detecting</b>	Council has systems in place to detect anomalies and events continuously. Processes are in place to enable effective use of the information provided by the detection systems.
<b>Responding</b>	Council has plans in place to be able to respond to events. Analysis tools and trained personnel are available to use these tools to mitigate the effects of the events.
<b>Recovering</b>	Council has systems and processes in place to be able to recover from an event, supported by effective event response plans. Processes and systems are in place to facilitate restoration of information and systems and improve the capabilities following an event.



## Scope:

The Operational Standards apply to those responsible for information and information system assets that are either owned, licensed, or leased by the Council. The Acceptable Use Standard applies to all users of Council information systems and the electronic information created, accessed, stored, or transmitted by any user, device, system, or communication network.

## Definitions:

- **Cybersecurity** (security) is the protection of council's information and information systems.
- **Information** includes data, information and knowledge received, given, or created by council users.
- **Information Systems** collect, process, store, and disseminate data, information, and knowledge to support council decision making, coordination, control, analysis, and visualisation.

## Policy:

The Operating Standards, defined as the "Standards for the Protection of Information and Information Systems", including an Acceptable Use Standard, shall be implemented by Council to assist with the management of cybersecurity risk. The Standards which set the policy content are detailed under the 'related documents' section. The following will apply to all Standards:

- The Operating Standards are defined and documented.
- The Operating Standards are published and available to those that require them.
- The Operating Standards are reviewed in accordance with changes in the Information Systems environment or the cybersecurity threat landscape to ensure that they remain applicable and relevant.
- Information Services continually evaluates their performance against the Operating Standards to ensure that cybersecurity performance improves over time and that cybersecurity protection and detection mechanisms are working as effectively as expected.



## Responsibilities and Accountabilities:

This policy applies to all employees including contractors and consultants:

### Chief Executive

The Chief Executive is responsible for ensuring that cybersecurity practice in Council meets statutory requirements and adds value to the business operations of the Council. Ultimate responsibility for the success of the policies rests with the Chief Executive.

### Executive Leadership Team

- The Executive Leadership Team is responsible for the direction and support of cybersecurity at Council and ensuring it conforms to statutory, business requirements, and Council's cybersecurity risk appetite.
- Support and foster a culture that promotes good cybersecurity practices.

### Executive Sponsor

The Executive Sponsor is responsible for:

- Oversight of cybersecurity.
- Ensure adequate skilled cybersecurity resources are available to implement policy.
- Monitor, review, and report on the Digital and Information Strategy and the Cybersecurity Policy to ensure it meets business needs and supports compliance.

### Chief Information Officer

Chief Information Officer is responsible for:

- Monitor, review, and report on cybersecurity to ensure that it is implemented, transparent, and meets business needs.
- Liaise with business units to ensure that cybersecurity is integrated into work processes, systems, and services.
- Oversee the budget for cybersecurity as part of Information Services.
- Ensures cybersecurity responsibilities are identified and assigned in job descriptions, performance plans and service agreements.
- Ensure all new employees receive cybersecurity induction and training.
- Ensure adequate skilled cybersecurity resources are available to implement policy.
- Establish operating standards, good practices, and business rules for Council as a whole.
- Design and maintain protective technologies throughout Council.



### **Activity Managers**

Activity Managers are responsible for:

- Proactively engaging and collaborating with Information Services in the design and maintenance of information and information systems throughout the Council.
- Ensure cybersecurity is integrated into work processes, systems, and services.

### **Information Services Team**

Members of the Information Services department are responsible for assisting the Executive Sponsor and Chief Information Officer with their responsibilities, as appropriate, and setting an example in cybersecurity standards, procedures, and good practices within the Council.

### **System Administrators**

Employees that are system administrators for various information systems are granted a higher level of system access and rights, which comes with greater responsibilities and accountabilities. It is expected that system administrator will:

- Comply with all standards for the Protection of Information and Information Systems as outlined in the related documents section of this policy. These standards are continually developed, system administrator must keep across of such improvements.
- Promote good cybersecurity practices to peers.

### **Council employees**

All employees need to be aware of cybersecurity requirements that affect the performance of their duties. It is expected that employees will:

- Comply with cybersecurity standards, procedures, and good practices in particular Acceptable Use Standard.
- Promote good cybersecurity practices to peers.

## **Breaches of this policy:**

Breaches of this policy and the associated “Standards” as listed in the related documents may be considered misconduct. Misconduct may result in disciplinary action under the [Performance Management Policy](#).



## Relevant legislation:

- [Intelligence and Security Act 2017](#)
- [Privacy Act 2020](#)
- [Public Records Act 2005](#)
- [Local Government Official Information and Meetings Act 1987](#)
- [Official Information Act 1982](#)
- [Evidence Act 2006](#)
- [Electronic Transactions Act 2002](#)
- [Health and Safety at Work Act 2015](#)

## Related documents:

There is a suite of documents in the Standards for the Protection of Information and Information Systems series. These Standards ensure that information and information system assets are secure, all regulatory and compliance initiatives are achieved, cybersecurity risk is managed, and information system performance is aligned to business strategies. The Operational Standards are derived from CIS Controls V7.

Document	Purpose	Scope
Acceptable Use of Public Wi-Fi and Computer Standard	To protect the users and Central Otago District Council (council) the service provider of Public Wi-Fi and Public Computers.	The service is free limited public use internet delivered via Wi-Fi and public use computers provided by the council.
Acceptable Use Standard	The purpose of this Standard is to outline the acceptable use of information system assets and information. Information system assets include any equipment or service provided by the Council that can be used for communication or to create, process, reproduce or distribute information.	This Standard applies to all individuals who have access to Council's information and information systems assets that are either owned, licensed, or leased by the Council.
Access Control Standard	The purpose of this Standard is to ensure that access to assets and associated facilities is limited to authorised users, processes, or devices and to authorised activities and transactions.	This Standard applies to those that manage access to information and information system assets that are either owned, licensed, or leased by the Council.





Document	Purpose	Scope
Anomalies and Event Identification Standard	The purpose of this Standard is to ensure that anomalous activity is detected in a timely manner.	This Standard applies to administrators responsible for cybersecurity management of information system assets that are either owned, licensed, or leased by the Council.
Asset Management Standard	The purpose of this Standard is to ensure that Assets are managed consistent with their relative importance to business objectives and the Council's risk strategy.	This Standard applies to those that manage information system assets that are either owned, licensed, or leased by the Council.
Awareness Training Standard	The purpose of this Standard is to ensure that 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, standards, procedures, and agreements.	This Standard applies to those responsible for cybersecurity awareness and the training of those that use the information and information system assets that are either owned, licensed, or leased by the Council.
Continuous Monitoring Standard	The purpose of this Standard is to ensure that information systems and assets are monitored at discrete intervals to identify cybersecurity events and verify the effectiveness of protective measures.	This Standard applies to administrators responsible for cybersecurity management of information system assets that are either owned, licensed, or leased by the Council.
Data Security Standard	The purpose of this Standard is to ensure that information and records (data) are managed consistent with Council's risk strategy to protect the confidentiality, integrity, and availability of information.	This Standard applies to those that manage information and data stored, processed, or transmitted by information system assets that are either owned, licensed, or leased by the Council.
End User Computer Build Standard	<p>The purpose of this Standard is to ensure a computer build (image) is consistently deployed across all Windows based end user computing devices.</p> <p>The benefits of the standard are:</p>	This Standard applies to all Windows based end user computing devices such as but not limited to personal computers (PC) – desktop, laptop (notebook), or tablets.



Document	Purpose	Scope
	<ul style="list-style-type: none"> <li>Consistent end user computer environment for all staff</li> <li>Ease of management and support</li> <li>Ease of training</li> </ul>	
End Users Smart Phone and Tablet Build Standard	<p>The purpose of this Standard is to ensure a smart phone and tablet build (image) is consistently deployed across all Apple and Android based end user devices.</p> <p>The benefits of the standard are:</p> <ul style="list-style-type: none"> <li>Consistent end user smart phone and tablet environment for all staff</li> <li>Ease of management and support</li> <li>Ease of training</li> </ul>	<p>This Standard applies to all devices that would be considered or classed as a smart portable device. This includes common devices such as Apple or Android based mobile phones and tablets but can also include any type of smart handheld device. Examples of these are water meter readers, parking infringement devices, GPS units, etc.</p>
Governance Standard	<p>The purpose of this Standard is to ensure that Council's business environment is understood and that cybersecurity roles and responsibilities, policies, standards, procedures, and processes are established to manage and monitor performance so that activities are conducted in accordance with regulatory, legal, risk, environmental and operational requirements. Risks to business assets and individuals are understood and Council's priorities, constraints and risk tolerances are established, documented, and used to support operational risk decisions.</p>	<p>This Standard applies to Managers of information system assets that are either owned, licensed, or leased by the Council.</p>
Information Protection Standard	<p>The purpose of this Standard is to ensure that information, assets, and resources are protected through the implementation of effective procedures and processes.</p>	<p>This Standard applies to administrators and others responsible for ensuring that robust procedures and processes are implemented to ensure good management of</p>



Document	Purpose	Scope
		information and information system assets that are either owned, licensed, or leased by the Council.
Maintenance Standard	The purpose of this Standard is to ensure that information systems and industrial control systems are maintained to ensure continuity of operations.	This Standard applies to administrators and those responsible for the maintenance of information system assets that are either owned, licensed, or leased by the Council.
Networking Build Standard	<p>The purpose of this Standard is to ensure a networking build (image) is consistently deployed across all network devices.</p> <p>The benefits of the standard are:</p> <ul style="list-style-type: none"> <li>• Consistent network environment</li> <li>• Ease of management and support</li> <li>• Ease of training</li> </ul>	This Standard applies to all network infrastructure such as but not limited to switches, routers, firewalls, internet.
Personal Use of Smart Phone Standard	<p>As part of your role with Council you have been provided with a smart phone.</p> <p>This smart phone is primarily provided as a work tool to allow you to effectively and efficiently carry out the responsibilities and duties associated with your role.</p> <p>If you use this smart phone for any form of personal use, this Standard applies.</p>	<p>Use of the smart phone broadly falls into two categories; work use and personal use as defined in the definitions section.</p> <p>Council typically provides smart phones to staff whose roles require mobility. Smart phones enable users to access services such as mobile phone, camera, mobile data, Wi-Fi, email, web and internet and Apps anytime and anywhere.</p> <p>Council does not participate in Bring Your Own Device (BYOD). For security reasons, personal devices must not be connected to any part of the</p>



