



# Agenda

**Notice is hereby given of  
an Audit and Risk Committee Meeting**

**Tuesday 9 September 2025**

**9:30 AM**

Council Chamber  
Waimate District Council  
125 Queen Street  
Waimate

[www.waimatedc.govt.nz](http://www.waimatedc.govt.nz)

Notice is hereby given that a meeting of the Audit and Risk Committee will be held in the Council Chamber, Waimate District Council, 125 Queen Street, Waimate, on Tuesday 9 September 2025, commencing at 9:30am.

**Committee Membership**

David Ward	Chairperson
Sharyn Cain	Deputy Chairperson
Craig Rowley	Mayor
Rick Stevens	Councillor
Vacant	

Quorum – no less than three members

**Significance Consideration**

Evaluation: Council officers, in preparing these reports have had regard to Council's Significance and Engagement Policy. Council and Committee members will make the final assessment on whether the subject under consideration is to be regarded as being significant or not. Unless Council or Committee explicitly determines that the subject under consideration is to be deemed significant then the subject will be deemed as not being significant.

**Decision Making**

The Council, in considering each matter, must be:

- i. Satisfied that it has sufficient information about the practicable options and their benefits, costs and impacts, bearing in mind the significance of the decision;
- ii. Satisfied that it knows enough about and will give adequate consideration to the views and preferences of affected and interested parties bearing in mind the significance of the decisions to be made.

Stuart Duncan  
Chief Executive

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## OPENING

### 1 APOLOGIES

### 2 VISITORS

11:00am: Audit NZ

11:30am: Presentation Insurance - Marsh

### 3 CONFLICTS OF INTEREST

As per the Local Authorities (Members' Interests) Act 1968 (as below), the Chair will enquire if there are any Conflicts of Interest to be declared on any item on the agenda, and if so, for any member to declare this interest.

**Local Authorities (Members' Interests) Act 1968**

Councillors are reminded that if they have a pecuniary interest in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and are advised to withdraw from the meeting table.

### 4 IDENTIFICATION OF MAJOR (URGENT) OR MINOR ITEMS NOT ON THE AGENDA

1. The Chair will call for any major (urgent business) or minor items not on the agenda to be raised according to Standing Orders, as below:

- a. **Standing Orders 3.7.5 – Major Items**

An item not on the agenda for a meeting may be dealt with at the meeting if the local authority by resolution so decides, and the presiding member explains at the meeting at a time when it is open to the public –

- i. The reason why the item was not listed on the agenda; and
    - ii. The reason why discussion of the item cannot be delayed until a subsequent meeting.

- b. **Standing Orders 3.7.6 – Minor Items**

An item not on the agenda for a meeting may be dealt with at the meeting if –

- i. That item is a minor matter relating to the general business of the local authority; and
    - ii. The presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
    - iii. No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.



**MINUTES****5 CONFIRMATION OF MINUTES****5.1 MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON 10 JUNE 2025**

**Author:** Karalyn Reid, Committee Secretary and PA to the Mayor

**Authoriser:** Tina Stevenson, Corporate Services Group Manager

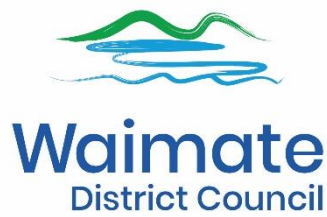
**Attachments:** 1. Minutes of the Audit and Risk Committee Meeting held on 10 June 2025

**PURPOSE**

For the unconfirmed Minutes of the Audit and Risk Committee meeting held on 10 June 2025 to be presented for confirmation.

**RECOMMENDATION**

That the Minutes of the Audit and Risk Committee Meeting held on 10 June 2025 be adopted as a true and correct record.



# **MINUTES**

## **Audit and Risk Committee Meeting**

**10 June 2025**

**MINUTES OF WAIMATE DISTRICT COUNCIL  
AUDIT AND RISK COMMITTEE MEETING  
HELD AT THE COUNCIL CHAMBER, WAIMATE DISTRICT COUNCIL, 125 QUEEN STREET,  
WAIMATE ON TUESDAY 10 JUNE 2025, COMMENCING AT 9:30AM**

- PRESENT:** Deputy Mayor Sharyn Cain (Acting Chair), Chair Damian Hogue (via Microsoft Teams), Mayor Craig Rowley, Cr Tom O'Connor (until 11:00am), Cr Rick Stevens
- APOLOGIES:** Cr Tom O'Connor (from 11:00am)
- IN ATTENDANCE:** Cr John Begg, Cr Sandy McAlwee (via Microsoft Teams), Cr Colin Pankhurst, Cr Lisa Small  
Stuart Duncan (Chief Executive), Rachel Holley-Dellow (Human Resources Manager), Michelle Jones (Executive Support Manager), Dan Mitchell (Asset Group Manager), Dylan Murray (Regulatory and Compliance Group Manager), Tina Stevenson (Corporate Services Group Manager), Nicole Timney (Community and Strategy Group Manager), Karalyn Reid (Committee Secretary)
- PARTIAL ATTENDANCE:** Melissa Thomson (Accountant), Jacqueline Michael (Accounting Assistant)

## OPENING

The Audit and Risk Committee agreed for Deputy Chair Sharyn Cain to chair the meeting as Chair Damian Hogue was attending remotely.

## 1 APOLOGIES

### APOLOGY

#### COMMITTEE RESOLUTION 2025/4

Moved: Deputy Mayor Sharyn Cain

Seconded: Mayor Craig Rowley

That an apology from Cr Tom O'Connor for leaving at 11:00am be accepted.

**CARRIED**

## 2 VISITORS

10:00am Audit New Zealand

## 3 CONFLICTS OF INTEREST

There were no conflicts of interest identified.

## 4 IDENTIFICATION OF MAJOR (URGENT) OR MINOR ITEMS NOT ON THE AGENDA

Nil

## MINUTES

### 5 CONFIRMATION OF MINUTES

#### 5.1 MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON 11 MARCH 2025

##### COMMITTEE RESOLUTION 2025/5

Moved: Cr Rick Stevens  
Seconded: Cr Tom O'Connor

That the Minutes of the Audit and Risk Committee Meeting held on 11 March 2025 be adopted as a true and correct record.

**CARRIED**

## REPORTS

### 6 GENERAL REPORTS

#### 6.1 OUTSTANDING AUDIT AND RISK COMMITTEE ACTIONS REPORT - PUBLIC

##### COMMITTEE RESOLUTION 2025/6

Moved: Cr Tom O'Connor  
Seconded: Cr Rick Stevens

That the Outstanding Audit and Risk Committee Actions Report – Public is accepted, noting that the learnings requested in relation to the Edward Street Wastewater Renewal Project cost overrun is provided via the Major Projects Report.

**CARRIED**

#### 6.2 OFFICE OF THE AUDITOR GENERAL FORUM REPORT

Chair Damian Hogue presented on two Office of the Auditor General Forums: 'Value of Internal Audit' and 'Responding to a Changing Climate'.

##### COMMITTEE RESOLUTION 2025/7

Moved: Cr Tom O'Connor  
Seconded: Mayor Craig Rowley

That the Office of the Auditor General Forum report is accepted.

**CARRIED**

##### Note:

The Audit and Risk Committee discussed the Audit and Risk Committee's role, noting a review of the Terms of Reference is usually undertaken at the beginning of the new triennium of Council, and the importance for members to undergo specific training and utilise training opportunities as they occur.

**6.3 HEALTH AND SAFETY REPORT****COMMITTEE RESOLUTION 2025/8**

Moved: Cr Tom O'Connor

Seconded: Cr Rick Stevens

That the Health and Safety Report is accepted.

**CARRIED****Note:**

The Audit and Risk Committee requested further information on the cause of the 'minor electric shock' received by a staff member at the Waimate Event Centre.

The Committee discussed the procedure for any health and safety concerns relating to roading, i.e., potholes, flooding, noting they are reported on and addressed through the performance measures under the roading activity.

**6.4 HUMAN RESOURCES REPORT****COMMITTEE RESOLUTION 2025/9**

Moved: Cr Rick Stevens

Seconded: Cr Tom O'Connor

**RECOMENDATION**

That the Human Resources Manager's report is accepted.

**CARRIED**

The Chair adjourned the meeting at 9:55am.

The Chair reconvened the meeting at 10:00am.

**6.5 LONG TERM PLAN 2025-2034 CONSULTATION DOCUMENT AUDIT - 10:00AM**

The Audit and Risk Committee received the Audit NZ report on the audit of Council's Long Term Plan (LTP) Consultation Document (CD) for the period 1 July 2025 to 30 June 2034.

Audit New Zealand's Rudie Tomlinson was attendance at the meeting, via Microsoft Teams, to present the report and answer any questions.

**COMMITTEE RESOLUTION 2025/10**

Moved: Mayor Craig Rowley

Seconded: Deputy Mayor Sharyn Cain

That the Long Term Plan 2025-2034 Consultation Document Audit report is received.

**CARRIED****Note:**

The Audit Director noted the unmodified audit report on Council's Long Term Plan Consultation Document received on 1 April 2025 was a good result for Waimate, noting continued uncertainty over Water Services Delivery. He noted the Auditor General's expectations around councils consistency in bringing their Water Services Delivery modelling into their final Long Term Plan .

**6.6 AUDIT NZ AUDIT PLAN FOR THE YEAR ENDED 30 JUNE 2025**

Audit New Zealand's Rudie Tomlinson was in attendance at the meeting, via Microsoft Teams, to present the report and answer any questions.

**COMMITTEE RESOLUTION 2025/11**

Moved: Cr Rick Stevens

Seconded: Cr Tom O'Connor

1. That the Audit NZ Audit Plan for the Year Ended 30 June 2025 report is accepted; and
2. That the Audit and Risk Committee confirms the terms of the Audit New Zealand 2025 Audit Plan.

**CARRIED**

Cr Tom O'Connor left the meeting at 11:00am.

**6.7 AUDIT NEW ZEALAND ENGAGEMENT - LIMITED ASSURANCE REPORT IN RESPECT OF WAIMATE DISTRICT COUNCIL'S DEBENTURE TRUST DEED**

The Audit and Risk Committee reviewed the Confirmation of Engagement – Limited Assurance Report in respect of Waimate District Council's Debenture Trust Deed for 2025.

**COMMITTEE RESOLUTION 2025/12**

Moved: Mayor Craig Rowley

Seconded: Deputy Mayor Sharyn Cain

That the Audit New Zealand Confirmation of Engagement – Limited Assurance Report in respect of Waimate District Council's Debenture Trust Deed, is confirmed and accepted.

**CARRIED**

The meeting was adjourned at 11:00am for morning tea.

The meeting was reconvened at 11.13am.

**6.8 ALPINE ENERGY ECONOMIC DEVELOPMENT FUND UPDATE****COMMITTEE RESOLUTION 2025/13**

Moved: Cr Rick Stevens

Seconded: Mayor Craig Rowley

That the Alpine Energy Economic Development Fund Update report is accepted.

**CARRIED****Note:**

The Audit and Risk Committee agreed to discuss the Council Initiatives Fund in order to identify any worthy projects before the end of the current term of Council.

The Audit and Risk Committee asked for a report to Council outlining a district wide promotional video plan and an invitation for the videographer to visit Council.

**6.9 MAJOR PROJECTS REPORT****COMMITTEE RESOLUTION 2025/14**

Moved: Mayor Craig Rowley

Seconded: Deputy Mayor Sharyn Cain

That the Major Projects report be accepted.

**CARRIED****6.10 RISK REGISTER****COMMITTEE RESOLUTION 2025/15**

Moved: Mayor Craig Rowley

Seconded: Cr Rick Stevens

That the Risk Register Report is accepted.

**CARRIED****PUBLIC EXCLUDED****7 EXCLUSION OF THE PUBLIC REPORT****RESOLUTION TO EXCLUDE THE PUBLIC****COMMITTEE RESOLUTION 2025/16**

Moved: Deputy Mayor Sharyn Cain

Seconded: Cr Rick Stevens

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

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

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48 for the passing of this resolution</b>
<b>7.1 - Public Excluded Minutes of the Audit and Risk Committee Meeting held on 11 March 2025</b>	s6(a) - the making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>7.2 - Computer Systems Incident Response Policy 619</b>	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

<b>7.3 - Insurance Update 2025-2026</b>	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information  s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>CARRIED</b>		

## 8 RE-ADMITTANCE OF THE PUBLIC REPORT

<b>COMMITTEE RESOLUTION 2025/17</b>
Moved: Mayor Craig Rowley Seconded: Cr Rick Stevens
That Council moves out of Closed Council into Open Council.
<b>CARRIED</b>

## MEETING CLOSURE

The Deputy Chair on behalf of the Audit and Risk Committee, thanked Damian for his input as independent chair for the past 4.5 years and wished him all the best for the future.

There being no further business, the Chair closed the meeting at 11.38am.

The Minutes of this meeting are to be confirmed at the Audit and Risk Committee Meeting scheduled on 9 September 2025.

.....  
**CHAIRPERSON**



**REPORTS****6 GENERAL REPORTS****6.1 OUTSTANDING AUDIT AND RISK COMMITTEE ACTIONS REPORT - PUBLIC**

**Author:** Karalyn Reid, Committee Secretary and PA to the Mayor

**Authoriser:** Carolyn Johns, Acting Corporate Services Group Manager

**Attachments:** 1. Outstanding Audit and Risk Committee Actions Report [↓](#) 

**PURPOSE**

For the Outstanding Audit and Risk Committee Actions Report – Public to be presented for the information of the Audit & Risk Committee.

**RECOMMENDATION**

That the Outstanding Audit and Risk Committee Actions Report – Public is accepted.

Meeting	Officer/Director	Section	Subject
Audit and Risk Committee 10/06/2025	Jones, Michelle	General Reports	Alpine Energy Economic Development Fund Update
<b>COMMITTEE RESOLUTION 2025/13</b>			
That the Alpine Energy Economic Development Fund Update report is accepted.			
			<b>CARRIED</b>
<b>Note:</b>			
02 Sep 2025 Elected members are to identify and advise officers of projects to be funded from the Alpine Energy Economic Development Fund. A workshop with the videographer will be held with Council following the elections to discuss plans for the district-wide promotional video.			

**6.2 AUDIT AND RISK CHAIR'S REPORT BY DAVID WARD - SEPTEMBER 2025**

**Author:** Karalyn Reid, Committee Secretary and PA to the Mayor  
**Authoriser:** Carolyn Johns, Acting Corporate Services Group Manager  
**Attachments:** Nil

**PURPOSE**

1. There are potentially some significant changes ahead of Local Government as a result of the recent introduction of the Local Government (Systems Improvements) Amendment Bill, and additional proposed reform measures.
2. This report introduces the Audit and Risk Committee to what the future may look like for the Local Government sector should proposed legislation be passed in to law, and suggested reforms are adopted.

**Local Government (System Improvement) Amendment Bill**

3. The stated primary policy objective of this Bill is to reduce pressure on council rates by:
  - a. Refocussing the purpose of Local Government
  - b. Better measuring and publicising council performance
  - c. Prioritising core services in council spending
  - d. Strengthening council transparency and accountability and
  - e. Providing regulatory relief to councils
4. Within the Bill (Section 10) the purpose of Local Government is defined as:
  - a. To enable democratic local decision-making and action by, and on behalf of, communities; and
  - b. To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses; and
  - c. To support local economic growth and development by fulfilling the purpose set out in paragraph (b)
5. New section 11A is inserted into the Bill and defines Core Services of a Local Authority as:
  - a. Network infrastructure
  - b. Public transport services
  - c. Waste management
  - d. Civil defence emergency management, and
  - e. Libraries, museums, reserves, and other recreational facilities.
6. In performing its role, a local authority must have particular regard to the contribution that the core services make to its communities.
7. As a sector we need to ensure communications with our communities are significantly stepped up to ensure we are responding to their needs and expectations to support local economic growth and development. "Does our community agree that these are the core services they wish Council to focus on or are there other areas outside this list that they consider important and require Council funding?"
8. We remind ourselves that whilst regulations are very important, they both enable growth and protect communities and their businesses. Our future planning is important as is community protection.

9. The four well beings are proposed to be removed. We need to ask ourselves “How will Central Government monitor the wellbeing areas that Local Government has been providing to its communities to protect and promote those well beings?”
10. Finally we must ask ourselves “Does the Bill really enable local decision making given the significant change and compliance requirements of this proposed legislation?”

### **Core Services and Council spending**

11. One of the objectives of the Bill is to prioritise Council spending on defined core services. To give Committee members a clear understanding of where that spending level may be at the moment, staff will be working to prepare a schedule identifying current rating spend on those activities defined as core services in the Bill, together with an indicative cost of statutory compliance.
12. There will no doubt be further discussion on where some services that our elected members, and indeed our community, feel should be identified in respect to essential/expected service from Council, as opposed to nice to have.

### **Council Performance Measures**

13. The Bill identifies an intention to establish a council performance measurement framework. Department of Internal Affairs intend to publish reports containing details of respective performance on a regular basis – with councils grouped in category groups denoting similarities based on population size.
14. An initial report for the 2024 financial year was published by the Department in July 2025.

### **Rates Capping**

15. Recently the Minister for Local Government advised that a proposed model for capping Local Authority rates will be taken to Cabinet before the end of this year. No further detail is available at the time of writing this report, albeit there will be potentially significant changes to the level of services and the funding models for those activities not deemed core services.

### **Resource Management System Reforms**

16. Government has recently announced a stop on any proposed planning changes being contemplate by councils unless a specific exemption is obtained. This will remain in place until the introduction of the new resource management legislation. Government will be suspending mandatory Resource Management Act requirements for 10 yearly reviews, further councils will be required to withdraw reviews and changes that have not started hearings yet.

### **Building Consent Reforms**

17. A draft Bill is proposed to be introduced to Parliament in 2026, seeking to speed up the delivery of new homes and infrastructure. The focus of this Bill will be around limiting liability to only be for related work, and to give opportunity to councils to consolidate BCA functions.

### **Overview**

18. These will be areas of significant discussion for our incoming Council, in order to contemplate the content of our 26/27 Draft Annual Plan and future Long Term Plans.

### **RECOMMENDATION**

That that the Audit and Risk Committee receives the Chair's Report

**6.3 HUMAN RESOURCES REPORT**

**Author:** Rachel Holley-Dellow, Human Resources Manager  
**Authoriser:** Stuart Duncan, Chief Executive  
**Attachments:** Nil

**PURPOSE**

1. For the Human Resources Manager to update the Audit and Risk Committee.
2. We currently have 11 employees with excess annual leave. (Note: excess leave is any leave over one year's entitlement. e.g., if an employee has a yearly entitlement of 150.00 hours and they have an entitled leave balance of 160.00 hours, then 10 hours will be counted as excess leave.)
3. Two of these leave balances are only marginally excessive, e.g., less than one week's leave.
4. Employees with high leave balances are typically employed in positions that are considered high demand roles, and sometimes where there are periods of short staffing.
5. Human Resources sends out periodic reports to Group Managers and Managers about staff with high levels of annual leave.
6. We have a low level of vacant positions currently, which includes a Roding Engineer (replacement role), Cleaning Team Supervisor (new position), Finance Support Team Leader (replacement role), and Health and Safety Advisor (replacement role, sectioned off from another position).
7. Waimate District Council is run with a lean headcount; this means that in periods of increased absenteeism (for whatever reason), and/or where we have vacant roles, this could impact levels of service from time to time. However, Council takes steps to try and mitigate such issues by, for example, bringing in external resourcing, allowing staff to work from home if sick but well enough to undertake some or all of their duties remotely, and trying wherever possible to cover absenteeism/vacant positions within remaining roles – noting of course that some roles in local government are quite niche and specialised.
8. Pending changes due to Local Water Done Well will likely have an impact on recruitment in the Asset Group area and may have an impact on other areas in Council but this is yet to be known and understood.

**RECOMENDATION**

That the Human Resources Manager's report is accepted.

**6.4 HEALTH AND SAFETY REPORT**

**Author:** Ann Hume, Emergency Management and Workplace Health & Safety Advisor  
**Authoriser:** Dylan Murray, Regulatory and Compliance Group Manager  
**Attachments:** Nil

**PURPOSE**

1. The Health and Safety Report is submitted for the information of the Audit and Risk Committee.

**HEALTH AND SAFETY STATISTICS**

2. Since June 2025, a total of two hazards, two accidents and zero incidents/events have been raised by staff members.

**Hazards**

3. Dog Pound exercise area can become extremely slippery due to frosts. A safe and sanitary surface is being investigated.
4. The edges of the Library return shelves are sharp, resulting in a cut to a customer's hand. Plaster was applied to hand, and the edges of the shelves have been covered in tape.

