Waikato DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

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

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

Other

Reports for Information

The following reports will be taken as read:

GJ Ion
CHIEF EXECUTIVE

![Waikato District Council logo - DISTRICT COUNCIL Te Kaunihera aa Takiwaa o Waikato]

Open Meeting

To	Audit & Risk Committee
From	Gavin Ion
	Chief Executive
Date	14 September 2020
Prepared by	Brendan Stringer
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Confirmation of Minutes

1.   EXECUTIVE SUMMARY

To confirm the minutes of the Audit & Risk Committee held on Wednesday 3 June 2020.

2.   RECOMMENDATION

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

3.   ATTACHMENTS

A&R Open Minutes - Wednesday 3 June 2020

Waikato
DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

MINUTES of a meeting of the Audit & Risk Committee of the Waikato District Council held by Audio-Visual Conference on **WEDNESDAY, 3 JUNE 2020** commencing at **9.30am.**

Present:

Ms M Devlin (Chairperson)
His Worship the Mayor Mr AM Sanson [*until 10.55am and then from 11.40am*]
Cr AD Bech
Cr JM Gibb
Cr JA Church
Cr JD Sedgwick

Attending:

Mr C Susan (Audit Director, Audit NZ)

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

The Chairperson welcomed Mr Susan, Audit Director (Audit NZ) to his first meeting of the Audit & Risk Committee.

APOLOGIES AND LEAVE OF ABSENCE

All members were present. Mayor Sanson advised that he would retire from the meeting at 11.00am to attend another meeting, in his capacity as Mayor.

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Crs Sedgwick/Gibb)

THAT the agenda for a meeting of the Audit & Risk Committee held on Wednesday, 3 June 2020 be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 7 which shall be discussed with the public excluded;

AND THAT all reports be received.

CARRIED   **A&R2006/01**

DISCLOSURES OF INTEREST

Cr Church noted her interest as Chairperson of the Wellbeing Trust, in item 6.1 – *Chief Financial Officer Report* - however did not believe this constituted a conflict of interest.

CONFIRMATION OF MINUTES

Resolved: (Crs Gibb/Sedgwick)

THAT the minutes of a meeting of the Audit & Risk Committee held on 2 December 2019 be confirmed as a true and correct record of that meeting.

CARRIED   **A&R2006/02**

ACTION: The report on Cyber Security (scheduled for the March 2020 Committee meeting) to be presented at the next Committee meeting.

ACTION LIST
Agenda Item 5

The report was received [*ref A&R2006/01*] and the Chief Operating Officer spoke to the report. The following matters were discussed:

- Staff would explore, with the Chair, options for training of Committee members, including reviewing information available from the Office of the Auditor-General.

- Strategic Risk Register – Stakeholder engagement:

    - Recent workshop with elected members and Community Board/Committee chairs on engagement

    - Staff working on engagement at a strategic level; the Committee would see changes flow from this.

ACTION: Staff to revisit the Committee's previous minutes to ascertain whether this was still an outstanding issue and, if so, what further action is required. The Committee to be updated at its next meeting.

REPORTS

Chief Financial Officer Report
Agenda Item 6.1

The report was received [*ref A&R2006/01*] and the Chief Financial Officer summarised the report. The following matters were discussed:

- Wage subsidy received for staff of Raglan Holiday Park.

- Local Government Funding Agency - Council had to be compliant with debt: revenue ratio at all times.

- Liquidity risk

  - approximately $700,000 behind where the organisation expected to be in terms of rates recoverability due to Covid-19.

  - expectation that amount recovered from fees and charges may reduce, but not significantly in the immediate term.

  - not expecting any cashflow issues for next 6 months.

- Annual Plan

  - staff were targeting 30 June 2020 deadline for adoption of the plan; there was a legislative process available should adoption not occur by that date. Staff envisaged that this alternative process would be required only if formal public consultation was necessary.

  - staff were working on the communications that would accompany the Annual Plan.

- Procurement

  - work undertaken by the Recovery team to survey contractors and unsuccessful tenderers.

  - staff exploring how best to utilise local contractors as part of the Recovery plan; increased potential for conflict of interest noted.

  - internal resources and capability for procurement and delivery of projects; the need to look at how procurement was delivered across the organisation to meet best practice requirements. A business case was being prepared on this issue and actions were underway from the Covid-19 Recovery workstream.

  - staff have worked with WLASS on a regional procurement strategy, which was then tailored for Council. This would need to be reviewed in light of Covid-19.

  ACTION: Staff to report back to the Committee on steps to mitigate the risks around procurement and capability to deliver projects.

- Recovery of expenses from Covid-19 from third parties/governmental organisations

  - Staff comfortable with the process to recover costs.

  - EOC with Hamilton was winding down; staff were returning to their normal duties and matters would transition back to relevant ministries.

- Staff were confident there was appropriate prevention and detection mechanisms in place to identify fraud or attempted fraud, notwithstanding the adjusted processes required during Covid-19.

- Internal audit on how the Council managed processes during Covid-19 lockdown (e.g. staff working from home, IT security, fraud, delegations).

  ACTION: Mr Susan confirmed Audit NZ would be looking at these matters as part of their review.

- Scenario modelling had been undertaken for cashflow, but not for the Annual Plan. It would be utilised as part of the Long Term Plan.

- Staff intended to continue weekly financial update reports for elected members.

Business Resilience – COVID-19 Reflection and Action
Agenda Item 6.2.1

The report was received [*ref A&R2006/01*] and the Risk Advisor summarised the report and highlighted the organisation's learnings and opportunities through the Covid-19 pandemic. The following matters were discussed

- Cybersecurity risk

  - less of a risk for iPads than a Microsoft device due to inability of third party to access core applications, storage could not be extracted, and encryption at hardware and software levels. Anti-virus software was not available for iPads.

  - VPN and anti-virus software installed on all Council devices to mitigate the increased risk of staff accessing Council information from home networks.

- Innovation and gains from the Covid-19 lockdown and how the organisation could capitalise on learnings and to ensure work was delivered effectively and efficiently going forward.

- Summary of how risk register in the report was created. The register had been reported to the Recovery team and Executive Leadership Team

His Worship the Mayor withdrew from the meeting at 10.55am at the conclusion of the above item.

Zero Harm Update
Agenda Item 6.2.2

The report was received [*ref A&R2006/01*] and the Zero Harm Manager spoke to the report and highlighted, and responded to questions on, the following matters:

- Staff had commenced review of the organisation's obligations with staff working from home and identifying risks arising from this.

- Overspeed incidents during the Covid-19 lockdown. Staff were still reviewing; safety conversations had been held with relevant staff.

- Reported safety conversations would be presented in a different format going forward.

- Critical risks as reported remain current; staff would review and capture learnings on how to manage a pandemic risk. This included insights from customers and staff; further work was being undertaken.

- Audits undertaken on some contractors in relation to their return-to-work plans to ensure they were robust.

- Collaborative arrangement with the Waikato DHB to identify responsibilities between the parties during Covid-19.

- Transitioning to Alert Level 1and implications for the Council as an arm of government at the local level.

- KPMG Report:

  - Committee comfortable to be the responsible body for monitoring safety critical risks from a governance perspective.

  ACTION: The Chief Executive to draft changes to the Committee's delegations to reflect the additional responsibility.

  - Staff were progressing the review of new content for the dashboards provided.

Audit NZ Annual Audit Proposal
Agenda Item 6.3.1

The report was received [*ref A&R2006/01*] and the Chief Financial Officer and Mr Susan spoke to the report. The following matters were discussed:

- Increase in audit fees for 2019/2020 reflected adjusted number of hours required. Higher fee increases were expected in the following years.

- Audit work undertaken remotely during lockdown.

The Chairperson suggested that:

- a note on the impact of Covid-19 should be included in the financial statements for 2019/20; and

- the Committee's expectation of efficient delivery of audit services; any difficulties experienced by Audit NZ needed to be flagged early.

Quality and Governance Assurance
Agenda Item 6.3.2

The report was received [*ref A&R2006/01*] and was taken as read. The following matters were discussed:

- Staff expected to meet the deadline for striking rates; the alternative process previously discussed would be required should Council need to consult with communities on the Annual Plan.

ACTION: Staff to check and confirm that the deficiencies in the rate-setting process was in how it was documented; not that rate-setting was undertaken incorrectly.

- The reasoning for the delay in implementing a contract management system; the gap for which was highlighted during Covid-19.

ACTION: Staff to advise Committee members that processes are in place for reviewing Council policies to ensure Council was compliant.

Staff to review the hyperlinks in the report which were for linked to internal-networked documents that Committee members could not access.

Updated Future Workplan
Agenda Item 6.3.3

The report was received [*ref A&R2006/01*] and was taken as read. The Chairperson summarised the updated approach to the Committee's work programme.

Register of Elected Members' Interests
Agenda Item 6.3.4

The report was received [*ref A&R2006/01*] and was taken as read. There was discussion on:

- the impact of some members failing to complete their declaration of interest;
- collating information on the member and their partner only.

EXCLUSION OF THE PUBLIC
Agenda Item 7

Resolved: (Crs Gibb/Sedgwick)

THAT the report from the Chief Executive be received;

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

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item 1.1 – Confirmation of Minutes	Good reason to withhold exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
Item 2.2 – Staff Register of Interests		

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

Item No.	Section	Interest
1.1		Refer to the previous Public Excluded reason(s) in the Agenda for this meeting.
2.2	7(2)(a)	To protect the privacy of natural persons, including that of deceased natural persons.

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

CARRIED   **A&R2006/03**

Resolutions A&R2006/04 – A&R2006/05 are contained in the public excluded section of these minutes.

Having resumed the open meeting and there being no further business the meeting was declared closed at 11.58am.

Minutes approved and confirmed this   day of   2020.

Margaret Devlin
CHAIRPERSON

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker
	Chief Operating Officer
Date	14 September 2020
Prepared by	Sharlene Jenkins
	Executive Assistant
Chief Executive Approved	Y
Reference #	GOV1318 / 2739700
Report Title	Updated Audit & Risk Committee Action Register

1.   EXECUTIVE SUMMARY

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

2.   RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3.   ATTACHMENTS

- Updated Audit & Risk Committee Action Register

Audit & Risk Committee: Action Register – September 2020

#	Action	Owner	Date Assigned	Date Due	Status
1.	Member Training and Development JUNE 2020: Staff would explore, with the Chair, options for training of Committee members, including reviewing information available from the Office of the Auditor-General.	Mayor	December 2018	March 2020	KPMG (David Sutton) have been organised to provide risk training for Committee members and interested Councillors. This has been scheduled for 11 December. David provides training on risk for the Institute of Directors. Health and Safety training was delivered on 01 September for Councillors.
2.	Strategic Risk Register To continue the discussion as part of the overall stakeholder engagement workshop following the local authority elections, and to review examples of best practice from other Councils. Action List – Strategic Risk Register JUNE 2020: Staff to revisit the Committee's previous minutes to ascertain whether this was still an outstanding issue and, if so, what further action is required. The Committee to be updated at its next meeting.	Communications, Marketing & Engagement Manager	September 2019	September 2020	In progress. Council has updated its Communication & Engagement Strategy, which will be given effect to in 2020, including through communication and engagement on Council's next LTP. Complete. Update provided in the Strategic Risk Register and Emerging Risks September 2020 report.
3.	Confirmation of Minutes The report on Cyber Security (scheduled for the March 2020 Committee meeting) to be presented at the next Committee meeting.	Chief Operating Officer / Chief Information Officer	June 2020	September 2020	Complete. An update was provided in the Strategic Risk Register and Emerging Risks March 2020 report (page 80). A further update is provided in this agenda.
4.	Chief Financial Officer Report Staff to report back to the Committee on steps to mitigate the risks around procurement and capability to deliver projects.	Chief Financial Officer / General Manager Service Delivery	June 2020	September 2020	Complete. A report from the Chief Financial Officer and General Manager Service Delivery is included in this agenda.

#	Action	Owner	Date Assigned	Date Due	Status
5.	Zero Harm Update The Chief Executive to draft changes to the Committee's delegations to reflect the additional responsibility (to be the responsible body for monitoring safety critical risks from a governance perspective).	Chief Executive	June 2020	September 2020	Completed and confirmed by Council (page 74) resolution.
6.	Quality and Governance Assurance Staff to check and confirm that the deficiencies in the rate-setting process was how it was documented; not that rate-setting was undertaken incorrectly.	Chief Operating Officer / Continuous Improvement Analyst	June 2020	September 2020	Complete. Confirmed the process documentation was technically correct and relevant to a rates practitioner but difficult to understand for the auditors. The rates setting is valid.
7.	Quality and Governance Assurance Staff to advise Committee members that processes are in place for reviewing Council policies to ensure Council was compliant.	Corporate Planner	June 2020	September 2020	Complete. Processes are in place. Updates are provided to the Policy & Regulatory Committee. See last update in August (page 31).
8.	Quality and Governance Assurance Staff to review the hyperlinks in the report which were for linked to internal-networked documents that Committee members could not access.	Continuous Improvement Analyst	June 2020	September 2020	Complete. Any documents linked to future Quality and Governance Assurance reports will have a URL that can be accessed by Committee members.

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker
	Chief Operating Officer
Date	01 September 2020
Prepared by	Katja Jenkins
	Risk Advisor
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Strategic Risk Register Review September 2020

1. EXECUTIVE SUMMARY

This report details recommended strategic risk register updates.

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received;

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

3. DISCUSSION

Waikato District Council is currently managing twelve Strategic Risks. These risks are reviewed biannually to ensure they remain current and relevant. The Executive Leadership Team have undertaken the initial review for consideration, amendment and adoption by the Committee.

Outcomes from the review, including recommended updates and commentary are detailed in Appendix 1.

4. CONCLUSION

The Executive Leadership Team is satisfied that the updates accurately reflect the organisations strategic risks and associated risk assessments and now presents these for the Committees consideration and endorsement.

5.   ATTACHMENTS

- Appendix 1: Strategic Risk Register Updates September 2020

Key	Title	Description	Owner	Inherent Likelihood	Inherent Consequence	Inherent Score	Residual Likelihood	Residual Consequence	Residual Score	Comments
R00184	Zero Harm; Significant harm is caused to workers, or others, due to poor or inactive health and safety procedures, non-compliance with legislative requirements, or inadequate governance/ management of contractual health and safety requirements.	People are harmed as a result of the Council failing to implement and or maintain appropriate health and safety policies, procedures, and processes or sustain an H&S aware culture.	Gavin Ion	Almost Certain (5)	Catastrophic (5)	25 Extreme	Likely (4)	Catastrophic (5)	20 Extreme	The risk assessment remains high due to a significant improvement in the organisational understanding of this risk; allowing us to identify previously unrecognised gaps and work towards responding to these gaps. The Zero Harm work programme links directly to reduction.
	Significant harm is caused to workers, or others, due to poor or inactive health and safety systems, non-compliance with legislative requirements, or inadequate governance/ management of shared health and safety responsibilities with other PCBUs.	People are harmed as a result of the Council failing to identify, implement, review and maintain appropriate health and safety policies, procedures, and processes or develop and sustain a culture of Zero Harm by eliminating or managing health, safety and wellbeing risks.	Gavin Ion	Almost Certain (5)	Catastrophic (5)	25 Extreme	Likely (4)	Catastrophic (5)	20 Extreme	
R00191	Projects & Initiatives; Council fails to produce required project benefits due to poor delivery of projects and programmes caused by a lack of procedure or capability.	Inconsistent knowledge, practices and or efficiency results in Council failing to deliver or perform against expected programme or project outcomes.	Kurt Abbot	Almost Certain (5)	Catastrophic (5)	25 Extreme	Likely (4)	Catastrophic (5)	20 Extreme	Progress has been made in this space including; existing project personnel have received accredited training, recruitment of skilled and experienced project managers, refresh of PM systems and improved reporting. Work towards maturing PM disciplines continues, including structural changes planned fort he PMO and reporting. These will likely demonstrate improvement during the next LTP cycle.
	Projects & Initiatives; Council fails to produce required project benefits due to poor delivery of projects caused by a lack of capability or as the result of unsuitable project processes and systems.	Inconsistent knowledge, practices and or efficiency results in Council failing to deliver or perform against expected programme or project outcomes.	Kurt Abbot	Almost Certain (5)	Catastrophic (5)	25 Extreme	Likely (4)	Catastrophic (5)	20 Extreme	
R00230	Growth; Council experiences significant business and community disruption caused by district growth.	This may include but is not limited to; decay in LOS, unmanageable funding allocations, speed of growth exceeding or not meeting growth forecasts, etc.	Clive Morgan	Likely (4)	Catastrophic (5)	20 Extreme	Possibly (3)	Major (4)	12 High	Changing environmental impacts, associated with the national economic position, have the potential to impact expected growth nodes. This could result in financial and community implications including sub-optimisation of critical and social infrastructure, planning disruption, and inability to meet community expectations. Connecting with Ministers and Central Government is increasingly important and has been included as a focus in the recovery planning through partnership portfolios. This risk will remain dynamic for some time and will be closely monitored.
	Growth; Council experiences significant business, financial and community disruption as the result of inaccurate growth forecasts.	This may include but is not limited to; decay in LOS, unmanageable funding allocations or funding deficit, growth exceeding or not meeting growth forecasts, etc.	Clive Morgan	Likely (4)	Catastrophic (5)	20 Extreme	Possibly (3)	Major (4)	12 High	
R00185	Asset Management; Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose.	Assets failures (including Waters and Roading) caused by poor planning, maintenance and or management.	Roger MacCulloch	Likely (4)	Catastrophic (5)	20 Extreme	Possibly (3)	Major (4)	12 High	Improved contracts are mitigating this risk. Asset management capability within the organisation has also improved. Working hubs have been implemented. Condition assessments are underway; it is expected that the data from these will be available around end of year which allow Council to more fully understand associated costs. This will allow more accurate assessment of the risk and improved capability for mitigation planning.
	Asset Management; Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose.	Assets failures (including Waters and Roading) caused by poor planning, maintenance and or management.	Roger MacCulloch	Likely (4)	Catastrophic (5)	20 Extreme	Likely (4)	Major (4)	16 High	
R00128	Cyber Security; Council is exposed to significant business disruption caused by unauthorized access to privileged information and or reduced data integrity resulting from cyber-attack or employee behaviour.	Council systems are compromised by cyber-crime or a lack of compliance with process resulting in significant financial and or business impact.	Gene Oudes	Likely (4)	Catastrophic (5)	20 Extreme	Possibly (3)	Major (4)	12 High	Outputs from the digital roadmap have been accelerated as a result of Covid-19 to facilitate remote working requirements. It is embedded within the Innovation Chapter of Our Plan whereby the prioritised initiatives for 2020/21 were agreed by ELT. Whilst the Our Plan & the Innovation Chapter does not has a specific section covering Cyber Security, initiatives to improve the councils cyber security risk position are being delivered through a number of projects including: •PR-1462: Windows 10, Office 365, & Teams – implementation of Bitlocker resulting in the encryption of hard drives, remediation of AV for remote workers, Citrix Upgrade (secure ICA), implementation of Intune for device management, etc •PR-1212: Network Improvements – securing of Wi-Fi •PR-1425: Single Sign On – Implementation of two factor authentication Existing treatments are effective, including technology Controls (Firewall & Antivirus). Increased organisational communication from IM has included highlighting safe employee behaviour and identifying potential threats. Digitalisation of all records has also been accelerated to reduce reliance on paper-based records.
	Cyber Security; Council is exposed to significant business disruption caused by unauthorized access or damage to privileged information and or reduced data integrity resulting from cyber-attack or employee behaviour (externally or internally initiated).	Council systems or the information contained within are compromised by cyber-crime or a lack of compliance with process resulting in significant financial, reputational, and or business impact.	Geoff King	Likely (4)	Catastrophic (5)	20 Extreme	Possibly (3)	Major (4)	12 High	Effective management & mitigation of this risk is achieved through a combination of People, Process, & Technology controls. The IM risk position is accessed through external audits & assessments (e.g. the 2015 SSS ICT Security Risk Assessment, 2017 Vo2 Cyber Security Protection assessment, & annual Audit NZ IS Controls audit) with plans put in place to address risks identified, the delivery of which are tracked through the Risk Register which is monitored through the Audit & Risk committee. Monitoring is also provided through the National Cyber Security Centre (NCSC) monitoring of our internet traffic. Through the Digital Roadmap the council is progressively improving technology controls to enhance the level of protection. Completed initiatives to improve our cyber security technology controls include the Sophos Anti-virus, VPN, & FortiGate firewall solutions. In progress initiatives includes the Citrix upgrade, BitLocker deployment, & Intune Mobile Device Management solutions. Planned work includes the Exchange Online & Microsoft Advanced Threat Protection solution. The ALGIM Cyber Security maturity & benching marking assessment is currently underway, the outcome of which will inform our 3 year cyber security maturity improvement programme across people, process, & technology controls. The council is also adopting, where it is appropriate to do so, the AoG NZISM frameworks, with the adoption of the Cloud Risk Assessment framework currently underway.
R00053	Business Resilience; Business function is significantly disrupted due to a lack of organisational resilience.	Council operations are impacted through failure to create and prioritize action plans for implementation in the event of a business impact incident.	Kurt Abbot	Likely (4)	Catastrophic (5)	20 Extreme	Possibly (3)	Moderate (3)	9 Moderate	The Covid-19 Pandemic continues to test Council's business resilience. The Incident Management Team, Emergency Operating Centre and Recovery Response has been demonstrated to be effective. Experience and growth as a result of wave 1 provides Council a strong foundation to build on and it is recognised that uncertain times will continue during subsequent waves. We expect our customers, ratepayers and communities will require assistance in their recovery. Urgency, efficiency and effectiveness are key givens in this environment. Business Continuity Planning for Pandemic response remains current and during September and October 2020 plans will be expanded to include responses to other potential disruptions. Accelerating outputs from the digital road-map have facilitate Councils continued ability to provide services. Achievements in this space include roll out of lap-tops, Windows 10 and MSO365.
R00190	People & Culture; Business outcomes are significantly impacted due to an inability to attract and or retain suitable personnel.	Council are unable to recruit, promote or keep staff in core service positions due to a lack of appropriately trained people, industry competition or perceived or actual Council culture.	Vanessa Jenkins	Likely (4)	Major (4)	16 High	Possibly (3)	Moderate (3)	9 Moderate	Uncertainty, related to Covid-19, may impact this risk and it is recognised that flexible working capability needs to be considered as a market draw card if we wish to remain competitive. Leadership, and its impact on organisational culture, is critical during the recovery period and subsequent waves of the pandemic. This extends from Executive level through to operational leadership in the context of developing skill and capabilities for managing productivity and maintaining effective workplace culture in the remote working environment.
R00187	Stakeholder Engagement; Council is exposed to under appropriate community outcomes and or wastes resources due to unsuitable stakeholder identification and interaction practices.	People become/remain disengaged as a result of Council failing to communicate/consult appropriately.	Jacob Quinn	Likely (4)	Major (4)	16 High	Possibly (3)	Moderate (3)	9 Moderate	We know we have some work to do in this area and that, in some cases there are failures however, when reviewing the broader picture Council is improving in this space and these improvements are expected to continue as the Communications Strategy is put into effect this year. A key piece of work in this area is Council engagement with the Mana Whenua Forum and developing an understanding of the forum purpose and objectives. Details regarding the forums level of authority, Council representation, conflict resolution and engagement will be considered once initial relationship building has been established.
R00188	Economic & Social Development; Waikato district suffers inhibited economic and social development and or missed funding opportunity as a result of poor planning, investment strategy, and or relationships.	Council fails to promote and or identify opportunity for economic and social growth or fails to engage appropriately to encourage growth and development.	Clive Morgan	Likely (4)	Major (4)	16 High	Possibly (3)	Moderate (3)	9 Moderate	There has been an environmental change in regard to this risk. Effort has been lifted in this area through a targeted focus in the COVID-19 recovery plan and it is accepted that the organisation needs to be agile and flexible to manage the risk through the course of the entire recovery period. We recognise now that Central Government relationships are fundamental dependencies and we need to focus on developing effective relationships with key ministers so we have the right connections with government to provide us the support we need and improve our capacity for influence.
R00192	Compliance Management; Council is exposed to significant financial loss or business disruption caused by non-compliance with legislative, regulatory or policy requirements.	Council is impacted as a result of failing to comply with legislative, policy or regulatory requirements. This may be caused by, but is not limited to, being uniformed, lack of resource availability, prioritization, work place culture or human error.	Alison Diaz	Likely (4)	Catastrophic (5)	20 Extreme	Possibly (3)	Moderate (3)	9 Moderate	The potential impact of our digital transformation on other processes is a focus that needs to be examined. This includes consideration to remote working and how the change will effect required employee behaviours that deliver compliance outcomes with consideration to the fact that some key processes are not digitized at this point.
R00189	Regional & National Strategic Planning & Legislative Reform; Council experiences significant disruption to business function caused by structural and legislative changes by central government and or national / regional strategic planning exercises.	Amendments to local or national legislation, government practices or other authorities require significant change to business operations.	Clive Morgan	Likely (4)	Moderate (3)	12 High	Possibly (3)	Minor (2)	6 Moderate	The residual likelihood of this risk has increased as the result of some significant implications with consideration to the 3 waters reform and fast track consenting. Contract conditions however are anticipated to mostly mitigated these implications.
	Regional & National Strategic Planning & Legislative Reform; Council experiences significant disruption to business function caused by structural and legislative changes by central government and or national / regional strategic planning exercises.	Amendments to local or national legislation, government practices or other authorities require significant change to business operations.	Clive Morgan	Likely (4)	Moderate (3)	12 High	Likely (4)	Minor (2)	8 Moderate	
R00183	Council Partnerships; Council experiences diminished public confidence and or operations are significantly impacted due to actions, representations or conduct of partnership enterprises or associations.	Councils reputation/operations are impacted as a result of actions, representations or conduct demonstrated by Partners and/or associates.	Sue O'Gorman	Possibly (3)	Moderate (3)	9 Moderate	Unlikely (2)	Moderate (3)	6 Moderate	The coverage of this risk was found to be too broad through the deep dive process. It has therefore been revised to cover significant contractual partnerships rather than operational contracts. Separate risks that cover funding partnerships and government relationships will be created in the operational space. This allows for better definition and improved monitoring and risk mitigation identification.
	Council Partnerships; Council experiences diminished public confidence and or operations are significantly impacted due to actions, representations or conduct of key partners.	Councils reputation/operations are impacted as a result of actions, representations or conduct demonstrated by key contract or partnership personnel.	Sue O'Gorman	Possibly (3)	Moderate (3)	9 Moderate	Unlikely (2)	Moderate (3)	6 Moderate	

Waikato
DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	01 September 2020
Prepared by	Katja Jenkins Risk Advisor
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Risk Appetite Review September 2020

1. EXECUTIVE SUMMARY

This report describes recommended updates to Waikato District Councils risk appetite statements.

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received;

AND THAT the Audit & Risk Committee recommends that Council approve the proposed changes to the risk appetite statements, as attached as Appendix 1 to the staff report.

3. DISCUSSION

Council undertakes an annual review of its risk appetite statements to ensure they remain current. The process adopted is that the Executive Leadership Team has an initial review which is provided to the Audit & Risk Committee for consideration, review, revision and endorsement. The most recent Executive Leadership Team review took place during July 2020. The proposed amendments are shown in (Appendix 1), Risk Appetite Statement V2.6 (Draft) September 2020.

Key updates include:

▪ Simplification of language throughout the document

▪ Addition of a paragraph that describes Councils response to COVID-19 (page 2)

▪ Update of the "Statement Summary" (page 4)

▪ Update of the risk appetite statements

The Executive Leadership Team note a specific point of consideration; the risk portfolio "Political and Strategic" in the area associated with growth. Historically Council has assessed appetite in this area to be "High". During the review this level of appetite was discussed and maintained for discussion with the Committee.

4.   CONCLUSION

The Executive Leadership Team is satisfied that the changes accurately reflect the organisations risks appetite based on the sentiment traditionally received from Councillors. This is however time for Council to confirm or review its appetite.

5.   ATTACHMENTS

- Appendix 1: Risk Appetite Statement V2.6 (Draft) September 2020
- Appendix 2: Waikato District Council Risk Appetite Statement (Current)

Waikato District Council
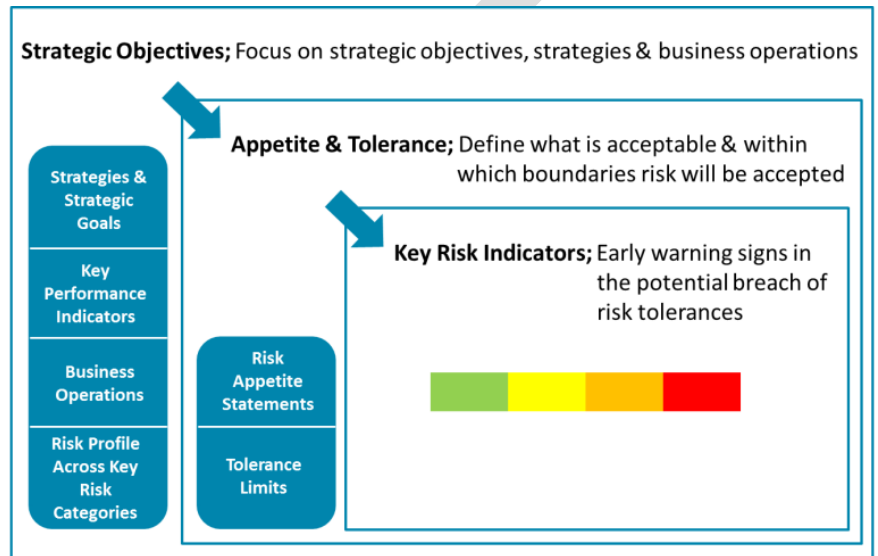
Risk Appetite Statement

Katja Jenkins
14 September 2020

Waikato District Council - Risk Appetite Statement

Risk appetite is the conscious decision about which risks, and how much of each, the organisation is willing to accept in order to deliver our vision of liveable, thriving, and connected communities. Councils risk appetite reflects how we run our business, our internal risk management capabilities, and our organisational culture. Our appetite for risk is influenced by several factors including the local, national, and global business environment, our people, our community needs and wants, our business systems and our policies.

Having a clearly defined risk appetite provides the wider organisation clarity on the nature and degree of risks that can be taken as we carry out our strategic, operational and project work.

Defining risk appetite is closely linked to defining the organisations overall strategy. It is therefore a task for the Executive Leadership Team and Council through the Audit & Risk Committee.

Defining and articulating risk appetite has a positive influence on our culture and behaviour. It gives our people an improved understanding of what risk management means to them in their roles and helps them to apply effective risk management practices.

Strategic Objectives; Focus on strategic objectives, strategies & business operations

- Strategies & Strategic Goals
- Key Performance Indicators
- Business Operations
- Risk Profile Across Key Risk Categories
- Risk Appetite Statements
- Tolerance Limits

Appetite & Tolerance; Define what is acceptable & within which boundaries risk will be accepted

Key Risk Indicators; Early warning signs in the potential breach of risk tolerances

CLARITY
- Clarify & communicate ELT & Councils expectations on the amount of risk the organisation is willing to take and accept
- Align understanding of risk strategies across the organisation

GOVERNANCE
- Delegate authority at the operational level to proactively manage & monitor risks within agreed timeframes
- Define clear reporting & escalation thresholds & protocols to ELT & ARC

CONTROLS & ASSURANCE
- Enhance risk oversight & assurance by providing robust means to assume acceptable risk types and levels
- Optimise risk management & control adequacy & effectiveness for key risks ensuring early actions are taken before risks materialise

RISK CULTURE
- Encourage consistent & desired risk behaviours across the organisation
- Involve stakeholders alongside the business to implement good risk management practices

Risk appetite is the key component of effectively communicating the Executive Leadership Teams risk expectations to our people. It encourages a common approach across our three lines of defence, which are made up of:

- The people who are managing risk
- The people who are setting and overseeing risk management practices, and,
- The people that provide risk assurance

Discrepancies between the Councils agreed risk appetite and residual risk levels reveal whether more controls are needed to appropriately manage a risk or whether there is potential for more opportunity to be sought.

Waikato District Council - Risk Appetite Statement

Council is driven by its vision to deliver Liveable, Thriving, and Connected Communities and recognises that achieving the associated objectives involves a comprehensive work programme. Eleven key themes provide staff and Management a shared understanding of the internal strategies that will deliver on the commitments that have been made. The themes are:

Our Purpose	Partnership & Funding	Teams
Sustained Innovation	Empowerment	Growth
Community Focus	Capability	IM Roadmap
Risk	Accountability	

The strategic direction is summarised through the Community and Corporate outcomes detailed below:

Note: Post COVID-19 the Community and Corporate outcomes are supported by our Recovery Plan. The recovery plan principles affirm that Council will work in partnership in a way that is efficient and effective, to deliver optimal outcomes for our People, both internally and externally, with the aim to ensure our business is shaped to enable the recovery and rebuild of our district.

COMMUNITY OUTCOMES

Sustaining Our Environment	Waikato District is a community that believes in environmental sustainability; Council will pursue and promote environmentally sustainable ideas and manage regulatory process to safeguard and improve the district.
Providing value for money	Residents/Ratepayers get value for money because Council finds innovative ways to deliver strategic, timely and fit for purpose infrastructure and services at the most effective cost.
Supporting Our communities	Council considers the well-being of all the people in the district during the planning and delivery of Council activities and will support and plan for the development of complete and connected communities.
Building Our Economy	Council aims to attract diverse enterprise/business which create jobs and opportunities for the districts communities whilst supporting existing industry. Support will also be provided to others who leverage our location to encourage tourism and bring benefits to a range of people in the district's communities.
Working Together	Council will work with communities to collectively focus on the right things at the right time.

Waikato District Council - Risk Appetite Statement

CORPORATE OUTCOMES

Customer & Community	We apply a human centred approach to our service design to support our business units to re-evaluate their services and reset their priorities where required.
	We coordinate the delivery of our information, so our customers understand it and want to engage with us.
	We co-design with our customers creating a multi-channel customer experience to meet their needs in step with our district growth and requirements, making navigating council easy.
	We understand who our customers are and what is important to them and build strong local relationships so that we can easily engage on topics that matter to them.
	We make engaging with us easy by understanding and aligning our marketing and communications to our communities' desires and by coordinating our efforts across the business
	We deliver a brand that has strong and respected recognition with our stakeholders and community.
Financial Stewardship	We know what activities to focus on, how they align with agreed strategies and when and where the money will come from. Resources are deployed to the best possible effect based on community wants or needs
	We have a deep understanding of our business, how to support long term service delivery, and, regularly review and test for efficiency and effectiveness. We try new things in recognition that value is broader than cost efficiency alone and have clear measures of what value should be delivered.
	We manage public money and we take our financial responsibilities seriously demonstrating effective cost control and accurate forecasting. We are transparent and adhere to financial controls.
Innovation	We are mobile and connected, with digital tools that can provide our services from anywhere in our district.
	Our information is presented to us in a way that we can understand and digest and is stored once in a master source location. We have access to the information that prepares our organisation to respond.
	We collaborate to deliver innovative services and digital engagement responsibly. Our systems are integrated to make it easy to access and share information internally and externally.
	We actively seek opportunities to provide benefits to the community, the organisation, and individuals.
Our People	We know that organisation strategy cannot be successful without an employee experience commitment. We are an employer of choice with highly engaged employees delivering exceptional service. We invest in our people and they understand the role of our organisation within communities and their role in contributing to the same.
	We recognise the skills and creativity of individuals and allow them to make and implement decisions. We focus on outcomes (not outputs) which encourage a supportive, sharing, integrated organisation.

Waikato District Council - Risk Appetite Statement

STATEMENT SUMMARY

Council is willing to take well defined risks at a moderate to high level where it will result in delivering appropriate community solutions, specifically in the areas of, growth, projects, financial management and internal culture.

Council understands that the successful achievement of its objectives is significantly underpinned by its perceived reputation with its customers. Accordingly, Council can only accept lower levels of risk where reputation is in question and places emphasis on seeking outcomes that encourage and support positive customer relationships.
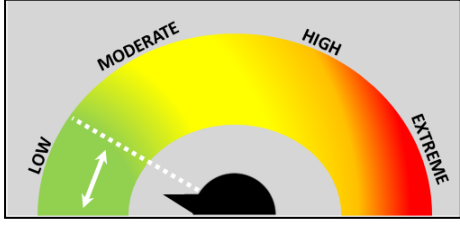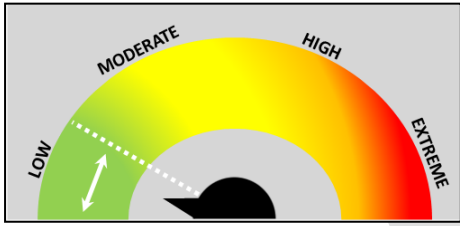
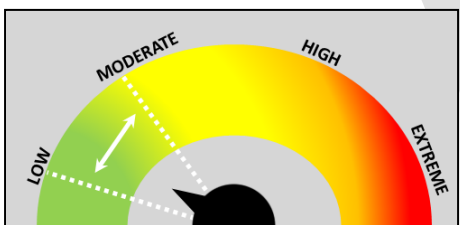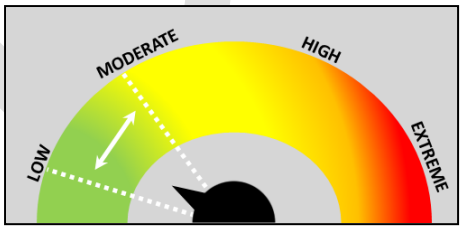The risk appetite statements in this document are for Council, contractors, and partners. Details on individual risk portfolios are set out subsequently in this document.