Document	Purpose	Scope
		council assets except for council guest Wi-Fi network.
Protective Technology Standard	The purpose of this Standard is to ensure that Technology is implemented and managed to ensure the security and resilience of systems and assets.	This Standard applies to administrators responsible for the management of the information system assets that are either owned, licensed, or leased by the Council.
Recovery Management Standard	The purpose of this Standard is to ensure that Council has appropriate documentation, resources, and facilities to support an information systems recovery operation.	This Standard applies to Managers and personnel responsible for cybersecurity incident recovery.
Response Management Standard	The purpose of this Standard is to ensure that Council has adequate documentation and resources available to successfully manage and mitigate a cybersecurity incident or event and that the incident response capability is subject to continuous improvement.	This Standard applies to Managers responsible for cybersecurity incident response.
Response Operations Standard	The purpose of this Standard is to ensure that incidents are reported in a timely manner and internal and external stakeholders remain informed. Accurate analysis of an incident is carried out to ensure an appropriate response and remediation operations minimise the impact to Council.	This Standard applies to Managers and personnel responsible for cybersecurity incident response.
Server Build Standard	<p>The purpose of this Standard is to ensure a server build (image) is consistently deployed across all servers.</p> <p>The benefits of the standard are:</p> <ul style="list-style-type: none"> <li>• Consistent server environment</li> <li>• Ease of management and support</li> <li>• Ease of training</li> </ul>	This Standard applies to all Linux and Windows servers.

## **24.1.11 HEALTH, SAFETY AND WELLBEING REPORT**

**Doc ID: 1453580**

### **1. Purpose**

To provide the Audit & Risk Committee with an update on the health, safety and wellbeing performance of the organisation.

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### **Recommendations**

That the report be received.

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### **2. Discussion**

#### **2.1 Reporting period**

This report covers the period 1 November 2023 – 31 January 2024 ('the reporting period').

#### **2.2 Health, Safety and Wellbeing Advisor summary**

This period, Health, Safety and Wellbeing has been focused on finalising the Health, Safety and Wellbeing Strategy and developing Lead and Lag indicators to help measure monitor and measure progress.

See Appendix 1 for the Health, Safety and Wellbeing Strategy.

Lead and Lag indicators will be presented to ELT in March.

As part of the focus on our Critical Risk for Aggressive behaviour and Violence, we have engaged OPSEC - Security Risk and Crisis Management Consultancy Specialists to provide De-escalation and Situational Awareness training to staff with the aim of enhancing skills in how to manage challenging interactions with customers.

OPSEC will also review security and emergency procedures at the Alexandra Service Centre and Alexandra Aquatic Centre – a report with recommended improvement actions is expected in April.

Aquatics remain the area where most incidents are being reported from but this reporting period incidents have been reported across the organisation which indicates a greater awareness of the importance of reporting all incidents and near misses.

#### **2.3 Significant incidents summary**

Although there has been an increase in number of incidents reported, there was only one significant incident for this reporting period - an incident involving mulched green waste occurred at the Cromwell transfer station when it caught fire in the early hours of January 17th.

For more information see under 2.4.8 for Notable incidents.

## 2.4 Incidents and injuries

There were 64 incidents reported during the reporting period which is a higher number to the 49 incidents reported for the previous period.

Notable incidents are further explained at section 2.4.8.

Severity rating	Level 1	Level 2	Level 3	Level 4
Risk consequence rating	Negligible or minor (Business as usual)	Moderate	Major	Extreme
Examples	Non-treatment injury, first aid injury	Medical treatment injuries, near miss that could result in medical treatment, wet rescue	Lost time injuries, high-potential near miss	Fatality, life-altering injuries, or potential for either
No. of incident reports	63	1	0	0

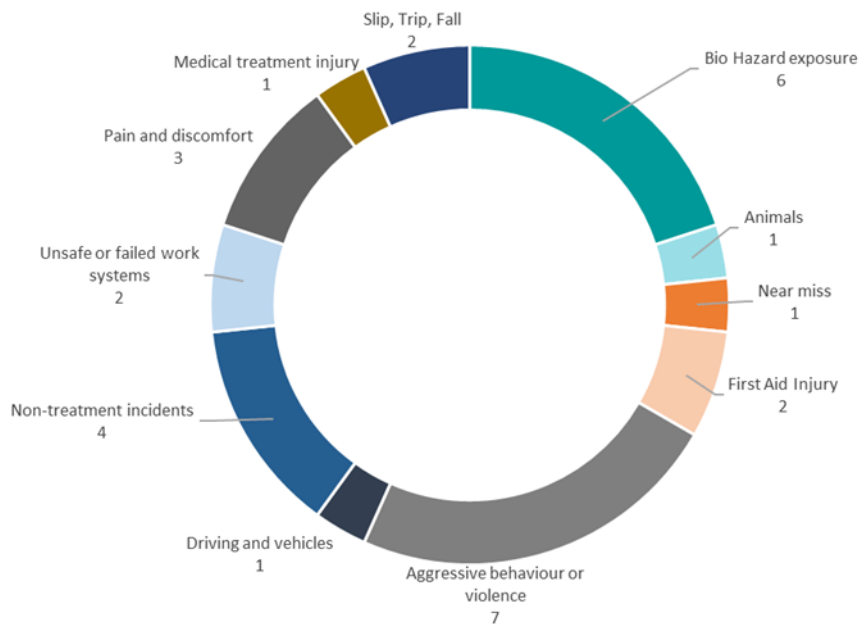
Table 1. Severity rating for all incident reports

### 2.4.1 Employee reports

30 reports (47%) affected employees which is a smaller proportion than the previous reporting period (51%). One near miss has been reported.

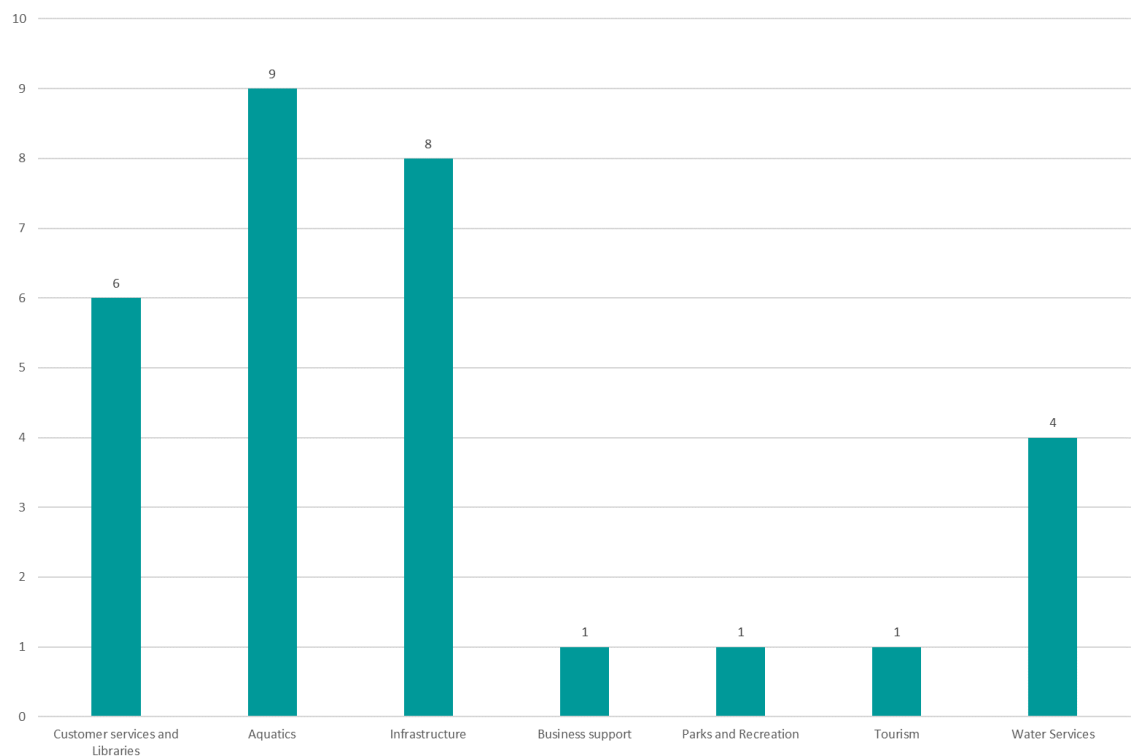
The public awareness campaign by Aquatic centres launched last year to make the public aware of steps that have to be taken in response to faecal matter being found in pools, seemed to have been a success with a significant decrease in bio hazard exposure for this reporting period (6) compared to the previous reporting period (14).

Employee reports by type Nov 23 - Jan 24



**Graph 1. Employee incidents and reports by cause Aug-Oct 2023.** Bio-hazard exposure (6), animals (1), near miss (1), first aid injury (2), aggressive behaviour or violence (7), driving and vehicles (1), non-treatment incidents (4), unsafe or failed work systems (2), pain and discomfort (3), medical treatment injury (1), slip, trip and fall (2)

Employee incidents by business area



**Graph 2. Employee incidents by business area Nov 23 - Jan 2024.** Customer service and libraries (6), aquatics (9), infrastructure (8), business support (1), parks and recreation (1), tourism (1), water services (4)

#### 2.4.2 Employee injuries

There has been an increase in recordable injuries, mostly due to an increase in non-treatment injuries which include pain and discomfort reports. None of the injuries were of serious nature and include bumping a head in storeroom whilst inspection food premises etc.

One incident requiring first aid was the result of a finger being bitten by a dog while attending a dog-related job – a plaster was required and no medical treatment.

