



AGENDA

Audit and Risk Committee Meeting Friday, 24 March 2023

Date: Friday, 24 March 2023

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.)

**Louise van der Voort
Acting Chief Executive Officer**

Notice is hereby given that an Audit and Risk Committee meeting will be held in Ngā Hau e Whā, William Fraser Building, 1 Dunorling Street, Alexandra and live streamed via Microsoft Teams on Friday, 24 March 2023 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 Ms L Robertson (Chair), Cr T Alley, His Worship the Mayor T Cadogan, Cr N Gillespie, Cr T Paterson

In Attendance S Jacobs (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), W McEnteer (Governance Manager)

1 APOLOGIES

2 PUBLIC FORUM

3 CONFIRMATION OF MINUTES

Audit and Risk Committee meeting - 15 December 2022

**MINUTES OF CENTRAL OTAGO DISTRICT COUNCIL
AUDIT AND RISK COMMITTEE
HELD IN NGĀ HAU E WHĀ, WILLIAM FRASER BUILDING, 1 DUNORLING STREET,
ALEXANDRA
AND LIVE STREAMED VIA MICROSOFT TEAMS ON THURSDAY, 15 DECEMBER 2022 AT
1.00 PM**

PRESENT: His Worship the Mayor T Cadogan (Chair), Ms L Robertson (via Microsoft Teams), Cr T Alley, Cr N Gillespie, Cr T Paterson

IN ATTENDANCE: S Righarts (Group Manager - Business Support), D Rushbrook (Group Manager – Community Vision), D Scoones (General Manager – Community Experience), L Fleck (Group Manager – People and Culture), J Muir (Three Waters Director), A Crosbie (Senior Policy Advisor), C Green (Water Services Accountant), D McKewen (Accountant), R Ennis (Health, Safety and Wellbeing Advisor), S Reynolds (Customer Services Officer) and W McEnteer (Governance Manager)

Note: Ms Robertson joined the meeting via Microsoft Teams. His Worship the Mayor was present and chaired the meeting.

1 APOLOGIES

There were no apologies.

2 PUBLIC FORUM

There was no public forum.

3 DECLARATION OF INTEREST

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

4 REPORTS

22.4.2 POLICY AND STRATEGY REGISTER

To consider the Policy and Strategy Register.

After discussion it was agreed that the agreement with Runanga should be added to the list of agreements.

COMMITTEE RESOLUTION

Moved: Cadogan

Seconded: Alley

That the report be received.

CARRIED

22.4.3 LEGISLATIVE COMPLIANCE REPORT

To consider the 2022 Legislative Compliance Report.

COMMITTEE RESOLUTION

Moved: Cadogan

Seconded: Alley

That the report be received.

CARRIED

22.4.4 POLICIES POLICY

To consider the Policies Policy before it is presented to Council for adoption.

After discussion it was agreed to rework the first sentence of the last paragraph on page 89 of the agenda to say: *“A policy provides a general explanation, it does not cover the details.”* In addition it was agreed that an outline of who should maintain the register should be added.

COMMITTEE RESOLUTION

Moved: Paterson

Seconded: Alley

That the report be received.

CARRIED

22.4.5 FRAUD, BRIBERY AND CORRUPTION POLICY

To consider recommending the Fraud, Bribery and Corruption Policy be adopted by Council for an additional two years, with a review after twelve months.

After discussion it was agreed to change the word “ramifications” to “consequences” in the policy on page 101 of the agenda.

COMMITTEE RESOLUTION

Moved: Gillespie

Seconded: Alley

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.

CARRIED

22.4.6 UPDATE ON THREE WATERS CAPITAL WORK PROGRAM AT 30 JUNE 2022

To consider the status of the Three Waters capital work program at 30 June 2022.

COMMITTEE RESOLUTION

Moved: Cadogan

Seconded: Gillespie

That the report be received.

CARRIED

22.4.7 THREE WATERS DEPRECIATION INCREASE

To consider the recommendation to Council on the increase in depreciation expense relating to three waters assets.

COMMITTEE RESOLUTION

Moved: Cadogan

Seconded: Alley

That the report be received.

CARRIED

22.4.8 ROADING DEPRECIATION INCREASE IMPACT ON ANNUAL PLAN 2023-24

To consider the increase in rate funded depreciation expense relating to roading assets.

COMMITTEE RESOLUTION

Moved: Gillespie

Seconded: Paterson

That the report be received.

CARRIED

22.4.9 FINANCIAL REPORT FOR THE PERIOD ENDING 31 OCTOBER 2022

To consider the financial performance for the period ending 31 October 2022.

COMMITTEE RESOLUTION

Moved: Cadogan

Seconded: Alley

That the report be received.

CARRIED

22.4.10 HEALTH, SAFETY AND WELLBEING REPORT

To provide an update on health, safety and wellbeing performance at Central Otago District Council.

COMMITTEE RESOLUTION

Moved: Cadogan
Seconded: Gillespie

That the report be received.

CARRIED

22.4.11 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.

COMMITTEE RESOLUTION

Moved: Cadogan
Seconded: Alley

That the report be received.

CARRIED

22.4.12 OVERSIGHT BY THE AUDIT AND RISK COMMITTEE IN THE PREPARATION OF THE 2024-34 LONG-TERM PLAN

To consider the role of the Committee in the oversight of the preparation of the 2024-34 Long-term Plan.

After discussion it was agreed that the Committee could not approve the level of oversight, rather they would note it.

COMMITTEE RESOLUTION

Moved: Cadogan
Seconded: Paterson

That the Audit and Risk Committee

- A. Receives the report and accepts the level of significance.
- B. Notes the timeline for the preparation of the 2024-34 Long-term Plan.
- C. Notes the level of oversight of the Committee in the preparation of the 2024-34 Long-term Plan as outlined in this paper.

CARRIED

5 CHAIR'S REPORT**22.4.13 CHAIR'S REPORT**

The Chair had nothing to report.

6 MEMBERS' REPORTS**22.4.14 MEMBERS' REPORTS**

Members had nothing to report.

7 STATUS REPORTS**22.4.15 DECEMBER 2022 GOVERNANCE REPORT**

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

COMMITTEE RESOLUTION

Moved: Alley
Seconded: Paterson

That the report be received.

CARRIED

8 DATE OF THE NEXT MEETING

The date of the next scheduled meeting is 3 March 2023.

9 RESOLUTION TO EXCLUDE THE PUBLIC**COMMITTEE RESOLUTION**

Moved: Cadogan
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:

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

22.4.16 - Water Services Update on Compliance Status	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
22.4.17 - GST Voluntary Disclosure Update	s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest 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
22.4.18 - Cybersecurity, Information and Records Management, and Privacy Plan 2022-2025	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
22.4.19 - Strategic Risk Register	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
22.4.20 - Litigation Register	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
22.4.21 - December 2022 Confidential Governance Report	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
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CARRIED

The public were excluded at 2.16 pm and the meeting closed at 3.56 pm.

4 DECLARATION OF INTEREST

23.1.1 DECLARATIONS OF INTEREST REGISTER

Doc ID: 622762

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 - Audit and Risk Declarations of Interest [↓](#)

Appendix 2 - Declarations of Interest - Linda Robertson [↓](#)

Name	Member's Declared Interests	Spouse/Partner's Declared Interests	Council Appointments
Tamah Alley	Manuherikia Irrigation Co-operative (shareholder) Oamaru Landing Service (OLS) (family connection) Cliff Care Ltd (family connection) Aviation Cherries Ltd (Director) Tenaya New Zealand Ltd (Director and Shareholder)	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
Tim Cadogan	Business South Central Otago Advisory Group (member) Alexandra Squash Club (member)	Two Paddocks (employee)	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)		Pisa District Community Group 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 (Chair) Bob Turnbull Trust (Trustee / Chair) New Zealand Wool Classers Association (board member) Central Otago A&P Association (member) Maunherikia Exemplar Governance Group (member)	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 (member) 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	Omakau Recreation Reserve Committee Ophir Welfare Association Committee Central Otago Health Incorporated
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I, **Linda May Robertson**, hereby disclose the following 'interests' and am to be regarded as interested in any transaction involving the following entities:

Nature of interest	Appointment date	Details of relevant entities	Monetary Value of Interest (other than director fees, if quantifiable)
Director & Shareholder	January 2008	RML Consulting Ltd	Company I charge my director fees through
Chair	November 2015	Crown Irrigation Investments Limited (Chair from April 2019)	Nil
Director	November 2015	New Zealand Local Government Funding Agency Limited	Nil
Chair	June 2016	Audit & Risk Committee, Central Otago District Council	Nil
Chair	December 2017	Central Lakes Trust (Chair from October 2018)	Nil
Director	September 2018	Central Lakes Direct Limited	Nil
Member	February 2019	Capital Markets Advisory Committee – Te Tai Ōhanga - The Treasury	Nil
Member	March 2019	Risk and Audit Committee – Te Tai Ōhanga - The Treasury	Nil
Director	August 2020	Alpine Energy Limited	Nil
Member	January 2022	Audit and Risk Committee - Office of the Auditor-General and Audit New Zealand	Nil
Director	August 2022	NETcon Limited	Nil
Director	October 2022	Horizon Energy Group companies comprising of; Horizon Energy Group Limited, Horizon Energy Distribution Limited; Aquahat New Zealand Limited; Caldwell and Levesque Limited; Coollogic Refrigeration Limited; Horizon Energy Limited; Horizon Services Limited; Aquahat Facility Services Limited; Aquahat Fire New Zealand Limited.	Nil
Director	November 2022	Invercargill City Holdings companies comprising of; Invercargill City Holdings Limited & Invercargill City Property Limited	Nil
Director	November 2022	Kordia Group Limited	Nil

Signed:



Date: 1st December 2022

5 REPORTS

23.1.2 AUDIT NZ AND INTERNAL AUDIT UPDATE

Doc ID: 622215

1. Purpose

To consider an update on the status of the external and internal audit programme.

Recommendations

That the report be received.

2. Discussion

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

The 2021-22 Audit New Zealand Management Report will be presented to the Audit and Risk Committee in a separate paper. This details outstanding recommendations from previous audits as well as some new recommendations.

In addition to external audits, council carries out several internal audits annually to provide assurance over compliance and to mitigate business risks. For the 2021-22 financial year three audits were carried out – information and records management and cyber security, along with a procurement audit. Final reports for these three audits have been received.

A GST compliance evaluation was also undertaken late last year. This compliance evaluation report was presented to the Committee at the last meeting. At this stage, Council is not facing any penalty charges from the Inland Revenue Department resulting from the miscalculation of GST returns from the pools.

For the 2022-23 financial year, two audits are scheduled to be carried out during the financial year. These are in the areas of capital expenditure planning and monitoring and health and safety.

Capital expenditure planning and monitoring

Meetings were held on 8 December 2022 and 10 March 2023 with Deloitte to discuss the scope of this work and timing. In these discussions a broader conversation was held around whether this should be next on Council's audit programme in light of Council's key risks. Staff recommend that the internal audit programme undergoes a refresh to ensure that time and resources are being targeted to the areas that are most beneficial. The internal audit programme was last comprehensively reviewed in August 2020. Deloitte will be present at the meeting to discuss what this review would entail, should the Committee be supportive of this course of action.

Current planned audit programme:

Internal Audit Review Programme	FY 22-23	FY 23-24
Procurement (carried over from previous FY)	✓	
Capital Expenditure Planning and Monitoring	✓	
Health & Safety	✓	
Contract Management		✓
Recruitment Review		✓
Environmental Management (including Sustainability)		
Business Continuity / Disaster Recovery		
Asset Management		
Benefits Realisation		
Legislative Compliance		

Red – denotes suggested alternative audit review options

Health and safety

Council have signed a contract with KPMG and the work will shortly begin, with conversations with staff scheduled from 27 March 2023. Council anticipates receiving the draft report on 21 April 2023, and the final report in May 2023.

3. Attachments

Nil

Report author:



Saskia Righarts
Group Manager - Business Support
14/03/2023

Reviewed and authorised by:



Louise van der Voort
Acting Chief Executive Officer
14/03/2023

23.1.3 PROCUREMENT AUDIT

Doc ID: 622196

1. Purpose

To note that the final procurement audit from Deloitte has been received.

Recommendations

That the report be received.

2. Discussion

As part of the agreed internal audit programme, Deloitte has conducted a review of the processes and controls in place to manage Council's procurement activities. The report has been finalised (attached).

In conducting the review, Deloitte audited a selection of seven more complex procurement contracts from across the organisation. Some of which had been in development prior to the implementation of the 2020 procurement policy.

Based on this sample Council has been rated as having informal/inadequate controls. There were two key findings in the report:

- Inconsistencies in the implementation of policy and execution of procurement activities.
- Lack of monitoring, reporting and record keeping on procurement activities.

It is acknowledged both of these areas need addressing. In line with the findings from this audit, in an initial internal review of the policy last year staff working with the current procurement policy reported back that it is overly complex and cumbersome to work with.

Plans to resource this piece of work are underway, with the view for this work being completed in in June/July 2023.

3. Attachments

Appendix 1 - Deloitte Procurement Report (final) [↓](#)

Report author:



Saskia Righarts
Group Manager - Business Support
14/03/2023

Reviewed and authorised by:



Louise van der Voort
Acting Chief Executive Officer
14/03/2023



Central Otago District Council
Procurement Review – Final Report
March 2023





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1. Executive Summary

1.1 Introduction

Central Otago District Council (“CODC” or “Council” or “you”) has requested that Deloitte undertake a review of the processes and controls in place to manage its procurement activities.

The report captures the results of the fieldwork carried out between June to August 2022, in accordance with the terms in our engagement letter dated 13 May 2022.

1.2 Background

CODC procures a wide range of goods and services to support its activities and provide levels of service to ratepayers. In the 2020/21 year, CODC incurred operational spend of \$28.9m (excluding employee costs) across goods, services and construction. The majority of expenditure is in relation to roading, property and community halls, pools, parks and cemeteries, environmental services, and water and wastewater. This has increased year-on-year as CODC continues to invest in critical infrastructure (i.e., procurement is a sizeable and important activity). Therefore, it is important that CODC has effective processes in place to help ensure that procurement activities take place in a transparent and appropriate manner.

We understand that CODC engaged a consulting firm to review and refresh its Procurement Policy in 2020. A detailed policy was produced, which is made up of 62 pages covering the following three main sections:

- Objectives - outlining the goals of CODC’s procurement activities and the principles that support them;
- Plan, Source, Manage - outlining best practices and approaches that staff can take in executing procurement activities during the lifecycle; and
- Governance – outlining the governance and reporting structures in supporting CODC’s procurement activities.

1.3 Overall Conclusion

We acknowledge that management have recognised the need to improve the control environment over procurement activities and have discussed their perspectives on the shortcomings of the Procurement Policy developed in 2020 (i.e., that it is due for review and parameters of high value or high risk is not clearly defined in the policy). It is also pleasing to see that the contract owners that we have interacted with during the course of review were responsive and cooperative.

Our work has however identified a number of control weaknesses within the procurement lifecycle. Our key findings are outlined below in Section 1.5.

We reviewed the policy and identified a number of sections that require further improvement and refinement (refer to Section 3.1 for detailed findings). The policy appears to us as a relatively extensive document and management should consider the practicability of it. The policy should be fit for purpose, provide sufficient and clear guidelines for staff to refer to when making any procurement decisions. We found that the policy is not widely used and not referred to when the procurement activities are being executed, resulting in an inconsistency of approach and outputs across the seven contracts that were selected for testing. These seven contracts have a range in value from \$0.13m to \$4m, and inconsistencies were mainly identified from our testing on the higher value contracts.

The absence of the key role of Business and Risk Procurement Manager has also impacted the consistency in the way procurement activities are carried out throughout the business. This position has been advertised twice but has remained vacant since January 2022. Therefore, staff from other departments are required to carry out the procurement activities themselves and there is a lack of oversight from the Business and Risk Procurement Manager.

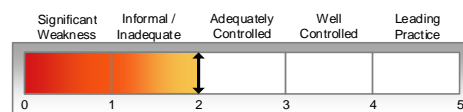
We also noted the geographical isolation of Central Otago. As a result, the number of suppliers available to CODC, especially for infrastructure projects, is limited and procurements are often directly sourced (where only a single supplier is asked to submit a tender for the contract opportunity, and it is not openly advertised). Despite these limitations, the overall control environment can be strengthened by ensuring robust procurement processes and controls are in place.

Based on our review of CODC's procurement activities, our overall conclusion and rating of the effectiveness of the control environment is that it is at the level of **Informal/Inadequate Controls** (as per the rating scale below). Each finding included in our report contributes to our overall assessment of the design and effectiveness of controls at the time of our review.

Overall Effectiveness

Informal/Inadequate Controls

The control environment exists but is informal or has important gaps and certain elements are below good practice or do not compare favourably to other models. The business is exposed to control failure and potential financial, operational and strategic impacts.

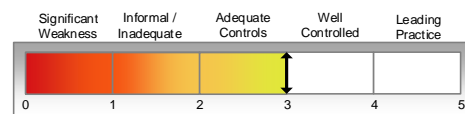


**Based on the Control Effectiveness Rating Scale as per Appendix B.*

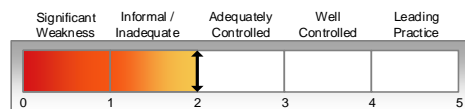
1.4 Control Objectives

Control Areas

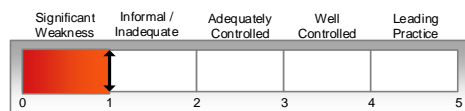
Procurement policies, manuals and procedures are clearly defined and are aligned with other CODC policies, strategy and good practice (such as the Government Procurement Rules and MBIE's Significant Service Contracts Framework).



Procurement process and decisions evidence policy compliance, robust procurement process and good practice.



Reporting on procurement activities is provided to management, such as information on the number, value and type being undertaken in each reporting period.



1.5 Summary of Findings

Findings and Risk Rating	Very High	High	Moderate	Low	Process Improvements
Number of Findings	-	2	-	-	-

**The Risk Rating Scale is outlined in Appendix B.*

Detailed findings and recommendations are set out in Section 3 of this report. A summary of our findings is below.