**Incidents/Events/Accidents**

5. A staff member impaled their hand on a spare spike used at the front counter. The spike was placed close to a second spike that was in use for receipts. The barely perceptible wound formed a blister and became infected. The spare spike has been moved so staff can't accidentally knock it with their hands.
6. Staff member drove a vehicle through a muddy, closed area at the Box. The vehicle lurched and hit a large rock. The vehicle sustained some damaged on the left side. No injury to the driver.

**GENERAL**

7. In the last Health and Safety Report, it was noted that a staff member received an electric shock from a light switch in the Event Centre Function Room. Following a request from the Audit and Risk Committee for further information, we report the staff member advised they got a fright, pain level was 2/10, and there was no injury. As noted, an electrician has replaced the light switch.
8. First Aid training was offered to staff. Six staff members undertook the training.
9. Internal Health & Safety Audits have commenced for all areas of the business. The responsible managers are working through all issues raised.
10. Three Health & Safety Inductions were completed for new members.

**Dare 2 Care Team Report (Health & Safety Committee)**

11. Since the last report, the 'Dare to Care' Health and Safety Committee has met three times. The Committee continues to focus on improving communication, staff engagement, and safety awareness across Council sites. Below is a general overview of key discussions and initiatives:
  - a. Monthly updates: The Committee now shares health and safety minutes and a themed topic each month on BOB to keep staff informed and involved.
  - b. New members welcomed: New representatives from the finance and regulatory teams.

- c. Rotating meeting locations: Every second meeting is held at a different Council site to encourage broader participation.
- d. Road safety discussion: Road safety was highlighted as a priority, with discussions around promoting safe practices for staff.
- e. Lighting improvements: The committee acknowledged upgrades to lighting around Council properties, which have improved visibility and safety for staff working after hours.
- f. After-hours callouts: Concerns were raised about staff being called to locations such as hotels after midnight.
- g. Upcoming legislative changes: The Committee discussed anticipated changes from Central Government, and will continue to monitor developments to ensure Council remains informed and compliant.

**RECOMMENDATION**

That the Health and Safety Report is accepted.

**6.5 IANZ BCA ACCREDITATION REPORT**

**Author:** Stuart Chapman, Building Control Manager

**Authoriser:** Dylan Murray, Regulatory and Compliance Group Manager

**Attachments:** 1. Waimate Initial Assessment Report - June 2025  

**PURPOSE**

1. The purpose of this report is to inform the Audit and Risk Committee of the Building Consent Authority Accreditation report.

**BACKGROUND**

2. This report relates to the on-site accreditation assessment of the Waimate District Council (WDC) Building Consent Authority (BCA) which took place during June 2025 to determine compliance with the requirements of the *Building (Accreditation of Building Consent Authorities) Regulations 2006* (the Regulations).
3. Between 24 and 27 June 2025, the Waimate District's BCA underwent its biannual IANZ Routine Assessment to retain accreditation.
4. Accreditation is a statement by IANZ that our organisation complies with the Regulations and MBIE BCA accreditation scheme guidance documents (as relevant). Where non-compliance with the Regulations are identified, the Act requires that they must be addressed for accreditation to continue.
5. At its previous IANZ Assessment in 2023, the BCA was issued with two Serious Non-Compliances (SNC's) and six General Non-Compliances (GNC's). Recommendations were completed and accreditation was retained.
6. At the recent Assessment the BCA was issued with eight GNC's.
7. Of these eight GNC's, three were resolved and signed off before the IANZ assessors completed their on-site assessment.
8. The remaining five GNC's identified:
  - a. The BCA had not always appropriately implemented the documented procedure including not fully checking the application for completeness or not recognising that the application was not fully correct and not starting the building consent clock correctly.
  - b. The BCA's documented procedure was not adequate, in that it only allowed for RFI responses through the SIMPLI portal, whereas the BCA was also accepting information/ documents from RFI's by phone and email.
  - c. The BCA had not always ensured that the reasons for granting an extension of time for the lapsing of Building Consents were adequately recorded.
  - d. Implementation was not always adequate, where the BCA had accepted incomplete CCC applications, in that the form used did not include the prescribed declaration that the work was complete, i.e. "All building work to be carried out under the building consent specified on this form was completed on [insert date]."
  - e. For building consents that included specified systems, the BCA's Code Compliance Certificates did not include the statement: "the specified systems in the building are capable of performing to the performance standards set out in the building consent" in accordance with the prescribed Form 7.
  - f. The BCA had not ensured that a valid reason for granting an extension of time for 24-month CCC decision to grant or refuse a CCC had been recorded by the BCA.
  - g. The BCA had not ensured that a valid reason for granting an extension of time for 24-month CCC decision to grant or refuse a CCC had been recorded by the BCA.



- h. The BCA's compliance schedules did not always include detailed or sufficiently specific references to inspection standards or maintenance procedures.
- 9. At the end of the on-site assessment phase of this assessment it was determined that the BCA is considered to pose a **Low Risk**. The main reasons for considering this risk category were:
  - i. The BCA staff were committed to supporting and implementing their BCA systems
  - ii. A low number of findings were made during this assessment
  - iii. No repeat findings were made during the assessment.
- 10. Action plans to address the remaining GNC's were submitted to IANZ before the 15 August 2025 deadline. IANZ has analysed and accepted them.
- 11. The BCA is therefore proceeding to provide clearance evidence to IANZ by the 17 October 2025 closing date.
- 12. If Council's BCA does not undergo a significant change, requiring some form of interim assessment, and the BCA is able to clear the identified non-compliances within the agreed timeframe, the next assessment of the BCA is planned as a **Routine Reassessment** for June 2027.

#### LEGISLATION

- 13. Building Regulations 2006.

#### RECOMMENDATION

That the IANZ BCA Accreditation report June 2025 is accepted.



The NZ mark of competence  
Tohu Matatau Aotearoa



## **BUILDING CONSENT AUTHORITY ACCREDITATION INITIAL ASSESSMENT REPORT**

**Waimate District Council**

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## BCA AND ASSESSMENT DETAILS

ORGANISATION DETAILS							
<b>Organisation:</b>		Waimate District Council					
<b>Address for service:</b>		125 Queen Street, Waimate 7924					
<b>Client Number:</b>	7483	<b>Accreditation Number:</b>	35				
<b>Chief Executive:</b>		Stuart Duncan					
<b>Chief Executive Contact Details:</b>		<a href="mailto:stuart.duncan@waimatedc.govt.nz">stuart.duncan@waimatedc.govt.nz</a>					
<b>Responsible Manager:</b>		Mr Stuart Chapman					
<b>Responsible Manager Contact Details:</b>		<a href="mailto:Stu@waimatedc.govt.nz">Stu@waimatedc.govt.nz</a>					
<b>Authorised Representative:</b>		Mr Stuart Chapman					
<b>Authorised Representative Contact Details:</b>		<a href="mailto:Stu@waimatedc.govt.nz">Stu@waimatedc.govt.nz</a>					
<b>Quality Assurance Manager:</b>		Mr Stuart Chapman					
<b>Quality Assurance Manager Contact Details:</b>		<a href="mailto:Stu@waimatedc.govt.nz">Stu@waimatedc.govt.nz</a>					
<b>Number of FTEs</b> Total FTEs should = technical FTEs + admin FTEs + vacancies	<b>Technical</b>	1.75	<b>Support functions</b>	1.75			
	<b>Vacancies (Technical)</b>	0	<b>Vacancies (Support)</b>	0			
<b>Activity during the previous 12 months</b>		<b>Building Consents (excl. Amendments)</b>					
		<b>R1</b>	124	<b>R2</b>	13	<b>R3</b>	0
		<b>C1</b>	21	<b>C2</b>	3	<b>C3</b>	0
		<b>National Multi-use Approvals</b>				1	
		<b>Amendments (Total)</b>				30	
		<b>CCCs</b>				196	
		<b>New compliance schedules</b>				1	
		<b>BCA Notices to Fix</b>				0	
ASSESSMENT TEAM							
<b>Assessment Dates:</b>		24 June 2025 to 27 June 2025					
<b>Lead Assessor:</b>		Peter Wakefield					
<b>Technical Expert:</b>		Steven Williams					
<b>Observer:</b>		Mike Reedy (Remotely)					
ASSESSMENT FINDINGS							
	<b>This assessment (RR):</b>		<b>Last assessment (RR):</b>				
<b>Total # of "serious" non-compliances:</b>	0		2				
<b>Total # of "general" non-compliances:</b>	8		6				
<b>Total # of non-compliances outstanding:</b>	5		8				
<b>Recommendations:</b>	9		12				
<b>Advisory notes:</b>	9		1				
<b>Date all action plans must be accepted:</b>		15 August 2025					
<b>Date all non-compliances must be cleared:</b>		17 October 2025					
NEXT ASSESSMENT							
<b>Recommended next assessment type:</b>		Routine Reassessment					
<b>Recommended next assessment month:</b>		June 2027					
IANZ REPORT PREPARATION							
<b>Prepared by: Peter Wakefield</b>	<b>Date: 14 July 2025</b>		<b>Signature:</b> 				
<b>Checked by: Adrienne Woollard</b>	<b>Date: 14 July 2025</b>		<b>Signature:</b> 				

## INTRODUCTION

This report relates to the routine accreditation assessment of the **Waimate District Council (WDC) Building Consent Authority (BCA)** which took place on site during **June 2025** to determine compliance with the requirements of the *Building (Accreditation of Building Consent Authorities) Regulations 2006*.

This report is based on the document review, witnessing of activities and interviews with the BCA's employees undertaken during the accreditation assessment.

A copy of this report, and subsequent information regarding progress towards clearance of non-compliance(s), will be provided to the Ministry of Business, Innovation and Employment in accordance with International Accreditation New Zealand's contractual obligations. This report may also be made publicly available by the BCA as long as this is not done in a way that misrepresents the content within. It may also be released under the Local Government Meetings and Official Information Act 1987 consistent with any ground for withholding that might be applicable. IANZ may also be required to release this report and assessment documentation if requested under the Official Information Act 1987.

## ASSESSMENT SUMMARY

The assessment identified that BCA staff were communicative and engaged in implementing their BCA systems and procedures. The BCA had well established procedures that were easy to navigate and the records reviewed were observed to have been generally well maintained.

Staff at this BCA were open to continuous improvement initiatives whenever they arose. The BCA demonstrated good practice in their documentation of acceptance of CCC documentation at the CCC decision making stage. Records made during this process were clear and easy to follow.

There were, however, some outstanding issues, which were raised as General Non-compliances (GNC). These are detailed below.

## CONTINUING ACCREDITATION

Accreditation is a statement, by IANZ, that your organisation complies with the Regulations and MBIE BCA accreditation scheme guidance documents (as relevant). Where non-compliance with the Regulations has been identified, the Act requires that it must be addressed in order for accreditation to continue.

## IDENTIFYING AND NUMBERING OF NON-COMPLIANCES

Non-compliance numbers have been issued to each Regulation or sub-Regulation which was assessed and found to be non-compliant, however, where more than one non-compliance was identified within one Regulation or sub-Regulation, then only one finding number is generated.

Regulations 7(2)(d)(v) and 7(2)(f)(i) have been split out into their component parts to enable easy recording and management of the key issues.

**STEPS TO ADDRESSING NON-COMPLIANCES IDENTIFIED**

<b>Step 1</b>	<b>Action plans</b> Non-compliances raised during the assessment have been summarised and recorded in detail in this report. BCA to analyse the root cause of the finding within the finding tables nested under the relevant regulation and then develop and document an action plan to address each finding (including documenting the evidence that will be submitted to address the finding).	Required to be <b>submitted</b> within <b>10 working days</b> of the receipt of this report.
<b>Step 2</b>	<b>IANZ Reviews the action plans provided</b> IANZ will analyse the submitted action plans with the proposed evidence of implementation indicated and will respond to the BCA accordingly with required improvements and/or acceptance of the plan.	IANZ has a KPI of <b>10 working days</b> to review and respond. Action plans and proposed evidence required to be <b>accepted</b> within <b>20 working days</b> of the receipt of this report.
<b>Step 3</b>	<b>Submitting clearance evidence</b> Upon the acceptance of all action plans, the BCA can proceed to provide clearance evidence to IANZ.	BCA to submit a separate email to address each GNC, ideally containing all listed proposed evidence.
<b>Step 4</b>	<b>Review of clearance evidence</b> Upon receiving clearance evidence, IANZ will review the appropriateness of the evidence to clear the identified non-compliance(s). Note that where the evidence provided does not provide sufficient assurance that the non-compliance has been addressed then IANZ may request further information to be satisfied, even if supply of that information was not detailed in the original action plan.	IANZ has a KPI of <b>10 working days</b> to review and respond to each piece of clearance evidence provided.
<b>Step 5</b>	<b>Last date for information submission</b> The BCA must provide its final clearance information in sufficient time to allow for review, revision and resubmission of the information before the last date for final information submission provided.	If insufficient or incomplete information is received by the last date for information submission, the BCA must apply for an extension of time (if relevant). Alternatively, an initial notice of possible revocation of accreditation may be issued.
<b>Step 6</b>	<b>Final clearance</b> The BCA must clear all identified non-compliances.	<b>Within 3 months</b> of the issuing of this report (unless an extension is granted or a finding is conditionally cleared waiting for future information).

If you do not agree with the non-compliances identified, or if you need further time to address non-compliances, please get in touch with the Lead Assessor as soon as possible. Where you are seeking an extension to an agreed timeframe to address a non-compliance, your Chief Executive is required to formally request an extension of the timeframe. These will only be granted for unpredictable and unmanageable reasons.

Failure to provide timely, objective evidence that identified non-compliances have been effectively and sustainably resolved may result in a recommendation to revoke accreditation.

If you have a complaint about the assessment process or wish to appeal any of the findings or outcomes, please refer to the BCA Accreditation disagreements guidance, which can be found [here](#), or contact the IANZ Lead Assessor, IANZ Programme Manager – Building, or IANZ Operations Manager - Inspection and BCA sectors for further information about the IANZ appeals and complaints process.

## RISK ASSESSMENT

The BCA's risk, both to the Territorial Authority, as a BCA and also as an organisation accredited by IANZ was assessed using the following criteria:

<b>High risk</b>	<b>A non-functioning BCA</b> – depending on extent and type of risk and agreed management method. E.g. there is a pattern of failure to follow multiple policies, procedures and systems (PPS) and/or that multiple PPS have not been consistently and effectively implemented.	<b>Some form of monitoring within 6 months</b>
<b>Medium risk</b>	<b>The BCA is not currently compliant and is unlikely to demonstrate substantial compliance at the next assessment</b> if significant actions are not taken to address the identified issues, especially where there was <b>a failure to implement PPS over two or more assessment cycles</b> .	<b>1 year</b>
<b>Low risk</b>	<b>“Normal” risk</b> (the BCA is likely to remain substantially compliant over the next two years).	<b>2 years</b>
<b>Extra Low risk</b>	<b>The BCA is almost fully compliant and likely to remain that way.</b>	<b>Reduced monitoring at next 2 yearly assessment</b>

Consideration, as at the end of the on-site assessment phase of this assessment has determined that the BCA is considered to pose a **Low Risk**. The main reasons for considering this risk category were:

- The BCA staff were committed to supporting and implementing their BCA systems
- A low number of findings were made during this assessment
- No repeat findings were made during the assessment.

## NEXT ACCREDITATION ASSESSMENT

As part of the clearance process, IANZ will consider if the clearance material demonstrates full compliance with the accreditation requirements and the likelihood of the BCA to remain substantially compliant moving forward. Based on this, IANZ will undertake a further review of the Risk category of your BCA at the end of the clearance process. This further review will determine the timing of your next assessment.

Currently, if your BCA does not undergo a significant change, requiring some form of interim assessment, and the BCA is able to clear the identified non-compliances within the agreed timeframe, the next assessment of the BCA is planned as a **Routine Reassessment** for **June 2027**.

You will be formally notified of your next assessment at least six weeks prior to its planned date.

**ABBREVIATIONS**

the Act	the Building Act 2004
AOB	Accredited Organisation – Building
BCA	Building Consent Authority
BCO	Building Control Officer
the Code	the Building Code
CCC	Code Compliance Certificate
Consent	Building Consent
CI	Continuous improvement
CoI	Conflict of Interest
Forms Regulations	Building (Forms) Regulations 2004
GNC	General Non-compliance
IANZ	International Accreditation New Zealand
MBIE	Ministry of Business, Innovation and Employment
LBP	Licensed Building Practitioner
NCAS	National Competence Assessment System
NTF	Notice to Fix
the Regulations	Building (Accreditation of Building Consent Authorities) Regulations 2006
RFI	Request for Further Information
SNC	Serious Non-compliance
WDC	Waimate District Council



**ASSESSMENT OBSERVATIONS AND RECORDS OF NON-COMPLIANCE****Regulation 6A(1) A system for notification****Observations and comments, including good practice and performance**

The BCA had documented its system for notifying the building consent accreditation body and the Ministry of any of the matters listed within Regulation 6A(1) within 20 working days of the matter taking place, however, the BCA had not documented within its procedures the requirement to notify MBIE and IANZ of any changes to its Quality Assurance Manager. This was **raised as GNC 1 and was resolved during the assessment** with a revised procedure.

Implementation had been appropriate whereby the BCA had notified both MBIE and IANZ of the departure of a BCO staff member.

**Regulation 7(2)(a) Providing consumer information****Observations and comments, including good practice and performance**

The BCA provided consumer information regarding how to apply for a consent, and how an application was processed, inspected and certified, however, the BCA's consumer information did not adequately meet all requirements as per the following:

- Plumbers were incorrectly referenced as Licenced Building Practitioners.
- The threshold for the MBIE levy was incorrect.
- Explanations relating to Section 90 of the Building Act 2004 application were incorrect.
- The consumer information provided for s115 (change of use) did not appropriately explain the meaning of a change of use, the process to assess the change of use nor how to apply for a consent that includes a change of use.
- FENZ referrals were not adequately explained in consumer information.

The above points were **raised as GNC 2 and were resolved during the assessment** with a revision of the BCA's consumer information.

Development Contributions were not raised by Waimate District Council. To avoid confusion, the BCA is therefore advised to amend its schedule of fees and charges to remove the reference to Development Contributions, and to include a statement in the consumer information that Development Contributions are not charged by Waimate District Council.

**See Advisory Note A1.**

The BCA is advised to consider reviewing all consumer information across the WDC website and consumer information booklet for consistency to ensure that the information in the BCA booklet aligns with the website information, the information provided is appropriate, and it is easy to locate.

**See Advisory Note A2.**

**Regulation 7(2)(b) Receiving building consent applications****Observations and comments, including good practice and performance**

The BCA had documented its procedure for receiving applications in accordance with Regulation 7(2)(b) however, the BCA was found to have a number of forms available that were not referred to in the documented procedure or the Building (Forms) Regulations, or included in the Building Act.

The above was **raised as GNC 3 and was resolved during the assessment** with the removal of the additional forms.

The BCA was seen to be appropriately receiving and accepting complete applications.

### Regulation 7(2)(c) Checking building consent applications

#### Observations and comments, including good practice and performance

The BCA had appropriately documented its procedure for checking applications in accordance with Regulation 7(2)(c).

The BCA had not always appropriately implemented the documented procedure as per the following:

- Examples were found of checking of building consent applications where there were a number of days between the application receipt date and vetting occurring with the clock not started, or where two rounds of vetting questions were sent.
- The BCA was not adequately checking the owner and agents details when assessing building consent applications; in that agents had included their own contact details instead of owners, agents were using builders contact details in lieu of owners, and names between the defined agent and consent signatory differed.

See GNC 4.

#### General Non-compliance No. 4: Action Plan accepted ☐ Cleared select date.

<b>Breach of requirement:</b>	Regulation 7(2)(c)						
<b>Breach of requirement:</b>	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
<b>FINDING DETAILS</b>							
<p>The BCA had not always appropriately implemented the documented procedure including not fully checking the application for completeness or not recognising that the application was not fully correct and not starting the building consent clock correctly as per the following:</p> <ul style="list-style-type: none"> <li>• Examples were found of checking of building consent applications where there were a number of days between the application receipt date and vetting occurring with the clock not started, or where two rounds of vetting questions were sent.</li> <li>• The BCA was not adequately checking the owner and agents details when assessing building consent applications; in that agents had included their own contact details instead of owners, agents were using builders contact details in lieu of owners, and names between the defined agent and consent signatory differed.</li> </ul>							
<b>IMPORTANT DATES</b>							
<b>Date this action plan was accepted by IANZ:</b>					Select a date		
<b>Final date evidence of implementation can be accepted from BCA:</b>					30 September 2025		
<b>PLAN OF ACTION</b> (To be provided by BCA)							

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**PROPOSED EVIDENCE OF IMPLEMENTATION** *(To be provided by BCA)***EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS**Date  
**ORG (Initials)**Date  
**ORG (Initials)**Date  
**ORG (Initials)**Date  
**ORG (Initials)****NON COMPLIANCE CLEARED****Signed:****Date:** Select a date**Regulation 7(2)(d)(i) Recording building consent applications****Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for recording applications in accordance with Regulation 7(2)(d)(i).