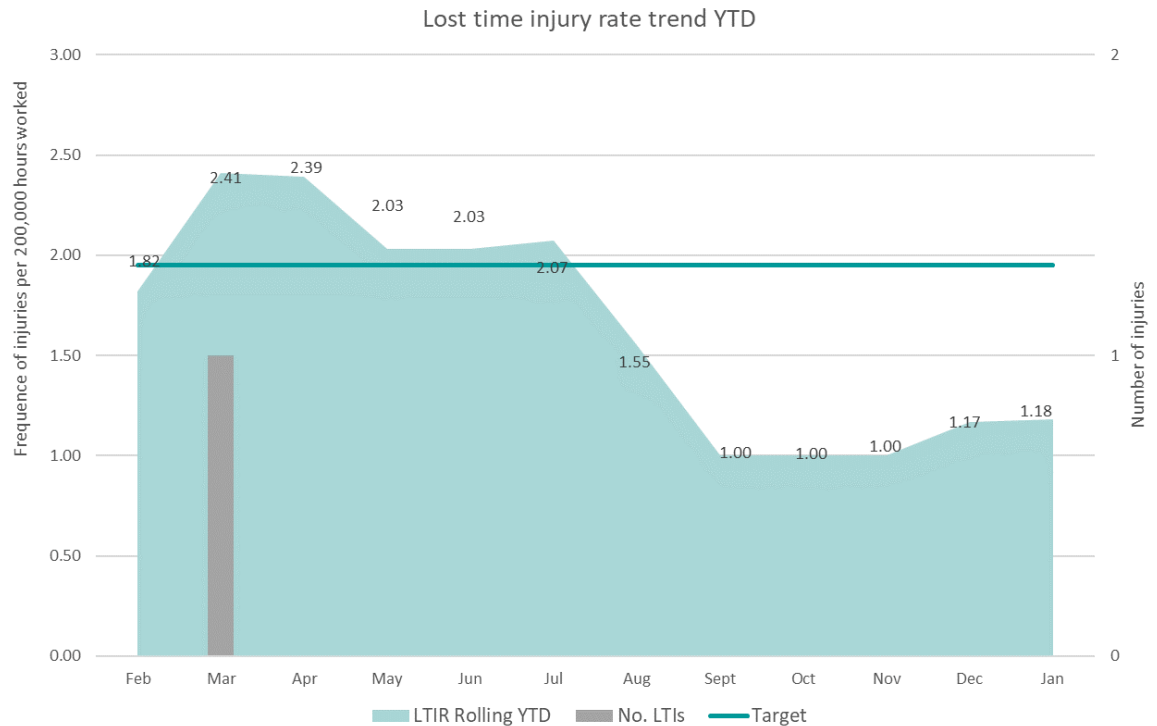
Reporting period	Non-treat ment injury	First aid incident (FAI)	Medical treatment incident (MTI)	Restricted duties	Lost time incident (LTI)	Fatality	Total recordable injuries
Feb 23-Apr 23	2	2	0	0	1	0	5
May 23-Jul 23	1	2	0	0	0	0	3
Aug 23 – Oct 23	3	3	0	0	0	0	6
Nov 23 – Jan 24	3	5	1	0	0	0	9

**Table 2. Recordable injuries (employees)**



### 2.4.3 Lost time injury frequency rate (LTIFR)

The LTIFR is against a benchmark of 1.95 injuries per 200,000 hours of work. The injury rate has remained relatively stable for this and previous reporting periods. This is due to no recent lost time injuries occurring - the last injury that occurred and that required time off from work was in March 2023.



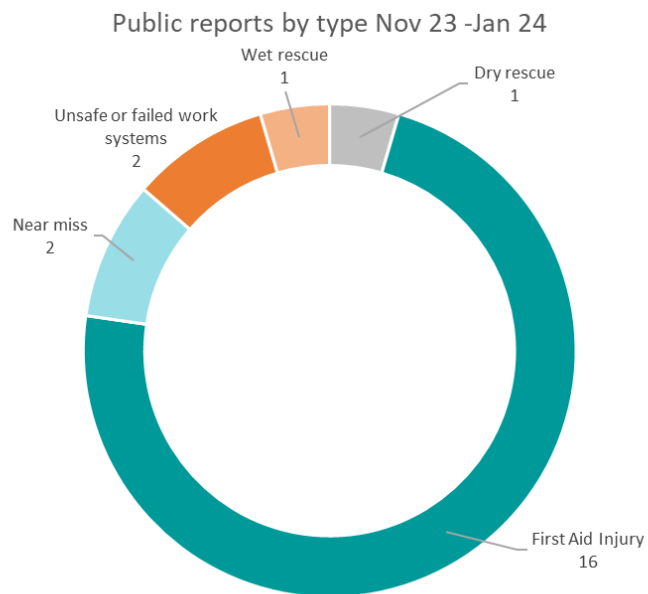
**Graph 3. Lost time injury frequency rate (rolling 12-month average).**

### 2.4.4 Public incidents

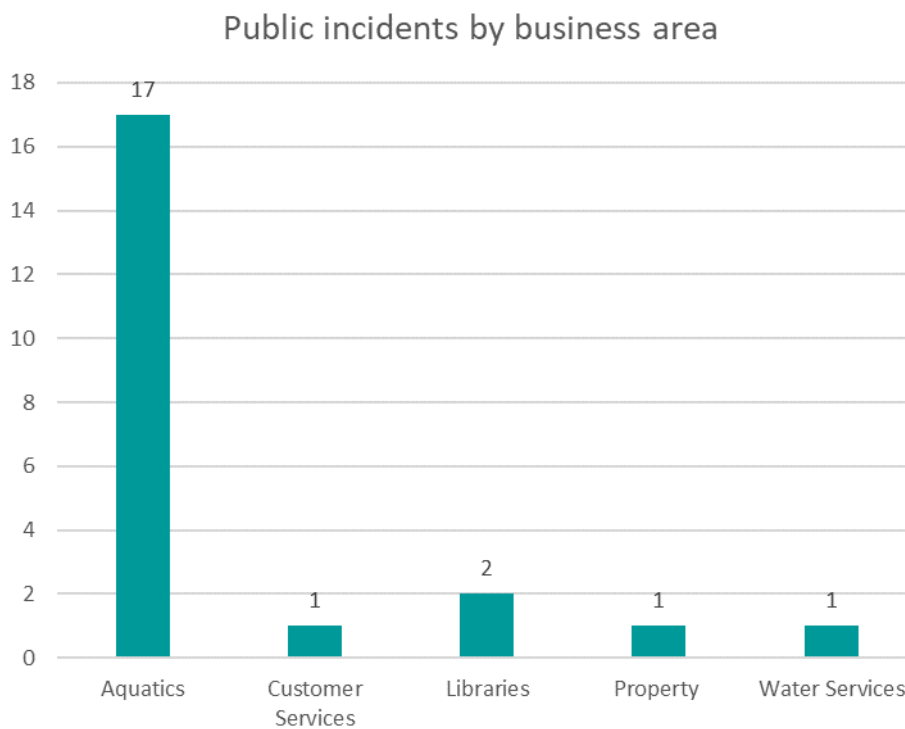
22 incidents (34%) affected the public which is slightly lower than the previous reporting period (33%).

The highest cause categories were first aid injuries – most of which occurred at aquatic centres where children presented with noose bleeds and injuries that occurred while in the pool when colliding with other swimmers and objects.

One injury involved a slip, trip and fall when water blasting was in progress on the side of the pool – an adult customer tripped over the power cable of the water blaster and grazed his elbow and knee. Teams have been reminded to put out a warning sign when water blasting.



**Graph 4. Public incidents and reports by cause.** Wet rescue (1); dry rescue (1); first aid injury (16), near miss (2); unsafe or failed work systems (2).



**Graph 5. Public incidents by business area.** Aquatics (17), customer services (1), libraries (2), property(1), water services(1).

### 2.4.5 Public injuries

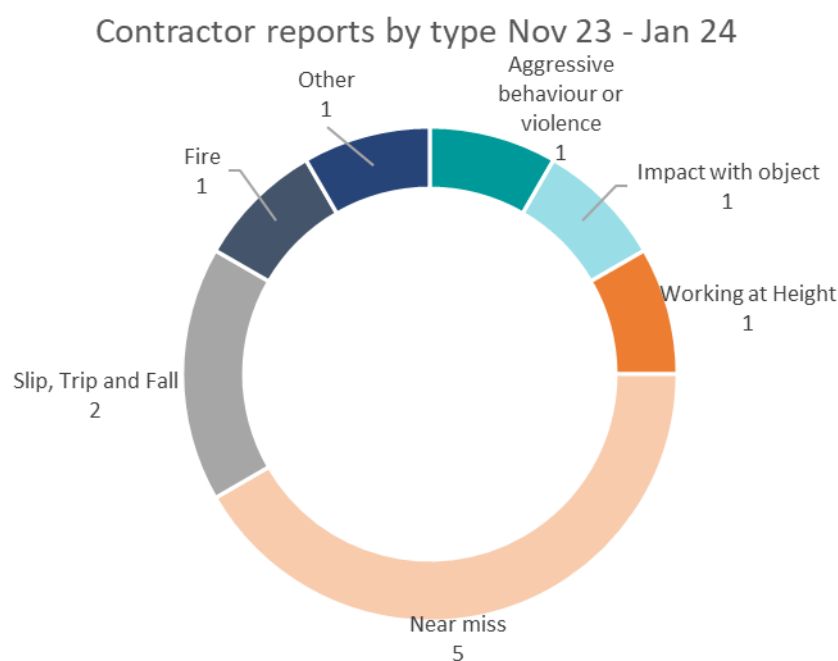
The number of total recordable injuries (primarily at pools) is higher than the previous reporting period.