We identified two **high** risk findings:

i) Inconsistencies in the implementation of policy and execution of procurement activities

Our sample testing of seven contracts identified a number of inconsistencies in the way the procurement activities were carried out. We have compared the actual procurement activities executed by CODC staff against the procurement flowchart in Appendix A of the Procurement Policy, which sets out the sequence of activities that should be performed. Six key issues were identified. They are summarised in the table below:

Issues identified (i.e., non-compliance with Procurement Policy)	Number of issues identified (out of 7 samples)	Percentage of total samples
No evidence of due diligence conducted over proposed procurement supplier	6	86%
No formal risk assessment conducted for the proposed procurement project	6	86%
No procurement plan prepared	5	71%
Policy and processes not fully being adhered due to time constraint	4	57%
No evidence of conflict-of-interest considerations and related forms not filled out prior to awarding the procurement contract	4	57%
Conflict of interests identified but not formally documented	2	29%

It is evident that our sample of procurement decisions did not comply with the Procurement Policy – the policy failures identified relate to the basic elements of good practice with respect to procurement. Given the number of issues, it is possible that this is a pervasive problem that is present across the full population of procurement decisions. This could result in reputational damage to CODC if the procurement decisions made are perceived to be unfair and it is unable to provide evidence to show fairness and transparency in its procurement processes. There is also a higher risk of fraudulent activity taking place if proper processes are not followed.

ii) Lack of monitoring, reporting and record keeping on procurement activities

The level of monitoring and reporting of procurement contracts varies across the different business departments within CODC. This is determined by the respective departments as they see fit. The lack of a consistent approach to monitoring and reporting means CODC is at risk of incurring expenditure that is not appropriate, and they may miss red flags relating to issues that could arise.

Documentation relating to procurement processes and contracts are not always stored in CODC's central repository (known as "Central Docs") but are rather held by the contract owners. As documents are not stored centrally, information could be lost which puts the Council at risk of reputational damage or financial loss if they are not able to produce the documentation supporting the reasoning for its procurement decisions.

1.6 Use of Report

We have prepared this report solely for the use of CODC. The report contains constructive suggestions to improve some practices, which we identified during our review procedures. These audit procedures are designed to identify control weaknesses but cannot be relied upon to identify all weaknesses. We would be pleased to discuss any items mentioned in this report and to review the corrective action implemented by management.

Central Otago District Council | Executive Summary

Our assessments are based on observations from our review and collaboration of evidence undertaken in the time allocated. Assessments made by our team are matched against our expectations and best practice guidelines. This includes comparison with other similar processes we have assessed. This report offers recommendations for improvements and has considered the views of management, with whom these matters have been discussed.

Acknowledgement

We take this opportunity to thank all staff at CODC who have provided assistance during the course of the review.



David Seath
Partner
for Deloitte Limited
as trustee for the Deloitte Trading Trust

2. Approach and Work Performed

2.1 Objective and Scope

The objective of this review was to assess the design and operating effectiveness of processes and controls in place to manage the procurement activities of CODC. This included compliance with policies and frameworks regarding CODC's tendering processes and requirements, its delegation of authority processes and comparison with procurement good practice relating to the procurement lifecycle.

Our scope included assessing the design and implementation of processes relating to CODC's procurement activities. The following specific controls objectives were addressed:

- Procurement policies, manuals and procedures are clearly defined and are aligned with other CODC policies, strategy and good practice (such as the Government Procurement Rules and MBIE's Significant Service Contracts Framework). In particular, policies and procedures include:
 - When and what type of procurement process is required, such as open tender, closed tender and quote;
 - When expert, legal and independent advice/probity is required.
- Procurement process and decisions evidence policy compliance, robust procurement process and good practice. This includes:
 - Clear pre-procurement planning, market analysis and understanding of business need;
 - Appropriate preventative fraud controls, i.e., conflicts of interest checks, use of probity auditor and use and make-up of evaluation panel;
 - Appropriate procurement risk assessment; and
 - Selection of procurement approach, procurement process, tender/quote evaluation, challenge and decision;
- Reporting on procurement activities is provided to management, such as information on the number, value and type being undertaken in each reporting period.

2.2 Out of Scope

The following areas were out of scope for this review:

- Supplier and contract management, including administration (for example, entry and amendment of supplier details in the supplier Masterfile and drafting of contracts), monitoring and performance evaluation;
- Benchmarking and assessing CODC's procurement strategy and CODC-wide operating model;
- Completing a procurement fraud risk assessment;
- Assessing decision making and judgements applied in selection processes;
- Reviewing controls for raising purchase orders, approving of invoices and payments; and
- Assessing assurance over the reliability of information and reporting.

2.3 Approach

Our review was performed by completing the following:

- Understood relevant policies, systems and processes through discussions with key personnel, reviewed process and procedure documentation and observed as required;
- Identified any gaps in the procurement manual and provided good practice recommendations and guidance for improvement;
- Tested a sample of 7 mixed level procurement decisions to assess compliance with policies and good practice;

Central Otago District Council | Approach and Work Performed

- Identified any material risks based on our understanding of the relevant risks and existing management environment for mitigations;
- Validated any control/process gaps and effectiveness on issues identified;
- Discussed and recommended appropriate and practical solutions with key personnel; and
- Completed and distributed a draft and final report.

3. Detailed Findings

3.1 Inconsistencies in the implementation of policy and execution of procurement activities

Risk Rating	High
Ease of Fix	Medium
Observations	<p>CODC's Procurement Policy is comprehensive and written in accordance with Government Procurement Rules and MBIE's Significant Service Contracts Framework. There is a total of 62 pages covering the objectives of the policy, how to plan, source and manage procurement activities and the governance of the policy. The policy was developed in 2020, approved by Council and became effective from 26 August 2020.</p> <p>From our review of the policy, it was noted that:</p> <ul style="list-style-type: none"> • The policy is due for review in August 2021. It is required to be reviewed 12 months after it was newly developed and every three years subsequently. The scheduled review in 2021 did not take place. • The use of a Probity Auditor (in page 8) and that they should be engaged when the procurement is deemed as high value, high risk or significant. The parameters are not clearly defined. • There is inconsistency within the policy, it is stated that a procurement plan is required for purchases valued at more than \$10,000 (in page 12). However, if following the flow chart (in page 32), it would indicate that a plan is only required for purchases valued at more than \$50,000. • The procurement policy includes a reference to Section 17A – Delivery of services of the Local Government Act 2002 and the need to consider reviewing this during the procurement planning phase (in page 35). This is less relevant at the early stage of procurement lifecycle but should be referred to at the monitoring phase instead. • There are incomplete sections in the policy which need to be updated. The section covering Pre-approved Suppliers (in page 22 & 39) does not have a list of panel suppliers or reference to where the information is located. There are also missing links or reference to Document ID in the Contract Register and Approval sections (in page 43 & 46). • There is no section describing the need and processes to carry out due diligence checks on potential suppliers before awarding them the contract. • There is no reference to any key personnel or contact point in the procurement policy. <p>We then sample tested seven contracts with a range in value from \$0.13m to \$4m. We observed that not all the processes outlined in the Procurement Policy were followed and the approach was not consistently applied to each contract or procurement decision made. The following issues were identified:</p> <ul style="list-style-type: none"> • Due diligence checks over the proposed supplier were performed for only one of the contracts. While this is not explicitly stated as a requirement in the policy, it is imperative that due diligence checks are undertaken before entering into a contract with any supplier. • A formal risk assessment was conducted for only one of the contracts. For this contract, the risk assessment includes identification of risks, the mitigation actions and each risk

	<p>were assigned with a risk owner. This is expected to be included as part of the procurement plan based on the requirements in the procurement policy.</p> <ul style="list-style-type: none"> Five of the contracts did not have a procurement plan in place. This is a requirement of the procurement policy and should be the starting point for all future actions. Reasons given for the lack of a procurement plan were: <ul style="list-style-type: none"> One of the five contracts did not have a procurement plan as the planning for the procurement started in 2018, which was before the policy came into effect. This contract was delayed since then and only signed in 2021. For two of the contracts, plans were not developed due to time constraints, hence approval was sought directly from Council. We also note the risk assessments performed for these two contracts were focused on the risks and impacts of not approving the contract instead of considering the overall risks (e.g., cost / benefit analysis, indicative timeline vs potential delays) of the project. For the remaining two contracts, there were no specific justification for the absence of procurement plan. For four of the contracts, time constraints were the key reason provided by contract owners for not fully complying with the required processes outlined in the policy. Only one of the contracts had a formal conflict of interest form filled out. Two other contracts had conflicts identified, and while these were managed, it was not formally documented. For the remaining four contracts, there was no evidence that potential conflicts of interest were considered. <p>We also note that direct source is one of the allowed procurement types set out in the procurement policy, where only a single supplier is asked to submit a tender for the contract opportunity, and it is not openly advertised. Three out of the seven contracts were sourced based on this method. The justification to support that this is the preferred and appropriate method should be included in the procurement plan, however, this is not always documented.</p>
Risks	<ul style="list-style-type: none"> Incomplete or unclear policy will not provide sufficient guidance to staff, this could lead to inconsistencies of processes or outputs. Without a clear guideline, procurement activities may not be performed and executed in line with CODC's expectations and principles. Staff may not know who to seek clarification from when they have any questions about the policy or procurement processes if contact point details are not included. Without sufficient due diligence and risk assessment being performed before awarding a procurement contract, Council may enter into a contract with an unreliable supplier who does not deliver with quality or is unable to meet its contractual obligations. There is a risk that Council may not be selecting the best option of a supplier that provides value for money services and one who acts in the best interests of the community if assessments are not sufficiently performed. When policy and processes are not followed, it could be perceived as suppliers being unfairly selected which could result in reputational damage to Council. Staff may not feel obliged to prepare a procurement plan and follow the steps set out in the Procurement Policy if time constraints are viewed as an acceptable reason for allowing processes to be by-passed. Council may fail to provide evidence to show fairness and transparency in its procurement decisions if considerations are not formally documented.
Recommendations	<p>Management should consider if the current Procurement Policy is fit for purpose and feedback should be obtained from the users of the policy. There should be involvement from staff who currently perform procurement activities to get an understanding of why the policy is not fully</p>

	<p>complied with and to gather their inputs in improving the policy. As part of the review of policy, management should:</p> <ul style="list-style-type: none"> • Review CODC's obligations regarding section 17A reviews. This should be included at the monitoring phase. CODC should review all their existing service delivery contracts to ensure they are meeting their statutory obligations, in compliance with the Local Government Act 2022. • Attach the list of pre-approved suppliers as an appendix to the policy. This list should be regularly reviewed and if a supplier is found to be under performing, management to consider if it should be removed from the list. • Update the policy to include a section on due diligence, including details on when it should be performed and set out the steps that need to be undertaken. CODC should independently verify that a supplier: <ul style="list-style-type: none"> ○ is who they claim to be ○ has the financial ability to deliver ○ has the necessary capacity and capability to deliver over the life of the contract • Revisit the existing policy to make sure parameters are clearly defined, links or sections are updated and that it provides sufficient guidance to the users of policy. • Assign the Business and Risk Procurement Manager or equivalent to be the key contact point to address any questions that staff may have in relation to the policy or execution of procurement activities. <p>Once the Procurement Policy has been updated, this should be circulated to all staff across the Council. All existing tools and templates (e.g., procurement plan) should be reviewed and circulated as well to ensure consistencies moving forward. Management needs to make sure that all staff who are involved in performing procurement activities are aware of the changes made and that they know who to reach out to if they have any questions regarding these.</p> <p>Regular trainings or workshops should also be conducted to refresh the understanding of the users of policy. Management needs to set and communicate clear expectations of the procurement activities that staff needs to perform and the consequences if policy and processes are not followed. This includes ensuring due diligence checks, risk assessments and procurement plans are completed, and conflicts of interest are appropriately identified and managed. All of this should be documented.</p>
Management Response	Management accepts the recommendations as outlined and will initiate a comprehensive review of the policy, and while ensuring that it follows legislative guidelines and good practice also ensure that it is practical and fit for purpose for CODC.
Person Responsible	Group Manager Business Support
Due By	First quarter 23/24

3.2 Lack of monitoring, reporting and record keeping on procurement activities

Risk Rating	High
Ease of Fix	Medium
Observations	<p>We found that the level of monitoring and reporting on procurement activities varies across the different business departments within CODC. Currently the contract owner is the person responsible for monitoring and overseeing the progress of procurement contracts. The frequency, detail and audience for any reporting is dependent on the reporting requirements of specific departments (i.e., there is no consistent and organisation wide approach).</p> <p>There is no formal reporting required from the Business and Risk Procurement Manager, to provide a summary of procurement decisions made and activities performed by all departments in the quarter or defined period to management or Council.</p> <p>All information relating to the procurement activities performed are also not always stored in the central repository (known as "Central Docs"). Contracts are retained by each contract owner, and they had to be contacted separately to obtain the information we required for this review.</p>
Risks	<ul style="list-style-type: none"> • Management and Council have lack of visibility over the procurement decisions made during the reporting period if these are not informed to them on a timely basis. This could lead to inappropriate spending being incurred. • Management may fail to identify any issues in relation to procurement processes if there is no established reporting to regularly assess performance. • The lack of formalised and regular monitoring and reporting of procurement activities limits CODC's ability to effectively manage it as management may not have sufficient information to decide the next course of action. • There is a risk to the completeness of information if documents are not centrally sorted within CODC. This could lead to loss of key data when the contract owner leaves the business. CODC may not be able to easily retrieve the contracts and information when needed due to poor record management.
Recommendations	<ul style="list-style-type: none"> • Discuss with each department to identify the key areas and performance measurements that should be communicated to management as part of regular reporting. Once these have been determined, ensure that each department is aware of their reporting responsibilities. Examples are: <ul style="list-style-type: none"> ○ Procurement costs incurred by the department over the total cost (%) – measures the department's performance over a period of time. ○ Lead time of each contract – measures the time taken from initiation of procurement activity up to signing of contract. • Determine the frequency and extent of reporting to management and Council, this should include the key information (e.g., options that are available, nature of contract and its values) that is required to make informed decisions. Consider incorporating the results of performance measurements reported by each department identified in examples above. • Perform an annual analysis to assess the supplier concentration (e.g., analysis by type of expenditure and by department) and apply a risk-based approach (e.g., one off transaction and low value expenditure) to identify any anomalies. This is on top of the current review of top 10 suppliers to ensure sufficient coverage and considerations are made to the entire population of expenditure incurred.

Central Otago District Council | Detailed Findings

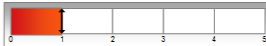
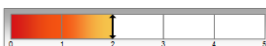
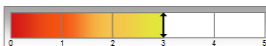
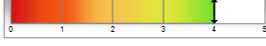
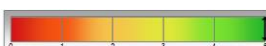
	<ul style="list-style-type: none">• Develop a checklist for staff to follow, outlining the documentation that is required to be maintained on the central repository.
Management Response	Management accepts the recommendations as outlined and as part of the review that is needed by CODC in procurement activities, a performance and monitoring framework will be developed.
Person Responsible	Group Manager Business Support
Due By	First quarter 23/24

Appendix A – Key Personnel

Key contacts	Titles	Contracts	Date interviewed
Leanne Macdonald	Executive Manager	N/A	
Saskia Righarts	Group Manager Business Support	N/A	
Ann McDowell	Finance Manager	N/A	
Chantal Green	Infrastructure Finance Officer	Pall Marshall/Fulton Hogan	29/06/2022
Patrick Keenan	Capital Project Programme Manager	Pall Marshall/Fulton Hogan	29/06/2022
Dylan Rushbrook	Tourism General Manager	Angus & Associates	01/07/2022
Tata Bates	Property Officer	Exeloo/Cemetery Rd	04/07/2022
Garreth Robinson	Properties and Facilities Manager	Breen Construction	30/06/2022
Christina Martin	Property and Facilities Officer	Breen Construction	30/06/2022
Marie Gordon	Parks Officer Projects	Numat Group	30/06/2022

Appendix B – Control Effectiveness Rating Scale

The assessment of the entire control environment is based on our assessment of the processes as presented and the results of judgemental sample testing. The consolidated results of testing together with the appropriateness of control responses to risk form this assessment.

Description	Rating Scale Indicator
<p>1 <u>Significant Weakness</u></p> <p>The control environment either does not exist or is inadequate to manage risk related to process under review and is significantly below good practice and does not compare favourably to other models. The business is exposed to control failure and potential financial, operational and strategic impacts.</p>	
<p>2 <u>Informal/Inadequate Controls</u></p> <p>The control environment exists but is informal or has important gaps and certain elements are below good practice or do not compare favourably to other models. The business is exposed to control failure and potential financial, operational and strategic impacts.</p>	
<p>3 <u>Adequate Controls</u></p> <p>The control environment exists, and we have detected some gaps and/or areas for improvement. The environment compares favourably to other models with room for improvement. The business could be exposed to control failure and potential financial and operational impacts.</p>	
<p>4 <u>Well Controlled</u></p> <p>The control environment exists, and we have detected minimal gaps and/or areas for improvement. The environment compares favourably to other models. The business may be exposed to control failure and potential financial and operational impacts.</p>	
<p>5 <u>Leading Practice Controls</u></p> <p>The control environment exists, and we have not detected gaps. Control applications and processes in existence exceeded better practice and are better than other models. The business is unlikely to be exposed to control failure and potential financial and operational impacts.</p>	

Appendix C – Risk Rating Scale

Risk Rating Scale

Each finding included in the report has been ranked on the basis of the risk we perceive the organisation to be exposed to.

Rating	Description
Very High	Issue represents a severe control weakness. This could cause or is causing severe disruption to process/service, or severe adverse effect on the ability to achieve objectives.
High	Issue represents a significant control weakness. This could cause or is causing significant disruption to process/service, or significant adverse effect on the ability to achieve objectives.
Moderate	Issue represents a moderate control weakness. This could cause or is causing some disruption to process/service. There may be a level of short-term tolerance due to compensating controls or remedial plans underway.
Low	Issue represents a minor control weakness. This could cause or is causing inefficiencies in process or is a lack of formality in documentation or process.
Process Improvement	Observation represents an identified opportunity to improve process/service efficiency.

Ease of Fix Rating

Deloitte's estimation of the effort required to fix the finding raised is based on our previous experiences with resolving similar findings at similar organisations. This is intended as a guide only. You should undertake your own assessment to determine the actual level of effort required.

Rating	Description
Simple	There is a simple fix for this finding, which may involve minor system changes that require limited effort to implement or test, minor costs to resolve, or minor changes to system design or business processes. Estimated timeframe for fix to be implemented is within one to three months.
Medium	There is a moderately complex fix for this finding, which may involve some time to develop, implement and test, some cost to resolve, or some changes to system design or business processes. Estimated timeframe for fix to be implemented is within three to six months.
Complex	The solution is complex and may involve substantial time to develop, implement and test, substantial monetary cost to resolve, or substantial changes to system design or business processes. Estimated timeframe for fix to be implemented is in less than 12 to 18 months.