Where the adoption of strategies, initiatives or actions has potential to exceed the stated risk appetite, consultation with the Executive Leadership Team and Council, through its Audit & Risk Committee, is required prior to those activities commencing.
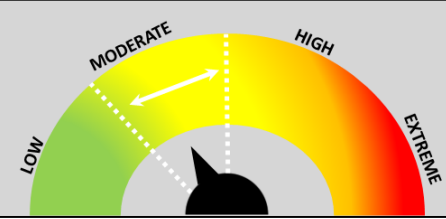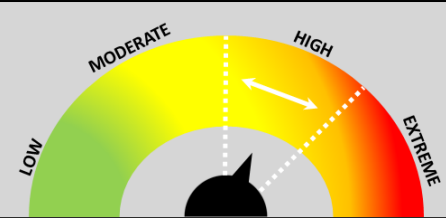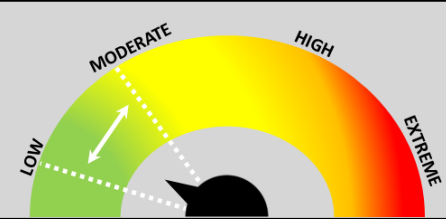
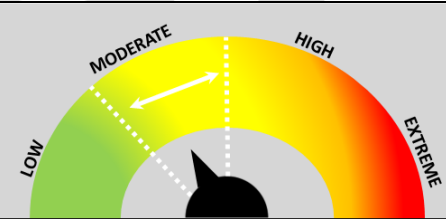Waikato District Council - Risk Appetite Statement

RISK PORTFOLIO	PORTFOLIO DESCRIPTION	RISK APPETITE	RISK APPETITE STATEMENTS	POTENTIAL KEY RISK INDICATOR
Business Continuity Operational Resilience	Business continuity risks impacting the day to day business function and level of service delivery. These can be from inadequate or failed internal processes, activities, and systems (recruitment, training, change management), or from unforeseen external events (such as a natural disaster or unprecedented growth) that disrupt normal business operations.	Low	Continuity of services and availability of accurate and timely information to Council and the Executive is crucial. Organisational engagement with business continuity planning is therefore considered a key approach. Council has in place a resilience framework which incorporates Risk Management, Incident Management, and Emergency Management as the supporting disciples which enable business continuity. There exists a low levels of risk tolerance which ensures Council can deliver services efficiently to our customers and allows opportunity for innovation whilst still carefully considering the impact of activities to ensure continuity of essential services.	Business continuity/IMT Operational KPIs (number required through BU/GM reports)
People Zero Harm	Risks associated with both the health and safety of people and with the organisations internal culture. These types of risks typically result from: • Deficient health and safety procedures, • Staff constraints resulting from attrition and recruitment, • Capability (employees, partners or suppliers lack the necessary skill & knowledge to do jobs correctly), • Dishonesty or corruption, or • Ineffective workplace culture	Low	Employee wellbeing is a priority and hence Council is not prepared to compromise on health and safety standards in any way. We are committed to safety leadership, good health and safety practice and ensuring continuous improvement. We aspire to be better than good enough.	Number of zero harm incidents Lead KPI – TRIFR Near miss reports Safety Conversations
People People & Culture		Moderate	Council recognises that human capital (with consideration to people's knowledge, skills, attitude, and behaviours) is a critical asset and key to achieving the organisational objectives. Council is willing to invest in attracting, developing, and retaining talent with the right skill sets and competencies, and will maintain a robust succession plan for key positions to ensure leadership capability and continuity. We are prepared to implement projects that support organisational change to deliver an efficient workplace culture and to make tough decisions to ensure the organisation is not compromising on its commitments to the values that ensure a compliant, healthy, and productive workplace culture.	Staff turn-over Decline in staff engagement survey Number of internal complaints & investigations Whistleblowing Bullying
Financial	Risks related to the financial management and ability to fund Council activities and operations now, and into the future. Risks related to the management of operational and or project budgets (potential for loss). External economic factors related to changes in the prevailing market conditions that impact on Council's financial capability.	Moderate	With consideration to Council's financial management, and our ability to fund operations now and into the future, Council's key approach is to be proactive rather than reactive. We need to spend to achieve; not because poor process has resulted in overspend, but because it is the right way to do things and we are getting value for that money. Council is willing to accept financial investment as a way of delivering better outcomes and making hard decisions around finances for the future.	Treasury Risk Management Policy Compliance Variance to budget • Opex • Capex

Waikato District Council - Risk Appetite Statement

RISK PORTFOLIO	PORTFOLIO DESCRIPTION	RISK APPETITE	RISK APPETITE STATEMENTS	POTENTIAL KEY RISK INDICATOR
Financial Fraud		Low	As a taxpayer funded organisation, Council has zero tolerance to fraud. Even a minor fraud incident or suspected fraud will result in the loss of customer trust and confidence.	Identified incident of fraud by Councillor, Executive, Staff or Partner Number of control breakdowns identified through audit and compliance programme Lead Indicator – Whistleblowing events
Reputation / Image	Risks related to the impact of organisation actions (business undertakings). Reputational risks typically result when the public perception of Councils actions and /or Councils personnel are deemed to be inappropriate.	Low	Council's and the Executives risk appetite is driven by the desire to earn our communities trust (reputation, image, and branding), and for our customers to understand that we have their best interests at heart. We want our customers to view us as experts whose purpose is to provide for them. For this reason, Council and the Executive prefer to make decisions on items that may impact reputation or community relationships.	Media response Complaints/Compliments Initiation of government tribunal inquiry
Compliance / Regulatory	Risks related to Council's exposure to liability (legal action, fines, non-compliance against consent conditions, codes etc.)	Low – Moderate	The risk appetite is driven by Council and the Executive having a strong desire to be compliant with regulatory requirements to ensure that customers, staff, and Council are appropriately protected from exposure to liability. However, as a local government body Council is subject to regulatory changes which can take time to effect and may therefore be prioritized. Subsets of the risk appetite are defined as follows: • H&S – Low • Legislation – Low • Corporate – Low to moderate • By-laws – Moderate • Consenting – Moderate Council takes the approach of 'Engage; Educate; Enforce'.	Number of non-compliances identified through the compliance programme Instance of non-compliance raised by a regulatory body New/Changed legislation KPIs
Environmental	Potential or actual negative environmental or ecological impacts, regardless of whether these are reversible or irreversible, man-made, or caused by natural occurrence.	Low – Moderate	Council believes in environmental sustainability and stewardship. We are willing to pursue and promote environmental initiatives which improve and protect the district. Councils planning controls, for development, building, transport, infrastructure, and recreation, along with our service provision, assist in protecting cultural heritage and the natural and physical environment by supporting legislative compliance.	Challenge of decisions Maintaining monitoring programme Non-compliances identified

Waikato District Council - Risk Appetite Statement

RISK PORTFOLIO	PORTFOLIO DESCRIPTION	RISK APPETITE	RISK APPETITE STATEMENTS	POTENTIAL KEY RISK INDICATOR
Political & Strategic	These risks impact the organisations ability to achieve its strategic objectives including the provision of infrastructure and services as a result of political conditions. This may be attributed to internal factors such as the actions of politicians, or external factors such as legislative change, or significant growth.	Moderate	Council seeks opportunities to enhance the value it delivers to its customers. Lack of action in the strategic forum can impact our ability to remain relevant to our customers. Council is willing to take a moderate amount of risk in achieving strategic objectives through key investment such as digital transformation, economic development, and innovation.	Delays in launch/progressing key strategic initiatives
Political & Strategic Growth		High	Waikato District has experienced substantial growth increases during the last decade and growth projections estimate that this trend is set to continue. The provision of appropriate infrastructure and services for an increasing population has several challenges including added pressure on Council to manage increasing workloads to support the growth. For Council to facilitate development we are willing to look at new and innovative ways of providing services such as: exploring beneficial partnerships, providing incentive for local businesses, and supporting and promoting social initiatives including place making and environmental programmes.	Meeting NPS requirements Developer survey Economic development net promoter score
Technical Cyber Security & IT Dependence	These are quality risks affecting Councils ability to complete or have confidence in a task, activity, project, or operation. They include: • Technical capability and performance of new and existing equipment e.g. tools, technology, software, hardware • Project capability and performance	Low – Moderate	Council recognises the business advantages of expanding our technological capability and performance. We are actively seeking opportunities to use technology to improve customer services and anticipate a growing dependency on technology in delivering better business outcomes. Council acknowledges moving towards technological solutions, comes with increased threat of cyber-attack and therefore believes that ongoing attention and vigilance is required to manage IT-related risk.	Number of security incidents caused by malicious software Number of audit findings where recommendations have been accepted but not remediated/ have become over-due
Technical Projects		Moderate	Council undertakes varied projects to effectively deliver services to the community and wants to focus on meeting community expectations by delivering the right solutions which enable the development of our district and economy. Council understands that this commitment brings some additional risk associated with higher degrees of complexity and is willing to accept this in the interest of achieving our long-term objectives.	Number of failures of benefits realised through key projects (failure / malfunction of technology / tools / equipment and or design / manufacturing competency) Project KPI's (RAG reports)

Waikato District Council

Risk Appetite Statement

Katja Jenkins
14 September 2020

Waikato District Council - Risk Appetite Statement

Risk appetite is the conscious decision about which risks, and how much of each, the organisation is willing to take on as it delivers on the vision of liveable, thriving, and connected communities. Councils risk appetite reflects our business model, our risk capacity, our internal risk management capabilities and our culture. Our appetite for risk is influenced by a number of factors including (but not limited to) the business environment, our people, our community needs and wants, our business systems and our policies. Having a clearly defined risk appetite gives clarity to the wider organisation about the nature and degree of risks that can be taken with our strategic, operational and project work.

Defining risk appetite is intimately linked to defining the overall strategy of an organisation and is therefore a task for the Executive Leadership Team and Council through the Audit & Risk Committee.
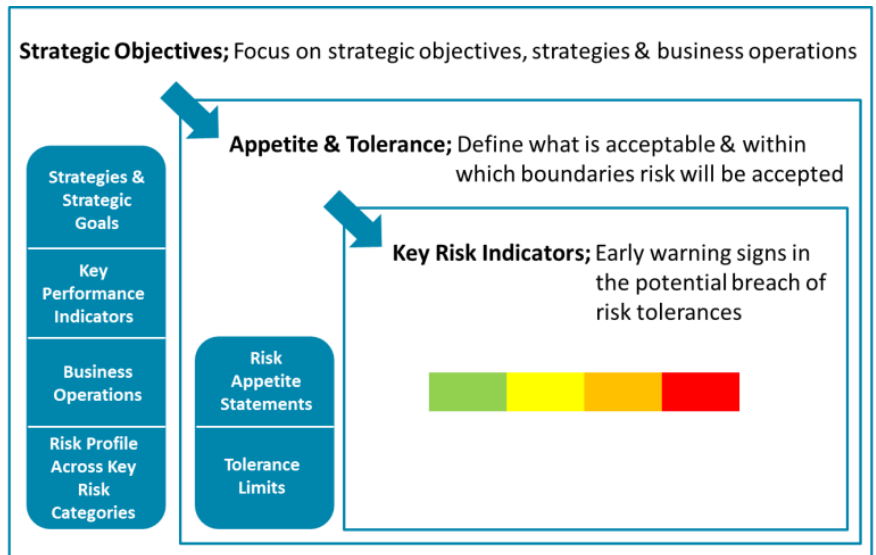
Benefits of Communicating Organisational Risk Appetite

Defining and articulating risk appetite has a positive influence on our culture and behaviour. It gives our people an improved understanding of what risk management means to their roles and helps them to apply effective risk management practices.

Risk appetite is a key component of effectively communicating risk expectations and ensuring a common approach across the three identified 'lines of defence';

- those managing risk
- those setting and overseeing the risk management practices, and,
- risk assurance providers

Discrepancies between the Councils agreed risk appetite and residual risk levels determine whether more controls are required to appropriately manage a risk or whether there is space for more opportunity to be sought.

Waikato District Council - Risk Appetite Statement

The organisations strategic direction can be summarised as:

Community Outcomes

Sustaining Our Environment

- Waikato District is a community that believes in environmental sustainability; Council will pursue and promote related ideas and manage regulatory process to safeguard and improve the district.

Providing value for money

- Residents/Ratepayers get value for money because Council finds innovative ways to deliver strategic, timely and fit for purpose infrastructure and services at the most effective cost.

Supporting Our communities

- Council considers the well-being of all the people in the district during the planning and delivery of Council activities. As such, Council will support and plan for the development of complete and connected communities.

Building Our Economy

- Council aims to attract diverse enterprise/business; creating jobs and opportunities for the districts communities, and, to continue to support existing industry. Support will be provided to others who leverage our location to ensure tourism brings benefits to a range of people in the districts communities.

Working Together

- Council will work with communities to collectively focus on the right things at the right time.

Corporate Outcomes

Customer & Community

- We apply a human centred approach to our service design to support our business units to re-evaluate their services and reset their priorities where required.
- We coordinate the delivery of our information so our customers understand it and want to engage with us.
- We co-design with our customers to create a multi-channel customer experience that meets their needs in step with our district growth and requirements, making navigating council easy.
- We understand who our customers are and what is important to them and build strong local relationships so that we are able to easily engage on topics that matter to them.
- We make engaging with us easy by understanding and aligning our marketing and communications to our communities' desires and by coordinating our efforts across the business
- We deliver a brand that has strong and respected recognition with our stakeholders and community.

Financial Stewardship

- We know what activities to focus on, how they align with agreed strategies and when and where the money will come from. Resources are deployed to the best possible effect based on community wants or needs
- We have a deep understanding of our business, how to support long term service delivery, and, regularly review and test for efficiency and effectiveness. We try new things in recognition that value is broader than cost efficiency alone and have clear measures of what value should be delivered.

Waikato District Council - Risk Appetite Statement

- We manage public money and we take our financial responsibilities seriously demonstrating effective cost control and accurate forecasting. We are transparent and adhere to financial controls.

Innovation

- We are mobile and connected, with the digital tools to do that can provide our services from anywhere in our district.

- Our information is presented to us in a way that we can understand and digest and is stored once in a master source location. We have access to the information that prepares our organisation to respond.

- We collaborate to deliver innovative services and digital engagement responsibly. Our systems are integrated to make it easy to access and share information internally and externally.

- We actively seek opportunities to provide benefits to the community, the organisation and individuals.

Our People

- We know that organisational strategy cannot be successful without an employee experience commitment. We are an employer of choice with highly engaged employees delivering exceptional service. We invest in our people and they understand the role of our organisation within communities and their role in contributing to the same.

- We recognise the skills and creativity of individuals and allow them to make and implement decisions. We focus on outcomes (not outputs) which encourage a supportive, sharing, integrated organisation.

Waikato District Council - Risk Appetite Statement

Council is driven by their vision to deliver liveable, thriving, and connected communities and recognises that achieving the associated objectives involves a comprehensive body of work. Internally a significant change focus includes eleven key themes that provide employees and Management a shared understanding of the strategies that will deliver on the commitments that have been made. The themes are;
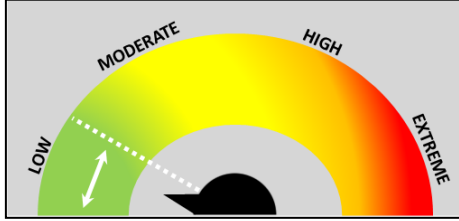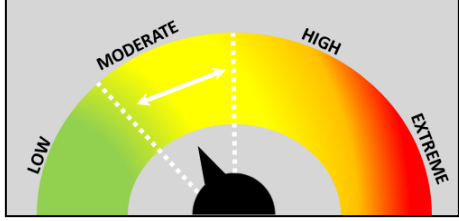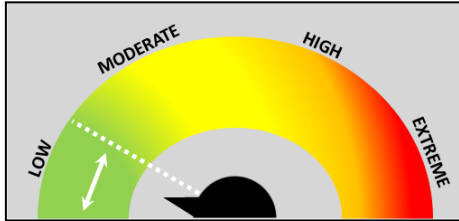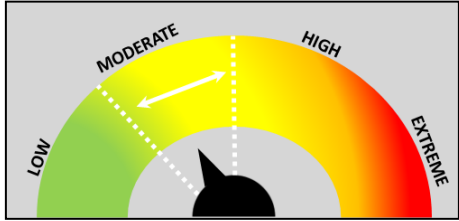
- Our Purpose
- Sustained Innovation
- Community Focus
- Risk

- Partnership & Funding
- Empowerment
- Capability
- Accountability

- Teams
- Growth
- IM Roadmap
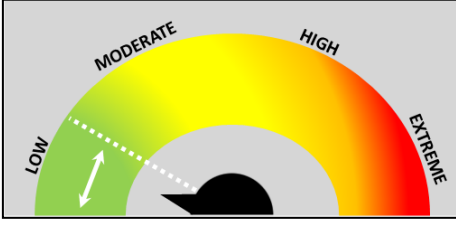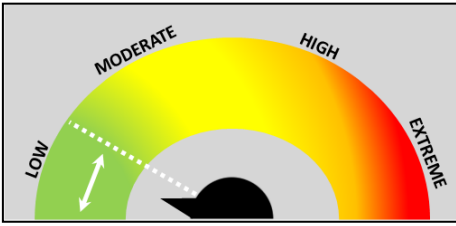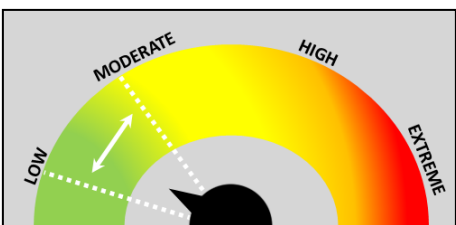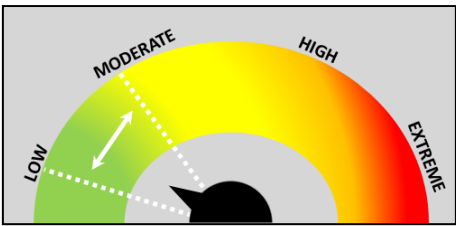
Council is willing to take well defined risks at a moderate to high level where it will result in the achievement of strategic objectives; specifically in projects, growth, financial management and internal culture areas. Council understands that the successful achievement of its objectives is significantly supported by its perceived reputation with its customers. Accordingly, Council is not willing to accept risks that would adversely impact its reputation, nor where there is employee or customer wellbeing is compromised.
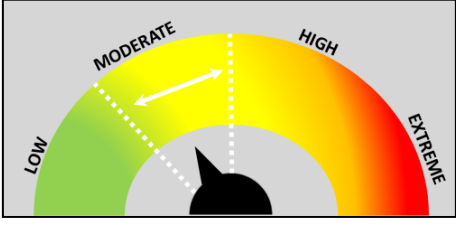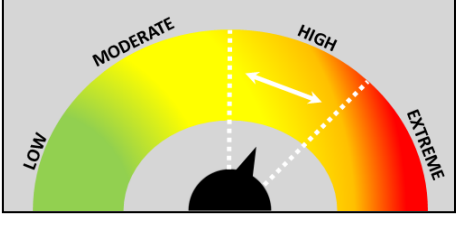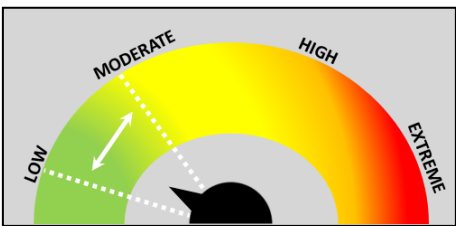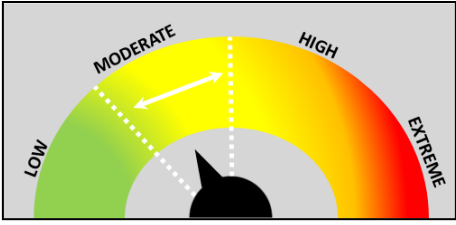
Where the adoption of strategies, initiatives or actions may exceed the stated risk appetite, the Executive Leadership Team and Council, through its Audit & Risk Committee, will be consulted prior to those activities commencing.

The risk appetite statements in this document are for Council itself and any partners, contractors or participating associates. Further detail on individual material areas of risk and risk portfolios are set out subsequently in this document.

Waikato District Council - Risk Appetite Statement

RISK PORTFOLIO	PORTFOLIO DESCRIPTION	RISK APPETITE	RISK APPETITE STATEMENTS	POTENTIAL KEY RISK INDICATOR
Business Continuity Operational Resilience	Business continuity risks impacting the day to day business function and level of service delivery. These can be from inadequate or failed internal processes, activities and systems (recruitment, training, change management), or from unforeseen external events (such as a natural disaster or unprecedented growth) that disrupt normal business operations.	Low 	Continuity of services and availability of accurate and timely information to Council and the Executive is considered a key approach. Poor operational risk management can damage Council's reputation and cause financial loss. Although we do have some tolerance for risk to ensure that we are delivering services efficiently to our customers and allowing opportunity for innovation, we need to carefully consider the impact of activities to ensure continuity of essential services.	Business continuity/IMT Operational KPIs (number required through BU/GM reports)
People People & Culture	Risks associated with health and safety, or the capacity and capability of staff, elected members or partnerships; the behavioural and/or performance of staff, elected members or partnerships; and supplier confidence. People risks typically result from staff constraints (cannot fill critical open positions), incompetence (employees, partners or suppliers lack the necessary skill & knowledge to do jobs correctly), dishonesty (theft, fraud) or a corporate culture that does not cultivate risk awareness (i.e. lack of regard for Health & safety processes, risk management processes)	Moderate 	Council recognises that human capital (with consideration to people's knowledge, skills, attitude and behaviours) is a critical asset and key to achieving the organisational objectives. Our current environment demonstrates significant competition for talent and a nationwide resource deficiency in many of the business areas that provide essential services for our customers. Council will invest in attracting, developing and retaining talent with the right skill sets and competencies, and will maintain a robust succession plan for key positions to ensure leadership continuity. With that in mind, we are prepared to make tough decisions to ensure the organisation is not compromising on its commitments to the values that ensure a compliant, healthy, and productive workplace culture.	Staff turn-over Decline in staff engagement survey Number of internal complaints & investigations Whistleblowing Bullying
People Zero Harm		Low 	Employee wellbeing is a priority and hence Council is not prepared to compromise on health and safety standards in any way. Council is committed to good practice and ensuring continuous improvement in health and safety. We aspire to be better than good enough.	Number of zero harm incidents Lead KPI – TRIFR Near miss reports
Financial	Risks related to the financial management of WDC and the ability to fund Council activities and operations now, and into the future. Risks related to the management of operational and or project budgets (potential for loss). External economic factors related to changes in the prevailing market conditions that impact on the organisations financial capability.	Moderate 	With consideration to financial risks related to the financial management of WDC and the ability to fund Council activities and operations now, and into the future Council aims for a change of approach to be more proactive rather than reactive (we need to spend to achieve; not because poor process has resulted in overspend, but because it is the right way to do things and we are getting value for that money). Council is willing to accept greater financial investment as a way of delivering better outcomes and making hard decisions around finances for the future.	Variance to budget • Opex • Capex

Waikato District Council - Risk Appetite Statement

RISK PORTFOLIO	PORTFOLIO DESCRIPTION	RISK APPETITE	RISK APPETITE STATEMENTS	POTENTIAL KEY RISK INDICATOR
Financial Fraud		Low 	As a tax payer funded organisation, Council has zero tolerance to fraud. Even a minor fraud incident or suspected fraud will result in the loss of customer trust and confidence.	Identified incident of fraud by Councillor, Executive, Staff or Partner Number of control breakdowns identified through audit and compliance programme Lead Indicator – Whistleblowing events
Reputation / Image	Risks related to the impact of organisational actions (business undertakings). Reputational risks typically result when the public perception of Councils actions and /or Councils personnel are deemed to be inappropriate.	Low 	Being a public sector the risk appetite is driven by Council and the Executives desire to make our communities feel trust in Council (reputation, image and branding) and for our customers to understand that we have their best interests at heart. We want our customers to view us as experts whose purpose is to provide for them. For this reason, Council and the Executive prefer to make decisions on items that may impact reputation or community relationships.	Media response Complaints/Compliments Initiation of government tribunal inquiry
Compliance / Regulatory	Risks related to WDC exposure to liability (legal action, fines, non-compliance against consent conditions, codes etc.)	Low – Moderate 	The risk appetite is driven by Council and the Executive having a strong desire to be compliant with regulatory requirements to ensure that customers, staff and Council are appropriately protected from exposure to liability. However, as a local government body Council is subject to regulatory changes which can take time to effect and may therefore be prioritized. Subsets of the risk appetite are defined as follows: • H&S – Low • Legislation – Low • Corporate – Low • By-laws – Moderate • Consenting – Moderate/Low Council takes the approach of 'Engage; Educate; Enforce'.	Number of non-compliances identified through the compliance programme Instance of non-compliance raised by a regulatory body New/Changed legislation KPIs
Environmental	Potential or actual negative environmental or ecological impacts, regardless of whether these are reversible or irreversible in nature. Risks can arise from; • Natural hazards e.g. landslides • Waste & Refuse, emissions, resource depletion etc. • Emergency/ Disaster management • Growth & Development	Low – Moderate 	Council is a community that believes in environmental sustainability and is willing to pursue and promote environmental initiatives to improve the district such as the 'Zero Waste' target introduced in 2016. Councils planning controls, for buildings, transport, infrastructure and recreation, along with service provision, assist in protecting cultural heritage and the natural and physical environment and monitoring activities to ensure compliance with legislation.	Challenge of decisions Maintaining monitoring programme Non-compliances identified

Waikato District Council - Risk Appetite Statement

RISK PORTFOLIO	PORTFOLIO DESCRIPTION	RISK APPETITE	RISK APPETITE STATEMENTS	POTENTIAL KEY RISK INDICATOR
Political & Strategic	Risks that may impact on the organisations ability to achieve its strategic objectives created by political conditions. This may be due to internal factors (actions of politicians) and or external conditions e.g. growth, events or decisions that could have effect on the achievement of strategic objectives.	Moderate	Council seeks opportunities to enhance the value it delivers to its customers. Lack of action in the strategic forum can impact our ability to remain relevant to our customers. Council is willing to take a moderate amount of risk in achieving strategic objectives through key investment such as digital transformation, economic development, and innovation.	Delays in launch/progressing key strategic initiatives
Political & Strategic Growth		High	Growth rate in the Waikato district is expected to surpass Hamilton and match Auckland's over the next 26 years. Providing affordable housing, essential services and social infrastructure for the increasing population has a number of challenges including added pressure on Council staff to manage increasing workloads that deliver planning and consenting requirements. In order for Council to facilitate development Council are willing to look at new and innovative ways of providing services. Exploring beneficial partnerships, providing incentive for local businesses and supporting and promoting social initiatives such as place making and environmental programmes all contribute.	Meeting NPS requirements Developer survey Economic development net promoter score
Technical Cyber Security & IT Dependence	Risks affecting the ability of WDC to complete or have confidence in the function or completion of a task, activity, project, operation. These are quality risks e.g. failure due to lack of technical capability or certainty in; • Existing equipment, tools, technology, software, hardware etc. • Design surety, manufacturing competency, technical performance etc.	Low – Moderate	Due to growing dependency on technology and increasing threat of attacks, the organisation believes that ongoing attention is required to manage IT-related risk. Despite this, with a future view, Council still wants to actively seek opportunities to use technology to improve customer services.	Number of security incidents caused by malicious software Number of audit findings where recommendations have been accepted but not remediated/ have become over-due
Technical Projects		Moderate	The diverse nature of Council requires us to undertake varied projects to continue to effectively deliver services to the community. In the interest of achieving our long term objectives and with consideration to the growth in our district it is necessary to take some project risks to enable us to develop our district and economy. Council wants to move away from focus on delivering the right solutions rather than concentrating on the time and cost of projects.	Number of failures of benefits realised through key projects (failure / malfunction of technology / tools / equipment and or design / manufacturing competency) Project KPI's (RAG reports)

Waikato
DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	01 September 2020
Prepared by	Katja Jenkins Risk Advisor
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Strategic Risk Register and Emerging Risks September 2020

1. EXECUTIVE SUMMARY

This report details:

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

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3. STRATEGIC RISK GAP ANALYSIS

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

Table 1. The Strategic Risks documented below **do not** align with Councils current Risk Appetite. Details of work being undertaken to align the residual risk assessment is document described below each risk.

Key	Title	Residual Likelihood	Residual Consequence	Residual Rating	APPETITE
R00184	Zero Harm: Significant harm is caused to workers, or others, due to poor or inactive health and safety systems, non-compliance with legislative requirements, or inadequate governance/ management of shared health and safety responsibilities with other PCBUs.	Likely (4)	Catastrophic (5)	Extreme (20)	Low
	As the organisation matures and improves its understanding of this risk, previously unrecognised gaps in our mitigation strategy have been identified. This learning, though it demonstrates as no reduction in the gap between risk assessment and appetite, should not be mistaken as a lack of progress. Significant work, through the Zero Harm work programme, continues to be undertaken to effectively reduce risk. A document, the Strategic Risk Management Plan (Appendix 1) has been prepared detailing progress towards meeting required mitigation actions.				
R00191	Projects & Initiatives: Council fails to produce required project benefits due to poor delivery of projects caused by a lack of capability or as the result of unsuitable project processes and systems.	Likely (4)	Catastrophic (5)	Extreme (20)	Moderate
	Progress with project delivery is being made however it is anticipated that improvement resulting from the change will be most evident during the next LTP cycle. Work to date includes: • Project Management training for key project teams • Recruitment of skilled and experienced project managers • Refresh of the organisations project management system, and • Improved governance and reporting Future works include: • Conversion of existing systems to Cloud based technology • Structural upgrades for the Project Management Office • Continuous improvement in reporting capability				

R00185	Asset Management: Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose.	Likely (4)	Major (4)	High (16)	Low

It should be noted that the Asset Management team have in recent years been significantly under-resourced. Over the past eighteen months, the organisation has worked hard to address the recruitment shortfall and develop the team to enable better outcomes. Progress includes:

- Appropriate resourcing of the Community Assets team
- Improved asset management capability (recruitment of skilled and experience staff)
- Implementation of working hubs
- Improved contract design and management
- A comprehensive works programme delivering Asset and Activity plans
- Update of Council's Infrastructure Plan
- Project based Asset Management planning (PR-1500) under the LTP2021-31 LTP Programme (PR-1366)
- Implementation of asset condition assessment to facilitate risk mitigation planning

Improved asset maturity is developing within the organisation. It is expected reduced risk will be demonstrated as a result of the current asset and activity planning cycle.

R00128	Cyber Security: Council is exposed to significant business disruption caused by unauthorized access or damage to privileged information and or reduced data integrity resulting from cyber-attack or employee behaviour (externally or internally initiated).	Possibly (3)	Major (4)	High (12)	Low - Moderate

The Digital Roadmap is progressively improving technology controls to enhance Council's level of cyber protection. The roadmap includes prioritised initiatives agreed by ELT as part of Our Plan 2020/21. Several initiatives have already been completed, accelerated to facilitate remote working requirements during COVID-19 lockdown, and a number are currently underway including:

- PR-1462: Windows 10, Office 365, & MS Teams
- PR-1212: Network Improvements
- PR-1425: Single Sign On

Other work includes increased organisational communication from IM has included highlighting safe employee behaviour and identifying potential threats, digitalisation of records has been accelerated to reduce reliance on paper-based documents, a Cyber Security maturity & benching marking assessment is currently being conducted and outcomes will be used to inform Council's cyber security maturity improvement programme and Council is adopting the AoG NZISM frameworks, with the adoption of the Cloud Risk Assessment framework currently underway.

Although significant work continues to reduce the gap between assessment and appetite, complexity associated with planning and maintaining technology and escalating potential for cyber threat is likely to maintain this risk outside appetite at this time.

	Business Resilience: Business function is significantly interrupted due to a lack of business continuity planning and organisational resilience.	Possibly (3)	Moderate (3)	Moderate (9)	Low
R00053	Council's current mitigations have been demonstrated to be effective during COVID-19 however the level of uncertainty which remains in association with the pandemic maintains this risk assessment outside of appetite. Outcomes from the Business Continuity Framework project (PR-1390) will expand on and develop existing business continuity plans and internal communications (part of the Risk Culture Maturity programme) will include learnings to help develop organisational understand of the value of business continuity planning. Aspects of the digital roadmap, accelerated to facilitate remote working during the pandemic lockdown, have improved Council's capacity to continue to provide services in the event of a business disruption. On-going learnings from managing the business during the pandemic will help with advancing maturity in the resilience space.				
	Stakeholder Engagement: Council fails to deliver appropriate community outcomes and or wastes resources due to unsuitable stakeholder identification and interaction practices.	Possibly (3)	Moderate (3)	Moderate (9)	Low
R00187	It is acknowledged that work is required in this area and improvements are expected as the Communications and Engagement Strategy is rolled out. Council engagement with the planned Mana Whenua Forum is a key piece of this work. Council is currently developing an understanding of the forum and building the relationship to facilitate future outcomes. Long Term Plan (LTP) communications and engagement planning is assisting to develop Council's understanding of what needs to improve. A series of workshops with Elected Members, Community Boards and Committees were used to identify key approaches that will be built into the Council's future communication and engagement for the LTP as well as how Council operates more generally as a business. Prior discussion raised the low level of election turn-out and representation and engagement with democratic process as a potential area increasing the level of this risk. Voter turnout campaigns, run by Central government and LGNZ, are supported at election time by local authorities. Waikato District Council runs a public relations campaign each triennium to encourage voter participation however Council does not have the resources nor capacity to perform in-depth post-election analysis to develop its understanding of district voter turnout and there is no current staff action being taken in relation to influencing future electoral participation, beyond what is usually taken. Responsibility for engagement with representation and democratic process was discussed and it was noted that Elected Members might be positioned to consider succession planning for the representatives on the Council's governance bodies, however this concept has not been further developed at this time. Another facet of the risk raised by the Committee was poor elected member performance. Council aims to address this area of the risk by sourcing and providing training for elected members. Positive working relationship between staff and elected members also contributes to risk mitigation in this area and it is considered that existing systems and relationships are in place to deal with challenges as they arise.				

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

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

Strategic Risk Activities

During the last quarter, the following organisational risk activities were conducted:
- Strategic Risk Register Review
- Risk Appetite Statement Review

Planned activities for the next quarter include:
- Annual organisation wide risk maturity assessment

A copy of the current strategic risk register is attached (Appendix 2).

Risk Project Update

The following outputs were delivered as part of the Business Continuity Framework project during the last quarter:
- Development of a "Organisational Resilience Framework"
- Business Continuity Plan template update
- Implementation of Business Continuity Planning process

Planned activities for the next quarter include:
- Business continuity plan update
- Business continuity plan report development

4. EMERGING RISKS

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

1. Pandemic Planning

Impact: **Zero Harm:** *Significant harm is caused to workers, or others, due to poor or inactive health and safety procedures, non-compliance with legislative requirements, or inadequate governance / management of contractual health and safety requirements.*

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

Council responded to the initial threat posed by COVID-19 in January 2020 by standing up the Incident Management Team and adapting business management and service delivery to meet operating requirements associated with the prescribed COVID-19 alert levels.

The situation has changed frequently since COVID-19 was first identified. As an organisation we have applied learnings and used new information to ensure we maximise our ability for continuation of services. During August, when New Zealand's second wave of COVID-19 moved most of the country from level 1 to level 2 and Auckland to level 3, Council again implemented business continuity measures. These included bringing together the

Incident Management Team to address the changing circumstances and to assist our communities, particularly those on the border of Auckland who were experiencing hardships and challenges due to border restrictions.

COVID-19 has shown that as an organisation Waikato District Council is reasonably resilient and can continue to operate and meet customers' needs in challenging circumstances. Now, as the district starts to recover, Council is applying the experiences and learnings to prepare for the future. This includes looking at new ways to deliver our services through flexible working and improved technology.

In the short-term Council continues to prepare for the possibility of COVID-19 resurgences and the impact they have on the organisation and the community. In the long-term Council will continue to learn and adapt to a national and global environment that requires us to think and work differently.

2. Port Waikato Erosion

Impact: **Zero Harm:** *Significant harm is caused to workers, or others, due to poor or inactive health and safety procedures, non-compliance with legislative requirements, or inadequate governance / management of contractual health and safety requirements.*

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

Erosion at Port Waikato has continued at a reduced but sustained rate. A working party including members of the community and representatives from Waikato District Council, Waikato Regional Council and Department of Conversation, has been formed in response to the erosion. An independent facilitator has been appointed by the group to guide them through the process.

The community have presented to Minister Mahuta to outline their concerns and desire to apply for funding from the Provincial Growth Fund for a green engineered solution to slow the erosion. Council is continuing to address immediate issues contributing to the erosion caused by run-off from the carpark and is undertaking regular drone monitoring and measurements of any changes to the dunes.

The complexities of the situation at Port Waikato will provide Council valuable learnings in relation to the potential impact of erosion on the district's communities. These learnings can be used to identify other vulnerabilities, helping to inform planning and mitigation strategies for the future.

3. Climate Change

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

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

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

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

On Monday 31 August 2020 Council formally adopted an internal policy for Climate Response and Resilience. Ongoing actions associated with this emerging risk will be managed through the Climate Action Project, including the development of a Climate Action Plan, due for Council approval by 31 December 2020.

5.   CONCLUSION

The Executive Leadership Team recognises that discrepancies between residual risk and appetite are due to known circumstances and on-going work is required to reduce the gap. Downward trends are expected over the next twelve to twenty-four months.

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

6.   ATTACHMENTS

- Appendix 1: Strategic Risk Management Plan (Zero Harm) September 2020
- Appendix 2: Strategic Risk Register September 2020

Strategic Risk Management Plan (Zero Harm)

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

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

Threat	Recommended Treatment	Current Treatments in ProMapp	Status	Actions to implement Treatments
Scope and Context – Council fails to identify and understand: 1. The external and internal issues relevant to its purpose that can affect health and safety 2. Who are the interested parties other than workers in relation to health and safety? 3. What are the health and safety requirements in relation to planned or performed work activities, products or services that are within Councils control or influence	A documented health and safety risk assessment is completed to determine the scope, boundaries and applicability of Council's Zero Harm health and safety management system ZHSMS.		Not in place	Complete risk assessment in conjunction with Risk Advisor to determine scope, boundaries, and applicability of Councils ZHSMS. Action assigned in BWare to complete
Leadership and Commitment – Council fails to demonstrate leadership and commitment to health and safety	A documented health and safety policy and related health and safety objectives are established and are compatible with the strategic direction of the organisation.	TREATMENT MC00606 Leadership and Commitment A documented health and safety policy and related health and safety objectives are established and are compatible with the strategic direction of the organisation. This treatment reduces the likelihood of the risk by providing clear and visible	In place	

Threat	Recommended Treatment	Current Treatments in ProMapp	Status	Actions to implement Treatments
		organisational health and safety commitments and expectations.	In place	
Roles and Responsibilities – Council fails to ensure that health and safety responsibilities and authorities for relevant roles are assigned and communicated at all levels within the organisation and maintained as documented information.	Health and safety responsibilities and authorities for relevant roles are assigned, documented, and communicated at all levels within Council.	TREATMENT MC00607 Roles and Responsibilities. Health and safety responsibilities and authorities for relevant roles are assigned, documented and communicated at all levels within Council. This treatment reduces the likelihood of the risk by ensuring clear and transparent responsibilities for organisational health and safety.	In place	
Worker Engagement and Consultation – Council fails to establish, implement, and maintain processes for the consultation and participation of workers in the development, planning, implementation, performance evaluation and actions for improvement of health and safety.	Documented processes are in place for the establishment, implementation and maintenance of a worker health and safety consultation and participation system.	TREATMENT MC00608 Worker Engagement and Consultation. Documented processes are in place for the establishment, implementation and maintenance of a worker health and safety consultation and participation system. This treatment reduces the likelihood of the risk by providing clear and transparent health and safety expectations to workers.	In place	
Management Framework – Councils fails to implement a documented health and safety management system framework based on the Plan-Do-Check-Act principles to manage health and safety risks and opportunities.	A documented health and safety management system based on the framework detailed in the Australian/New Zealand Standard (AS/NZS ISO 45001:2018) Occupational Health and Safety Management Systems is in place.	TREATMENT MC00435 Council Health and Safety management systems and processes are audited to AS/NZS 4801 Standard; currently Council has achieved ACC WSMP tertiary level.	Partially in place	Action to develop and implement documented health and safety management system is part of the Zero Harm Strategic H&S Plan for 2020/2021.
Legislative Compliance – Council fails to identify, understand, and comply any regulatory, codes of practice and/or industry guidelines to manage the risks associated with its planned or performed work activities, products, or services	A legal obligations register is in place identifying relevant key health and safety legislation. Primary focus is on the critical requirements covered under the Health and Safety at Work Act (HSWA) 2015 and supporting regulations.	TREATMENT MC00435 The chief executive and management team carry out due-diligence site visits in compliance with the Health and Safety at Work Act 2015.	Not in place	Action to identify and implement Legislative Obligations Register and assurance process is part of the Zero Harm Strategic H&S Plan for 2020/2021. Please note this piece of work is being led by the Legal Team and will require funding.

Threat	Recommended Treatment	Current Treatments in ProMapp	Status	Actions to implement Treatments
	A gap analysis has been conducted to verify how Council is meeting its legal and other requirements.			
	Processes are in place for evaluating compliance with legal requirements including the frequency and method of evaluation and how to undertake action if noncompliance is identified.		Not in place	Action to identify and implement Legislative Obligations Register and assurance process is part of the Zero Harm Strategic H&S Plan for 2020/2021.
Risk Identification – Council fails to establish, implement, and maintain processes for the identification of health and safety hazards and the assessment and management of risks arising from identified hazards.	Documented processes are in place for the proactive and systematic identification, assessment and management of health and safety critical risks and hazards.	TREATMENT MC00416 Monitor and maintain operational Zero Harm critical risk and hazard registers. Critical risks are identified and managed using the BowTie Risk Management approach. Critical risks are contained in an organisational risk register. Operational hazards are identified and recorded in hazard registers TREATMENT MC00437 the Executive Leadership Team reviews the organisation critical risk register 6mthly. Service delivery review risks specific to their operational group monthly. TREATMENT MC00545 Waikato District Council has a Risk and Hazard management system known as BWare. BWare is used to record identified critical risks and hazards. Controls to manage critical risks and hazards are documented in BWare and actions can be assigned for control implementation. BWare is managed by the Zero Harm Team however it is the responsibility of all workers, management, and contractors to comply with risk and hazard identification and management processes and procedures. The completion of actions is tracked weekly by the Zero Harm Team and status reports	In place	

Threat	Recommended Treatment	Current Treatments in ProMapp	Status	Actions to implement Treatments
		provided and discussed with the Executive Leadership Team (ELT) on a weekly basis.		
Resources – Council fails to identify and provide sufficient resources to establish, implement, maintain, and continually improve the Zero Harm safety management system.	The organisation has clearly identified and allocated sufficient economic, human and technology resources to support the establishment, implementation, maintenance, and continual improvement of the Zero Harm safety management system (ZHSMS)		Partially in place	Action is underway to develop resourcing plan for delivery of Zero Harm Strategic Plan and the ZHSMS. This action was identified as part of the KPMG H&S Governance Audit and is raised in BWare.
Planning and Objectives – Council fails to establish health and safety objectives at relevant functions and levels of the organisation to maintain and continually improve the Zero Harm safety management system and health and safety performance. Council also fails to ensure the plan and objectives are consistent with its Zero Harm Commitment, are measurable, monitored, communicated, and reviewed as appropriate.	The organisation has clearly documented health and safety objectives and a plan to achieve these objectives that is consistent with its Zero Harm Commitment. Health and safety objectives are SMART, communicated to the organisation, reviewed frequently and updated when required.	TREATMENT MC00415 The strategic plan identifies high level strategic health and safety improvement activities to deliver on the Organisation's Zero Harm vision. The plan is developed by the Zero Harm Team and reviewed and approved by the ELT, SLT and Safety Action Team. Progress on achieving the plan is reported on to the Council via the Monthly Council Report and to the ELT on a weekly basis.	In place	
Training and Competence – Councils fails to have processes in place to determine the necessary competence of workers that can affect its health and safety performance. Council also fails to have in place processes to ensure that workers receive the appropriate education, training, or experience to ensure their health and safety.	The organisation has a clearly documented health and safety training needs analysis that determines the necessary competence of workers to ensure their health and safety. A process is in place to ensure that workers receive and maintain the necessary competence (including the ability to identify hazards) via appropriate education, training, or experience.		Partially in place	Action to implement the newly documented H&S Training and Competency Management Standard is part of the Zero Harm Strategic H&S Plan for 2020/2021. Please note this piece of work will require funding to deliver any identified training.
Communication – Council fails to have in place processes for the internal and external communication of information relevant to the Zero Harm safety management system.	Clearly documented processes are in place for the communication of information relevant to health and safety both internally and externally.		Partially in place	Action to develop and implement documented health and safety management system is part of the Zero Harm Strategic H&S Plan for 2020/2021.
Document Control – Council fails to have processes in place to manage documented health and safety information to ensure it is	Clearly documented processes are in place for the management of health and safety information required by the Zero Harm		Partially in place	Action to develop and implement documented health and safety

Threat	Recommended Treatment	Current Treatments in ProMapp	Status	Actions to implement Treatments
available and suitable for use and is adequately protected.	safety management system. This includes distribution, access, retrieval, use, storage and preservation and control of changes.		Partially in place	management system is part of the Zero Harm Strategic H&S Plan for 2020/2021.
Operational Planning and Control - Council fails to have in place systems to ensure that operational processes and the hazards associated with these processes are identified and managed, and that work is being carried out as planned.	The organisation has documented processes (Standard Operating Procedures (SOPs) are in place for all safety critical operational processes. SOPS detail the criteria or actions required to undertake the work and the controls to eliminate or manage any of the risks associated with the work.		Partially in place	The development of SOPs can be undertaken following the implementation of the Safe Systems of Work— Job Safety Analysis (JSA) Management Standard. Action to develop and implement the JSA Management Standard is part of the Zero Harm Strategic H&S Plan for 2020/2021.
Management of Change – Council fails to have in place processes for the implementation and control of planned temporary and permanent changes that impact health and safety. Changes can include new products, services, processes or changes to existing products services or processes including workplace locations and surroundings, work organisation, working conditions, equipment or people.	Clearly documented processes are in place for the identification, management, and control of changes either temporary or permanent that may impact health and safety.		Not in place	Action to develop and implement documented health and safety management system is part of the Zero Harm Strategic H&S Plan for 2020/2021.
Procurement and Contractor Safety Management – Council fails to coordinate its procurement processes with contractors providing services or undertaking physical work, in order to identify hazards and access and control health and safety risks. This includes risks arising from • the contractor's activities and operations that impact Council • Councils activities and operations that impact the contractors' workers • The contractors' activities and operations that impact other interested parties in the workplace	The organisation has in place clearly documented procurement and contractor health and safety management processes to identify access and control the health and safety risks associated with contracted services or work.	TREATMENT MC00584 The contract and tendering process has specifications which ensure that all contractors that are selected to undertake works (long or short term) supply details of H&S practices, including how and who will manage them. This process includes the contractor being added to the SHE Prequalified Contractor Database and ensures that all selected contracts include and meet Councils requirements for H&S and H&S legislative standards. Periodic checks are performed by Councils Zero Harm team to monitor contractor compliance	Partially in place	Action to develop and implement revised Contractor H&S Management System is part of the Zero Harm Strategic H&S Plan for 2020/2021.