Reporting period	Non-treatment injury	First aid injuries (FAI)	Medical treatment injury (MTI)	Fatality	Total recordable injuries
Feb 23-Apr 23	1	12	0	0	13
May 23-Jul 23	2	4	0	0	6
Aug 23- Oct 23	0	7	0	0	7
Nov 23 – Jan 24	0	16	0	0	16

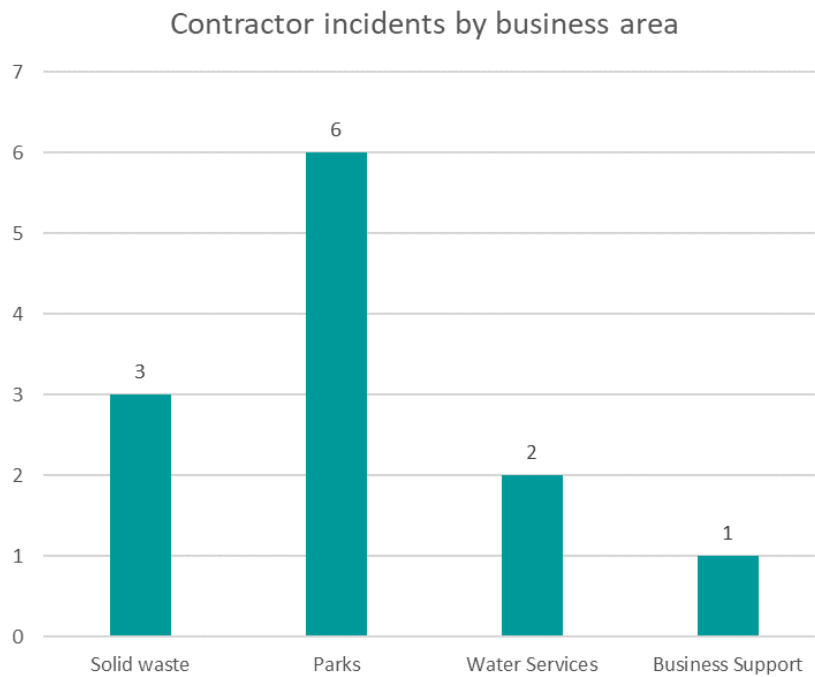
Table 3. Recordable injuries (public)

### 2.4.6 Contractor reports

Council received 12 reports (19%) from contractors which is higher than the previous reporting period (16%). Most reports are received a month in retrospect at monthly contractor meetings. Notable incidents are normally raised to the council employee who manages the contract. There is one notable incidents from contractors further explored at 2.4.8.



**Graph 6. Contractor incidents and reports by cause.** Aggressive behaviour or violence (1), impact with object (1), working at height (1), near miss (5), slip, trip and fall (2), fire (1), other (1)



**Graph 7. Contractor incidents by business area.** Solid waste (3), Parks (6), Water Services (2), Business Support (1).

#### 2.4.7 Contractor injuries

Of the reports made to council by contractors, medical treatment was required for one incident, which involved a Delta contractor unloading an utility vehicle when wind caught the tailgate which swung around hitting her in the head, she was taken to a medical centre and suffered a whiplash type injury and a couple of loose teeth.

Reporting period	Non-treatment injury	First Aid Injury	Medical treatment injury	Fatality	Total recordable injuries
May- Jul 23	0	2	1	0	3
Aug -Oct 23	0	1	0	0	1
Nov 23 – Jan 24	0	0	1	0	1

**Table 4. Recordable injuries (contractor).**

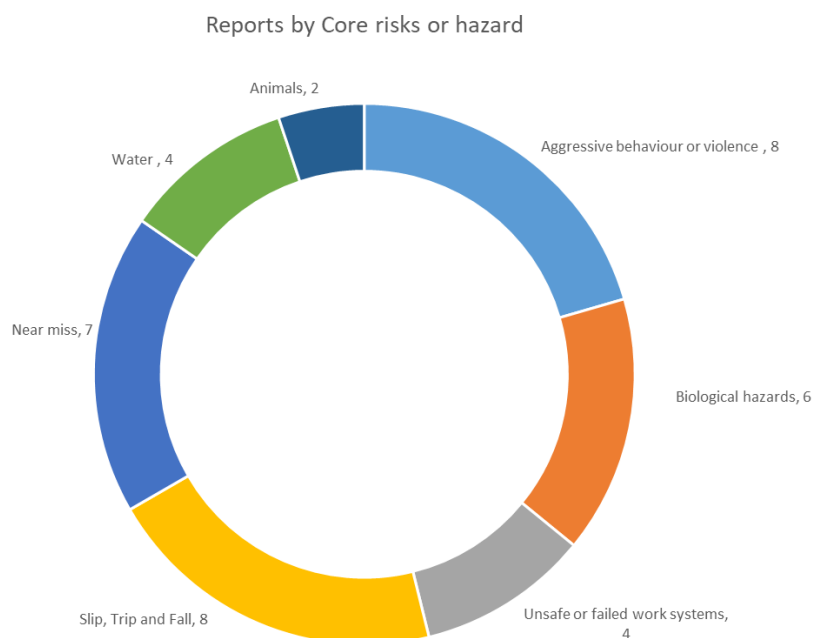
### 2.4.8 Notable incidents

Incident	Action taken
<p><b><u>Potential fire – Site managed by contractor</u></b></p> <p>Recently mulched green waste at the Cromwell transfer station caught fire in the early hours of January 17th. Green waste naturally heats as it composts, and heating would have likely accelerated with recent rainfall.</p> <p>Enviro NZ advised CODC around 7:30am - attended the site at 8am to see the green waste smouldering.</p>	<ul style="list-style-type: none"> <li>• Fire and Emergency New Zealand (FENZ) attended the site in the early hours of the morning to put the fire out – no fire damage to any other areas of transfer station.</li> <li>• Fulton Hogan contacted to organise a digger and water tank – to remain onsite in case of any flare-ups.</li> <li>• Enviro NZ engaged security guard to monitor the area for any fires – to monitor outside of normal operating hours.</li> <li>• Contractor has been engaged to remove the green waste which will largely eliminate the risk.</li> </ul>

Table 5. Notable incidents and associated action taken.

### 2.5 Critical risks

Graph 9 below shows the core risk or hazard associated with incident reports made during the reporting period. Exposure to biological hazards have decreased to 6 (from 16 in the previous reporting period) Aggressive behaviour or violence incidents have increased (from 4 to 8) since the last reporting period.



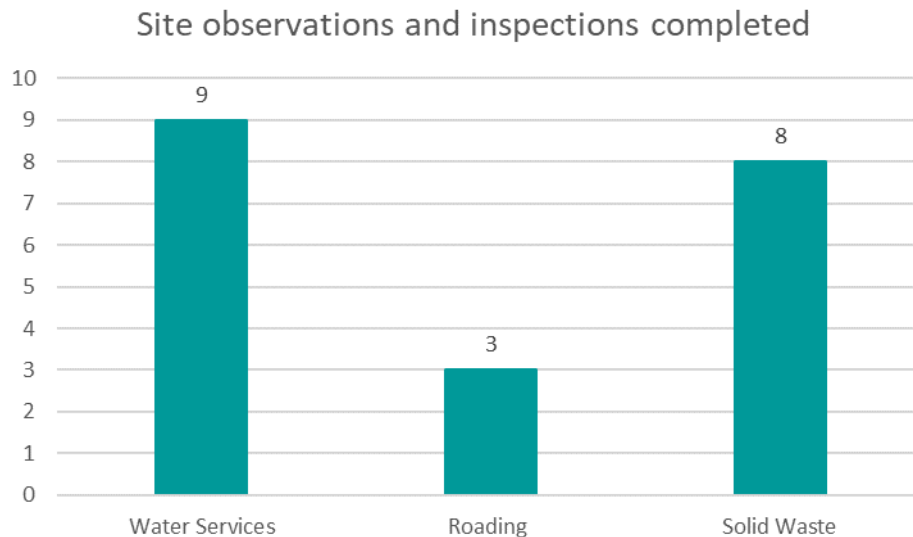
**Graph 9. Incident reports relating to critical risk areas compared to previous reporting periods.**

Animals (2), Aggressive behaviour or violence (8), biological hazards (6), unsafe or failed work systems (4), slip, trip and fall (8), near miss (7), water (4).

## 2.6 Contractor management

### 2.6.1 Observations and inspections of contractor work

There has been an increase in number of site observations being completed – notably from the Water Services team.



**Graph 10. Site observations and inspections completed:** Water Services (9), Roding (3) Solid Waste (8)

## 2.7 Training and competency

Training area / course	This period
New staff inductions	5
First aid certificates (new and refresher)	6

**Table 6. Training register excerpt**

### 2.7.1 Planned training

- De-escalation/Situational awareness training for employees who interact with customers face to face and over the phone.

## 2.8 Wellbeing

### 2.8.1 Indicator 1: No. employee sessions with EAP (Employee Assistance Programme)

EAP data covers the period Oct 2023 - Dec 2023.

During this period there were 64 in depth sessions.

In depth sessions are defined as sessions with the EAP provider during office visits or a meeting away from the office with the EAP provider as well as phone contact to discuss a workplace or personal issue.

Of the matters discussed at the 64 sessions, 67% were work related issues and 33% were personal issues.

#### **EAP Top Theme (Work-related)**

<b>Position</b>	<b>Work-related themes</b>
<b>1</b>	Communication issues
<b>2</b>	Workplace stress
<b>3</b>	Organisational culture

**Table 7. Work-related theme.**

#### **EAP Top 3 Themes (Personal)**

<b>Position</b>	<b>Personal themes (Top 3)</b>
<b>1</b>	Relationships/Family
<b>2</b>	Personal Growth/Future
<b>3</b>	Wellbeing

**Table 8. Personal themes (Top 3).**

### **2.8.2 Indicator 2: Employee attendance at wellbeing events and activities and feedback from post-activity surveys**

Our Wellbeing theme for January was healthy eating – during which we shared practical ideas to help look and feel great in 2024. This included a webinar hosted by a nutritionist.

We promoted the Aotearoa Bike Challenge in February and organised a session with BNZ on how to “Love your Money” as part of Frugal February. The event was well attended and provided helpful tips and tricks to reach saving goals to enhance financial wellbeing.

### **2.8.3 Scheduled activities**

#### **Contractor breakfast**

As part of working collaboratively with our contractors on shared health and safety responsibilities, we are organising a contractor breakfast on 19 March. The event will provide an opportunity to hear from Fulton Hogan about their Living Safety 2.0 journey and upcoming changes to make their people more visible on worksites.

Our Waste Minimisation Officer will use this opportunity to get feedback from construction contractors on how they currently dispose of contractor waste.

#### **Wellness checks**

During April and May 2024, we will make wellness checks available where a nurse will screen attendees for anxiety and depression as well as checking blood pressure, blood glucose levels and other physical measures.