The BCA recorded all applications within its SIMPLI Portal software system.

**Regulation 7(2)(d)(ii) Assessing building consent applications****Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for assessing applications in accordance with Regulation 7(2)(d)(ii).

Applications were seen to have been appropriately assessed using the building categories documented within the NCAS.

**Regulation 7(2)(d)(iii) Allocating building consent applications****Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for allocating applications in accordance with Regulation 7(2)(d)(iii).

All reviewed applications were seen to have been appropriately allocated to competent staff.

**Regulation 7(2)(d)(iv) Processing building consent applications****Observations and comments, including good practice and performance**

The BCA had documented its procedure for processing building consent applications to establish whether the applications complied with the requirements of the Act, the Building Code, and any other applicable regulations under the Act specified for buildings. These were mostly appropriate, except the BCA implemented a process which included receiving information/ documents from RFI's by phone and email as this was discussed in the processing note records. The BCA's documented procedure was not adequate, in that it only allowed for RFI responses through the SIMPLI portal, and did not cover other the means of receiving RFI responses used by the BCA.

**See GNC 5.**

Implementation was not always adequate, as per the following:

- The BCA's reasons for decisions in processing lacked appropriate detail to demonstrate that the building consent had been adequately processed for compliance
- The BCA's application of Section 71, 72, 73 of the Building Act 2004 when assessing dwellings in flood zones was not always appropriate, in that the reasons for decisions lacked the detail required to demonstrate the decision process had occurred in accordance with the documented procedure and the Building Act 2004.
- The BCA had not always implemented its procedure for receiving and considering producer statements. Processing records did not adequately demonstrate that the documented producer statement procedure had been implemented.
- The building consent processing statutory clock was found to be inaccurate as complete responses to an RFI were not restarting the clock. In addition, there were delays between the time information was received in response to an RFI and the time it was checked, and the clock started.

**See GNC 5.**

The BCA is recommended to include a prompt for the assessment of access for people with disabilities in its s112 checklist.

**See Recommendation R1.**

**General Non-compliance No. 5: Action Plan accepted ☐ Cleared ☐ select date.**

Breach of requirement:	Regulation 7(2)(d)(iv)						
Breach of requirement:	Regulation(s)	✓ 5(a)	✓ 5(b)	✓ 5(c)	✓ 6(b)	✓ 6(c)	✓ 6(d)
FINDING DETAILS							
<p>The BCA’s documented procedure was not adequate, in that it only allowed for RFI responses through the SIMPLI portal, whereas the BCA was also accepting information/ documents from RFI’s by phone and email.</p> <p>Implementation was not always adequate, as per the following:</p> <ul style="list-style-type: none"><li>• The BCA’s reasons for decisions in processing lacked appropriate detail to demonstrate that the building consent had been adequately processed for compliance</li><li>• The BCA’s application of Section 71, 72, 73 of the Building Act 2004 when assessing dwellings in flood zones was not always appropriate, in that the reasons for decisions lacked the detail required to demonstrate the decision process had occurred in accordance with the documented procedure and the Building Act 2004.</li><li>• The BCA had not always implemented its procedure for accepting/considering Producer Statements. Processing records did not adequately demonstrate that the documented Producer</li></ul>							

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Statement procedure had been implemented.	
<ul style="list-style-type: none"> <li>The building consent processing statutory clock was found to be inaccurate as complete responses to an RFI were not restarting the clock. In addition, there were delays between the time information was received in response to an RFI and the date it was checked, and the clock started.</li> </ul>	
<b>IMPORTANT DATES</b>	
<b>Date this action plan was accepted by IANZ:</b>	Select a date
<b>Final date evidence of implementation can be accepted from BCA:</b>	<b>30 September 2025</b>
<b>PLAN OF ACTION</b> <i>(To be provided by BCA)</i>	
<b>PROPOSED EVIDENCE OF IMPLEMENTATION</b> <i>(To be provided by BCA)</i>	
<b>EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS</b>	
Date <b>ORG (Initials)</b>	
Date <b>ORG (Initials)</b>	
Date <b>ORG (Initials)</b>	
Date <b>ORG (Initials)</b>	
<b>NON COMPLIANCE CLEARED</b>	
<b>Signed:</b>	<b>Date:</b> Select a date

### Regulation 7(2)(d)(v) Granting and issuing building consents and Compliance with Form 5

#### Observations and comments, including good practice and performance

The BCA had appropriately documented its procedure for granting and issuing consents, in accordance with Regulation 7(2)(d)(v).

Issued building consents were seen to meet the requirements of the Forms Regulations.

### Regulation 7(2)(d)(v) Lapsing building consents

#### Observations and comments, including good practice and performance

The BCA had appropriately documented its procedure for lapsing of Building Consents, in accordance with Regulation 7(2)(d)(v).

Implementation was not always adequate, where the BCA had not always ensured that the reasons for granting an extension of time for the lapsing of Building Consents was adequately recorded.

**See GNC 6.**

The BCA is advised to remember that Building Consents once granted and issued remain valid for 12 months, and that any requests to withdraw a Building Consent must be treated with consideration of this. Whilst a request to withdraw a consent may be discussed with applicants and notionally agreed to (together with any fee reimbursement processes), the BCA is reminded that the consent remains valid for the full 12-month period. Should the applicant wish to subsequently start work within the 12 period, then this cannot be refused.

**See Advisory Note A3.**

**General Non-compliance No. 6: Action Plan accepted ☐ Cleared ☐ select date.**

<b>Breach of requirement:</b>	<b>Regulation 7(2)(d)(v)</b>						
<b>Breach of requirement:</b>	<b>Regulation(s)</b>	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input checked="" type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
<b>FINDING DETAILS</b>							
The BCA had not always ensured that the reasons for granting an extension of time for the lapsing of Building Consents were adequately recorded.							
<b>IMPORTANT DATES</b>							
<b>Date this action plan was accepted by IANZ:</b>					Select a date		
<b>Final date evidence of implementation can be accepted from BCA:</b>					30 September 2025		
<b>PLAN OF ACTION</b> <i>(To be provided by BCA)</i>							
<b>PROPOSED EVIDENCE OF IMPLEMENTATION</b> <i>(To be provided by BCA)</i>							
<b>EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS</b>							
Date <b>ORG (Initials)</b>							
Date <b>ORG (Initials)</b>							
Date <b>ORG (Initials)</b>							
Date <b>ORG (Initials)</b>							
<b>NON COMPLIANCE CLEARED</b>							
<b>Signed:</b>				<b>Date:</b> Select a date			

**Regulation 7(2)(d)(v)**

**Compliance with statutory timeframes for granting building consents**

**Observations and comments, including good practice and performance**

The BCA's compliance with the statutory timeframe for granting building consents within 20 working days was seen to be averaging around 96%, which was considered to be substantially compliant.

### Regulation 7(2)(e) Planning, performing and managing inspections

#### Observations and comments, including good practice and performance

The BCA had appropriately documented its procedure for planning, performing and managing inspections in accordance with Regulation 7(2)(e).

Inspections were adequately planned during consent processing. Inspection timeframes were generally within 2 days of being required.

On-site inspections were witnessed during the assessment and a selection of inspection records were reviewed. Inspections were seen to have been conducted appropriately. Inspection records were appropriately maintained.

The BCA is recommended to caption inspection photos and add the photos to the site notice to provide a more robust record of reasons for decisions and to improve communication with site stakeholders / owners.

**See Recommendation R2.**

The BCA's procedures require Building Consent documents to be on-site during inspections. As this appeared to have not always been checked, the BCA is recommended to include a prompt for checking that the Builders have Building Consent documents on-site during inspection activities.

**See Recommendation R3.**

The BCA is recommended to include a prompt to check Finished Floor Level during slab or suspended floor inspections – especially in known flood areas as there were instances where consideration of the finished floor level had not been recorded.

**See Recommendation R4.**

Where a section 37 (Resource Management Act) Certificate/ Form 4 is issued, the BCA is advised to modify their procedure to include an inspections block to ensure that any inspection activity is controlled according to any restrictions that may apply.

**See Advisory Note A4.**

### Regulation 7(2)(f)(i) Application for code compliance certificates

#### Observations and comments, including good practice and performance

The BCA had appropriately documented its procedure for receiving and considering applications for a Code Compliance Certificate in accordance with Regulation 7(2)(f)(i).

Implementation was not always adequate, where the BCA had accepted incomplete CCC applications, in that the form used did not include the prescribed declaration that the work was complete i.e. "All building work to be carried out under the building consent specified on this form was completed on [insert date]."

**See GNC 7A.**

**General Non-compliance No. 7A: Action Plan accepted** ☐ **Cleared** select date.

<b>Breach of requirement:</b>	<b>Regulation 7(2)(f)(i)</b>
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<b>Breach of requirement:</b>	<b>Regulation(s)</b>	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
<b>FINDING DETAILS</b>							
Implementation was not always adequate, where the BCA had accepted incomplete CCC applications, in that the form used did not include the prescribed declaration that the work was complete i.e. "All building work to be carried out under the building consent specified on this form was completed on [insert date]."							
<b>IMPORTANT DATES</b>							
<b>Date this action plan was accepted by IANZ:</b>					Select a date		
<b>Final date evidence of implementation can be accepted from BCA:</b>					30 September 2025		
<b>PLAN OF ACTION</b> <i>(To be provided by BCA)</i>							
<b>PROPOSED EVIDENCE OF IMPLEMENTATION</b> <i>(To be provided by BCA)</i>							
<b>EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS</b>							
Date							
<b>ORG (Initials)</b>							
Date							
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Date							
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<b>ORG (Initials)</b>							
<b>NON COMPLIANCE CLEARED</b>							
<b>Signed:</b>				<b>Date:</b> Select a date			

<b>Regulation 7(2)(f)(i)</b>	<b>Preparing, issuing and refusing to issue code compliance certificates</b>
<b>Observations and comments, including good practice and performance</b>	
<p>The BCA had appropriately documented its procedure for preparing, issuing, or refusing to issue Code Compliance Certificates in accordance with Regulation 7(2)(f)(i).</p> <p>For building consents that included specified systems, the BCA's Code Compliance Certificates did not include the statement; "the specified systems in the building are capable of performing to the performance standards set out in the building consent", in accordance with the prescribed Form 7 .</p> <p><b>See GNC 7B.</b></p> <p>The BCA is recommended to consider the following:</p> <ul style="list-style-type: none"> <li>To review the templated advice notes being applied to building consents, as there were cases where documents were indicated in the advice notes but had not been listed in the required items. This meant that these documents had not been sought during the CCC decision procedure. Examples included Contractual documents such as Construction Statement complying with NZ3910:2003 (Construction Contracts Standard), Welding Certificates, and ECAN approval for wastewater disposal fields.</li> <li>Scrutinise the date of the performance standards on incoming producer statements and commissioning documents to ensure that they are the same as those stated on the building</li> </ul>	



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consent (or as amended by any minor variations or amendments) as an example was found where the dates were different.

**See Recommendation R5.**

The BCA is advised to consider modifying the CCC decision procedure so that CCC refusals are recorded in the Statement of Compliance in GoGet. (There were 2 different places where the CCC decision could be recorded. The CCC decision for issue was recorded in GoGet, whereas the decision to refuse was recorded in a spreadsheet and MagiQ).

**See Advisory Note A5.**

The BCA had demonstrated good practice in their documentation of acceptance of CCC documentation at CCC decision making stage.

**General Non-compliance No. 7B: Action Plan accepted ☐ Cleared select date.**

<b>Breach of requirement:</b>	<b>Regulation 7(2)(f)(i)</b>						
<b>Breach of requirement:</b>	<b>Regulation(s)</b>	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
<b>FINDING DETAILS</b>							
For building consents that included specified systems, the BCA's Code Compliance Certificates did not include the statement; "the specified systems in the building are capable of performing to the performance standards set out in the building consent", in accordance with the prescribed Form 7.							
<b>IMPORTANT DATES</b>							
<b>Date this action plan was accepted by IANZ:</b>					Select a date		
<b>Final date evidence of implementation can be accepted from BCA:</b>					30 September 2025		
<b>PLAN OF ACTION</b> <i>(To be provided by BCA)</i>							
<b>PROPOSED EVIDENCE OF IMPLEMENTATION</b> <i>(To be provided by BCA)</i>							
<b>EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS</b>							
Date							
<b>ORG (Initials)</b>							
Date							
<b>ORG (Initials)</b>							
Date							
<b>ORG (Initials)</b>							
Date							
<b>ORG (Initials)</b>							
<b>NON COMPLIANCE CLEARED</b>							
<b>Signed:</b>				<b>Date:</b> Select a date			

**Regulation 7(2)(f)(i) 24-month CCC decisions**

**Observations and comments, including good practice and performance**

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The BCA had appropriately documented its procedure for making a 24-month decision on whether to issue or refuse to issue a Code Compliance Certificate where no application for Code Compliance Certificate had been received, in accordance with Regulation 7(2)(f)(i).

The BCA had appropriately implemented its processes for CCC 24-month decisions making. However, the BCA had not ensured that a valid reason for granting an extension of time for 24-month CCC decision to grant or refuse a CCC had been recorded by the BCA.

**See GNC 7C.**

**General Non-compliance No. 7C: Action Plan accepted ☐ Cleared select date.**

<b>Breach of requirement:</b>	<b>Regulation 7(2)(f)(i)</b>						
<b>Breach of requirement:</b>	<b>Regulation(s)</b>	<input type="checkbox"/> 5(a)	<input checked="" type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input checked="" type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
<b>FINDING DETAILS</b>							
The BCA had not ensured that a valid reason for granting an extension of time for 24-month CCC decision to grant or refuse a CCC had been recorded by the BCA.							
<b>IMPORTANT DATES</b>							
<b>Date this action plan was accepted by IANZ:</b>					Select a date		
<b>Final date evidence of implementation can be accepted from BCA:</b>					30 September 2025		
<b>PLAN OF ACTION</b> <i>(To be provided by BCA)</i>							
<b>PROPOSED EVIDENCE OF IMPLEMENTATION</b> <i>(To be provided by BCA)</i>							
<b>EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS</b>							
Date <b>ORG (Initials)</b>							
Date <b>ORG (Initials)</b>							
Date <b>ORG (Initials)</b>							
Date <b>ORG (Initials)</b>							
<b>NON COMPLIANCE CLEARED</b>							
<b>Signed:</b>				<b>Date:</b> Select a date			

<b>Regulation 7(2)(f)(i)</b>	<b>Compliance with statutory timeframes for code compliance certificates</b>
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**Observations and comments, including good practice and performance**

The BCA's compliance with the statutory timeframe for issuing or refusing Code Compliance Certificates within 20 working days was seen to be averaging around 94%, with 9 average working days.

An analysis had been conducted by BCA management on the reasons why full compliance had not always been achieved. The analysis indicated that staff were not as focussed as they could be in relation to the

time elapsed for CCC processing. As a result, the BCA had recently begun a revised process whereby progress of CCC applications that were at 10 days was discussed at weekly stand-up meetings to prevent any undue delays or time over runs.

### Regulation 7(2)(f)(ii) Compliance schedules

#### Observations and comments, including good practice and performance

The BCA had appropriately documented its procedure for preparation and issuing of Compliance Schedules in accordance with Regulation 7(2)(f)(ii).

The BCA's compliance schedules did not always include detailed or specific references to inspection standards or maintenance procedures. Where a performance standard included an inspection and maintenance section, this must be referenced (including year, section etc). Where there is no specific standard, the BCA must determine appropriate methods and scheduling for inspections and maintenance. **See GNC 8.**

The BCA is recommended to consider the following:

- Include the name of the signatory on issued compliance schedules
- Include the full version history of a Compliance Schedule including references to building consent numbers
- Clearly identify the anniversary date (for BWoF) on their Compliance Schedules
- Reconsider the use of Fire Category on the Compliance Schedules
- Consider recording the Use group of the building from the Building (Specified Systems, Change the Use, and Earthquake-prone Buildings) Regulations 2005

**See Recommendation R6.**

### General Non-compliance No. 8: Action Plan accepted ☐ Cleared ☐ select date.

<b>Breach of requirement:</b>	<b>Regulation 7(2)(f)(ii)</b>						
<b>Breach of requirement:</b>	<b>Regulation(s)</b>	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
<b>FINDING DETAILS</b>							
The BCA's compliance schedules did not always include detailed or sufficiently specific references to inspection standards or maintenance procedures.							
<b>IMPORTANT DATES</b>							
<b>Date this action plan was accepted by IANZ:</b>					Select a date		
<b>Final date evidence of implementation can be accepted from BCA:</b>					<b>30 September 2025</b>		
<b>PLAN OF ACTION</b> (To be provided by BCA)							
<b>PROPOSED EVIDENCE OF IMPLEMENTATION</b> (To be provided by BCA)							
<b>EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS</b>							
Date							
<b>ORG (Initials)</b>							

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Date <b>ORG (Initials)</b>	
Date <b>ORG (Initials)</b>	
<b>NON COMPLIANCE CLEARED</b>	
<b>Signed:</b>	<b>Date:</b> Select a date

<b>Regulation 7(2)(f)(iii)</b>	<b>Notices to fix</b>
<b>Observations and comments, including good practice and performance</b>	
<p>The BCA had appropriately documented its procedure for issuing Notices to fix in accordance with Regulation 7(2)(f)(iii).</p> <p>No examples of NTF were available to review as there had been no NTFs issued in the past 24-month period.</p>	

<b>Regulation 7(2)(g)</b>	<b>Customer inquiries</b>
<b>Observations and comments, including good practice and performance</b>	
<p>The BCA had appropriately documented its procedure for receiving and managing customer inquiries about building control functions in accordance with Regulation 7(2)(g).</p> <p>Inquiries were received through various media including face to face, by email, and by phone. Inquiries of a technical nature were forwarded to BCO staff where appropriate. Responses to inquiries were observed to be within prescribed timeframes.</p>	

<b>Regulation 7(2)(h)</b>	<b>Customer complaints</b>
<b>Observations and comments, including good practice and performance</b>	
<p>The BCA had appropriately documented its procedure for receiving and managing customer complaints about building control functions in accordance with Regulation 7(2)(h).</p> <p>The BCA had a complaints policy and process available on its publicly available website. No complaints had been received by the BCA in the past 24-month period.</p>	

<b>Regulation 8(1)</b>	<b>Forecasting workflow</b>
<b>Observations and comments, including good practice and performance</b>	

The BCA had appropriately documented its procedure to forecast its workflow in accordance with Regulation 8(1).

The BCA carried out data recording and analysis of workflow hours, building consent numbers by NCAS category, and CCCs processed, together with projections of expected workloads. These reports were then discussed at BCA Management meetings.

#### **Regulation 8(2)**

#### **Identifying and addressing capacity and capability needs**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure to identify and address capacity and capability needs on an ongoing basis, and in accordance with Regulation 8(2).

The BCA had analysed workloads and had actively worked to address any shortfalls in capacity and capability. Some poor performance levels relating to the 20-day clock timeframes for CCCs were noted by the BCA. The reasons had been recorded, and action had been taken by the BCA whereby contractors had been engaged. The BCA had started a revised process where progress of CCC applications that were at 10 days were discussed at stand-up meetings on a weekly basis so that timely action could be taken.

#### **Regulation 9**

#### **Allocating work to competent employees or contractors**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure to allocate work in accordance with Regulation 9.

The processing, inspection and certification work reviewed was seen to have been appropriately allocated to competent staff or to competent contractors.

#### **Regulation 10(1)**

#### **Assessing prospective employees**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for establishing the competence of a person who applied to it for employment as an employee performing building control functions in accordance with Regulation 10(1).

#### **Regulation 10(2)**

#### **Assessing employees performing building control functions**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for assessing annually (or more frequently) the competence of its employees performing building control functions in accordance with Regulation 10(2).

All BCA technical staff had been competency assessed, and all assessments were current at the time of this assessment. The BCA's procedure now called for a competency review at least every 2 years, with a full competency assessment to be completed when competency was first established, or when a change of level occurred.

#### **Regulation 10(3)(a) to (f)      Competence assessment system**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure which specified the technical requirements for a competence assessment system. All competence assessments were found to be appropriate and to record an appropriate level of detail, as per the National Building Consent Authority Competency Assessment System (NCAS) in accordance with Regulation 10(3).

#### **Regulation 11(1)      The training system**

##### **Observations and comments, including good practice and performance**

The BCA had developed a training system in accordance with Regulation 11(1).

#### **Regulation 11(2)(a)      Making annual (or more frequent) training needs assessments**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for making annual (or more frequent) training needs assessments in accordance with Regulation 11(2)(a).

Training plans had been prepared for all BCA staff. Records of these had been appropriately maintained.