Threat	Recommended Treatment	Current Treatments in ProMapp	Status	Actions to implement Treatments
Emergency Preparedness and Response – Council fails to establish, implement, and maintain processes needed to prepare for and respond to potential emergency situations.	The organisation has in place processes for preparing and responding to potential emergency situations. Processes include a planned response including provision of first aid, training, testing of response procedures and communicating information to all relevant parties e.g. Workers, contractors, visitors etc.	TREATMENT MC00521 The Waikato District Council Welfare Plan is to enable a coordinated approach to welfare services support for both people and animals in the Waikato DC area following an emergency event. Welfare service response is a coordinated action undertaken by government and non-government agencies and organisations, of which some are voluntary, to ensure individuals/whaanau and communities affected by an emergency are supported to be able to cope with the event in the best possible way under adverse circumstances. It is important that in such times, those affected have timely access to welfare services support including shelter, food, clothing, financial assistance, psychosocial support, advice, shelter and accommodation. The Civil Defence Emergency Management Act 2002 under Section 9 "Powers of Director" states "the provision of other services necessary to restore community services and provide for welfare of the public." Under Section 85(1) (d) "Emergency powers of Civil Defence Emergency Management Groups" states "provide for the relief of distress, including emergency food, clothing, and shelter." TREATMENT MC00574 The Incident Management Framework (Business Continuity) is designed to respond the incidents significantly affecting business with the potential to influence the community. This may occur prior to escalation to CDEM response or simultaneously where different	Partially in place	No action scheduled in current Zero Harm work programme.

Threat	Recommended Treatment	Current Treatments in ProMapp	Status	Actions to implement Treatments
		management teams are required to manage different impacts. Consistency in our approach to incidents and emergencies as an organisation means we have the ability to manage an event of any size, undertaken as a matter of scalability. Should an incident escalate and require a significant CDEM response all we would be required to do is increase the response capability. The alignment of our business continuity with CDEM practices means the training we undertake, the language we use and how we respond to our community is done efficiently and effectively to reduce the overall impact. TREATMENT MC00456 Civil Defence & Emergency Management (CDEM) Waikato District Council is part of the CDEM group. The role of the group is to work in partnership with communities to ensure the effective and efficient delivery of emergency management within the Waikato region. Council employees are obligated to provide support where necessary as part of their roles (subject to situation specific circumstance). Council staff are trained in specific emergency management roles and have processes and procedures that aim to both reduce the impact of incidents and (where possible) to maintain the provision of Council services. This treatment impacts the consequences of the risk by ensuring there is an organisational understanding of Councils commitment to		

Threat	Recommended Treatment	Current Treatments in ProMapp	Status	Actions to implement Treatments
		maintain and manage the on-going delivery of Council services during an incident.		
Performance Monitoring – Council fails to establish, implement, and maintain processes for monitoring, measuring, analysing, and evaluating health and safety performance.	The organisation has in place processes for evaluating, monitoring, and measuring health and safety performance in relation to: • Its activities and operations and the identification and management of hazards and risks • Effectiveness of operational and other controls • Progress towards achievement of health and safety objectives	TREATMENT MC00415 Progress on achieving the plan is reported on to the Council via the Monthly Council Report and to the ELT on a weekly basis. TREATMENT MC00437 the Executive Leadership Team review the organisation critical risk register 6mthly. Service delivery review risks specific to their operational group monthly. TREATMENT MC00437 the Executive Leadership Team hold safety conversations with staff around the critical risks to ensure what we say we do and what is actually done is in agreement or note any differences. The conversation also uncovers whether there are any other outstanding or important matters from a zero-harm perspective that should be considered	In place	Action to review performance and reporting metrics and current Zero Harm dashboard was identified as part of the KPMG H&S Governance Audit. This action has now been completed and new dashboard has been implemented.
Internal audit – Council fails to conduct internal audits at planned intervals to provide information on whether the Zero Harm safety management system conforms to Councils requirements, the requirements of the standard from which it was established, and if it is effectively implemented and maintained.	The organisation has in place an internal auditing programme based upon the three lines of assurance to determine if the Zero Harm safety management system is implemented and functioning as intended		Not in place	Action is underway for the development of an assurance plan. This action was identified as part of the KPMG H&S Governance Audit and is raised in BWare. It is also part of the Zero Harm Strategic Plan for 2020/2021
Management Review – Council fails review on a regular basis the Zero Harm safety management system to ensure that it remains suitable, adequate, and effective.	The organisation has in place a process for Executive Management to undertake a review of the Zero Harm safety management system at planned internals to ensure it remains suitable, adequate, and effective		Not in place	No action scheduled in current Zero Harm work programme.

Threat	Recommended Treatment	Current Treatments in ProMapp	Status	Actions to implement Treatments
Incident, Nonconformity and Corrective Action – Council fails to establish, implement, and maintain processes for the reporting, investigation and taking of action from incidents and nonconformities in relation to health and safety.	The organisation has in place a system and documented processes for the reporting, investigation and taking of corrective and preventative actions from health and safety incidents and non-conformances. The documented process includes the identification of root causes to ensure it does not reoccur or occur elsewhere.	TREATMENT MC00545 Waikato District Council has a Risk and Hazard management system known as BWare. BWare is used to record identified critical risks and hazards. Controls to manage critical risks and hazards are documented in BWare and actions can be assigned for control implementation. BWare is managed by the Zero Harm Team however it is the responsibility of all workers, management, and contractors to comply with risk and hazard identification and management processes and procedures. The completion of actions is tracked weekly by the Zero Harm Team and status reports provided and discussed with the Executive Leadership Team (ELT) on a weekly basis	In place	

Filter: Classification(s): STRATEGIC (A&R Committee)

RESIDUAL
20.0
EXTREME

INHERENT
25.0

R00184

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

Zero Harm;
Significant harm is caused to workers, or others, due to poor or inactive health and safety systems, non-compliance with legislative requirements, or inadequate governance/ management of shared health and safety responsibilities with other PCBUs.
People are harmed as a result of the Council failing to identify, implement, review and maintain appropriate health and safety policies, procedures, and processes or develop and sustain a culture of Zero Harm by eliminating or managing health, safety and wellbeing risks.

OWNER Gavin Ion

CREATED 9/5/2016 10:47:22 AM

RISK LIKELIHOOD DESCRIPTORS	Almost Certain (5)
RISK CONSEQUENCE DESCRIPTORS	Catastrophic (5)
RESIDUAL RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RESIDUAL RISK CONSEQUENCE DESCRIPTORS	Catastrophic (5)

TREATMENT MC00415

Zero Harm Strategic Plan

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

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

TREATMENT MC00416

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

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

TREATMENT MC00435

Council Health and Safety management systems and processes are audited to AS/NZS 4801 Standard, currently Council has achieved ACC WSMP tertiary level. The chief executive and management team carry out due-diligence site visits in compliance with the Health and Safety at Work Act 2015. Contractors are audited on an on going schedule.
This treatment impacts the likelihood of the risk by ensuring that our systems and processes meet the required standards however, it should be noted that they may not meet the legislative requirements.

SIGNOFF(S):	Lynn Shirley
DUE DATE:	01 Dec 2020
FREQUENCY:	1st day of every 6 months

SIGNOFF(S):	Kylie Anderson Lynn Shirley
DUE DATE:	01 Dec 2020
FREQUENCY:	1st day of every 6 months

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

TREATMENT MC00437

The Executive Leadership Team review the organisation critical risk register 6mthly. Service delivery review risks specific to their operational group monthly.
The Executive Leadership Team hold safety conversations with staff around the critical risks to ensure what we say we do and what is actually done is in agreement or note any differences. The conversation also uncovers whether there are any other outstanding or important matters from a zero harm perspective that should be considered. This treatment impacts the likelihood of the risk by ensuring the Executive Leadership Team and Managers are aware of the risks and relevant treatment processes.

SIGNOFF(S): **Gavin Ion**

DUE DATE: **31 Dec 2020**

FREQUENCY: **The last Thursday of every 6 months**

TREATMENT MC00456

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

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

SIGNOFF(S): **Kelly Newell**

DUE DATE: **01 Feb 2021**

FREQUENCY: **1st day of every 6 months**

TREATMENT MC00521

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

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

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

SIGNOFF(S):	Kelly Newell
	Donna Tracey
	Angela Parquist
	Kelly Newell
	Mervyn Balloch
	William Gauntlett
	Kurt Abbot
	Reece Turner
	Kelly Newell
DUE DATE:	
FREQUENCY:	Once

TREATMENT MC00545

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

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

SIGNOFF(S):	Lynn Shirley
	Kylie Anderson
DUE DATE:	31 Jul 2021
FREQUENCY:	The last Day of every 12 months

TREATMENT MC00574

SIGNOFF(S):	Kelly Newell
	Donna Tracey
	Angela Parquist
	Kelly Newell
	Kurt Abbot
	Reece Turner
	Mervyn Balloch
	William Gauntlett

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

DUE DATE:

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

FREQUENCY: **Once**

TREATMENT MC00584

SIGNOFF(S):	Lynn Shirley
DUE DATE:	02 Aug 2021
FREQUENCY:	The first Weekday of every 12 months

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

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

TREATMENT MC00606

SIGNOFF(S):	Lynn Shirley
DUE DATE:	01 Aug 2021
FREQUENCY:	1st day of every 12 months

Leadership and Commitment
A documented health and safety policy and related health and safety objectives are established and are compatible with the strategic direction of the organisation.
This treatment reduces the likelihood of the risk by providing clear and visible organisational health and safety commitments and expectations.

TREATMENT MC00607

SIGNOFF(S):	Lynn Shirley
DUE DATE:	01 Aug 2021
FREQUENCY:	1st day of every 12 months

Roles and Responsibilities
Health and safety responsibilities and authorities for relevant roles are assigned, documented and communicated at all levels within Council.
This treatment reduces the likelihood of the risk by ensuring clear and transparent responsibilities for organisational health and safety.

	TREATMENT MC00608		**SIGNOFF(S):**	**Lynn Shirley**
	Worker Engagement and Consultation Documented processes are in place for the establishment, implementation and maintenance of a worker health and safety consultation and participation system. This treatment reduces the likelihood of the risk by providing clear and transparent health and safety expectations to workers.		**DUE DATE:**	**01 Aug 2021**
			FREQUENCY:	**1st day of every 12 months**

RESIDUAL
20.0
EXTREME

INHERENT
25.0

R00191

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

Projects & Initiatives;
Council fails to produce required project benefits due to poor delivery of projects caused by a lack of capability or as the result of unsuitable project processes and systems.
Inconsistent knowledge, practices and or efficiency results in Council failing to deliver or perform against expected programme or project outcomes.

OWNER Kurt Abbot
CREATED 9/5/2016 12:23:20 PM

RISK LIKELIHOOD DESCRIPTORS — Almost Certain (5)

RISK CONSEQUENCE DESCRIPTORS — Catastrophic (5)

RESIDUAL RISK LIKELIHOOD DESCRIPTORS — Likely (4)

RESIDUAL RISK CONSEQUENCE DESCRIPTORS — Catastrophic (5)

TREATMENT MC00430

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

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

SIGNOFF(S): Ian Cathcart / Sue O'Gorman
DUE DATE: 01 Feb 2021
FREQUENCY: 1st day of every 12 months

TREATMENT MC00431

In 2010 Council introduced a business specific Project Management Framework based on best practice project management methodology. In 2018 the methodology was reviewed and is currently being tested and rolled out to the business. The methodology provides a common and widely understood set of processes and tools to be used across Council to:
1. Deliver a consistent project approach
2. Align projects to strategic goals and outcomes
3. Facilitate collaboration between organisational teams
4. Offer an organisational view of all project work
5. Improve status/progress reporting
6. Increase project management knowledge
7. Identify opportunity for improvement and development

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

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

SIGNOFF(S): Kurt Abbot
DUE DATE: 01 Feb 2021
FREQUENCY: 1st day of every 6 months

TREATMENT MC00436

Implementation of Project Management Forum.
The forum was mandated in September 2016 in response to recommendations of an external audit commissioned by Audit & Risk Committee during 2016. The Forum is primarily tasked to deliver priority recommendations that both aim to improve future project delivery at Council and provide greater consistency in project management and understanding across the organisation.
This treatment impacts the likelihood by promoting cross organisation buy-in and developing a consistent project minded culture.

NON-COMPLIANT

SIGNOFF(S):	Kurt Abbot
DUE DATE:	01 Aug 2020
FREQUENCY:	1st day of every 6 months

TREATMENT MC00438

Portfolio Management governance structure
The purpose of the governance structure is to:
- to prioritise a programme of work that delivers the Our Plan objectives
- to support and work with Project Managers to ensure projects are set up and executed correctly
- provide a level of governance and reporting medium for the programme to ensure transparency in project progress
- make decisions on project/programme specifics including; funding; resource allocation; prioritizing issues
This treatment impacts the consequence of the risk by ensuring that issues are identified and addressed in a timely manner and the likelihood by providing an additional, high level of governance and structure to projects that are likely to have strategic impact.

SIGNOFF(S):	Kurt Abbot
DUE DATE:	01 Aug 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00610

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

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

SIGNOFF(S):	Alan Kuyper
DUE DATE:	01 Aug 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00611

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

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

SIGNOFF(S):	Alan Kuyper
DUE DATE:	01 Aug 2021
FREQUENCY:	1st day of every 12 months

RESIDUAL
16.0
HIGH

INHERENT
20.0

R00185

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

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

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

OWNER	Roger MacCulloch
CREATED	9/5/2016 11:06:29 AM
RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RISK CONSEQUENCE DESCRIPTORS	Catastrophic (5)
RESIDUAL RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RESIDUAL RISK CONSEQUENCE DESCRIPTORS	Major (4)

TREATMENT MC00162

Activity Management Policy

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

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

TREATMENT MC00163

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

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

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

TREATMENT MC00464

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

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

OVERDUE

SIGNOFF(S):	Sue O'Gorman Robert Ashley
DUE DATE:	01 Sep 2020
FREQUENCY:	The first Day of every 12 months

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

SIGNOFF(S):	Sue O'Gorman Robert Ashley
DUE DATE:	01 Feb 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00465

Council has a number of asset management specific strategies in place and under development. These include:
- Parks & Facilities;
Toilet Strategy, Cemetery Strategy, Trails Strategy, Te Kauwhata Trails Strategy, Esplanade Strategy, Parks Strategy, Aquatic Facilities Strategy, Sport and Recreation Strategy (joint with Sport Waikato), Playground Strategy
- Roading;
Waikato Integrated land transport strategy (TO DO)
- Waters;
50 year water/wastewater/storm water strategies, 30 year infrastructure plan

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

SIGNOFF(S):	Sharon Danks Ross Bayer Megan May
DUE DATE:	01 Apr 2021
FREQUENCY:	The first Day of every 12 months

TREATMENT MC00466

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

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

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

TREATMENT MC00427

Cyber security insurance cover (CyberEdge Liability Insurance) has been purchased. Inclusions listed are:
- Data administrative investigations
- Data administrative fines
- Electronic data
- Repair of policy holders reputation
- Repair of individuals reputation
- Notification and monitoring costs
- Forensic service costs
- Media content library
- Cyber extortion
- Network interruption insurance
This impacts the consequence of the risk by facilitating expert resources, financial support and remedial works in the event of an incident.

SIGNOFF(S):	Alison Diaz
DUE DATE:	01 Dec 2020
FREQUENCY:	The first Day of every 12 months

RESIDUAL
12.0
HIGH

INHERENT
20.0

R00128

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

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

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

OWNER   Geoff King

CREATED

RISK LIKELIHOOD DESCRIPTORS   Likely (4)

RISK CONSEQUENCE DESCRIPTORS   Catastrophic (5)

RESIDUAL RISK LIKELIHOOD DESCRIPTORS   Possibly (3)

RESIDUAL RISK CONSEQUENCE DESCRIPTORS   Major (4)

TREATMENT MC00428

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

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

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

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

SIGNOFF(S):   **Geoff King**

DUE DATE: **01 Feb 2021**

FREQUENCY: **1st day of every 12 months**

TREATMENT MC00433

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

Currently Cyber security is managed using security measures at various layers of connection.
a) Firewalls
b) Server
c) PC
d) User
e) Physical
f) Wireless access
g) WDC website
This impacts the likelihood by increasing the security of the environment.

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

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

SIGNOFF(S):	Geoff King
DUE DATE:	01 Feb 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00434

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

SIGNOFF(S):	Geoff King
DUE DATE:	01 Feb 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00612

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

Whilst the Our Plan & the Innovation Chapter does not has a specific section covering Cyber Security, initiatives to improve the councils cyber security risk position are being delivered through a number of projects including:
- PR-1462:   Windows 10, Office 365, & Teams – implementation of Bitlocker resulting in the encryption of hard drives, remediation of AV for remote workers, implementation of Intune for device management, etc [In Progress, complete by Dec]
- PR-1212: Network Improvements – securing of WiFi [In Progress, complete by Dec]
- PR-1425: Single Sign On – Implementation of two factor authentication [Planned]
- BAU: Citrix Upgrade (secure ICA) [In Progress, complete by Dec]
- BAU: FortiGate firewall [In Progress, complete by Dec]

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

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

SIGNOFF(S):	Geoff King
DUE DATE:	01 Aug 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00500

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

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

SIGNOFF(S):	Jim Ebenhoh
	William Gauntlett
DUE DATE:	01 Feb 2021
FREQUENCY:	The first Day of every 12 months

RESIDUAL
12.0
HIGH

INHERENT
20.0

R00230

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

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

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

OWNER	Clive Morgan
CREATED	8/14/2018 2:19:14 PM
RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RISK CONSEQUENCE DESCRIPTORS	Catastrophic (5)
RESIDUAL RISK LIKELIHOOD DESCRIPTORS	Possibly (3)
RESIDUAL RISK CONSEQUENCE DESCRIPTORS	Major (4)

TREATMENT MC00590

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

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

TREATMENT MC00592

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

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

TREATMENT MC00593

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

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

OVERDUE

SIGNOFF(S):	Vishal Ramduny
DUE DATE:	31 Aug 2020
FREQUENCY:	The last Day of every 6 months

SIGNOFF(S):	Jim Ebenhoh William Gauntlett
DUE DATE:	28 Feb 2021
FREQUENCY:	The last Day of every 6 months

SIGNOFF(S):	Jim Ebenhoh William Gauntlett
DUE DATE:	28 Feb 2021
FREQUENCY:	The last Day of every 6 months

TREATMENT MC00595

Integrated Land Use & Infrastructure Planning
This treatment is not stand alone, it informs all strategic, policy and infrastructure planning undertaken by Council.
This approach includes;
- Recognition of the need within Council for a more integrate, focused and agile approach e.g. the creation of the Community Growth Group
- Development and maintenance of relationships with partners/agencies/service providers to enable a more unified planning approach as well as increasingly collaborative work with our neighboring councils (Hamilton and Auckland) to manage cross-boundary effects of growth.
- Addressing climate change mitigation by factoring such considerations into our network infrastructure planning, protecting highly versatile soils for food production, and identification of hazards
- Ensuring that this integrated planning approach flows through into funding decisions in the next Long Term Plan.

This treatment impacts the likelihood and consequences of the risk.

SIGNOFF(S):	**Clive Morgan**
DUE DATE:	**28 Feb 2021**
FREQUENCY:	**The last Day of every 12 months**

TREATMENT MC00596

Community Growth Group
This group was created as part of the restructure in response to identified growth impact. The intent of the group is to ensure an integrated approach to land use, infrastructure planning and economic and social development across Council.
Within the Community Growth Group a Growth Analytics function has been created to monitor growth and population changes to better prepare us to respond to growth pressures.

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

SIGNOFF(S):	**Clive Morgan**
DUE DATE:	**01 Feb 2021**
FREQUENCY:	**The first Day of every 12 months**

TREATMENT MC00597

Implementation of National Policy Statement on Urban Development.
This action impacts the likelihood of the risk by ensuring that Council monitors the adequacy of residential and business land to meet forecast demand.

OVERDUE	
SIGNOFF(S):	**Mark Davey**
	Vishal Ramduny
	Jim Ebenhoh
DUE DATE:	**31 Aug 2020**
FREQUENCY:	**The last Day of every 6 months**

RESIDUAL
9.0
MODERATE

INHERENT
20.0

R00192

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

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

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

OWNER	Alison Diaz
CREATED	9/5/2016 12:23:40 PM
RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RISK CONSEQUENCE DESCRIPTORS	Catastrophic (5)
RESIDUAL RISK LIKELIHOOD DESCRIPTORS	Possibly (3)
RESIDUAL RISK CONSEQUENCE DESCRIPTORS	Moderate (3)

TREATMENT MC00493

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

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

SIGNOFF(S):	Sue O'Gorman Roger MacCulloch Tony Whittaker
DUE DATE:	01 Apr 2021
FREQUENCY:	The first Day of every 12 months

TREATMENT MC00494

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

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

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

TREATMENT MC00495

Corporate Documents

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

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

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

TREATMENT MC00496

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

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

SIGNOFF(S):	Tony Whittaker Sue O'Gorman Roger MacCulloch
DUE DATE:	01 Apr 2021
FREQUENCY:	The first Day of every 12 months

TREATMENT MC00497

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

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

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

TREATMENT MC00498

Documented processes and systems that require/encourage process adherence.
Council uses an internal centralized repository (Promapp) to document organisational processes to allow cross organisational visibility for access and application.

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

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

SIGNOFF(S):	Madelina Baena-Escamilla
DUE DATE:	01 Feb 2021
FREQUENCY:	The first Day of every 12 months

TREATMENT MC00508

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

SIGNOFF(S):	Vanessa Jenkins
DUE DATE:	30 Apr 2021
FREQUENCY:	The last Day of every 12 months

RESIDUAL
9.0
MODERATE

INHERENT
20.0

R00053

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

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

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

OWNER Kurt Abbot

CREATED

RISK LIKELIHOOD DESCRIPTORS Likely (4)

RISK CONSEQUENCE DESCRIPTORS Catastrophic (5)

RESIDUAL RISK LIKELIHOOD DESCRIPTORS Possibly (3)

RESIDUAL RISK CONSEQUENCE DESCRIPTORS Moderate (3)

TREATMENT MC00138

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

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

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

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

TREATMENT MC00456

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

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

SIGNOFF(S): Kurt Abbot

DUE DATE: 01 Dec 2020

FREQUENCY: 1st day of every 12 months

SIGNOFF(S): Kelly Newell

DUE DATE: 01 Feb 2021

FREQUENCY: 1st day of every 6 months

68

TREATMENT MC00574

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

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

SIGNOFF(S):	**Kelly Newell** **Donna Tracey** **Angela Parquist** **Kelly Newell** **Kurt Abbot** **Reece Turner** **Mervyn Balloch** **William Gauntlett**
DUE DATE:	
FREQUENCY:	**Once**

TREATMENT MC00601

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

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

SIGNOFF(S):	**Katja Jenkins**
DUE DATE:	**01 Jun 2021**
FREQUENCY:	**1st day of every 12 months**

TREATMENT MC00603

In-House Resilience Resources
Through the 2018 restructure a number of key resources were assigned to work in the business resilience space. These include;
-   Risk Advisor; developed from part-time to a full time role with accountability for the Risk and Business Continuity portfolios
-   Community Resilience Coordinator; a new role implemented through the restructure aiming to build strong relationships specific to community preparedness and resilience.
-   Emergency Management Advisor; migrated from Civil Defence to a Council owned role through the restructure to deliver on the strategic direction for building resilience for the organisation and the community.

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

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

SIGNOFF(S):	Kurt Abbot
DUE DATE:	01 Dec 2020
FREQUENCY:	The first Day of every 12 months

TREATMENT MC00604

Annual Resilience Work Programme (Appendix 2)
The programme is developed to address priority activities outlined through the CDEM capability assessment, the organisational change requirement and continuous improvement initiatives. It includes key pieces of work such as;
•Community Response & Resilience Planning
•Strategic Planning for Recovery
•Business continuity planning
•Public Education

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

SIGNOFF(S):	Kelly Newell
DUE DATE:	01 Dec 2020
FREQUENCY:	The first Day of every 12 months

TREATMENT MC00605

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

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

SIGNOFF(S): Kurt Abbot

DUE DATE: 01 Dec 2020

FREQUENCY: The first Day of every 6 months

TREATMENT MC00612

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

Whilst the Our Plan & the Innovation Chapter does not has a specific section covering Cyber Security, initiatives to improve the councils cyber security risk position are being delivered through a number of projects including:
- PR-1462:   Windows 10, Office 365, & Teams – implementation of Bitlocker resulting in the encryption of hard drives, remediation of AV for remote workers, implementation of Intune for device management, etc [In Progress, complete by Dec]
- PR-1212: Network Improvements – securing of WiFi [In Progress, complete by Dec]
- PR-1425: Single Sign On – Implementation of two factor authentication [Planned]
- BAU: Citrix Upgrade (secure ICA) [In Progress, complete by Dec]
- BAU: FortiGate firewall [In Progress, complete by Dec]

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

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

SIGNOFF(S): Geoff King

DUE DATE: 01 Aug 2021

FREQUENCY: 1st day of every 12 months

RESIDUAL **9.0** MODERATE	
INHERENT **16.0**	

R00190

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

People & Culture;
Business outcomes are significantly impacted due to an inability to attract and or retain suitable personnel.
Council are unable to recruit, promote or keep staff in core service positions due to a lack of appropriately trained people, industry competition or perceived or actual Council culture.

OWNER	Vanessa Jenkins
CREATED	9/5/2016 12:22:54 PM
RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RISK CONSEQUENCE DESCRIPTORS	Major (4)
RESIDUAL RISK LIKELIHOOD DESCRIPTORS	Possibly (3)
RESIDUAL RISK CONSEQUENCE DESCRIPTORS	Moderate (3)

TREATMENT MC00474

HR Strategy
The HR Strategy guides the direction of Councils personnel management including but not limited to;
- Succession, recruitment and workforce planning
- Initiatives
- Support requirements (inc technology, market analytics and metrics)
This treatment impacts the likelihood by providing the structure to implement pro-active actions associated with attracting and maintaining resources.

OVERDUE	
SIGNOFF(S):	**Vanessa Jenkins**
DUE DATE:	**01 Sep 2020**
FREQUENCY:	**The first Day of every 6 months**

TREATMENT MC00475

Maintenance of peripheral workforce.
Council's business groups maintain relationships with key consultancy practices for the purpose of employing specialist services and/or for providing resources where personnel vacancies exist or where it is identified that supplementary personnel are required in addition to the permanent workforce.
This treatment impacts the consequence of the risk by providing options for temporarily filling vacancies facilitating time for recruitment whilst maintaining business as usual.

SIGNOFF(S):	**Roger MacCulloch** **Sue O'Gorman** **Tony Whittaker**
DUE DATE:	**01 Oct 2020**
FREQUENCY:	**The first Day of every 6 months**

TREATMENT MC00476

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

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

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

SIGNOFF(S):	**Gavin Ion**
DUE DATE:	**01 Nov 2020**
FREQUENCY:	**The first Day of every 3 months**

TREATMENT MC00600

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

SIGNOFF(S):	**Jacob Quinn**
DUE DATE:	
FREQUENCY:	**Once**

RESIDUAL
9.0
MODERATE

INHERENT
16.0

R00187

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

Stakeholder Engagement;
Council fails to deliver appropriate community outcomes and or wastes resources due to unsuitable stakeholder identification and interaction practices.
People become/remain disengaged as a result of Council failing to communicate/consult appropriately.

OWNER	Jacob Quinn
CREATED	9/5/2016 11:20:04 AM
RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RISK CONSEQUENCE DESCRIPTORS	Major (4)
RESIDUAL RISK LIKELIHOOD DESCRIPTORS	Possibly (3)
RESIDUAL RISK CONSEQUENCE DESCRIPTORS	Moderate (3)

TREATMENT MC00121

Engagement practices, including public meetings, are conducted to provide public engagement opportunities. These include but are not limited to:
- Long Term Plan, Bylaws and Annual Plans Special Consultative Procedure
- Reserve Management Plan (RMP - as per the Act)
- Policy or strategy (statutory) Special Consultative Procedure
- Policy or strategy (non-statutory) Section 82 and significance and engagement policy specification.
This treatment impacts the likelihood by providing opportunities for people within the community to engage with Council in a variety of different mediums.

SIGNOFF(S):	Jim Ebenhoh
	William Gauntlett
DUE DATE:	01 Feb 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00164

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

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

SIGNOFF(S):	Jim Ebenhoh
	William Gauntlett
DUE DATE:	01 Feb 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00165

Significance & Engagement Policy

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

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

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

SIGNOFF(S):	Jim Ebenhoh
	William Gauntlett
DUE DATE:	01 Feb 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00457

Implementation of appropriate strategies and policies to ensure community needs are captured and met. These include, but are not limited to:
- Significance and engagement policy
- Community engagement strategy
- Customer complaints and compliments policy
This treatment impacts the likelihood of the risk by documenting Councils commitments and associated expectations relating to how councils engages with the community.

SIGNOFF(S):	Jim Ebenhoh
	William Gauntlett
DUE DATE:	01 Feb 2021
FREQUENCY:	1st day of every 6 months

TREATMENT MC00458

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

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

SIGNOFF(S):	Jacob Quinn
DUE DATE:	01 Nov 2020
FREQUENCY:	1st day of every 3 months

TREATMENT MC00459

CE and Executive Team provide updates to Councillors, Community Boards and Committees on community plans through forward facing meetings.
This treatment impacts the likelihood of the risk by ensure adequate engagement with the community by communicating relevant plans, decisions and actions and by providing opportunity (through Board or Committee, venue or other medium) for feedback.

SIGNOFF(S):	Gavin Ion
DUE DATE:	01 Feb 2021
FREQUENCY:	1st day of every 6 months

TREATMENT MC00460

Community Development roles and Operational Field Staff.
A number of roles including Youth Engagement Advisor, Iwi Liaison and Community Development Advisor, aim to ensure that appropriate engagement is conducted with specific community groups. These roles are targeted, extending and adding to the engagement activities of front facing field staff e.g. Animal Control, Building, Libraries etc
This treatment impacts the likelihood of the risk by facilitating consideration of communication and engagement practices for community minorities, isolated groups and/or key community stakeholders.

SIGNOFF(S):	Tony Whittaker
DUE DATE:	01 Apr 2021
FREQUENCY:	The first Day of every 12 months

TREATMENT MC00461

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

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

SIGNOFF(S):	Jacob Quinn
DUE DATE:	01 Feb 2021
FREQUENCY:	1st day of every 12 months

TREATMENT MC00462

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

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

TREATMENT MC00613

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

SIGNOFF(S):	Jacob Quinn
DUE DATE:	01 Nov 2020
FREQUENCY:	1st day of every 3 months

RESIDUAL
9.0
MODERATE

INHERENT
16.0

R00188

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

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

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

OWNER	Clive Morgan
CREATED	9/5/2016 11:32:26 AM

RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RISK CONSEQUENCE DESCRIPTORS	Major (4)
RESIDUAL RISK LIKELIHOOD DESCRIPTORS	Possibly (3)
RESIDUAL RISK CONSEQUENCE DESCRIPTORS	Moderate (3)

TREATMENT MC00163

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

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

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

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

TREATMENT MC00469

Economic Development Strategy
The strategy assesses the economic profile of the district and identifies SWOT for the purpose of informing strategic direction.
There is a limited reference to social development within the strategy however community development initiatives are active and drafting a social development strategy has been scheduled for late 2019 - early 2020.
A regional economic development strategy is also in place to serve the wider community at a regional level, this strategy is aligned to the Waikato District EDS.
This treatment impacts the likelihood of the risk by ensuring that communities and businesses are engaged on an on-going basis, allocates effort and funding to targeted economic development initiatives and promotes the district as a viable prospect for business investment, residential and visitor (lifestyle) growth and development.

SIGNOFF(S):	Clive Morgan
DUE DATE:	01 Feb 2021
FREQUENCY:	The first Day of every 6 months

TREATMENT MC00471

Social Development Initiatives
Council has adopted a number of socially related strategies that aim to consider and provide for the social outcomes in the districts communities.
These include, but are not limited to:
- Place Making Strategy
- Heritage Strategy
- Youth Engagement Plan
- Grant Funding Scheme
Although these initiatives impact the likelihood of the risk by providing a degree of focus and resources dedicated to social development they are essentially limited as a result of no guiding social development strategy or policy (for example, the ex-Frankin Social Wellbeing Policy).

SIGNOFF(S):	Julie Dolan
DUE DATE:	01 Feb 2021
FREQUENCY:	The first Day of every 6 months

TREATMENT MC00472

Cross Boundary Initiatives
These initiatives aim to foster integrated planning across territorial boundaries, ensuring greater efficiencies and settlement planning across boundaries.
Example:
- North Waikato Infrastructure Programme Business Case,
- Future Proof
- Waikato Plan
- MOU Auckland COuncil
- National Policy Statement on Urban Development capacity (requires collaboration with HCC to make land available for infrastructure to support residential and commercial development)
This treatment impacts the likelihood of the risk by providing a holistic approach to economic development and preventing limitations associated with territorial authority boundaries.

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

TREATMENT MC00500

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

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

SIGNOFF(S):	Jim Ebenhoh William Gauntlett
DUE DATE:	01 Feb 2021
FREQUENCY:	The first Day of every 12 months

RESIDUAL
8.0
MODERATE

INHERENT
12.0

R00189

POLITICAL, STRATEGIC, STRATEGIC (A&R COMMITTEE)

Regional & National Strategic Planning & Legislative Reform;
Council experiences significant disruption to business function caused by structural and legislative changes by central government and or national / regional strategic planning exercises.
Amendments to local or national legislation, government practices or other authorities require significant change to business operations.

OWNER	Clive Morgan
CREATED	9/5/2016 12:21:58 PM

RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RISK CONSEQUENCE DESCRIPTORS	Moderate (3)
RESIDUAL RISK LIKELIHOOD DESCRIPTORS	Likely (4)
RESIDUAL RISK CONSEQUENCE DESCRIPTORS	Minor (2)

TREATMENT MC00135

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

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

SIGNOFF(S):	Gavin Ion
DUE DATE:	01 Nov 2020
FREQUENCY:	1st day of every 3 months

TREATMENT MC00490

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

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

SIGNOFF(S):	Jim Ebenhoh William Gauntlett
DUE DATE:	01 Oct 2020
FREQUENCY:	1st day of every 3 months

TREATMENT MC00491

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

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

SIGNOFF(S):	Christine Pidduck
DUE DATE:	01 Nov 2020
FREQUENCY:	1st day of every 3 months

TREATMENT MC00492

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

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

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

SIGNOFF(S):	**Gavin Ion**
DUE DATE:	**01 Nov 2020**
FREQUENCY:	**1st day of every 3 months**

TREATMENT MC00500

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

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

SIGNOFF(S):	**Jim Ebenhoh**
	William Gauntlett
DUE DATE:	**01 Feb 2021**
FREQUENCY:	**The first Day of every 12 months**

TREATMENT MC00598

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

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

SIGNOFF(S):	**Jim Ebenhoh**
	Vanessa Jenkins
DUE DATE:	**05 Apr 2021**
FREQUENCY:	**The first Monday of every 12 months**

RESIDUAL
6.0
MODERATE

INHERENT
9.0

R00183

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

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

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

OWNER	Sue O'Gorman
CREATED	9/5/2016 10:34:01 AM
RISK LIKELIHOOD DESCRIPTORS	Possibly (3)
RISK CONSEQUENCE DESCRIPTORS	Moderate (3)
RESIDUAL RISK LIKELIHOOD DESCRIPTORS	Unlikely (2)
RESIDUAL RISK CONSEQUENCE DESCRIPTORS	Moderate (3)

TREATMENT MC00483

Council has in place a robust tender process that includes in-depth detail regarding contractual requirements.
Long term public facing contracts and partnerships are effected through rigorous contractual agreements and continuous management and governance plans. These include terms relating to contractual service level agreements (monitored and reported against as key performance indicators), employee training plans, safety inductions (all employees), and audit expectations. Long term contracts and partnerships include (but are not limited to):
- Belgaria Aquatics
- City Care
- Franklin Trees
- Alliance
- Water Care
- HCC (for water supply & waste water treatment)

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

TREATMENT MC00485

This treatment will expire 30 September 2020

Shared Services (HCC, Waipa & WDC)
Councils shared services agreements are managed using agreed processes and a governance structure which ensures they deliver against expectations. Arrangements include:
- Quarterly governance meetings
- Monthly operational meetings
- Auditing schedule (zero harm perspective).

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

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

SIGNOFF(S):	Sarah Quinn Jackie Bishop
DUE DATE:	01 Feb 2021
FREQUENCY:	The first Day of every 6 months

SIGNOFF(S):	Gavin Ion
DUE DATE:	
FREQUENCY:	Once

TREATMENT MC00499

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

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

SIGNOFF(S):	Jackie Bishop
DUE DATE:	01 Oct 2020
FREQUENCY:	The first Day of every 3 months

TREATMENT MC00507

Section 17a Review
Local authorities are under obligation to review and consider options for governance, funding and delivery of infrastructure, local public services and local regulation to ensure cost-effectiveness and quality of service.

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

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

SIGNOFF(S):	Tony Whittaker
DUE DATE:	30 Apr 2021
FREQUENCY:	The last Day of every 12 months

TREATMENT MC00584

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

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

SIGNOFF(S):	Lynn Shirley
DUE DATE:	02 Aug 2021
FREQUENCY:	The first Weekday of every 12 months

Waikato
DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

Open Meeting

To	Audit & Risk Committee
From	Alison Diaz Chief Financial Officer
Date	14 September 2020
Prepared by	Christine Pidduck Legal Counsel
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Risk Conversations – Legal Team

1. EXECUTIVE SUMMARY

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

The intention is to have one of these conversations at every Audit & Risk Committee meeting. The Legal Team will attend the September Audit & Risk meeting for this purpose.

Attached is the business risks register and Hazard and Risks Management (HARM) register for the Legal Team. The register includes operational risks and controls affecting this area of the business.

2. RECOMMENDATION

THAT the report from the Chief Financial Officer be received.