Statement of Responsibility

The procedures that we performed did not constitute an assurance engagement in accordance with New Zealand Standards for Assurance engagements, nor did it represent any form of audit under New Zealand Standards on Auditing, and consequently, no assurance conclusion or audit opinion is provided. The work was performed subject to the following limitations:

- Our assessments are based on observations from our review and sample testing undertaken in the time allocated. Assessments made by our team are matched against our expectations and best practice guidelines. This includes comparison with other similar processes we have assessed. This report offers recommendations for improvements and has taken into account the views of management, with whom these matters have been discussed.
- Because of the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur and not be detected. The procedures were not designed to detect all weaknesses in control procedures as they were not performed continuously throughout the period and the tests performed are on a sample basis.
- Any projection of the evaluation of the control procedures to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.
- The matters raised in the deliverable are only those which came to our attention during the course of performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made. We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud. Accordingly, management should not rely on our deliverable to identify all weaknesses that may exist in the systems and procedures under examination, or potential instances of non-compliance that may exist.

We have prepared this report solely for the use of CODC. The report contains constructive suggestions to improve some practices which we identified in the course of our review procedures. These procedures are designed to identify control weaknesses but cannot be relied upon to identify all weaknesses. We would be pleased to discuss any items mentioned in this report and to review the corrective action implemented by management.

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23.1.4 PROGRESS IN THE PREPARATION OF THE 2024-34 LONG-TERM PLAN

Doc ID: 622142

1. Purpose of Report

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

Recommendations

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.
-

2. Background

Under the Registrar of Delegations adopted by Council for this triennium, the Audit and Risk Committee have 'oversight on the preparation of the Long-term Plan'. At the Committee's meeting held on 15 December 2022, it was agreed that oversight for the 2024-34 Long-term Plan includes:

- Receiving a formal progress update at each scheduled meeting, including visibility on how the programme is tracking according to the agreed plan.
- Receiving for feedback the key policies that will be included as part of the Long-term Plan (including the Significance and Engagement Policy, the 30-year Infrastructure Strategy, the Revenue and Rating Policy and the Financial Strategy).
- Receiving the Consultation Document in advance of its public release.
- Receiving for feedback the full draft document.

3. Discussion

Since the Committee's last meeting good progress has been made in developing the 2024-34 Long-term Plan. The key actions undertaken since the Committee's last meeting are detailed below:

- 101 introductions to the Long-term Plan process have been undertaken with the new councillors.
- The district vision piece of work (from which new community outcomes will be developed) has received three waters better off funding and the project plan for this work has been approved.
- Two scene setting/what are the priorities workshops have been held with councillors. From these discussions a short list of priority areas has been agreed for further discussion at the April 2023 Council meeting.
- Councillors have had a workshop on the infrastructure strategy and provided direction on the vision and principles of the strategy.
- Councillors have had a workshop on bridges (one potential area of capital investment for the next ten years).
- Councillors have endorsed the approach to pre-engagement with the community, which will begin in April 2023.

- An organisational project manager has been appointed and will assist in the project management of the Long-term Plan.

Since the Committee has seen the timeline (attached) there has been a minor change to the schedule. Due to the annual plan workshops and papers going to the January and March 2023 community board meetings, Long-term Plan discussions will now occur at May 2023 community board rounds (which will include both an overview of the process as well as a discussion about what members are hearing is important in their community).

The Committee will receive a progress report at their next meeting, as well as an indication when key policy and strategy documents will be available for review by the Committee.

4. Attachments

Appendix 1 - 2024-34 Timeline [↓](#)

Report author:



Saskia Righarts
Group Manager - Business Support
14/03/2023

Reviewed and authorised by:



Louise van der Voort
Acting Chief Executive Officer
14/03/2023

Long-term Plan 2024-34 Project Timeline



Key	
	Council
	Workshop
	Audit & Risk Committee
	Consultation
	Community Boards
	Internal

23.1.5 POLICY AND STRATEGY REGISTER

Doc ID: 621069

1. Purpose

To consider the Policy and Strategy Register.

Recommendations

That the report be received.

2. Discussion

The Policy and Strategy Register is reported to each Audit and Risk Committee to ensure ongoing compliance with targets and audited figures. The audited target is for 80% of policy documents to be in date at any one time. At the request of the Committee, Council is aiming to remain above 90% as a soft target. The calculations were made as of 6 March 2023.

Overall, the organisation exceeded both targets with 90.2% of policy documents in date.

Two of the five departments exceeded 90%, and all five met the 80% target.

Three Waters is considered a separate division and is not part of the departmental figures, although it is calculated in the organisational total. Three Waters is currently sitting at 57.15%.

Business Services

Business Services is at 97.56%.

The Procurement Policy remains out of date, with a full review underway as discussed previously with the committee.

Two new plans and one new policy have been added: Privacy Plan, Cybersecurity Plan, Closed Circuit Television (CCTV) Policy.

Organisational Business Plans have now moved into the Business Services portfolio. This corrects an error within the register, rather than an adjustment within the business.

There are five policy documents requiring updates within the next three months – all are on track to meet their respective deadlines: Governance Statement, Triennial Agreement, ICT Disaster Recovery, IRM Disaster Recovery, and Organisational Business Plans.

Community Experience

Community Experience is at 88.89%.

The Collection Development Policy remains out of date. This is a shared policy awaiting updates from our partner Queenstown Lakes District Council.

The Plaques and Memorials Policy was added to the register.

There are no items due for review until 2024. Work is underway on several new items.

Community Vision

Community Vision is at 88.89%.

The Media Policy is out of date and under review. It is expected to be in date prior to the next reporting period.

The Policies Policy was added.

The Community Development Strategy is due for review in May and work is underway.

Planning and Infrastructure

Planning and Infrastructure remains at 84%.

Work is underway to renew the Public Toilet Policy and the Roding Policy. The Lighting Policy remains programmed for review.

There are two policy documents due for renewal in June: work has begun to review the Waste Management and Minimisation Plan, and the Gambling and Board Venue Policy review is nearing completion.

People and Culture

People and Culture remain at 100%.

The Vehicle User Policy was replaced with the Vehicle Use and Safe Driving Policy in January. The Trespass Policy Statement was also renewed.

There are no People and Culture policies due for review in the next quarter.

Three Waters

Three Waters is at 57.14%

The Sewer Lateral Policy lapsed in December. The Drinking Water Policy Statement requires updating in March.

3. Attachments

Appendix 1 - Policy and Strategy Register as at 6 March 2023 [↓](#)

Report author:

Reviewed and authorised by:



Alix Crosbie
Senior Strategy Advisor
6/03/2023

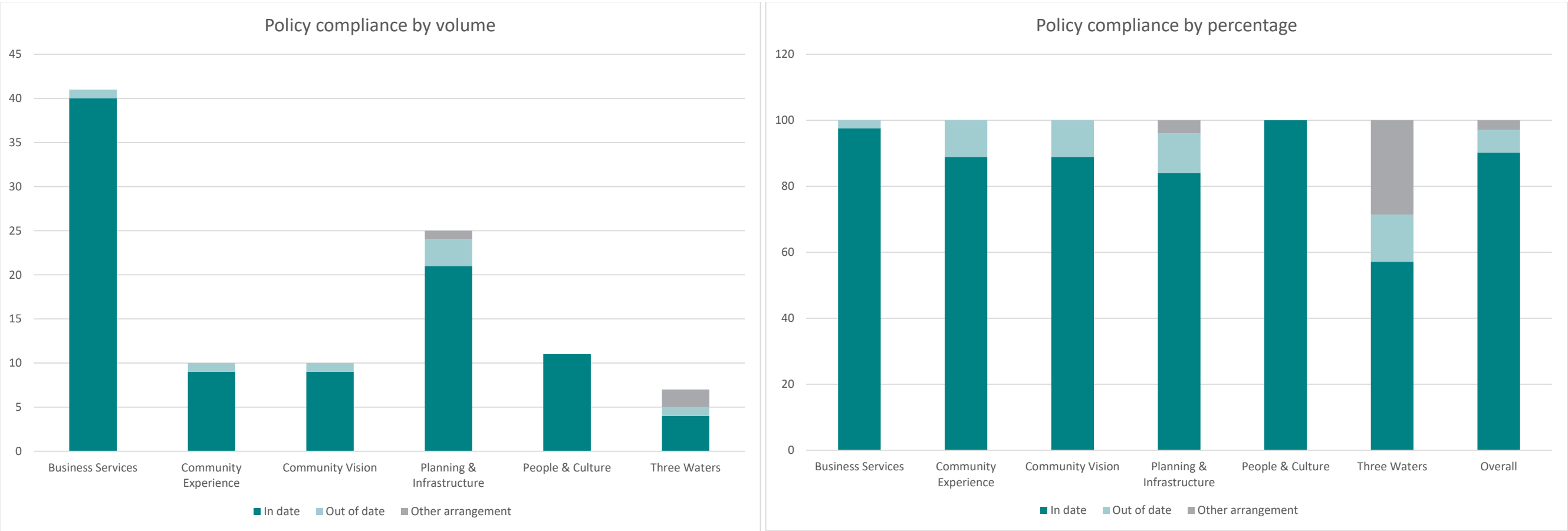


Dylan Rushbrook
Group Manager - Community Vision
8/03/2023



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 Services	41	41	0	40	1	0	97.56%
Community Experience	10	9	1	8	1	0	88.89%
Community Vision	9	9	0	8	1	0	88.89%
Planning & Infrastructure	26	25	1	21	3	1	84%
People & Culture	11	11	0	11	0	0	100%
Three Waters	7	7	0	4	1	2	57.14%
Total	104	102	2	92	7	3	90.2%

Compliance target: 80%
Status: Compliance target met
Prepared: 6 March 2023





Business Support

Responsible officer: General Manager Business Support

Executive Function

Document	Date reviewed	Due for review	Responsibility	Explanation	Publication	Status
Annual Plan	June 2022	30 June 2023	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	December 2022	October 2023	Council	Produced at the end of each financial year. Sets out performance and delivery against budgets and targets.	External	Operational.
Organisational Business Plan	July 2022	July 2023	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	December 2023 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

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	December 2023 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	October 2021	December 2022	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	Operational
Investment Policy	June 2021	December 2023 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	December 2023 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	August 2020	June 2022	Audit & Risk Council	Guided by New Zealand Government Procurement Rules released by the Ministry of Business, Innovation, and Employment. Provides a consolidated view of the procurement objectives and requirements.	External	Out of date Review underway.



Protected Disclosures (Whistleblowing) Policy	September 2022	September 2025	Audit & Risk Council	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	December 2023 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 2021	June 2023 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	December 2023 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	September 2022	September 2023	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	Operational

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 2020	March 2023	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	2020	1 March 2023	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 2022	April 2023	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 2022	April 2023	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; Memorials 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	Operational
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	Operational
Media Policy	January 2020	January 2023	Council	Guides staff and elected members on their roles and responsibilities with regard to external media communications.	Internal	Out of date
Social Media Policy	January 2020	December 2023	Council	Framework that enables staff to engage on Council activities through 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 2018	June 2023	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
Tourism Strategy	June 2019	June 2024	Council	Guiding document with strategic priorities, goals, and connections to government framework.	External	Operational
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 2022	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	December 2023 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 Roding. 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	Operational

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	July 2009	July 2012	Council	Provides guidance around the provision of public toilets	External	Out of date Review underway

Future work: CCTV Policy



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"> Alexandra Airport Masterplan (2021) Cromwell (2019) Vincent (2022) 	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	Operational
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 2021	September 2023	CEO	Embeds equal employment opportunity and anti-discriminatory practices to provide a workplace free from discrimination, harassment, and victimisation.	Internal	Operational
Leave Management Policy	December 2020	December 2023	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 2021	August 2023	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
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
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	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

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 and Safety Policy Statement	September 2022	September 2023	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"> • Procedure for responding to child abuse and neglect (against staff) • Procedure for responding to disclosed or suspected child abuse or neglect • Publication of photo and video consent form 	External	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

Future work: Alcohol and Other Drugs Policy; Rehabilitation and Return to Work Policy; Hybrid and Remote Working Policy; Lone, Remote and Isolated Working Policy; Violence and Aggression Management Policy; Health and Safety Framework; Smoke and Vaping Free Workplaces Policy 2022; Contractor Pre-Qualification Guidelines.



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	Operational
Leakage Remissions Policy	June 2021	December 2023 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">Alexandra (2021)Clyde (2016)Cromwell (2015)Naseby (2016)Omakau (2017)Patearoa (2008)Pisa Village (new)Ranfurly (2016)Roxburgh (2016)	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">CromwellClyde, Earnsclough, and AlexandraNaseby, Ranfurly, ManiototoManuherikia ValleyTeviot ValleyQueensberryIda Valley	Various	Various	Central Otago Emergency Management (Otago Regional Council)	Localised advice and preparation for response to emergency situations. https://www.otagocdem.govt.nz/districts/central-otago	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">Alexandra (2013)Clyde (2011)Cromwell (2021)Maniototo (2007)Naseby (2016)Omakau (2014)Ophir (2015)Oturehua (2014)Patearoa and Upper Taieri (2019)Pisa (2009)Roxburgh and Teviot Valley (2011)St Bathans (2006)Tarras (2007)Waipiata (2008)	Various	Various		Community plans are visions made by the local community. Actions are identified through these plans.	External	Operational
Heritage Strategy	April 2018	April 2023	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.

A Central Otago policy standard is in development, to be presented in the new term for discussion. In the interim, the following standard for review is in place:

- 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. Some work also appears on the Central Otago New Zealand website centralotagonz.com. The Long-term Plan and related policies are also published in hard copy.

23.1.6 UPDATE ON THE THREE WATERS WORKS PROGRAM TO 30 JUNE 2024

Doc ID: 618649

1. Purpose

To consider an update on the Three Waters works program.

Recommendations

That the report be received.

2. Discussion

Council approved the forward works program for Three Waters at the 25 January 2023 meeting. This included a capital works program of \$54 million and bringing forward \$500,000 of operational spend budgeted in year 5 of the Long-Term Plan to remove sludge from the ponds at Roxburgh Wastewater Treatment Plant.

On 1 July 2024 Three Waters is expected to transition into the new Water Services Entity. At this time debt and reserve balances remaining will transfer to the Water Services Entity.

This \$54 million capital works program is ambitious. If achieved then this will ensure all funding provided in the 2021-24 period is spent, as well as any remaining reserve balances. If transition were not to occur as currently proposed, then the carry forwards of unspent budget into 2024/25 would be minimal, and Council will be in a good position to deliver future planned work.

At the 25 January 2023 Council meeting, Council also approved the procurement of several projects by tender. An update on the estimated timeline for tendering is outlined below:

Project	Location	Work Description	Tender
Water Pipe Renewals	District	Replacement of water pipes.	March 2023
Wastewater Generators	District	Generators for 5 critical wastewater sites.	April 2023
Cromwell Water Rising Main	Cromwell	Construction of a new dedicated rising main to the existing reservoir.	May 2023
Wastewater Pipe Renewals	District	Replacement of wastewater pipes.	May 2023
Continuous Monitoring Devices	District	Supply and Installation of Continuous Monitoring Devices.	June 2023
Roxburgh Wastewater Treatment Plant Sludge Removal	Roxburgh	Sludge removal at the Roxburgh Wastewater Treatment Plant.	June 2023
Bridge Hill Water Main	Alexandra	Replacement of water main.	July 2023
Lake Roxburgh Village Wastewater Treatment Plant Upgrade	Roxburgh	Upgrades to wastewater treatment plant.	October 2023

Cromwell Water Treatment Plant	Cromwell	Construction of a new water treatment plant.	TBC
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Summary of Capital Spend on Three Waters

Project	Approved Budget 2022/23	YTD Spend February 2023	Variance to Approved Budget 2022/23	Approved Budget 2023/24	Approved Budget to 30 June 2024
Three Waters Total	25,182,549	15,593,276	9,589,273	28,817,214	53,999,763

Stormwater Total	380,000	69,584	310,416	2,270,000	2,650,000
Pipe Renewals	380,000	69,584	310,416	380,000	760,000
Network improvements	0	0	0	1,890,000	1,890,000

Wastewater Total	9,098,200	5,552,364	3,545,836	7,717,844	16,816,044
Alexandra Network Upgrades with Developments	10,000	0	10,000	10,000	20,000
Cromwell Network Upgrades with Developments	23,539	0	23,539	20,000	43,539
Alexandra Treatment Plant Upgrades	275,000	89,795	185,205	710,000	985,000
Clyde Reticulation	3,627,762	3,473,359	154,403	0	3,627,762
Clyde Main Pump Station	1,233,794	1,241,451	-7,657	0	1,233,794
Cromwell Treatment Plant Future Works	0	0	0	200,000	200,000
Influent and Effluent Monitoring Devices	20,000	20,675	-675	250,000	270,000
Treatment Screens	100,000	96,281	3,719	0	100,000
Pumpstation Flow Meters	210,000	53,107	156,893	170,000	380,000
Lake Roxburgh Village Treatment Plant Upgrade	100,000	4,031	95,969	800,000	900,000
Omakau Treatment Plant Upgrades	0	0	0	0	0
Roxburgh Treatment Plant Improvements	0	1,979	-1,979	101,734	101,734
Earnsclough Road Pumpstation Upgrade	0	0	0	360,000	360,000
Generators	800,000	0	800,000	0	800,000
Dunorling Street Pumpstation Storage Upgrade	1,500,000	9,988	1,490,012	0	1,500,000
Point Renewals	135,785	56,121	79,664	135,785	271,570
Pipe Renewals	120,624	48,674	71,950	2,267,235	2,387,859
Plant Renewals	191,696	181,257	10,439	243,090	434,786
Cromwell Growth Upgrades	750,000	275,646	474,354	2,450,000	3,200,000

Water Supply Total	15,704,349	9,971,328	5,733,021	18,829,370	34,533,719
Alexandra Network Upgrades with Developments	90,000	0	90,000	30,000	120,000
Cromwell Network Upgrades with Developments	45,000	0	45,000	45,000	90,000
Backflow Prevention	315,020	7,407	307,613	400,000	715,020
Bannockburn Reservoir Power Supply	75,000	0	75,000	0	75,000
Bannockburn Pipeline	250,000	10,691	239,309	0	250,000
Cromwell Pisa Reservoir and Rising Main	0	0	0	100,000	100,000
Cromwell Rising Main	350,000	317,026	32,974	6,000,000	6,350,000
Cromwell Treatment Plant Upgrade	400,000	111,603	288,397	4,200,000	4,600,000