#### **Regulation 11(2)(b)      Preparing training plans that specify the training outcomes required**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for preparing training plans that specified the training outcomes required in accordance with Regulation 11(2)(b).

Training plans had been prepared for all BCA technical staff. Records of these had been appropriately maintained on BCA Training Plans and in individual training folders.

BCA training plans had been well maintained for each BCA staff member and contained training needs identified and timeframes for training to be undertaken, together with the desired outcomes and how training was to be monitored and reviewed.

#### **Regulation 11(2)(c) Ensuring that employees receive the training agreed for them**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for ensuring that employees received the training agreed for them in accordance with Regulation 11(2)(c).

Training achievement against planned arrangements was monitored by the BCA. Any missed training was recorded and rescheduled appropriately.

#### **Regulation 11(2)(d) Monitoring and reviewing employees' application of the training they have received, including by observing relevant activities**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for monitoring and reviewing employees' application of the training they had received, including by observing relevant activities, in accordance with Regulation 11(2)(d).

The application of training was monitored and recorded on the BCA's Individual Training records. Monitoring was implemented as per the BCA's procedure.

#### **Regulation 11(2)(e) Supervising employees doing a technical job under training**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure to supervise its employees doing a technical job under training in accordance with Regulation 11(2)(e).

No examples of supervision were able to be reviewed as no staff were under supervision at the time of this assessment.

#### **Regulation 11(2)(f) Recording employees' qualifications, experience and training**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for recording employees' qualifications, experience, and training in accordance with Regulation 11(2)(f).

Qualifications of BCA staff had been recorded in the BCA's staff training folders and competency assessments. Training records contained details of completed training and relevant known experience was recorded in staff competency assessment records.

#### **Regulation 11(2)(g)      Recording continuing training information**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for recording continuing training information in accordance with Regulation 11(2)(g).

Continuous Professional Development records were held on the BCA's staff individual training records. Appropriate records had been maintained.

#### **Regulation 12(1)      A system for choosing and using contractors to perform its building control functions**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for choosing and using contractors to perform its building control functions in accordance with Regulation 12(1).

#### **Regulation 12(2)(a)      Establishing contractors' competence**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure to establish contractors' competence in accordance with Regulation 12(2)(a).

Contractor competency had been established as part of the engagement process. The contract agreements included appropriate details of competency expectations and the requirement for competency assessments for each of the contractor staff engaged on BCA work.

#### **Regulation 12(2)(b)      Engaging contractors**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for engaging contractors in accordance with Regulation 12(2)(b).

Contract agreements were in place for the contractors utilised by the BCA. The agreements included the scope of work to be undertaken, requirements for adhering to a quality management system, and actions



to be taken in the event of unsatisfactory performance, together with the BCA's performance measuring processes.

#### **Regulation 12(2)(c) Making written or electronic agreements with contractors**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for making written or electronic agreements with contractors in accordance with Regulation 12(2)(c).

The BCA had appropriate contract agreements in place for each of its contractors.

#### **Regulation 12(2)(d) Recording contractors' qualifications**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for recording contractors' qualifications in accordance with Regulation 12(2)(d).

The BCA's contractors' qualifications had been appropriately recorded.

#### **Regulation 12(2)(e) Monitoring and reviewing contractors' performance**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for monitoring and reviewing contractors' performance in accordance with Regulation 12(2)(e).

Contractor performance monitoring had been carried out as per the BCA's documented procedure. Contractor Performance Review records had been maintained appropriately.

#### **Regulation 12(2)(f) Annually (or more frequently) assessing contractors' competence**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for annually (or more frequently) assessing contractors' competence in accordance with Regulation 12(2)(f).

The BCA had maintained records of contractor staff competency assessments which were seen to be current.

<b>Regulation 13(a)</b>	<b>Identifying employees and contractors who are competent to provide technical leadership</b>
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<b>Observations and comments, including good practice and performance</b>
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The BCA had appropriately documented its procedure for identifying employees and contractors who were competent to provide technical leadership in accordance with Regulation 13(a).

Identification and appointment of technical leaders was as per the BCA's procedure and was seen to be appropriate.

<b>Regulation 13(b)</b>	<b>Giving the employees and contractors the powers and authorities to enable them to provide the leadership</b>
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<b>Observations and comments, including good practice and performance</b>
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The BCA had appropriately documented its procedure for giving the employees and contractors the powers and authorities to enable them to provide technical leadership in accordance with Regulation 13(b).

Records of establishment of Technical Leaders and the powers and authorities granted to Technical Leaders had been maintained in the BCA's skills matrix.

<b>Regulation 14</b>	<b>Ensuring necessary (technical) resources</b>
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<b>Observations and comments, including good practice and performance</b>
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The BCA had appropriately documented its procedure for ensuring it had a system for providing and ensuring the continuing availability and appropriateness of the technical information, facilities, and equipment that its employees and contractors needed to perform building control functions.

The BCA is recommended to ensure that the error between reference values and the working instrument, together with a pass-fail decision is always recorded on calibration records as it was noted in one example of a thermometer calibration record that this had not been done.

**See Recommendation R7.**

The BCA is advised to take note of and apply any corrections noted when reference instruments such as thermometers are calibrated and subsequently used for in-house calibration.

**See Advisory Note A6.**

The BCA is advised to consider calibration of its reference and in-house thermometers at temperatures of interest, such as 40, 45 and 50 degrees Celsius.

**See Advisory Note A7.**

<b>Regulation 15(1)(a)</b>	<b>A building consent authority must record its organisational structure</b>
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<b>Observations and comments, including good practice and performance</b>
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The BCA had appropriately documented its organisational structure in accordance with Regulation 15(1)(a).

**Regulation 15(1)(b)      A building consent must record in the structure its reporting lines and relationships with external parties**

**Observations and comments, including good practice and performance**

The BCA had appropriately documented in the BCA's Organisation Chart, the structure, the reporting lines and accountabilities, and the relationships the authority had with external organisations in accordance with Regulation 15(1)(b).

**Regulation 15(2)      A building consent authority must record roles, responsibilities, powers, authorities and any limitation on powers and authorities**

**Observations and comments, including good practice and performance**

The BCA had documented the roles, responsibilities, powers, authorities and any limitation on powers and authorities for its employees and contractors performing building control functions, in accordance with Regulation 15(2).

Job descriptions were appropriate, with objectives of each role, required competencies, and tasks that each role was responsible for being well defined.

**Regulation 16(1)      A system for giving every application for a building consent its own uniquely identified file**

**Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for allocating every application for building consent and building consent amendment its own unique identification in accordance with Regulation 16(1).

**Regulation 16(2)(a)      System for ensuring that all information relevant to an application for a building consent is put on the application's file**

**Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for ensuring that all information relevant to a building consent application was included in the application's file in accordance with Regulation 16(2)(a).

Contact details for names and addresses of third parties performing building control functions on the BCA's behalf were held in contract agreement documents. BCA file information was readily available and clearly identified to each building consent file.

The BCA is recommended to document a process for the receiving of information from outside the Portal during processing, such as: How are phone calls recorded associated with Building Consents? Where are emails saved? What are the agreed naming conventions? etc.

**See Recommendation R8.**

<b>Regulation 16(2)(b)</b>	<b>System for ensuring that all information relevant to an application for a building consent is kept in a way that makes it readily accessible and retrievable</b>
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**Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for ensuring that all information relevant to an application for a building consent was kept in a way that made it readily accessible and retrievable, in accordance with Regulation 16(2)(b).

BCA information relevant to building consent applications were easily accessible and all building consent files reviewed contained clearly identified records.

The BCA utilised computer systems such as GoGet, MagiQ and SharePoint for the storage of BCA data files.

<b>Regulation 16(2)(c)</b>	<b>System for ensuring that all information relevant to an application for a building consent is stored securely</b>
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**Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for ensuring that all information relevant to an application for a building consent was stored securely in accordance with Regulation 16(2)(c).

The BCA had arrangements with its Information Technology provider who maintained systems and conducted back-up checks on their data storage and computer systems. Local and off-site servers were used to store data. Passwords were used for file security and access.

Whilst it was understood that general disaster recovery processes were in place, the BCA is advised to consider carrying out a disaster recovery exercise with specific BCA file data examples in mind.

**See Advisory Note A8.**

<b>Regulation 17(1)</b>	<b>A quality assurance system that covers management and operations and covers the policies, procedures and systems described in regulations 5 to 16 and 18</b>
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**Observations and comments, including good practice and performance**

The BCA had developed a quality assurance system that covered its management and operations. The quality assurance system covered the policies, procedures, and systems described in regulations 5 to 16 and 18.

Some updates to procedures were in progress at the time of this assessment and the latest version was not available in SharePoint. The BCA is advised to review its SharePoint content so that the latest versions of documents are always available

**See Advisory Note A9.**

#### **Regulation 17(2)(b)      The policy on quality**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its quality policy, which included quality objectives, and quality performance indicators for its building control functions at a high level, in accordance with Regulation 17(2)(b).

#### **Regulation 17(2)(d)      Regular management reporting and review, including of the quality system**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for reviewing its management system annually (or more frequently) against the expected standards for performance and high-level performance indicators from its quality policy in accordance with Regulation 17(2)(d).

The BCA had carried out reviews of the appropriateness and effectiveness of its quality policy. Minutes of monthly BCA Operational review meetings held had been appropriately maintained.

#### **Regulation 17(2)(e)      Supporting continuous improvement**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for supporting continuous improvement (CI) in accordance with Regulation 17(2)(e).

The BCA had maintained detailed records regarding identifying and managing continuous improvement through its CI Register. These were actively monitored during monthly Operational meetings.

#### **Regulation 17(2)(h)      Undertaking annual audits**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for ensuring that an internal audit of every building control function occurred annually (or more frequently) in accordance with Regulation 17(2)(h).

The BCA had carried out internal audits for both system and technical procedures. These had been conducted as scheduled, with appropriate records maintained in the form of audit reports. Follow up on issues raised during audits was via the BCA's continuous improvement system.

One example was noted where the internal audit report did not record the examples reviewed during the internal audit. The BCA is recommended to ensure that examples reviewed during internal audit are recorded in internal audit reports so that an audit trail can be established.

**See Recommendation R9.**

#### **Regulation 17(2)(i) Identifying and managing conflicts of interest**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure in its quality assurance system for identifying and managing conflicts of interest (COI) in accordance with 17(2)(i).

The BCA had maintained a register of conflicts of interest which gave the detail of the conflict, persons involved, and the management method stated to be used to manage the COI. Appropriate records and management of COI's appeared to be in place.

#### **Regulation 17(2)(j) Communicating with internal and external persons**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for communicating with internal and external persons in its quality assurance system, in accordance with 17(2)(j).

Communication by the BCA to interested parties was by several methods. Email, phone, one on one, inspection activities, reports, BCA website, WDC intranet and staff meetings. Records had been maintained appropriately in the form of emails, GoGet records and minutes of meetings.

#### **Regulation 17(3) A quality assurance manager**

##### **Observations and comments, including good practice and performance**

The BCA had appointed a Quality Assurance Manager, named as Stuart Chapman, in its quality assurance system in accordance with Regulation 17(3).

#### **Regulation 17(3A) Concerns and complaints about building practitioners**

##### **Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure to ensure that the BCA considered concerns raised about practitioners and decided whether to make, and made complaints, to relevant occupational or professional authorities about practitioners who were practitioners of or within an occupation or profession in accordance with Regulation 17(3A)(a).

No complaints about building practitioners had been made in the past 24-month period, nor had any concerns been raised.

**Regulation 17(4)(a)      A system for ensuring that its employees comply with the authority's quality assurance system**

**Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for ensuring that its employees complied with the authority's quality assurance system in accordance with Regulation 17(4)(a).

Communication of the BCA's quality system was via a number of methods, such as via BCA Operational meetings, continuous improvement, internal audit and training mechanisms. Appropriate records had been maintained.

**Regulation 17(4)(b)      A system for ensuring that its contractors comply with a nominated quality assurance system**

**Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for ensuring that its contractors complied with either, the authority's quality assurance system, or the contractor's quality assurance system in accordance with Regulation 17(4)(b).

The BCA had appropriately defined within contract agreements that contractors were to comply with the BCA's quality assurance system.

**Regulation 17(5)(a)      Strategic management reporting and review**

**Observations and comments, including good practice and performance**

The BCA had appropriately documented its system for annually (or more frequently) reviewing its quality assurance system in accordance with Regulation 17(5)(a).

Strategic management review meetings were carried out as scheduled and covered all requirements appropriately. Minutes had been well maintained and covered the appropriateness and effectiveness of each requirement.

**Regulation 17(5)(b) Making appropriate changes in the quality assurance system****Observations and comments, including good practice and performance**

The BCA had appropriately documented its system for annually (or more frequently) making appropriate changes in the quality assurance system in accordance with Regulation 17(5)(b).

Changes to the BCA's Quality System were managed via the BCA continuous improvement system and were discussed at strategic management meetings.

**Regulation 18(1) Technical qualifications****Observations and comments, including good practice and performance**

The BCA had appropriately documented its system for ensuring that each employee and contractor who performed the authority's building control functions by doing a technical job held an appropriate technical qualification or was working towards one.

BCA staff qualifications were recorded on staff competency assessment records and in BCA staff training folders.

**Regulation 18(3) Technical qualifications****Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for requiring technical qualifications and establishing circumstances of employees and contractors that would make it unreasonable and impractical for requiring technical qualifications in accordance with Regulation 18(1) to (3).

All BCA technical staff held an appropriate qualification and therefore no BCA staff required exemption from holding an appropriate qualification.



## SUMMARY OF RECOMMENDATIONS

Recommendations are intended to assist your BCA to maintain compliance with the Regulations. They are not conditions for accreditation but a failure to make changes may result in non-compliance with the Regulations in the future.

### It is recommended that:

- R1 Regulation 7(2)(d)(iv)** - The BCA is recommended to include a prompt for the assessment of access for people with disabilities in its s112 checklist.
- R2 Regulation 7(2)(e)** - The BCA is recommended to caption inspection photos and add the photos to the site notice to provide a more robust record of reasons for decisions and to improve communication with site stakeholders / owners.
- R3 Regulation 7(2)(e)** - The BCA is recommended to include a prompt in their inspection notes for checking that the Builders have Building Consent documents on-site during inspection activities.
- R4 Regulation 7(2)(e)** - The BCA is recommended to include a prompt to check Finished Floor Level during slab or suspended floor inspections – especially in known flood areas.
- R5 Regulation 7(2)(f)(i)** - The BCA is recommended to consider the following:
- To review the templated advice notes being applied to building consents, as there were cases where documents were indicated in the advice notes as being required but had not been listed in the required items. This meant that these documents had not been sought during the CCC decision procedure.
  - To scrutinise the date of the performance standards on incoming producer statements and commissioning documents to ensure that they are the same as those stated on the building consent (or as amended by any minor variations or amendments) as an example was found where the dates were different.
- R6 Regulation 7(2)(f)(ii)** - The BCA is recommended to consider the following:
- Include the name of the signatory on issued compliance schedules
  - Include the full version history of a CS including references to building consents
  - Clearly identify the anniversary date (for BWoF) on their compliance schedules
  - Reconsider the use of Fire Category on the CS
  - Consider recording the Use group of the building from the Building (Specified Systems, Change the Use, and Earthquake-prone Buildings) Regulations 2005
- R7 Regulation 14** - The BCA is recommended to ensure that the error between reference values and the working instrument, together with a pass-fail decision is always recorded on calibration records as one example was noted of a thermometer calibration record w this had not been done.
- R8 Regulation 16(1)** - The BCA is recommended to document a process for the receiving of information from outside the Portal during processing, to include how phone calls associated with Building Consents are recorded, where emails are saved, the agreed naming conventions for files, etc.
- R9 Regulation 17(2)(h)** – One example was noted where the internal audit report did not record the examples reviewed during the internal audit. The BCA is recommended to ensure that examples reviewed during internal audit are recorded in internal audit reports so that an audit trail can be established.

## SUMMARY OF ADVISORY NOTES

Advisory notes are intended to assist your BCA to improve compliance with accreditation requirements based on IANZ's experience. They are **not** conditions for accreditation and do not have to be implemented to maintain accreditation.

### IANZ advises that:

- A1 Regulation 7(2)(a)** - Development Contributions were not raised by Waimate District Council. To avoid confusion, the BCA is therefore advised to amend its schedule of fees and charges to remove the reference to Development Contributions, and to include a statement in the consumer information that Development Contributions are not charged by Waimate District Council.
- A2 Regulation 7(2)(a)** - The BCA is advised to consider reviewing all consumer information across the WDC website and consumer information booklet for consistency to ensure that the information in the BCA booklet aligns with the website information, the information provided is appropriate, and it is easy to locate.
- A3 Regulation 7(2)(d)(v)** - The BCA is advised to remember that Building Consents, once granted and issued, remain valid for 12 months, and that a granted and issued consent cannot be withdrawn. Whilst a request to withdraw a consent may be discussed with applicants and notionally agreed to (together with any fee reimbursement processes), remains valid for the full 12-month period. Should the applicant wish to subsequently start work within the 12 period, then this cannot be refused.
- A4 Regulation 7(2)(e)** - Where a section 37 (Resource Management Act) Certificate/ Form 4 is issued, the BCA is advised to modify their procedure to include an inspections block to ensure that any inspection activity is controlled according to any restrictions that may apply.
- A5 Regulation 7(2)(f)(i)** - The BCA is advised to modify the CCC decision procedure so that CCC refusals are recorded in the Statement of Compliance in GoGet.
- A6 Regulation 14** - The BCA is advised to take note of and apply any corrections noted when reference instruments such as thermometers are calibrated and subsequently used for in-house calibration.
- A7 Regulation 14** - The BCA is advised to consider calibration of its reference and in-house thermometers at temperatures of interest, such as 40, 45 and 50 degrees Celsius.
- A8 Regulation 16(2)(c)** - Whilst it was understood that general disaster recovery processes were in place, to ensure that BCA files are secure and recoverable the BCA is advised to consider carrying out disaster recovery exercises with specific BCA file data examples in mind at a frequency to be decided by BCA management.
- A9 Regulation 17(1)** - The BCA is advised to review its SharePoint content so that the latest versions of documents are always available (understanding that some updates were in progress at the time of this assessment).

SUMMARY TABLE OF NON-COMPLIANCE

The following table summarises the non-compliance identified with the accreditation requirements in your BCA’s accreditation assessment. Where a non-compliance has been identified, a Record of Non-compliance template has been prepared detailing the issue, and to enable you to detail your proposed corrective actions to IANZ. You must update and return a template for each non-compliance identified.