3. ATTACHMENTS

- Legal Team Risk Register (Operational)
- Legal Team HARM Register

Risk Register

Team / Project Name: Legal

Completed By: Christine Pidduck

Date: 10/03/2020

Risk Ref #	Risk Statement Risk statement; "bad outcome, cause"	Inherent Risk			Expected Monetary Value (EMV) *Physical Works Projects Only*			Risk Treatment *What can we do about each significant risk to either eliminate it or reduce it?*	Residual Risk score			Contingency action(s) *If the risk becomes reality…what action(s) will we implement?*	Risk Owner *Who will take responsibility for this risk? (One person!)*	Monitoring/ Reporting *Who will monitor and report on this risk?*	Monitoring timeframe *What is the frequency for monitoring*
		Likelihood	Consequence	Factor	Probability (%)	Impact ($)	EMV		Likelihood	Consequence	Factor				
RL-001	Capacity to deliver timely legal advice due to heavy workload	4	4	High			$ -	The legal team has recently recruited another senior solicitor with local government experience, due to start on 25 March 2020. This will increase the Legal Team capacity	2	2	Low	Brief to external lawyers	Legal Counsel	Legal Counsel	daily
RL-002	Legal advice is not sought, or not sought at the optimal time	4	3	High			$ -	Organisational education regarding engaging with Legal at an early opportunity 'Loop in Legal' . Engaging with teams, attending meetings, drop in clinics, involvement in projects	2	4	Moderate	Provide appropriate legal advice, engage with insurer	Legal Counsel	Legal Counsel	daily
RL-003	Legal team not aware of extent of non/compliance/high risk activities	4	4	High			$ -	Increase engagement of Legal across the organisation, education, attendance at meetings/drop in clinics, implement legislative compliance management tool	2	4	Moderate	Provide appropriate legal advice, engage with insurer, liaise with other relevant teams (Zero Harm) and ELT	Legal Counsel	Legal Counsel	daily
RL-004	Legal advice is not followed	3	4	High			$ -	Organisational education and engagement with Legal, providing clear, concise fit for purpose legal advice	2	3	Moderate	Provide appropriate legal advice, engage with insurer, liaise with other relevant teams and ELT	Legal Counsel	Legal Counsel	daily
RL-005	Provision of incorrect legal advice	2	3	Moderate			$ -	Knowing ambit of legal practice areas of in house legal team, continuing professional development including attendance at seminars, review of legal periodicals, other literature, review of advice provided by Legal Counsel	2	3	Moderate	Identify error in advice and potential implications, liaise with other relevant staff, notify insurer	Legal Counsel	Legal Counsel	As required
RL-006	Procurement of external legal advice without the involvement of the Legal Team	3	2	Moderate			$ -	Organisational education regarding engaging with Legal at an early opportunity 'Loop in Legal' . Engaging with other teams in Council	3	2	Moderate	Involve the Legal Team in the advice/issue	Legal Counsel	Legal Counsel	As required
RL-007	Information necessary for the accurate provision of legal advice is not available/ not complete	4	4	High			$ -	Education regarding effective engagement with Legal, and the information that is required. Emphasis on the importance of proper document management/use of ECM	3	3	Moderate	Identify limitations of legal advice/risks arising from the gaps in information	Legal Counsel	Legal Counsel	As required
RL-008	Fatigue and workplace stress from high workloads and nature of work	4	4	High			$ -	The legal team has recently recruited another senior solicitor with local government experience, due to start on 25 March 2020. This will increase the Legal Team capacity, and ability to take annual leave entitlements and bring back work life balance.	3	2	Moderate	Use external legal providers, employee assistance providers, involve support from other teams (zero Harm & People and Capability)	Legal Counsel	Legal Counsel	daily
RL-009	Exposure to workplace aggression and violence in customer interactions, for example prosecution work or debt recovery	3	3	Moderate			$ -	Court security and other staff in attendance at Court appearances	2	3	Moderate	Engage support of security, other relevant staff (customer complaints, People and Capability)	Legal Counsel	Legal Counsel	As required
RL-010	Key legal practice areas reside in one long serving staff member, risk of loss of knowledge (legal and institutional)	3	4	High			$ -	The Legal team is now fully resourced from 25 March 2020, which will facilitate the opportunity to share knowledge/upskill other team members,	2	2	Low	Engage external advice, undergo further training, succession planning	Legal Counsel	Legal Counsel	As required
							$ -								
							$ -								
							$ -								
							$ -								
							$ -								
							$ -								
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							$ -								

Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk:						
Hot liquids / Steam	Potential minor burn or scold from hot water or steam (zip, kitchenette 'billi' unit taps, steam from dishwasher)	3	**E: Eliminate** - Take caution when using the boiling water taps or dispensers **E: Eliminate** - Be aware and cautious of steam escaping from the dishwasher. Stand back and allow too cool first. **M: Administrative** - Advisory signange	3	Currently Managed	
Manual Handling - There are a number of tasks that require workers to handle, lift and move loads. Examples of loads include animals, overfilled boxes, library books, office equipment including meeting room furniture and computers	Strains or sprains resulting from incorrect manual handling or repetitive handling.	15	**E: Eliminate** - Where possible mechanical manual handling aids (plant and/or equipment) should be used to eliminate the need to manually handle a load. **M: Administrative** - The Risk Assessment of a manual handling task shall be completed by a competent person in accordance with the Approved Code of Practice for Manual Handling. **M: Administrative** - Where required ProMapp processes	6	Currently Managed	

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk:						
			should detail controls for manual handling hazards associated with completing a task. **M: Administrative** - A risk assessment shall be undertaken prior to any changes being made or new equipment being brought into the workplace to identify any potential manual handling hazards. **M: Administrative** - Pre-employment health monitoring is undertaken where there is a high likelihood that a worker may be exposed to manual handling. Job Hazard Cards have been documented detailing the pre-employment health monitoring requirements for each role. **Minimise** - Where required and possible "Team Lifts" or a "Two Person" lift should be utilised to			

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk:						
			reduce the risk of injury. **Minimise** - Training shall be provided to all workers who may be required to undertake manual handling. To ensure they are aware of the hazard and the controls to prevent injury. **Minimise** - LIBRARIES - Where installed at Libraries ensure that Book Returns Boxes are cleared regularly to avoid overflow and reduce load. **Minimise** - LIBRARIES - When shelving books ensure correct lifting and handling techniques are applied and take frequent breaks. **Minimise** - LIBRARIES - When transporting books around the libraries consider where practicable the use of manual handling aids			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk:						
			e.g. trolleys. If carrying books manually avoid heavy loads.			
Slip and/or fall in Office Environment		12	**E: Eliminate** - Cleaning up any spills immediately **M: Isolate** - Signage is installed indicating any wet areas, for example during cleaning activities **M: Isolate** - Non slip mats are used in kitchen and breakout areas **Minimise** - When moving around areas especially areas covered in lino or tiles use an appropriate speed for the conditions	6	Currently Managed	
Trip and/or fall in Office or Library Environment	Sprain, strain or fracture resulting from trip and/or fall	12	**E: Eliminate** - Ensure items are not placed on the floor in pedestrian traffic areas throughout the office. **M: Isolate** - LIBRARIES - Advise customers around	6	Currently Managed	

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk:						
			the wifi stations and couches to make area safe by lifting or removing any device cables. **M: Isolate** - Ensure all cords and cables are secured safely **M: Administrative** - Regular visual inspections of the workplace to identify and manage any potential trip hazards. **M: Administrative** - Ensure chairs are pushed in when leaving a workstation. **Minimise** - When moving around ensure you remain focused on watching where you are going			
Using Visual Display Units (VDUs) in Office Environment	Pain and discomfort or injury resulting from repetitive strain	**15**	**M: Administrative** - A risk assessment shall be undertaken prior to any changes being made or new equipment being brought into the workplace to identify any potential	**6**	Currently Managed	

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk:						
			ergonomic hazards. **M: Administrative** - Training shall be provided to all workers who are required to use a Visual Display Unit. To ensure they are aware of the hazard and the controls to prevent injury for example taking regular breaks, practicing micro pauses and stretches. **M: Administrative** - All workers are informed of the requirement to report pain or discomfort to their People Leader and complete a Worker Discomfort or Pain Self-Report Form **M: Administrative** - Pre-employment health monitoring is undertaken where there is high Visual Display Unit use. Job Hazard Cards have been documented detailing the pre-			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk:						
			employment health monitoring requirements for each role. **Minimise** - Where required specific ergonomic equipment shall be purchased and provided to workers for example copy holders, foot stools etc **Minimise** - A Work Station Assessment is undertaken by a competent person (Occupational Health Nurse) for all new workers to ensure the correct Visual Display Unit setup.			
Hazard / Risk: Fatigue						
Fatigue/Tiredness is a temporary loss of strength and energy resulting from hard physical or mental work or from lack of adequate rest/sleep. Fatigue is a physical or mental weariness that does not go away after a period of		20			Assessing	True

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Fatigue						
rest. Both condition have a negative impact on the ability to concentrate and react. Other manifestations include, forgetfulness, errors, decreased production and insomnia. Fatigue and tiredness is associated with shiftwork, an ageing workforce, standing on hard surfaces for extended periods, poor work-life balance, excessive or poorly managed workloads, poor time and/or stress management.						
Hazard / Risk: On Road Driving - Light Vehicles						
On Road Driving - Light Vehicles	Drivers and passengers of light vehicles driven on a public road or access way are at risk of sustaining potential serious injuries or becoming a fatality when involved in accidents or incidents with other vehicles,	20	- **M: Engineer** - The organisation shall ensure that where items are required to be transported in light vehicles that a means of restraining items or physically separating them from vehicle	10	Assessing	True

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
	structures, animals or people. Light vehicles include cars and light trucks used by employees or contractors who either drive a company owned, leased or privately owned vehicle for work related purposes. Road crashes are one of the most common causes of work-related fatalities, injuries and absence from work and are responsible for significant numbers of bystander and commuter fatalities.	<td style="background:red"></td>	occupants is in place. **M: Administrative** - A process is in place for a visual pre start check to be undertaken by the driver to ensure it is in good working order and fit for purpose. **M: Administrative** - The organisation shall ensure that it has in place a preventative maintenance regime for all light vehicles to ensure they are legally compliant to operate on road, fit for purpose and in good working condition. **M: Administrative** - Personal health monitoring e.g. blood pressure and cholesterol checks are available for all workers. **M: Administrative** - A process is in place for a weekly documented vehicle check to ensure that	<td style="background:red"></td>		

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			the vehicle is in good working order and fit for purpose. **M: Administrative** - Vision testing is available for all workers who are required to drive as a core function of their role **M: Administrative** - The organisation shall ensure that it has in place a process for the establishment of a preventative maintenance regime for all Council owned or leased light vehicles based on the manufacturers or suppliers recommendations. **M: Administrative** - The organisation shall ensure that it meets the requirements of the Waikato District Council Safe Use Of Council Vehicles Policy in relation to mobile communication			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			devices. **M: Administrative** - The organisation shall ensure a process is in place to regularly check assigned emergency equipment for each Council owned or leased vehicle. **M: Administrative** - The organisation shall ensure a process is in place to identify roles/individual personnel who may require extra training to operate a light vehicle over and above NZ Legislation. Extra training may include but not be limited to defensive driver training **M: Administrative** - The organisation shall ensure it has in place a process that all workers as identified in the training needs analysis received the required training			

Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			associated with operating a light vehicle. **M: Administrative** - The organisation shall ensure that Council owned, leased or rented vehicles are operated in accordance with the manufacturers recommendations, and/or with the instructions of the leasing or renting organisation (including limitations to carrying capacity **M: Administrative** - The organisation shall ensure that all Council owned, leased or rented light vehicles are roadworthy and fitted with seatbelts. The preferred choice of vehicles must be those that achieve a minimum ANCAP rating of 4 or greater. **M: Administrative** - The organisation shall ensure that it			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			has in place a process to determine if travelling on road should be conducted during an abnormal situation or conditions. Such situations or conditions could include but not be limited to, weather conditions, natural **M: Administrative** - The organisation shall ensure that vehicle events involving any Council owned, leased or rented vehicle or private vehicle, while being used on Council business shall be reported to the local authorities in accordance with the requirements of the insuranc **M: Administrative** - All events which have or may have resulted in harm to our workers, contractors and members of the public must be			

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			managed in such a manner that complies with the Council's Event Management Standard and also meet the business expectations around duty of car **M: Administrative** - The organisation shall ensure that a suitably charged fire extinguisher is located in all Council owned or leased light vehicles and there is a process for ensuring the fire extinguisher is maintained. **M: Administrative** - The organisation shall ensure that a process is in place to assess and monitor overtime to ensure light vehicle operators' fitness to safely carry out their assigned duties. **M: Administrative** - The organisation shall have in place a policy and/or			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			procedures detailing any legal and best practice requirements regarding the safe operation of an on road light vehicle. **M: Administrative** - The organisation shall ensure it has in place an effective induction process specific to On Road Light Vehicles to ensure all workers are aware of the requirements of the WDC Safe use of Council Vehicles Policy and also risks and controls associated with **M: Administrative** - The organisation shall ensure a process is in place to ensure that all workers and contractors hold and maintain the correct licences as required by NZ Legislation to operate a Council owned, leased or rented light vehicle.			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			M: Administrative - The organisation shall ensure a process is in place to check the validation period and status of all licence holders operating a Council owned, leased or rented light vehicle. **M: Administrative** - The organisation shall ensure that all Council owned or leased vehicles are fitted with a means of monitoring between the vehicle and its base of operations, for example GPS. **M: Administrative** - The organisation shall ensure that all Council owned or leased light vehicles are fitted with an emergency distress function to raise the alarm in the event of a vehicle accident (e.g. rollover) **M: Administrative** - All events which have or may have			

Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			resulted in harm to our workers, contractors and members of the public must be reported and investigated as per the Council's Event Management Standard. **M: Administrative -** The organisation shall ensure that a suitably stocked first aid kit to address any minor injuries that could occur are located in all Council owned or leased light vehicles and there is a process for ensuring the contents of the kits are maintained. **M: Administrative -** The organisation has in place a process by which the organisation manages the wider impact of business continuity events, incidents or crises until it is under control and			

Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			contained. **M: Administrative** - The organisation shall ensure Emergency Response procedures are in place detailing the response and action required to manage all likely potential events related to this risk. The emergency response procedures should provide a structure that identifies w **M: Administrative** - The organisation shall ensure that a process is in place to annually test and review emergency response procedures for all likely potential events and to identify any areas for improvement. **M: Administrative** - The organsation shall ensure that a process is in place to educate workers on fatigue and how to manage fatigue. **M: Administrative** -			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: On Road Driving - Light Vehicles						
			The organisation shall ensure that where required physical maps and/or GPS units are available to prevent staff getting lost. **M: PPE Controls** - The organisation shall ensure that sufficient, fit for purpose personal protective eyewear is available for drivers e.g. polarised safety sunglasses for high risk drivers and safety sunglasses are available for adhoc vehicle users. **M: PPE Controls** - The organisation shall ensure that where a vehicle is being used as a tool of trade, the vehicle shall be fitted with a first aid kit, fire extinguisher, high visibility vest and safety triangle			
Hazard / Risk: Stress						
Stress - Harmful physical and		15	**M: Isolate** - Managed on case by	6	Assessing	True

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Stress						
emotional responses that can result when there is a conflict between job demands on the employee and the amount of control an employee has over meeting these demands.			case basis **M: Isolate** - Communication **M: Administrative** - Post Traumatic Critical Incident Response Standard and ProMapp process in place. **M: Administrative** - Vitae Services available for staff and their immediate family to access.			
Hazard / Risk: Workplace Violence and Aggression						
Workplace violence and aggression is defined as violent acts, including physical assaults and threat of assaults, directed toward persons at work or on duty. Workplace violence ranges from offensive or threatening language to homicide.	Death or serious injury	20	**M: Engineer** - Factors with the potential to impact the risk of violence are considered during the design phase of all new facilities. These shall include but are not limited to separating workers from the public, controlling access and providing a safe retreat. **M: Administrative** - A process is in place to provide training and refreshers for identified first aiders;	15	Assessing	True

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			to notify workers, contractors and visitors who the identified first aiders are; and to ensure suitably stocked and maintained first aid kits to address any minor injuri **M: Administrative** - A process is in place to annually test and review Emergency Response Plans for all likely potential events. **M: Administrative** - A process is in place to review emergency events to ascertain how the emergency response plan operated, was it effective, did the plan operate as intended and what if any amendments are required **M: Administrative** - The minimum training for roles is identified in the Emergency Response Plan, when this should be completed			

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			(e.g. changes to responsibilities, procedures, legal requirements and technology take place), re-training requirements. **M: Administrative** - The Emergency Response Plan details authority levels, responsibilities and reporting relationships for control and liaison between all parties involved during an emergency. **M: Administrative** - A process is in place to identify the customer experience skills and competencies required for each roles/individual personnel to deliver on the customer experience **M: Administrative** - Processes are in place to enable Manager/Leaders to have an			

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			understanding of what impacts exist with an individual's personal circumstances that may impede work performance and support accordingly **M: Administrative** - The Emergency Response Plan has a structure that identifies workers / managers, individually or teams, who are responsible for co-ordinating the response plan and who are responsible for specific duties during an emergency. **M: Administrative** - A designated individual is responsible for the implementation and maintenance of the Emergency Response Plans **M: Administrative** - Emergency Response Plans are in place detailing the			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			response and actions required to manage all likely potential events. **M: Administrative** - A process is in place to ensure that all workers as identified in the training needs analysis received the required customer experience training **M: Administrative** - Organisation to verify that is has in place documented procedures for the management and security of desirable assets **M: Administrative** - A process is in place to manage all workplace violence documentation including but not limited to: risk assessments, training records etc. to ensure they are retained and available for workers **M: Administrative** - Documented procedures are in			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			place for recording and alerting workers of potential "high risk" customers or properties **M: Administrative** - A register or alert system is in place to identify premises or property where customers have been identified as "high risk" **M: Administrative** - A register or alert system is in place to record the details of persons who's access to Council services has been restricted for example those who have been issued a Trespass Notice **M: Administrative** - Documented procedures are in place to access and review alerts before undertaking work with high risk clients or in high crime areas/situations **M: Administrative** - A process in place			

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			for conducting risk assessments for contracted work and the process includes consideration of workplace violence as a potential risk **M: Administrative** - A process is in place for monitoring and managing contracted work **M: Administrative** - Where relevant the risk of workplace violence is formally communicated to the contractor and controls for managing the risk are discussed and agreed by the organisation and the contractor before contracted work is commenced **M: Administrative** - A contractor management process in place that covers all contracted works **M: Administrative** - An Event Reporting Procedure is in place and it is also			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			compliant with legislative requirements. **M: Administrative** - A process is in place to manage the outcomes of any harm to workers, contractors or visitors in such a manner that complies with the WDC Event Management Standard and also meet the businesses expectations around duty of care. **M: Administrative** - Documented procedures are place to initiate and provide early psychological and welfare support for any worker involved in a serious or traumatic event **M: Administrative** - Rehabilitation processes are in place for workers who are affected by workplace violence and are unable to			

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			continue in their present role **M: Administrative** - A worker induction process is in place to ensure all workers are aware of the risk of workplace violence and the controls to manage this risk. **M: Administrative** - A process is in place to ensure a documented risk assessment is completed as per the Change Control Procedure to ensure the risk of workplace violence is considered before any new additions or modifications to the workplace, equipment, processes, service **M: Administrative** - A documented Change Control Procedure is in place to clearly articulate and inform all parties of any new additions or modifications to the workplace,			

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			equipment or changes to existing procedures. **M: Administrative** - Documented procedures are in place for tasks that may expose workers to the risk of workplace violence and detail the actions to be taken to protect workers and others from violence **M: Administrative** - A process is in place to ensure that all workers as identified in the training needs analysis received the required training to manage the risk of workplace violence **M: Administrative** - A process is in place to identify roles/individual personnel who may or are at risk of workplace violence **M: Administrative** - For high risk roles a daily check process is in place to ensure			

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			there are sufficient competent workers available to complete planned work safely **M: Administrative** - Planning processes are in place to allow for adjustments in staffing levels to manage situations or periods of additional risk **M: Administrative** - Trigger points for stopping work activity due to inadequate staffing levels or other extraordinary factors are established and communicated to all workers **M: Administrative** - There is a process whereby managers/leaders interact with workers daily as a means to assessing exposure to workplace violence and how individuals are coping **M: Administrative** - Effective processes			

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			are in place to inform workers and others of managements commitment to zero-tolerance of workplace violence **M: Administrative** - A policy statement or similar is in place detailing management's commitment to zero-tolerance of workplace violence **M: Administrative** - Documented organisational risk assessments are completed as required by the ZHSMS 3.2 Workplace Violence Management Standard for facilities and workgroups. **M: Administrative** - A process is in place to capture and implement any corrective actions arising from the workplace violence risk assessment **M: Administrative** -			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			A process is in place to undertake a risk assessment when workers are required to work with high risk clients or in high crime areas/situations **M: Administrative** - Personnel facilitating risk assessments are suitably trained and competent and the risk assessments included a physical observation and worker consultation. **M: Administrative** - Documented procedures are in place for the opening and closing of facilities including the provision of security services where required **M: Administrative** - Documented procedures are in place for all emergency alarm systems (for example panic or duress alarms) detailing how to use			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			them **M: Administrative** - Processes are in place to monitor lone workers who are working in the community or away from the workplace. **M: Administrative** - Documented procedures are in place for managing the risk of working alone **M: Administrative** - A risk assessment is completed when workers are required to work alone and considers the hazard of workplace violence where applicable. **M: Administrative** - Pre-employment procedures are in place that outline the minimum suitability standards that must be met by candidates **M: Administrative** - A screening process is in place as part of recruitment to check individual job candidates for their			

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Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
			role suitability for example Police Checks **M: Administrative** - An Employee Assistance Program is in place and available to all workers **M: Administrative** - A policy statement or similar is in place detailing management's commitment to zero-tolerance of workplace bullying and harassment **M: Administrative** - There is a documented Code of Conduct and a process is in place to ensure all workers are aware of its content **M: Administrative** - A process is in place to regularly check assigned security equipment **M: Administrative** - Organisation to verify that it has in place a register of all			

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Hazard and Risk Management (HARM) Register

Risk / Hazard	HARM Description	IRA	Control methods	RRA	Status	Critical Risk
Hazard / Risk: Workplace Violence and Aggression						
		🟥	security equipment (for example panic and duress alarms) **M: PPE Controls** - Sufficient, fit for purpose personal protective equipment is available for workers as identified in the risk assessment process	🟥		

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Waikato
DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

To	Audit & Risk Committee
From	Roger MacCulloch
	General Manager Service Delivery
Date	23 September 2020
Prepared by	Rob Ashley
	Community Assets Manager
Chief Executive Approved	Y
Reference #	INF2020
Report Title	Waikato District Council Asset Management Planning - Strategic Risk Deep Dive Report

1. EXECUTIVE SUMMARY

This report will provide an opportunity for the Audit & Risk Committee to gain a true understanding of how management view risk for the activity of Community Asset Management, and to review the control actions and mitigation procedures.

It is noted a significant review of Asset Management Plans is currently underway to feed into the Long Term Plan process. Completion of this by late July 2020 will include a review of the risk profile. It is recommended that the Audit & Risk Committee be kept informed of this outcome.

The report includes:

- Waikato District Council's Asset Management background and current risk profile.
- Internal /external threats and opportunities
- Risk assessment, current state
- Recommendations, Conclusion

2. RECOMMENDATION

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

3. BACKGROUND

3.1 WAIKATO DISTRICT COUNCIL'S ASSET MANAGEMENT BACKGROUND AND RISK PROFILE

The risk is currently described in the Council's Strategic Risk Register as follows:

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

2. Public assets are significantly impacted as the result of poor planning and or business practice associated with erosion including, coastal, riverbank and inland. – Classified as an Operational Risk not Strategic - but noteworthy to this report.

These risks have been identified as strategic for a number of reasons:

1. Locally Council has struggled to attract and retain appropriately qualified asset managers that can meet the business's needs. This state is maintained in the current team with two FTE's still required to fill the team to meet business demands.

2. Without a clear strategic line of sight from purpose of Local Government, to the Councils vision, to Levels of Service Statements in the LTP, and to the Activity Plans, the opportunity for elevated risk is compounded significantly. This may result in community expectation not being met, or affordability to maintain assets a challenge. The result while having different drivers has a similar outcome with poor planning and business process central to this.

3. The amalgamation with former Franklin District increased the population of the district by 15,700 customers (32%) and while some time has passed there were considerable legacy issues with; Asset inventory, quality of asset data, different AMIS (Asset Management Information Systems). These issues have contributed to the current risk profile.

4. Central government's recent change to restate the promotion of social, economic, environmental and cultural well-being of communities, as the statutory purpose of local government, has contributed nationally to a confused asset management framework providing challenges to best provide appropriately for each asset class and the alignment of the purpose of local government.

5. Anecdotally the previous round of AMP's, the thirty year infrastructure strategy and subsequent LTP is representative of the sum of these statements, with the business engaging consultants to deliver AMP's across the business offering an outcome that is widely acknowledged had room for improvement.

This report considers the previous risk statements but also the future of Asset Management for the business and the risks that may be presented as the activity matures. While it is essential to understand historic and current risk, it is also important to note that this presents opportunities, particularly as the activity matures and takes a more strategic role within the business.

3.2 INTERNAL/EXTERNAL THREATS AND IMPACT

The threats and impact of the risks identified if realised are significant to the business. It is noteworthy that the current risk statements were developed prior to the current newly formed team structure.

The executive, in conjunction with the G4GG initiative, recognised the business need (and associated risks) establishing the new Community Assets Team (figure right) within the Service Delivery group consisting of a Community Assets Manager, and five FTE's to represent the business and the asset class's therein.
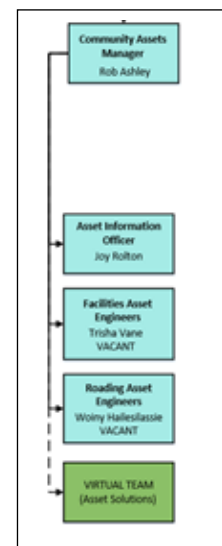
The shortage of appropriately qualified staff means this team remains under-resourced with the current shortfall of two members supported by specialist consultants funded through the surplus FTE budget.

3.3   COMMUNITY ASSETS RISK DESCRIPTION

Within Council's risk management framework, (PROMAPP) the risks below are presented for the Asset Activity. These have been brought into the table where the relevant gross and residual score is highlighted, and is consistent with the risk matrix used by the business.

RISK DESCRIPTION	RISK TRIGGERS	GROSS RISK SCORE			RESIDUAL RISK SCORE		
		Likelihood	Consequence	Factor	Likelihood	Consequence	Factor
Asset Management; Public Assets are significantly impacted as the result of poor planning and or business practice associated with erosion including, coastal, riverbank and inland.	This type of risk could become a reality through (for example): ▪ Assets that are located in high risk areas are impacted through poor planning and business practice.	5	4	Extreme	5	4	Extreme
Asset Management; Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose.	This type of risk could become a reality through (for example): ▪ Asset failures (including Waters and Roading) caused by poor planning, maintenance and or management.	4	3	High	4	3	High

3.4 ASSOCIATED STRATEGIC RISKS

Understanding associated risks to the strategic risks presented are important and demonstrate an understanding of the total risks to the activity, business and Council. These associated risks are also aligned with the risk matrix consistent with the risk framework.

RISK DESCRIPTION	ASSOCIATION
Political Risk Poor planning and business practice **resulting in infrastructure coastal or riverbank failure.**	Significant failure in these areas presents political risk to the business. Understanding partnership (Regional Council for Rivers & Coastal, and WaterCare for Water infrastructure) responsibility in the these areas and having a common understanding of the responsibility between said parties is critical to not only mitigating risk, but also intrinsic to putting the appropriate care and management in place
Financial Risk **Poor planning and business practice** resulting in infrastructure coastal or riverbank failure.	Land transport and water infrastructure across the business is managed through partnership agreements where operational and to some degree strategic management is provided. Poor high level strategic planning or the inability to clearly articulate the consequence of investment is a risk that needs to be understood better. The newly formed Community Assets team understands this risk well and will be working closely with these partnerships delivering a clear decision making framework that will demonstrate the impact of investment in line with level of service and the OCI impact (Overall Condition Index) with the current round of Asset Management Planning.
Cultural / Community Risk **Poor planning and business practice resulting in infrastructure coastal or riverbank failure.**	Community and Cultural risk is certain where expectation is not met, (primarily through failures) or activities (work programmes) not communicated to the wider community. This is especially the case where areas have cultural significance / implication to the Treaty of Waitangi or community recreational areas that experience high visitation. A clear understanding of responsibility and stewardship under partnership agreements, and the provision of clear strategic planning that articulates the consequence of investment with management strategies celebrated with the communities through Asset Management Plans, that demonstrate clear planning and business processes.
Environmental **Poor planning and business practice resulting in infrastructure coastal or riverbank failure.**	Environmental risk is considerable across the business with good planning and business practice key to help mitigating this. Additional to this in terms of environmental is climate adaptation and the known unknown with regards to this. Maintaining current and forecasted data from agencies (NIWA) and central government and embedding this into Asset management plans will be a key mitigation strategy.

3.5   INDIRECT RISKS

In addition to the direct risks associated to the activity a number of indirect risks have also been identified and considered as part of the risk assessment process:

INDIRECT RISK AREA	RISK DESCRIPTION
Reputation / Image	Related to the Political risk described above, the Council's reputation could be tarnished, or if poor relationships with other agencies result in negative media coverage. Opportunity to minimise reputational image through excellent partnership agreements and by developing a common understanding across the wider stakeholder group is intrinsic to this.
Business continuity (CONVID 19)	Business could be negatively impacted if Council has to respond formally with operational measures to the pandemic. Opportunity for significant disruption to the business is clear should the region be heavily impacted by CONVID 19 and unless Council has appropriate plans and contingencies in place that could quickly respond to a dynamic situation like a Pandemic.
People	Resource is a clear indirect risk to the business where the ability to attract and retain appropriately qualified staff to perform asset management within the business. Sound management and a clear insight to the strategic goals of the business with a vision to build, mentor and train with the development of a culture of high performance will be critical to meeting the risk while presenting opportunity to the Community.
Technical	Technical risk to the business while low, has a significant potential in terms of consequence to compromise the activity of asset management. Presently the business has AMIS (Asset Management Information System) on the IM roadmap. Risk is where this is done without appropriate consultation that may result in a reduction of functionality from data and reporting.
Financial	Consequence of investment – or no investment in maintaining assets to the required level of service is a risk that needs to be better understood and realised. This is especially significant where the asset has been underfunded potentially for a period of years creating a financial bow wave in the future to bring it to an agreed standard. While previously identified, financial risk is also an indirect risk to the business, where if appropriate business process and strategic planning is not in place to adequately resource the Community Assets Team then the risk to the business is significant.

4.   SUMMARY OF INHERENT RISK SCORE & TREATMENTS

Consideration of the identified internal and external risks, and the potential impacts and associated risks, provide extreme risk profile for the activity, with the risk profile flagged as both likely and catastrophic. The residual risk for the Assets activity is assessed as one of the highest in the business and as such, requires appropriate reporting to the executive and Council, through the Audit & Risk Committee

Anecdotally staff do not consider this risk assessment is representative of the current situation given the establishment of the Community Assets Team who have developed a comprehensive works programme to deliver Asset and Activity plans to the Council and Community.

Table 4.1 is the current list of risk(s) and treatments associated with the activity. Noteworthy to the risk and treatments are the comments, which provide updated information to the current treatments and are relevant to the current asset & activity planning works programme.

The current works programme for the delivery of Asset and Activity plans sits in CAMMS and is project 1500. A summary document is attached that includes the Project and Steering Groups risk register. The works programme addresses the key strategic risks with regard to poor planning and business process in the delivery of Activity and Asset Management plans.

4.1 EXAMINE ASSOCIATED TREATMENTS

To ensure a whole of business approach, treatments have been established to address indirect and direct strategic risks.

There are also potential additional treatments that have not yet been added to the Risk Register.

RISK	TREATMENT	IMPACT	COMMENT
Asset Management; Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose	**TREATMENT MC00162** *[from Risk Register]:* *Activity Management Policy* Councils Activity Management Policy provides statements on how Council will manage assets and deliver associated services in a cost effective, sustainable, well planned and coordinated manner to provide agreed levels of service. Its purpose is to outline the level of management appropriate for each activity for Council to achieve best management practice and meet statutory obligations.	*[from Risk Register]:* This treatment impacts the likelihood of the risk by outlining what level of activity management the organisation is willing to commit to, therefore setting expectations for the organisation to deliver against.	The likelihood of this can be further mitigated by a policy review (risk policy) that is clearer in the prescribed appropriate care of each individual class. The International Infrastructure Manual provides a clear guideline to this approach and will be a recommendation in each individual Activity Plan.
	TREATMENT MC00163 *[from Risk Register]:* The WDC 2015-2045 Infrastructure Strategy documents the management philosophy that is applied to Waikato Districts' infrastructure assets. The strategy covers the following asset types: - Water Treatment and supply - Wastewater Treatment and Disposal - Storm water Drainage - Roads and Footpaths.	*[from Risk Register]:* This treatment impacts the likelihood of the risk by detailing the strategic direction of WDC and providing visibility of expectations to ensure Council works to a consistent standard.	The Infrastructure Policy is a key document that speaks directly to the purpose of LGNZ, WDC's Community statements, and subsequently provides a strategic guideline to the business on how each asset class shall be administered. Management understands this is a key piece of work and shall be appropriately resourcing this to ensure it meets this purpose and provides this function

RISK	TREATMENT	IMPACT	COMMENT
Asset Management; Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose	**TREATMENT MC00464** *[from Risk Register]:* The National Asset Management Standards dictate and define the Councils Activity Management Plans (AMPs). The AMPs are reviewed yearly and undergo a 3 yearly re-write to feed into Councils Long Term Plan (LTP) cycle.	*[from Risk Register]:* This treatment impacts the likelihood of the risk by ensuring Councils AMPs adhere with national standards.	Planning and delivery of the next round of Asset Management plans is well underway (CAMMS 1500) with significant engagement across the business and support from ELT in terms of the approach.
Asset Management; Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose	**TREATMENT MC00465** *[from Risk Register]:* Council has a number of asset management specific strategies in place and under development. These include: - Parks & Facilities, Toilet Strategy, Cemetery Strategy, Trails Strategy, Te Kauwhata Trails Strategy, Esplanade Strategy, Parks Strategy, Aquatic Facilities Strategy, Sport and Recreation Strategy (joint with Sport Waikato), Playground Strategy - Roading; Waikato Integrated land transport strategy (under development presently) - Waters; -50 year water/wastewater/storm water strategies, 30 year infrastructure plan.	*[from Risk Register]:* This treatment impacts the likelihood of the risk by detailing and making visible Councils commitments for the management and maintenance of assets along with Councils commitment to level of service requirements.	Individual strategy's play a critical role to informing / guiding the decision making process of AMP's – Where the strategy is under review it will be flagged in the respective AMP's improvement plan to ensure compliance from Audit (NZAG) should the strategy be out of date or under review

RISK	TREATMENT	IMPACT	COMMENT
	TREATMENT MC00466 *[from Risk Register]:* Service Delivery performs regular and continual collection of asset data for the purpose of condition assessment. This data informs programmes of work associated with asset maintenance and renewals. Data collection sources include (but are not limited to): - RAMM (Roading Assets) - Asset Finder (Currently used by WaterCare) - SPM (Property, Facilities, Parks & Open Spaces)	*[from Risk Register]:* This treatment impacts the likelihood of the risk by ensuring that data driven planning can take place to maintain assets. It also impacts the consequence by supplying the information required to ensure currency of asset condition reporting and any required contingency activities.	Key to achieving this is identifying areas that are in need and putting a program in place to achieve the desired outcome. Current initiatives that are in place is incorporating data collection into BAU so individual asset classes have continual data improvement – rather than taking a compliance or tri-annual approach to maintaining data. Management sees this as one of the key objectives to improve the quality of reporting relevant to each asset class.
Public assets are significantly impacted as the result of poor planning and or business practice associated with erosion including, coastal, riverbank and inland.	**TREATMENT MC00533** *[from Risk Register]:* TO DO Assess public assets that may be exposed to negative impact as the result of erosion.	*[from Risk Register]:* This treatment impacts the likelihood of the risk by identifying vulnerable assets and taking appropriate action to manage on-going threat. Actions may include (but are not limited to); - Report to Council - Data collection, analysis & operational mitigation (planting/drainage etc) - Demolition/relocation	Steps to mitigate this has been addressed in the report earlier, primarily understanding partnerships, custodianship, and business process to either share the responsibility or create a common understanding with regards to the appropriate care.

5. FORECAST

The strategic risk relating to Asset Management Planning, in its current form, is broad and multi-layered, with many moving parts. The current structure will be well-resourced to achieve the goal to significantly reduce the exposure of risk to the business, while providing excellence in asset management.

One of the key initiatives is to clearly articulate the implications of investment, or non-investment, to individual asset groups, in the provision of a robust decision making framework that will define level of service against investment and the consequence to the overall condition of the asset(s). This needs to be weighed carefully against affordability, community desire, and appropriate custodianship / responsibility to the community. This is being done as part of delivery project 1500.

The current works programme for the delivery of Activity and Asset Plans is scheduled for completion in late July, and subsequent to that would be an appropriate time to re-assess the risk profile and treatments.

6. CONSIDERATION

The following recommendations relate to the current risk and are for consideration:

- Council consider updating the risk assessment once the review is completed late July. This will be more relevant given the current activity.
- That the current programme of work and engagement across the business is an appropriate approach to provide confidence in the activity, notwithstanding the present risk profile.
- Given the magnitude of the present risk profile to continue to provide the current levels of support and funding (FTE surplus budget allocated to specialist consultants to meet resource shortfalls)
- That the activity of asset management and the risks that it presents to the business is re-assessed within the calendar year 2020.

The following recommendations relate to learnings to date for consideration:

- The existing treatments are essential and should be monitored closely. They have already proven to be of value in terms of getting a programme of work together in a cohesive manner that address's the risks presented, and will meet the needs of central, regional and local government, ensuring Waikato District Council meets the needs of the community by providing a robust decision making framework that clearly articulates the level of service, and consequence of investment against the assets ability to perform in the manner that it required over the life of the asset.

7. CONCLUSION

Asset Management within a local government framework is complex as it encompasses all of the business. Quality information is the key currency the department trades in and is supplied

by a wide stakeholder group including Central Government, Regional Authorities, our own Council, and management. We also receive data from contractors internal business units and proactively from within our team. Compiling this information into succinct Activity and Asset plans which provide a clear decision framework for the Council and the community, and a clear position from each asset class that feeds into the LTP is the challenge that we accept and are looking forward to.

The Community Assets Team has a firm remit to drive asset maturity across the business through collaboration, partnerships and a departmental ethos of being a service arm to the business, working in partnership with asset owners to continually refine asset and activity planning to Waikato District Council. This is work in progress.

8. ATTACHMENTS

- Community Assets Team -Business Continuity Plan.
- WDC - Risk Assessment guide.
- Community Assets – Asset/ Activity Plan Project plan / Summary (Camms #1500)
- CAMMs Project 1500 – Risk register

WAIKATO DISTRICT COUNCIL
BUSINESS CONTINUITY PLAN TEMPLATE

VERSION HISTORY				
VERSION	APPROVED BY	REVISION DATE	DESCRIPTION OF CHANGE	AUTHOR

BUSINESS CONTINUITY PLAN
Individual Teams

PREPARED BY		TITLE		DATE	
APPROVED BY		TITLE		DATE	

TABLE OF CONTENTS

INTRODUCTION

A disruption could come in many forms – a major earthquake, flood, a prolonged power cut, pandemic or even the sudden unavailability of a critical member of your team.

A business continuity plan identifies how your business unit or team can keep its essential functions up and running during a time of disruption.

Your completed plan will identify the essential actions required to ensure your team is prepared to get through a disruption.

If you need assistance completing this plan, have any concerns or queries, email IMT@waidc.govt.nz.

1. YOUR TEAM

People are your most important asset. They bring unique skills and knowledge, hold key relationships, and provide a high level of flexibility to your team. During a time of disruption, your team could be the difference between success and failure.

Key considerations:
- Discuss with staff what a potential disruption might mean for your organisation and any vulnerabilities or commitments that might impact their availability after a disruption
- Encourage team members to take steps to be better prepared personally for an emergency
- Practice emergency evacuation plans as a team
- Confirm team contact details and next of kin contacts are up to date

List any potential vulnerabilities or commitments that might impact staff availability after a disruption

☐ All team members have had a discussion about personal preparedness.
☐ Our team has next of kin contacts for each team member located in their personnel file.

2. CORE SERVICES

Your core services define the purpose of your team.

Key considerations:
- What are your team's core services?
- Which of these are critical to maintaining essential contracts or customer/partner relationships?
- What services could you stop delivering and your team still continues to function?

List the most important services needed to keep your team operating

3. ESSENTIAL ROLES AND TASKS

Which tasks in your team are vital to the delivery of your core services identified?

Key considerations:
- What are the essential tasks for delivering your core services?
- Are there any tasks that require specialist skills, qualifications or licenses?
- Do any tasks rely on a single person?
- Can members of other teams step in to complete these tasks? What about others outside this organisation?
- Are there any business processes that require authority –i.e. specific sign off by qualified team members, or financial delegation?

Note: If you identify key team members, equipment or supplies without alternatives, these are risks you need to address. Consider training other team members (or members of other teams) to provide backup for different roles.

List the tasks essential to delivering your core services and the people capable of carrying out these tasks

Task	Skill set/Qualification needed	Team member with skill set/qualification	Alternative options

4. ESSENTIAL SUPPLIES

What are the resources and supplies needed to create and deliver your core services?

Key considerations:
- Who supplies your required resources?
- Are there alternative suppliers who can provide the same resources?
- Are there alternative products that could be substituted into your processes?
- Do any supplies take a long time to arrive?

List your essential resources, suppliers and alternative supply options

5. ESSENTIAL EQUIPMENT

What tools, equipment and systems/programmes are needed to deliver your core services?

Key considerations:
- Do you rely on any specialist equipment? If so, is it easily replaced and how long could it take to get a replacement?
- Can you get replacement equipment from a local store, or borrow or hire from another source?
- Is there alternative equipment that can be used instead?
- Do you have an up-to-date list of alternative equipment options?

List the equipment essential to delivering your core services, and the options for getting replacement equipment

6. KEY CUSTOMERS/PARTNERS

Who are your key customers/partners, and what are some options for providing your services to them?

Key considerations:
- Which customers/partners are critical to your team's core services?
- Which customers/clients have a strong relationship with your business or organisation?
- Are they reliant on your product or service? Do they have other supply options?
- How can you maintain contact with them?

Note: Keeping in contact with your customers/partners is extremely important. Even if you can't operate for a period of time, keeping customers/partners informed will help to maintain relationships.

List the key customers/partners that generate the majority of your work or are reliant on your services

7. RELOCATION OPTIONS

Some disruptions may mean you cannot continue operations at your current premises. What would you need to consider if your team needed to move to another location, even just for a short time?

Key considerations:
- Is the location of your team critical? If so, why?
- Could you share premises alongside similar organisations?
- Could you work from home? What would you need to facilitate this?
- How would you go about relocating team if you needed to?
- Do you have a contact list for your relocation options?

List some possible location options for relocating, including advantages or disadvantages of each option

8. DELEGATION OF AUTHORITY

Who can step in to run your team and make key decisions in the place of the owner or manager? Making decisions about delegating authority and taking action in advance will help prevent further disruption to your team.

Key considerations:
- Who can step in to run your team and make key decisions in the place of the team leader?
- What delegation of authority do these people have – is it sufficient to make the decisions needed and financial authorisations?
- Do you need to make arrangements for delegation of authority to be given to anyone?

List your contingency plan for delegation of authority – who can step in with the appropriate delegation to make decisions if the team leader cannot. List these people and their level of authority

9. BACK UP YOUR RECORD

What information do you need to back up and what processes do you have in place to ensure your records can't be lost?

Key considerations:
- What type of information and records do you need to back up i.e. into ECM. This could include customer/partner records, accounts, emails, contact lists, etc. Where are these backed up?
- Are your processes up to date and recorded in Promapp?
- Do you depend on paper records? How will your team continue to operate if you lose access to your paper files?
- Can you access critical information, including your business continuity plan and team processes if there was no access to a computer? If a computer was available, could you access these remotely?
- How regularly do your records need to be backed up?