### 3. Attachments

#### Appendix 1 - Health, Safety and Wellbeing Strategy [↓](#)

Report author:

Reviewed and authorised by:



Hannes Strydom  
Health, Safety and Wellbeing Advisor  
20/02/2024

Louise Fleck  
General Manager - People and Culture  
26/02/2024



# Health, Safety and Wellbeing Strategy

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2023-2026

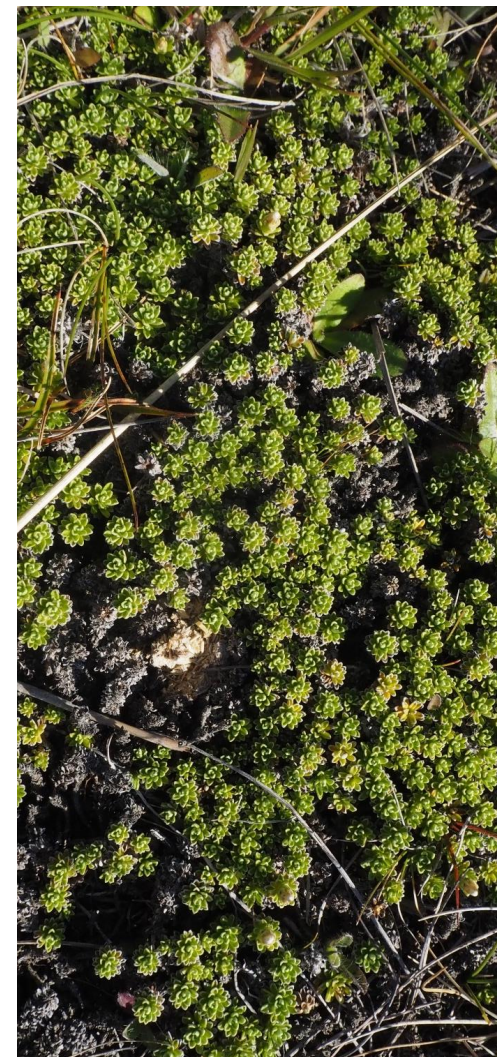


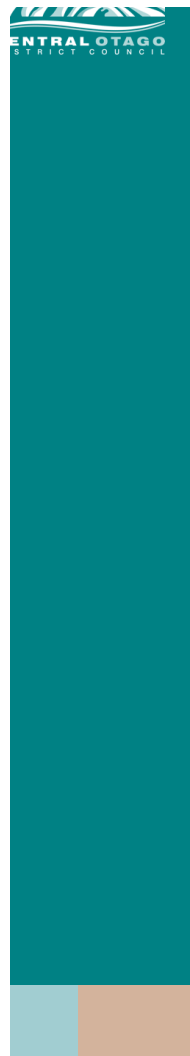


## Who the strategy is for:

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- The Strategy is for everyone at CODC.
- This means we all need to work on the goals and priorities together – at an individual and Activity level, as well as an organisational level and when working within the communities we serve.





# Pillars of our Strategy

- Our Strategy consists of 3 pillars and describes the foundations that what will build on.

Leadership	Engagement	Risk Management
<ul style="list-style-type: none"> <li>• We encourage a culture of genuine care and we provide our people with the opportunity to improve their physical and mental wellbeing.</li> <li>• We build health, safety and wellbeing capability and keep each other accountable.</li> <li>• We keep our focus on prevention and learning, not blaming.</li> <li>• We lead by example and actively try to improve health and safety and regularly communicate health and safety messages to workers and the community.</li> </ul>	<ul style="list-style-type: none"> <li>• We allocate sufficient resources to worker engagement and create discussion opportunities to better understand how work is done (as opposed to work as imagined) .</li> <li>• We consult, cooperate and coordinate with each other and our partners and community to find health and safety solutions.</li> <li>• We actively encourage workers and representatives to suggest ways to communicate more effectively.</li> <li>• Our Health and Safety Representatives are empowered to raise issues and ideas for improvement on behalf of their teams</li> </ul>	<ul style="list-style-type: none"> <li>• Risk identification is embedded in all parts of the organisation including procurement, work planning and management of change.</li> <li>• We have a comprehensive understanding of the types of risks workers may be exposed to and actively seek ways to identify where those risks may be present.</li> <li>• We know our critical risks and we focus on gaining assurance over our critical controls.</li> <li>• We actively look for emerging health and safety risks in other Councils and similar organisations.</li> </ul>



# Leadership

Commitments – How we will get there:	Tangible Actions we will take:
Through a clearly defined framework and agreed actions visibly demonstrate ELTs commitment to health and safety.	<ul style="list-style-type: none"><li>• Develop a Health and Safety Charter that reinforces the ELT's commitment to health safety and wellbeing*</li><li>• At least one ELT member to attend monthly HSW Committee meetings to maintain strong link with HSW Committee.</li><li>• Critical risk observations by ELT – two joint observations twice a year</li></ul>
Leaders will receive and respond to information regarding hazards, risks, incidents and verify the use of resources.	<ul style="list-style-type: none"><li>• Develop and implement lead and lag indicators to demonstrate progress made with implementing strategy and pro-actively monitoring effectiveness of controls for critical risks.</li></ul>
Encourage people to engage in safety, health, and wellbeing conversations.	<ul style="list-style-type: none"><li>• Renewed focus on health and safety at regular meetings of wider Leadership Group.</li><li>• Train leaders in communicating health and safety messages included in the leadership development programme.</li></ul>

\*An opportunity for ELT to set their tone and expectation, in line with the Health and Safety Policy Statement.



# Engagement

Commitments – How we will get there:	Tangible Actions we will take:
Health and Safety Representatives (and their managers) have a clear understanding of their roles and responsibilities.	<ul style="list-style-type: none"><li>• Raise awareness and lift profile of HS Representatives and annual investment in their professional development.</li><li>• Communicate and embed Worker engagement and participation processes.</li></ul>
Identify and promote good safety and leading practices which includes the development of thought leadership.	<ul style="list-style-type: none"><li>• Increase the sharing of good news stories and endorsement of positive safety behaviours.</li></ul>
Our Health and Safety Management system provides role clarity as well as guidance on introducing new initiatives, equipment, or processes and how to report and respond to incidents.	<ul style="list-style-type: none"><li>• Implementation and embedding of HS Management System.</li><li>• Increase in reporting of incidents – an increase of contractor related and near miss incidents.</li></ul>



# Risk Management

Commitments – How we will get there:	Tangible Actions we will take:
Continuously assess risk and implement areas for improvement identified.	<ul style="list-style-type: none"><li>• Each quarter close out at least one High Rated finding from KPMG Audit.</li></ul>
Make decisions that support better health and safety outcomes, including in contracting and planning and design of workspaces.	<ul style="list-style-type: none"><li>• Develop, implement and embed health and safety by design framework and contractor management framework.</li><li>• Contractor management training for all contract managers.</li></ul>
Create opportunities to review critical risks and their controls.	<ul style="list-style-type: none"><li>• Roll out and embedding of quarterly risk review process – risk review for all Activities to be completed each quarter.</li></ul>
The health, safety and wellbeing of staff is important in how we do things.	<ul style="list-style-type: none"><li>• Continue to improve engagement score for HSW.</li></ul>

**24.1.12 FINANCIAL REPORT FOR THE PERIOD ENDING 31 DECEMBER 2023****Doc ID: 1458724****1. Purpose**

To consider the financial performance for the period ending 31 December 2023.

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**Recommendations**

That the report be received.

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**2. Discussion**

The financial report is presented to the Committee as requested for awareness of the current financials.

**I. Statement of Financial Performance for the period ending 31 December 2023**

6 MONTHS ENDING 31 DECEMBER 2023						
2023/24 Annual Plan \$000		YTD Actual \$000	YTD Revised Budget \$000	YTD Variance \$000		2023/24 Revised Budget \$000
	<b>Income</b>					
41,869	Rates	21,199	21,089	110	●	41,869
7,493	Govt Grants & Subsidies	4,178	3,746	432	●	8,526
8,100	User Fees & Other	3,700	4,050	(350)	●	8,100
10,589	Land Sales	1,371	5,294	(3,923)	●	10,589
2,510	Regulatory Fees	1,366	1,255	111	●	2,510
1,717	Development Contributions	3,102	858	2,244	●	1,717
500	Interest & Dividends	391	250	141	●	500
-	Reserves Contributions	431	-	431	●	-
-	Profit on Sale of Assets	324	-	324	●	-
1,139	Other Capital Contributions	442	176	266	●	1,139
<b>73,917</b>	<b>Total Income</b>	<b>36,504</b>	<b>36,718</b>	<b>(214)</b>	●	<b>74,950</b>
	<b>Expenditure</b>					
14,849	Staff	7,407	8,014	607	●	16,021
732	Members Remuneration	371	366	(5)	●	732
10,357	Contracts	5,503	4,836	(667)	●	10,501
3,336	Professional Fees	2,037	2,340	303	●	4,361
17,528	Depreciation	9,424	8,764	(660)	●	17,528
6,774	Costs of Sales	1,583	3,387	1,804	●	6,774
3,857	Refuse & Recycling Costs	1,899	1,928	29	●	3,857
1,958	Repairs & Maintenance	1,140	1,324	184	●	2,647
1,436	Electricity & Fuel	651	718	67	●	1,436
-	Loss on Sale of Asset	19	-	(19)	●	-
714	Grants	988	758	(230)	●	1,137
1,249	Technology Costs	601	587	(14)	●	1,251
299	Projects	206	170	(36)	●	396
688	Rates Expense	679	249	(430)	●	688
655	Insurance	886	943	57	●	943
1,364	Interest Expense	760	732	(28)	●	1,364
2,092	Other Costs	866	1,022	156	●	2,045

67,888	Total Expenses	35,020	36,138	1,118	●	71,681
6,029	Operating Surplus / (Deficit)	1,484	580	904	●	3,269

*This table has rounding (+/- 1)*

The financials for December 2023 show an overall favourable variance of \$904k.

### Income of \$36.504M against the year-to-date budget of \$36.718M

Development and reserve contributions are higher than budget, this is due to the timing of subdivisions in Cromwell and Clyde. Grants and subsidies are ahead of budget. Grant funding has been carried forward from the prior year for the Alexandra River Park, Alexandra Community Centre, new organic bins and Better Off Funding projects. Included in grants and subsidies are Waka Kotahi subsidies, and these are on track with a small unfavourable variance of (\$60k). Regulatory fees favourable variance is due to dog registration fees as the full year's fees are received in July/August 2024. Interest and dividends are higher than budget, this is due to market interest rates being higher than estimated. User fees and charges are (\$350k) behind budget, due to the timing of metered water (\$598k). Land sales are behind budget. All land sales are complete for Dunstan Park stage 3 and there are currently no other subdivisions ready for sale.