Dunstan Flats Reticulation	0	0	0	94,532	94,532
Lake Dunstan Water Supply	10,224,422	8,585,631	1,638,791	0	10,224,422
Omakau Treatment Plant Upgrade	100,000	10,060	89,940	150,000	250,000
Patearoa Treatment Plant Upgrade	100,000	16,321	83,679	0	100,000
Ranfurly Treatment Plant Upgrade	100,000	27,531	72,469	0	100,000
Roxburgh Source Investigation	6,352	0	6,352	300,000	306,352
Valve Upgrades	245,990	10,107	235,883	0	245,990
Demand Management	150,000	0	150,000	0	150,000
Patearoa Upgrades	0	0	0	0	0
Naseby Treatment Plant Upgrades	150,000	42,434	107,566	0	150,000
Bridge Hill Main	300,000	30,204	269,796	3,700,000	4,000,000
Pipe Renewals	1,228,726	191,701	1,037,025	820,721	2,049,447
Point Renewals	725,833	174,559	551,274	731,824	1,457,657
Plant Renewals	548,006	436,053	111,953	496,974	1,044,980
Continuous Monitoring Devices	300,000	0	300,000	300,000	600,000
Cromwell Growth Upgrades	0	0	0	1,460,319	1,460,319

3. Attachments

Appendix 1 - Forward Work Program Dashboard February 2023.pdf [↓](#)

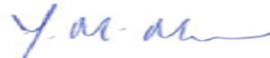
Appendix 2 - CODC Pipeline February 2023.pdf [↓](#)

Report author:

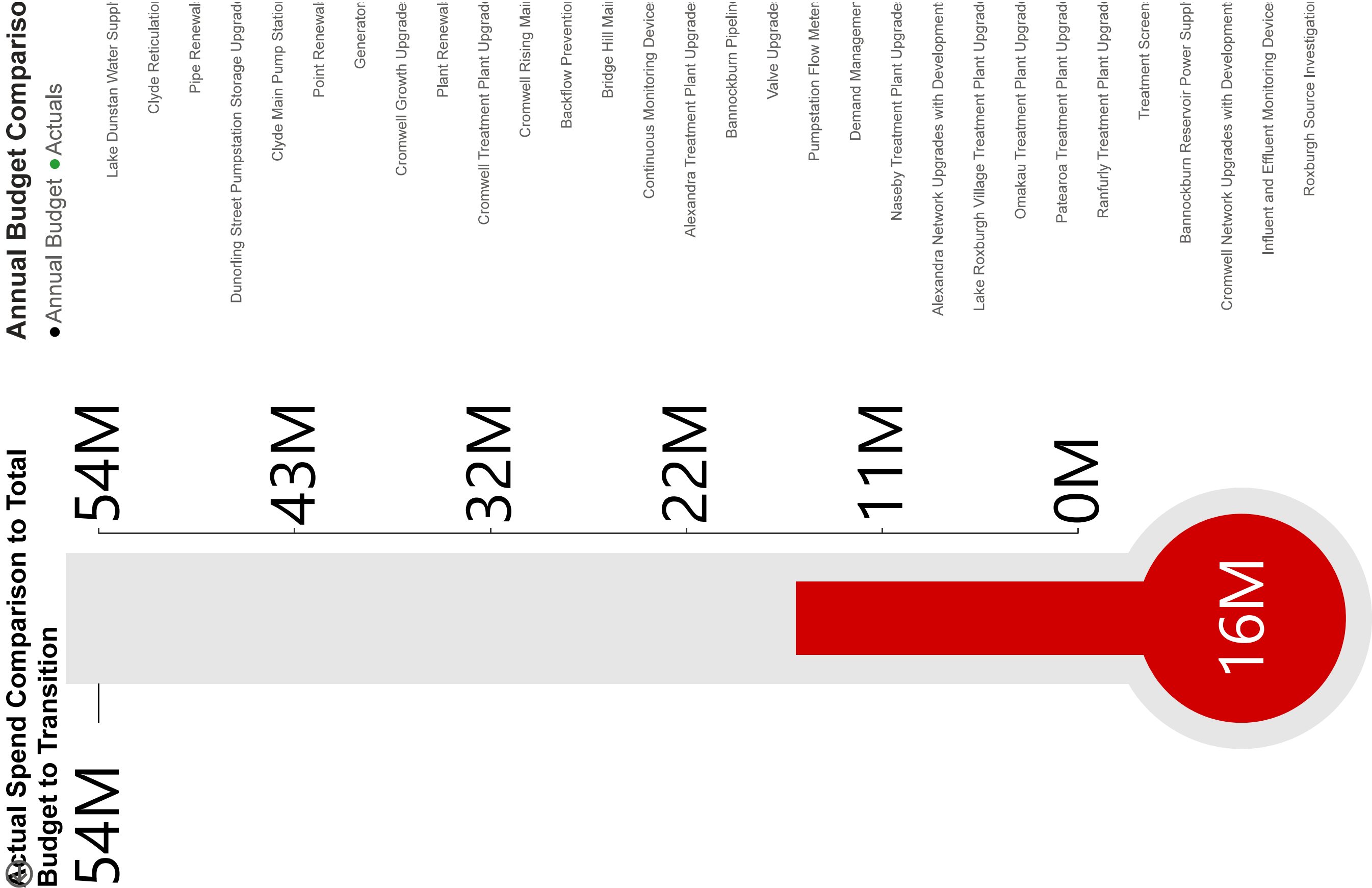
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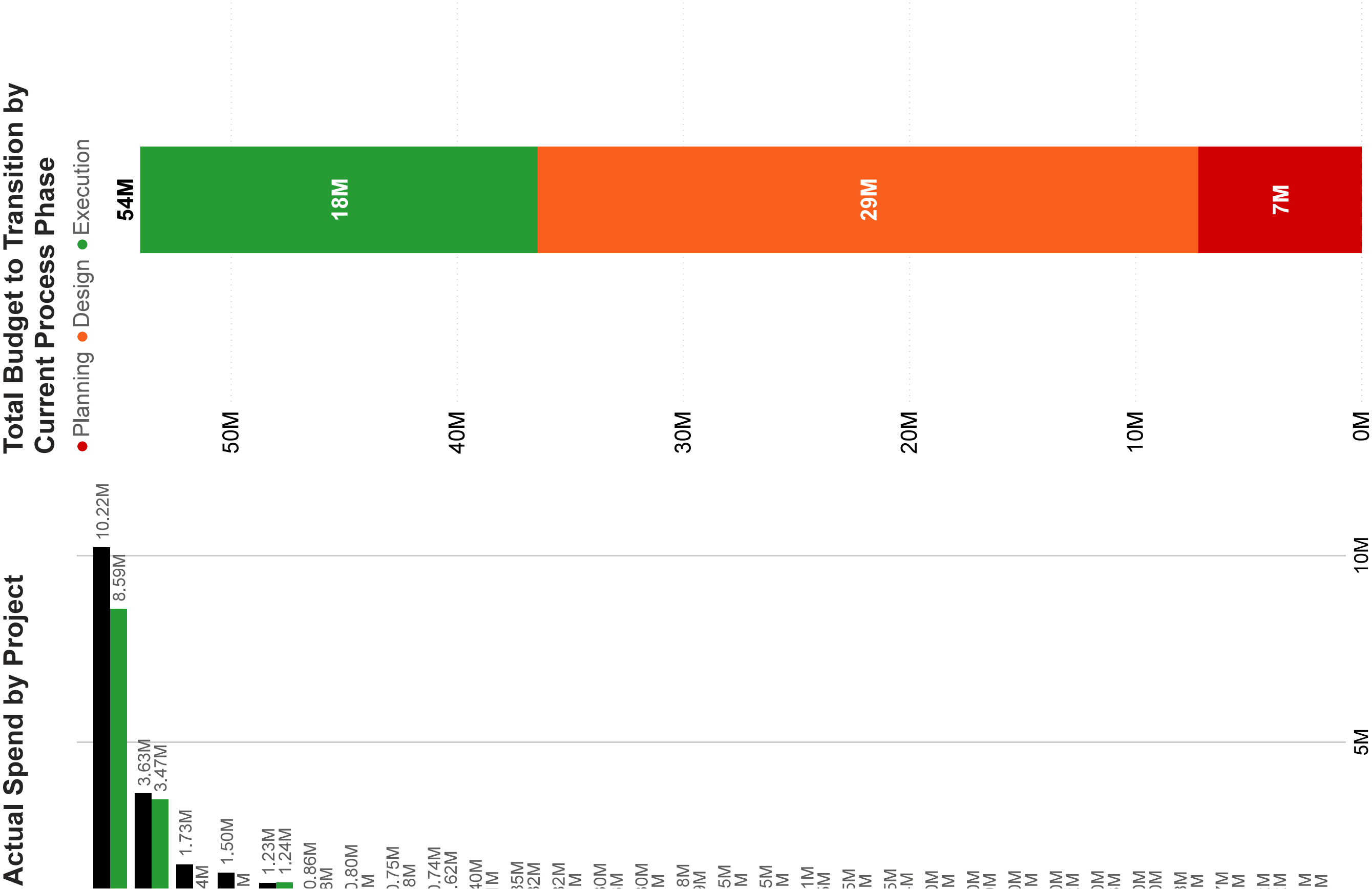


Chantal Green
Water Services Accountant
8/03/2023



Julie Muir
Three Waters Director
13/03/2023





Date Updated	Organisation	Project Name	Project Description	Service	Scheme Area	Project Status	Funding Status	Procurement Type	Procurement Scope	Procurement Platform	Planning (Business Case) Start Date	Planning (Business Case) Completion Date	Design Start Date	Design Completion Date	Procurement Start Date	Procurement Completion Date	Construction Start Date	Construction Completion Date	Porject Delivery Confidence	Project Value Range	Project Value Confidence
8/03/2023	CODC	Treatment Improvements - Lake Roxburgh Village	Replacement of small wastewater treatment plant. The age, condition, capacity and technology at the existing wastewater treatment site is likely to require redevelopment to comply with current/future wastewater disposal requirements	Wastewater	Lake Roxburgh Village	Planning	Planning, Design & Construction	To be determined	Design and construct	Tenderlink			Aug-23		Oct-23	Nov-23	Dec-23	Aug-24	Med	500k - 1m	Budget Placeholder
8/03/2023	CODC	Generators - Districtwide	Generators for 5 critical wastewater sites	Wastewater	Districtwide	Design	Construction only	Open	Design and construct	Tenderlink			Jan-23		Apr-23	May-23	Jun-23	Dec-23	Med	500k - 1m	Fixed budget – target price
8/03/2023	CODC	Pipe Renewals	Network-wide review, prioritisation and replacement of wastewater pipe assets	Wastewater	Districtwide	Design	Construction only	Open	Construct only	Tenderlink			Jan-23		May-23	Jun-23	Jul-23	Jul-24	Med	1m - 5m	Fixed budget – target price
23/02/2023	CODC	Desludging Roxburgh Ponds	There is a build-up of sludge in the oxidation pond which is reducing the capacity of the plant.	Wastewater	Roxburgh	Planning	Construction only	Open	Construct only	Tenderlink			Mar-23	May-23	Jun-23	Aug-23	Aug-23	Dec-23	Med	500k - 1m	Budget Placeholder
23/02/2023	CODC	Bannockburn Pipeline	Insufficient capacity in existing pipeline to Bannockburn to meet firefighting requirements and growth demand	Water	Cromwell	Planning	Planning and Design	Direct	Design only	N/A			Mar-23	Jul-23					Med	200k - 500k	Budget Placeholder
8/03/2023	CODC	New Rising Main - Cromwell	Construct a dedicated rising main to the existing reservoir that will improve operational efficiency, improve capacity of flow to the reservoir, and improves resilience	Water	Cromwell	Design	Planning, Design & Construction	Open	Construct only	Tenderlink			Sep-22	Feb-23	May-23	Jun-23	Jul-23	Jul-24	Med	5m - 10m	Engineers Estimate last 6 mths
23/02/2023	CODC	New Treatment Plant - Cromwell	Identify and construct water extraction and treatment plant to meet NZDWS and provide sufficient capacity for growth	Water	Cromwell	Design	Partial construction	Open	Construct only	Tenderlink									Med	5m - 10m	Budget Placeholder
23/02/2023	CODC	New Main pipeline - Bridge Hill	Replacement falling main at or close to current location. Consideration will also be given to dedicated rising and falling mains to improve a level of resilience.	Water	Lake Dunstan	Design	Planning, Design & Construction	Open	Construct only	Tenderlink			Jan-23	Jul-23	Jul-23	Sep-23	Oct-23	May-24	Med	5m - 10m	Engineers Estimate last 6 mths
8/03/2023	CODC	Pipe Renewals Renewals	Network-wide review, prioritisation and replacement of water pipe assets	Water	Districtwide	Design	Construction only	Open	Construct only	Tenderlink			Jan-23		Mar-23	May-23	May-23	Apr-24	Med	1m - 5m	Fixed budget – target price

23.1.7 HEALTH, SAFETY & WELLBEING REPORT

Doc ID: 617104

1. Purpose

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

Recommendations

That the report be received.

2. Discussion

2.1 Reporting period

This report covers the period 1 November 2022 – 31 January 2023 ('the reporting period').

2.2 Health, Safety and Wellbeing Advisor summary

Council has begun its health and safety activities for 2023 with a vision to start as we mean to continue. The Executive Leadership Team attended a half day workshop about health and safety governance where we discussed the important role our senior team play in promoting safe and healthy workplaces.

At the time of this report, Executive Leadership Team members have already begun having assurance conversations with employees about priority areas of critical risk – improving both their assurance of risk management and working relationships across our team.

Contractor management is also an important focus for Health and Safety in 2023. Following feedback from this committee in December 2022, additional information about contractor-related incidents is included in this report.

After reviewing the minutes of meetings with council's major contractors 28 incidents were added to the register. These reports improve our understanding of downstream risks. The Health, Safety and Wellbeing Advisor has provided options to managers for reporting contractor health and safety data. The feedback from this process is being collated at the time of the report.

2.3 Incidents and injuries

There were 40 reports (+7) submitted during the reporting period. No notifiable events were reported.

Reports include both proactive reactive reporting.

Table 1 attributes a severity rating to all reports included in this report. All reports are reviewed by health and safety and operational managers regardless of the severity rating.

Most reports made during the reporting period were business as usual. Notable incidents are explained at section 2.3.9.

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	32	6	2	0

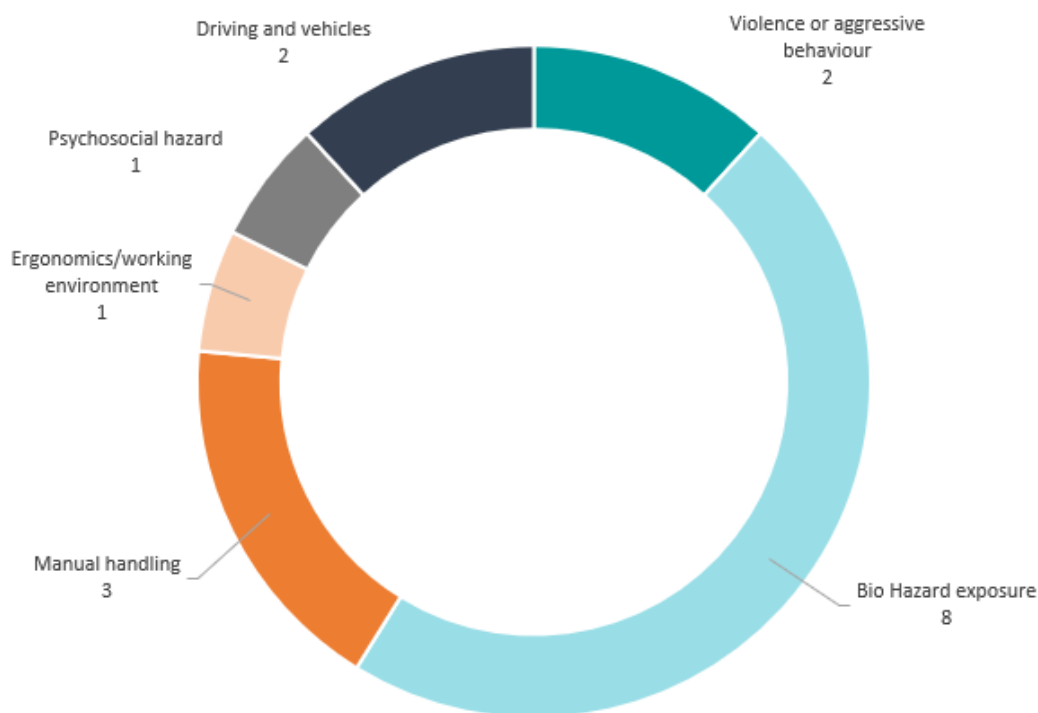
Table 1. Severity rating for all incident reports Nov 22-Jan 23.

2.3.1 Employee incidents

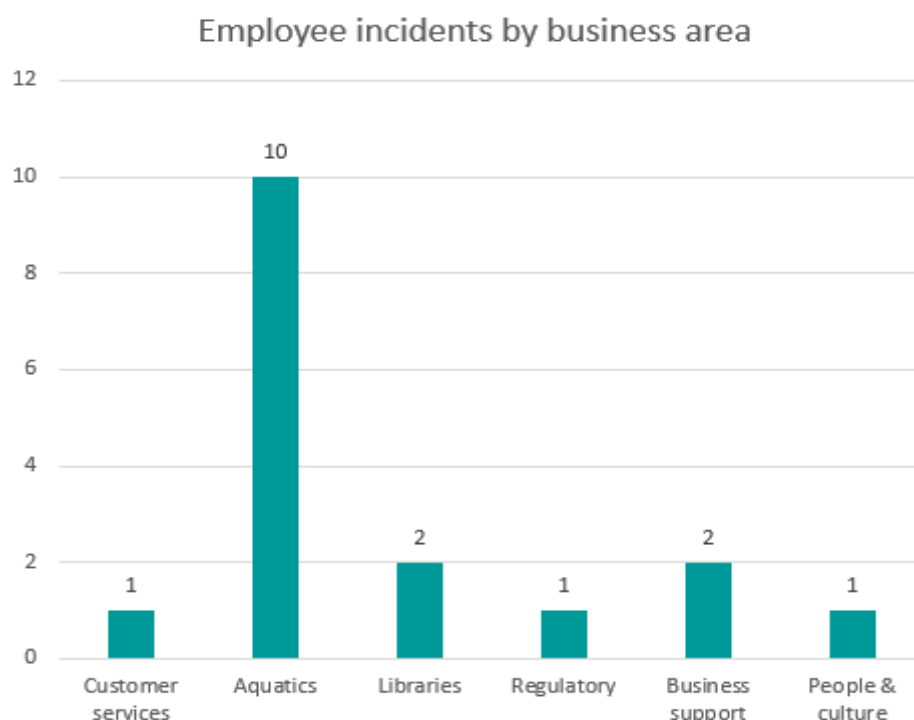
17 reports (43%) affected employees. Most incident reports come from the Aquatic centres and relate to biohazard exposures.

There was one ACC claim during the reporting period. This claim is associated with the lost time injury noted at Table 2. The injury related to manual handling (see section 2.3.9).