Record your methods for backing up your business records

RISK CONSEQUENCE CATEGORIES

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

Likelihood	Probability	Frequency		Description				Rating
Frequent	>50%	Continuous or will happen frequently		The threat will most certainly occur in the foreseeable future				5
Often	20%-50%	5 - 12 times per year		The threat will probably occur in the foreseeable future				4
Likely	10%-20%	1 -5 times per year		The threat has a good possibility of occurrence				3
Possible	1%-10%	Once every 2 -5 years		The threat has little chance of occurring in the foreseeable future				2
Rare	<1%	Less than once every 5 years		The Threat is unlikely to occur in the foreseeable future				1

Descriptor	Business Continuity	People	Finanical	Reputation / Image	Compliance Regulatory	Environmental	Political & Strategic	Technical	Rating
Catastrophic	Significant effects to day to day business function with prolonged and significant impact on levels of service	Life threatening injuries or fatalities/ Significant and prolonged lack of internal staff capacity requiring significant and prolonged additional external resources/ Significant level of uncertainty with supplier delivering in full, on time and to specification.	Financial shortfall or loss > $1M in any 12 month period	Serious or sustained national media attention	Significant breach of legal obligations (i.e. law, legislation, regulations, code etc) by Council with legal action and significant fines (> $100k)	Significant and wide spread adverse effects on living organisms and environment by effluents, emissions, wastes, resource depletion, etc	Significant and prolonged political attention with considerable impact on Council meeting business objectives across multiple years.	Excessive project delays, significant cost overrun, complete technology or technical process failure.	5
Major	Major effects to day to day business function with significant about short term impact on levels of service	Single life-threatening injury or fatality/ Significant but short term lack of internal staff capacity requiring short term external resources/ High level of uncertainty with supplier delivering in full, on time and to specification.	Financial shortfall or loss $150k - $1M in any 12 month period	Short term national media attention	Serious breach of legal obligations (i.e. law, legislation, regulations, code etc) by Council with legal action and major fines ($20k-$100k)	Major but localised adverse effects on living organisms and environment by effluents, emissions, wastes, resource depletion, etc	Significant but short term political attention with impact on Council achieving core business objectives within one given year.	Major project delays, major cost blowout, technology or technical process requires re-work to fit purpose.	4
Moderate	Moderate effects to day to day business function with moderate short term impact on levels of service	An injury requiring moderate medical care/ Moderate but short term lack of internal staff capacity, possible short term use of external resource/ Moderate level of uncertainty with supplier delivering in full, on time and to specification.	Financial shortfall or loss $50k - 150k in any 12 month period	Short term local media attention	Moderate breach of legal obligations (law, legislation, regulations, code etc) by Council with legal action and moderate level fine ($5k $20k)	Moderate localised adverse effects on living organisms and environment by effluents, emissions, wastes, resource depletion, etc	Short term political attention with minor impact on Council achieving business objectives.	Moderate - Moderate project delays, small cost overrun, some minor technical errors to resolve.	3
Minor	Minor effects to day to day business function with minor impact on levels of service	Injury no more than first aid/ Internal staff capable but require monitoring and management/ Some level of uncertainty with supplier delivering in full, on time ad to specification.	Financial shortfall or loss $10k - 50k in any 12 month period	Some minor public attention	Moderate breach of legal obligations (law, legislation, regulations, code etc) by Council with legal action and low level fine (<$5k)	Minimal localised adverse effects on living organisms and environment by effluents, emissions, wastes, resource depletion, etc	Short term political interest with negligable impact on business objectives.	Minor project delays and or minor cost overrun.	2
Insignificant	Negligible effects to day to day business function with insignificant impact on levels of service	Health and safety monitoring required/ Staff fully capable/ Negligibly level of uncertainity with supplier delivering in full, on time and to specification.	Financial shortfall or loss <$10k in any 12 month period	Minor internal interest	Minor breach of legal obligations (law, legislation, regulations, code etc) by Council with warning	Negligible or no localised adverse effects on living organisms and environment by effluents, emissions, wastes, resource depletion, etc	No political or core business objective impact	Minor technical issue, negligible adverse effect to project.	1

Project Status Report

PR-1500 - LTP 2021: Asset Management Plans 2021-2031

Report Date	11-Sep-2020	Overall Status	**Monitor Closely**

Project Sponsor	Roger MacCulloch	Project Manager	Robert Ashley
Business Owner	A Project Manager	Project Phase	EXECUTE
Project Objectives	The objective of this project is to present the requirements for the delivery of a portfolio approach to Asset Management planning, highlighting interdepartmental constraints, and risks. This is a project under the LTP2021-31 LTP Programme (PR-1366).		

Project Status Summary

Overall Project Status Summary
Community Assets are now conducting gap analysis of all activity plans and will be recasting the project plan and Gantt Chart for project 1500.

Include details of a Plan/Action to go to **Green**, if any area is **RED** or **AMBER**

Schedule	Amber	Community Assets are coming to the end of the AMP development process. Overall, WDC is well ahead of other TAs in this process. We look forward to feedback from the Auditor General NZ.
Scope/Quality	Amber	Community Assets continue to work with the business in the delivery of Asset Management Plans. Engagement still is presenting challenges. Nonetheless, requirements to meet long term plan will be met.
Budget	Green	FTE budget is partially funding consulting services.
Resources	Amber	See above comments
Risks	Amber	Primary risk presented currently is with delays and the potential impacts to other work streams (LTP).
Issues	Amber	Application of growth to asset classes across the portfolio is largely complete. Staff are still working with WSL to complete this.
Engagement	Amber	Engagement with Council and the relevant activity owners is now at a critical phase where documents that have been produced need to represent the business and the community, as such this is a time for significant engagement across the business to align this. Infrastructure plan - LTP - activity plan - the community and business.

Key: GREEN = On Track, **AMBER** = Issues but being managed, **RED** = Requires urgent attention/escalation.
Rules for overall Status: One **RED** in any area then Overall = **RED**, Three or more **AMBERs** then Overall = **AMBER**

Project Status Summary

Key Milestones	Finish Dates			On Track
	Baseline	Forecast	Completed	
Teams Established	17-Dec-2019	17-Dec-2019	08-Apr-2020	**Complete**
Asset Classes Plans Complete	17-Mar-2020	17-Mar-2020	08-Apr-2020	**Complete**
Direction from ELT Steering Group Complete	03-Feb-2020	03-Feb-2020	08-Apr-2020	**Complete**
Asset Activity Plan Initial Reviews Completed	28-Aug-2020	28-Aug-2020		**Off Track**
Infrastructure Strategies Completed	28-Aug-2020	28-Aug-2020		**Off Track**
Policy and Legislation Reviews Completed	28-Aug-2020	28-Aug-2020		**Off Track**
Financial Forecasts Completed	28-Aug-2020	28-Aug-2020		**Off Track**
Preparation for draft plans Completed	03-Aug-2020	03-Aug-2020		**Off Track**

Peer review, quality and assurance Completed	27-Aug-2020	27-Aug-2020		**Off Track**
Presented to Council	31-Aug-2020	31-Aug-2020		**Off Track**
Included to LTP for Consultation	04-Dec-2020	04-Dec-2020		**On Track**
Final inclusion to draft LTP	11-Dec-2020	11-Dec-2020		**On Track**
Project Debrief	01-Dec-2020	01-Dec-2020		**On Track**
Close Project	01-Dec-2020	01-Dec-2020		**On Track**

Key achievements/ activities this period	Alignment of documents across asset classes (excluding Three Waters and Land Transport). Work-shopped alignment of operational, tactical and strategic outcomes (Levels of Service and Financial). Scheduling of level of service workshops with Council across all asset classes (following Council workshop).

Planned for this period but not achieved	Completion of growth forecasts to individual asset classes.

Planned for next period	Completion of Asset Management Plans.

Key Active Risks

Risk #	Init Date	Description	Rating Initial / Revised	Owner

Unresolved Issues

Issue #	Log Date	Description	Status	Owner

Budget

Preliminary Budget	Approved Budget	Forecast at Completion	Actuals YTD	Variance (Forecast v Approved)	Variance %
		0			0

Risk Register (Standard)

Project Name: WDC Asset Management Plan

Project Number: 1500

Completed By: Rob Ashley

Date: 26/11/2019

| SG/PG | Risk Ref # | Risk Statement *Risk statement to include "Bad outcome - cause"* | Gross Risk score | | | Treatment plan *What can we do about each significant risk to either eliminate it or reduce it?* | Residual Risk score | | | Contingency *If the risk becomes reality…what action(s) will we implement?* | Risk Owner Who will take responsibility for this risk? (One person!) | Monitoring/ Reporting *Who will monitor and report on this risk?* | Timeframe *What is the frequency for monitoring/ reporting?* |
			Likelihood	Consequence	Factor		Likelihood	Consequence	Factor				
SG		Resourcing; Asset owners and contributors	3	3	Moderate	Appropriate planning / scheduling well in advance	2	2	Low	seek additional resources	Rob Ashley	Project Steering Group	monthly
SG		AMP funding	4	2	Moderate	Ensure CAT Team FTE surplus is maintained to fund consultants, other Asset class's code Asset related costs to CC 123 and journal from existing budgets accordingly	4	2	Moderate	Escalate to ELT. Ensure that the department has appropriate budget (zero based) going forward to ensure future needs are met.	Rob Ashley	Project Steering Group	monthly
SG		Roles and responsibilities with AMP delivery	2	3	Moderate	Clearly map responsabilities to project and goverance groups	2	2	Low	"Re-set" the outcomes and responsabilities with a wider audeance. Potentially with governace and Project groups collectivly	Rob Ashley	Project Steering Group	monthly
SG		Transition risk with water care – budget/staff resourcing	3	4	High	Engage with the WC team and set expectation in terms of timelyness and deliverable	2	3	Moderate	Raise with Water Gov Board, ELT	Rob Ashley	Project Steering Group	monthly
SG		Communication with Councillors and ELT	4	4	High	Early engagement with Council signalling significant change if appropriate	4	4	High	ELT / EDAG / Councillor workshop	Rob Ashley	Project Steering Group	monthly
SG		Legislative changes	2	2	Low	Ensure recent legislative changes are reflected in the AMPs - Peer review (Waugh Infra) will ensure that this is compliant	2	2	Low	Outsource	Rob Ashley	Project Steering Group	monthly
SG		Level of service consultation	3	3	Moderate	Level of consultation will be low, with no fundemental changes to LOS. The METHOD of measurement is the area that staff will be focusing.	4	4	High	Risk will be mitigated with ELT review.	Rob Ashley	Project Steering Group	monthly
SG		Climate Change	4	4	High	High levels of uncertanty with regards to climate adaptation and change. Uncertainty will be flagged in the improvement plan section.	3	4	High	Flagged in the AMP improvement plan.	Rob Ashley	Project Steering Group	monthly
SG		Financial modeling encompassing all asset class's presented in appropriate time	4	4	High	Work programmes need to be brought forward to meet the consultation requirement by Council - meeting NZTA funding deadlines. (AMPS Complete 30th July)	4	4	High	Potentially seek external / Internal resourse can can assist with building the AMP budget model	Rob Ashley	Project Steering Group	monthly
PG		Project teams availability	2	3	Moderate	Engage early with teams - ensuring that time for completion is set aside	2	3	Moderate	Escalate to ELT - People Leaders - Bring intot he Assets team to complete on Asset owners behalf.	Rob Ashley	Rob Ashley	monthly
PG		Finance teams availability to support	3	3	Moderate	Engage early with the Finance team mapping the requirements.	3	3	Moderate	Escalate to ELT - potentially outsource.	Rob Ashley	Rob Ashley	monthly
PG		Uncertainty around Solid Waste review	3	3	Moderate	SW AMP will be completed as a sprint once more certainty is gained with the activity review	4	4	High	Additional resourced/internal	Rob Ashley	Rob Ashley	monthly
PG		All Assets Data reliability	2	3	Moderate	Run gap analysis across data sets to determine where holes are, ensure budget is set aside to maintain data. Ensure Data updates are incorporated as BAU	2	3	Moderate		Rob Ashley	Rob Ashley	monthly

Risk Register (Standard)

| | | | Project Name: | WDC Asset Management Plan | | | | | | | | | Project Number: | 1500 | | |

| | | | Completed By: | Rob Ashley | | | | | | | | | Date: | 26/11/2019 | | |

SG/PG	Risk Ref #	Risk Statement *Risk statement to include "Bad outcome - cause"*	Gross Risk score			Treatment plan *What can we do about each significant risk to either eliminate it or reduce it?*	Residual Risk score			Contingency *If the risk becomes reality…what action(s) will we implement?*	Risk Owner Who will take responsibility for this risk? (One person!)	Monitoring/ Reporting *Who will monitor and report on this risk?*	Timeframe *What is the frequency for monitoring/ reporting?*
			Likelihood	Consequence	Factor		Likelihood	Consequence	Factor				
PG		Incompletion of Growth Strategy	4	4	High	Early engagement, communicate need for data for AMPS	3	3	Moderate	Failure of this information to be incorporated into our AMPS will have significant impact.	Rob Ashley	Rob Ashley	monthly
PG		Integration of community Blueprints	4	4	High	Community Blueprints have been included in the AMPS as part of the CAPEX review. Unfortunatly the detail around CBP is very light, suspect that most will fall into the improvement plan for inclusion into Yr 1	4	4	High	TBC - Update will provided as details are available.	Rob Ashley	Rob Ashley	monthly

Open Meeting

To	Audit & Risk Committee
From	Gavin Ion
	Chief Executive
Date	9 September 2020
Prepared by	Lynn Shirley
	Zero Harm Manager
Chief Executive Approved	Y
Reference/Doc Set #	GOV1318 / 1866302
Report Title	Waikato District Council Zero Harm Report

1. EXECUTIVE SUMMARY

The purpose of this report is to present an overview of the Waikato District Council Zero Harm Safety Management System (ZHSMS) to the Audit & Risk Committee and provide an update on current health and safety performance.

2. RECOMMENDATION

THAT the report from the Chief Executive be received.

3. REPORT

Primary Objective

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

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

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

Disciplined Management Systems

Strategic Zero Harm Risk
In conjunction with the Risk Advisor a review has been undertaken of the Zero Harm Strategic Risk in Promapp against the key elements of ISO 45001:2018 – Occupational Health and Safety Management Systems. The review focussed on;

• Ensuring all potential threats were identified
• Aligning existing treatments with relevant threats
• Determining what additional treatments are required to be implemented.

Where required actions have been raised to implement the additional treatments required.

Zero Harm "Work Safe, Home Safe" Strategic Plan for FY20/21
The Zero Harm Team has undertaken a review of FY19/20's safety performance and an infographic has been developed to share the results with the organisation. A draft FY20/21 Zero Harm Strategic Plan has been reviewed and approved by the Executive Leadership Team (ELT) and shared with the Council and Safety Action Team (SAT). The FY20/21 Zero Harm Strategic Plan is attached for reference. The following infographic has also been developed to share the Zero Harm focus for FY20/21 with the organisation.

Zero Harm Safety Management System (ZHSMS)
Work has continued on reviewing and updating our documented safety management system. Recently developed and published components include:

• ZHSMS 1.3.2 Post Critical Incident Response Standard
• ZHSMS 1.13.1 Training and Competency Management Standard
• ZHSMS 1.13.2 Worker Health and Safety Induction Management Standard

Key areas of focus for the next quarter include:

- Continuing revision of the existing contractor health and safety management procedures
- Critical Risk Management Standard for working with dangerous animals
- Working from Home Management Standard
- Safety Leadership and Culture Standard

Hazard and Risk Management

In July and August, 27 staff attended a one-day Workplace Risk Assessment Training. The training was delivered to NZQA Unit Standard 30265 by Impac Services Ltd. Staff initially prioritised to receive the training are those who:

- Undertake potentially high-risk physical work for Council or;
- Are responsible for engaging or overseeing physical work being undertaken by contractors or volunteers.

The Zero Harm Team is now organising Job Safety Analysis (NZQA Unit Standard 19522) training for the same group of staff to attend. The intended outcome of this training is to provide staff;

- Who are responsible for engaging or overseeing contractors the knowledge and skills so they can audit contractors Job Safety or Task Analysis documentation;
- Who undertake physical work with the knowledge and skills to analysis and consider what the safest and best way is to complete a job;
- With the skills to develop standard operating procedures for tasks that they complete on a regular basis.

Zero Harm Safety Management System Auditing

Work has been steadily progressing over the last three months on implementing the 29 improvement recommendations identified during the Health & Safety Governance Audit undertaken by KPMG in November 2019. To date 17 actions (60%) have been completed and six are underway. Action accountability and tracking to completion continues to be managed through BWare.

Critical Safety Risk Management

Critical Safety Risk Control Implementation

As part of the Work Safe, Home Safe 19/20 Strategic Plan end of year review, an assessment of critical risk bowtie control implementation has been completed. An implementation target of 80% for our first four critical safety risks was set for the19/20 financial year. The following table summarises the current control implementation status.

Critical Safety Risk	Controls Implemented	Controls not yet Implemented	Implementation % (target of > 80%)
Workplace Violence	28	11	72%
On Road Driving	30	3	91%
Asbestos	23	5	82%
Hazardous substances	22	21	48%

Critical Safety Risk Reviews

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

- Workplace Violence – Sue O'Gorman
- On Road Driving – Gavin Ion

The intent of the critical safety risk review is to understand the following:

- Are the implemented controls from the control plan (Bow Tie) for the risk still in place, robust and effective;
- Is there a management (action) plan in place to close out identified control gaps;
- Are all the actions for identified gaps in the risk control plan (Bow Tie) correctly assigned;
- Are there any outstanding/overdue action items for the risk;
- Have there been any new hazards identified or events occurred with the same risk classification since the last risk review;
- Is there anything that needs to be taken into consideration in relation to the management of the risk e.g. changes in legislation, technology etc.

The Workplace Violence Critical Risk Review is attached for reference.

Workplace Violence

Over the last month the Zero Harm team has been focused on training and implementing personal safety monitoring devices. These are a key safety critical control for managing the risk of workplace violence when our people are unable to eliminate working alone. Across Council and the Waikato District Alliance we have purchased the following additional units;

- 15 x Blackline G7C cellular personal safety devices
- 7 x Blackline G7X satellite personal safety devices

Standard operating procedures (SOPs) have been developed to detail when staff are required to take a personal safety device and how to use the devices. Training is being implemented and completion being tracked using Promapp. As part of the training process, team leaders or managers are also required to assess and signoff their staff as competent. Records of competency are also being managed using the Promapp Training Module.

The issue of Councillor safety particularly around travelling to night meetings alone has been raised and recorded as a near miss. A working alone risk assessment has been completed and the Zero Harm team are working with the Councillor involved to consider how we support all Councillors in this situation.
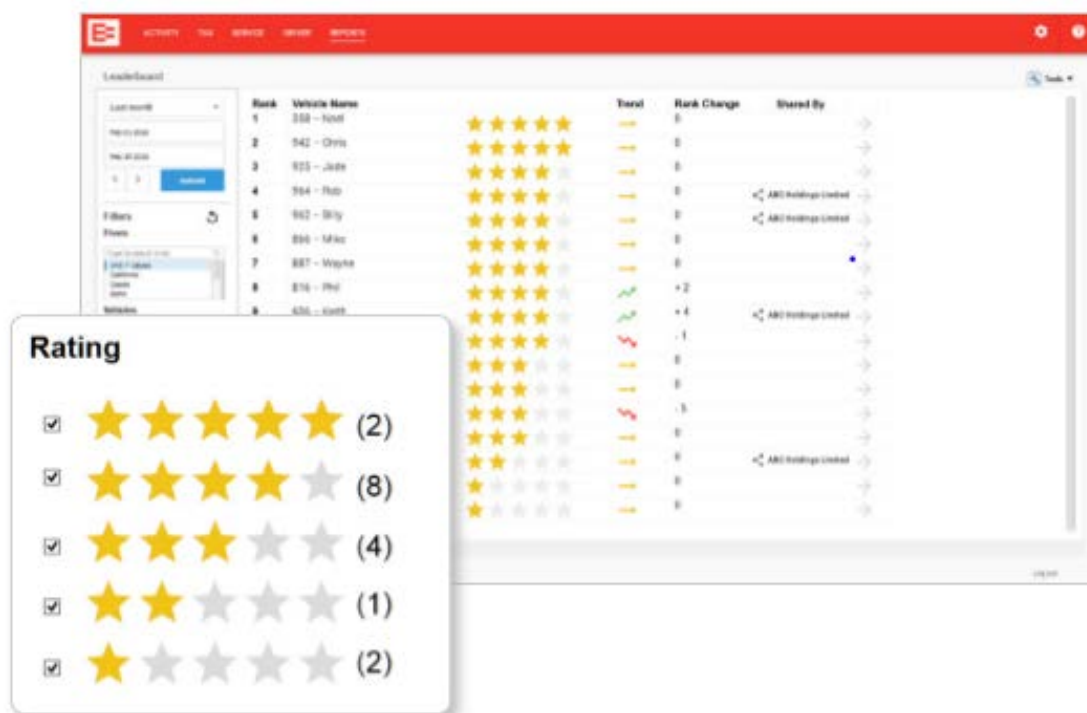
On Road Driving

It has been two months since the Council fleet commenced the transition to our new telemetric vehicle management system ERoad.

The new system provides Council with overspeed data and other driver behaviour measures (e.g. harsh braking, sharp cornering and sharp acceleration) to enable the management of poor driver performance and the recognition of good driver performance.

The Zero Harm Team continues to analyse and report overspeed events to People Leaders on a weekly basis. Actions for undertaking a safety coaching conversation for overspeed events continue to be managed in BWare.

ERoads Driver Leader Board now enables Council to recognise good driving performance. An example of the Driver Leader Board is illustrated below.

The ERoads Driver Leader board ranks Council drivers on speeding, harsh braking and sharp acceleration based on frequency and severity of events. Good driving over time allows drivers to improve their Leader board ranking and star rating. The star rating benchmarks Council drivers against the ERoad client driving population. The graph below illustrates Council drivers star rating for the first two months following implementation.

The Zero Harm team is currently finalising how Council will recognise good driving performance on a monthly basis.

WDC ERoad Driver Star Rating
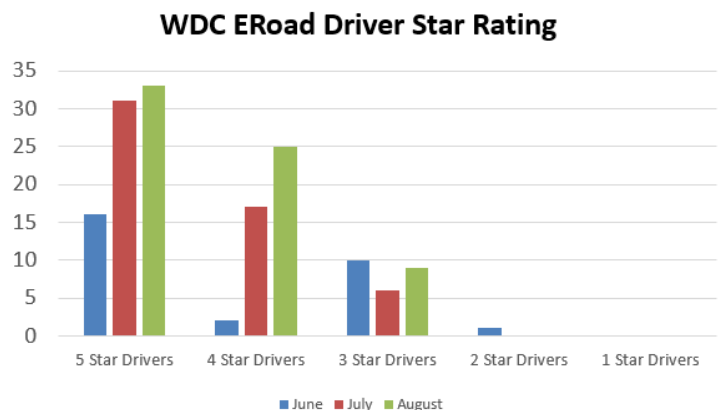
<u>Working with Dangerous Animals</u>

Following analysis of three injury events that have occurred in the past four months while handling dogs, the Zero Harm Team has recommended to the General Manager Customer Support and the Chief Executive to expediate the completion of a bowtie for critical safety risk of working with dangerous animals. An external safety consultant has been engaged from Impac Services Ltd to facilitate the bowtie workshop with representatives from the Animal Control Team. This workshop is scheduled for 21st October 2020.

People and Organisational Safety Culture

Leadership and Governance

The KMPG H&S Governance Audit identified the need to provide training to those who are tasked with providing effective governance of health and safety across Council. A Health and Safety Leadership and Governance course was delivered by Tom Reeves from Impac Services Ltd to Councillors on 1st September 2020. Another session has been booked for the ELT on 20th October, 2020.

Safety Engagement Conversations

A total of 2028 safety engagement conversations were recorded for the FY19/20 year. This is a 67% increase on the 1211 conversations that were recorded in FY18/19.

A total of 313 safety engagement conversations were recorded in BWare for the month of July and 242 for the month of August. Training and support on BWare use continues to be provided by the Zero Harm Assistant and many people leaders are now using the BWare app on their mobile phone to record their safety engagement conversations.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

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

4.2 OPTIONS

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

5. CONSIDERATION

5.1 FINANCIAL

There are no direct financial requirements identified in this report.

5.2 LEGAL

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

5.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

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

5.4 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

Highest levels of engagement	Inform ✓	Consult ☐	Involve ✓	Collaborate ☐	Empower ☐
	Councillors, as Officers under the Health & Safety at Work Act 2015 are required to undertake due diligence to ensure appropriate health & safety systems are in place and operating.				

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

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

6. CONCLUSION

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

7. ATTACHMENTS

Zero Harm Dashboard – (August 2020)
Zero Harm "Work Safe, Home Safe" Strategic Plan 2020/2021
Workplace Violence Critical Risk Review 20th August 2020

Zero Harm Performance Dashboard - August 2020
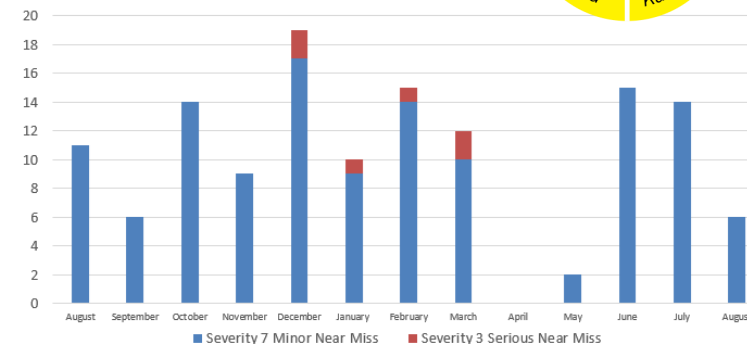
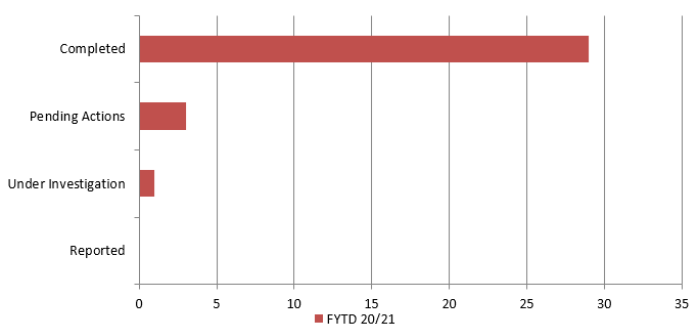## Event Management

Events Reported by Group

Legend: August, September, October, November, December, January, February, March, April, May, June, July, August
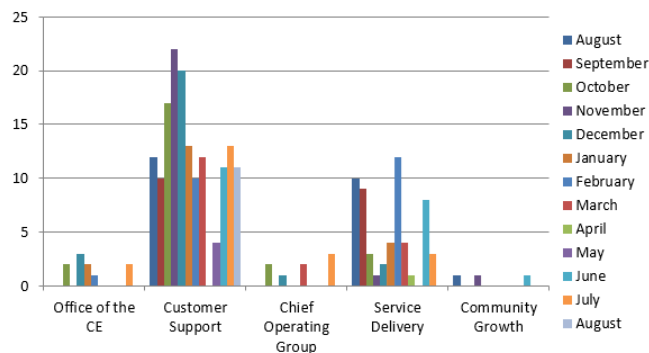
Personal Injury Events by Severity Rating

Legend: Severity 2 (Notifiable illness or injury), Severity 4 (Lost Time), Severity 5 (Restricted Work or Medical Treatment), Severity 6 (First Aid)

Near Miss Events

Legend: Severity 7 Minor Near Miss, Severity 3 Serious Near Miss

Event Manangement Status

Categories: Completed, Pending Actions, Under Investigation, Reported
Legend: FYTD 20/21
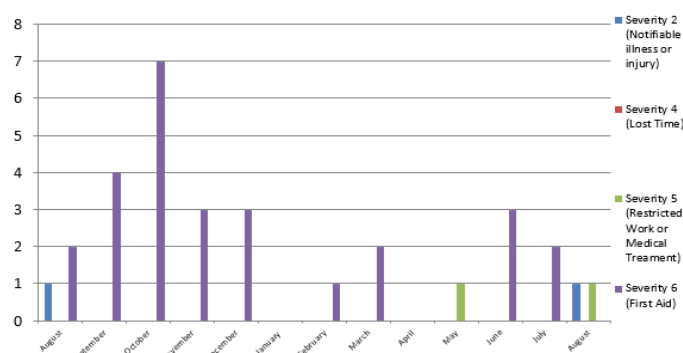
Mechanism of Harm Year to Date

Legend: Fall, trip, slip; Biological factors; Body stressing; Being hit by moving objects; Heat, radiation or energy; Hitting objects with parts of body
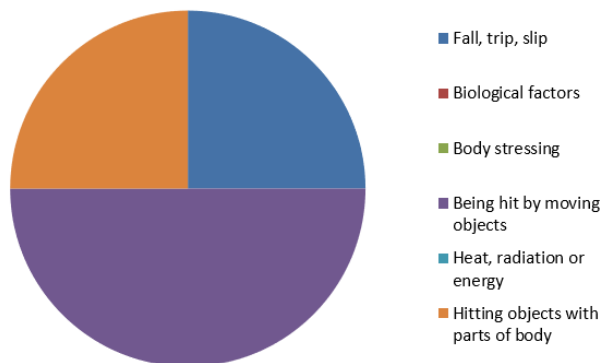
Nature of Injury Year to Date

Legend: Bruising or crushing; Laceration/cut; Puncture wound; Strain or sprain
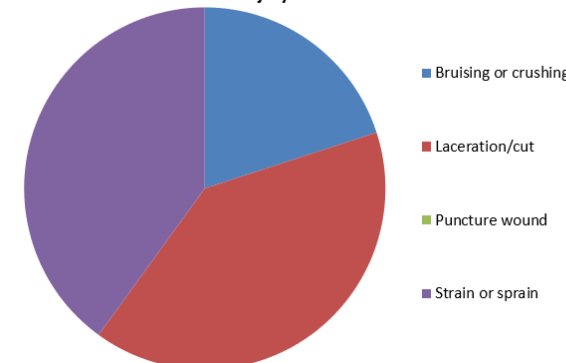
Safety Leadership

Safety Engagement Conversations

Legend: Office of the CE (Target 6), Customer Support (Target 52), Chief Operating Group (Target 44), Service Delivery (Target 30), Community Growth (Target 16)
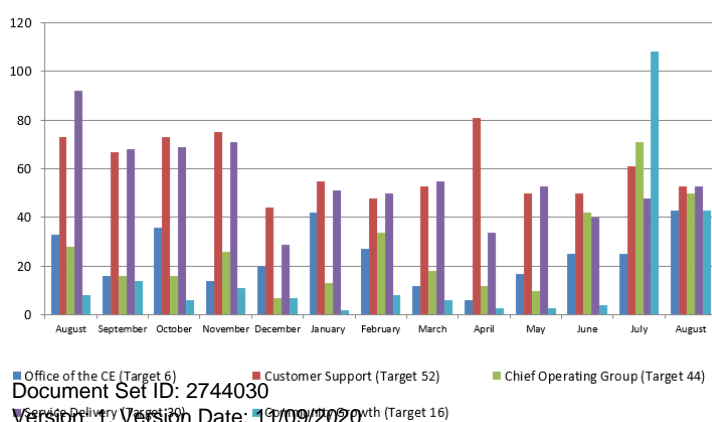
Nature of Safety Engagement Conversation

Legend: Positive, Negative
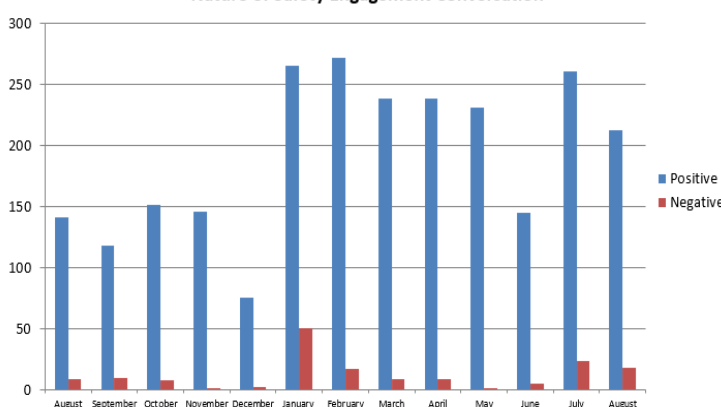
Key Take Outs

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

- Levels of event reporting have returned to previous levels following the Covid-19 lockdown

- One Medical Treatment Injury (MTI) and one WorkSafe NZ Notifiable Injury were recorded in August. Both events occurred in Animal Control.

- On average 10 near miss events are being reported each month

- A total of 242 Safety Engagement Conversations were recorded in BWare in August. This equates to 3.3 conversations per People Leader.

Zero Harm Performance Dashboard - August 2020
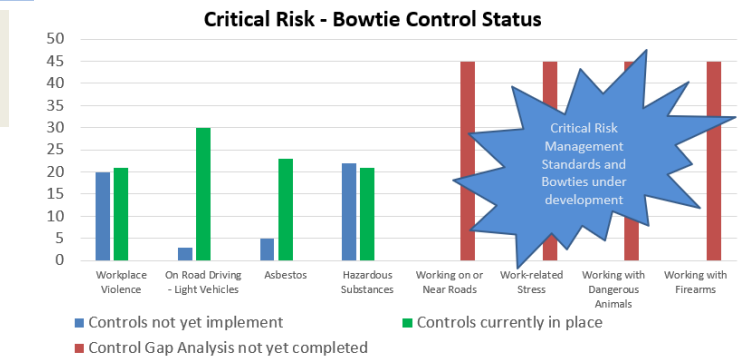
Contractor Safety Management

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

Interaction with other PCBUs

Issues Raised/ Opportunity for Improvement	Actions (Us and Others)	Other Comments
Site induction for new Facilities Maintenance Contract	Contract specific induction developed and delivered to contractor's workers	Good feedback was received from the Contractor regarding the content of induction and the level of engagement with their workers
Access to Asbestos Management Plan for Brownlee Avenue Site	Supply Downer with a copy of the Asbestos Management Plan so it can be incorporated into the Alliance Depot Management Plan	

Critical Risk Management

Risk	Description	People Exposed	Risk Management Activities	Gaps/ Improvements/ Progress	Controls in Place	Controls to be Implemented	Level of Assurance	Incidents/ Issues/Events
On Road Driving	On road driving is a known work-related risk. 353 people died on New Zealand roads in 2019. There is a risk that our people and others could be harmed while driving to and from work, to jobs and meetings, and to site visits. The length of time our people are required to drive varies and some workers are required to be on-call at night and during the weekend. Drives can be long given the geography and layout of our District. Some of our people are also required to drive off-road in rural areas. Driving therefore requires both on and off-road capability, and our fleet contains a variety of vehicles	Workers (ours and contractors), members of the public	ANCAP 4 star rated vehicles. Servicing and maintenance in accordance with manufacturers specifications. Licensed drivers.	Implementation of new telemetric system E Roads is complete with all vehicles having new EHubo and CARA units installed. Monitoring of CARA alerts and emergency response now being managed by Guardian Angel. Have commenced rollout of Fleet coach online driver training programme	30	3	91%	Still a few people not pinning in when driving vehicle. Currently being followed up with relevant people leaders

Critical Risk - Bowtie Control Status

Legend:
- Controls not yet implement
- Controls currently in place
- Control Gap Analysis not yet completed

Critical Risk Management Standards and Bowties under development

Worker Engagement

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

- *New reps have joined SAT from Communications and WDA.*
- *Have requested SAT rep to join Work Safe Home Safe 2021 project team.*
- *Discussed Covid-19 Level 2 controls including the provision of 800 fabric reusable face masks for all staff*
- *Positive feedback was received from SAT members who attended the recent Workplace Risk Management training that was delivered by Impac Services Ltd.*

Date: 28/08/2020 Version 2	Zero Harm *"Mahi Tika Kaainga ora"* Strategic Plan 2020/2021	Lead: Gavin Ion Support: Kylie Anderson and Lynn Shirley

Vision *(Mission)*

Mahi Tika Kaainga ora "Work Safe Home Safe"

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

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

ZERO HARM — Work Safe, Home Safe, Mahi Tika, Kaainga ora

OUR PEOPLE — OUR STAFF ARE ENGAGED, HAPPY AND HAVE THE RIGHT TOOLS TO BE SUCCESSFUL

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

2019 / 2020 Performance

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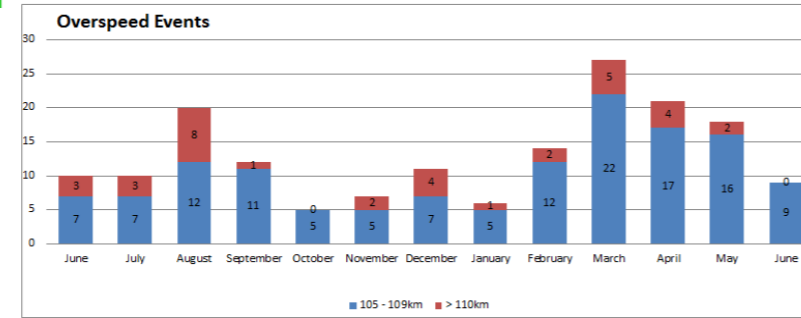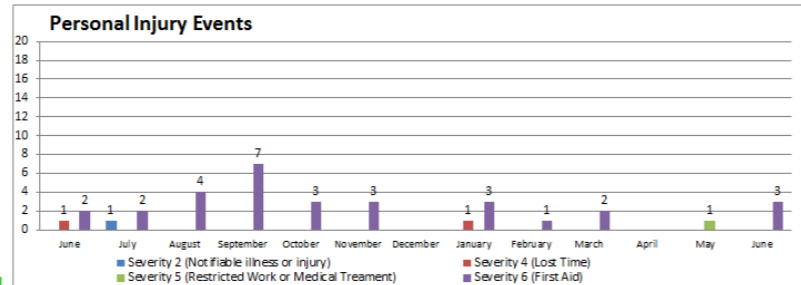
Gaps

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

Personal Injury Events / Overspeed Events charts

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

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

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

Goal	Activities	Lead	Q1	Q2	Q3	Q4
Our People	1. Develop Safety Leadership and Culture Management Standard	ZHT	▣			
	2. Undertake a Safety Leadership survey with all People Leaders	ZHT		▣	▣	
	3. Further develop and deliver Safety Leadership training programme for People Leaders	ELT/ ZHT		▣	▣	▣
	4. Work Safe, Home Safe 2021 Campaign developed and deployed to all workers and councillors	ZHT	▣	▣		
	5. Support and promote the activities detailed in the Wellbeing Collective 2020 Plan	ZHT	▣	▣	▣	▣
Disciplined Management Systems	1. Develop Zero Harm Compliance Calendar	ZHT	▣			
	2. Develop and implement the Zero Harm Management System Framework to AS/NZS ISO 45001:2018	ZHT	▣	▣	▣	
	3. Develop and implement revised Contractor H&S Management System	ZHT	▣	▣	▣	▣
	4. Implement the H&S Training and Competency Management Standard	ZHT	▣	▣	▣	▣
	5. Develop and implement Safe Systems of Work— Job Safety Analysis (JSA) Management Standard	ZHT			▣	▣
	6. Develop and implement ZHSMS auditing programme	ZHT			▣	▣
	7. Develop and implement H&S Legislative Obligations Register and assurance process	ZHT, ELT, Legal				▣
Managed Risks	1. Implement Bowtie Controls for Hazardous Substances, Workplace Violence, Asbestos and On Road Driving Critical Risks	ZHT	▣	▣	▣	▣
	2. Develop Critical Risk Standard and Bowtie for Working on or Near Roads	ZHT		▣		
	3. Develop Critical Risk Standard and Bowtie for Working with Dangerous Animals	ZHT	▣			
	4. Develop Critical Risk Standard and Bowtie for Work-related Stress	ZHT				▣
	5. Develop Critical Risk Standard and Bowtie for Working with Firearms	ZHT			▣	

Zero Harm *"Work Safe, Home Safe"* Strategic Plan 2020/2021
KEY PERFORMANCE INDICATORS

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

Critical Safety Risk Review Form

Waikato
DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

Critical Safety Risk Overview

Risk Description:	*Workplace violence and aggression is defined as violent acts, including physical assaults and threat of assaults, directed toward persons at work or on duty. Workplace violence ranges from offensive or threatening language to homicide.*
Risk Classification:	*Workplace violence and aggression*
Inherent Risk Score:	**Residual Risk Score:**
Number of Controls Implemented:	*28 out of 39* **Number of Controls Still to be Implemented:** *11 out of 39*
Risk Control Status:	*Implementing (72% of controls implemented. This has increased from 60% after the last risk review in November 2019)*
Review Team:	*Kylie Anderson (Zero Harm Advisor), Lynn Shirley (Zero Harm Manager), Sue O'Gorman (ELT Critical Risk Champion and GM Customer Support), Reece Turner (Customer Experience Manager)*
Review Date:	*27th July 2020*
BWare updated by:	*Kylie Anderson*
Date:	*04/09/2020*

#	Review Action	Yes/No/N/A	Comments
1.	Are the implemented controls from the control plan (Bow Tie) still in place, robust and effective?	Yes	*Discussed existing implemented controls. All controls previously implemented remain in place.*
2.	Is there a management (action) plan in place to close out identified control gaps?	Yes	*Actions have been determined and assigned on spreadsheet. Actions have been assigned in BWare*
3.	Are all the actions for identified gaps in the risk control plan (Bow Tie) correctly assigned?	Yes	*Yes, since last review there has been no change in roles who have responsibility for implementing actions*
4.	Are there any outstanding action items for this risk?	Yes	*Implementation of a number of controls has been delayed due to Covid-19. For example, delivery of Front Counter Safety Training.*
5.	Have there been any new hazards identified or events occurred with the same risk classification since the last review? What were the findings from these reports? (Is there anything that needs to be taken into consideration in relation to the management of the risk?)	Yes	*Yes – two key hazards identified. 1. Afterhours Call Centre access to P&R when assigning jobs e.g. to Armourguard for noise control. 2. Councillors travelling out at night to undertake meetings and working alone, especially in areas with no cell phone coverage.*
6.	Are there any new corrective actions that need to be raised as a result of the review of this risk?	Yes	*These will be raised in BWare against the risk*
7.	Has the status of each control been updated (where applicable) for this risk?	Yes	*Updated in spreadsheet*
8.	Have any relevant documents been updated in relation to this risk?	Yes	*ProMapp process – Carry out a Property, Site or Field visit*

Critical Safety Risk Review Form

Feedback to ELT, SAT, Council, Audit and Risk Committee

A significant investment in training our Customer Delivery team has been made over the last six months. Front Counter Safety training has been delivered to 52 Customer Delivery Officers. Staff from Raglan Camp and Hakanoa Camp also attended this training.

Additional personal safety devices have been purchased for lone workers. Rollout and training of stakeholders is currently underway. The personal safety devices used by staff working for the Waikato District Alliance have also been upgraded and aligned with the devices Council is now using.

Funding needs to be provisioned for the delivery of Tactical Communications Training for 107 staff identified as having a medium risk of exposure to potential workplace violence. The cost of delivering this one-day training to 107 staff is approximately $42,000.

Funding also needs to be provisioned for the replacement of the EGIS units currently being used by Customer Delivery staff at all office/ library sites with a more fit for purpose and user friendly device based on worker feedback and testing.