### Expenditure of \$35.020M against the year-to-date budget of \$36.138M

Expenditure has a favourable variance of \$1.118M. The main drivers behind this are cost of sales, repairs and maintenance, staff, professional fees and other costs. Offsetting the favourable variance are unfavourable variances in depreciation, contracts, grants and rates expense. Depreciation is higher than budget, this is due to the asset revaluations in June 2023 which were unable to be included in the 2023/24 Annual Plan. The community and promotions grant budgets can differ to the year-to-date budgets due to the value issues in each grants round. The district wide community grants applications exhausted the full year budget at the September 2023 Council meeting. The rate expense variance is due to the timing of the budgets with all Central Otago District Council rates paid in July 2023 while the budget is split over 12-months. Contracts has an unfavourable variance of (\$667k). Wastewater operations is contributing with an unfavourable variance of (\$379k). Along with the timing of sludge treatment (\$138k).

## II. Profit and Loss by Activity for the period ending 31 December 2023

ACTIVITY	INCOME			EXPENDITURE			SURPLUS/(DEFICIT)			
	Actuals \$000	Revised \$000	Variance \$000	Actuals \$000	Revised \$000	Variance \$000	Actuals \$000	Revised \$000	Variance \$000	
Infrastructure	3,336	867	2,469	197	(88)	(285)	3,139	955	2,184	●
Roading	6,270	6,039	230	7,128	6,787	(340)	(858)	(748)	(110)	●
Waste Management	3,605	3,330	275	3,297	3,318	21	308	12	296	●
Parks Reserves Recreation	4,094	3,655	439	4,381	4,091	(290)	(287)	(436)	149	●
Corporate Services	262	288	(26)	929	1,025	96	(667)	(737)	70	●
People and Culture	867	1,358	(491)	860	879	19	7	479	(472)	●
CEO	435	412	23	300	492	192	135	(80)	215	●
Property	4,974	8,568	(3,594)	4,085	6,806	2,721	889	1,762	(873)	●
Governance and Community Engagement	2,442	2,298	145	2,499	2,423	(77)	(57)	(125)	68	●
Planning (Regulatory)	3,423	3,305	118	2,797	3,802	1,005	626	(497)	1,123	●
Three Waters	6,093	6,588	(495)	8,613	6,934	(1,679)	(2,520)	(346)	(2,174)	●
<b>Total*</b>	<b>36,504</b>	<b>36,718</b>	<b>(214)</b>	<b>35,020</b>	<b>36,138</b>	<b>1,118</b>	<b>1,484</b>	<b>580</b>	<b>904</b>	●

*This table has rounding (+/- 1)*

\* The funding activity has been removed as this is not an operational activity.



**Abbreviation key for report**

F = Favourable

U = Unfavourable

- **Infrastructure \$2.184M F** – Income has a favourable variance of \$2.469M. This is due to the timing of development contribution revenue. Cromwell and Clyde development contributions in water, roading and wastewater are higher than budgeted. Expenditure has an unfavourable variance of (\$285k). This is due to the amount of staff salaries allocated to capital projects, which is offset by operating income.
- **Roading (\$110k) U** – Income has a favourable variance of \$230k. This is being driven by income received for a road stopping (Res 21.5.10) on Muttontown Road for the Clyde subdivision. Expenditure has an unfavourable variance of (\$340k). This is due the timing of the roading maintenance work programme which results in a fluctuation from the budget.
- **Waste Management \$296k F** – Income has a favourable variance of \$275k. This variance is being driven by grants and subsidies \$464k and other revenue (\$145k). The Council received funding from the Ministry for the Environment for the rollout of the organic bins. Other revenue includes fees and charges for the transfer stations, these fluctuate based on transfer station users. Expenditure has a small favourable variance by \$21k.
- **Parks and Recreation \$149k F** – Income has a favourable variance \$439k. This variance is being driven by subsidies and grants. Better Off Funding received for the Cromwell and Alexandra pools of \$224k, and funding from the Ministry of Business, Innovation and Employment for the Alexandra River Park of \$125k and for the freedom camping programme of \$80k. Expenditure has an unfavourable variance by (\$290k). This is due to staff costs of (\$144k), grants expense (\$30k), depreciation (\$31k) and rates expense (\$45k). The variances for grants and rates expense are due to timing issues and will align with the budget at the end of the year. Grants include Sports NZ and the Roxburgh pool grant for operations. Staff costs are higher due to seasonal demand at the swimming pools and the increases to the living wage.
- **Corporate Services \$70k F** – Income has an unfavourable variance of (\$26k). User fees and charges are lower than budget by (\$17k) and subsidies and grants (\$17k). User fees and other are being driven by income collected for final water meter readings, and this income has been re-allocated to the water cost centres to align with the expenditure. The variance for subsidies and grants is due to the timing of the Better Off Funding for the digitisation of rateable property files project. Expenditure shows a favourable variance of \$96k. This is due to timing of staff recruitment which is being offset by external consultants providing support to the finance team.
- **People and Culture (\$472k) U** – Income has an unfavourable variance of (\$491k). Subsidies and grants are behind budget. Better Off Funding is expected for the RFID Installation at the Libraries and the Alexandra library renovation. The library renovation project has not yet started and the RFID installation project commenced in the second half of the financial year. Expenditure shows a favourable variance of \$19k. This is made up of administration (\$66k), health and safety \$7k, human resources (\$8k), libraries \$21k and service centre \$43k. The unfavourable variance for administration is due to staff costs of (\$35k), an adjustment will be carried out at the end of the financial year to service centres to correct. Depreciation is also higher than budgeted by (\$13k).
- **CEO \$215k F** – Income has a favourable variance of \$23k. Expenditure shows a favourable variance of \$192k. This variance is being driven by staff of \$84k, operating

contracts of (\$11k) and professional fees \$94k. The operating contracts variance is due to the timing of the budget split and the Aukaha partnership agreement full year payment made in September 2023.

- **Property (\$873) U** – Income shows an unfavourable variance of (\$3.594M). This variance continues to be driven by the timing of land sales. Dunstan subdivision stage 3 land sales are now completed with no other subdivisions ready for sale. Expenditure has a favourable variance of \$2.721M. The cost of sales for subdivisions are driving this variance of \$1.8M, along with the timing of property maintenance of \$292k and professional services of \$140k.
- **Governance and Community Engagement \$68k F** – Income has a favourable variance of \$145k. Main drivers include subsidies and grants \$17k and other revenue \$33k. Other revenue is higher than budget due to a contribution received for the Collaborative Trails marketing project. Expenditure has an unfavourable variance of (\$77k). Main drivers include staff costs of (\$87k), general grants (\$150k), elected members \$32k, Tourism Central Otago marketing campaign \$47k and regional identify projects \$48k. Staff costs are being investigated as there are some costs that may need to be allocated to projects. A large portion of community and promotional grants have been issued in the first half of the financial year.
- **Planning (Regulatory) \$1.123M F** – Income has a favourable variance of \$118k. This is due to majority of dog registration fees being received in July 2023 to cover the entire 12-month period. Expenditure has a favourable variance of \$1.005M. This is primarily due to professional fees of \$467k and staff costs of \$412k. Staff costs are due to staff vacancies and professional fees are dependent on need.
- **Three Waters (\$2.174M) U** – Income has an unfavourable variance of (\$495k). This is predominately due to the timing of metered water sales (\$643k) and the budget alignment. Expenditure has an unfavourable variance of (\$1.679M). Interest expense of (\$218k), depreciation of (\$840k), wastewater operations contracts of (\$379k) and wastewater operations sludge treatment of (\$138k). Interest expense is higher than the Annual Plan as market interest rates are higher than planned. Major variances for Three Waters were discussed in a separate report to Council on 28 February 2024.

### III. Capital Expenditure

Year-to-date, 17% of the total capital spend against the full year's revised capital budget, has been expensed. Carry forward capital works project budgets from 2022/23 have been updated in this report except for Three Waters. The Three Waters carry forward capital works projects were tabled in a separate report to Council on 28 February 2024.

2023/24 Annual Plan \$000	CAPITAL EXPENDITURE	YTD Actual \$000	YTD Revised Budget \$000	YTD Variance \$000		2023/24 Revised Budget \$000	Progress to date against revised budget
2,123	Better Off Funding DIA	776	902	126	●	2,691	29%
17,140	Council Property and Facilities	2,561	19,622	17,061	●	39,243	7%
50	Customer Services and Administration	7	54	46	●	108	7%
326	Vehicle Fleet	214	456	241	●	838	26%
201	Information Services	267	588	321	●	1,232	22%
164	Libraries	81	233	152	●	466	17%
1,841	Parks and Recreation	449	947	498	●	2,428	18%

58	Planning	-	193	193	●	385	0%
5,020	Roading	2,424	5,034	2,609	●	10,067	24%
12,172	Three Waters*	4,656	6,086	1,430	●	12,172	38%
-	Waste Management	529	384	(145)	●	768	69%
<b>39,094</b>	<b>Grand Total</b>	<b>11,965</b>	<b>34,498</b>	<b>22,533</b>		<b>70,397</b>	<b>17%</b>