Regulatory requirement	Non-compliance (Serious / General)	Non-compliance number (e.g. GNC 1)	Breach of Regulation 5/6? Enter “Y” where applicable						Resolved On-site? Yes/No	Date Non-compliance to be cleared by (DD/MM/YYYY)	Date Non-compliance cleared (DD/MM/YYYY)	Number(s) of		Brief comment (where applicable)
			5(a)	5(b)	5(c)	6(b)	6(c)	6(d)				Recommendations	Advisory Notes	
Regulation 6A														
6(A)(1)	General	GNC 1	Y	Y					Yes		27/06/2025			
6(A)(2)	NC Type													
Regulation 7														
7(1)	NC Type													
7(2)(a)	General	GNC 2	Y	Y					Yes		27/06/2025		A1, A2	
7(2)(b)	General	GNC 3			Y				Yes		27/06/2025			
7(2)(c)	General	GNC 4			Y				No	17/10/2025				
7(2)(d)(i)	NC Type													
7(2)(d)(ii)	NC Type													
7(2)(d)(iii)	NC Type													
7(2)(d)(iv)	General	GNC 5	Y	Y	Y	Y	Y	Y	No	17/10/2025		R1		
7(2)(d)(v)	General	GNC 6			Y		Y		No	17/10/2025			A3	
7(2)(e)	NC Type											R2, R3, R4	A4	
7(2)(f)(i)	General	GNC 7			Y		Y		No	17/10/2025		R5	A5	Note – this GNC has 3 parts: 7A, 7B, 7C
7(2)(f)(ii)	General	GNC 8			Y				No	17/10/2025		R6		
7(2)(f)(iii)	NC Type													
7(2)(g)	NC Type													
7(2)(h)	NC Type													
Regulation 8														
8(1)	NC Type													
8(2)	NC Type													
Regulation 9														
9	NC Type													
Regulation 10														
10(1)	NC Type													
10(2)	NC Type													
10(3)	NC Type													
Regulation 11														
11(1)	NC Type													
11(2)(a)	NC Type													
11(2)(b)	NC Type													
11(2)(c)	NC Type													
11(2)(d)	NC Type													
11(2)(e)	NC Type													
11(2)(f)	NC Type													
11(2)(g)	NC Type													

Regulatory requirement	Non-compliance (Serious / General)	Non-compliance number (e.g. GNC 1)	Breach of Regulation 5/6? Enter “Y” where applicable						Resolved On-site? Yes/No	Date Non-compliance to be cleared by (DD/MM/YYYY)	Date Non-compliance cleared (DD/MM/YYYY)	Number(s) of		Brief comment (where applicable)
			5(a)	5(b)	5(c)	6(b)	6(c)	6(d)				Recommendations	Advisory Notes	
Regulation 12														
12(1)	NC Type													
12(2)(a)	NC Type													
12(2)(b)	NC Type													
12(2)(c)	NC Type													
12(2)(d)	NC Type													
12(2)(e)	NC Type													
12(2)(f)	NC Type													
Regulation 13														
13(a)	NC Type													
13(b)	NC Type													
Regulation 14														
14	NC Type											R7	A6, A7	
Regulation 15														
15(1)(a)	NC Type													
15(1)(b)	NC Type													
15(2)	NC Type													
Regulation 16														
16(1)	NC Type											R8		
16(2)(a)	NC Type													
16(2)(b)	NC Type													
16(2)(c)	NC Type												A8	
Regulation 17														
17(1)	NC Type												A9	
17(2)(a)	NC Type													
17(2)(b)	NC Type													
17(2)(c)	NC Type													
17(2)(d)	NC Type													
17(2)(e)	NC Type													
17(2)(h)	NC Type											R9		
17(2)(i)	NC Type													
17(2)(j)	NC Type													
17(3)	NC Type													
17(3A)	NC Type													
17(4)(a)	NC Type													
17(4)(b)	NC Type													
17(5)(a)	NC Type													
17(5)(b)	NC Type													
Regulation 18														
18(1)	NC Type													
18(3)	NC Type													

**6.6 LEGISLATIVE REFORM RISK REPORT**

**Author:** Shey Taylor, Strategic Planner/Policy Advisor

**Authoriser:** Nicole Timney, Community Services and Strategy Group Manager

**Attachments:** 1. Legislative Reform Risk Tracker - R&C [↓](#) 

**PURPOSE**

1. This paper represents the establishment of a quarterly report that tracks Central Government reforms and proposed legislative changes, maps them to Council activities, assesses implications and risk, and provides general mitigation strategies for the Audit and Risk Committee's consideration.
2. This quarterly report will be tabled by the Community and Strategy Group with input from subject matter experts from each Council activity.
3. The purpose of this quarterly report is to:
  - a. Inform – Improve the Audit and Risk Committee's understanding of pending reform/legislation affecting Council's activities and enables early direction setting.
  - b. Assess Risk – Identify likelihood, impact, timing, and scale of potential changes at an activity level.
  - c. Enable Action – Recommend general responses to mitigate risk and enable more extensive workshops when required.
  - d. Enhance – Improve risk mitigation reporting in Council's core planning documents.
4. The report is structured to identify:
  - a. Council activity (e.g. Water, Roading, Regulatory)
  - b. Contributing subject matter expert
  - c. Reform/Legislative Act (Including title and relevant agency)
  - d. Status (e.g. Emerging, introduced, consulting)
  - e. Executive summary (3-4 sentences)
  - f. Risk assessment pros/cons
  - g. Recommended response
  - h. Next steps and key dates

**RECOMMENDATION**

1. That the Audit and Risk Committee accepts the Legislative Reform Risk report, and
2. That the Audit and Risk Committee provides feedback and direction, as required.

Risk Name (Reform/Act)	Status	Summary	Risk			Implications Pros/Cons	Recommendations	Next Steps and Key Dates
			Impact	Timing	Scale			
District Planning and Regulatory								
Building Consents Systems Reform	<b>Proposal</b> No draft bill available	<p>Central Government is proposing major reforms to the building consents system. At the reforms core is the shift from joint and severe liability to proportional liability. This means that Councils, and by extension, ratepayers are not left with the full cost of defective building work when other responsible parties cannot pay.</p> <p>Central Government has indicated that this shift in liability will be accompanied by several support mechanisms including mandatory warranties, personal indemnity insurance, and deposit security schemes.</p> <p>The reforms also provide a pathway for the voluntary consolidation of Building Control Authority (BCA) functions.</p> <p>Along with these reforms Central Government is concurrently granting approval for private BCAs.</p>	<b>Major</b>	<b>Within 12 months</b>	<b>Significant</b>  Includes aspects of Council's Building Control operations	<p>Impact on Council operations is partially dependant on the extent to which Council choses to engage in consolidated shared services.</p> <p><u>Pros</u></p> <ul style="list-style-type: none"><li>- Reduced financial exposure to defective building work</li><li>- Potential operational efficiency through shared services</li><li>- More risk mitigation tools at earlier stages of liability</li></ul> <p><u>Cons</u></p> <ul style="list-style-type: none"><li>- Increased complexities in monitoring indemnities and warranties.</li><li>- Shared services may result in reduced independence and autonomy of Council</li><li>- Implementation complexities include revising internal policies, and staffing considerations</li></ul>	<ul style="list-style-type: none"><li>- Prepare a formal submission when consultation is open.</li><li>- Financial review of how a shift to proportional liability may alter Council's risk profile.</li><li>- Consider aspects of BCA functions that may benefit from a shared services arrangement.</li></ul>	Draft Bill to be introduced in Q1 2026

**6.7 COUNCIL'S POLICY STATUS**

**Author:** Shey Taylor, Strategic Planner/Policy Advisor

**Authoriser:** Nicole Timney, Community Services and Strategy Group Manager

**Attachments:** 1. Policy Status Report [↓](#) 

**PURPOSE**

1. The Policy Status report, updated 29 August 2025, is presented for the information of the Audit and Risk Committee.

**BACKGROUND**

2. As work pressures relating to the LTP and Local Water Done Well reform ease, work in the policy area has increased. Review priority has been given to internal policies to ensure they are aligned with best practice standards before being considered in the context of their application to the development of the new ring-fenced water business unit.
3. While some policies are overdue for review there is minimal risk generated as they remain in force and generally fit for purpose.

Local Water Done Well





4. In reviewing Council's water service delivery plan, a list of policies that have line of sight to the 3 waters financial activities have been assembled.
  - a. Delegations Policy
  - b. Procurement Policy
  - c. Asset Management Policy
  - d. Financial Contributions Policy\*
  - e. Revenue and Financing Policy\*
  - f. Liability Management Policy





\*Note – Changes to Council's financial policies are subject to consultation requirements under section 102 of the LGA 2002.
5. Non-financial policies may either continue to be maintained by Council or be adapted and modified for application within the new business unit as needed. The final approach will depend in part on the business unit's staffing structure, which once confirmed, will help clarify where policy overlaps may exist between Council and the water business unit.
6. There is some uncertainty around the development of policies for the proposed internal business unit, particularly in determining the most effective structure. To help navigate this uncertainty, Council may communicate with other councils that have adopted Water Service Delivery Plans with a similar model, as well as the Canterbury Policy Forum.

**RECOMMENDATION**

That the Council's Policy Status report is accepted

## Waimate District Council Policy Index

Legend	
Valid Policy	
Policy Review Date Approaching	
Policy Review Overdue	
Proposed Policy	

Code	Title	Departmental Responsibility (Legislation)	Notes	Review Due Review Expected	Status
<b>200 Series (DEMOCRACY)</b>					
201	Standing Orders	Chief Executive (LGA cl 27 sch. 7)		March 2026	
202	Elected Members Code of Conduct	Chief Executive (LGA cl 15 sch. 7)		March 2026	
202A	Code of Conduct Breaches	Chief Executive	In development	2025	
203	Governance Statement	Chief Executive (LGA s 40)	Statement is on Council's website	March 2026	
204	Triennial Agreement	Chief Executive (LGA s 15)	Due within 6 months of elections (Timaru, Waimate, Mackenzie)	February 2026	

Updated 28 August 2025



Code	Title	Departmental Responsibility (Legislation)	Notes	Review Due Review Expected	Status
<b>300 Series (PUBLIC POLICIES)</b>					
301	Significance and Engagement Policy	Community and Strategy		30 June 2027	
302	Risk Management Policy	Corporate Services	Under Review	March 2025	
303	Media Policy	Executive Support	First draft reviewed 26/8 Second draft submitted 29/8	2025	
305	Gambling Venue (& TAB Venue) Policy	Regulatory and Compliance		January 2026	
306	Dog Control Policy	Regulatory and Compliance		July 2028	
307	Sustainability Policy	Asset Group	Development on hold	2023	
308	Delegations Policy	Corporate Services	Major review underway (Estimated for late 2025)	December 2025	
310	Elected Members Remuneration and Expenses Policy	Corporate Services	Updated Appendix for 2025/26 determination	March 2026	
311	Fraud Policy	Corporate Services	Revised policy with owner for review	October 2022	
312	Smokefree & Vapefree Policy	Community and Strategy	Reviewing Legislative Changes	May 2025	
313	Dangerous Buildings Policy	Regulatory and Compliance	Review underway Draft with manager for review	August 2028	
314	Local Approved Products Policy	Regulatory and Compliance		March 2028	
315	Insanitary Buildings Policy	Regulatory and Compliance	Review underway Draft with manager for review	August 2028	

Updated 28 August 2025

Code	Title	Departmental Responsibility (Legislation)	Notes	Review Due Review Expected	Status
316	Procurement Policy	Corporate Services	Pending Fraud Policy Draft Review prepared for owner	October 2022	
317	Unmanned Aircraft Policy	Asset Group		April 2026	
321	CCTV Surveillance Policy	Corporate Services	Notes received from IT for future review. (Requires map updates)	April 2025	
323	Friends and Voluntary Organisations Policy	Community & Strategy		September 2027	
324	Community Housing Policy	Community & Strategy		March 2028	
325	Enforcement Policy	Regulatory & Compliance	Review complete Prepping for adoption	December 2025	
326	Protected Disclosures Policy	Human Resources		October 2027	

Updated 28 August 2025

Code	Title	Departmental Responsibility (Legislation)	Notes	Review Due Review Expected	Status
<b>400 Series (FINANCIAL POLICIES)</b>					
Note: Policies 401 – 409 these policies are reviewed as part of each Long Term Plan process and are effective when the LTP is adopted in June.					
401	Revenue and Financing Policy	Corporate Services LTP (LGA sch 10)		30 June 2027	
402	Liability Management Policy	Corporate Services		30 June 2027	
403	Investment Policy	Corporate Services		30 June 2027	
404	Financial Contributions Policy	Corporate Services		30 June 2027	
407	Rates Remission and Postponement of Policy	Corporate Services		30 June 2027	
409	Statement of Accounting Policies	Corporate Services	Reviewed for each annual plan and annual report	30 June 2027	
410	Property and Land Sale, Purchase and Lease Policy	Asset Group		July 2026	
411	Sensitive Expenditure Policy	Corporate Services		November 2027	

Updated 28 August 2025

Code	Title	Departmental Responsibility (Legislation)	Notes	Review Due Review Expected	Status
<b>500 Series (INFRASTRUCTURE POLICIES)</b>					
501	Dust Suppression Policy	Asset Group	Under Review	August 2021	
503	Asset Management Policy	Asset Group		August 2026	
<b>600 Series (INTERNAL POLICIES)</b>					
601	Harassment Policy	Human Resources		June 2023	
603	Office Secure Access Policy	Corporate Services		April 2026	
604	Flexible Working Policy	Human Resources	With Rachel for review	February 2025	
605	Workwear Policy	Human Resources		May 2025	
607	Computer Systems Use Policy	Corporate Services	Under Review Draft with manager	July 2025	
608	Corporate Gifts and Hospitality Policy	Chief Executive		March 2027	
609	Vehicle Use Policy	Corporate Services	Under Review Draft with manager	November 2024	
613	Personnel Records Policy	Human Resources		September 2024	
616	Drug and Alcohol Policy	Human Resources	Under Review	April 2024	
618	Sick Leave Gifting Policy	Human Resources		November 2025	

Updated 28 August 2025

Code	Title	Departmental Responsibility (Legislation)	Notes	Review Due Review Expected	Status
619	Computer Security Incident Management Policy	Corporate Services		March 2028	
NEW	Leave Policy	Human Resources			
NEW	Personal Accident Insurance Policy	Corporate Services	Draft with manager		
NEW	Privacy Policy	Human Resources			
INTERNAL MANUALS					
	Health and Safety Manual	Regulatory & Compliance		October 2025	
	Staff Manual	Human Resources	Under Review	March 2025	

Updated 28 August 2025

**6.8 MAJOR PROJECTS REPORT**

**Author:** Dan Mitchell, Asset Group Manager

**Authoriser:** Stuart Duncan, Chief Executive

**Attachments:** 1. Roding Major Projects Report - September 2025    
2. Three Waters Major Projects Report - September 2025  

**PURPOSE**

1. For the Audit & Risk Committee to receive the Major Projects reports:
  - a. Roding
  - b. Three Waters

**COMMENTARY****Waimate Event Centre**

2. Progress on the fire reinstatement at the Waimate Event Centre is currently on programme. The squash courts are accessible and currently being utilised. The current programme indicates handover in late September.
3. Variations have been approved for the replacement of the squash court roof, repainting the social room and a minor renovation of the old changing rooms (currently used as storage for the Event Centre operations).

**Library Extension / Chambers Refit**

4. Still awaiting the installation of the aluminium doors into the Chambers.
5. Current workloads have meant that the reception area upgrade is currently on hold until resources (both internal and external) are available to progress this. Given the potential impact on business as usual, timing will be discussed with all affected parties.

**Local Water Done Well**

6. Council submitted the Water Services Delivery Plan (WSDP) prior to the 3 September deadline.
7. The Department of Internal Affairs has indicated that, due to the number of submissions, the WSDP's will be processed in tranches, with the first reported back in October 2025.
8. If accepted, Waimate District Council will move into the implementation stage which represents a significant number of internal and external workstreams. These workstreams will impact the whole organisation and create pressure on existing resources and processes.
9. Early formation of the Water Services Committee will assist in managing the implementation and providing oversight at an organisational level.

**RECOMMENDATION**

That the Major Projects report be accepted.

**Major Projects Report**  
**01-Sep-25**  
**Roading and Footpaths**

Completed
On track with time/budget for completion within the plan year
High risk (budget and/or timeframe)
Some risk (budget and/or timeframe) - highlight issues in comments

Project	Project Description	Budget	Status		Comments / Issues / Risks / Reasons
			Time	Budget	
Kerb & Channel and Footpath Renewal	<i>K&amp;C and Footpath</i> George Street 210m Deep Channel Innes 90m Bluecliffs Road 30m Studholme Street 230m Deep Channel <i>K&amp;C only</i> Opie Street 350m <i>Footpath only</i> Wilkin St 2 Sections 105m & 52m Micheal 125m Cameron 30m  Footpath Kerb and Channel Renewal	          \$141,500 \$248,707			Cameron Street in progress
Sealed Road Resurfacing	Resealing is programmed on an as needed basis to arrest and prevent the deterioration of the road surface. Contract awarded to Fulton Hogan Ltd. November 2024	\$1,322,860			Draft Programme prepared, work to start December
Pavement Rehabilitation	Additional Pavement layer and new sealed surface constructed on failed section of Road Approx. 3.5 km	\$834,258			Draft Programme includes Bluecliffs Road, Gordons Valley Road & Pareora River Road
Structure Component Renewals	Bridge Component replacement Beams, Deck Etc	\$206,907			Farm Road Bridge (25m) Superstructure and piles replaced with materials ex Waitaki Bridges. Cleaves Bridge Milne Road (6m) Superstructure will be replace in September.

Quarterly Major Projects Report  
1 July 2024 to 30 June 2025  
Quarter # 4 (Q4) June 2025

Quarter # 4 (Q4) June 2025

Time/Budget on track within expected Project Completion

Some Risk to budget/timeframe - but within planned year / contingencies

High Risk to budget/timeframe - exceeding planned year / contingencies

Not started / external to Council

GL Code	Project	Project Description	Budget (\$000's)	Expenditure to date (\$000's)	Expenditure %	Works %	Project Completion	RISKS	RISKS2	Last Financial Year comments	New comments 2024/25 Financial Year
								Estimated (\$000's)	Delayed Completion		
CANNINGTON											
511076002	Cannington - Drinking Water Compliance Upgrade	Drinking Water Standards upgrades to meet compliance. (Install Monitoring and Control in the interim, while waiting for Government direction on legislation and standards).		123	10.00%	30.00%		1200	30/06/2026	<p>This Budget line is a carry forward from the 2018/19 Financial Year. The Drinking Water Acceptable Solution for Mixed Use Rural Supplies (end point treatment) have been published, effective 14 November 2022. This means a direction has been given for alternative ways to meet compliance.</p> <p>In the mean time monitoring and control has been installed including a new shed, power to site and telemetry, in agreement with the MoH and DWA (Now Taumata Arowai).</p> <p>Waugh Infrastructure has been engaged through funding provided by the WSE Transition process to produce an options report and a preferred solution. Report now complete</p> <p>Rebudgeted for construction in 2025/26.</p>	<p>Q4-Taumata Arowai review outcome expected for point of entry units by the end of August</p> <p>Procurement process options have been initiated</p> <p>Rebudgeted for construction in the 2025/26 year</p> <p>The 2022 Acceptable Solution is currently being reviewed by Taumata Arowai and is expected to be consulted on mid-2025. The indicative changes provide a cost-effective compliance pathway for Mixed-Use Rural Water Supplies. Will require a budget review.</p>
HOOK / WAITUNA											
513076005	Hook / Waituna - Drinking Water Intake/Plant Compliance Upgrade	Drinking Water Standards upgrades to meet compliance	109	229	210.00%	25.00%	30/06/2022	3820	30/06/2026	<p>This Budget line is a carry forward from previous Financial Year. Contract 21-25 Hook and Lower Waihao Water Treatment Plant Upgrades, has been awarded to Filtec. Stage 1 Design is still in process of the early contractor/design build contract. From the results of water sampling, three options were submitted by Filtec, which were reviewed. From the review it was recognised the treatment, operation and the overall cost were becoming unmanageable. After hydraulic assessment of the Hook, Otiao and Urban supply a new direction is being investigated. The option to augment the Hook supply from Otiao's Tavistock Bore is being investigated and a Hydrologist has been engaged to assess the current and potential future bores.</p> <p>Desktop analysis from the Hydrologist indicates there should be sufficient capacity to augment the Hook-Waituna scheme from the Otiao Scheme. Further work will be on hold pending the result of the Otiao Bore Redundancy project below.</p> <p>Investigations into a 12km pipelines to augment Hook from Otiao have resulted in a Feasibility &amp; Preliminary Design cost that trigger Procurement protocols. Procurement Planning underway.</p> <p>Rebudgeted for construction in LTP 25/26</p>	<p>Q4-Pipeline survey complete &amp; design underway for both pipe &amp; new Water treatment plant.</p> <p>Q3- Treatment plant design underway. Survey of the area for pipeline has been completed and we expect to have a design with us shortly. It has been identified that ordering pipework &amp; fittings for such a large project will take time and cannot be fulfilled in one delivery, so we are planning to stage the required pipework supply to alleviate any supply issues, prior to any procurement for install taking place. A water permit application is underway.</p> <p>Rebudgeted for construction in the 2025/26 year</p> <p>Work is underway to design the new treatment plant, consent to take and use water, review the hydraulic modelling, and design the pipeline to connect Hook-Waituna to Otiao Makikihi.</p>
513076015	Hook / Waituna - Dual check augmentation	Dual check valve for Urban augmentation of East section of Hook Waituna Scheme		14	78.00%	100.00%	31/07/2024			<p>This Budget line is a carry forward from previous Financial Year. Reviewing Garlands line as it may be upgraded as part of development around Point Bush, and Garlands Road. Manchester's augmentation line is also being reviewed as part of Urban pressure management. Manchester's is planned for April / May 2023.</p> <p>Waugh Infrastructure has been engaged through funding provided by the WSE Transition process. They have presented a number of options and we are further investigating options in conjunction with the following projects:</p> <ul style="list-style-type: none"><li>1. Hook / Waituna - Dual check Augmentation</li><li>2. Urban Water - Booster for Bakers/Court/Hunts/Fitzmaurice Roads</li><li>3. Urban Water - Te Kieroa Main, Booster and Reservoir</li><li>4. Hook / Waituna - Investigation into Garlands / Studholme supply (Minor project)</li></ul> <p>Project procurement documentation currently being developed</p> <p>Likely to be rebudgeted in the 25-34 LTP.</p>	<p>Q4- Investigation into Garlands / Studholme supply ongoing.</p> <p>Dual Check Augmentation at Manchester's Road is now complete.</p>
513076051	Hook / Waituna - Intake upgrade SF	Intake upgrade		0	0.00%	25.00%	31/12/2022		30/06/2026	<p>What was originally supposed to be a straight forward intake reconstruction has become a significant project due to major erosion of the riverbed and embankments. Project has covered the cost of design and consent applications to date. Subsidised under the SF with remainder of expenditure from Council's agreed Co-Funding portion. Will be reviewed in conjunction with the Hook/Waituna DWS Compliance Upgrade and potential augmentation works. At this stage unlikely to proceed if augmentation occurs in the future.</p>	<p>Q4- Intake consent to be surrendered for current take once new pipe &amp; Water treatment plant is commissioned at Tavistock 2.</p> <p>No Budget line for this financial year, working through augmentation planning, staging of works &amp; design phase currently as above. Remaining roll over budget to assist Hook Waituna / Otiao Makikihi project.</p>