Further Detail Control Actions

Control Description	Progress Comments	Further Action Required	Due Date	Who
Risk Assessment	Fear Free completed assessment at Raglan Camp. All previous assessments completed by Fear Free have now been moved into new template to facilitate reviews going forward.	Complete risk assessment at Hakanoa Camp.	30/10/2020	Kylie Anderson
Risk Assessment		Complete revised risk assessment at new Meremere Library	30/09/2020	Kylie Anderson
Risk Assessment		Arrange review of Fear Free risk assessments for each outer office	30/06/2021	Kylie Anderson
Risk Assessment	Procedures for undertaking risk assessment before field work or site visits now in place	Need to develop ProMapp process for how to check property/customer alerts in P&R	30/10/2020	Reece Turner
Register or Alert System	Alerts continue to be raised in P&R	Check that a process is in place for Hamilton After Hours Call Centre to access to P&R when dispatching jobs	11/09/2020	Brian Cathro
Procedures	The raising of alerts in P&R are being tracked as part of an event investigation in BWare where relevant.	Investigate if it is possible to get a monthly report generated detailing the new alerts that have been raised	11/09/2020	Kylie Anderson
Change Control System	None to date	Action to develop Change Management Standard has been raised in BWare. This is a common control in all four critical risk bowties.	30/11/2020	Lynn Shirley
Risk Assessment	None to date	Action to develop risk assessment of workplace violence as part of Change Control triggers	30/11/2020	Lynn Shirley
Worker Induction	New worker induction management standard has been developed	Developing new worker H&S induction material which will include the critical risk of workplace violence	30/10/2020	Kylie Anderson
Training	Training against processes (SOPs) now being managed using ProMapp training module	Arrange for delivery of 2-day Cert Situational Safety training. Investigate if the two days can be split.	30/09/2020	Shelley Woollett
Policy	Draft policy has been developed by Reece Turner	Policy to be sent to ELT for review and approval	Completed	Reece Turner
Communication	None to date	Work to commence once policy has been approved.	To be advised	Reece Turner

Critical Safety Risk Review Form

Equipment Checks	Monthly usage reports being received from Guardian Angel.	Add monthly checks of EGIS units to Zero Harm Compliance Calendar and track completion of activity in BWare	11/09/2020	Kylie Anderson
Emergency Response Plan Testing	None to date	Undertake review of Site Lockdown Procedures for each facility in ProMapp	30/06/2021	Kylie Anderson
Rehabilitation Procedures	None to date	Develop Injury Management standard. This is a common control in all four critical risk bowties.	30/11/2020	Lynn Shirley

Waikato
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Te Kaunihera aa Takiwaa o Waikato

Open Meeting

To	Audit & Risk Committee
From	Roger MacCulloch, General Manager Service Delivery
	Alison Diaz, Chief Financial Officer
Date	10 September 2020
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	CAPEX Project Delivery Capability

1. EXECUTIVE SUMMARY

At the Audit & Risk Committee meeting on 03 June 2020, the Committee asked staff to report back on the steps being followed to improve the delivery of CAPEX projects, including comment on resource availability, the problems associated with a continually high carry forward balance, and the risks associated with non-delivery.

This report summarises the initiatives underway in the project delivery space to improve performance and address the risks noted above. The General Manager Service Delivery and Chief Financial Officer will be in attendance to present the report and answer any questions that arise.

2. RECOMMENDATION

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

3. DISCUSSION

As shown on the Service Delivery Capital Expenditure table below, the total CAPEX budget for the 2020/21 financial year is $157.1 million, which includes $106.6 million of carry forwards. The delivery of this quantum of work is challenging for the Service Delivery Group given the average annual CAPEX spend over the last 5 years has only been approximately $46 million per year.

Groups	2020 Annual Plan $M	2020 Carry Forwards $M	2020 Budget Reviews $M	2020 Total Budget $M	Actuals YTD $M	Variance YTD $M
Community Connections Total	11.9	17.5	-	29.4	0.5	28.9
Strategic Property	-	3.2	-	3.2	-	3.2
Solid Waste	0.1	0.2	-	0.3	-	0.3
Roading (Excluding Vested)	25.5	23.0	2.1	50.6	2.1	48.5
Waters (Excluding Vested)	10.9	62.8	-	73.7	0.0	73.6
Total (Service Delivery)	**48.4**	**106.6**	**2.1**	**157.1**	**2.6**	**154.5**

The issue of high carry forwards and ongoing non-delivery of projects was identified by Management earlier in the year and staff have been working hard to: clarify what specifically needs to be delivered, and in what order; identify ways of increasing capacity to deliver; and introduce more rigour around project management, reporting and governance. This review has been framed up under the following headings, which were discussed with the Infrastructure Committee on 07 September 2020:

- CAPEX Delivery – Councillor Workshop (14 May 2020)
- Project Prioritisation – Councillor Workshop (20 July 2020)
- Review of project scopes (staff - ongoing)
- Recovery Planning (Built Environment CAPEX Review / Findings)
- Analysis of 2019/20 Carry Forwards
- Costing / prioritisation and integration of Blueprint Project
- Development of the 2020/21 work programme (including internal support requirements)
- Project Management / entry into CAMMs
- Establishment of a revised monitoring and reporting (internal and external) framework

Specific initiatives underway as a result of this work are:

- Clarification of roles and responsibilities for each project:
  - Business owners (Roading, Open Spaces, Facilities, Solid Waste)
  - Programme management protocols (Community Projects, Roading, Alliance, Community Connections)
  - Project managers (internal staff, business partners and consultants)
  - Delivery agent (Alliance, Cushman Wakefield, Contractors, Community Groups).
- The Alliance / Downers are reviewing their project management methodology (regionally) giving us access to specialists / more expertise and more confidence in their ability to deliver projects.
- The 'method' used to deliver each project is being defined (BAU / Co-design / Community led).
- The recommendations from the CAPEX project delivery review are being worked through and implemented to improve the delivery process (planning, procurement, delivery).

- Recruitment of a Project Management Office Manager is underway to improve our project management framework and overall programme management and reporting capabilities.

From a procurement perspective, we have established that the 2018 policy and process content remain relevant and is to be followed by project managers. There are however proposed changes that need to be considered to incorporate the regional framework, streamline content for readability, simplifying forms and adapting to the post-COVID environment.

A Procurement and Contracts Roadmap has also been developed to plan out deliverables in this space and temporary procurement resource has been secured for a three-month period to assist in this work.

Several Service Delivery staff have received clever-buying certification over the past two years and have a good foundation in procurement considerations, however, the induction for new staff into WDC has not traditionally included specific procurement content focusing instead on financial delegations and purchasing processes. A broader education programme will be developed as part of the roadmap deliverables.

After separating out CAPEX projects being delivered by Watercare (~$73 million) and developer led roading projects (~$20 million), there is approximately $63 million worth of projects that the Service Delivery team is gearing up to deliver. This is an ambitious target, particularly given historic performance and the risks of an accelerated work programme on cashflow. However, it needs to be achieved to reduce carry forwards and deliver what has been promised to our communities in the previous Long Term Plan in a timely manner.

4. CONCLUSION

Councils carry forward budgets have been steadily increasing over the last few years whilst Councils project delivery capability has remained static. This has resulted in sub-optimal outcomes for our community and unreasonable expectations on staff.

Following a detailed review of Councils CAPEX delivery portfolio and identification of challenges that need to be overcome, staff have begun implementing a range of initiatives to address the problems identified. Although the full impact of these changes are unlikely to be seen for some months, the new monitoring, reporting and governance disciplines introduced should show positive changes to project status and expenditure, relatively quickly.

![Waikato District Council logo - DISTRICT COUNCIL Te Kaunihera aa Takiwaa o Waikato]

Open Meeting

To	Audit & Risk Committee
From	Alison Diaz
	Chief Financial Officer
Date	14 September 2020
Reference #	GOV1318/ 2746127
Report Title	Chief Financial Officer Report

1. EXECUTIVE SUMMARY

This report aims to keep the Audit & Risk Committee abreast of risks and issues that could impact council and its stakeholders from a financial perspective. Brief updates are included for long-term planning, insurance, and procurement.

Three Waters Reform

Following the announcement of a three waters infrastructure stimulus package of $761 million on July 8 2020, Councils across New Zealand have signed up to a Crown-Territorial Authority Memorandum of Understanding and Funding Agreement relating to three waters reform and the intent to work collaboratively in this space.

The funding package is the first of a three-tranche programme to identify a service delivery approach that considers the establishment of new water service delivery entities. The desire is for these entities to be of significant scale (likely regional/multi-regional), asset owning and preferably collectively owned by Councils.

Tranche one funding has been split in two. The first half of the allocation is for the individual council and is based on a 75% population, 25% land area formula. Councils in the region have opted to keep a consistent methodology in the assignment of funds for collaborative projects. Subject to sign-off by the Crown, Waikato District will receive $5.67 million for local area projects and $5.67 million to use on broader regional initiatives. Council is required to provide a stimulus delivery plan specifying how the funds will be allocated. The projects put forward need to improve the safety of water supplies, and/or the environmental performance of both drinking water and wastewater systems as well as support economic recovery from the Covid-19 pandemic. The funds can be used to address projects already included in Long-term Plans, works that have been deferred due to the pandemic, through to works that are not funded in any plan.

Tranches two and three of the reforms have not yet been detailed, but early indications are that any funding will be related to the establishment of the aforementioned service delivery vehicles.

Pressure points from a financial perspective could be:
- Timing considerations/ability to utilise available funding – expenditure must be completed by 31 March 2022
- Projects requiring resource consent cannot reasonably be considered within the specified timeframes – reducing the ability to focus on strategically significant construction projects (e.g. Te Kauwhata wastewater solution).
- Contractor availability – potentially higher cost in the market
- Investment in 'new' unplanned works may lead to ongoing operational/maintenance costs not yet factored into budgets
- Re-work/additional expenditure to determine appropriate collaborative service delivery solutions – no 'first mover' advantage

The opportunities could be/are:
- Availability of crown funding
- Increased third-party capital investment within the district due to improved water/wastewater
- Heightened focus on progressing cross-boundary infrastructure projects

Other legislative change

There has been a raft of pandemic-related and other legislation passed in recent months. The table below outlines the purpose and considerations for Council:

Legislation	Purpose	Considerations
COVID-19 (fast track consenting) Act 2020	Introduced for the period of one year to urgently promote employment, support investment while promoting sustainable management of natural and physical resources. Certain projects will be subject to 'fast-track' consents via an expert consenting panel (ECP).	A six home papakainga development in Whaingaroa, Raglan is included in schedule two of the Act. This area may fall within the Whaanga Coast wastewater scheme. Development contributions are no longer subsidised. Council will need to provide information on request to the ECP. Actual and reasonable cost recovery is allowed for in the Act.
Infrastructure Funding and Financing Act 2020	Allows for Special Purpose Vehicles to be created to finance and construct infrastructure. This will support mainly 'greenfield' development to progress in a timelier manner. Recovery of costs will come via Local Authority administered levies. A levy administration agreement will be required for each SPV.	Mandatory levies would be administered by council using current rating systems, processes, and powers. Key assumption is that a levy on the land will accelerate release of land at a lower cost to buyers (via lower margins).

Legislation	Purpose	Considerations
Rates Rebate (Statutory Declarations) Amendment Act 2020	This legislation makes it easier for eligible low-income ratepayers to apply for a rates rebate by removing the requirement for a statutory declaration. Ratepayers will be able to verify their details as true and correct without an authorised witness.	This change reduces time and cost for the ratepayer and allows for rates rebates to be processed online.
Privacy Act 2020	The Privacy Act 1993 has been repealed and replaced with new legislation to better promote and protect individual privacy. The legislation also reflects the needs of 'the digital age'.	There will be mandatory reporting of privacy breaches where it has significantly harmed or poses a risk of significant harm, with failure to appropriately notify classified as an offence. Fines for offences under the Act would be up to $10,000.
Remuneration Authority (COVID19 Measures) Amendment Act 2020	Introduced for the period of six months to show leadership in the public sector during the Covid-19 outbreak and show solidarity with the private sector who are losing jobs or facing significant pay reductions.	Remuneration for the Mayor has been reduced for the period 9 July 2020 to 6 January 2021 by approximately $7,000.
Resource Management Amendment Act 2020	This amendment is the first step in a number of proposed changes to the resource management system. This Act seeks to reduce complexity, improve existing processes, improve freshwater management and requires consideration of climate change when making decisions under the RMA.	There are many procedural changes for staff to incorporate, but from a financial perspective resource consents will now be able to be suspended until fixed administrative charges are paid.
Urban Development Act 2020	The Urban Development Act seeks to enable a more coordinated approach to regeneration of existing urban areas (i.e. complex development projects) via assessment, consenting, funding and delivery of Specified Development Projects (SDP) by a centralised agency; Kainga Ora.	Council would administer any rating regime for SDP's (to be advised by the 10 May each year). Council, in agreement with Kainga Ora would be able to retain actual and reasonable costs from any targeted rate. Council's may also have to facilitate development contributions on behalf of Kainga Ora, who may also utilise development agreements.

Long term planning cost increases

This long-term plan our district is likely to be in a position of economic recession from the outset, and as such, providing options for our communities will play a critical part in setting financially sustainable budgets.

Changes to the way infrastructure is delivered may mitigate debt capacity problems for local authorities, but the ongoing costs associated with these investments will ultimately fall to property owners. Careful prioritisation will be required if affordability is to be managed against the desire to support economic and social recovery. Deloitte have developed a Covid-19 impact analysis scenario modelling tool for the sector. The Department of Internal Affairs and Deloitte are in the process of arranging workshops with councils.

It should be noted that the Office of the Auditor General will be setting audit fees for the 2021-31 LTP 7.75% higher than those charged for the 2018-28 LTP audits.

Insurance

The 2019 insurable risk strategy programme was put on hold in December as only 4 of the 12 Waikato local authorities wished to undertake this work. Aon are now working with interested parties directly.

Aon held a series of risk profiling workshops with staff on the 31 July, with broad representation from around the organisation. The first session of the day related to governance and Cr. Gibb, the Deputy Chair of Council's Audit & Risk Committee, was in attendance. The resulting report, which will identify insurable risk weakness/opportunities, is due this month.

Procurement update

The Procurement and Contracts Roadmap work has identified the following priorities for delivery this calendar year:
- Update/review of the council-wide procurement policy
- Preparation of a council-wide procurement strategy
- Development of an end-to-end procurement decision tree
- Cleanse existing procurement templates (amend, consolidate, create, delete)
- Document changes to processes in Promapp including 101 guidelines
- Development of a procurement training programme

Implementation and rollout of changes both to staff and industry is expected to be completed by the end of June 2021. Ongoing category and business strategy review work will continue into the 2022 calendar year.

2. RECOMMENDATION

THAT the report from the Chief Financial Officer be received.

3. ATTACHMENTS

NIL

Open Meeting

To	Audit & Risk Committee
From	Margaret Devlin
	Chair Audit & Risk
Date	03 September 2020
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Audit & Risk Committee Key Achievements

1.   EXECUTIVE SUMMARY

The objective of the Audit & Risk Committee ("the Committee") is to provide advice and recommendations to the Council on the adequacy and functioning of the Council's risk governance frameworks, its control environment, and its processes and policies, to ensure Council fulfils its compliance responsibilities. The Committee provides a communication link between management, auditors and Council and supports measures to improve performance in relation to risk management and internal controls.

The Committee has no decision-making powers but works with Council and the Chief Executive, making recommendations to support the implementation of best practice risk governance.

This report provides a summary of the key achievements of the Committee in accordance with its terms of reference and reports on progress made against its programme of works.

2.   RECOMMENDATION

THAT the report from the Chair Audit & Risk Committee be received.

3.   DISCUSSION

The following provides a summary of the key achievements of the Committee in accordance with their terms of reference and the work programme established for the year. The Committee's annual work programme addresses key risk items and planned topics in addition to standing items where updates are provided at each meeting.

As part of continuous improvement, the Committee meeting agenda was reviewed and refreshed during 2019 to ensure the correct balance of reporting and focus on the key issues was maintained.

It should also be noted that, in response to the impact of the COVID-19 Pandemic, the Committee's annual work programme was adjusted to enable focus on critical activities arising from the pandemic environment. The planned March Committee meeting was focused entirely on Council's planning and response to COVID-19.

Standing Items

- **Chief Financial Officer Report**

  The Committee received quarterly updates on risks and issues that could impact Council and its stakeholders from a financial perspective, including insurance and procurement matters. This is a new report and initiative instigated by the agenda refresh.

- **Strategic Risk Register and Emerging Risks**

  The Committee received quarterly updates on Councils key strategic risks and emerging risks. They also maintain oversight of associated management actions in respect of mitigations. Several new focus areas were identified such as Climate Resilience, with a work programme and priority agreed.

- **Risk Conversations**

  This quarterly report provided the Committee opportunity to engage with key staff to obtain assurance that appropriate controls and culture are in place. Over the past year the following risk areas were discussed:
  - Customer Delivery Team Ngaruawahia
  - Solid Waste Team
  - Legal Team

- **Strategic Risk Deep Dive**

  This report provided in-depth analysis of a key risk each quarter for the purpose of assurance. Over the past year the following risk areas were reviewed:
  - Asset Management
  - Business Resilience
  - Funding Partnerships

  The final report for FY20 was deferred as the Committee worked with Management on addressing the impact and associated risks of COVID-19.

- **Zero Harm Update**

  The Committee received quarterly reviews of Council's Health & Safety performance against agreed targets and provided feedback into the risk control framework. Recently the Committee has been requested by Council to oversee the Critical Safety risks.

▪ **Post Implementation Reviews and/or Incident Debrief Reports**

The Committee carried out project appraisals on key investments or focus areas and reviewed incidents including:

- Dog Registration Reminder Notice Privacy Breach

- Climate Response and Resilience Action

- COVID-19 Reflection and Action

Work Programme

COVID-19 Response Risk Deep Dive

The Committee received and provided feedback on a report, written in the context of Council's strategic risk; Business Resilience, detailing the response to COVID-19 and progress towards recovery from a risk perspective.

Procurement and Contract Management Framework Review

The Committee maintained oversight of progress associated with key improvement initiatives to better manage procurement risk throughout Council including the provision of feedback to Management on the Contracts and Procurement strategic roadmap. This is now included within the Chief Financial Officer report.

KPMG Health & Safety Audit and the Health & Safety Framework Review

The Committee requested an internal audit be undertaken and received a report on Council's Health & Safety Governance proficiency. The review was undertaken as part of the Committee's externally provided internal audit programme. Outcomes and recommendations from the audit were subsequently provided to Council and have been integrated into the Zero Harm work programme.

Integrated Reporting

The Committee received a report from the Chief Financial Officer on Integrated Reporting. This included how the framework had relevance to Council and the potential for implementation. The intention is that the framework be considered for reporting against the next Long Term Plan.

Annual Report

The Annual Report summary was received. The Committee made recommendations to Management associated with reviewing performance (in the context of value for money / over delivering). The Committee maintains oversight of the Annual Report outcomes and current risk assessment associated with the process.

Climate Change Risk Response

The Committee supported a risk-based approach to climate change and provided recommendations to Management on follow up actions including consideration for the addition of Climate Resilience as a strategic risk. Council has since adopted an internal Climate Response and Resilience Policy and staff are working on an action plan to support and implement this policy.

Audit New Zealand Fees

The Committee received the report and having examined outcomes, supported management recommendations regarding additional fee contributions to Audit New Zealand ("Audit NZ").

Risk Management

Council has in place a Risk Management Framework. The Committee has oversight of the annual risk programme which includes reviews of the appetite statements, the risk framework, and the strategic risk register.

Health & Safety

Quarterly reporting provides assurance to the Committee on the operation of the Zero Harm Framework and that progress is being made on delivering identified outcomes through the associated work programme.

In line with Health and Safety Governance best practice, the Committee's workplan also included site visits. In the reporting year, the Committee visited the Water Treatment Plant at Huntly. A second planned site visit, to Huntly Swimming Pool, was delayed as a result of the COVID-19 pandemic and has been rescheduled for September 2020.

Insurance Renewal Process Update

The Committee received the annual renewal report which provided the marketing and renewal outcomes for the major classes of business and commentary on the current insurance market conditions relevant to Local Authorities.

Review of Council Controlled Organisations Statements of Intent

The Committee receives a risk assessment of the Statements of Intent of Council Controlled Organisations.

Control Framework

The Committee is responsible for evaluating the internal control framework. Key achievements this year include:

- Monitoring progress of the annual Internal Audit Programme
- Monitoring progress of internal audit actions
- Monitoring progress of the policies audit
- Providing advice on risk associated with policy review and update

External Accountability

The Committee provides guidance from a governance perspective on risks impacting the preparation of the annual report. Any new issues raised in the Audit Management Report are included as a standing item on the Audit & Risk Committee agenda.

Legislative compliance

The Committee relied on the year-end audit to determine appropriate compliance however the current year work programme had no specific focus on legal compliance. This may be considered this year. Staff are in the process of exploring legal compliance software to improve legislative compliance assurance.

Internal Audit

The Committee supported suspension of additional audit activity over the past 2 years to allow sufficient time for staff to address the identified actions and recommendations from these audits. Significant progress has been made as a result of this strategy and internal audit activity has recommenced. The Committee has received the internal audit on Health & Safety Governance, requested an audit of flexible working which has arisen from Councils COVID-19 response and has agreed to a Resource Consent Revenue Review and a Rates Process Review to be undertaken over the next 12-18 months.

The Committee received and considered the NZTA Investment Audit Report.

External Audit

Reflecting best practice the following are in place:

- Standing invite for Audit NZ to attend all Committee meetings. Audit NZ and Management continue to work together to improve external audit process.

- Committee meetings incorporate a session with Audit NZ only (excluding management) to provide the opportunity for an open discussion with Audit NZ.

4. CONCLUSION

The Audit & Risk Committee, from the advent of COVID-19, has understood that taking a flexible approach to the planned work program was the best way to support Council through the pandemic and recognises that this will continue to be important as the pandemic response develops.

The Committee considers that progress has been made in several areas in the 2019/20 financial year and will continue to monitor progress and implement measures to enhance the control, compliance, and risk framework within Council.

5. ATTACHMENTS

Nil

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	22 November 2019
Prepared by	Kurt Abbot Projects & Innovation Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	KPMG Assessment of Flexible Working Review

1.   EXECUTIVE SUMMARY

The draft internal audit report on Council's Flexible Working Implementation Plan has been received. This review and report has been undertaken as part of the Audit & Risk Committee's externally provided internal audit programme, and was requested following the initial requirement for staff to work at home during the lockdown, but importantly given the COVID-19 uncertainty and need from a business interruption perspective to have a working arrangement in place which is more enduring.

Several recommendations have been provided within this assessment which have management support.   All recommendations are currently being incorporated into the project implementation plan. It is considered the risks and opportunities will continue to evolve as the project develops and so this audit and recommendations will be used as a baseline.

2.   RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3.   ATTACHMENTS

- Draft KPMG Assessment of Flexible Working Implementation Plan

Assessment of flexible working implementation plan

Waikato District Council

Internal Audit Report

14 September 2020

kpmg.com/nz

Contents

Disclaimers

Inherent limitations

This report has been prepared in accordance with our Terms of Reference dated 16 July 2020. The services provided under our Terms of Reference ('Services') have not been undertaken in accordance with any auditing, review or assurance standards. The term "Audit/Review" used in this report does not relate to an Audit/Review as defined under professional assurance standards.

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

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

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1. Executive summary

Introduction

As the response to COVID-19 moves from a short-term response to a long-term shift in how and where people work, organisations that optimally support these new ways of working will thrive. The recent move of New Zealand into Alert Level 2 on the 12 August highlights the need for a mobile workforce to respond rapidly to changes in Alert Levels as part of the national health response.

Prior to the COVID-19 restrictions being put in place, Waikato District Council (WDC) was in the process of setting up the structure and ability for more of its staff to work more flexibly, including remote working. COVID-19 expedited this process and now WDC intends to maintain the gains made.

Objective

The objective of KPMG's review was to assess WDC's flexible working implementation plan, including actions delivered to date. This included reviewing and challenging Management's assessment of risks associated with a flexible working environment, the related mitigations put in place by Management and how this risk assessment has informed the implementation plan.

Overall assessment

WDC has identified that a move to flexible working for the organisation requires a change in culture, behaviours and a high level of trust. Risks related to flexible working have been identified and documented, however there is further work required to detail appropriate risk mitigations, risk owners and prioritisation of the documented risks. We have reviewed actions delivered by the "Flexible Working @ WDC" programme as at 19 August 2020 and WDC has a clear understanding of how outcomes of these actions (e.g. principles and staff survey results) will be included in the next steps of implementation.

WDC has recently assigned an interim programme manager to oversee the "Flexible Working @ WDC" programme. Work is being undertaken to bring together the People, Place and Products projects into the overarching programme of work. The success of WDC's implementation of flexible working is reliant upon each of these projects achieving their own objectives, whilst also being held accountable by the new programme manager for addressing the needs and risks of flexible working.

Key observations

A selection of key observations from KPMG's work are outlined below:

KEEP

Key strengths and positive attributes include:

— Commitment to embracing the gains made during the lockdown period and inclusion of staff feedback.

— Principles have been agreed with the Executive Leadership Team to assist in navigating WDC's flexible working approach.

— Support and coaching of 23 managers, 18 of which with direct reports, to ensure consistent messaging to teams regarding flexible working.

ENHANCE/ AMPLIFY

Key areas for improvement include:

— A permanent programme manager will be assigned to lead a new program of work to align the separate projects that are key to the success of flexible working. Integration and accountability of these projects to the flexible working requirements and risks, and the monitoring / oversight of this is essential going forward.

— The risk assessment was developed during workshops with representatives from the Technology, Human Resources and Zero Harm teams in attendance. Our review identified areas where further consideration could be given to potential risks, for example data protection and cyber-fraud awareness.

EXPLORE & MITIGATE

Key areas to further explore and mitigate include:

— The risk assessment requires the prioritisation of risks, detailing of risk mitigations, allocation of risk owners and agreed next actions.

— Ensure that the risk assessment and actioning of mitigations are included within the overall implementation plan, with a clear understanding by the new programme manager of how the different workstreams are accountable for the flexible working risk assessment in its entirety.

1. Executive summary (continued)

Key observations (continued)

Section 2 outlines the detailed findings and key learnings / recommendations for WDC's consideration.

Overall Management comments

Management agree with the observations and recommendations in this report. All recommendations and considerations within this assessment are currently being incorporated into the project implementation plan. As the project is still in progress, risks and opportunities will continue to develop and be capitalised on while utilising the information contained within this report as a baseline.

2. Detailed observations

👍 KEEP

Consideration of staff views

— **Staff surveys**: WDC has demonstrated commitment to learning from staff experience over Alert Level 3 and 4. A flexible working survey was issued and completed by 327 staff (out of c350 staff in total). The results of this survey have been broken down to a team level and provided to the appropriate People Leaders (with permission from identifiable staff). This information is intended to be used to help People Leaders understand how to manage flexible working best for their team. Aggregate data will also be used in the Team Planning sessions.

— **Feedback from People Leaders**: WDC held drop-in sessions for staff and experienced a high level of openness from People Leaders in relation to both opportunities and challenges of managing teams in a flexible working scenario. These challenges will be addressed in each of the People Leader's individuals coaching sessions.

Development of principles

— **Principles developed and agreed with the Executive Leadership Team:** A workshop was held in July to form a set of principles under the areas of People, Product and Places. The principles were scheduled to be presented to Managers / People Leaders at a launch event on 21 August.

— **Principles to form foundation of culture change:** The principles are intended to be utilised as a tool to form the foundation for changes within team cultures and will be referred to in any performance conversations when considering leadership.

Supporting people leaders

— **Coaching and supporting People Leaders:** Following the launch of flexible working on 21 August, People Leaders will be required to book into a coaching session. This coaching session is designed to assist People Leaders in understanding what flexible working will mean for their direct reports and to assist in designing the Team Planning sessions.

— **People Leaders Toolkit:** A Toolkit for current People Leaders and aspiring People Leaders will be made available to all staff. The Flexible Working People Leaders Toolkit has been drafted, however, it will be merged with a toolkit also produced by Pay, Performance & Recognition before being shared with staff.

Communication

— **Staff updated after the first 30 day sprint:** In recognition of survey results citing that staff struggle with ambiguity, an update was provided to staff to let them know the status of the flexible working programme and what to expect in the next sprint.

— **Chamber Chat:** Flexible working was presented on during the Chief Executive's quarterly update.

ENHANCE / AMPLIFY

Flexible working programme management

Findings & impact

Key learnings / recommendations

Flexible working programme

"Flexible Working @ WDC" has the objectives to, alongside engaging with the Executive Leadership Team to understand the desired spectrum of flexible working, roll out and support the changed behaviour required for flexible working at WDC. Alignment to supporting technology, space and functional changes is also required.

The team has focused upon the people / behaviour element of flexible working and provided support to People Leaders and teams in transitioning to the new normal. "Flexible Working @ WDC" is reliant upon a number of projects to support its objectives.

The People, Place and Product projects are being brought together under the overarching programme of work to ensure alignment. The "Flexible Working @ WDC" programme is being led by an interim programme manager, who will be replaced by a permanent programme manager once appointed.

This programme of work is imperative to align the objectives of the distinct projects. Integration and accountability of these projects to the flexible working objectives and risks, and the monitoring / oversight of this is essential going forward.

Flexible working programme

Consider how the programme's implementation plan will factor in the following considerations:

— Ensure that all projects relevant to flexible working are included within the programme.

— Identify, for each project, the objectives that are required in order to meet the requirements of flexible working.

— Ensure that the timeline of distinct project deliverables are aligned and suitable to the planned roll out of flexible working.

— Connect with project managers on a regular basis to ensure communication is forthcoming in order to identify any issues as early as possible.

— Consider how governance can be built into the programme, for example what metrics will be reported to the Executive Leadership Team to evidence the successful role out of flexible working.

— Consider regular surveys post launch to collate staff feedback on successes and areas for improvements.

— Plan to perform a formal post review of the implementation of flexible working, or stocktake progress made in six months to capture any learnings or issues.

ENHANCE / AMPLIFY

Risk assessment

Findings & impact	Key learnings / recommendations

Identification of risks

Risk assessment workshops were held with representatives from HR, Technology and Health & Safety as subject matter experts to ensure the completeness of the risks identified in relation to flexible working.

A wide range of risks have been identified across technology, performance of staff, and Health & Safety. The risks have been assessed with a rating for likelihood and consequence, and a subsequent low / moderate / high rating.

Our review of the risk assessment identified areas where WDC may wish to give further consideration to ensure all risks are factored into the risk assessment.

Identification of risks

Our review noted the below areas that WDC should consider further to ensure that, if suitable, these risks are included within the flexible working risk assessment:

— Risk of staff being more vulnerable to phishing scams as a result of increased electronic communications, this increases the risk of WDC being subject to fraud or cyber attack.

— Risk of staff spending increased time on social media and breaching WDC's social media policy.

— Risk that as a result of printing from home, working from unsuitable locations (i.e. coffee shops) and unauthorised persons viewing WDC data there is an increased risk of a data protection breach.

— Risk that IT assets may be lost by WDC due to inadequate monitoring of where assets are located and staff that they are assigned to.

— Risk of staff injury due to unsuitable transportation of equipment between office and home.

— Risk that staff are not adequately skilled at IT problem solving at home, which may lead to connectivity or productivity issues.

EXPLORE & MITIGATE

Risk assessment

Findings & impact	Key learnings/recommendations
Completion of risk assessment	**Completion of risk assessment**
As already discussed, the identification and rating of risks has been performed with the relevant subject matter experts involved to ensure completeness. However, further work is required to prioritise the identified risks, detail the risk mitigations that shall be put into place and to allocate risk owners to each mitigation for accountability.	WDC should ensure that the risk assessment exercise is completed with the relevant stakeholders reviewing the prioritisation of risks, and risk mitigations stress tested to ensure the robustness and effectiveness of the mitigation.

Risk owners should be allocated to each agreed mitigation, with clearly prescribed actions and timeframes. |
| **Integration of risk assessment to the flexible working programme management** | **Integration of risk assessment to the flexible working programme management** |
| Once the risk assessment is completed, it is likely that risk owners will sit within a number of projects. For example, technology risks will lie with the Products project and Health & Safety risks will sit with the Zero Harm project. | The flexible working programme manager should ensure that the risk assessment and actioning of mitigations are included within the programme implementation plan, with a clear understanding by the programme manager of how the different workstreams are accountable for the flexible working risk assessment in its entirety.

Consideration should be given as to how WDC will report against the risks moving post launch, for example by issuing a monthly report to the Executive Leadership Team that reflects on whether any of the identified risks have actually turned into issues.

The risk assessment should be continually reviewed to ensure any emerging risks are captured. |

Appendices

Appendix 1: Internal audit scope (extract)

Internal audit objectives

KPMG assessed Management's flexible working implementation plan, including actions delivered to date. This included reviewing and challenging Management's assessment of risks associated with a flexible working environment, the related mitigations put in place by Management and how this risk assessment has informed the implementation plan.

Scope

This review:

— Provided challenge and insight into the completeness of Management's flexible working implementation plan and associated risk assessment;

— Reviewed the mitigations that Management has in place for the risks and the current status of those mitigations according to Management;

— Identified any gaps and / or opportunities for improvement in Management's implementation plan and associated risk assessment; and

— Assessed the actions delivered under the implementation plan to date.

Key areas of focus included people, technology, process, service delivery, information and governance.

The review included understanding the key risks and learnings arising from WDC's flexible working approach during the COVID-19 restrictions and how Management is addressing these in its implementation plan.

Out of scope

This review did not assess or test the design and operating effectiveness of controls.

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Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker Chief Operating Officer
Date	03 September 2020
Prepared by	Madelina Baena-Escamilla, Continuous Improvement Analyst
	Bessie Clarke, Corporate Planner
	Lynn Shirley, Zero Harm Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Quality and Governance Assurance

1. EXECUTIVE SUMMARY

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

- Business Process Improvement Programme;

- Internal Audit activity; and

- Independent Audit New Zealand reviews.

2. DISCUSSION

2.1. Business Process Improvement Programme

2.1.1 Internal Audit Schedule (2019 – 2020)

The process audit programme for the 2019/2020 financial year has been completed. A dashboard summary of internal audit outcomes is presented in Table 1, including the number of internal audits planned and undertaken, the findings, and the number of outstanding non-conformances.

One of the two major non-conformances outstanding in June 2020 has been completed. There is still one non-conformance outstanding; in Table 2 below is the update on these actions.

Table 1 - Outcome of the 2019-2020 Internal Audit schedule

Team	Internal Audits - Planned	Internal Audits - Undertaken	Major Non-Conformances	Minor Non - Conformances	Recommendations	Outstanding Non - conformances
Total			6	18	121	1
Animal Control	4 Audits 15 Processes	4 Audits 15 Processes	4	0	37	0
Operations - Finance - Revenue	1 Audit 3 Processes	1 Audit 3 Processes	1	1	5	1
Operations - People & Capability	1 Audit 4 Processes	1 Audit 4 Process	0	12	6	0
Service Delivery – Community connections - Venue and Events	1 Audit 2 Processes	1 Audit 2 Processes	0	1	11	0
Service Delivery – Strategic Property	1 Audit 3 Processes	1 Audit 3 Processes	0	0	8	0
Service Delivery – Contracts & Partnering	1 Audit 4 Processes	1 Audit 4 Processes	0	0	26	0
Service Delivery - Community Assets	1 Audit 3 Processes	Postponed				
Chief Executive	1 Audit 2 Processes	1 Audit 2 Processes	0	3	9	0
Community Growth - Economic and Community Development	1 Audit 2 Processes	1 Audit 2 Processes	0	0	3	0
Customer Support - Consents	1 Audits 2 Processes	1 Audit 2 Processes	1	1	16	0
Customer Support - Consents	1 Audits 2 Processes	Postponed				

Red	Major Non-conformances haven't been addressed
Orange	Minor Non - Conformances haven't been addressed
Green	All Non - Conformances have been addressed / There were no Non - Conformances

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

Name of Process	Auditor's Findings	Recommendations and Actions to be Taken (February 2020) (Process Owner)	Update on outstanding Actions (June 2020) (Process Owner)	Update on outstanding Actions (September 2020) (Process Owner)
Prepare and Strike Annual Rates (1 Major Non-Conformance)	The Rates Strike Process Lacks Detail	*Agreed. The Rates Strike Process lacked detail to the extent that it would not have been a sufficient tool to undertake the process. Resources will be allocated to document the correct process as the Rates Strike and Charge Run process informs how Council will charge and collect the correct rates revenue to fund its activities. All Rates processes in will be updated in Promap prior to 30 June 2020*	No progress has been made to date on this action. The 2020/21 Rates Strike will be used to put together the detailed process and it is expected this will be completed and reviewed during the first week of July 2020.	No progress has been made due to training delays for the Finance Team Leader – Revenue (lockdown and shifts). The 2020/21 Rates Strike was done by the Finance Manager. The Promapp processes are expected to be updated and full training completed by the end of January 2021.
Receive, set up and undertake Section 88 Check (1 Major Non-Conformance)	Step 1.0 (B) Step is not being carried out by staff and another step has been introduced in its place. Outlines that cheques are received, photocopied and put in a safe. This does not take place and should be removed as payment is receipted into building suspense account. Promapp process should be updated	We can confirm that we will action the two non-compliances identified in the Audit Report. This will be actioned relatively soon.	The recommendations in the report are numerous and cut across a number of our processes, not just the two processes that were audited. We need further time to work through these matters one at a time to see whether we agree with the recommendations and what changes need to be made. The consent team leaders discussed this on the 20th of May 2020 and we feel that we will be better placed to start tackling this when we return to the office under Level 2.	The non-conformances identified by the audit in relation to the 'Receive, set up and undertake Section 88 Check' Process have been updated as of 3 September 2020 after feedback was receive from Front of house staff. **Actions have been completed**

2.1.2 Internal Audit Schedule (2020 – 2021)

The 2020/2021 Internal Audit schedule is currently being created. Two internal audits scheduled to be completed in March 2020 that couldn't be conducted due to the Covid-19 alert level 4 lockdown have been included in this new schedule (Community Assets and Consents).

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

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

2.1.3 Policy Review

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

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

- Unreasonable Complainant Conduct Policy 2020
- Climate Response and Resilience Policy 2020

Other policies being created or reviewed are:

- Significance and Engagement Policy

Policies planned to be reviewed in the following months:

- Development Contributions Policy
- Petitions Policy
- Stock Underpass Policy
- Livestock Movement Policy

2.1.4 Improvement Forum

- In the last three months, the Improvement Forum met using Zoom and MS Teams. The Continuous Improvement Agents keep promoting Continuous Improvement ("CI") and the helping process owners and expert in manage and review their business processes. Since June, we have reduced the number of out of date and the draft process by 37%.

- As part of the Built Environment Recovery Project, the CAPEX and Land Development processes were mapped end to end to identify the connections between teams and see how it flows from start to finish. Several opportunities for improving our customer and internal experience have been identified and will be addressed in the future.

- Process mapping training continues to be delivered online using the Nintex University online training and follow-up meetings using Zoom. In the past three months, four new starters have been trained in process mapping and process improvement as part of their induction.

2.2   Independent Audit Activities

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

Table 1 - Areas of audit issues- May 2020

	Pending	Work in progress	Complete	Total
Audit New Zealand	0	11	25	36
Cyber security	0	1	33	34
Internal audit	0	0	5	5
Procurement and contract management	0	1	14	15
Risk management	0	0	37	37
Project management	0	0	33	33
Total	**0**	**13**	**147**	**160**

Table 2 - "Work in progress" Issues

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

KPMG review of Procurement and Contract Management	Procurement	Develop a procurement strategy and ensure consistency and clarity of procurement guidelines.	Dec-16	Temporary resource has been employed on a short-term basis in the Procurement team, to assist with a number of the actions required. Procurement processes are being drafted and new templates for planning and procuring, which will also give better guidance to staff. Priority items for Procurement Manager are the Procurement Strategy and Procurement Policy update also.
Audit NZ	BC and DR Planning	Develop IM Business Continuity process	2011/2012	2020 - re-opened by Audit NZ "Business Continuity plan be updated with learnings from the Covid-19 pandemic and that regular tests of the plan be scheduled" being addressed through the BCP Review being lead by Projects & Innovation (PR-1390).
Audit NZ	IT Service performance	Change Management	Jul-16	Implemented for TechOne Enterprise Application Suite. Actions to close; rollout change management framework across all core/critical infrastructure & systems, align change process to ITIL (Business Owner ownership), and introduce Standard change and Emergency change process [Close by Dec-20]
Audit NZ	Systems Updates	All devices have virus definition updates and patches applied	Jul-16	Anti-virus solution implemented. Patch Management solution implemented. However, due to COVID response requiring on-prem devices to be deployed to staff homes some devices no longer consistently updated. Being addressed through the Windows 10 project. 49% complete. [Close by Dec-20]
Audit NZ	IM practices	Dashboard reporting on key Information Management initiatives should also include reporting on availability and capacity of IT infrastructure and systems	Oct-18	Re-opened as had stopped due to extended period with no CIO. Re-implement IM Dashboard(s) to measure and report operational & delivery KPI's [Close by Nov-20]

Audit NZ	IM practices	Regular reviews and reporting to be carried out on the network and within applications to ensure that only current approved users have access.	Sep-19	Implemented automated monthly reporting of accounts which have not logged in for 60 days. Implemented monthly review and automated disablement of a/c's not logged in for 60 days. Complete (awaiting confirmation from Audit NZ)
Audit NZ	Systems Updates	Review network administrators accounts and network directory organisational units	Oct-18	In regard to the 3 different aspects of this recommendation, 2 are complete and 1 remains in progress (see below) **1. Admin A/C's on Servers**: Complete **2. Admin A/C's on Network Devices**: Complete **3. Local Admin on PC's/Laptops**: Being addressed through the Windows 10 project. 49% complete. [Close by Dec-20]
Audit NZ	Expenditure- Segregation of duties	Individuals who raise and authorise purchase orders should not also be able to approve the invoice for payment. Ideally, there should also be segregation in the receipting of goods and services however, as a minimum, there should be "one up" approval of all expenditure transactions by invoices being approved by a more senior officer than the officer who authorised the order.	2013/2014	The Electronic Purchase Order system was implemented in 2017-18. We noted that users with delegations of $10,000 and $25,000 could still self-approve their own purchase orders up to their limit. Users with higher limits require one-up approval. The commitment to have segregation of duties between purchasing and payments is not possible due to the end-to-end nature of PO to payment. Any separation would have to occur at the requisition to purchase order phase of the transaction (i.e. before the expenditure is committed to) and council is not sufficiently resourced to implement this as a solution without reducing financial delegations. Full reporting is available across self-approved EPO's and checks take place regularly. Many of the purchase orders raised in the system are subject to other contractual signoffs e.g. professional services panel, notice to contractors for physical works, MOU's etc. This issue is considered closed.