Employee incidents by cause Nov 2022-Jan 2023



Graph 1. Employee incidents and reports by cause. Total reports (n=17). Violence and aggressive behaviour (2), Biohazard exposure (8), Manual handling (3), Ergonomics/working environment (1), Psychosocial hazards (1), Driving and vehicles (2)



Graph 2. Employee incidents by business area. Customer services (1), Aquatics (10), Libraries (2), Regulatory (1), Business support (2), People & culture (1)

2.3.2 Employee injuries

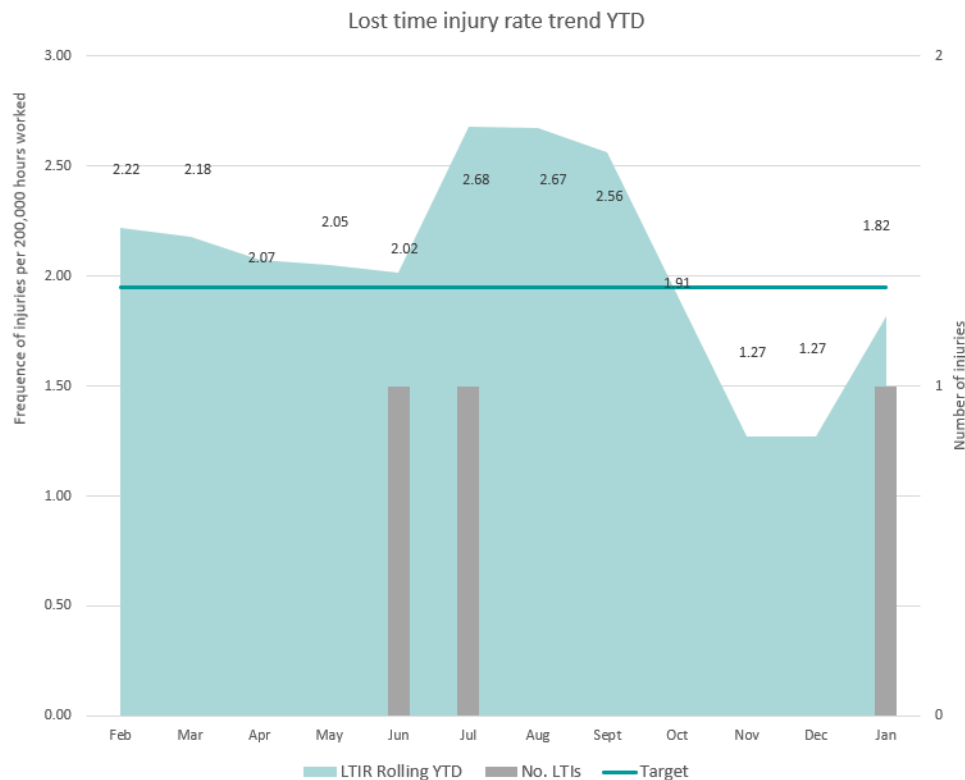
There were three recordable injuries affecting employees during the reporting period.

Reporting period	Non-treatment injury	First aid incident (FAI)	Medical treatment incident (MTI)	Restricted duties	Lost time incident (LTI)	Fatality	Total recordable injuries
Jan-Mar 22	1	0	0	0	0	0	1
Apr-Jul 22	1	0	0	1	2	0	4
Aug-Oct 22	1	1	1	0	0	0	3
Nov 22-Jan 23	1	1	0	0	1	0	3

Table 2. Recordable injuries (employees).

2.3.3 Lost time injury frequency rate (LTIFR)

At the end of the reporting period, the LTIFR stands at 1.82. Council's LTIFR target is 1.95.

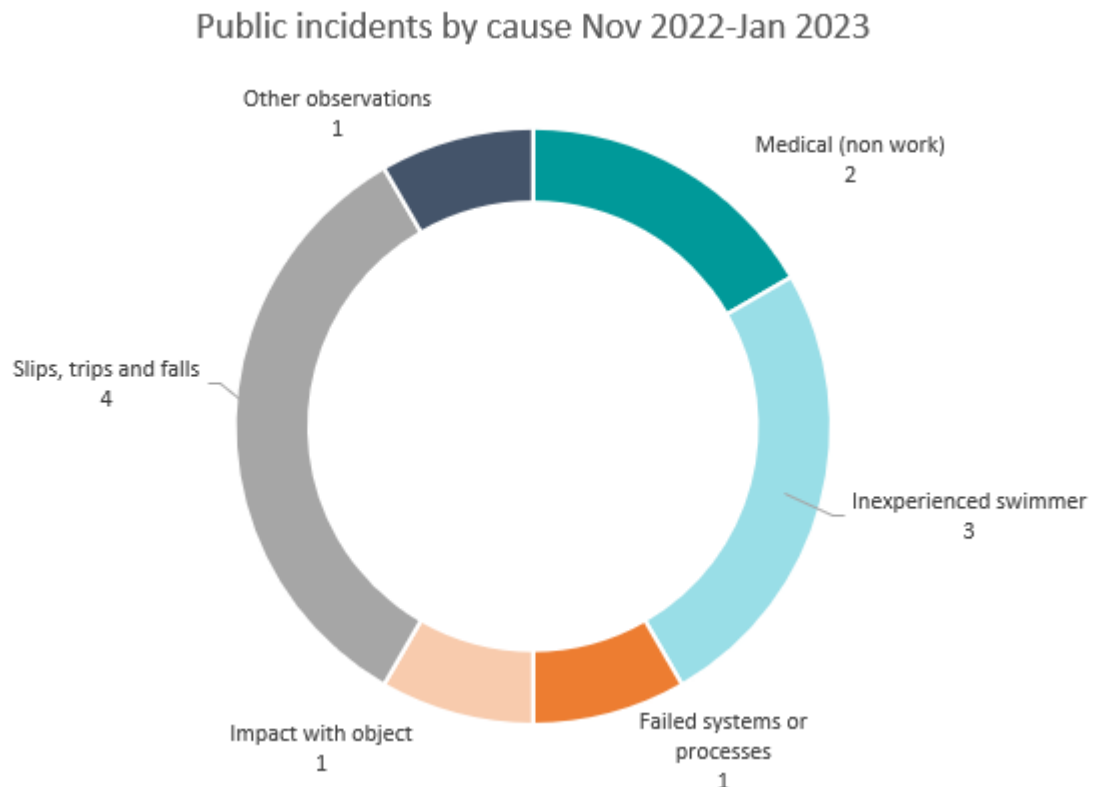


Graph 3. Lost time injury frequency rate rolling 12-month average.

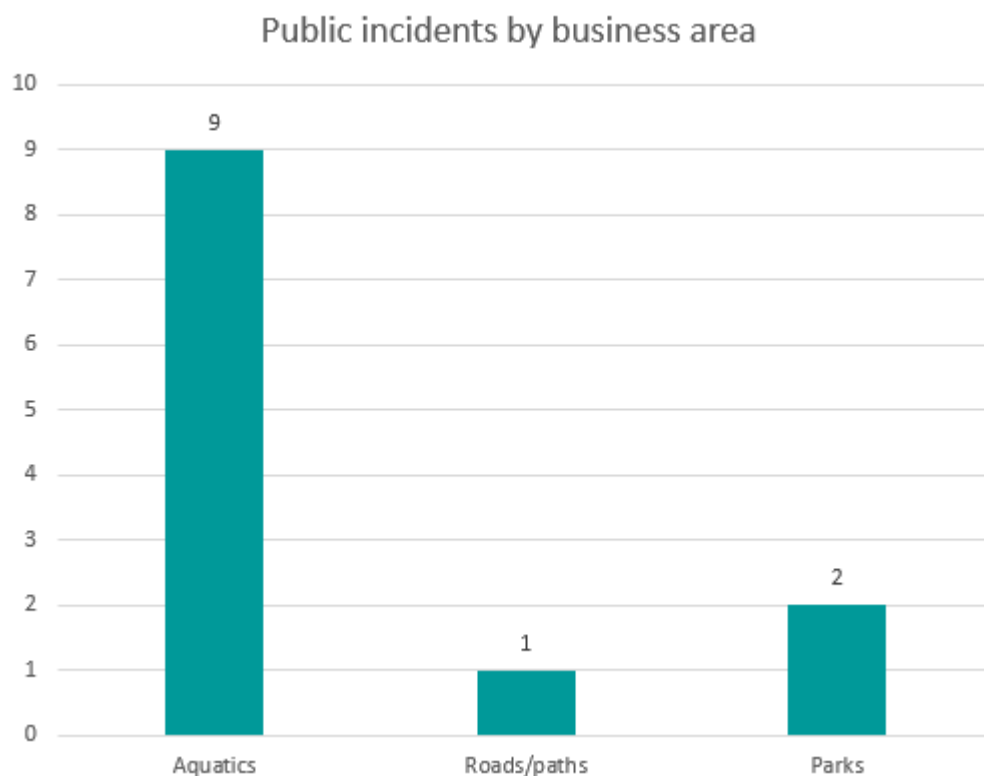
2.3.4 Public incidents

12 reports (30%) affected members of the public. These incidents occurred in a council workplace or operated facility.

There was one wet rescue from a council-operated pool during the reporting period and a total of three reports relating to inexperience swimmers (+1 last period). 75% of public incidents occurred in Aquatic facilities.



Graph 4. Public incidents and reports by cause. Total reports (n=12). Medical (non-work) (2), Inexperienced swimmer (3), Failed systems or processes (1), Impact with object (1), Slips, trips and falls (4), Other observations (1).



Graph 5. Public incidents by business area. Aquatics (9), Roads/paths (1), Parks (2)

2.3.5 Public injuries

There were seven recordable injuries affecting the public. The two medical treatment injuries involved falls on council-controlled pathways (see section 2.3.9).

Reporting period	Non-treatment injury	FAI	MTI	Fatality	Total recordable injuries
Jan-Mar 22	2	17	0	0	19
Apr-Jul 22	1	4	0	0	5
Aug-Oct 22	1	2	0	0	3
Nov 22-Jan 23	0	5	2	0	7

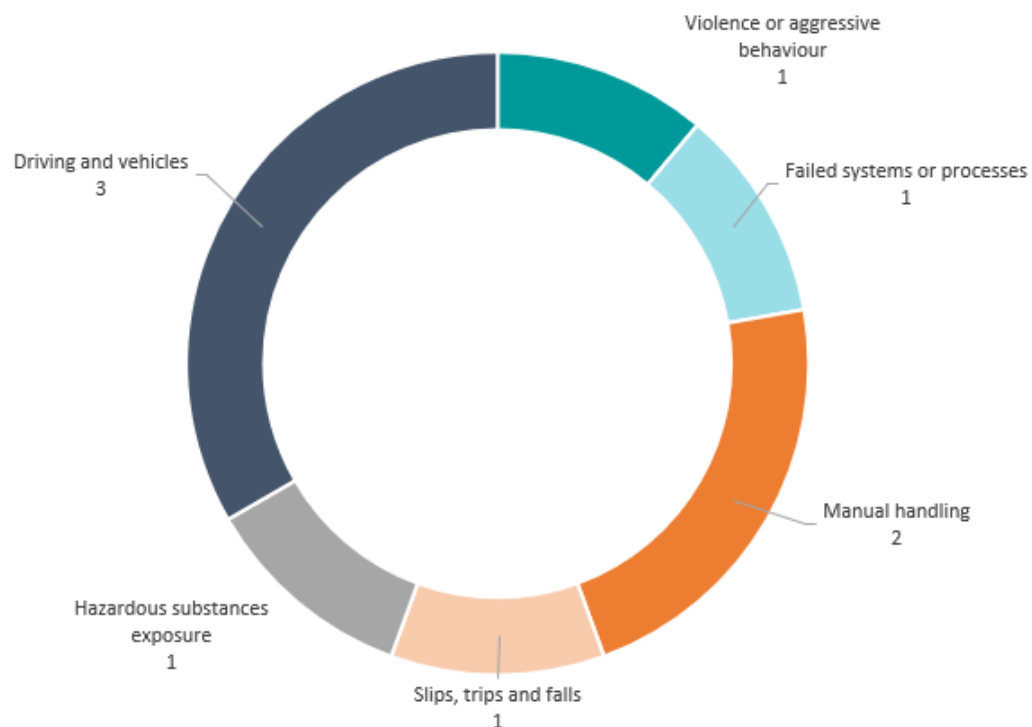
Table 3. Recordable injuries (public).

2.3.6 Contractor incidents

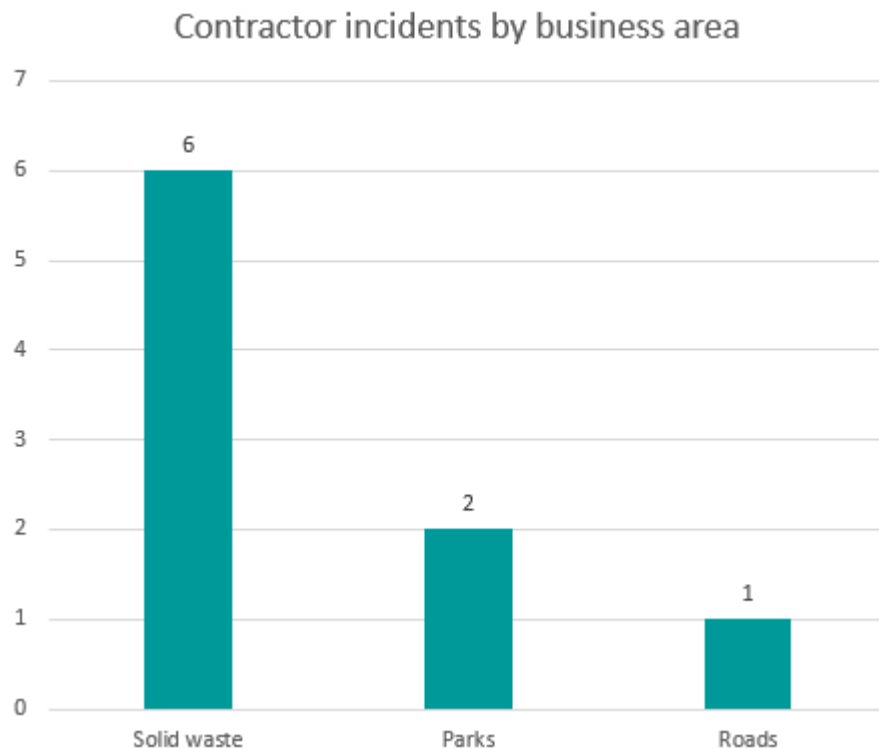
9 reports (22%) involved contractors at contractor managed worksites.

Contractor incidents are usually included in monthly reports submitted to council's contract manager unless the contract terms require earlier notification.

Contractor incidents by cause Nov 2022-Jan 2023



Graph 6. Contractor incidents and reports by cause. Total reports (n=9). Violence or aggressive behaviour (1), Failed systems or processes (1), Manual handling (2), Slips, trips and falls (1), Hazardous substances exposure (1), Driving and vehicles (3)



Graph 7. Contractor incidents by business area. Solid waste (6), Parks (2), Roads (1)

2.3.7 Contractor injuries

The injuries reported related to manual handling.

Reporting period	Non-treatment injury	FAI	MTI	Fatality	Total recordable injuries
Nov 22-Jan 23	0	2	0	0	2

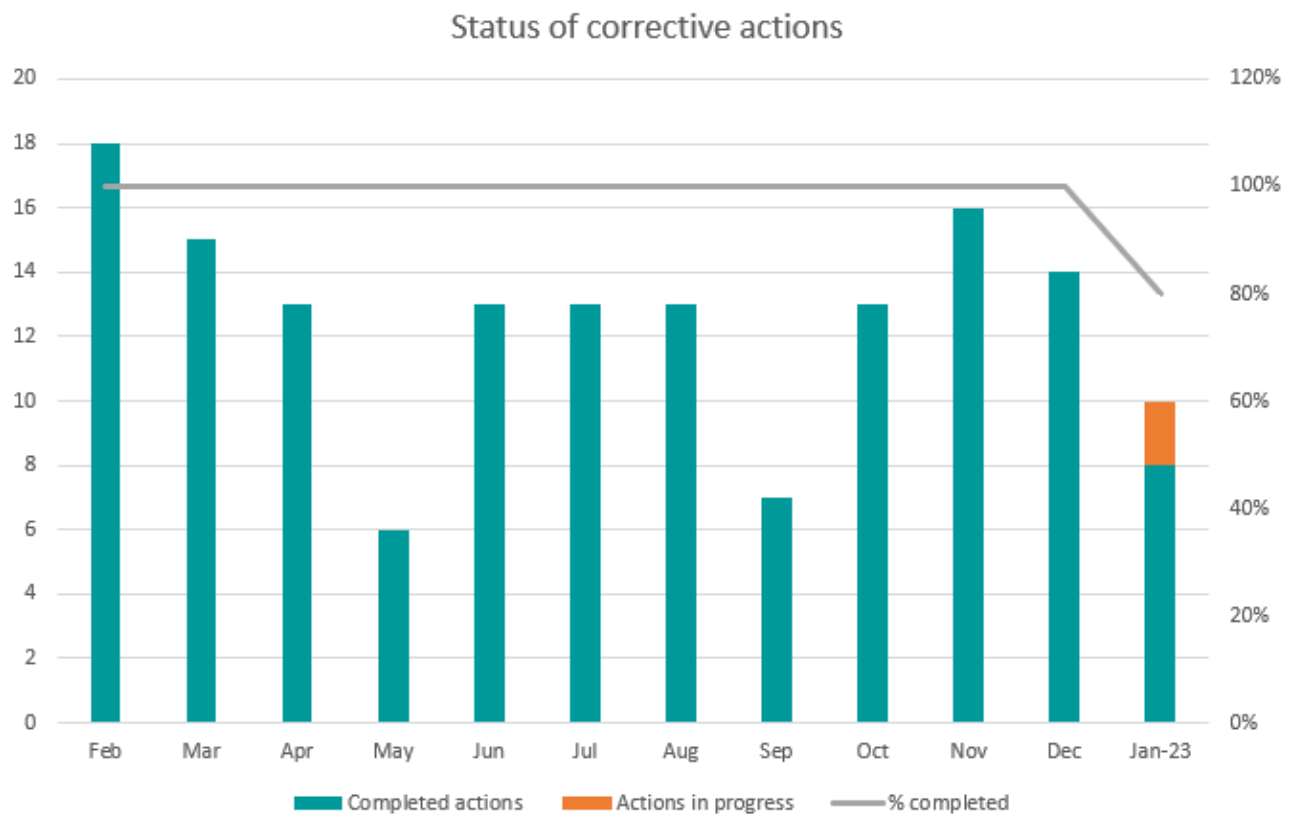
Table 4. Recordable injuries (contractor).