513076021	Hook/Waituna - Source WTP Generator	Generator at water treatment plant	51	0	0.00%	30.00%	30/06/2026		30/06/2026		Q4- Budget roll over to 25/26. Generator will be procured once new Water treatment plant has been completed.  Q3- Generator will be sourced once new treatment plant & pipeline augmentation complete 2025/2026  Currently being investigated as to what is required as we look at pipe augmentation & bore requirements Update in Q3
LOWER WAIHAO											
514076013	Lower Waihao - Drinking Water Compliance De-nitrification plant	Addition of the de-nitrification plant to the new treatment plant to remedy the nitrate issue	678	173	25.00%	40.00%	30/06/2024		30/06/2026	Report on consenting options is now complete and has been reviewed by staff. Given the likely complexity of consenting, staff will liaise directly with the Runanga and other stakeholders prior to applying for a consent.  There is a budget of 700 K (2023/24), but actual Cost of the denitrification module will not known until design is finished. Completion date to be confirmed also.  Note there is potential delay with purchasing and supply of equipment for this project due to current global supply issues.  Likely to be rebudgeted in the 25-34 LTP. Awaiting feedback report from Aukaha Consultancy (Waihao Consultant)	Q4- Resource consent application for new take lodged. 4km of new pipeline from new intake to current water treatment plant- design complete & ready for tender.  Q3- Staff are progressing the development of an alternate source, connecting pipework and associated consenting. Concurrently a review of the existing treatment process is occurring given the change in source water.  Denitrification plant no longer a preferred solution due to ongoing operational costs & continual spike in nitrate levels observed in Q2 Considering & investigating new source & applicable consent/s currently. Propose to repurpose remaining budget accordingly.
514076012	Lower Waihao - Glenavy line renewal	Glenavy Rural water main renewals	145	1	7.00%	35.00%	30/06/2026				Q4- Discussions being had around how to procure & timeline to be completed 2025/2026.  Q3- Area identified, Plan & Design now completed. Letter to residents has been completed and due to be mailed out. Pipework is to be ordered shortly & procurement to commence for installation.  Project underway & consultation with private land owners is required. Servicelines on private property need to be agreed.
OTAIO / MAKIKIHI											
515076003	Otaio / Makikihi - New Bore Redundancy	Source Water		153	114.00%	100.00%	30/06/2023		1/05/2024	Practical Completion awarded. Awaiting redevelopment of existing 2014 Bore.	Q4- Final completion issued & resource consent ready to be lodged.  Q3- Final Completion achieved  Redevelopment of existing 2014 Bore now complete. Practical Completion issued.
WAIHAORUNGA											
516076003	Waihaorunga - Drink Water Intake/Plant Compliance Upgrade	Drinking Water Standards upgrades to meet compliance. (Install Monitoring and Control in the interim at Tavendales, while waiting for Government direction on legislation and standards).		0	0.00%	5.00%		1200	1/06/2027	The Drinking Water Acceptable Solution for Mixed Use Rural Supplies (end point treatment) have been published, effective 14 November 2022. This means a direction has been given for alternative ways to meet compliance. Staff will start reviewing the new Acceptable Solutions and looking into options to meet compliance.  Monitoring and control have been installed at Waihaorunga Main, and also at Tavendales Plant, in agreement with the MoH and DWA (now Taumata Arowai).  Waugh Infrastructure has been engaged through funding provided by the WSE Transition process to produce an options report and a preferred solution.  Likely to be rebudgeted for 2025/26 at \$1.2M	Q4-Taumata Arowai review outcome expected for point of entry units by the end of August.  Procurement process options have been initiatedRebudgeted for construction in the 2025/26 year  The 2022 Acceptable Solution is currently being reviewed by Taumata Arowai and is expected to be consulted on mid-2025. The indicative changes provide a cost-effective compliance pathway for Mixed-Use Rural Water Supplies.
WAIKAKAHI											

517076003	Waikakahi - Drinking Water Intake/Plant Compliance Upgrade	Drinking Water Standards upgrades to meet compliance		15	1.00%	5.00%		2900	1/06/2027	<p>This Budget line is a carry forward from previous Financial Year. The Drinking Water Acceptable Solution for Mixed Use Rural Supplies (end point Treatment) have been published, effective 14 November 2022. This means a direction has been given for alternative ways to meet compliance. Staff will start reviewing the new Acceptable Solutions and looking into options to meet compliance.</p> <p>In the interim a Turbidity meter has been installed at shed.</p> <p>A detailed desktop investigation for an alternate source (Stimulus funded) was carried out, and two sites were identified for exploratory drilling. Those two sites were reviewed down to one, and a meeting was held with the landowners of a potential site. From that meeting it was discussed that exploratory drilling was not favourable. The landowner had other activities that would be impacted, if the bore became a community drinking water supply. Further work needs to be carried out on options for taking and treating water at Waikakahi. This includes a reduction in the total number of connections within the supply and potentially source water obtained from Waihao Downs Irrigation Scheme.</p> <p>Waugh Infrastructure has been engaged through funding provided by the WSE Transition process to produce an options report and a preferred solution. Likely to be rebudgeted for 2025/26 at \$2.9M</p>	<p>Q4- TA review outcome expected for point of entry units by the end of August</p> <p>Procurement process options have been initiated. New water source is being investigated as part of the process due to poor existing water quality for point of entry supply.</p> <p>Rebudgeted for construction in the 2025/26 year</p> <p>The 2022 Acceptable Solution is currently being reviewed by Taumata Arowai and is expected to be consulted on mid-2025. The indicative changes provide a cost-effective compliance pathway for Mixed-Use Rural Water Supplies.</p>
517076001	Waikakahi - Renewals	Waihao bridge South extension & Line upgrade for capacity	35	35	100.00%	100.00%	31/01/2025				<p>Q3- Work has been completed</p> <p>Pipeline attached to Waihao South branch Bridge. Extension of network programmed in 2025/26 through a mix of optimised renewals and extension.</p>
URBAN											
531076001	Urban Water - Rising Main Renewals	Upsize remaining pipe from Parsonage Road to Queen Street.	469	292	63.00%	90.00%	30/06/2025			<p>This Budget line is a carry forward from previous Financial Year. Upgrade Queen Street 285 metres of 150mm PVC to 200mm PVC. Due to length, size and placing the current budget may not be sufficient. Project will be reviewed to understand costs. Indicative costings significantly higher than expected with the median price of approx. \$180,000. Design and procurement underway</p>	<p>Q4- Herbert Street watermain renewal awarded practical completion end of June 25. Queen Street watermain completed using in house team.</p> <p>Remaining budget allocated to purchase RF(radio frequency) water meters to complete the remaining non RF meter installation.</p> <p>Q3- Herbert Street watermain renewal underway. Queen Street Rising main installation completed ahead of what was originally planned, to work in with NZTA's resal of the main street. Further assessment of PRV placement being considered for remaining budget.</p> <p>Queen Street Planning, design &amp; procurement documents complete. Consulting with NZTA around the resal programme for Queen Street. Work completion due Q3</p>
531076002	Urban Water - Lateral Renewals	Toby and lateral renewals	117	3	3.00%	100.00%	30/06/2025			<p>This Budget line contains a carry forward from previous Financial Year (\$128,000). Ongoing Toby and lateral renewals.</p> <p>Project Initiation for the following: 1. Urban Water - Parsonage Rd &amp; Queen St Link (FPO) 2. Regent Street Water Main Renewal (FPO) 3. Herbert St Water Main Renewal (FPO) 4. Butchers Lane Water Main Renewal</p> <p>June update - Butchers Lane complete, other projects in design and procurement</p>	<p>Q4- Herbert Street watermain renewal awarded practical completion end of June 25. Final claim to come</p> <p>Q3- Herbert Street Watermain renewal is underway. Scheduled for completion in Q4</p> <p>Butchers lane has Practical Completion. Herbert Street Watermain Renewal Design &amp; Procurement documents completed, Tender issued, Installation Scheduled to be completed Q3</p>
531076003	Urban Water - AC Water Main Renewals	Renewal of aged and poor condition AC water main, with PVC. Herbert Street water main renewal	190	190	100.00%	100.00%	30/06/2025			<p>This Budget line contains a carry forward from previous Financial Year (\$63,000).</p> <p>September Update: Completed Renewals works on Timaru rude late August</p> <p>Project Initiation for the following: 1. Urban Water - Parsonage Rd &amp; Queen St Link (FPO) 2. Regent Street Water Main Renewal (FPO) 3. Herbert St Water Main Renewal (FPO) 4. Butchers Lane Water Main Renewal</p> <p>June update - Butchers Lane complete, other projects in design and procurement</p>	<p>Q4- Herbert Street watermain renewal awarded practical completion end of June 25.</p> <p>Q3- Herbert Street watermain renewal is underway. When confident that there is remaining budget we will assess when to purchase the RF meters required.</p> <p>Herbert Street Watermain Renewal Design &amp; Procurement documents completed, Tender issued, Installation Scheduled to be completed Q3. Quote has been received to complete the remaining non RF meter replacements in east part of the urban township.</p>

531076007	Urban Water - Pressure Management	Pressure Management to reduce stress on existing mains and prevent leakage	77	0	0.00%	75.00%	30/06/2026			This Budget line is a carry forward from previous Financial Year. The rising main installation is now complete which allows for pressure management to be implemented. However there is still some upgrading work to be done on the Manchester's Bore rising main and some urban mains upgrade (Queen Street 150mm to 200mm PVC). One Water Modelling has done a Hydraulic Model update of the Urban area. This will also inform progress and timing of this project. Note: most of the 2021/22 Hydraulic Modelling has been covered under the SF. Timing also dictated by other capital projects.	Q4- Team are fabricating PRV units & chambers for Timaru Road area.  Q3- Queen Street rising main installation has now been completed. Planning to progress the Urban area with associated PRV's required & any pipe size upgrades evaluated according to the Hydraulic modelling.  Queen Street section to be completed Q3, planning can then continue.
531076024	Urban Water - Booster Bakers/Court/Hunts/Fitzmaurice Roads	Booster pump station for Bakers/Court/Hunts/Fitzmaurice Roads	310	5	2.00%	7.00%	30/06/2022		30/06/2027	This Budget line is a carry forward from previous Financial Year. Due to Stimulus Funding projects, this may not be completed till next financial year.  Waugh Infrastructure has been engaged through funding provided by the WSE Transition process. They have presented a number of options and we are further investigating options in conjunction with the following projects: 1. Hook / Waituna - Dual check Augmentation 2. Urban Water - Booster for Bakers/Court/Hunts/Fitzmaurice Roads 3. Urban Water - Te Kiteroa Main, Booster and Reservoir 4. Hook / Waituna - Investigation into Garlands / Studholme supply (Minor project)  Likely to be rebudgeted (in part) the 25-34 LTP.	Q4- Budget carry over to 25/26 Booster will be staged after the below extension work.  Q3- Te-kit project is still the priority for this financial year with this being the next project as they link together. Once Te-kit has been installed, bakers/courts/hunts/fitzmaurice will progress. Designs are being reviewed currently to ensure that both extensions to the urban network will work well & efficiently together.  Planning & staging of works underway, to complete various outcomes in stages. Te-kit is the priority for this financial year.
531076025	Urban Water - Extension Bakers/Court/Hunts/Fitzmaurice Roads		540	1	0.20%	20.00%	30/06/2027				Q4- Design and staging of extension underway, expect to procure first phase by end of 2025.  Q3- Te-kit project is still the priority for this financial year with this being the next project as they link together. Once Te-kit has been installed, bakers/courts/hunts/fitzmaurice will progress. Designs are being reviewed currently to ensure that both extensions to the urban network will work well & efficiently together.  Planning & staging of works underway, to complete various outcomes in stages. Te kit priority
531076028	Urban Water - Te Kiteroa Main, Booster and Reservoir	Point Bush Road Development	1499	64	4.00%	40.00%	30/06/2023		30/06/2026	This Budget line contains a carry forward from previous Financial Year (\$83,000). Project initiation / Early Design Phase.  Waugh Infrastructure has been engaged through funding provided by the WSE Transition process. They have presented a number of options and we are further investigating options in conjunction with the following projects: 1. Hook / Waituna - Dual check Augmentation 2. Urban Water - Booster for Bakers/Court/Hunts/Fitzmaurice Roads 3. Urban Water - Te Kiteroa Main, Booster and Reservoir 4. Hook / Waituna - Investigation into Garlands / Studholme supply (Minor project)  Likely to be rebudgeted in the 25-34 LTP.	Q4- Staging & design of works complete for extension & install of pipework. Procurement Q1 25/26  Q3-Design plan is in the final stages, also prompting review to ensure Te-kit will work with the bakers/courts/hunts/fitzmaurice extension, which is also underway. Sizing of pipework is underway, which will lead to procurement plan & documents being progressed before heading to market for installation. New pump shed & booster/reservoir will be staged after the mainline install. 2 sections of the Te-kit Watermain extension are planned to be installed via trenchless technologies due to tricky areas of install; a tight corner on Point bush road & under the Garlands Road Ford. This will commence when the drillers are available Q4.  Planning & staging of works underway, to complete various outcomes in stages. Te kit is the 1st priority over Bakers. Looking to price & procure in Q3.
531076029	Urban Water - Bond Street Subdivision	Water and waste infrastructure for Bond Street Subdivision		0	0.00%	100.00%	30/06/2022		1/10/2025	Awaiting invoice from developer	Q3- Completed  Awaiting invoice from developer
531076021	Urban Water - Waimate Reservoir Cover Replacement	Replacement Cover, Urban Water Reservoir	100	0	0.00%	15.00%	30/06/2025				Q4- Obtaining an up to date quote. Will be carry forward to 25/26  Q3- CE approval achieved, waiting to receive re-quote from supplier to push forward.  Have obtained Quotes, awaiting CE approval due to exceeding budget by approximately 10%

531076023	Urban Water - Main line valve renewals	Herbert Street watermain renewal portion	86	0	0.00%	100.00%	30/06/2025				Q4- Completed Q4 Final claim to come See above for progress on the Herbert Street Watermain renewal. Scheduled for completion Q4 Part of Herbert Street project referenced above
531076031	Urban Water - Manchester's treatment plant generator		108	108	100.00%	100.00%	30/06/2025				Completed Q2
<b>WASTEWATER</b>											
552074501	Sewer - Waimate Urban Renewals	Waimate Urban network Renewals (pipe, manholes) Gorge Road sewer main renewal. Shearman Street north Sewer main renewal. Investigate Augustine Street Sewer main renewal	444	135	30.00%	50.00%	30/06/2025			This Budget line contains a carry forward from previous Financial Year (\$341,900). Remainder used to offset overspend on Edward Street	Q4-Gorge Road Wastewater renewal awarded & under construction. Ground conditions were found to be challenging & unsuitable for drilling. The install methodology was required to be changed to open trenching. Q3- Gorge Road WW renewal awarded, Scheduled to start beginning of April. Shearman Street (north) Scheduled for internal install before the end of Q4. Augustine Street, due to budget constraints this project will move to the next financial year, Procurement documents are being finalised and it will head to market for installation in Q4, Scheduling install to start Q1 2025/2026 financial year. Gorge Road: Procurement documents & design completed. Looking to quote/tender in Q3. Shearman Street North:(internal install) Scheduled Q3
552074532	Sewer - Garlands Road low pressure sewer extension	Low pressure sewer extension on Garland Rd connecting into the recent Pt Bush Road LP Sewer	198	124	62.00%	100.00%	30/06/2025		30/09/2024	Contract Awarded late August. Likely completion by end September	Practical completion awarded Q2
<b>STORMWATER</b>											
553075011	Stormwater - Belt Street main renewal		12	10	84.00%	50.00%	30/06/2025				Q4-Concept options for onsite dispersal within road reserve are being developed. Q3- Awaiting output report Part of 553075015 project, Completed permeability(soakage) tests, design concepts underway with issues & options.
553075014	Stormwater - Rapid soakage devices		50	0	0.00%	50.00%	30/06/2025				Q4-Concept options for onsite dispersal within road reserve are being developed. Q3- Awaiting output report Part of 553075015 project, Completed permeability(soakage) tests, design concepts underway with issues & options. Concept options for onsite dispersal within road reserve are
553075015	Stormwater - Park Road catchment investigation		154	183	118.00%	100.00%	30/06/2025				Q4- Completed permeability(soakage) tests, design concepts underway with issues & options. Q3- Awaiting output Report

**6.9 RISK REGISTER**

**Author:** Carolyn Johns, Acting Corporate Services Group Manager  
**Authoriser:** Carolyn Johns, Acting Corporate Services Group Manager  
**Attachments:** 1. Risk Register - September 2025 [↓](#) 

**PURPOSE**

1. To provide the Audit and Risk Committee with Council's Risk Register for consideration.

**Risk Register**

2. In accordance with the Audit and Risk Committee Annual Work Plan, the Committee is to 'monitor corporate risk assessment' at each meeting.
3. The register is provided to the Audit and Risk Committee to consider Council's key risks, their ratings and mitigation measures.
4. The Risk Register represents a strategic view of the organisation's risks for the Committee, with risks of an operational nature being handled directly by management.
5. As per Council's Risk Management Policy, risks classified as 'Extreme' are to the 'Attention Of/Assigned To' the Audit and Risk Committee/Council/Chief Executive (as required) and statutory bodies, with an immediate assessment of actions required.
6. The Risk Register has been reviewed with any changes since the June 2025 meeting tracked for the Committee's ease of identification.
7. The risks which have had changes include:
  - a. 3 Waters (a)
  - b. Health & Safety & Well-being
  - c. Regulatory and Compliance
  - d. Climate Mitigation and Adaptation
  - e. Funding & Investments
  - f. Governance roles and responsibilities
  - g. Cyber security and IT
  - h. Community Engagement
  - i. Māori Engagement
8. We ask the Committee to consider the reviewed Risk Register and provide any feedback or suggested amendments to be subsequently incorporated.
9. The Committee should focus on ensuring an assessment of actions is completed for 'Extreme' rated risks and be satisfied on the progress of the mitigations and actions required to adequately manage the risk.