Audit NZ	Service performance reporting- Customer Relationship Management (CRM) system	Ensure additional supporting documentation is used by staff such as job summary sheets that record the dates and times the job started and finished. This will allow an independent review to be performed to confirm information has been entered correctly into the CRM system.	2013/2014	The rollout of mobility recently has addressed this issue.
Audit NZ	Expenditure	Monitoring of fuel card expenditure. Management improves processes for monitoring fuel card usage. The District Council's policies should record the process for monitoring fuel card expenditure and with whom this responsibility lies. New and existing staff would need to be made aware of any change in processes or requirements.	2019/2020	Fleetsmart (a third-party entity), manages the fleet assets and provide various monthly reports to the District Council, including reports on fuel card purchases. Usage is monitored by the Fleet and Facilities Management Officer. The Eroads Depot system has been rolled out which now provides fleet utilisation and fuel usage reports against benchmarks.
Audit NZ	Procurement	Procurement policies and procedures are reviewed and updated in a timely manner and sufficient training is provided to relevant staff who are involved in procurement activities	2018/2019	Procurement processes are being reviewed and new templates for planning and procuring are under development, to give better guidance to staff. Priority items for Procurement Manager are the Procurement Strategy and Procurement Policy update also.

There are a total of 160 issues that have been raised by various audits across the organisation, 147 of which are complete.

Table 3 reflects those items staff consider are completed or a work in progress. These will be validated by Audit NZ during the interim audit process.

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

2.3.   KPMG Health and Safety Governance Audit

Council received 29 improvement actions from the audit undertake by KMPG against its duties in relation Section 44 of the Health and Safety at Work Act. To date we have completed ~ 60% (17 actions), we also have 6 underway and 7 not yet started. All actions have been assigned and time bound in BWare.

With regard to the actions not yet started the two that will impact a large number of stakeholders and require financial resourcing are in relation to legislative compliance. These actions are as follows:

1. Develop health and safety legislative obligations register.

2. Conduct gap analysis using newly developed obligations register.

Currently some investigative work is being undertaken by the Legal Team in relation to a software solution that can support the identification, management and reporting on legislative compliance for the organisation.

3.   RECOMMENDATIONS

THAT the report from the Chief Operating Officer be received.

4.   ATTACHMENTS

- Combined Audit Recommendations September 2020
- Process Audit Schedule 2020-2021

Attachment 1: Combined Audit Recommendations

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

Audit Area	Domain	Recommendation/ Action Required	Date first raised	Proposed Action/Plan – June 2020 A&R Committee comment	Who	By When	Status
KPMG review of Procurement and Contract Management	Procurement	Develop a procurement strategy and ensure consistency and clarity of procurement guidelines. 1) WDC should consider developing a procurement strategy. The strategy should set out: • procurement aims and objectives for the next 3 to 5 years • procurement vision • demonstrates the support by senior management • maps out the major initiatives to be addressed in the forthcoming 3 to 5 years • WDC's public commitment to maintain and improve the day-to-day procurement work within WDC and emphasises a determination to make continual improvements in that work • framework upon which WDC's procurement policy and procedures are based • objectives against which progress can be measured and reported 2) Review procurement guidelines to ensure there is consistency between procurement policy, the manual and ProMapp process descriptions.	Dec-16	Temporary resource has been employed on a short-term basis in the Procurement team, to assist with a number of the actions required. Procurement processes are being drafted and new templates for planning and procuring, which will also give better guidance to staff. Priority items for Procurement Manager are the Procurement Strategy and Procurement Policy update also.	Procurement	Dec-20	Work in progress
Audit NZ	BC and DR Planning	Develop IM BCP process		2020 - re-opened by Audit NZ "Business Continuity plan be updated with learnings from the Covid-19 pandemic and that regular tests of the plan be scheduled" being addressed through the BCP Review being lead by Projects & Innovation (PR-1390).	IM / P&I	Jul-21	Work in progress
Audit NZ	IT Service performance	Change Management	Jul-16	Implemented for TechOne Enterprise Application Suite. Actions to close; rollout change management framework across all core/critical infrastructure & systems, align change process to ITIL (Business Owner ownership), and introduce Standard change and Emergency change process [Close by Dec-20]	IM	Dec-20	Work in progress

Audit Area	Domain	Recommendation/ Action Required	Date first raised	Proposed Action/Plan – June 2020 A&R Committee comment	Who	By When	Status
Audit NZ	Systems Updates	All devices have virus definition updates and patches applied	Jul-16	Anti-virus solution implemented. Patch Management solution implemented. However, due to COVID response requiring on-prem devices to be deployed to staff homes some devices no longer consistently updated. Being addressed through the Windows 10 project. 49% complete. [Close by Dec-20]	IM	Dec-20	Work in progress
Audit NZ	IM practices	Dashboard reporting on key Information Management initiatives should also include reporting on availability and capacity of IT infrastructure and systems	Oct-18	Re-opened as had stopped due to extended period with no CIO. Re-implement IM Dashboard(s) to measure and report operational & delivery KPI's [Close by Nov-20]	IM	Nov-20	Work in progress
Audit NZ	IM practices	Regular reviews and reporting to be carried out on the network and within applications to ensure that only current approved users have access.	Sep-19	Implemented automated monthly reporting of accounts which have not logged in for 60 days. Implemented monthly review and automated disablement of a/c's not logged in for 60 days. Complete (awaiting confirmation from Audit NZ)	IM	Sep-20	Complete (awaiting confirmation from Audit NZ)
Audit NZ	Systems Updates	Review network administrators accounts and network directory organisational units	Oct-18	In regard to the 3 different aspects of this recommendation, 2 are complete and 1 remains in progress (see below) **1. Admin A/C's on Servers**: Complete **2. Admin A/C's on Network Devices**: Complete **3. Local Admin on PC's/Laptops**: Being addressed through the Windows 10 project. 49% complete. [Close by Dec-20]	IM	Dec-20	Work in progress

Audit Area	Domain	Recommendation/ Action Required	Date first raised	Proposed Action/Plan – June 2020 A&R Committee comment	Who	By When	Status
Audit NZ	Expenditure- Segregation of duties	Individuals who raise and authorise purchase orders should not also be able to approve the invoice for payment. Ideally, there should also be segregation in the receipting of goods and services however, as a minimum, there should be "one up" approval of all expenditure transactions by invoices being approved by a more senior officer than the officer who authorised the order.	2013/2014	The Electronic Purchase Order system was implemented in 2017-18. We noted that users with delegations of $10,000 and $25,000 could still self-approve their own purchase orders up to their limit. Users with higher limits require one-up approval. The commitment to have segregation of duties between purchasing and payments is not possible due to the end-to-end nature of PO to payment. Any separation would have to occur at the requisition to purchase order phase of the transaction (i.e. before the expenditure is committed to) and council is not sufficiently resourced to implement this as a solution without reducing financial delegations. Full reporting is available across self-approved EPO's and checks take place regularly. Many of the purchase orders raised in the system are subject to other contractual signoffs e.g. professional services panel, notice to contractors for physical works, MOU's etc. This issue is considered closed.	Finance		Complete
Audit NZ	Service performance reporting- Customer Relationship Management (CRM) system	Ensure additional supporting documentation is used by staff such as job summary sheets that record the dates and times the job started and finished. This will allow an independent review to be performed to confirm information has been entered correctly into the CRM system.		The rollout of mobility recently has addressed this issue.			Complete
Audit NZ	Expenditure	Monitoring of fuel card expenditure. Management improves processes for monitoring fuel card usage. The District Council's policies should record the process for monitoring fuel card expenditure and with whom this responsibility lies. New and existing staff would need to be made aware of any change in processes or requirements.	2018/2019	Fleetsmart (a third-party entity), manages the fleet assets and provide various monthly reports to the District Council, including reports on fuel card purchases. Usage is monitored by the Fleet and Facilities Management Officer. The Eroads Depot system has been rolled out which now provides fleet utilisation and fuel usage reports against benchmarks.			Complete

Audit Area	Domain	Recommendation/ Action Required	Date first raised	Proposed Action/Plan – June 2020 A&R Committee comment	Who	By When	Status
Audit NZ	Procurement	Procurement policies and procedures are reviewed and updated in a timely manner and sufficient training is provided to relevant staff who are involved in procurement activities		Procurement processes are being reviewed and new templates for planning and procuring are under development, to give better guidance to staff. Priority items for Procurement Manager are the Procurement Strategy and Procurement Policy update also.	Procurement	Dec-20	In progress

Attachment 2 - Audit Schedule 2020-2021(First half)

Group/Team	Processes	Owners and experts
Service Delivery - Community Assets	• Complete Parks & Facilities Asbuilt Data Sheets • Enter P&F Asset Data into Asset Finda • Enter P&F Asset Data into SPM	Robert Ashley Joy Rolton
Customer Support - Consents	• Ensure iwi engagement in Resource Consents for activities on the surface of the river • First steps to Determining Notification	AnaMaria d'Aubert Sam Toka Ella Makin Emma Ensor
Community Safety - Environmental Health	• Regulation 110(2)(a-b) - Recognised Agency: Conflicts of interest • Regulation 110(2)(c) - Recognised Agency: Confidential Information • Regulation 110(2)(n) - Recognised Agency: Contractual Arrangements	Tony Pipe Baker Siddique
	• Regulation 110(2)(d) - Recognised Agency: Staffing • Regulation 110(2)(e) - Recognised Agency: Resourcing • Register Template Food Control Plan (FCP)	Tony Pipe Baker Siddique
	• Regulation 110(2)(f) - Recognised Agency: Reporting • Regulation 110(2)(g-h) - Recognised Agency: Records • Process Application to Register Health Premises	Tony Pipe Baker Siddique Sudhir Kumar
	• Regulation 110(2)(i-j) - Recognised Agency: Non Compliance and Corrective Actions • Regulation 110(2)(k) - Recognised Agency: Complaints • Verify Template Food Control Plan (FCP)	Tony Pipe Baker Siddique
	• Regulation 110(2)(l) - Recognised Agency: Internal Management • Regulation 110(2)(m) - Recognised Agency: Review of Performance • Recognised Agency: Continuous Improvement • Recognised Agency: Internal Audit	Tony Pipe Baker Siddique
Customer Support – Customer Feedback	• Manage Customer Suggestions / Feedback • Resolve Customer Complaints • Manage Stakeholder Access for Promapp's Customer Feedback Register • Assign Customer Feedback (Complaints / Compliments / Suggestions) • Manage Customer Compliments • Report Customer Feedback (Formal Complaint, Compliment or Suggestion)	Reece Turner Brian Cathro Sharlene Jenkins

STRATEGIC RISK	RISK APPETITE	RISK LEVEL	PROCESSES	OWNERS AND EXPERTS
Business Resilience Business function is significantly disrupted due to a lack of organisational resilience	Low	Moderate	Risk Management Processes • Assess & Manage Strategic Risks • Assess & Manage Risk – Operational • Assess & Manage Risk – Projects • Monitor & Report on Risks	Kat Jenkins Glynn Mason
Zero Harm Significant harm is caused to workers, or others, due to poor or inactive health and safety procedures, non-compliance with legislative requirements, or inadequate governance/ management of contractual health and safety requirements	Low	Extreme	• Identify, Report and Record a Hazard • Manage and Report a Notifiable Event • Report and Record an Injury, Near Miss or Property Damage Event • Respond to Serious Injury/Medical Incident Emergency	Lynn Shirley Kylie Anderson
Cyber Security Council is exposed to significant business disruption caused by unauthorized access to privileged information and or reduced data integrity resulting from cyber-attack or employee behaviour	Low - Moderate	High	Processes to be confirmed	
Projects & Initiatives Council fails to produce required project benefits due to poor delivery of projects and programmes caused by a lack of procedure or capability	Moderate	Extreme	Project Management • Project Issue Management • Project Change Control • Manage Physical Works Projects • Manage Business Improvement Projects • Close Project • Project Management Routines • Propose Project	Alan Kuyper Kurt Abbot
Asset Management Council fails to provide sustained delivery of core services as the result of critical assets failing or becoming unfit for purpose	Low	High	Processes to be confirmed	
Stakeholder Engagement Council fails to deliver appropriate community outcomes and or wastes resources due to unsuitable stakeholder identification and interaction practices	Low	Moderate	Processes to be confirmed	

Waikato
DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

Open Meeting

To	Audit & Risk Committee
From	Alison Diaz
	Chief Financial Officer
Chief Executive Approved	Y
Reference #	GOV1318 / 2745159
Report Title	2019/20 Annual Report Update

1. EXECUTIVE SUMMARY

The Audit Plan for 30 June 2020 was distributed to the Committee in March this year.

The plan detailed four areas of focus: property, plant & equipment, development contributions, 'three waters' management and management override of controls.

The overall level of risk associated with the annual audit in March was deemed low. However, the ability to deliver in accordance with the planned timeframes has not been possible and through mutual agreement, the final audit has been shifted out by one calendar month to allow the Annual Report to be completed.

2. INTERIM AUDIT

The interim audit was completed in two phases over April and June; the attached interim report to governors is attached for review.

Procurement and Information Management practices have been highlighted as areas with 'necessary' improvements required. Identified forward work programmes will address the issues and are anticipated to be closed off in the next audit cycle (2020/21 audit).

3. COVID-19 IMPACTS

A separate Covid-19 risk assessment questionnaire was completed for Audit NZ in the first week of August. The questionnaire is attached to this report.

At that time, asset valuation reports which were due at the end of July had not been received in entirety. Following further delay in the receipt of these reports, and as a critical input for Council's Annual Report, the final audit has been re-scheduled to commence on the 28 September. The ability to delay is unique to the 2019/20 financial year.

4. RECOMMENDATION

THAT the report from the Chief Financial Officer be received.

5. ATTACHMENTS

- Audit NZ Interim Report to Governors (Draft)
- Waikato DC Covid-19 questionnaire

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Report to the Council on the interim audit of

Waikato District Council

For the year ending 30 June 2020

Contents

Key messages

We have completed our interim audit for Waikato District Council (the District Council) for the year ending 30 June 2020. This report sets out our findings from the interim audit.

The primary purpose of our interim audit was to update our understanding of the District Council's control environment and to gain a better understanding of the issues facing the District Council and how these are being addressed.

We performed a high-level review of the District Council's control environment. Overall, we are satisfied the control environment is effective for the purpose of undertaking an efficient and effective audit, our review also identified areas where we believe the control environment can be enhanced. These matters are detailed in section 2 of this report.

The uncertainty arising from Covid-19 may create risks that the District Council has not previously experienced. We encourage the District Council to consider the effects of Covid 19 on its financial statements and performance information as early as possible and discuss these with us to ensure 'no surprises' to either party.

We also followed up on the status of issues raised in previous audits. These are detailed further in Appendix 1.

Thank you

We would like to thank the Council, management, and staff for their assistance during the interim particularly given the challenges in completing the audit remotely.

Clarence Susan
Appointed Auditor
21 July 2020

1   Recommendations

Our recommendations for improvement and their priority are based on our assessment of how far short current practice is from a standard that is appropriate for the size, nature, and complexity of your business. We use the following priority ratings for our recommendations.

Priority	Explanation
Urgent	**Needs to be addressed *urgently*** These recommendations relate to a significant deficiency that exposes the District Council to significant risk or for any other reason need to be addressed without delay.
Necessary	**Address at the earliest reasonable opportunity, *generally within six months*** These recommendations relate to deficiencies that need to be addressed to meet expected standards of best practice. These include any control weakness that could undermine the system of internal control.
Beneficial	**Address, *generally within six to 12 months*** These recommendations relate to areas where the District Council is falling short of best practice. In our view it is beneficial for management to address these, provided the benefits outweigh the costs.

1.1   New recommendations

The following table summarises our recommendations and their priority.

Recommendation	Reference	Priority
Procurement policies and procedures are reviewed and updated in a timely manner and sufficient training is provided to relevant staff who are involved in procurement activities.	2.1.1	Necessary

1.2   Status of previous recommendations

Set out below is a summary of the action taken against previous recommendations. Appendix 1 sets out the status of previous year's recommendations in detail.

Priority	Priority			
	Urgent	**Necessary**	**Beneficial**	**Total**
Open or partially resolved	-	9	1	**10**
Implemented or closed	-	1	-	**1**
Matters that will be followed up during our final audit visit	-	7	-	**7**
Total	**-**	**17**	**1**	**18**

2   Assessment of internal control

The Council, with support from management, is responsible for the effective design, implementation, and maintenance of internal controls. Our audit considers the internal control relevant to preparing the financial statements and the service performance information. We review internal controls relevant to the audit to design audit procedures that are appropriate in the circumstances. Our findings related to our normal audit work and may not include all weaknesses for internal controls relevant to the audit.

2.1   Control environment

The control environment reflects the overall attitudes, awareness, and actions of those involved in decision-making in the organisation. It encompasses the attitude towards the development of accounting and performance estimates and its external reporting philosophy and is the context in which the accounting system and control procedures operate. Management, with the oversight of those charged with governance, need to establish, and maintain a culture of honesty and ethical behaviour through implementation of policies, procedures, and monitoring controls. This provides the basis to ensure that the other components of internal control can be effective.

We have performed a high-level assessment of the control environment, risk management process, and monitoring of controls relevant to financial and service performance reporting. We considered the overall attitude, awareness, and actions of the Council and management to establish and maintain effective management procedures and internal controls.

Overall, we concluded that the control environment is effective. Our review also identified an area where improvements can be made to the control environment.

2.1.1   Procurement processes and procedures

We reviewed the District Council's processes and procedures for procurement. We noted that the procurement policy, manual, and template documents have not been updated since 2018. We also noted that staff involved in procurement activities are not provided training regarding the District Council's procurement processes and procedures.

Based on discussions with procurement staff, we understand progress has been slow due to the workload of staff in the procurement team. The District Council currently has a Procurement Manager; however, we understand there are no other team members involved in procurement. There is a risk that staff across the District Council are following outdated policies and procedures and staff do not have the appropriate skills to perform procurement efficiently and effectively.

Recommendation

We recommend the procurement policies and procedures are reviewed and updated in a timely manner.

We also recommend sufficient training be provided to relevant staff who are involved in procurement activities.

Management comments

The 2018 policy and process content remain relevant, with proposed changes relating to the incorporation of the regional framework, streamlining content for readability, simplifying forms, setting up templates and adapting to the post-COVID environment. A Procurement and Contracts Roadmap has been developed to plan out deliverables in this space and temporary procurement resource has been secured for a three-month period to assist in this work.

Several Service Delivery staff have received clever-buying certification over the past two years and have a good foundation in procurement considerations, however, the induction for new staff into WDC has not traditionally included specific procurement content focusing instead on financial delegations and purchasing processes. A broader education programme will be developed as part of the roadmap deliverables.

2.2   Internal controls

Internal controls are the policies and processes that are designed to provide reasonable assurance as to the reliability and accuracy of financial and non-financial reporting. These internal controls are designed, implemented, and maintained by the Council and management.

We reviewed the internal controls, in your information systems and related business processes. This included the controls in place for your key financial and non-financial information systems.

We found that the controls are design effective and have been operating effectively throughout the period, to enable us to plan and undertake a controls reliance audit.

2.3   Information technology general controls review

We have updated our understanding of the information technology (IT) control environment. We reviewed aspects of the District Council's general IT control environment and this has been assessed as design effective. The areas we reviewed were:

- IT governance;

- management of security service;

- change management;

- management of service requests and incidents;

- management of continuity;

- management of availability and capacity; and

- management of programmes and project.

We also followed up on prior year issues and the status of these issues is included in Appendix 1. Overall, there has been slow progress in addressing matters that we have raised in prior years, some as early as 2011/12, and even some areas slipping backwards.

We also note there have been staffing changes at the District Council, including a new Chief Information Officer starting in recent months. This will hopefully lead to the required improvements taking place.

Recommendation

We encourage the District Council to improve the information technology control environment and address the deficiencies identified in this area.

3 The impact of Covid-19 on financial reporting and performance information

Covid-19 is having a varying impact throughout the public sector affecting, amongst other things, asset valuations, project timelines and costs and revenue streams.

The inclusion of good disclosure in the Annual Report about the implications of Covid-19 on the District Council will be important to stakeholders. In our view, the readers of the Annual Report could reasonably expect the Covid-19 related disclosures to include:

- General disclosure about Covid-19 and any resultant impact on the District Council during the alert levels.

- Disclosure about how the District Council's financial and non-financial performance has changed due to Covid-19.

- Disclosure about the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts to assets and liabilities within the next financial year (as required by Public Sector PBE standards).

- Disclosure about any non-adjusting subsequent event for matters that occurred after 30 June.

Audit New Zealand is developing a series of Bulletins in response to Covid-19 focused on providing guidance to public entities. These Bulletins will provide useful information, in particular when considering the implications of Covid-19 on:

- revaluations of property, plant and equipment, and investment property[1]; and

- service performance reporting.

The Office of the Auditor-General has indicated an expectation that an emphasis of matter paragraph will be included in audit opinions for all entities with 31 March and 30 June 2020 year-ends, **highlighting the above relevant disclosures** made by each entity in the financial statements and performance report. If there any issues relating to the measurement of balances disclosed in the financial statements, or there is a material uncertainty, there may be further modifications to the audit opinion. This does not in any way imply criticism of the District Council, but simply reflects the uncertainty created in the current post-Covid-19 environment.

We suggest that the District Council undertakes a formal, systematic assessment of the impact on its Annual Report of Covid-19 especially the financial statements.

As the audit impacts of Covid-19 are still being worked through, we will update the District Council on developments when we are informed of them.

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[1] https://auditnz.parliament.nz/good-practice/public-sector-reporting/bulletin-one

The Covid-19 pandemic has and will impact on the timing of audits. Our general experience has been that audits take longer for two principal reasons. Firstly, client and audit staff working remotely, is overall, less efficient for the audit process. Secondly, the Covid-19 pandemic has created complex and challenging accounting and auditing issues that have and are taking time to address.

We expect that it will not be possible for all audits of public entities to be completed within the existing statutory deadlines. Consequently, we may need to prioritise the completion of audits based on both entity readiness and our own resource capacity to address the additional time expected to complete audits. We will maintain regular dialogue with management and the Board over the coming months.

There are also potential implications of Covid-19 on the District Council's Annual Report arising from any impact on the control environment during lockdown.

4   Other matters of interest

4.1   Adoption of new accounting standards

Public benefit entities must apply the new "group" accounting standards in preparing their 30 June 2020 financial statements. These standards are:

- PBE IPSAS 34 *Separate Financial Statements*;

- PBE IPSAS 35 *Consolidated Financial Statements*;

- PBE IPSAS 36 *Investments in Associates and Joint Ventures*;

- PBE IPSAS 37 *Joint Arrangements*; and

- PBE IPSAS 38 *Disclosure of Interest in Other Entities*.

We reviewed management's assessment of the impact of the new group standards and are satisfied the accounting treatment of the entities within the group remain appropriate under the new accounting standards.

Appendix 1: Status of previous recommendations

Open recommendations

Recommendation	First raised	Status
Necessary		
Contract management		
The District Council: • develop and implement a fully functional contract management system; • update the policy and guidance documents covering contract management activities; • have a dedicated individual or team in place with responsibility for oversight of contract management activities; and • put in place a centralised contract management system, which captures all contract information.	2015/16	The District Council planned to implement the contracts management module of TechOne. This work has stalled, as TechOne needs to be configured to suit requirements. Staff are talking to the TechOne team to help configure the module with IT providing support. There is no standalone contract management policy as the District Council want to incorporate this into the Procurement manual. The Procurement manual and framework are currently being updated to be consistent with the Regional Procurement Framework released by LASS. The Contracts and Partnering, Procurement and legal teams are working together to develop a roadmap of what their work will look like over the next couple of years. Their aim is to jointly work together in the contract lifecycle and manage resources between the three areas to prevent overlap. **Partially resolved**

Recommendation	First raised	Status
Necessary		
Monitoring of fuel card expenditure		
Management improves processes for monitoring fuel card usage. The District Council's policies should record the process for monitoring fuel card expenditure and with whom this responsibility lies. New and existing staff would need to be made aware of any change in processes or requirements.	2018/19	Fleetsmart (a third-party entity), manages the fleet assets and provide various monthly reports to the District Council, including reports on fuel card purchases. Usage is monitored by the Fleet and Facilities Management Officer. Management are currently planning the rollout of the Eroads system and policies will be updated as part of this process. **Partially resolved**
Regular reviews of network users are not being performed		
Regular reviews and reporting be carried out on the network, and within applications, to ensure that only current, approved users have access. These reviews could include automated weekly reports of users who have not logged in for a period of time.	2018/19	No reviews of users on the network or applications is being performed. **Open**

Management comment:

This risk is being managed as follows:

- *User passwords automatically expire after 90 days (aligned to NZISM standard)*

- *Periodic (monthly) checking of Active Directory accounts which have not been used in 60 days has been instigated (1st check completed Aug-20)*

- *We are moving increasingly to AD integrated authentication (either through AzureAD or ADFS) for applications and as a result user application access will increasingly be controlled through their AD account. The Intranet, BWARE, Promapp, TechOne ECM / CI Anywhere, etc. have been migrated to AD integrated authentication for application access.*

- *The rollout of AzureAD (in progress & due for completion Dec-20) enhances the councils user access security position through the implementation of; secure sign-on, multi-factor authentication, Intune, & identity governance controls to control access to apps and data for all users.*

Longer term the HRIS solution will be implemented providing the authoritative record of the people (employees, contractors, persons of interest) engaged by the organization. The HRIS projects is an approved initiative within the capital plan.

Review network administrators accounts and network directory organisational units	

A review of the Domain administrator network accounts be done, and any redundant accounts removed. A review of the Organisational Units on the network and accounts within those structures should also be completed and accounts moved into their correct areas. Any redundant accounts should also be removed.	2017/18	There has been some reduction in generic privileged accounts on the network, however we still note that there are a high number of staff with this level of access. **Partially resolved**

Management comment:

There is no longer local administrator rights for users and it will require local administrator rights to install no standard build applications on the PC. All administration of network resources is done via individual "accounts" which reduces the use of the Generic "admin" accounts.

Enhancing our security position is a key delivery objective embedded within the Windows 10 project. With the Windows 10 work we have created a new local administrator account that primary job is to bring down our build from InTune to the local machine. Staff will no longer have local admin access rights.

IT change management		
Change management procedures are implemented and all changes are logged and approved before they are made to live systems.	2014/15	Changes to the Technology One software are following change management processes but this is not enforced across IT. Infrastructure changes are not being logged or following any approval processes. **Partially resolved**

Management comment:

As noted, the council has implemented Change Management across the Tech 1 suite of products which covers most of its core & mission critical applications. It is recognised that the council needs to rollout appropriate IM Change Management (people, process, & technology) across all core applications & infrastructure. This has been deferred in favour of other initiatives and the need to reprioritise resource to the COVID response. The plan is for this to be progressed within the 2020/21 year.

Recommendation	First raised	Status
Necessary		
Expenditure – segregation of duties		
Individuals who raise and authorise purchase orders should not also be able to approve the invoice for payment. Ideally, there should also be segregation in the receipting of goods and services however, as a minimum, there should be "one up" approval of all expenditure transactions by invoices being approved by a more senior officer than the officer who authorised the order.	2013/14	The Electronic Purchase Order system was implemented in 2017-18. We noted that users with delegations of $10,000 and $25,000 could still self-approve their own purchase orders up to their limit. Users with higher limits require one-up approval. This has been included as part of the wider procurement improvements programme. **Partially resolved**
Service performance reporting - Customer Relationship Management (CRM) system		
Ensure additional supporting documentation is used by staff such as job summary sheets that record the dates and times the job started and finished. This will allow an independent review to be performed to confirm information has been entered correctly into the CRM system.	2013/14	There have been discussions surrounding the use of Smartpads, but no delivery date or planned use is confirmed at this stage. **Open**
All devices have virus definition updates and patches applied		
Ensure all devices have virus definition updates and patches applied.	2013/14	No progress has been made on this issue in 2019/20. **Open**

Management comment:

Sophos Endpoint Security has been deployed on all Microsoft Windows devices, which is configured to check for updates every 60 minutes.

The protection of endpoint devices is being further enhanced during the 2020 year through the following which are included within the Security Enhancement deliverables within the scope of our Windows 10 project:

- *Deployment of Microsoft Intune to provide Mobile Device Management (MDM) & Mobile Application Management (MAM) capability. Intune will be deployed on all Windows Laptops & Tablets to provide MDM, manage security, including Microsoft patching*
- *Deployment of BitLocker – Bitlocker encrypts the hard-drive to ensure that if the device is lost / stolen that confidential data cannot be accessed by a 3rd party.*

We have started the rollout, which is due to be completed by Dec (delayed due to COVID and freight delays in getting laptops in NZ).

Business continuity and IT Disaster Recovery planning	

Develop and test organisational business continuity plans. This planning should drive the development of an IT Disaster Recovery Plan. Plans should also be tested on a regular basis to ensure they are still meeting the organisations objectives for acceptable risk and levels of services to its customers.	2011/12	The IM Business Continuity plan has not been updated or tested this year. We recommend the IM Business Continuity plan be updated with learnings from the COVID-19 pandemic and that regular tests of the plan be scheduled. **Open**

Management comment:

The councils BCP plan was tested in a real-world context as a result of COVID. As a result of the increased transition to Cloud, SaaS offerings, and working from Anywhere within the District (including WFH) there is recognition that the councils BCP and DR plans (people, process, & technology), which IM forms a component, need to be reviewed. The intent of this review is to implement a cross organisational business continuity framework to enable planning and delivery of core services during a time of disruption. This initiative has been prioritised for the 2020/21 year under the Business Continuity (PR-1390) and will be led by the councils Projects & Innovation team. This work is scheduled to commence in August.

Recommendation	First raised	Status
Beneficial		
Develop availability and capacity reporting on IT Infrastructure and systems		
Dashboard reporting, as well as including matters currently being reported, also include reporting on the availability and capacity of IT infrastructure and systems.	2017/18	Since the CIO left in 2019, no reporting is being produced on IT / IM performance. **Open**
Management comment: *A trial interim reporting solution was implemented by the previous CIO which was very much a trial and was a manual process. When he left, and due to the period of there being no CIO, the trial ceased. The implementation of a more permanent and robust IM Dashboard & KPI's is on the new CIO's personal Delivery / KPI Plan for 2020/21.*		

Implemented or closed recommendations

Recommendation	First raised	Status
Necessary		
Masterfile changes		
Someone who does not have write access to the system independently reviews all expenditure masterfile changes.	2018/19	The staff member reviewing the masterfile changes still has write-access to the system. We understand this access is only used when there is a shortage of staff or if it is urgent. Any changes made by the reviewer are sent to the Finance Manager for approval. Our testing of masterfile changes confirmed that the Finance Manager is appropriately reviewing these changes. As this review process is being performed, we have closed this matter. **Matter closed**

Recommendations to be followed up during our final audit visit

Recommendation	First raised
Necessary	
Three waters management	

Management seek external accounting advice on how the contract should be treated in the 2019/20 financial statements. Resolving this early will enable certainty around the reporting requirements prior to the final audit visit. The District Council should also have monitoring and reporting processes in place to get assurance that the expected level of service is met and can be reported in the Annual Report.	2018/19

Recommendation	First raised
Necessary	
2019/20 rates funding impact statement	
The District Council consider the impact of the breach of schedule 10 clause 20(5) of the Local Government Act 2002 that if sources of funding include a general rate or targeted rate the funding impact statement must include examples of the impact of the rating proposals for the rates assessed on different categories of rateable land with a range of property values. For future Long Term Plans and Annual Plans, the District Council will need to ensure such disclosure requirements of the Local Government Act 2002 are met.	2018/19
Vetting times for building consents	
Ensure the correct start date/time is used for building consent applications, when taking into account the vetting periods.	2018/19
Overhead rate for roading valuation	
Perform a review of the overhead charges from recent contracts to determine if 10% is still an appropriate overhead factor to use in the roading valuation. This review would need to be completed before the next annual roading valuation.	2018/19
Unit rates for roading valuation	
Perform a detailed review of the unit rates applied to the roading valuation. This review would need to be completed before the next annual roading valuation, so that any updated unit rates are factored into the next valuation.	2018/19
Financial instruments disclosures	
Future annual reports include disclosures about derivative financial instruments' potential movements, if there are significant changes to the OCR after balance date.	2018/19
Review of leases	
Review and update its listing of leases. This should include incorporating changes to existing leases, and adding in new leases signed during the year.	2017/18

Appendix 2: Disclosures

Area	Key messages
Our responsibilities in conducting the audit	We carry out this audit on behalf of the Controller and Auditor-General. We are responsible for expressing an independent opinion on the financial statements and performance information. This responsibility arises from section 15 of the Public Audit Act 2001. The audit of the financial statements does not relieve management or the Council of their responsibilities. Our audit engagement letter contains a detailed explanation of the respective responsibilities of the auditor and the Council.
Auditing standards	We carry out our audit in accordance with the Auditor-General's Auditing Standards. The audit cannot and should not be relied upon to detect every instance of misstatement, fraud, irregularity or inefficiency that are immaterial to your financial statements. The Council and management are responsible for implementing and maintaining systems of controls for detecting these matters.
Auditor independence	We are independent of the District Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners,* issued by New Zealand Auditing and Assurance Standards Board. To date, other than the audit, we have no relationship with, or interests in, the District Council or its subsidiaries.
Fees	The audit fee for the year is $162,400, as detailed in our Audit Proposal Letter. To date, we have charged $18,855 (GST exclusive) for probity review and ad hoc support. We will be charging separate fees for the audit of the debenture trust deed.
Other relationships	To date, we are not aware of any situations where a spouse or close relative of a staff member involved in the audit occupies a position with the District Council or its subsidiaries that is significant to the audit. We are not aware of any situations to date where a staff member of Audit New Zealand has accepted a position of employment with the District Council or its subsidiaries during or since the end of the financial year.

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AUDIT NEW ZEALAND
Mana Arotake Aotearoa

COVID-19 questionnaire

Client: Waikato District Council

Responses prepared by: *Multiple staff (reviewed by Alison Diaz, CFO)*

The purpose of this questionnaire is to help us understand some of the risks and challenges that you are facing in preparing your accounts as a result of COVID-19 and to facilitate further discussion. If you are unsure about any of the questions below, please contact your Appointed Auditor or Audit Manager to discuss.

Question	Response
General	
Are you aware of the COVID-19 bulletins covering revaluations of property, plant and equipment and investment property, and service performance reporting, that are available on our website?	Yes we are aware of, and engage with, these bulletins.
How did lockdown impact the operations of your organisation? *What elements of your organisation were deemed essential and continued to operate during lockdown? What elements were deemed non-essential but were able to operate in a modified form (for example, online)? How did this change under each alert level?*	Council followed the LGNZ Covid-19 guidelines which specified essential and non-essential services. (can provide copies if Audit NZ does not have copies) We adjusted how each individual business unit operated in accordance with these guidelines and ensured the appropriate health and safety procedures were in place. Staff who weren't deemed an essential service, worked remotely until the office reopened at Alert Level 2.
Have you performed an impact assessment on a line-by-line basis over the	The impact assessment undertaken related mainly to revenue items. Revenue items where regularly reviewed against plan and prior year to monitor impacts coming through. Other than some timing lags, very little

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Question	Response
statement of financial position and statement of comprehensive revenue and expenses? If so, can you please provide us with a copy of this assessment?	negative impact was discernible. Fees and Charges account for a small portion of Revenue. Expense items were not impacted as all Emergency Operating Centre costs were recharged to WDHB and NEMA. Increased costs associated with BAU were negligible.
Have you received any accounting advice for COVID-19 related issues? If so, could you please provide us with a copy of the advice?	No specific accounting advice has been sought. However, staff have been receiving and reviewing email updates from Audit NZ, SOLGM, Deloitte, CAANZ, PwC and others.
Have you sought any COVID-19 impact assessments from your subsidiary/subsidiaries? If so, could you please provide a copy/copies?	Formal impact assessments have not been sought; however, both Downer (Alliance partners) and WaterCare Services Limited discussed likely implications with management/governance throughout the lockdown.
Going concern	
What impact did COVID-19 have on your financial results and financial position?	Resulted in additional costs for standing up the Emergency Operating Centre (not all costs are recoverable) balanced with lower activity expenditure for non-essential works. Capital deferrals. Other revenue lower than anticipated, however, Council not overly reliant on fees and charges income (majority from rates). Contingency actions included drawing down medium- and long-term loans to cover any possible cash shortfall from low Rates, Water Usage and Development Contribution receipts. These receipts held up better than forecasted.
How have you considered the impact of COVID-19 in the going concern assessment that you have prepared/are preparing? *There are requirements in both NZ IFRS and PBE IPSAS to assess the validity of the going concern assumption, looking*	Yes, going concern was assessed at the commencement of lockdown based on different cashflow scenarios. Following the final rates instalment for 2019/20 this assessment was updated (more favourable). Council is operating as a going concern.

Question	Response
forward at least 12 months. *The client substantiation section of our website contains good practice guidance that may assist you in preparing your assessment.*	
Are you likely to need a letter of support or comfort to support your going concern assessment?	No.
How sensitive is your going concern assessment to changes in inputs and assumptions? *We will need to review the going concern assumption at the beginning of the audit as well as prior to issuing the audit opinion. You will need to consider any changes between this period and how they impact your assessment.*	Not very sensitive due to majority of income coming from rates. Collection levels similar to prior year. Borrowings made as contingency measures increased but to lower than annual plan levels and well below our debt ceiling. Activity levels and cash receipts since the period end are tracking as planned and in line with the same period last year. There is no evidence of increased BAU costs of working inherent in operating costs.
Governance	
To what extent are those charged with governance involved in the decision making and response to COVID-19?	Heavily involved. An Emergency Committee was established, and weekly Zoom sessions were held between the Executive Leadership Team and Elected Members to keep them across operational issues.
Were any new committees set up in response to COVID-19? If so, can you provide us with copies of the minutes of these meetings?	An Emergency Committee was established on Tuesday 24 March and delegations were adjusted to accommodate changes to decision making processes. Agendas, minutes and recordings of meetings can be found here
Did the audit and risk committee continue to meet (even if virtually)	Yes the Audit & Risk Committee met on the 25 March (conference call) and 3 June (Zoom).

Question	Response
during the lockdown period?	
Are those charged with governance engaging with management on COVID-19 accounting issues and disclosures?	The Chair of the Audit & Risk Committee, Margaret Devlin, has driven engagement with management regularly on accounting issues and disclosures.
Risk management	
What additional risks have been identified as a result of COVID-19? Have these been added to the risk register or captured in a separate COVID-19 response document? If additional risks were added, please advise us what these were.	The Executive Leadership Team (ELT) established a risk register at the commencement of lockdown requiring teams across the organisation to follow suit. These registers were combined and managed by the Recovery Team in conjunction with ELT. Additional risks related to speed of shift to remote working, people, contract and financial matters. The risk register is attached (excel file)
Have there been any changes to risk management processes as a result of COVID-19? If so, what were they? *In particular have any financial risk management processes changed? E.g. risk management in financial instrument note may need to be updated.*	Risk management has been used to inform decisions as a result of COVID-19. Financial risk management processes were reviewed. No changes were required. For example, SWAPs already in place and to break would be cost prohibitive. Treasury Risk Management practices able to support both economic growth and contraction.
Significant contracts	
Has COVID-19 impacted on your organisation's ability to honour significant contracts? If so, what are the legal implications?	No. Our significant contracts relate to essential services. The Legal team supported Contracts & Partnering to assess contract implications.
Have there been any payments made to contractors during lockdown, not directly	No. Scope of work was varied with City Care by agreement and standby rates agreed with the Alliance to ensure emergency services were available as required. Neither had any unusual cost impacts and costs

Question	Response
related to work performed (for example, to retain capacity or for contract extension)? What is the value and how are you proposing to account for these costs?	were accounted for the in usual manner. No contract extensions were negotiated.
Have you considered whether any existing contracts are now deemed onerous (loss-making) as a result of COVID-19? *The impact of the COVID-19 pandemic may cause delays or changes to costs to complete a contract. As a result an onerous contract could arise.*	No. We have not received any approaches regarding onerous conditions due to COVID-19.
Control environment	
What was the impact of the lockdown and other restrictions on procurement processes? *For example:* • *Were there deviations from the delegations policy during the lockdown? Or was the delegations policy amended?* • *How did processes that are normally manual occur during lockdown? For example, were approvals given via email instead of hard-copy signatures?* • *Did the lockdown create any backlog of processing?*	The delegations policy was amended to include Civil Defence roles and allow for easier operation to cover the Civil Defence emergency. This included adding two non-WDC staff to the delegations register for the period of the declared nationwide Civil Defence emergency. This was resolved by extraordinary Council resolution WDC2003/03. All other procurement functionality and delegates operated under standard operating procedure Physical signature requirements removed to enable continued processing of BAU works. There were no changes to Electronic Purchase Order processing as this process already proceeds under an electronic authority. When invoices were received into Finance they were sent on to the relevant delegated authority with a set required response. This electronic authority was then transferred to the invoice document to be entered into the Financials for Audit purposes. The same requirements of one-up authorisation for any approvals over the originating officer's delegation were also not changed in any way during the lock down period. We have found this change to be incredibly successful for the Waikato District Council and we have not (and will not) be returning to physical approvals. We continue to work towards stronger and more robust electronic measures as time and resource allow.

Question	Response
Were any emergency purchases required (for example, new IT equipment, personal protective equipment)? Did you procure these emergency goods and/or services by applying emergency procurement provisions and if so, did you keep a separate record of this procurement?	There were no "emergency" purchases of IT equipment. All other emergency purchases including personal protective equipment have been recovered as part of the recovered Emergency Operating Centre Costs. Normal procurement procedures were followed, e.g. purchase orders issued, delegation levels adhered to, as well as the Civil Defence delegation structure in the Finance/Supply Chain modules being enacted for the period of the declared state of emergency. To assist our staff to work remotely, the following items were purchased. • 3 printers • 2 wireless computer adaptors To ensure staff and public safety, we purchased Perspex sneeze shields, stickers, hand sanitiser and sign in stations for all our officers, libraries and campgrounds. All field staff were provided face mask, gloves and hand sanitiser as part of their roles. Yes separate records were kept via a specific project code to capture response costs (circa $27k total).
What was the impact of the lockdown and other restrictions on payroll processes? *For example:* • *How did processes that are normally manual occur during lockdown? E.g. were approvals given via email instead of hard-copy signatures?* • *Did the lockdown create any backlog of processing?*	Approvals were given by email and all documentation was scanned and sent to Payroll. There was a smooth transition to electronic processing and approvals, and consequently no backlog occurred.
Were any changes made to banking signatories during the lockdown?	No.
What was the impact of lockdown on other systems of internal	Internal controls did not change due to lockdown. Controls and processes continued as normal with working remotely. In general, all staff were available.