The three outstanding reports after the employee, public, contractor analysis relate to property and equipment.

2.3.8 Status of corrective actions

There are two outstanding corrective actions this period.

The action to install speed bumps one of the carparks at Alexandra Service Centre has been completed. This change will hopefully reduce the speeds in the carpark.



Graph 8. Status of corrective actions. Feb 100% (18), Mar 100% (16), Apr 100% (15), Apr 100% (13), May 100% (6), Jun 100% (13), Jul 100% (13), Aug 100% (13), Sep 100% (7), Oct 100% (13), Nov 100% (16), Dec 100% (14), Jan 23 80% (8 completed, 2 in progress)

2.3.9 Notable incidents

This section provides detail about any lost time injuries, WorkSafe notifications, or other notable incidents occurring during the reporting period that the Committee should be aware of.

Incident	Actions taken
<p><u>Lost time injury</u></p> <p>An employee was bending to move a pool inflatable when they felt a pull in their back. They continued with their shift and later experienced sharp back spasms.</p>	<ul style="list-style-type: none"> As ambulance was unavailable and dispatched a duty physiotherapist Employee was taken from work to local medical centre Employee was off duty for 5 days (excluding the day of the injury) Learning was shared at the Health and Safety Committee meeting in February.
<p><u>Near miss</u></p> <p>A member of the public threatened a contracted employee at a waste transfer station with their vehicle after a dispute about fees.</p>	<ul style="list-style-type: none"> Police attended and issued a trespass notice. Contractor has provided an incident report. Contractor has provided training to staff about de-escalation and risk

	<p>management when presented with this type of scenario.</p> <ul style="list-style-type: none"> • Learning was shared at the Health and Safety Committee meeting in February.
<p><u>Medical treatment injury</u></p> <p>A member of the public fell after tripping on a fence gate near the wastewater connection work outside their home in Clyde, breaking their arm.</p>	<ul style="list-style-type: none"> • Contractor managed worksite. • The person was aware of the gates and the work being done. • Contractor inspected the site, backfilled the connection and removed the temporary fence.
<p><u>Medical treatment injury</u></p> <p>A member of the public fell on a council-maintained pathway in Cromwell receiving facial injuries.</p>	<ul style="list-style-type: none"> • The person attended hospital as an out-patient. • Service request was logged after the person raised the concern to council employees. • Contractor put cones out at the site before returning to make repairs the following day.

Table 5. Notable incidents and associated actions taken.

2.4 Critical risk

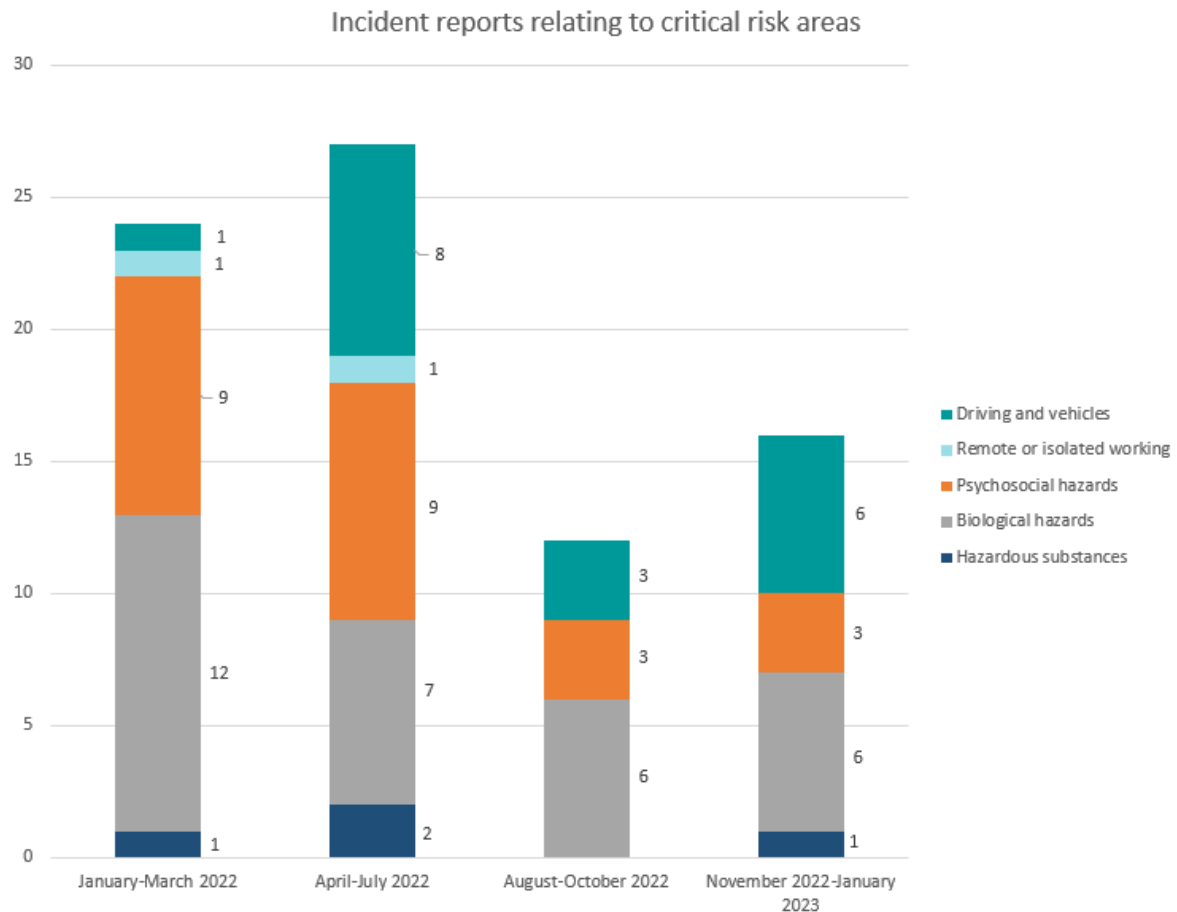
The priority critical risk register is included at Attachment 1. This register sets out the steps taken to manage risks that could cause serious harm or death.

During the reporting period there were 17 reports (43%) related to one or more areas of critical risk. These reports were low severity as per the ratings at Table 1.

Graph 9 illustrates how these reports are distributed across the priority critical risk areas.

Note: An incident report may be included in more than one area of critical risk. Affected persons include employees, contractors and the public.

During this period two Executive Leadership Team members completed Critical Risk Conversations at Aquatic Centres as part of their due diligence activities.



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

2.5 Occupational health

Early intervention

Early intervention allows employees to have work-related pain or discomfort addressed before it becomes an injury or illness.

Following office re-arrangement in Cromwell and Alexandra Service Centres, employees were offered workstation assessments during December 2022. The visiting occupational physiotherapist completed 21 workstation assessments.

Fit testing

P2 mask fit testing is scheduled for Building Control Officers in Q2. These masks are primarily used for inspections that require entry into roof spaces.

2.6 Contractor management

2.6.1 Health and safety plans received

This section sets out the health and safety plans received by Council.

As part of a review into how activity managers share contractor-related incidents, health and safety has also requested information about what safety plans our activities received, which role review them and how they are stored.



Graph 10. Health and safety plans received by council. Total plans received Nov 22-Jan 23 (n=35). This period: Event management plans (30), safety plans for council work or events (non-contracted) (2), safety plans for contracted work (1), tenders or procurement plans (2). Previous periods (Apr-Oct 22): Event management plans (37), safety plans for council work or events (non-contracted) (6), safety plans for contracted work (12), tenders or procurement plans (2).

2.6.2 Observations and inspections of contractor work

Council completed 21 inspections, audits or observations of contractor work during the reporting period.

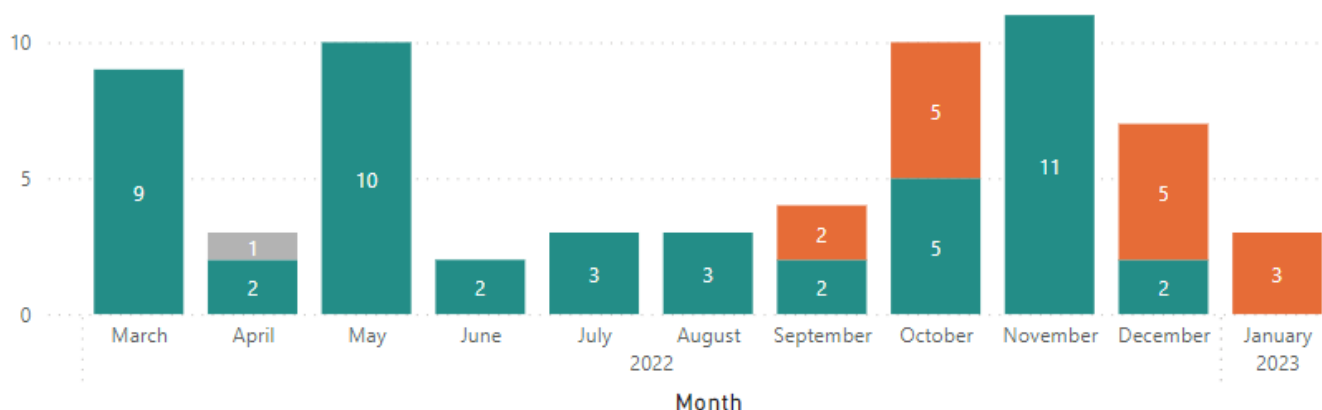
Project work inspections reduced over the Christmas and New Year period but resumed in February 2023 and will be reported in the next reporting period.

The observation tool trialled by Capital Projects and Solid Waste has been well received. Vacancies in the Roding Team have recently been filled and Health and Safety will be completing training with this team in the next reporting period. We hope to see more observation reports in 2023.

These observations are in addition to monthly contractor meetings between council employees and contractors and service providers.

No. site inspections or observations completed per month

Activity ● Capital Project ● Property ● Solid Waste

**Graph 11. Number of site inspections or observations completed per month March 2022 – January 2023.**

Mar (9), Apr (3), May (10), Jun (2), Jul (3), Aug (3), Sept (4), Oct (10), Nov (11), Dec (7), Jan (3)

2.7 Training and competency

Training area / course	This period
New staff inductions	10
First aid certificates (new and refresher)	3
UAV (drone) training	6
Due diligence training (Executive Leadership Team)	6

Table 6. Training register excerpt**2.7.1 Planned training**

- Aquatics team in Cromwell have introduced a new e-learning modules for Chemicals in the Work. This training is now a minimum requirement for all Aquatics employees.
- The People & Culture Team completed a trial of driver training e-learning intended to complement our practical driver training and authorisation programmes.
- The Executive Leadership Team completed a due diligence health and safety workshop with Leading Safety in January. This team also completed a review of major incident response procedures.

2.8 Wellbeing

At the end of 2022, People & Culture began work on a reward and recognition project. The project begins with research into how our employees want to be recognised for their work. So far, People & Culture Advisor Kirsten Adams, has carried out 59 conversations. These three-question, mini surveys will be collated into a proposal for improving the way we recognise the work of council employees.

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

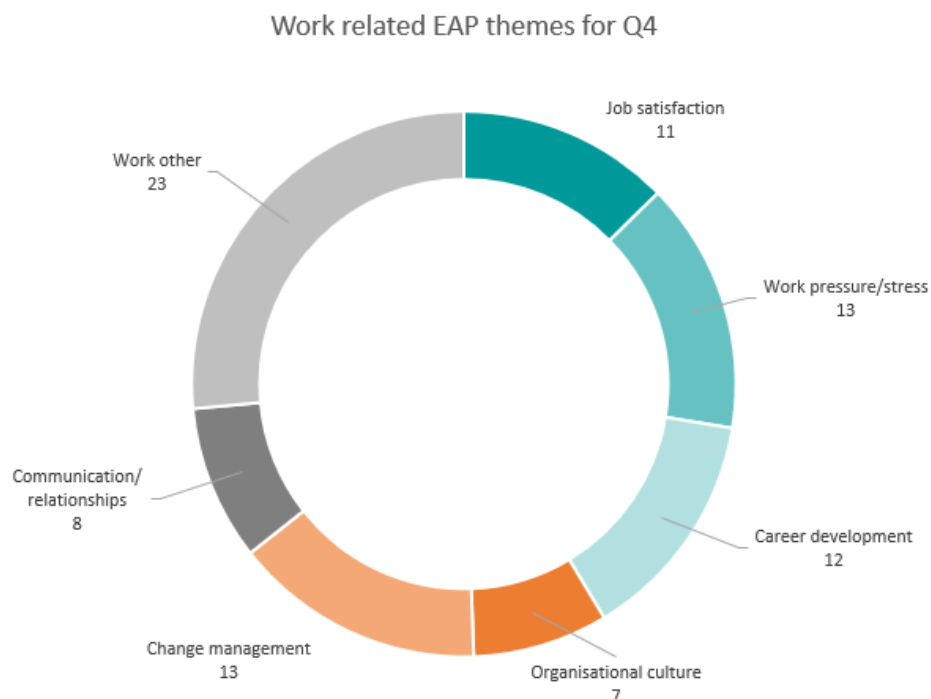
The data included in this section covers the period October-December 2022.

Council's workplace supporter made 17 referrals (+1) during the reporting period. 13 individual employees (+4) accessed additional services from the EAP.

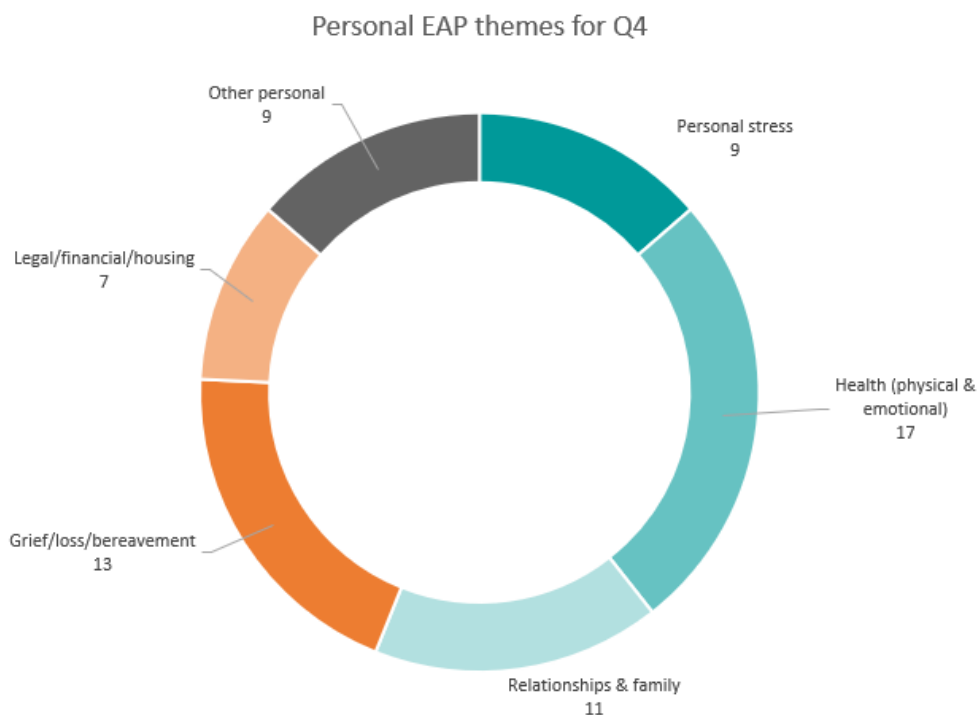
The top work-related and personal themes from EAP are illustrated in the graphs below.

Bereavement affected several employees across our team at the end of October 2022, this accounts for a large portion (19) of the "work other" contact themes in Graph 12 work-related themes. This is separate from the grief/loss/bereavement theme in Graph 13 Personal themes.

Please note that graphs 12 and 13 represent the number of times a theme is covered with EAP counsellors or the workplace supporter, not the number of people using the service.



Graph 12. Work related EAP themes for Q4 2022. Job satisfaction (11), work pressure/stress (13), career development (12), organisational culture (7), change management (13), communication/relationships (8), work other (23).



Graph 13. Personal related EAP themes for Q4 2022. Personal stress (9), health (physical & emotional) (17), relationships & family (11), grief/loss/bereavement (13), legal/financial/housing (7), other personal (9).

Work pressure, stress and change management remain in the top work-related themes. The Executive Leadership Team has been taking steps to explore these concerns by recognising the themes at the fortnightly Executive Leadership Team livestream (ET Digest). This team is actively encouraging employees to raise their workload concerns so managers can assist with prioritising and work planning.

EAP Top 3 Themes

Position	Work-related themes (Top 3)	No. of conversations	Last report
1	Work other	23	#10
2=	Work pressure/stress	13	#3
2=	Change management	13	#1

Table 7. Work-related themes (Top 3).

Position	Personal themes (Top 3)	No. of conversations	Last report
1	Health	17	#2=
2	Grief/loss/bereavement	13	#6
3	Relationships & family	11	#2=

Table 8. Personal themes (Top 3).

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

My Everyday Wellbeing

My Everyday Wellbeing introduced monthly live webinars in January 2023 covering a wide variety of themes. Their engagement report is due in April.

Employee awards

The employee recognition awards were held on December 2, 2022. This season acknowledged the work of six individuals and three teams in areas such as customer experience, sustainability and living to our organisational values.

Aotearoa Bike Challenge 2023

Facilitated by Waste Minimisation Officer Abi Hawkins, council 54 employees pedalled over 20,000 km as part of the Aotearoa Bike Challenge.

2.8.3 Scheduled activities**Move it March**

This popular, team-based competition to promote physical activity will be held throughout March.

Mid-year event

In 2022, council held its first wellbeing event for employees. The half day event, which saw the launch of the My Everyday Wellbeing platform and a keynote from guest speaker Dr Tom Mulholland, received good feedback from staff.

The event is planned for July 2023. A cross-department working group has been formed to help plan the day.

3. Attachments**Appendix 1 - Health and Safety priority risks and controls -- 2023.docx** [↓](#)

Report author:



Rachel Ennis
Health, Safety and Wellbeing Officer
8/03/2023

Reviewed and authorised by:



Louise Fleck
General Manager - People and Culture
10/03/2023



Health and Safety priority critical risks and controls

This is a live document. It is uncontrolled when printed. Doc ID 617968

About this document

This register outlines the critical health and safety risks workers may be exposed to when carrying out work for Central Otago District Council.

A risk is critical if one or more workers may:

- Be killed
- Be seriously injured
- Develop a serious illness (either acute or chronic)

Contractors are required to clearly identify critical risks to health and safety related to the work they are carrying out on behalf of council. Contractors must show how their work systems will match or exceed the controls identified on this register – this information is provided in the work plans they provide council before beginning work.