*This table has rounding (+/- 1)*

- **Better Off Funding DIA \$126k F** – The Alexandra pool liner project is completed. The Cromwell bike park toilet, Clyde Hall upgrades, Alexandra Community Centre upgrades and the digitisation of rateable property files are progressing. Grant funding from the Department of Internal Affairs is uplifted as milestones are met.
- **Council Property and Facilities \$17.061M F** – The Cromwell Memorial Hall project is currently with the Cromwell Community Board and the Council for decision before progressing into the demolition stage with construction in 2024/2025. The Cromwell Town Centre project is in the preliminary concept stage. The Alexandra Community centre earthquake strengthening project is progressing with contractor onsite. The Clyde Community Centre kitchen and disabled toilet project is nearly complete. There is a building and condition assessment being carried out on Molyneux Stadium to assist future decision making. Molyneux park toilet and Ranfurly public toilets projects are complete and operational, with some signage installation to be completed in Ranfurly.
- **Vehicle Fleet \$241k F** – Vehicle renewals and purchases are under budget. The vehicle renewals programme has started, with vehicles being assessed before renewed.
- **Information Services \$321k F** – Information service projects are behind budget. Projects include enhanced customer enterprise digital services \$45k, enhanced user ICT programme \$56k, Enterprise Information Systems programme \$66k, internet and network programme \$88k and server, storage, back-up and retention programme \$37k.
- **Libraries \$152k F** – At present the library book renewals are aligned with budget, with the variance relating to the delayed Alexandra library building upgrade project.
- **Parks and Recreation \$498k F** – This is driven by a mixture of the timing of project budgets, work programmes and contractors' availability to perform the work. Variances include: cemeteries of \$52k, parks and reserves of \$345k, and swimming pools of \$78k. Parks and reserves have a favourable variance by \$345k, with major projects including Alexandra town centre \$33k, Anderson Park \$37k, Omakau recreational reserve \$54k, Molyneux park \$67k, Roxburgh reserves \$28k and Cromwell reserves \$82k. Cemeteries has a favourable variance of \$52k, the Alexandra encroachment removal and new boundary fencing projects have not started. Swimming pools has a favourable variance of \$78k, including Cromwell Pool \$122k and Alexandra Pool (\$50k). The Alexandra main pool liner project has completed and will align with the budget at the end of the financial year. The Cromwell pool variance relates to the sand filter, and this has been ordered.
- **Planning \$193k F** – The dog registration software and the dog pounds projects has not yet started.
- **Roading \$2.6M F** – This is due to the timing of the work programme and budget. Roothing projects includes drainage renewal roading \$33k, gravel road renewals \$268k, minor improvements \$674k, sealed road renewals \$716k, structures renewals \$403k, district wide footpath renewals \$206k and carpark renewals \$132k.
- **Three Waters \$1.4M F** – This is predominately due to timing of construction works, these can be ahead of budget or behind due to the work programme. The main drivers to this variance includes stormwater improvement (\$340k), stormwater renewals \$149k,

wastewater improvements \$414k, wastewater renewals \$63k, water supply improvements \$2.1M and water supply renewals (\$977k). Water supply improvements includes the Cromwell water treatment plant upgrade \$2.16M.

- **Waste Management (\$145k) U** – The transfer station reconfiguration and upgrade projects are progressing.

#### IV. Accounts Receivable

As at 31 December 2023, Council has \$169.4k outstanding in accounts receivable greater than 90 days.

The key contributors over \$5k include:

- Resource consents of \$16k for 2 debtors
- Building Consents of \$13k for 2 debtors
- Other of \$83k for 6 debtors

Type of Debtor	Current	30 Days	60 Days	> 90 Days
Other	\$ 1,248,660	\$ 42,044	\$ 20,141	\$ 112,316
Building Consents	\$ 58,986	\$ 13,977	\$ 1,525	\$ 20,244
Resource Consents	\$ 444,863	\$ 77,953	\$ 1,007,758	\$ 36,932
<b>TOTAL</b>	<b>1,752,509</b>	<b>133,974</b>	<b>1,029,424</b>	<b>169,491</b>

Type of Debtor	Dec-23	Nov-23	Oct-23	Dec-22
Other	\$ 1,423,161	\$ 210,884	\$ 789,005	\$ 181,678
Building Consents	\$ 94,731	\$ 80,633	\$ 116,660	\$ 127,149
Resource Consents	\$ 1,567,506	\$ 1,168,279	\$ 1,165,236	\$ 59,854
<b>TOTAL</b>	<b>3,085,399</b>	<b>1,459,796</b>	<b>2,070,901</b>	<b>\$ 368,681</b>

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

#### V. Internal Loans

Forecast closing balance for 30 June 2024 is \$4.32M.

OWED BY	Original Loan	1 July 2023 Opening Balance	30 June 2024 Forecast Closing Balance
Public Toilets	670,000	443,899	418,752
Tarbert St Bldg	25,868	10,019	8,400
Alex Town Centre	571,418	229,971	194,949
Centennial Milkbar	47,821	14,973	11,621
Pioneer Store Naseby	21,589	8,213	6,760
Water	867,000	663,496	634,634
ANZ Bank Seismic Strengthening	180,000	137,750	131,758
Molyneux Pool	650,000	531,150	498,650
Maniototo Hospital	1,873,000	1,670,314	1,615,133
Alexandra Airport	218,000	189,135	180,720
Roxburgh Community Pool Upgrade	250,000	241,384	232,446

Molyneux Pool - Iceinline Roof Upgrade	400,000	400,000	386,215
<b>Total</b>	<b>5,774,695</b>	<b>4,540,304</b>	<b>4,320,038</b>

This table has rounding (+/- 1)

## VI. External Loans

The total amount of external loans at the beginning of the 2023/24 financial year was \$76k. As at 31 December 2023, the outstanding balance was \$46k. Council has received \$30k in principal payments and \$1.8k in interest payments. The Maniototo Curling loan was fully paid in December 2023.

Owed By	Original Loan	1 July 2023 Actual Opening Balance	Principal	Interest	31 December 2023 Actual Closing Balance
Cromwell College	400,000	57,807	19,608	1,451	38,199
Maniototo Curling	160,000	7,456	7,456	108	0
Oturehua Water	46,471	10,771	3,152	250	7,619
	<b>606,471</b>	<b>76,034</b>	<b>30,216</b>	<b>1,809</b>	<b>45,818</b>

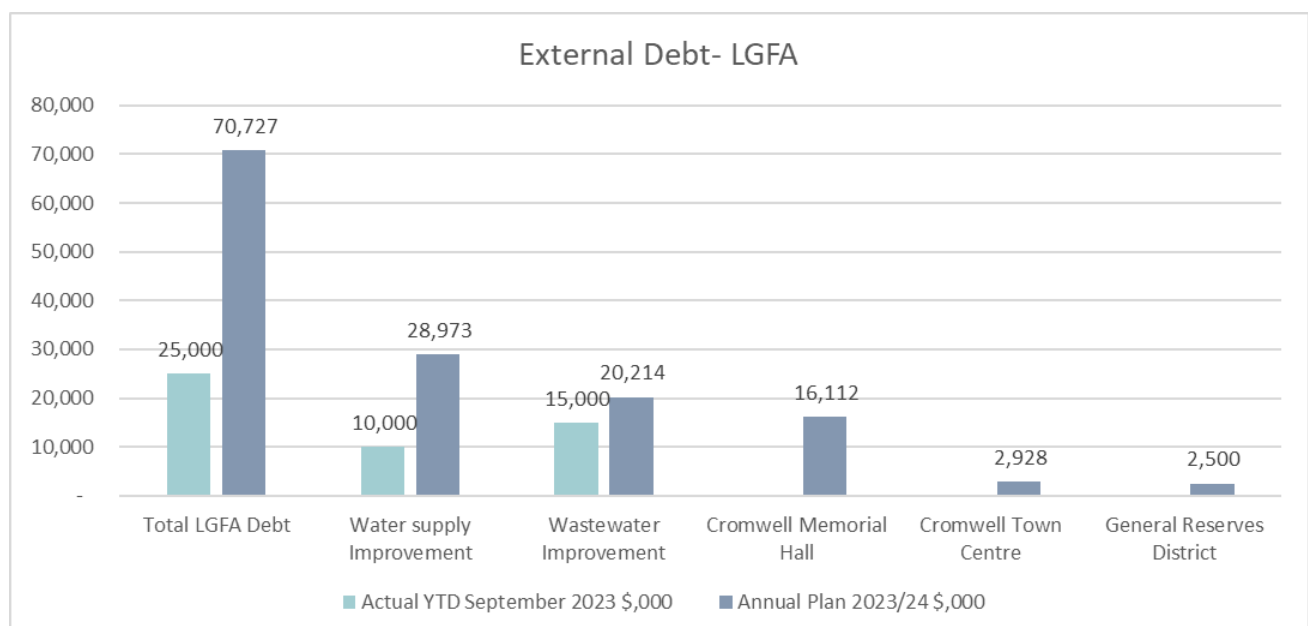
This table has rounding (+/- 1)

## VII. Investment

As at 31 December 2023, Council had cash balances of \$11M and no term deposits. To reduce the interest impact on external debt borrowing, projects are being managed through cashflows. This does mean that while there is less than planned external debt, that there are limited cashflows to lock into term deposits.

## VIII. External Debt

The total of external debt is \$25M with a planned external debt of \$70.7M at the end of this financial year. External debt is managed using operating cashflows to reduce the impact from interest rates. Debt is currently being uplifted in the three waters area.



**Reserve Funds table**

- As at 30 June 2023 the Council had an audited closing reserve funds balance of \$11.016M. This reflects the whole district's reserves and factors in the district-wide reserves which are in deficit at (\$24.69M). Refer to Appendix 1. This will be updated for forecast and carry-forwards when the three waters budgets have been confirmed. This will currently include the forecast and carry-forward adjustments from 31 January 2024 Council meeting. Refer to appendix 1.