**RECOMMENDATION**

That the Risk Register Report is accepted

Risk Register | Waimate District Council

Last update: ~~September~~ June 2025

Risk Name	Risk and Impact Description	Risk Drivers (Existing and Potential Causes)	Risk Owner	Inherent Consequence	Inherent Likelihood	Inherent Risk Rating	Current Mitigations (Existing Controls)	Residual Consequence	Residual Likelihood	Residual Risk Rating	Mitigations Required/ Actions
Human Resources	<p>Recruitment risk: risk that insufficient resource availability in the market impacts WDC’s ability to hire. If the risk escalates, it could prevent the Council from delivering key services at the required level.</p> <p>Decision-making impaired from overwork. Impact on staff workload, stress, staff might leave Council.</p> <p>Also flow on impact to other areas: under resourced means we don’t peruse opportunities that may arise e.g., to identify and drive new revenue streams (lessen rates reliance).</p> <p>Uncertainty remains about the future for 3 Waters reform, and its impact on staff, while there are also increased pressures in 3 Waters compliance from Taumata Arowai. This uncertainty is likely to prevail for an extended period. As of now, the WDC has a full complement of 3 Waters staff. WDC is now in a better position to work through any legislation and organisation changes that might occur in the future.</p> <p>There is now uncertainty with government reforms in the Building Consent System which could create concern over job stability, affecting both recruitment and retention.</p>	<p>Causes:</p> <ul style="list-style-type: none"><li>WDC is competing in a tight employment market, which can result in paying slightly higher than market rates to attract people to key positions. In addition, while the labour market is now loosening, some candidates have left/leaving central government with expectations of ‘like’ salaries which are often significantly higher than what we can afford.</li><li>Attracting staff in a very challenging market applies considerable pressure on employers to ensure pay equity across the organisation. While the new minimum wage increases are anticipated to be small, pressure on budgets for recruitment and retention remain high.</li><li>Working environment (stress).</li><li>Ongoing uncertainties around government reforms, such as 3 Waters and Building Consent System changes, create concerns over job stability, affecting both recruitment and retention.</li><li>COVID-19’s impact on workload, and staff sickness have diminished, although given it’s a virus, this could change at any given time.</li><li>Reform fatigue and stress can impact on staff retention.</li></ul>	Chief Executive	Major  (Threatens service delivery)	Likely  (60% to 90% chance of occurring in next 12 months)	Extreme Risk	<ul style="list-style-type: none"><li>Communication across the organisation; manager/staff regular meetings</li><li>Maintain positive work culture and team building</li><li>Encourage breaks/leave</li><li>Workplace Support available</li><li>HR Advisor assists with recruitment so that staff vacancies occur for shorter periods</li><li>Health Monitoring</li><li>Communication is vital!</li><li>Improvements in recruitment packages, and employee remuneration offerings, impacting positively on retention.</li></ul>	Major  (Threatens service delivery)	Likely  (60% to 90% chance of occurring in next 12 months)	Extreme Risk	<p>Ensure sufficient monitoring of workforce performance (some staff might be overloaded, but are all staff taking an appropriate level of work allocation in their department?)</p> <p>Investigate the potential to employ trainee, or part-time employees/contractors, or shared services with other Councils to assist, noting though that this can sometimes increase overload due to the requirement to train; and this would also be a short-term solution.</p> <p>The development of a robust Remuneration Strategy, with accompanying processes and policy (created and implemented with the assistance of a third-party provider), followed by a review of Employee Position Descriptions, Grades and Remuneration benchmarking, could have a significant, positive impact across Council for recruitment and retention, providing assurance of sound and fair processes that can be logic checked. Present simplified communications to staff (removing legal jargon, etc) on a periodic basis.</p> <p>Potential for 3 Waters to be enveloped in a CCO. The Asset Group Manager has implemented changes within the Three Waters activity to assist Council with transitional work associated with Three Waters reform.</p>
3 Waters (a)	Risk associated with central government reforms: (1) risk of a poor reform strategy that results in negative/ unintended consequences to Waimate community, and (2) risk of excessive staff time to address Government reform requests, takes	<p>Causes:</p> <ul style="list-style-type: none"><li>Central government, inadequate reform strategy; and/ or poor implementation of reforms creates issues</li><li>Insufficient planning resources internally within WDC for the change</li></ul>	Chief Executive	Major/ Catastrophic  (clearly threatens operations over an	Likely  (60% to 90% chance of occurring in next 12 months)	Extreme Risk	<ul style="list-style-type: none"><li>Information &amp; communication flow from DIA to Council: CEO, Councillors receive updates from DIA</li><li>Monitor staff workloads</li><li>Use of Transition Support Funding to assist with costs of extra resourcing and</li></ul>	Major/ Catastrophic  Even with mitigations in place it could still clearly	Likely	Extreme/ Significant	<p>Managing the risk associated with uncertainty post the repeal of the Affordable Waters Legislation and the introduction of the Local Water done Well <a href="#">Reforms</a>.</p>

Risk Register | Waimate District Council

Risk Name	Risk and Impact Description	Risk Drivers (Existing and Potential Causes)	Risk Owner	Inherent Consequence	Inherent Likelihood	Inherent Risk Rating	Current Mitigations (Existing Controls)	Residual Consequence	Residual Likelihood	Residual Risk Rating	Mitigations Required/ Actions
	<p>time away from delivering on WDC outcomes. The proposed Delivery Plan timeline is very tight with a deadline of 3 September 2025</p> <p>Impact:</p> <ul style="list-style-type: none"><li>To the public: receive a lower standard of community services.</li><li>To staff: workload pressure on staff (and staff leave);</li><li>To staff: our staff may leave the organisation for a new water entity (impacting our resourcing)</li></ul>	<ul style="list-style-type: none"><li>Flow on impact to Council: reduction in staff results in insufficient resources to deliver services</li><li>Responding to legislative uncertainty takes staff time away from core service delivery</li><li>Complexity associated with timing of legislative changes and the 2025-34 Long Term Plan process most notably, the repeal of the Affordable Water legislation and implementation of Local Water Done Well.</li><li>Potential delay of the 2024/34 LTP, production of an enhanced Annual Plan and subsequent 2025/34 Long Term Plan</li></ul>		extended period)			<p>contractors to assist with Requests for Information and related modelling.</p> <ul style="list-style-type: none"><li>Council is part of the Communities4LocalDemocracy group and has representation on the Rural Water Schemes Working Group (LGNZ)</li><li>Documentation of key assumptions associated with the 2025-34 Long Term Plan</li><li>Forward planning process selected to take advantage of the introduction of the two new Water Bills (Now Acts))</li></ul>	impact the ability for WDC to achieve its long-term objectives			<p><a href="#">DevelopmentReforms. Development</a> of a robust Water Services Delivery Plan is critical for (a) obtaining approval through the Secretary for Local Government and (b) creating a plan to deliver services sustainably <a href="#">by 1 July 2028- WSDP to be submitted 26 August 2028 with an expectation that feedback / approval received in October 2025.</a></p>
3 Waters (b)	<p>Nitrate Contamination</p> <p>Lower Waihao is experiencing fluctuations in Nitrate concentrations within the groundwater. After significant rainfall elevated nitrates persist and have exceeded to maximum acceptable value (MAV) of 50mg/l NO<sup>3</sup></p> <p>Impact:</p> <ul style="list-style-type: none"><li>To consumers: Health concerns, having to seek alternate drinking water source</li><li>To staff: Significant workload associated with managing the risks, liaison with stakeholders, Taumata Arowai and the Ministry of health.</li><li>To Council: Significant scrutiny and public sentiment issues</li></ul>	<ul style="list-style-type: none"><li>Likely related to historic land use and unlikely to change within the medium term.</li><li>Compounded by sustainable water use policy.</li><li>Reputational risk remains</li></ul>	Chief Executive	Major  (Significant impact on the provision of potable water)	Likely  (Council is unable to control / influence source water quality within the catchment)	Extreme Risk	<ul style="list-style-type: none"><li>Online monitoring of nitrate concentration</li><li>Provision of alternate water supply points at three locations within the catchment.</li><li>Initial options report for denitrification options and associated consent challenges complete.</li><li>Additional discharge options (three) currently being investigated.</li><li>Alternate supply point currently being investigated but will require monitoring over time to ensure reliability and response to adverse weather events.</li><li><a href="#">Staff have submitted a resource consent application for the new source at Bells Pond.</a></li></ul>	Major  (Without denitrification and / or an alternate supply source, the risk remains)	Likely  (In the shorter term it is highly likely that spikes in nitrate concentration will continue to occur)	Extreme Risk	<ul style="list-style-type: none"><li>Continue to liaise with Ecan, MGI, Taumata Arowai and Te Runanga o Waihao.</li><li>Continue with an intensive communications programme to inform consumers.</li><li>Ensure decisions relating to the future are fully informed through technical reports and supporting data.</li><li><a href="#">An alternate point of supply is being developed that is not demonstrating elevated nitrates</a></li></ul>
Unintended (or intended) consequences of Central Government Reforms  For example, the Local Water Done Well (LWDW) reforms may require council to form a multi-council CCO. The result of this activity may question the relevance of the	<p>Risk associated with central government reforms: (1) risk of a poor reform strategy that results in negative/ unintended consequences to the local government as a sector and in particular attracting new employees. and (2) risk of excessive staff time to address Government reform requests, takes time away from delivering on WDC core activities.</p>	<ul style="list-style-type: none"><li>Possible extensive amalgamations</li><li>Loss of local democracy</li><li>Central government, inadequate reform strategy; and/ or poor implementation of reforms creates issues</li><li>Complexity associated with timing of legislative changes and the 2024-34 Long Term Plan process</li><li>Shifting the centre of power and decision making away from the very communities that receive them (centralisation)</li></ul>	Chief Executive	Moderate  (Threatens the future of WDC with the intention to “preferred option” establish 15 Unitary councils)	Possible  Should all 17 recommendations of the Report be nationally adopted, Significant Risk	Significant Risk	<p>Waimate District Council acts now and examines several areas of well-reasoned, practical, affordable and community-oriented approaches to local democratic reform with its local government neighbours in advance of the national election.</p>	Moderate risk of National adoption	Possible	Significant Risk	<p>To examine and fully understand the total impact of any reform agendas. If necessary, seek third-party advice and monitor the movement of draft legislation from repeal of legislation and its incoming replacement and pivot to ensure legislative compliance is maintained.</p>

Risk Register | Waimate District Council

Risk Name	Risk and Impact Description	Risk Drivers (Existing and Potential Causes)	Risk Owner	Inherent Consequence	Inherent Likelihood	Inherent Risk Rating	Current Mitigations (Existing Controls)	Residual Consequence	Residual Likelihood	Residual Risk Rating	Mitigations Required/ Actions
remaining council.											
Health & Safety & Wellbeing	<p>Not ensuring the safety, health and wellbeing of staff, contractors, and the community</p> <p>Impact to bodily harm, loss of life; breach of statutory obligations; loss of staff time</p>	<p>Causes:</p> <ul style="list-style-type: none"><li>• Inadequate assessment and management of H&amp;S risks across all areas of Council delivery.</li><li>• Staff culture towards H&amp;S</li><li>• External events (e.g. covid impacting wellbeing) and external sources (e.g. government reforms impacting staff workload)</li><li>• Staff continuing to transition in and out of the organisation impacting workload and causing stress.</li><li>• The current coalition government is beginning to focus on the application of health and safety legislation, in the first instance by refocusing WorkSafe from a regulatory compliance space to an advisory focus.</li></ul>	Chief Executive	Catastrophic  (loss of life is possible)	Likely  (likely without sufficient controls in place)	Extreme Risk	<ul style="list-style-type: none"><li>• H&amp;S policy</li><li>• H&amp;S Governance/ Council Committee</li><li>• Contractor prequalification (SiteWise), and through procurement process</li><li>• H&amp;S staff committee continues to meet at least bi-monthly. Terms of Reference has been reviewed with amended version adopted.</li><li>• H&amp;S officer role responsibilities</li><li>• Divisions incorporate H&amp;S into their work plans</li><li>• Public places H&amp;S risks identified &amp; managed</li></ul>	Major  (Serious harm can still occur even with controls in place)	Possible  ("not likely but don't be surprised")	Significant Risk	<p>Internal control audits for 2025 are -being completed.</p> <p>H&amp;S management system review completed in Sept 2022 by external contractor. Recommendations being actioned as per gaps analysis report.</p> <p>H&amp;S manual being reviewed (last review was Oct 2022). A first draft of an updated manual is being proof-read and reviewed prior to being disseminated for further discussion.</p> <p><u>20-hour H&amp;S Position is in the recruitment phase.</u></p>
Regulatory and Compliance	<p>A risk where the Council does not perform a regulatory or compliance function correctly:</p> <ul style="list-style-type: none"><li>• Building Consent Authority, IANZ (risk of loss of accreditation)</li><li>• Enforcement responsibilities – risk of staff not using their powers responsibility within the limits of statute</li><li>• District Plan – specifically RMA reforms and impact on delivering updated District Plan in 2024. Water quality standards compliance</li></ul>	<p>Causes:</p> <ul style="list-style-type: none"><li>• Conduct a regulatory function subsequently found in proceedings to be in error or ultra vires (done beyond one's legal power or authority).</li><li>• Staff error/ incorrect assessment</li><li>• Insufficient staff resource; insufficient staff training</li></ul>	Regulatory & Compliance Manager	Catastrophic	Almost Certain	Extreme Risk	<ul style="list-style-type: none"><li>• Follow enforcement policy guidance</li><li>• Training to staff</li><li>• Management oversight of work</li><li>• Seek legal advice where appropriate</li><li>• The 3 yearly review of Enforcement Policy was completed in Dec 2022</li><li>• Compliance Officer role implemented in September 2019.</li><li>• Constant monitoring of IANZ assessments. To be reviewed by CE and Audit Committee</li><li>• Legislation/LGNZ newsletters regularly</li><li>• Published timelines</li><li>• Working to due process and prescribed timelines</li><li>• Liaise with Audit NZ</li><li>• Keep a close watching brief on the development (phase two and three of the reform to replace the RMA during 2024)</li></ul>	Moderate	Possible	Moderate Risk	<p>Groundwork for progressing the District Plan review was underway until Government recommended all TA's pausing <u>this work. Still some changes to the RMA to come.</u></p> <p>BCA accreditation <u>preparation is in progress. Is current with some plans in place to address recent and minor IANZ audit findings</u></p>
Climate mitigation and adaptation	<p>Changing climate, increased weather events.</p> <p>Impact on Council strategic planning: adaption for roading, water infrastructure; impact to finances of this.</p> <p>Council has employed a Climate Change Officer in partnership with Ecan (50/50) The intention is to have completed several rounds of</p>	<p>Causes:</p> <ul style="list-style-type: none"><li>• Higher proportion of extreme weather events</li><li>• Financial (from disaster mitigation and recovery and transitioning to low carbon economy)</li><li>• Legal - Planning provisions need to recognise for the management of significant risks from natural hazards.</li></ul> <p>Central government has announced that the cost of climate change adaption will need to be shared by all stakeholders</p>	Chief Executive	Major  (risk of unexpected overspend of \$500k to \$1m)	Likely  (expected to occur at least once in next 5 years: more extreme weather events)	Significant Risk	<ul style="list-style-type: none"><li>• CCO is operational &amp; leading the WDC response to Climate mitigation and adaptation with support from the Planning, Building and Leadership Team. Workshops being held monthly to collate community ideas to build a draft climate change strategy</li><li>• Following national adaptation plan</li><li>• Asset management plans</li></ul>	Major  (risk of unexpected overspend of \$500k to \$1m)	Likely  (expected to occur at least once in next 5 years: more extreme weather events,	Significant Risk	<p>Continued positive public messaging to improve community engagement and understanding of the mandated obligations WDC has, whilst also highlighting the goal to build resilience and take advantage of economic opportunities that arise.</p> <p><u>CCO is drafting the final CC</u></p>



Risk Register | Waimate District Council

Risk Name	Risk and Impact Description	Risk Drivers (Existing and Potential Causes)	Risk Owner	Inherent Consequence	Inherent Likelihood	Inherent Risk Rating	Current Mitigations (Existing Controls)	Residual Consequence	Residual Likelihood	Residual Risk Rating	Mitigations Required/ Actions
	<p>stakeholder and public engagement and have Councils draft Climate Change Strategy ready for adoption by <del>mid 2025</del><u>mid-2025</u>.</p> <p>Managed retreated; extends into roofing standards</p> <p>Potentially significant land use change. Biosecurity risk associated with changing weather (pest introduction). Coastal setback.</p>						<ul style="list-style-type: none"><li>Update planning and GIS provisions including possible prohibition of building in certain areas or restricted designs.</li><li>Liaise with Ecan, LGNZ and other TA's</li><li>Showing leadership through action</li></ul>		flood damage etc)		<p><u>Climate Resilience Strategy for WDC since reaching the end of planned workshops in January 2025, adopted by Council.</u></p> <p><u>Climate Change Officer finishes contract on 24 September 2025.</u></p>
Funding & Investments	<p>There is a risk of inadequate delivery of community services arising from a negative shock to our finances.</p> <p>This may come from an external event (economic downturn), or from an internal event (e.g. inadequate planning to fund asset replacements).</p>	<p>Causes:</p> <ul style="list-style-type: none"><li>International or NZ economic downturn</li><li>Alpine Energy financial performance and ability to provide shareholder dividends</li><li>Forestry investment reduction in income</li><li>Government funding changes (NZTA or similar)</li><li>Interest rate risk, impacting debt payments and returns on cash investments</li><li>Inadequate planning internally</li><li>Not operating within budget</li></ul>	Corporate Services Group Manager	Major  (unexpected failure to deliver key community services)	Likely  (negative external economic event: 60% to 90% chance of occurring in next 12 months)	Significant Risk	<ul style="list-style-type: none"><li>Monitor drivers: interest rate and Alpine Energy dividends – and impact of reduction/ strategies to mitigate</li><li>Treasury Advisors engaged to provide economic forecasts and investment and debt management advice</li><li>Report income and expenditure against budget periodically and annually</li><li>Performance reporting quarterly and annually</li><li>Follow our Investment and Liability Management Policies</li><li>Monitoring returns on investments</li><li>Participation in Shareholder, company and board represented meetings for Alpine Energy Limited to ensure District's wishes are heard.</li><li><u>Shareholder meetings provide for a collective view to be communicated to the Company.</u></li><li>Engaged Forestry Consultants to provide advice</li><li>Budget variation reports provided to Council on a quarterly basis.</li><li><del>The 2020/21 Annual Plan and 2021-21 Long Term Plan budgets incorporated a reduction in reliance on Alpine Energy Dividend funds used to offset rates in order to spread our exposure to the anticipated income reduction. The impact of this income reduction continues to be absorbed.</del></li><li>Council's <del>draft</del> Long Term Plan 2025-34 <u>was</u>is presently being prepared on the assumption that no <u>Alpine Energy</u> dividends are anticipated <u>in line with the company's Statement of Corporate Intent 2026-2028</u>, to minimise Council's exposure to risk.</li></ul>	Moderate	Likely  (60% to 90% chance of occurring in next 12 months)	Significant Risk	<p><del>The Statement of Corporate Intent 2026–2028 does not include provision for dividend returns to Shareholders. A meeting of shareholders prior to the company AGM is proposed to discuss concerns regarding the company's performance.</del></p>
Natural Hazards	<p>A significant external event causes damage to public infrastructure and buildings, preventing the community from receiving core services (from roading to water and access to council buildings).</p>	<p>Causes:</p> <ul style="list-style-type: none"><li>Flooding is the highest risk/impact - we need to be prepared. Wind secondary.</li><li>Extreme weather events</li><li>Black Swan events (unknown large scale, large impact events)</li><li>AF8 earthquake</li></ul>	Chief Executive	Major  (threatens operations or ability to deliver objectives,	Possible  (not likely, but don't be surprised)	Significant Risk	<ul style="list-style-type: none"><li>Policies</li><li>Asset Management Plans</li><li>Civil Defence</li><li>Phone-In Facilities</li><li>Insurance Cover</li><li>Secondary Ops centre (Gorge Road)</li></ul>	Moderate  (failure of an operation or financial overspend of	Possible  (not likely, but don't be surprised)	Significant Risk	<p>Availability of Waimate Event Centre, Gorge Road Office and Works yard as secondary operational centres. Fund a study into overland</p>

Risk Register | Waimate District Council

Risk Name	Risk and Impact Description	Risk Drivers (Existing and Potential Causes)	Risk Owner	Inherent Consequence	Inherent Likelihood	Inherent Risk Rating	Current Mitigations (Existing Controls)	Residual Consequence	Residual Likelihood	Residual Risk Rating	Mitigations Required/ Actions
	The event requires both an immediate emergency response from Council as well as medium-term recovery back to normal service levels.			major financial overspend \$500k to \$1m)			<ul style="list-style-type: none"><li>IT Information recovery (off-site back-ups)</li><li>CDEM</li><li>Flood protection including redirection of overland flows and redesign.</li><li>Urban modelling to inform future land-use planning and direction of overland flows.</li></ul>	\$100k to \$500k)			<p>flood pathways as part of the built environment / urban catchment management</p> <p>Flood mitigation including a lift in Urban Catchment Management practices includes negotiation with Waka Kotahi (around road profiles and road height). Will take time and funding to assess, design solutions and implement. This work is underway with capital budgets proposed to reduce flood flows in one catchment and the reinstatement of a necessary overland flow path adjacent to the Local Government Centre.</p>
Performance & Delivery	<p>Council not delivering on its commitments/ Annual Plan, which results in services not delivered to the community expectations.</p> <p>Across all council services: Water, roading, property, parks, solid waste, and others</p>	<p>Causes:</p> <ul style="list-style-type: none"><li>Without adequate additional resourcing or a significant reduction in the pace/volume of reform, this pressure poses a substantial risk to the Council's ability to maintain existing performance levels, achieve strategic objectives, and effectively respond to the needs of the community.</li><li>Internal delivery constraints: lack of sufficient resource; poor project management</li><li>Reprioritisation of commitments by Council, without appropriate recognition of impact on previous public commitments</li><li>Financing – insufficient funds set aside</li><li>Insufficient Asset management plans</li><li>National unemployment rate too low resulting in low job vacancy applicant pools</li></ul>	Chief Executive	Major  (Significant dissatisfaction expressed by stakeholders)	Likely  (without controls in place, “will occur more often than not”)	Significant Risk	<ul style="list-style-type: none"><li>Project management</li><li>Performance measurement framework; KPI monitoring against annual plan</li><li>Planning and budgeting process (LTP &amp; Annual Planning)</li><li>Asset Management Plans</li></ul>	Minor  (residual risk is localised to isolated failure to meet stakeholder requirements)	Unlikely	Moderate Risk	Internal audits to ensure our controls are in place.
Governance Roles and Responsibilities	<p>Councillors not following the principles of good governance.</p> <p>Resulting in poor decision making, ignoring statute, confidentiality leaks.</p> <p>Non-functional Council (Council unable to make resolutions due to irreconcilable differences)</p>	<p>Causes:</p> <ul style="list-style-type: none"><li>Prolonged periods of intense government reform carry a strategic risk of undermining elected member effectiveness. The constant requirement to react to external mandates can detract from proactive, community-focused strategic planning and policy development. This may result in a more reactive council, less able to anticipate and address local needs, and potentially</li></ul>	Chief Executive	Major  (Unexpected failure to meet key community outcomes)	Possible  (not likely, but don’t be surprised)	Significant Risk	<ul style="list-style-type: none"><li>Workshop topics</li><li>Publications (Auditor General)</li><li>Email to Councillors via Council network</li><li>Education</li><li>Professional Advice</li><li>LGNZ Advice</li><li>Members handbook</li><li>Legal opinions</li><li>Identify conflicts of interest</li><li>Use of Council facilities</li><li>Mayor reinforcing the expectations of the elected members and their</li></ul>	Moderate  (risk of failure of project or an operation)	Possible/ Unlikely  (a surprise but not beyond the bounds of imagination)	Moderate Risk	<b>Targeted Training &amp; Briefings:</b> Provide timely, concise, and highly relevant training and briefings on upcoming and implemented reforms, focusing on practical implications for the council and community, include access to expert advice where necessary.