Risk Identifier	Risk	Description	Control		Activities affected	Additional and proposed controls
1	Driving	Activities requiring the use of a vehicle. E.g. car, van, ute, trailer	1	Select vehicles with a high safety rating – 5-star ANCAP <ul style="list-style-type: none"> • Vehicle Procurement, Maintenance and Disposal Policy 	All employees who use drive as part of work	<ul style="list-style-type: none"> • Pre-start checks are being promoted to all drivers and are a proposed inclusion for the Vehicle User and Safe Driving Procedures. • Trial of driver e-learning. • 'GPS/Speed monitored vehicle' stickers have been purchased for fleet vehicles.
			2	Vehicle road-worthiness checks <ul style="list-style-type: none"> • Warrant of Fitness • Monthly fleet inspections 		
			3	Regular maintenance and servicing by fleet providers (e.g. Toyota and Hyundai) <ul style="list-style-type: none"> • E-Road maintenance alerts 		
			4	Driver training programme <ul style="list-style-type: none"> • Fleet induction • Selecting the appropriate vehicle for the journey • Advanced driver training • Winter driving training • Snow-chain fitting 		
			5	In-vehicle equipment to support driver safety <ul style="list-style-type: none"> • E-Road depot to driver messaging 		
			6	In-vehicle emergency equipment <ul style="list-style-type: none"> • First aid kits 		
			7	Drivers must hold a valid licence for the vehicle they are operating		
			8	Driver approval process		
			9	E-Road GPS position and speed monitoring		
			10	Vehicle User and Safe Driving Policy and Standard Operating Procedures		
			11	Safe driver recognition through the Health and Safety Committee		
2	Remote and/or isolated work	Any work activities that are isolated from assistance of other people because of the location, time, or nature of the work.	1	Risk assessment of work to identify other ways of working that eliminate the risk of remote or lone working.	Roading Environmental Engineering Solid waste Planning Building Control	<ul style="list-style-type: none"> • Training for lone and remote workers in the risks associated with this work to be reviewed as part of Learning and Development Framework project (People & Culture) • Dynamic risk assessment training
			2	Where risk cannot be eliminated, a risk assessment must be completed by the worker to identify and implement adequate controls		
			3	Remote and/or isolated work is carried out by a minimum of two people so far as reasonably practicable		



			4	Workers undertaking remote and/or lone work document their planned movements using their Outlook Calendar.	Animal Control Environmental Health Property and facilities Water Services Capital projects Governance Libraries Customer Services Tourism Community Engagement	<ul style="list-style-type: none"> Reviewed evacuation and emergency response with workers who Lone worker monitoring procurement plan approved <ul style="list-style-type: none"> Lone worker monitoring IS system that links with current E-roads and scheduling systems Review and replace personal duress alarms (panic buttons) Out-of-cellular solutions (e.g. satellite messaging) Remote and lone working guidelines
			5	Two means of emergency communication must be available e.g. mobile phone, personal locator beacon, or duress button		
			6	Work is cancelled or postponed where weather would make working unsafe <ul style="list-style-type: none"> Adverse Weather Guidelines 		
			7	Remote and/or lone workers are provided with appropriate personal protective equipment and clothing suitable for their work and for changing conditions. Including, at minimum: <ul style="list-style-type: none"> Hi-vis vest or jacket 		
			8	Fleet vehicles are fitted with E-Road GPS tracking		
			9	Training requirements: <ul style="list-style-type: none"> Emergency response plans Accessing and using emergency equipment First Aid certification is required for all remote and/or lone workers 		
			10	Where there is a risk of being isolated overnight, emergency provisions (food and water) must be carried)		
			11	Emergency equipment and response plans are available and fit for purpose		
			12	Working from Home Policy <ul style="list-style-type: none"> Home worker risk assessments 		
3	Psychosocial hazards	Aspects of work that may increase risk to the psychological health and safety of workers e.g. working environment, management practices, workloads, or role clarity	1	Workers are resources to perform the tasks required by their role	All employees	<ul style="list-style-type: none"> Mentoring Scheme project plan has been approved and added to the People and Culture work programme People Leader's coaching group has been established Learning and Development Framework project is planned for 2023
			2	Work is planned to minimise time in lieu and on-call work, where practical, and allow for annual leave to be taken		
			3	Managers and People & Culture monitor leave balances to ensure leave is being taken		
			4	Kanohi ki te kanohi (1:1) between managers and employees to provide regular performance feedback		
			5	Performance Management Policy		
			6	Equal Opportunities, Bullying and Harassment Policy		
			7	Flexible Working Policy		
			8	Provision of on-site counselling services following traumatic events		
			9	Employee Assistance Programme (EAP) and workplace supporter are available to all employees		
			10	Return-to-work and stay-at-work plans for employees who are ill or injured for any reason		
			12	90 Day onboarding programme for new workers		
			13	My Everyday Wellbeing online platform and wellbeing calendar of activities		
4	Occupational violence and aggression	Both a physical and psychosocial hazard, occupational violence and aggression is when a person is abused, threatened, or assaulted at work or while working.	1	Strategic communications plan - proactive public messaging to minimise exposure of on-site staff	All employees	<ul style="list-style-type: none"> Exploring post-exposure support e.g. debrief services Complaint management policy and procedures in development Remote and lone worker improvements will also impact this risk area.
			2	Employees are trained in situation awareness, de-escalation and/or tactical communication techniques		
			3	Employees are supervised based on their level of competency and the nature of the work being done		
			4	Employees carry out a dynamic risk assessment to identify and control risks associated with their work activities		
			5	Employees are provided and wear PPE appropriate to the work they are doing		
			6	Remote and/or isolated work controls are applied		
			7	Panic and duress alarms are provided to employees working in roles at risk of harmful interactions		
			8	Escalation guidance is provided		



				<ul style="list-style-type: none"> • Handing up to managers or supervisors • Scripts for common, anticipated scenarios 		
			9	Trespass policy and complaint management plans to balance employee safety with provision of service		
5	Biological hazards	Exposure to organic substances and biological organisms.	1	Occupational vaccination for Hepatitis A, Hepatitis B, and Tetanus required for high-risk roles	Animal control Aquatics Solid waste Environmental Engineering Environmental Health Water Services	<ul style="list-style-type: none"> • Health monitoring and exposure monitoring policy proposed
			2	Voluntary vaccination for annual flu		
			3	Employees are provided and wear PPE appropriate to the work they are doing <ul style="list-style-type: none"> • Cut-proof gloves • Respiratory protection 		
			4	Physical barriers and work planning to minimise risk of exposure		
			5	Hygiene washing and welfare facilities provided at workplaces where this risk is present		
			6	Good hygiene practices, including hand washing, are actively promoted		
			7	Human Waste in Pool response processes		
6	Hazardous substances	Any situation involving a chemical that has properties that are: <ul style="list-style-type: none"> • Explosive • Flammable • Oxidising • Toxic – to people or the environment • Corrosive 	1	Safety data sheets with NZ HSNO classifications, fewer than 5 years old, are available to workers onsite and digitally through the intranet	Aquatics Parks and Recreation Property and facilities Solid waste Water Services	<ul style="list-style-type: none"> • New hazardous waste storage has been introduced at waste transfer stations. • Storage improvements at Cromwell and Alexandra pools.
			2	Location compliance certification is in place where required		
			3	Chemical registers are reviewed regularly		
			4	Training <ul style="list-style-type: none"> • Chemical awareness training for all employees working on sites where hazardous substances are used and stored • Chemical handling and storage certification for employees who handle chemicals for work • Growsafe certificates for agricultural chemicals 		
			5	Employees are provided and wear PPE appropriate to the work they are doing		
			6	Storage is safe and well maintained (with adequate space, ventilation, free from sources of ignition, meets required controls listed on the SDS, incompatible substances are separated, storage locations are isolated)		
			7	Supervision of workers is required until their competency is appropriately assessed		
			8	All hazardous substance containers are labelled suitable and legibly		
			9	Emergency response plans are in place, with appropriate resources and equipment, for locations where hazardous substances are present		
			10	Condensed (simplified) SDS with pictographic focus created for commonly used, high toxicity chemicals in Aquatics		
			11	Qualified external consultant support and reviews		

23.1.8 FINANCIAL REPORT FOR THE PERIOD ENDING 31 DECEMBER 2022**Doc ID: 616250****1. Purpose**

To consider the financial performance for the period ending 31 December 2022.

Recommendations

That the report be received.

2. Discussion

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

2022/23		6 MONTHS ENDING 31 DECEMBER 2022				2022/23	
Annual Plan		YTD Actual	YTD Revised Budget	YTD Variance		Revised Budget	
\$000		\$000	\$000	\$000		\$000	
	Income						
36,238	Rates	18,138	18,022	116	●	36,238	
6,062	Govt Grants & Subsidies	2,718	3,276	(558)	●	6,552	
8,161	User Fees & Other	3,622	4,363	(741)	●	8,729	
14,930	Land Sales	-	1,000	(1,000)	●	14,930	
2,233	Regulatory Fees	1,509	1,117	392	●	2,233	
2,192	Development Contributions	3,246	1,096	2,150	●	2,192	
500	Interest & Dividends	91	250	(159)	●	500	
-	Reserves Contributions	405	-	405	●	-	
-	Profit on Sale of Assets	169	-	169	●	-	
40	Other Capital Contributions	95	15	80	●	41	
70,356	Total Income	29,993	29,139	854	●	71,415	
	Expenditure						
13,876	Staff	6,780	7,033	253	●	14,207	
603	Members Remuneration	273	301	28	●	603	
8,918	Contracts	5,306	4,512	(794)	●	9,185	
2,735	Professional Fees	1,440	1,609	169	●	3,304	
10,857	Depreciation	8,283	5,429	(2,854)	●	10,857	
11,232	Costs of Sales	108	2,581	2,473	●	11,232	
4,182	Refuse & Recycling Costs	1,826	2,091	265	●	4,182	
-	Cost Allocations	(2)	-	2	●	-	
1,799	Repairs & Maintenance	959	957	(2)	●	1,911	
1,433	Electricity & Fuel	583	709	126	●	1,421	
-	Loss on Sale of Asset	146	-	(146)	●	-	
636	Grants	1,188	425	(763)	●	763	
1,118	Technology Costs	574	550	(24)	●	1,095	
378	Projects	364	656	292	●	1,289	
658	Rates Expense	599	329	(270)	●	658	
474	Insurance	604	237	(367)	●	474	
1,635	Interest Expense	133	723	590	●	1,635	
2,133	Other Costs	813	1,120	307	●	2,243	
62,667	Total Expenses	29,977	29,262	(715)	●	65,059	
7,689	Operating Surplus / (Deficit)	16	(123)	139		6,356	

3. Financial Reporting

The financials for December 2022 show an overall favourable variance of \$139k. Development and reserve contributions are higher than budget. This is predominately due to the timing of subdivisions in Cromwell and when the invoicing of contributions occurs. Grants and subsidies are behind budget. This is due to the timing of the Waka Kotahi subsidies (\$970k). User fees and charges are (\$741k) behind budget, due to the timing of metered water (\$781k). Land sales are behind budget. Titles are expected to be ready for the Dunstan Park subdivision stage 3 in March 2023.

Income of \$29.993M against the year-to-date budget of \$29.139M

Overall, income has a favourable variance against the revised budget by \$854k. This is being driven by the timing of development contributions with a variance of \$2.150M (F), offset by the timing of Waka Kotahi subsidies (U), metered water charges (U) and land sales (U).

The main variances are:

- **Government grants and subsidies (\$558k) U** - Waka Kotahi New Zealand Transport Agency (Waka Kotahi) roading subsidy contribution has an unfavourable variance of (\$970k). Subsidies are claimed for both the operational and capital roading work programmes and fluctuate based on the work programme. This is offset by favourable variances for Strategic Tourism Assets Protection programme funding \$161k, funding for the freedom camping programme \$110k and Three Waters transition support funding \$95k.
- **User fees and other (\$741k) U** – Metered water charges has a variance of (\$781k). The second read round will take place in March, April, and May 2023. This will bring them in line with the budget.
- **Land sales (\$1M) U** – Land sales have not occurred during this half year of the financial year. Titles are expected to be ready for the Dunstan Park subdivision stage 3 in March 2023.
- **Regulatory fees \$392k F** – Building permit fees are higher than budget by \$246k, along with dog registration fees of \$101k. The dog registrations income is received predominately in July, while the budget spreads the income over 12 months.
- **Development Contributions \$2.150M F** – This variance relates to the timing of development contributions which are dependent on the resource consent process and developer timeframes. Cromwell development contributions in roading, water and wastewater are higher than budget.
- **Interest and dividends revenue (\$159k) U** - Large projects are being predominately managed within cashflows, minimising the level of loan funding uplifted. This includes subdivision developments which are held on the balance sheet. This results in less cash available to be invested. There are currently no term deposits.
- **Reserves contributions \$405k F** – These are difficult to gauge when setting budgets and are dependent on developers' timeframes. As with development contributions above, these are mainly for the Cromwell area.

Expenditure of \$29.977M against the year-to-date budget of \$29.262M

Expenditure has an unfavourable variance of (\$715k). The main drivers behind this are depreciation, contracts, grants, insurance and rates expense. Offsetting this favourable variance is cost of sales, staff, refuse and recycling costs and interest expense.

The main variances are:

- **Staff \$253k F** – This is due to the lag between staff movements and the replacement of new staff, plus the relevant recruitment costs.
- **Contracts (\$794k) U** – Contract expenditure is determined by workflow and the time of the contract. The outcome of this is that the phased budgets will not necessarily align

with actual expenditures, meaning some work appears favourable and some contracts spend year-to-date appear unfavourable. Planned maintenance \$247k, contract \$40k, physical works contract (\$678k), roading contract (\$402k) are the key timing variances year-to-date. The physical works contracts variance relates to wastewater operations (\$250k) and water supply operations (\$492k). The water supply operations have seen an increase in service requests and re-active repairs. The wastewater operations variance is due to the July 2022 flooding events where the Omakau treatment pond was flooded. \$165k of the repair cost is being funded through the emergency works funds.

- **Costs of sales \$2.473M F** – Cost of sales is linked to the land sales mentioned earlier and reflect the development costs for subdivisions. The subdivision costs are held on the balance sheet in 'property and intended for sales' until each stage is complete and land sales are received. There have been no sales in the first half of the financial year to allocate out development costs to the cost of sales.
- **Refuse and recycling costs \$265k F** – The waste management activity can fluctuate depending on the amount of waste being processed. Emissions trading scheme has a favourable variance of \$168k. The emission trading scheme charges fall due in March 2023.
- **Depreciation (\$2.854M) U** – The 30 June 2022 revaluation of assets created a significant increase to the value of the assets held on the fixed asset register. As a result, the depreciation costs for the assets have also increased. Revaluations included: land and buildings, waste assets, water, wastewater, stormwater and roading. Due to the timing of the revaluations this additional depreciation cost has not been collected through rated depreciation. Therefore, this increase can be treated as a non-cash increase in expenditure.
- **Grants (\$763k) U** – This is predominately due to the Roxburgh Pool grant of \$500k. This grant was brought forward from last financial year. The remaining variance is due to district grants of \$10k to Central Otago Goldfield Trust funded from general reserves (resolution 22.7.9), Vincent grant of \$26k to Alexandra District Museum Incorporated funded from general reserves (resolution 22.2.4) and Cromwell grant of \$49k to Cromwell Bike Park funded from Cromwell reserves contribution fund (resolution 22.4.7).
- **Projects \$292k F** - This is due to the phasing schedule of Tourism Central Otago projects and the costs incurred for the Southland Otago Three Waters Director position. The Southland Otago Three Waters Director position is a cost share arrangement with other councils in the area to assist with the Three Waters reform.
- **Rates Expense (\$270k) U** – Central Otago rates expenses for 2022/23 on council owned property has been paid in full during the first quarter of this financial year, while the budget has been recognised over a 12-month period.
- **Other costs \$307k F** - A detailed breakdown for other costs is tabled below.

Other costs breakdown

2022/23 Annual Plan \$000	Other Costs breakdown	YTD Actual \$000	YTD Revised Budget \$000	YTD Variance \$000		2022/23 Revised Budget \$000
678	Administrative Costs	210	343	133	●	678
662	Office Expenses	300	337	37	●	662
229	Operating Expenses	109	114	5	●	229
415	Advertising	62	195	133	●	415
178	Valuation Services	96	89	(7)	●	178
81	Retail	35	42	7	●	81

2,243	Total Other Costs	813	1,120	307	2,243
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This table has rounding (+/- 1)

- Other costs include only need based expenses which fluctuate against budget from time-to-time. There is no significant variance of note to report on at present.

Capital Expenditure

Year-to-date, 24% of the total capital spend against the full year's revised capital budget has been expensed.

2022/23						2022/23	Progress to date against revised budget
Annual Plan	CAPITAL EXPENDITURE	YTD Actual	YTD Revised Budget	YTD Variance		Revised Budget	
\$000		\$000	\$000	\$000		\$000	
16,190	Council Property and Facilities	1,575	10,114	8,539	●	24,516	6%
400	Waste Management	53	453	400	●	905	6%
50	Customer Services and Administration	29	47	18	●	95	31%
481	Vehicle Fleet	-	205	205	●	597	0%
58	Planning	4	203	199	●	407	1%
260	Information Services	153	709	556	●	1,493	10%
165	Libraries	71	237	166	●	492	14%
1,482	Parks and Recreation	483	1,131	648	●	2,551	19%
7,205	Roading	1,473	4,968	3,495	●	9,937	15%
23,987	Three Waters	14,142	17,167	3,025	●	34,334	41%
50,278	Grand Total	17,983	35,234	17,251		75,327	24%

This table has rounding (+/- 1)

Council Property and Facilities \$8.539M F – The main drivers to this variance are resource constraints. The Alexandra Airport terminal: pavement renewal project is subject to go back to Council to seek approval for increase in budget to complete the work. The Alexandra Airport Second Hanger precinct road/taxiways would be carried forward to next financial year to commence the project. The William Fraser building project has been tendered and works are waiting for contractor to commissioned. Molyneux park toilet – waiting for resource consent and it will be carried forward to next financial year. The Cromwell Memorial Hall project is still in design phase with details of the design expected to be completed within the next few months. Demolition of existing building and construction is expected to start by end of 2023. The Cromwell Town Centre project is still in early concept plan phase. A tender to find designer/architect for the next phase of landscaping design and new civil facilities is expected to go out to the market soon.

Waste Management \$400k F – The green waste processing project along with the Cromwell transfer station upgrade project have not yet started.

Vehicle Fleet \$205k F – Vehicle renewals and purchases are under budget. The vehicle renewals programme is still ongoing, however there are expected delays due to global supply constraints.