**3. Attachments****Appendix 1 - 2023-24 Reserve Funds Table - Including CarryForwards [↓](#)**

Report author:

Reviewed and authorised by:



Donna McKewen  
Accountant  
21/02/2024



Saskia Righarts  
Group Manager - Business Support  
21/02/2024

AUDITED - 2022/23 Annual Report					2023/24 Annual Plan Budget			Forecast 1 including Carry-Forwards FY2023/24 **	
Statement of	Opening Balance	Transfers In	Transfers Out	Closing Balance	Transfers In	Transfers Out	Adjusted AP Closing Balance	Transfers In/Out	Estimated Closing Balance
Reserve Movements	2022/23	2022/23	2022/23	2022/23					
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>GENERAL RESERVES</b>									
General Reserves	1,476,183	3,468,632	(4,977,928)	(33,114)	6,180,092	(5,637,043)	509,935	(9,666,760)	(9,156,825)
Uniform Annual General Charge Reserves	152,263	149,997	(5,288)	296,972	24,317	(46,596)	274,693	(111,864)	162,829
<b>Total General Reserves</b>	<b>1,628,446</b>	<b>3,618,628</b>	<b>(4,983,216)</b>	<b>263,858</b>	<b>6,204,409</b>	<b>(5,683,639)</b>	<b>784,628</b>	<b>(9,778,624)</b>	<b>(8,993,996)</b>
<b>TARGETED RESERVES</b>									
Planning and Environment Rate	2,726,348	445,824	(138,182)	3,033,990	67,901	(107,479)	2,994,412	(854,700)	2,139,712
Economic Development Rate	-	-	-	-	-	-	-	(1)	(1)
Tracks and Waterways Charge	556,705	31,763	(12,308)	576,160	16,023	(20,300)	571,883	(12,881)	559,002
Tourism Rate	459,336	40,392	(188,395)	311,333	11,611	-	322,944	3,359	326,303
Waste Management and Collection Charge	(3,007,428)	92,953	(515,575)	(3,430,049)	169,829	-	(3,260,220)	(571,060)	(3,831,280)
District Library Charge	104,663	37,765	(75,112)	67,316	14,259	(91,339)	(9,764)	(1,811,395)	(1,821,159)
Molynaux Park Charge	(82,859)	78,288	-	(4,571)	26,473	-	21,902	(144,634)	(122,732)
District Works and Public Toilets Rate	4,247,908	2,499,402	(248,093)	6,499,218	134,936	(802,537)	5,831,617	(2,663,058)	3,168,559
District Water Supply*	(16,601,476)	17,626,353	(19,309,847)	(18,284,970)	5,636,453	(243,989)	(12,892,506)	(12,220,910)	(25,113,416)
District Wastewater*	(18,176,723)	21,922,957	(17,683,854)	(13,937,621)	2,649,960	(27,995)	(11,315,656)	(2,482,069)	(13,797,724)
<b>Total Targeted Reserves</b>	<b>(29,773,527)</b>	<b>42,775,698</b>	<b>(38,171,366)</b>	<b>(25,169,194)</b>	<b>8,727,445</b>	<b>(1,293,639)</b>	<b>(17,735,388)</b>	<b>(20,757,348)</b>	<b>(38,492,736)</b>
Specific and Other Reserves	329,132	20,786	(144,408)	205,510	988,162	(56,084)	1,137,588	(2,225,130)	(1,087,542)
<b>Total Specific and Other Reserves</b>	<b>329,132</b>	<b>20,786</b>	<b>(144,408)</b>	<b>205,510</b>	<b>988,162</b>	<b>(56,084)</b>	<b>1,137,588</b>	<b>(2,225,130)</b>	<b>(1,087,542)</b>
<b>WARD TARGETED RESERVES</b>									
<b>Vincent Community Board Reserves</b>									
Vincent Promotion Rate	-	-	-	-	-	-	-	2	2
Vincent Recreation and Culture Charge	(859,959)	118,652	(843,657)	(1,584,964)	753,839	(365,285)	(1,196,410)	(570,268)	(1,766,677)
Vincent Ward Services Rate	5,068,570	2,543,799	(169,178)	7,443,191	362,345	(2,461,913)	5,343,623	(302,816)	5,040,807
Vincent Ward Services Charge	53,731	-	(59,698)	(5,967)	7,849	-	1,882	(93,604)	(91,722)
Vincent Ward Specific Reserves	1,209,650	75,230	(4,073)	1,280,806	25,221	(3,439)	1,302,588	(5,997)	1,296,591
Vincent Ward Development Fund	665,424	105,362	-	770,786	13,091	(533,334)	250,543	-	250,543
Alex Town Centre Upgrade	(157,130)	516	(49,144)	(205,758)	389	-	(205,369)	-	(205,369)
<b>Total Vincent Community Board Reserves</b>	<b>5,980,286</b>	<b>2,843,559</b>	<b>(1,125,750)</b>	<b>7,698,095</b>	<b>1,162,734</b>	<b>(3,363,971)</b>	<b>5,496,858</b>	<b>(972,683)</b>	<b>4,524,175</b>
<b>Cromwell Community Board Reserves</b>									
Cromwell Promotion Rate	-	-	-	-	-	-	-	4	4
Cromwell Recreation and Culture Charge*	(1,328,402)	87,964	(2,472,041)	(3,712,479)	253,948	(53,743)	(3,512,274)	(7,815,043)	(11,327,317)
Cromwell Ward Services Rate	19,291,900	9,377,748	(896,608)	27,773,040	486,323	(2,174,615)	26,084,748	(5,434,770)	20,649,978
Cromwell Ward Services Charge	15,554	65	(14,005)	1,614	2,807	-	4,421	(6,834)	(2,413)
Cromwell Ward Specific Reserves	(317,344)	19,692	(20,578)	(318,229)	9,280	-	(308,949)	-	(308,949)
Cromwell Ward Development Fund	1,898,343	496,581	(104,243)	2,290,681	37,491	-	2,328,172	-	2,328,172
<b>Total Cromwell Community Board Reserves</b>	<b>19,560,051</b>	<b>9,982,050</b>	<b>(3,507,475)</b>	<b>26,034,626</b>	<b>789,849</b>	<b>(2,228,358)</b>	<b>24,596,117</b>	<b>(13,256,643)</b>	<b>11,339,474</b>
<b>Maniototo Community Board Reserves</b>									
Maniototo Promotion Rate	-	-	-	-	-	-	-	(4)	(4)
Maniototo Recreation and Culture Charge	707,209	144,576	(137,813)	713,972	265,622	(38,181)	941,413	(151,053)	790,360
Maniototo Ward Services Rate	1,998	326,943	(491,411)	(162,470)	133,510	(945)	(29,905)	(17,926)	(47,831)
Maniototo Ward Services Charge	104,796	7,971	(89,888)	22,878	2,428	-	25,306	(6,368)	18,938
Maniototo Ward Specific Reserves	252,713	20,399	-	273,112	5,003	-	278,115	-	278,115
Maniototo Ward Development Fund	-	-	-	-	-	-	-	-	-
<b>Total Maniototo Community Board Reserves</b>	<b>1,066,716</b>	<b>499,889</b>	<b>(719,112)</b>	<b>847,492</b>	<b>406,563</b>	<b>(39,126)</b>	<b>1,214,929</b>	<b>(175,351)</b>	<b>1,039,578</b>
<b>Teviot Valley Community Board Reserves</b>									
Teviot Valley Promotion	14,566	2,422	-	16,988	288	-	17,276	(4)	17,272
Teviot Valley Recreation and Culture	351,987	53,820	(252,623)	153,185	54,239	(68,728)	138,696	(634,213)	(495,517)
Teviot Ward Services Rate	1,020,819	97,193	(266,266)	851,746	22,148	(18,209)	855,685	(4,982)	850,703
Teviot Ward Services Charge	-	-	-	-	-	-	-	-	-
Teviot Ward Specific Reserves	(1)	-	(169)	(171)	-	-	(171)	-	(171)
Teviot Ward Development Fund	101,567	15,897	(3,229)	114,235	2,005	-	116,240	-	116,240
<b>Total Teviot Valley Community Board Reserves</b>	<b>1,488,937</b>	<b>169,333</b>	<b>(522,287)</b>	<b>1,135,983</b>	<b>78,680</b>	<b>(86,937)</b>	<b>1,127,726</b>	<b>(639,199)</b>	<b>488,527</b>
<b>Total Reserves</b>	<b>280,040</b>	<b>59,909,943</b>	<b>(49,173,614)</b>	<b>11,016,370</b>	<b>18,357,842</b>	<b>(12,751,754)</b>	<b>16,622,458</b>	<b>(47,804,978)</b>	<b>(31,182,520)</b>

\* Forecast 1 including Carry-Forwards does not include the adjustment for the planned external debt.

\*\* This total is expected to change as the Three Waters forecast and carry forwards have not been confirmed. External loan funding is not included.

## **6 CHAIR'S REPORT**

### **24.1.13 CHAIR'S REPORT**

**Doc ID: 1450461**

#### **1. Purpose**

To consider the Chair's report.

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#### **Recommendations**

That the report be received.

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#### **2. Attachments**

Nil



## **7 MEMBERS' REPORTS**

### **24.1.14 MEMBERS' REPORTS**

**Doc ID: 1450459**

#### **1. Purpose**

To consider the members' reports.

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#### **Recommendations**

That the reports be received.

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#### **2. Attachments**

Nil

## 8 STATUS REPORTS

### 24.1.15 MARCH 2024 GOVERNANCE REPORT

Doc ID: 1450464

#### 1. Purpose

To report on items of general interest and the current status report updates.

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#### Recommendations

That the report be received.

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#### 2. Discussion

##### Status Report

The status report has been updated with actions undertaken since the last meeting (appendix 1).

#### 3. Attachments

##### Appendix 1 - March 2024 Status Updates [↓](#)

Report author:

Reviewed and authorised by:



Wayne McEnteer  
Governance Manager  
5/02/2024

Saskia Righarts  
Group Manager - Business Support  
22/02/2024

Status Updates		Committee: Audit and Risk Committee			
Meeting	Report Title	Resolution No	Resolution	Officer	Status
12/12/2023	Significance and Engagement Policy	23.4.6	That the Audit and Risk Committee A. Receives the report and accepts the level of significance. B. Recommends to Council that the Significance and Engagement Policy is approved for consultation.	Senior Strategy Advisor	<b>05 Feb 2024</b> The Significance and Engagement Policy will be consulted on as part of the Long-term Plan 2024-34. MATTER CLOSED <b>14 Dec 2023</b> Action memo sent to officer.

**9            DATE OF THE NEXT MEETING**

The date of the next scheduled meeting is 7 June 2024.

## 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
<b>Confidential Minutes of Ordinary Committee Meeting</b>	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege  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)  s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	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
<b>24.1.16 - Cybersecurity, Information and Records Management, and Privacy Plans for 2022-2025 Implementation Update</b>	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	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
<b>24.1.17 - Risk Management Update</b>	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	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
<b>24.1.18 - Litigation Register</b>	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
<b>24.1.19 - March 2024 Confidential Governance Report</b>	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the

	disadvantage, negotiations (including commercial and industrial negotiations)	disclosure of information for which good reason for withholding would exist under section 6 or section 7
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