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Question	Response
control, such as revenue and journals, due to working remotely, staff availability, or any other factors?	
If there were changes to the systems of internal control (for expenditure, payroll, or otherwise), has your organisation reverted back to the systems as they were pre-lockdown? If so, when did this occur?	Electronic approval of supplier invoices was implemented during this period and has been fully documented. Supplier invoices continue to be electronically approved. We have not reverted to the old process of approval and coding written on the invoices.
Were any user access roles changed within the financial management information system (FMIS), payroll system, or other information systems during lockdown? What were the changes? Has your organisation reverted back to the settings as they were pre-lockdown? If so, when did this occur?	There were a number of access roles changed based on the Civil Defence delegation structure in the Finance/Supply Chain modules. These were valid only for the period of the declared state of emergency and have since expired. Delegation values are relevant to the role so if a staff member moved from a BAU role to a delegated Civil Defence role they were amended to suit the time. Unlike most roles they were set up with expiry dates. No changes were made to the Payroll or banking systems, only Financials. Yes we reverted back to normal system settings once the country moved to alert level one. *N.B. The specific system changes were documented and can be provided on request*
Is there anything else we should know about the way your internal controls operated during the lockdown?	There is no indication that internal controls did not operate as required during the lockdown.
Accounting policies and disclosures	
What significant judgements are you planning on adding or changing in your financial statements as a result of COVID-19?	There are no significant judgements planned to add or change in the financial statements. Any need for this is likely to arise during the LTP process currently underway.
What other disclosures are you planning to make in your notes to the financial statements and annual	We will include a COVID-19 note explaining the impact of the pandemic on the organisation. Additional disclosures around specific account balances where there are judgements and sensitivities relating to COVID-19 are not expected to be

Question	Response
report on the impact of COVID-19? *We expect all organisations to include, at a minimum, a COVID-19 note explaining the impact of the pandemic on the organisation.* *Additional disclosures around specific account balances may also be required, particularly where there are judgements and sensitivities relating to COVID-19.*	required outside of PPE valuation disclosures as discussed below (i.e. not material).

General valuation

Items carried at fair value

Both PBE IPSAS 17 and NZ IAS 16 require that for property, plant and equipment asset classes measured using the revaluation model:

- *Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period (NZ IAS 16.31, PBE IPSAS 17.44).*

- *When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required (NZ IAS 16.34, PBE IPSAS 17.49).*

- *If an item of property, plant and equipment is revalued, the entire class of property, plant and equipment to which that asset belongs shall be revalued (NZ IAS 16.36, PBE IPSAS 17.51).*

Therefore, the fair value of assets measured at fair value needs to be assessed at each reporting date to see if there has been a material movement in value. This is referred to below as a "fair value assessment". If there has been a material movement, then a revaluation of the relevant asset class is required. If the fair value movement is not material then a revaluation of that asset class is not required this year. Evidence to support the fair value assessment needs to be provided to the auditor.

Those entities that hold investment property are required to revalue this to fair value at each reporting date, if they have adopted the revaluation model under either under PBE IPSAS 16 for public benefit entities or NZ IAS 40 for for-profit entities.

Items carried at historical cost

Impairment assessments need to be completed for goodwill and other cash-generating property, plant and equipment held at cost. The COVID-19 pandemic and related economic impacts are an indicator of impairment, triggering the requirement to estimate the recoverable amount for all relevant cash-generating assets.

For non-cash-generating PBE assets recorded at cost, an impairment assessment is only necessary if there is an indicator of impairment. For example, if there has there been a significant reduction in

Question	Response
demand for services provided by the asset, or long-term changes in the way the asset is expected to be used.	
For which of the following assets classes has a revaluation, fair value assessment, or impairment assessment been completed (*Please provide details for each asset class – for example, revaluation completed for land and buildings, impairment assessment completed for cash generating units*): • property, plant and equipment; • intangible assets; • investment property; • other biological assets; • other cash-generating units; or • any other balance sheet items. We *are expecting impairment or fair value assessments to be prepared and provided to us for all significant cash-generating asset classes not undergoing a revaluation at balance date.*	Revaluations of property, plant and equipment and investment property are due to be received within the week. Fair value assessment/impairment assessment will be completed for investment property when the revaluation is received.
How has the impact of COVID-19 been factored into the revaluations/assessments performed?	Revaluations of property, plant and equipment and investment property are due to be received within the week. Impacts of Covid-19 on the revaluation of property, plant and equipment will be included in the rates used. Investment property valuation will take into account lease terms including rents and reviews.

Question	Response
Which of the revaluations/assessments (if any) rely on future cash flow assumptions or market based transactions?	Investment property valuation relies on future cash flow assumptions and market-based transactions. Property valuations rely on market-based transactions.
For revaluations of assets on a depreciated replacement cost (DRC) basis to what extent have COVID-19 factors impacted on the replacement costs used in the model? *Replacement costs used in DRC valuations should reflect typical and sustainable market conditions.*	Revaluations of property, plant and equipment and investment property are due to be received within the week. We expect the valuation reports to include information concerning the extent that COVID-19 factors impacted on the replacement costs used in the model.
Have you discussed with your valuers what to expect from their report and whether it will include any caveats? *Some valuers are drawing the attention to the inherent uncertainties in valuations at this time. We need to consider the impact of these on our audit report.*	Revaluations of property, plant and equipment and investment property are due to be received within the week. We expect the valuation reports to include any caveats the valuers feel are appropriate. To date we have not been advised of any caveats.
Property, plant and equipment	
What impact has COVID-19 had on existing capital projects? *For example, have any projects been deferred, changed costs, or had impacts to service delivery?*	Deferrals on community projects or items that require community engagement. Long term contract related works have continued (Alliance, WaterCare). Projects have been delayed for a variety of reasons but not specifically due to COVID.
Are there any projects in work in progress at	Being assessed in conjunction with elected members. Unlikely to stop work in progress but may have scope and timing change.

Question	Response
balance date that are now unlikely to go ahead?	
What has been/is the impact on your capital renewal and replacement programmes? *Changes to timing for renewal of assets may impact on the estimated useful lives of existing assets.*	Oher than some deferrals of community projects (items that require engagement), there has been little impact of the capital renewal and replacement programme due to COVID-19. That is, any backlog of projects does not relate specifically to COVID.
Did you purchase any temporary equipment to enable employees to work from home (e.g. desks, chairs, printers, laptops) or to protect them in their role as an essential work (Perspex shields, added barriers and signage)? Were these expensed or capitalised? Was the normal capitalisation threshold applied?	To assist our staff to work remotely, the following items were purchased. • 3 printers • 2 wireless computer adaptors To ensure staff and public safety, we purchased Perspex sneeze shields, stickers, hand sanitiser and sign in stations for all our officers, libraries and campgrounds. All field staff were provided face mask, gloves and hand sanitiser as part of their roles. Yes separate records were kept via a specific project code to capture response costs (circa $27k total). Normal capitalisation processes applied. The equipment is not temporary as it can continue to be used under remote working protocols.
Future cash flows	
The questions in this section apply where forecast cash flows have been used for: • *the fair value assessment of assets carried at fair value;* • *the revaluation of assets (e.g. a discounted cash flow valuation approach);* • *goodwill impairment assessment;* • *value in use assessments; and* • *the going concern assessment.*	
How have the effects of COVID-19 been factored into forecast cash flows?	Yes. Cash flows including COVID-19 effects are forecast daily six months ahead and monthly for the remaining period to 30 June 2021. Forecasts are regularly reviewed as new information is received.
How have the effects of COVID-19 been factored into determining the	Interest rates locked in at higher levels due to SWAPs in place.

Question	Response
appropriate weighted average cost of capital (WACC) or other discount rates applied to the forecast cash flow?	
Has any external advice been sought on determining the appropriate WACC or other discount rates?	We use BERL updates to determine discount rates for use in value assessments of financial assets and liabilities. PwC are engaged to report on appropriate rates to use for the LTP.
What impact has COVID-19 had on any growth assumptions?	Analytics report has been prepared and scenarios are being developed for the 2021 LTP
Revenue and trade and other receivables	
What assessment has been performed over the collectability of debtors?	Usual assessments have been performed over the collectability of debtors to establish provisions (see comments below). Cash flow and debtor levels have not indicated there is a specific link to COVID for the 2019/20 year.
Have you changed how you calculate your provision for doubtful debts? If not, why is the previous calculation method still appropriate?	No changes have been made to the year-end processes and calculation of doubtful debt provisions. The calculation method for Rates and Water Usage is based on length of time overdue and ownership. Other debtors (not significant) provision is based on length of time overdue. Both methods capture potential exposure given the current receipts trend.
Have any significant debtors been disestablished, liquidated, or otherwise discontinued operations? *This will need to be assessed prior to finalising the financial statements. COVID-19 increases the likelihood of adjusting*	No, but will continue to be monitored.

Question	Response
events in relation to impairment of debtors.	
Do you have a significant amount of airline credits as a result of cancellations from COVID-19? How are you planning on treating this in your financial statements?	No.
Investments	
Prima facie the impact of COVID-19 on the broader economy is an indicator of impairment. How has impairment been considered for investments in subsidiaries, associates or joint ventures (for example, if their business was adversely impacted by COVID-19)? If so, what impairment assessment was performed, and what was the outcome of this assessment?	Business and residential surveys were conducted across the district. WRAL revaluation not yet assessed; it is usually based on the net assets as reported in their current year annual report.
Has there been impairment for other investments such as bonds or shares?	No.
Do you have any unquoted shares that are not valued at balance date? For unquoted shares that are revalued, how have COVID-19 issues been considered in the valuation? (for example, impact on profitability of the investee).	Yes: Waikato LASS, Strada Corporation, WRAL and Civic Financial Services. WRAL and Civic Financial Services are revalued annually based on their most recent, published statements of financial position that include the first COVID-19 effects. Statements of Intent for 2020/21 have been received.

Question	Response
For any loans receivable, will/has the economic impact of COVID-19 affected the borrower's ability to repay the loan? Have you provided any relief or concessions to the borrower?	No. No

Assumptions into long-term valuation models

Question	Response
For long-term receivables (or similar) that are valued using complex models and long term economic assumptions, such as GDP, CPI, wage growth, where have these long term assumptions been sourced from? To what extent have these taken into account COVID-19 impacts?	Long-term receivables comprise community loans and LGFA borrower notes. Community loans are reported at amortised cost using the interest rate charged on those loans. The total loan balance is not material. Borrower notes are recorded at cost and total contractual cash flows disclosed are based on the fixed interest rates attached to each note.
For long-term employee entitlements (such as retiring or long service leave) where have the long term assumptions (such as wage growth) been sourced from? To what extent have these taken into account COVID-19 impacts?	The basis of assumptions are sourced as follows: Wage growth – most current BERL forecast (September 2019) Discount rate used is yield on 10yr Govt. Bond as at 30 June 2020. It's assumed that the Govt. Bond yield, as a market determined factor incorporates expectations as revised by expected impacts of COVID-19

Leases - lessor

Question	Response
For lessors, have you provided any rental concessions to your lessees? If so, how are you proposing to account for the rental concessions?	We offered our commercial lessees a three month rental deferral based on a strict criteria that the lessee was not in arrears before the pandemic. In return we asked our lessees to make up the balance of any deferred rent over the duration of the remaining lease term. No WDC lessee pursued this option. In respect of one lease with a force majeure clause we actioned a 50% rent reduction for the duration of the level three and four lockdown (Raglan Harbour Board Reserve). The impact is shown in the accounts as lower rental income and consequently a lower Reserve balance.

Question	Response
Does your lessee still have the ability to fulfil their contractual lease obligations?	Yes
Leases - lessee	
For lessees, have any rental concessions been provided by your lessor? If so, how are your proposing to account for the rental concessions?	As a lessee we did not request nor receive any rental assistance.
Borrowings	
Are any debt covenants at risk of being breached/have been breached? Does the classification of borrowings as current or non-current reflect breaches if loans became repayable on demand and no waiver was obtained by balance date?	No. No.
Has the lender provided any relief from interest payments or any other form of relief, for example variations to covenants?	LGFA has adjusted debt cap requirements for the sector.
Have you needed to secure additional borrowing facilities, or drawn down new or existing facilities? Please provide details.	We sought approval to seek LGFA facility if needed, but did not execute due to cashflow position.
Derivative financial instruments	
If you are hedge accounting, are the forecast transactions underlying the hedge relationship still highly probable?	N/A

Question	Response
Staff costs and remuneration	
Did you make a claim from the government's wages subsidy scheme? If so, have the eligibility criteria been met in full? Have you sought any legal advice regarding the wage subsidy? If the eligibility criteria have not been met, have you repaid/do you intend to repay the subsidy received? How are you planning to recognise, present, and disclose the wage subsidy and any related receivables?	Yes, for Raglan Holiday Park Papahua. The eligibility criterion for revenue has been met (and exceeded). However, the term deposit that the camp has in place for capital investment may impact on MSD's view regarding the camps need for subsidy. Subsidy will be repaid if overall criteria not met. Working with PwC to agree way forward. The wage subsidy was there to encourage employers to retain staff and we believe that as an accommodation provider to the tourism sector the camp remains eligible (No ratepayer funds and WDC would not be able to retrench staff, so they would in effect lose their jobs).
Are you planning on disclosing wage subsidy revenue gross in your statement of comprehensive income? *In other words, not offsetting the subsidy against employee costs.*	Yes.
What is the value of your wage subsidy receivable at balance date (if relevant)? *If a valid application was submitted prior to balance, a receivable should be recognised at the date of that application.*	Extract from Raglan Holiday Park financial statements: **8. MSD COVID-19 Wage Subsidy Received** Subsidy applied during the year — 112,969 Subsidy carried forward to 2021 — 30,186 **Total MSD COVID-19 Wage Subsidy Received — 143,155**
What is the value of your deferred revenue liability for the wage subsidy scheme at balance date? *A deferred revenue liability should be recognised at the time a valid application*	$143,155 contingent liability

Question	Response
is submitted and revenue recognised over the 12 week subsidy period (or 8 weeks for the extension scheme).	
Have there been or are there likely to be any one-off payments or bonus payments to be paid to staff due to their performance related to COVID? If not yet paid, have these been accrued?	No.
Did your staff work on any other areas due to their usual work not being available? How has this been reflected in cost allocations?	Yes but not in a way that requires cost allocation adjustments. For example, many staff worked out of the Emergency Operating Centre or on phone survey work.
Have any remuneration policies been amended as a result of COVID-19? If so, what has been the impact on employee entitlements?	No.
Have the board and/or management started to implement a plan for restructuring before balance date, or are they likely to do so prior to the financial statements being issued? If so, please provide details of how many employees this is expected to impact. *A restructuring provision needs to be recognised where you have raised a valid expectation in those affected that you will carry out the restructuring by starting to implement that plan or announcing its*	No.

Question	Response
main features to those affected by it, prior to balance date. *If this occurred after balance date, this would be a non-adjusting event that needs to be disclosed if considered material.*	
Concessions and other financial support/relief	
Have you received any other forms of government financial support?	No.
Have any suppliers provided concessions?	No.
Performance Reporting	
Are you aware of the bulletin: *Implications of the COVID-19 emergency for service performance reporting*?	Yes.
Did any of the conditions under the different alert levels result in limitations in collecting and reporting data for performance reporting? *For example, were there any controls/processes that were unable to operate as per usual during the lockdown period?*	Yes. Due to nature of collection of data and lockdown (physical measures such as site visits).
Are there any measures that you are proposing not to report against due to COVID-19, including where data was not collected *(for example surveys not completed)*?	No nothing due to COVID (1 measure not measured in economic development)

Question	Response
Which aspects of your performance have been significantly impacted by COVID-19? *For example, services may have been reduced or increased, or new or enhanced services may have been delivered in response to the COVID-19 emergency.*	Nothing was significantly affected.
How do you plan to reflect these impacts in your performance reporting? *For example, how do you propose to indicate your performance in relation to any new or enhanced services?*	Individual comments where appropriate. Overall performance story "not significantly impacted".
For any services significantly affected by COVID-19, have you considered splitting your reporting against the relevant service measures into the period before the COVID-19 emergency and the subsequent COVID-19 response affected period?	No, however, data that is available quarterly can be publically accessed in our Strategy & Finance Agendas.
Have those charged with governance been involved in determining the appropriate level of disclosure on the impact of COVID-19 for performance reporting?	Not explicitly but any issues raised through formal agenda items could be adjusted for if required (A&R or Strategy & Finance).
What level of narrative are you planning to include with your performance information? *For example, an introductory paragraph or detailed disclosure at the individual service or*	Introductory paragraph and individual performance measure level.

Question	Response
performance measure level.	
Anything else	
Is there anything else you think is important for us to know? *Please discuss with your Appointed Auditor or Audit Manager if you believe there are any other significant risks or issues.*	Nothing currently identified. We will raise with audit if the situation changes.

Waikato
DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker
	Chief Operating Officer
Date	04 September 2020
Prepared by	Sharlene Jenkins
	Executive Assistant
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Updated Future Work Plan

1. EXECUTIVE SUMMARY

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

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3. ATTACHMENTS

- Updated Future Work Plan

Audit & Risk Committee: Future Work Plan

	23 September 2020	09 December 2020	March 2021 TBA	June 2021 TBA	September 2021 TBA	Standing items for all meetings
Risk	**Risk Management Framework Review**	**Health & Safety Framework Review**	**Risk Assessment of Council Controlled Organisations Statements of Intent** **Annual Report Risk Assessment** Annual Report Programme Compliance	**Risk Appetite Review** **Procurement and Contract Management Framework Review**	**Risk Management Framework Review**	▪ **Chief Financial Officer Report** Update on risks and issues that could impact council and its stakeholders from a financial perspective, including insurance and procurement matters. ▪ **Strategic Risk Register and Emerging Risks** Update on key strategic risks and associated management actions, including trajectory of risk assessment. Opportunity to discuss emerging risks with potential for strategic impact.
Independent Internal Audit	**Flexible Working Implementation Plan Assessment**	**Resource Consents Revenue Process Review**	**Rates Process Review**			▪ **Risk Conversations** Opportunity for Committee to dialogue with key staff to obtain assurance that appropriate controls and culture are in place.
Insurance	**Insurance Renewal Process Update** Insurance review	**Insurance Policy / Premium Confirmation** **Insurance Risk Strategy**			**Insurance Renewal Process Update** Insurance review	▪ **Strategic Risk Deep Dive** Detailed inspection of a key risk for the purpose of assurance.
Annual Report	**Annual Report**	**Final Audit Management Report**	**Annual Report Project Planning**		**Annual Report**	▪ **Zero Harm Update** Health & Safety performance update against agreed targets, systemic issues identified which can be fed into the risk control framework. To include monthly statistics.
Other	**Audit & Risk Committee Key Achievements** Review of Audit & Risk Committee performance against Terms of Reference **Zero Harm Site Visit** Huntly Aquatic Centre 1pm-3pm 23 September 2020	**Anti-Fraud and Corruption Framework review**			**Audit & Risk Committee Key Achievements** Review of Audit & Risk Committee performance against Terms of Reference **Zero Harm Site Visit**	▪ **Quality Governance and Assurance** Progress against audit issues and rolling review of bylaw & policies: - Anti-fraud and corruption framework (and related policies) - Health & Safety Policy - Risk Management Policy - Treasury Risk Management Policy ▪ **Post Implementation Reviews and/or Incident Debrief Reports** Post project appraisals on key investments.

Strategic Risks	▪ Council Partnerships ✓	▪ Waters Social Franchise Model ✓	▪ People and Culture ✓	▪ Compliance Management
	▪ Zero Harm ✓	▪ Stakeholder Engagement ✓	▪ Regional / National Strategic Planning ✓	▪ Business Resilience ✓
	▪ Asset Management ✓	▪ Economic and Social Development	▪ Projects and Initiatives	▪ Cyber Security

Open Meeting

To	Audit & Risk Committee
From	Tony Whittaker
	Chief Operating Officer
Date	14 September 2020
Prepared by	Brendan Stringer
	Democracy Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Register of Interests – Elected and Appointed Members

1. EXECUTIVE SUMMARY

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

The register includes the declaration of interest forms completed by members from April to September 2020, noting that some members have yet to complete their declarations.

2. RECOMMENDATION

THAT the report from the Chief Operating Officer be received.

3. ATTACHMENTS

Summary of Register of Interests – Elected and Appointed Members

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

Register of Elected Members Interests

COUNCIL	Financial Interests			Non - Financial Interests						
	1 to 6	Please refer to Statement Reference here. With the exception of	Companies		Employment/Paid Positions	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities & services (since21 Oct 2019)	Debts
			Director/Manager	Financial Interests		Trustee/Beneficiary	Other Bodies				
Aksel Bech	No	N/A	• Frost Solutions Ltd (Frost protections and HR consultancy)	• Synthase Biotech (Enzyme Company) • NDA Engineering (Stainless Steel Manufacturing) • Wing Acoustics (Audio Driver Manufacturing) • Heilala Vanilla (Vanilla Producer) • Waiapu Investments (Medical Cannabis Producer) • Spoke Network Ltd (Telecom Software) • Mighty River Power (Electricity Generator) • Genesis Energy (Electricity Generator) • James Street Ltd. (Property Investment) • Snell Street Ltd (Property Investment) • Mastaplex (Animal Wlefare Co.) • Beany (Accounting Software Co) • Inhibit Coatings Ltd. (Anti-microbial Surface Coating)	• Synthase Biotech (Director) • St. Peters Trust (Board Trustee)	• St. Peters School & Foundation (Trustee) • Jepsen Family Trust (Trustee) • A.B. Jepsen Trust (Trustee) • Feline Adventure Trust (Trustee)	• Coastguard (Northern) - (Ordinary Member) • Kerikeri Cruising Club (Ordinary Member)	1x Tamahere (Beneficiary of Trust)	Complimentary access to Promoter's Lounge at Sevens tournament with +1 7 (Donor- 37 South Ltd)	N/A	• Loan to Individual in Ward.
Carolyn Eyre	No	N/A	• Pepepe Investments (Farming)	• Pepepe Investments (Farming)	• SM Eyre Trust (Office Manager)	• SM Eyre Trust (Beneficiary)	• Waikato Diocesan School for Girls Proprietors Board (Representative)	• Huntly (Beneficiary of Trust)	N/A	N/A	N/A
Chris Woolerton	No	N/A	• Middle Ridge Farms Ltd. (Dairy farm)	• Fonterra • Balance • LIC	• Middle Ridge Farms Ltd.	• Woolerton Trust	• Oaks Church (Parish Council/ Building Committee)	• Taupiri (Owner)	N/A	N/A	N/A
Eugene Patterson	No	N/A	• Complete Painting & Decorating (Painting)	N/A	N/A	N/A	Ngaruawahia Bowling Club (Treasurer)	•Ngaruawahi (Owner)	N/A	N/A	N/A
Frank McInally	No	N/A	McInally Truckpainters (Panel-paint)	N/A	N/A	N/A	Huntly RSA (President)	2x Huntly (Owner)	N/A	N/A	N/A
Jacqui Church	No	N/A	• Great Goods Limited (Coffee & Food Service Wholesale Distributor)	N/A	N/A	• Southwest Trust (Trustee)	• Pukekohe Lions (Member) • Franklin & Districts Justices of the Peace Association (Member) • BPW Franklin – Business & Professional Women Franklin (Member) • Port Waikato Pink Breakfast (Committee Chair) • Tuakau Cleanup & Planting (Member) • Franklin & North Waikato [FAWN] Trails Forum (Member) • Onewhero Golf Club (Colin Church – Husband – Member & on Match Committee) • Port Waikato Blue Breakfast (Colin Church – Husband – committee member)	•2xTuakau (Owner)	N/A	N/A	N/A
Jan Sedgwick	No	N/A	N/A	• Auckland Airport • Contact Energy • AMP • Methven • Cochlear • Telstra • Wherescape • CBA • Bank of Queensland (public shareholder in all above)	N/A	• Holbrook Family Trusy (beneficiary) • Carrara Wharf Trust (Beneficiary) • Harvey S'pore Trust (Beneficiary) • WWF NZ - Trustee (Board Member) • Te Araroa Trail Trustee (Board Member)	N/A	• Te Kauwhata (Shareholder in company)	N/A	N/A	N/A
Janet Gibb	No	N/A	• JMG Ltd (Rental Properties) • Ede Investments Ltd (Farming)	N/A	• Ede Investments Ltd (Farming)	• Janet Gibb Family Trust (Trustee/Settlor/Beneficiary) • Rarangi Trust (Trustee/Beneficiary) • Mangatokatoka Trust (Trustee/Beneficiary) • Tironui Trust (Trustee/Beneficiary)	• Business + Professional Women NZ (Advocacy + Education – Member/Past Executive)	• 2x Taupiri (Owner) • 4x Taupiri (Trustee or Director) • 2x Taupiri (Trustee/Beneficiary/Director)	2 Tickets to rugby match from Hamilton City Council value of $150	N/A	• ASB (mortgages Rental Properties) • ASB (Farm Mortgages + Overdrafts)
Lisa Thompson	No	N/A	N/A	N/A	• Raglan Area School (Board of Trustees & Administrator) • Trade Aide Importer (Retail)	• Raglan Event & Multi Sport Trust (Event Coordinator/Trustee)	• Whaingaroa Raglan Affordability Project/Affordable Housing/Council • Raglan Naturally (Community Organisation) • Raglan Business Chamber (Local Business Development) • Council & Community Board	1x Raglan (owner)	N/A	N/A	N/A
Noel Smith	No	N/A	N/A	• National Australiain Bank (Bank) • Farmlands Loop Ltd (Farm Supplies)	• Self Employed (Farming)	N/A	• Waikato JP Assn Inc (JP Duties – Senior Vice President) • Hunlty JP Assn (JP Support – IPP)	x2 Ngaruawhaia (owner)	N/A	N/A	N/A

	Financial Interests										
	Please refer to Statement Reference here.			**Non - Financial Interests**							
COUNCIL	**1 to 6**	**With the exception of**	**Companies**		**Employment/Paid Positions**	**Other Organisations**		**Property**	**Gifts (received since 21 October 2019)**	**Payments for activities & services (since 21 Oct 2019)**	**Debts**
			Director/Manager	**Financial Interests**		**Trustee/Beneficiary**	**Other Bodies**				
Rob McGuire	No	N/A	N/A	• Fonterra (Shareholder)	• Self-employed (Farming)	• McGuire Family Trust (Beneficiary)	N/A	1x Puketaha (Family Trust/Beneficiary)	N/A	N/A	N/A
Mayor Allan Sanson	No	N/A	Sanpat Ltd (Farming)	Sanpat Ltd (Farming)	N/A	AM & PA Sanson Family Trust (Trustee)	N/A	x3 Huntly (owner)	January 2020 Return Airfare to Guangzhou (China) from Yashili International Holidings, including 3 nights accommodation.	N/A	N/A
Stephanie Henderson	No	N/A	N/A	N/A	N/A	N/A	N/A	1x Te Kohanga (owner)	N/A	N/A	N/A
Shelley Lynch	No	6. No answer entered	N/A	N/A	N/A	N/A	• Huntly Rotary (Charity) – *Organisation has received, or applied to receive, funding from Council/Community Board/Community Committee* • BPW Huntly (Dinner meetings) • Huntly & Ngaruawahia RSA (Dinner)	x3 Huntly (owner)	N/A	N/A	N/A

Register of Elected Members Interests

Register of Elected Members Interests

Name	Financial Interests Please refer to Statement Reference		Non - Financial Interests								
	1 to 6	With the exception of	Companies		Employment	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities & services since 21 Oct 2019	Debts
			Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Margaret Devlin	No	N/A	• Watercare (Provision of water and wastewater services) • Lyttleton Port (Port Services) • Waikato Regional Airport Group (Airport and associated airport services) • Met Services (Provision of meteorological services) • Aurora Energy (Electricity Lines Distribution) • WINTEC (Education) • Waikato University (Education) • IT Partners (Technology Services) • Hospice Waikato (Palliative Care) • Infrastructure NZ (Industry Lobby Group)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Brendon John Green	No	No	• Peak 2 Peak Ltd. • Advanced Biotech	n/a	n/a	n/a	•Watercare (Director) • Ministry of Education (Taumata Aronui) • Waikato Tainui (Member) •Kaitiaki Advisory limited (Director) •Tainui Kawhia Inc (Director) •Manukau Institute of Technology (Runanga)	n/a	n/a	n/a	ANZ Mortgage
Maxine Moana-Tuwhangai	No	n/a	n/a	n/a	n/a	•Te Whakakitenga o Waikato (Marae Representative) • Koheroa 39D1B and 39D2 Trust (Trustee) •Te Aho o Te Kura Pounamu (Trustee)	•Raukura Hauora o Tainui (Director) • Kiwi Rail Holdings (Director)	n/a	n/a	n/a	n/a

Register of Elected Members Interests

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

Register of Elected Members Interests

COUNCIL	Community Board	Financial Interests			Non - Financial Interests							
		1 to 6	With the exception of	Companies		Employment	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities and services (since 21 October 2019)	Debts
		Please refer to Statement Reference here.		Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Jack Ayers	Ngaruawahia	No	N/A	N/A	N/A	N/A	• Waipa School Board of Trustees (Board Member)	N/A	N/A	N/A	N/A	N/A
Rongo Kirkwood	Ngaruawahia	No	N/A	• Riverbed Motel (Accomodation)	• Riverbed Motel (Accomodation)	• Trust Waikato (Community Trust)	N/A	N/A	N/A	N/A	N/A	N/A
Dianne Firth	Ngaruawahia	No	N/A	N/A	• Soalchemy (Soap Making) • Shipits (Dress Making)	N/A	• Dianne Firth Family Trust (Trustee) • KH & CL Ulrich Trust (Beneficiary)	• Glen Massey School PTA (Treasurer)	1x Ngaruawahia (Beneficiary of Trust) 1x Hamilton (Beneficiary of Trust)	N/A	N/A	N/A
Venessa Rice	Ngaruawahia	No	N/A	N/A	N/A	• Ngaruawahia Community House (local community services and activities) • Ngaruawahia High School (Husband employed as groundsman)	N/A	Ngaruawahia Community Patrol	2x Ngaruawahia (Owner)	N/A	N/A	N/A
David Whyte	Huntly	• No	N/A	N/A	• Zestos (Boutique citrus production, writing on environmental/tree issues, rental property management)	N/A	N/A	• New Zealand Tree Crops Association (President moving to Past President in 2021) • Waikato Tree Crops (Committee Member)	2x Ohinewai (Owner) 2x Huntly (Owner) 2x Ngaruawahia (Owner)	N/A	N/A	• Westpac (bank loan)
Red Wootton	**Huntly**											
Rewi Cork	**Huntly**											
Greg McCutchan	Huntly	No	N/A	N/A	N/A	Declined to answer	N/A	N/A	Declined to answer	N/A	N/A	N/A
Kim Bredenbeck	Huntly	No	5. GM of WEA who hold a contract for iSITE delivery services for Raglan. Contract will end possibly in June 2020 (value of contract 142k)	N/A	N/A	• Waikato Enterprise Agency Trust Inc. (Education and Tourism services)	• Friendship House Inc (Treasurer)	• Huntly War Memorial Hall Committee (Secretary) (Currently negotiating funds to continue the refurbishment of the hall as outlined by Chairperson who is the project manager aligned to plan) • Huntly Residency and Ratepayers Association (Secretary) • Lets Get Together Huntly (Committee member - delivers Wearable Arts Competition every second year- will apply to the culture fund and community board for this event in July)	1x Huntly (owner)	N/A	N/A	N/A
Eden Watawai	Huntly	No	N/A	N/A	N/A	• Waikato District Council (Employee-Customer Service)	N/A	• Huntly RSA (Committee Member) • Harty Sistaz Huntly Girls Youth Group (Co-Facilitator) Anzac Day funding for Huntly RSA Access to Council resources as Huntly Youth Action Group Contruibutors (Harty Sistaz)	1x Huntly (Tenant)	N/A	N/A	N/A
Dorothy Lovell	Taupiri	No	N/A	N/A	N/A	• Hamilton Hearing Assoc. (Administrator)	N/A	N/A	N/A	N/A	N/A	N/A
Howard Lovell	**Taupiri**											
Rudy Van Dam	Taupiri	No	N/A	• St. Isadodore Co Ltd. (Farming)	N/A	N/A		N/A	1x Taupiri (Owner)	N/A	N/A	N/A
Joanne Morley	Taupiri	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sharnay Cocup	Taupiri	No	N/A	N/A	N/A	N/A	• Taupiri School Board Trustees (Trustee) • Taupiri Youth Group (Trustee) • Waikato Trout Committee (Trustee)	• Taupiri Rugby Club (Weigh in deligate)	N/A	N/A	N/A	N/A
Jacqueline Henry	Taupiri	No	N/A	N/A	N/A	• Waikato Regional Council (Senior Social Scientist)	N/A	N/A	1x Taupiri (Owner)	N/A	N/A	N/A

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

Register of Elected Members Interests

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

Register of Elected Members Interests

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		1 to 6	With the exception of	Companies		Employment	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities & services since 21 Oct 2019	Debts
				Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Sue Robertson	Tamahere	No	N/A	Parklea Investments Ltd. (Property Development)	N/A	N/A	• The Keith A Robertson Family Trust (Trustee/Beneficiary) • Robina Trust (Trustee/Beneficiary)	• Bramley Gardens Body Corporate Committee (to administer the rules of the body corporate) • Residential Development Hamilton City	1x Tamahere (Beneficiary of Trust)	N/A	N/A	N/A
Leo Koppens	Tamahere	No	N/A	INCOMPLETE FOR REST							
Charles Fletcher	Tamahere										
Shelley Baker	Tamahere										
Margaret Jane Manson	Tamahere	No	N/A	N/A	N/A	• Waikato DHB (Nurse)	N/A	• Anglican Action (Social Services Provider)	N/A	N/A	N/A	N/A
Graham McAdam	Tamahere										
James Yearsley	Tamahere	No	N/A	• ICARAS Consultatnts (JH Yearsley LTD.) Security Risk Consultancy • HealthSafe NZ (Health & Safety Risk) • Yggdrasil Capital Ltd. (Investment)	• Optima Group UK Explosive Ordnance Disposal)	N/A	• Yearsley Family Trusy (Trustee) • Yggdrasil Trust (Trustee)N	N/A	• 1xTamahere (Owner)	N/A	N/A	• HealthSafe NZ (Debtor - Loan) • ICARAS Consultants (Debtor - Loan) • Optima Group UK (Debtor - Loan)
Joy Wright	Tamahere										
Tony Nelson	Tamahere										
Bevin Coley	Tamahere	No	N/A	• Vael Holdings • Coley Property Group Ltd. • Coley Property General Partner Ltd. • Freestone Property Ltd. • Snell General Partner Ltd. • Tahi Investments Ltd. • 265 James Ltd. • Vogler Ltd. • Southend Ltd. • Maxwell Place Ltd. • Te Waiiti Ltd. • Snell Street Limited Partnership • Kake Investments Limited Partnership • 313 Partnership • 550 Investment Limited • Charming Juno Limited	• Vael Holdings • Coley Property Group Ltd. • Coley Property General Partner Ltd. • Freestone Property Ltd. • Snell General Partner Ltd. • Tahi Investments Ltd. • 265 James Ltd. • Vogler Ltd. • Southend Ltd. • Maxwell Place Ltd. • Te Waiti Ltd. • Snell Street Limited Partnership • Kake Investments Limited Partnership • Charming Juno Limited	• Coley Property Group Ltd. (Property Management)	• B&C Coley Trust (Trustee & Beneficiary) • BR Coley Investment Trust (Trustee & Beneficiary) • Steele Trust (Beneficiary) • Out Trust (Beneficiary) • TH Coley Property Trust (Beneficiary) • KT Coley Investment Trust (Beneficiary) • RN Coley Investment Trust (Beneficiary) • Phillip Coley Trust (Beneficiary)	N/A	2x Tamhere (Owner)	N/A	N/A	All property finance- ANZ, BNZ, Kiwibank)
Janis Swan	Tamahere	No	N/A	N/A	• Westpac Australia (Shares) • Yarra (Australia) (Shares) • Mercury (Shares)	University of Waikato (Teaching and research)	• Earle Technology Trust (Chairperson) • Waikato Graduate Women's Educational Trust (Board Member)	N/A	2x Tamahere (Owner)	N/A	Assessor of research grants (MBIE)	N/A
Lyn Harris	Tamahere	No	N/A	Livestock Sales RHB Ltd (Procurement of livestock for slaughter)	N/A	Livestock Sales RHB LTd (Administration and Accounts)	Paul Harris Family Trust (Trustee & Beneficiary) Lyn Harris Family Trust (Trustee)		1x Tamahere (Owner)	N/A	N/A	N/A
Alison Ewing	Tamahere	No	N/A	N/A	N/A	N/A	Cherry Farm Trust (Trustee)	MESH Sculpture Hamilton (Trustee)	2x Tamahere (Owner)	N/A	N/A	N/A
Jason Bates	Tamahere	No	N/A	Raid Investments Ltd. (Motel Accommodation)	Raid Investments Ltd. (Motel Accommodation)	ANZ (Bank Associate)	Tick Trust (Trustee)	N/A	1x Tamahere (Owner)	N/A	N/A	N/A
Ingrid ter Beek	Tamahere										
Ric Odom	Pokeno	No	N/A	Franklin Hospice Charitable Trust (Provision of paliative care)	Jeneric Investments Ltd. (Investment)	Franklin Hospice Charitable Trust (Provision of paliative care)	Jeneric Family Trust (Trustee)	Franklin JP Assn (Council member. Justices of the Peace)	1x Pokeno (Owner/Trustee)	N/A	N/A	New Zealand Home Loans (Mortgage)

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				Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body				
Helen Clotworthy	Pokeno	No	N/A	Pokeno Bacon Co. (Manufacturers-Retailers)	Pokeno Bacon Co. (Manufacturers-Retailers)		David Evans Family Trust (Trustee & Beneficiary)	Pokeno Hall Committee (Treasurer) Pokeno Community Hall (Manager)	x4 Pokeno (Owner)	since 21 Oct 2019 N/A	N/A	N/A
Lance Straker	Pokeno											
Allen Grainger	Pokeno	No	N/A	•Waikato Rugby Union •Frankton Rugby Sports Club Inc	N/A	N/A	N/A	• Waikato Rugby Union (Director) • Frankton Rugby Sports Club (Board Member)	N/A	N/A	N/A	N/A
Peter Koizumi	Pokeno											
Todd Miller	Pokeno											
Kris Hines	Pokeno	No	N/A	N/A	N/A	N/A	N/A	N/A	1x Pokeno (Owner)	N/A	N/A	N/A
Brenda Ann Roberts	Pokeno	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Doug Rowe	Pokeno	No	N/A	INCOMPLETE FOR REST								
Helen Johnson	Pokeno	No	N/A	N/A	N/A	NZ Police (Intelligence Analyst & Support)	N/A	Pokeno Tennis & Rec Club (Committee Member-rebuilding a community facility)	N/A	N/A	N/A	N/A
James McRobbie	Pokeno											

YELLOW INDICATES THAT THE MEMBER DID NOT SUBMIT A COMPLETED FORM

Register of Elected Members Interests

Name	Committee	Financial Interests Please refer to Statement Reference here.		Non - Financial Interests								
		1 to 6	With the exception of	Companies		Employment	Other Organisations		Property	Gifts (received since 21 October 2019)	Payments for activities & services	Debts
				Director/Manager	Financial Interests		Trustee/Beneficiary	Governing Body			since 21 oct 2019	
Judith Anne Muru	Creative Communities Scheme Assessment Committee	No	N/A	N/A	N/A	Te Wharekura o Rakaumanga - Education	N/A	N/A	Owner 1x property, Huntly	N/A	N/A	N/A
Mark Leslie Vincent	Creative Communities Scheme Assessment Committee	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Heather Joy Cunningham	Creative Communities Scheme Assessment Committee	No	N/A	N/A	N/A	Raglan Community Arts Council - Clay Tutor	N/A	N/A	N/A	N/A	Tutor Fee in employment for Raglan Community Arts Council	N/A
Annette Joan Taylor	Creative Communities Scheme Assessment Committee	No	N/A	N/A	N/A	N/A	N/A	Home Range/Number 8 Network (Editor) - received grants from WDC Discetionary Fund	N/A	N/A	N/A	N/A
Amomai Pihama	Creative Communities Scheme Assessment Committee											
Claire du Bosky	Creative Communities Scheme Assessment Committee	No	N/A	N/A	Shares in Genesis	Relief Teacher - Waitakaruru School, Te Kauwhata Primary School and Waerenga Primary School	N/A	Te Kauwhata Fitness Centre - Committee Member	Owner 1x property - Te Kauwhata	N/A	N/A	N/A
Tilly Turner	Creative Communities Scheme Assessment Committee											

YELLOW INDICATES THAT THE MEMBER DID NOT SUBMIT A COMPLETED FORM

Waikato
DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato

Open Meeting

To	Audit & Risk Committee
From	Gavin Ion Chief Executive
Date	23 September 2020
Prepared by	Brendan Stringer Democracy Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Exclusion of the Public

1. RECOMMENDATION

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

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1 – Confirmation of Minutes	Good reason to withhold exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
2.2 - Member conflicts of interest – Officer of Auditor General response and steps taken by Council		
2.3 – Cyber Security		
2.4 Register of Members' Interests – Senior Staff		

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

Item No.	Section	Interest
Item 1		Refer to the previous Public Excluded reason(s) in the agenda for that meeting.
Item 2.2	7(2)(a)	To protect the privacy of natural persons, including that of deceased natural persons.
Item 2.3	7(2)(j)	To prevent the disclosure or use of official information for improper gain or improper advantage.
Item 2.4	7(2)(a)	To protect the privacy of natural persons, including that of deceased natural persons.

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