Planning \$199k F – The dog pound project is at the final drawings stage and is expected to start building towards May/June 2023 with the completion in the next financial year. The dog registration software project which was carried over to this financial year has not yet started.

Information Services \$556k F – Information service projects are behind budget. Projects include internet and network \$104k, people information system \$27k, geographic information systems \$84k, financial performance improvement \$107k, enterprise resource planning information systems \$85k, enhanced customer enterprise digital services \$39k, enhanced user experience ICT \$40K and cyber security \$13k.

Libraries \$166k F – The Alexandra library building upgrade is behind budget by \$138k, with the project in the design stage.

Parks and Recreation \$648k F – This is driven by a mixture of the timing of project budgets, work programmes and contractors' availability to perform the work. Parks and reserves have a favourable variance by \$404k, with major projects including Alexandra town centre \$167k, Anderson Park \$29k, Clyde Fraser Domain \$40k, Omakau recreational reserve \$96k, Pioneer Park \$26k and other reserves Alexandra \$35k. The Alexandra town centre includes the Alexandra River Park project which received the required resource consents at the end of December to start the design works. Cemeteries shows a favourable variance of \$68k. The Alexandra cemetery landscaping and planting project has been delayed due to the need to install power cables before continuing with this project. Swimming pools has a favourable variance of \$130k, including Cromwell Pool \$101k and Alexandra Pool \$27k.

Roading \$3.495M F – This is due to the timing of the work programme and budget. Roothing projects includes drainage renewal roading (\$91k), grave road renewals \$304k, sealed road renewals \$568k, minor improvements (\$95k), district wide footpath renewals \$182k, Clyde Heritage precinct – stage 2, \$799k.

Three Waters \$3.025 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 driver to this variance includes Lake Dunstan water supply (\$4.588M). Cromwell water treatment plant has a favourable variance of \$2.349M. The project is expected to go into design stage later this financial year and start construction part-way through next financial year. Investigation works have been completed for Bridge Hill falling main with a variance of \$239k, design is underway and tender anticipated later in this financial year. Construction is scheduled to begin next financial year. Lake Roxburgh village wastewater treatment plant upgrade has a favourable variance of \$397k. The initial scoping and design work is underway. The tender process is likely to occur later this financial year with construction during this financial year.

4. Accounts Receivable

As at 31 December 2022, Council had \$112k outstanding in accounts receivables greater than 90 days. The key contributors over \$5k include:

- Sundry debtors of \$57k for eleven debtors
- Resource consents of \$4.9k for two debtors
- Building consent of \$48k of eight debtors

Type of Debtor	Current	30 Days	60 Days	> 90 Days
Other	\$ 76,027	\$ 17,337	\$ 8,675	\$ 79,639
Building Consents	\$ 44,853	\$ 74,869	\$ 940	\$ 6,489
Resource Consents	\$ 2,570	\$ 23,611	\$ 7,672	\$ 26,002
TOTAL	123,450	115,817	17,286	112,129

Type of Debtor	Dec-22	Nov-22	Oct-22	Dec-21
Other	\$ 181,678	\$ 624,959	\$ 495,972	\$ 217,182
Building Consents	\$ 127,149	\$ 104,248	\$ 24,874	\$ 63,739
Resource Consents	\$ 59,854	\$ 237,973	\$ 136,788	\$ 118,522
TOTAL	368,681	967,180	657,634	\$ 399,443

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.

There is a credit balance of (\$34k) in current month outstanding invoices in "under 500". This relates to building and resource consent debtors where payment has been made in advance of the invoice.

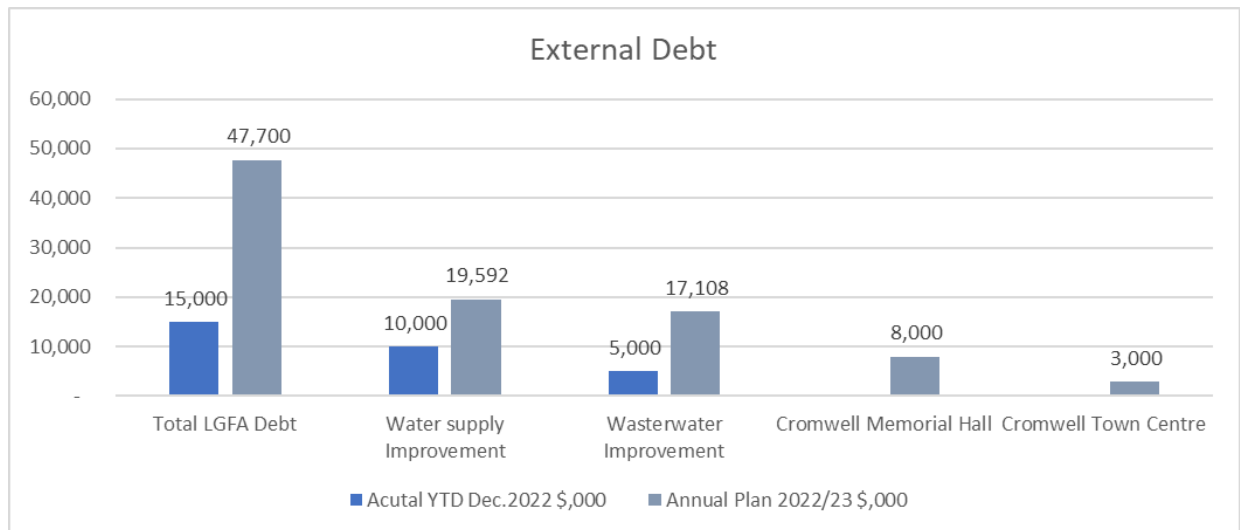
Sundry Debtor	Totals	Under 500	500 to \$1k	\$1k to \$2k	\$2k to \$10k	\$10k to \$50k	Over \$50K
Current	\$ 122,450	\$ (34,201)	\$ 26,089	\$ 20,453	\$ 64,309	\$ 45,799	\$ -
Percentage	100%	-28%	21%	17%	53%	37%	0%
No. of Invoices	413	335	41	16	17	4	0
30 Days	\$ 115,817	\$ 7,638	\$ 10,838	\$ 6,221	\$ 50,442	\$ 40,679	\$ -
Percentage	100%	7%	9%	5%	44%	35%	0%
No. of Invoices	88	52	17	5	13	1	0
60 Days	\$ 17,286	\$ 4,934	\$ 5,547	\$ 3,670	\$ 3,134	\$ -	\$ -
Percentage	100%	29%	32%	21%	18%	0%	0%
No. of Invoices	42	30	8	3	1	0	0
> 90 Days	\$ 112,129	\$ 6,980	\$ 4,515	\$ 9,645	\$ 31,311	\$ 59,678	\$ -
Percentage	100%	6%	4%	9%	28%	53%	0%
No. of Invoices	62	37	8	6	8	3	0

5. Investment

As at 31 December 2022, Council had cash balances of \$3M. There are no term deposits as of 31 December 2022. To reduce the interest impact on external debt borrowing, projects are being managed through cashflows. This does mean that while there are less than planned external debt that there are limited cashflows to lock into term deposits.

6. External Debt

As at 31 December 2022, Council has uplifted \$15M from total 2022/23 Annual Plan of \$47.7M.



7. Internal Loans

Forecast closing balance for 30 June 2023 is \$4.14M.

OWED BY	Original Loan	1 July 2022 Opening Balance	30 June 2023 Forecast Closing Balance
Public Toilets	670,000	468,048	443,899
Tarbert St Bldg	25,868	11,574	10,019
Alex Town Centre	94,420	44,545	39,117
Alex Town Centre	186,398	79,921	68,342
Alex Town Centre	290,600	139,137	122,048
Centennial Milkbar	47,821	18,192	14,973
Vincent Grants	95,000	9,500	-
Pioneer Store Naseby	21,589	9,609	8,213
Water	867,000	691,212	663,496
ANZ Bank Seismic Strengthening	180,000	143,504	137,750
Molyneux Pool	650,000	563,650	531,150
Maniototo Hospital	1,873,000	1,723,630	1,670,314
Alexandra Airport	218,000	197,216	189,584
Roxburgh Community Pool Upgrade*	250,000	-	241,384
Total	5,469,695	4,099,738	4,140,288

This table has rounding (+/- 1)

**The Roxburgh Pool loan has no opening balance as it has been uplifted in the 2022/23 financial year.*

8. External Community Loans

The total amount of external loans at the beginning of the financial year 2022/23 was \$134k. As at 31 December 2022, the outstanding balance was \$104k. Council has received \$29.6k in principal payments and \$3.5k in interest payments.

Owed By	Original Loan	1 July 2022 Actual Opening Balance	Principal	Interest	31 DECEMBER 2022 Actual Closing Balance
Cromwell College	400,000	95,351	18,498	2,560	76,853
Maniototo Curling	160,000	21,910	7,136	474	14,774
Oturehua Water	46,471	16,844	4,017	518	12,827
	606,471	134,105	29,651	3,552	104,424

9. Reserve Funds table

- As at 30 June 2022 the Council had an audited closing reserve funds balance of \$281k. This reflects the whole district's reserves and factors in the district-wide reserves which are in deficit at (\$27.814M). Refer to Appendix 1.
- Taking the 2021-22 audited Annual Report closing balance and adding 2022-23 income and expenditure, carry forwards and resolutions, the whole district is projected to end the 2022-23 financial year with a closing deficit of (\$60.242M). This is dependent of all capital funding being expensed, and based on year-to-date and current comments, this is not a realistic expectation, meaning the reserves should finish with a more favourable result than currently forecast.

10. Attachments

Appendix 1 - 2022/23 Audited CODC Reserve Funds 2022-23 [↓](#)

Report author:



Donna McKewen
Accountant
14/03/2023

Reviewed and authorised by:



Saskia Righarts
Group Manager - Business Support
14/03/2023

CODC RESERVE FUNDS

AUDITED - 2021/22 Annual Report

2022/23 Annual Budget

Forecast 1 including Carry-
Forwards FY2022/23

RESERVES BY RATE TYPE	Opening Balance	Transfers In	Transfers Out	Closing Balance	Transfers In	Transfers Out	Closing Balance	In/Out	Closing Balance
	A	B	C	D = (A + B - C)					
General Reserves	811,442	3,478,676	(2,502,360)	1,786,297	1,933,762	(5,259,872)	(1,539,813)	(5,327,159)	(6,866,972)
Uniform Annual General Charge Reserves	173,261	35,305	(61,592)	146,975	113,283	(48,381)	211,876	44,068	255,944
	984,703	3,513,982	(2,563,951)	1,933,272	2,047,045	(5,308,253)	(1,327,937)	(5,283,091)	(6,611,028)
TARGETED RESERVES									
Planning and Environment Rate	2,373,966	214,199	-	2,588,165	44,414	(288,298)	2,344,282	(315,725)	2,028,557
Economic Development Rate	-	-	-	-	-	-	-	(14,000)	(14,000)
Tracks and Waterways Charge	476,845	79,860	-	556,705	27,295	(985,538)	(401,538)	(62,540)	(464,078)
Tourism Rate	250,771	46,069	(4,600)	292,239	22,385	-	314,623	(16,688)	297,935
Waste Management and Collection Charge	(2,203,067)	13,794	(818,155)	(3,007,428)	11,618	(325,556)	(3,321,366)	(508,377)	(3,829,743)
District Library Charge	65,694	60,138	(21,169)	104,663	-	(1,262,485)	(1,157,822)	(722,327)	(1,880,149)
Molyneux Park Charge	(78,746)	-	(4,113)	(82,859)	-	(35,219)	(118,078)	(179,177)	(297,255)
District Works and Public Toilets Rate	4,426,561	95,630	(209,153)	4,312,044	284,683	(307,653)	4,291,234	(1,023,315)	3,267,919
District Water Supply	(11,561,863)	2,365,947	(7,405,561)	(16,601,476)	1,032,877	(13,548,130)	(29,116,730)	(8,916,018)	(38,032,748)
District Wastewater	(11,768,288)	1,354,744	(7,763,179)	(18,176,723)	768,274	(5,973,550)	(23,381,999)	(1,497,278)	(24,879,278)
	(18,018,126)	4,230,381	(16,225,931)	(30,012,511)	2,191,546	(22,726,429)	(50,547,394)	(13,255,446)	(63,802,839)
Specific Reserves	320,386	2,951	-	323,337	6,364	-	329,701	-	329,701
Other Reserves	23,270	5,208	(22,682)	5,795	108,318	(171,138)	(57,024)	(1,693,535)	(1,750,560)
	343,655	8,159	(22,682)	329,132	114,682	(171,138)	272,676	(1,693,535)	(1,420,859)
WARD TARGETED RATES									
Vincent Community Board Reserves									
Vincent Promotion Rate	-	-	-	-	-	-	-	(34,946)	(34,946)
Vincent Recreation and Culture Charge	(1,386,080)	395,442	(211,796)	(1,202,434)	44,763	(251,537)	(1,409,207)	(650,075)	(2,059,282)
Vincent Ward Services Rate	2,503,538	3,118,703	(176,080)	5,446,161	1,769,526	(41,022)	7,174,665	(224,615)	6,950,050
Vincent Ward Services Charge	(10,251)	7,947	-	(2,304)	735	-	(1,568)	(75,530)	(77,098)
Vincent Ward Specific Reserves	1,186,888	34,560	(11,798)	1,209,650	28,179	-	1,237,829	-	1,237,829
Vincent Ward Development Fund	508,064	157,360	-	665,424	10,424	-	675,848	-	675,848
Alex Town Centre Upgrade 1991	(109,815)	178	(47,493)	(157,130)	617	-	(156,513)	-	(156,513)
	2,692,345	3,714,190	(447,167)	5,959,367	1,854,245	(292,559)	7,521,053	(985,166)	6,535,887
Cromwell Community Board Reserves									
Cromwell Promotion Rate	-	-	-	-	-	-	-	-	-
Cromwell Recreation and Culture Charge	(681,953)	29,745	(925,656)	(1,577,864)	49,364	(7,712,026)	(9,240,526)	(2,682,300)	(11,922,827)
Cromwell Ward Services Rate	18,142,215	1,650,341	(268,441)	19,524,114	673,739	(4,020,197)	16,177,657	(1,978,217)	14,199,440
Cromwell Ward Services Charge	1,525	24	-	1,549	470	-	2,019	(7,482)	(5,463)
Cromwell Ward Specific Reserves	(329,494)	19,498	(7,348)	(317,344)	10,476	-	(306,867)	-	(306,867)
Cromwell Ward Development Fund	1,770,695	171,819	(44,171)	1,898,343	37,212	-	1,935,554	-	1,935,554
	18,902,988	1,871,426	(1,245,616)	19,528,798	771,262	(11,732,223)	8,567,837	(4,667,999)	3,899,837
Maniototo Community Board Reserves									
Maniototo Promotion Rate	-	-	-	-	-	-	-	-	-
Maniototo Recreation and Culture Charge	839,154	36,368	(129,763)	745,759	167,664	(183,227)	730,196	(316,287)	413,909
Maniototo Ward Services Rate	(273,793)	420,909	(204,173)	(57,057)	168,726	(13,333)	98,337	(24,156)	74,181
Maniototo Ward Services Charge	11,363	102,164	(8,732)	104,796	518	-	105,314	(9,856)	95,458
Maniototo Ward Specific Reserves	236,063	22,699	(6,049)	252,713	5,606	-	258,319	-	258,319
Maniototo Ward Development Fund	-	-	-	-	-	-	-	-	-
	812,788	582,140	(348,717)	1,046,212	342,514	(196,560)	1,192,166	(350,299)	841,867
Teviot Valley Community Board Reserves									
Teviot Valley Promotion	14,897	137	(468)	14,566	282	-	14,849	-	14,849
Teviot Valley Recreation and Culture	303,639	70,042	(694)	367,169	32,734	(620,200)	(220,296)	(380,723)	(601,019)
Teviot Ward Services Rate	908,610	116,509	(7,985)	1,013,018	58,562	(9,293)	1,062,286	(264,440)	797,846
Teviot Ward Services Charge	-	-	-	-	-	-	-	-	-
Teviot Ward Specific Reserves	(165)	-	(2)	(166)	-	-	(166)	-	(166)
Teviot Ward Development Fund	89,726	13,467	(1,626)	101,567	1,899	-	103,465	-	103,465
	1,316,706	200,155	(10,774)	1,496,153	93,477	(629,493)	960,138	(645,163)	314,975
Grand Total Surplus/(Deficit)	7,035,058	14,120,432	(20,864,838)	280,423	7,414,770	(41,056,655)	(33,361,461)	(26,880,699)	(60,242,161)

* The Annual Plan closing balance has been adjusted to reflect the closing balance of the Annual Report and the Annual Plan movement. This is to enable a running estimate of the total Council Reserves balance.

6 CHAIR'S REPORT

23.1.9 CHAIR'S REPORT

Doc ID: 618262

1. Purpose

To consider the Chair's report.

Recommendations

That the report be received.

2. Attachments

Nil

7 MEMBERS' REPORTS

23.1.10 MEMBERS' REPORTS

Doc ID: 618259

1. Purpose

To consider the members' reports.

Recommendations

That the reports be received.

2. Attachments

Nil

8 STATUS REPORTS

23.1.11 MARCH 2023 GOVERNANCE REPORT

Doc ID: 621973

1. Purpose

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

Recommendations

That the report be received.

2. Discussion

Status Report

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

3. Attachments

Appendix 1 - Audit and Risk Status Updates [↓](#)

Report author:

Reviewed and authorised by:



Wayne McEnteer
Governance Manager
13/03/2023

Saskia Righarts
Group Manager - Business Support
13/03/2023

Status Updates Committee: Audit and Risk Committee					
Meeting	Report Title	Resolution No	Resolution	Officer	Status
15/12/2022	Fraud, Bribery and Corruption Policy	22.4.5	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.	Senior Strategy Advisor	20 Dec 2022 Action memo sent to officer. 13 Mar 2023 Council has adopted the Fraud, Bribery and Corruption Policy. MATTER CLOSED

9 DATE OF THE NEXT MEETING

The date of the next scheduled meeting is 2 June 2023.

10 RESOLUTION TO EXCLUDE THE PUBLIC

Recommendations

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
Confidential Minutes of Ordinary Audit and Risk Meeting	<p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> <p>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</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
23.1.12 - Water Services Update on Compliance Status	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
23.1.13 - Audit New Zealand Report To The Council on the 30 June 2022 Annual Report	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

23.1.14 - Strategic Risk Register	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
23.1.15 - Litigation Register	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
23.1.16 - Cybersecurity, Information and Records Management, and Privacy Plans for 2022-2025 Implementation Update	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
23.1.17 - March 2023 Confidential Governance Report	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