Risk Register | Waimate District Council

Risk Name	Risk and Impact Description	Risk Drivers (Existing and Potential Causes)	Risk Owner	Inherent Consequence	Inherent Likelihood	Inherent Risk Rating	Current Mitigations (Existing Controls)	Residual Consequence	Residual Likelihood	Residual Risk Rating	Mitigations Required/ Actions
		<div>eroding public confidence in local governance.</div> <div><div><div></div></div><div>Lack of awareness, knowledge, and training in good governance practices</div><div><div></div></div><div>Elected MembersCouncillors not informed timely of key decisions (a ‘no surprises approach’).</div><div><div></div></div><div>Elected MembersCouncillors not being fully engaged in their role by not engaging in all available information to increase their Local Government education.</div><div><div></div></div><div>Triennial elections can result in a proportion of Elected Members with no previous Local Government experience, requiring increased initial education of these new members.</div></div>					<div>obligation to be informed and follow good governance principles.</div>				<div>Develop and maintain a clear, consistent communication strategy for reforms, ensuring elected members are well-briefed to effectively communicate with their constituents.</div>
Cyber security and IT	<div>A risk eventuates from our IT systems which prevents us from delivering our core community services; or sensitive information is taken from our systems.</div>	<div>Causes</div> <div><div><div></div></div><div>Cyber threats; locked out of systems</div><div><div></div></div><div>Compromised availability of systems</div><div><div></div></div><div>Sensitive information exposed/ stolen from our systems</div><div><div></div></div><div>Complacency of staff and elected members, including potential reluctance to complete training</div><div><div></div></div><div>System implementation without IT’s knowledge (Shadow IT)</div></div>	Corporate Services Group Manager	Major	Possible	Significant Risk	<div><div><div></div></div><div>IT Compliance Audit</div><div><div></div></div><div>Analysis of the results of the SAM for compliance baseline assessment.</div><div><div></div></div><div>Ongoing Cyber Security training of staff and Elected Members</div><div><div></div></div><div>Computers Systems Use Policy prohibits personal use of any council computer or device.</div><div><div></div></div><div>Responsiveness and availability for assistance of Council IT staff.</div><div><div></div></div><div>Ongoing conformance to the ALGIM framework.</div></div>	Major	Possible	Significant Risk	<div><div><div></div></div><div>Ongoing implementation of prioritised actions identified through the IT Compliance Audit</div><div><div></div></div><div>Continued training of users of Council devices and reinforcement of the requirement to complete.</div><div><div></div></div><div>Ongoing planning to reduce cyber security risk.</div></div>
Community Engagement	<div>The risk that the community is not aligned with the Council’s objectives, initiatives, or projects. Risk of Council conflict with the community.</div> <div>Acknowledge that the Council sometimes needs to make decisions in the long term interest of the District, which might conflict with some people’s near-termnear-term views.</div>	<div><div><div></div></div><div>Not identifying who needs to be engaged with and nature of engagement to be effective</div><div><div></div></div><div>Communication with community not delivering right level of engagement and understanding of strategic priorities</div><div><div></div></div><div>Not sharing what we are doing with the community</div><div><div></div></div><div>Community not wanting to engage</div></div>	Chief Executive	Moderate	Possible	Moderate Risk	<div><div><div></div></div><div>Community consultation process</div><div><div></div></div><div>Mayor and Councillor availability to the public</div><div><div></div></div><div>Councillor led meetings in respective wards.</div></div>	Minor	Unlikely	Moderate Risk	<div><div><div></div></div><div>Further Councillor led meetings in respective wards to be held.</div><div><div></div></div><div>Live streaming of Council meetings and workshops to encourage community participation.</div></div>
MāoriMāori engagement	<div>Risk that Council is not aligned with local Iwi. Risk of conflict with local Iwi. This can lead to reputational damage/ media attention.</div> <div>Council has an opportunity to ensure Māori are involved in the decision-making process (beyond environmental and cultural matters).</div>	<div><div><div></div></div><div>Not collaborating with iwi in all appropriate places and stages of developing and implementing strategy and actions</div><div><div></div></div><div>Adequate funding to collaborate properly</div></div>	Chief Executive	Moderate	Possible	Moderate Risk	<div><div><div></div></div><div>Meet with representatives of Te Runanga o Waihao at least once a year, to discuss current issues and the progress of the Long Term Plan. These meetings are in addition to other contact as part of the consultation process.</div><div><div></div></div><div>Ongoing operational liaison with representatives occurs at a staff level e.g. consenting</div></div>	Minor	Possible	Moderate Risk	

**6.10 AUDIT NEW ZEALAND - AUDIT REPORT LONG TERM PLAN 2025 - 2034**

**Author:** Carolyn Johns, Acting Corporate Services Group Manager

**Authoriser:** Carolyn Johns, Acting Corporate Services Group Manager

**Attachments:** 1. Audit Report - LTP 2025-34 [↓](#) 

**PURPOSE**

1. To provide the Audit and Risk Committee with the Audit NZ report on the audit of Council's Long Term Plan (LTP) for the Period 1 July 2025 to 30 June 2034.
2. Audit NZ Director Rudie Tomlinson will be in attendance to answer any questions relating to the Audit Report.

**BACKGROUND**

3. Audit New Zealand conducted the audit of Council's LTP 2025-2034 during April to June 2025.
4. Audit NZ issued an unmodified report on the Council's LTP on 30 June 2025. Audit NZ Director Rudie Tomlinson was in attendance at the 30 June 2025 Council meeting and spoke to the content of the audit opinion immediately prior to the LTP's adoption.
5. An unmodified opinion means that:
  - a. the plan provides a reasonable basis for:
    - long -term, integrated decision making and co-ordination of the Council's resources; and
    - accountability of the Council to the community; and
  - b. the information and assumptions underlying the forecast information in the plan are reasonable;
  - c. the disclosures on pages 174 to 179 of the LTP represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan; and
  - d. the underlying information and assumptions used to prepare the LTP are reasonable.
6. An emphasis of matter paragraph was included in the audit report to highlight the uncertainty relating to Council's future water service delivery model, at that time.
7. The report notes the key issues for consultation being:
  - a. Managing the impact on rates;
  - b. Rooding funding shortfall; and
  - c. Track fundingwere clearly articulated in the LTP and provided a reasonable basis on which the Council consulted with the community. The outcomes of consultation were considered by the Council, with final decisions incorporated into the 2025-34 LTP.
8. The report identifies additional work was necessary to deliver on the audit. Consideration of the recovery of additional time and cost is included in this agenda as a separate item.
9. Council staff have provided management comments in response to the recommendations identified by Audit NZ in the Other Matters section, with these management comments incorporated into the report attached.
10. These recommendations have been incorporated into the audit recommendations progress report to be discussed with the Committee in a separate agenda item accordingly.

**PROPOSAL**

11. That the Audit & Risk Committee receives the Audit New Zealand Audit Report.

**Options**

12. The Committee may provide feedback and direction for related actions, or have no feedback or direction for related actions.

**ASSESSMENT OF SIGNIFICANCE**

13. This matter is deemed to be of low significance under Council's Significance and Engagement Policy.

**CONSIDERATIONS****Legislation**

14. Local Government Act 2002.

**Risk**

15. That the direction provided to staff may be unachievable and therefore not enable the closure of the recommendations raised by Audit NZ.

**FINANCIAL**

16. The 2025-34 LTP audit fees of \$98,175 excl GST, were agreed to by the Committee at the 3 December 2024 meeting.
17. Audit NZ has requested the recovery of additional fees of up to \$64,076 plus GST.

**RECOMMENDATION**

1. That the Audit New Zealand – Audit Report Long Term Plan 2025-2034 report is accepted; and
2. That the Audit New Zealand Audit Report Long Term Plan 2025-2034 is received; and
3. That the Audit and Risk Committee provides feedback and direction to staff for any related actions, if applicable

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## **Report to the Council on the audit of**

Waimate District Council's  
long-term plan for the period  
1 July 2025 to 30 June 2034

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## Key messages

We have completed the audit of Waimate District Council's (the Council's) long-term plan (LTP) for the nine-year period 1 July 2025 to 30 June 2034.

This report sets out our findings from the audit, and where appropriate makes recommendations for improvement.

We have concluded that the document and underlying information provided meet the purpose of an LTP, as described in section 93(6) of the Act. We confirm it meets the legislative requirements of the Local Government Act 2002 and is fit-for-purpose.

### Audit report

We issued an unmodified opinion on the Council's LTP on 30 June 2025. This meant we are satisfied the Council's LTP meets the statutory purpose. We found the underlying information and assumptions used to prepare the LTP provided a reasonable and supportable basis for the preparation of the LTP.

Without modifying our audit opinion, we included an emphasis of matter paragraph in the audit report to highlight the uncertainty relating to Council's future water service delivery model.

### Content of the consultation document (CD)

The LTP communicates the important issues affecting the Waimate district over the next nine years. The Council identified the following key issues for consultation:

- Managing the impact on rates.
- Roading funding shortfall.
- Track funding.

Each of these issues were clearly articulated in the LTP and provided a reasonable basis on which the Council consulted with the community. The outcomes of consultation were considered by the Council, with final decisions being incorporated into the 2025-2034 LTP.



**Thank you**

We would like to thank the Council, management and staff for their assistance and making themselves available for audit queries throughout the review process.

A handwritten signature in black ink, appearing to read 'Rudie Tomlinson', with a circular mark to the left of the name.

Rudie Tomlinson  
Appointed Auditor  
16 July 2025

# 1 Our audit report

## 1.1 We issued an unmodified audit report

We issued an unmodified audit report on the Council's LTP on 30 June 2025. This means that:

- the plan provides a reasonable basis for:
  - long -term, integrated decision -making and co-ordination of the Council's resources; and
  - accountability of the Council to the community; and
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 174 to 179 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

We also found the underlying information and assumptions used to prepare the LTP are reasonable.

Without modifying our opinion, we included an emphasis of matter paragraph to highlight the uncertainty relating to Council's future water service delivery model.

### 1.1.1 Emphasis of matter – Uncertainty over water service delivery

We drew attention to page 27 of the LTP, which outlines that Council has consulted on the future water service delivery model, with its preference to retain water services in-house. The LTP has been prepared on this basis.

There is uncertainty about the future of water service delivery as it is subject to Council's decision following consultation, and the proposal is yet to be accepted by the Secretary for Local Government. There is also uncertainty about the financial impact of these decisions because details of the exact arrangements are still being considered.

## 1.2 Misstatements and disclosure deficiencies

During the audit, we discussed with management any misstatements and disclosure deficiencies that we found, other than those that were clearly trivial. The Council corrected all misstatements and disclosure deficiencies that we notified to management, except for the misstatements noted in the following sub-section.

### 1.3 Uncorrected misstatements

There are two uncorrected misstatements in the financial forecasts. These two misstatements were previously communicated in the Report to the Council on the audit of the LTP CD, dated 12 May 2025. The Council has corrected all other misstatements notified to management during the CD audit and the LTP audit.

The misstatements that have not been corrected are listed below along with management's reasons for not adjusting these misstatements. We are satisfied that these misstatements are individually and collectively immaterial.

'000	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenue – Subsidies and grants	85	85							
Expenditure – Other expenses	(32)	(32)							
Non-current assets – Property, plant and equipment (PPE)	(53)	(53)							

() - Credit

#### Explanation of uncorrected misstatements

Overstatement of revenue, expenditure and assets due to a reduction in assumed funding from New Zealand Transport Agency Waka Kotahi (NZTA). We have presumed this overstatement is spread evenly across the three years 2024-2027.

#### The Council's explanation for not correcting the misstatements

The LTP financial forecasts were not adjusted due to the minor nature of the adjustments and the significant amount of work required to incorporate the adjustments.

	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revaluation reserve		3,610			9,053	4,053		10,960	7,006
PPE - Building		(3,610)			(5,188)			(6,481)	
PPE – Three waters					(3,865)			(4,479)	
PPE - Roading						(4,053)			(7,006)

() - Credit

**Explanation of uncorrected misstatements****Revaluation of non-current assets**

The Council has forecast its future asset revaluation increases based on historical increases, rather than applying activity-based BERL inflation rates (which are specific to individual Council activities) throughout the nine-year period.

**The Council's explanation for not correcting the misstatements**

The LTP financial forecasts were not adjusted as we were comfortable with the evidence-based approach to our re-valuation assumptions, with a correction of negligible impact or benefit to the reader of the LTP and requiring a significant amount of work to incorporate.

**1.4 Quality and timeliness of information provided for audit**

The Office of the Auditor-General (OAG) has outlined its expectations for the cost recovery process related to the additional hours spent auditing councils' 2025-34 CDs and LTPs in a letter to all district councils. This additional work has been necessary to ensure the high-quality delivery of each audit.

The OAG wants to ensure that the recovery process is fair to both councils and auditors, and reflects the additional hours required because of inefficiencies beyond auditor control. For the 2024 LTP audits, the OAG moderated all recoveries to ensure that costs resulting from audit inefficiencies are not passed on. We expect the same process to apply to the 2025 LTP audits.

We have reviewed the actual total hours spent on your Council's LTP audit to establish the areas where additional time was spent which can be recovered. Our analysis excludes additional hours that are attributable to audit inefficiencies which we do not recover from you. The recovery of all additional time and cost will be discussed with Council after the completion of the LTP audit.

In addition to the issues noted in the Report to the Council on the audit of the LTP CD, the additional recoverable hours we have identified during the LTP audit are attributable to the following matters:

- Management informed us that as the Local Water Done Well (LWDW) consultation process had not yet concluded at the time of LTP adoption, and no decisions had yet been made by the Council as to the future water service delivery model. Therefore, management had not adjusted the LTP to reflect any updated modelling or information included in the LWDW CD or subsequent decisions by Council. As the OAG has directed us to consider the content (or proposed content) of councils' water services delivery plans in developing their deferred LTP's, significant additional work (including meetings with Council staff and third party advisors) were required to:

- Assess consistency of financial information presented in the LWDW CD with what is presented in the LTP, including assessment of a known difference in the potential three waters capital programme as modelled in the LWDW CD compared to what is modelled in the LTP.
- Assess at a high-level whether Council has demonstrated financial sustainability of its preferred three waters future service delivery option within its LTP.
- Assess whether the information presented throughout the LTP appropriately highlighted the risks and uncertainty around future water service delivery.
- Consult with the OAG via its “hot review” process to confirm issues raised above were appropriately addressed.
- Prepare and attend an OAG Opinion Review Committee (ORC), specifically to provide evidential support and motivate, in light of audit work performed, that there was sufficient support for an unmodified opinion on the LTP.
- Reconvene the OAG ORC to consider the impact on the audit opinion of the letter from the Department of Internal Affairs received on 26 June.
- Subsequent to issuance of our audit opinion on the CD, in April 2025, the Commerce Commission released its decision on the enforcement action against Alpine Energy Limited (AEL) and imposed a series of penalties on the entity totalling \$18.4 million. As the outcome of the enforcement action was previously unknown, the impact of the cash outflows to 30 June 2025 was not accounted for in the 2024 revaluation. This required additional correspondence with management and its valuer to understand and quantify the impact on the AEL value in the LTP forecast financial statements. The difference was assessed to be material and required and adjustment to the draft LTP.

The development of an LTP together with the required underlying information is a large and complex task. Management was responsive to our recommendations and enhanced the quality of the information included in the LTP based on our feedback during the audit process.

## 2 Control environment

### 2.1 Audit scope and objective

The scope of our audit engagement and our respective responsibilities are contained in our combined audit proposal and engagement letter dated 9 December 2024.

### 2.2 Control environment

Our approach to the audit was to identify, confirm and assess the Council's key processes and controls over the underlying information and ultimate production of the CD and the LTP. The purpose of this assessment was to enable us to plan the most effective and efficient approach to the audit work needed to provide our two audit opinions. Our review of the control environment focused on two key areas: the planning and budgeting process, and asset management practices. Our findings are detailed in section 4 of this report.

Matters that we identified as the main risks and issues are detailed in section 3 of this report.

### 2.3 Process to develop the underlying information

Overall, we found that the Council's process for developing the plan and preparing the underlying information was well-managed by staff.

### 3 Key risks and issues

#### 3.1 Results of the consultation process

We noted that following the deliberation process on the consultation issues and other consideration matters, there were no significant changes to the initial assumptions used in developing the plan, the infrastructure strategy and the financial strategy. The Council's preferred options relating to the key issues for consultation, were adopted in all instances.

#### 3.2 The impact of the LWDW reform programme on the 2025-34 LTP

Community consultation on the Council's LWDW CD began on 15 May 2025. Consultation concluded on 16 June 2025 and Council deliberations commenced on 1 July 2025. The Council's preferred option (an internal water services unit), whilst not confirmed at the time, was included in the 2025-34 LTP.

Management informed us that, as the LWDW deliberations had not yet commenced at the time of LTP adoption, and no decisions had yet been made by the Council as to the future water service delivery model, the LTP had not been adjusted to reflect any updated modelling or information included in the LWDW CD or subsequent decisions by the Council.

We discussed further with management the aspects around modelling, financial sustainability and investment sufficiency in order to gain an understanding of differences between the LTP and the LWDW CD.

Based on our additional audit work and discussions, we concluded that the LTP contains appropriate disclosure highlighting the impact of the uncertainty of Council's decision and financial and operational information that is not yet available, the outcome of further consultation with the DIA that will be required, and that the impact may be material and therefore require future amendment of this LTP. As discussed in section 1.1.1 above, we have included an emphasis of matter in our audit opinion to draw the reader's attention to this disclosure.

#### 3.3 AEL

A historical pricing error that led to AEL overcharging its customers, has subjected AEL to a regulatory enforcement action by the Commerce Commission of New Zealand. We included an emphasis of matter in our audit opinion on the 2023-24 annual report to highlight the uncertainty of the outcome of the Commerce Commission decision in relation to the AEL pricing error, which at the time was still unknown.

Subsequent to issuance of our audit opinion on the LTP CD, the Commerce Commission released its decision on the enforcement action and imposed a series of penalties on AEL totalling \$18.4 million. From discussions with AEL's valuer EY, we confirmed that these penalties were not accounted for in the most recent valuation, as the amount was unknown at the time.

We considered the potential impact of the penalty on the value of Council's investment in AEL as initially forecasted in the LTP. Management has assumed a 5% annual increase in the fair value of AEL over the term of the plan. At the same time, it was assumed that no dividends will be received. EY has advised us that the assumed fair value increases of 5% are considered reasonable, and that management's assumption of nil dividends is conservative but likely realistic, given the looming capital expenditure commitments that many electricity distribution businesses are facing.

Based on the Council shareholding of 7.54%, the potential impact of the penalties on the 2025 fair value of AEL and resulting impact on the LTP financial forecast was assessed to be material. For the final LTP financial forecast, management has reduced the opening 2025 forecast value of its investment in AEL by approximately \$1 million and adjusted each of the forecast annual balances within the nine years of the LTP accordingly.

The Council has a significant forecasting assumption in the 2025-34 LTP for AEL's return on investment (refer to page 140 of the LTP), which we have assessed as reasonable and appropriate.



## 4 Other matters

### 4.1 Planning and budgeting process

We obtained an understanding of the Council's budgeting process through discussions with relevant staff members and by reviewing various supporting documents. Other than our comments noted in our report to Council during the CD stage and comments in other sections of this report, we found that the Council's planning and budgeting process supported the preparation of the underlying information and the production of the CD and the LTP.

### 4.2 Asset management practices

#### Background

During our audit of the CD, we made various recommendations around the planning and budgeting process for the next LTP and around the disclosures within the asset management plans.

The following recommendations remain outstanding:

#### Recommendations

- Improve the planning process for the next LTP by considering the staff resources and skills appropriate for the exercise.
- Consider engaging an independent peer reviewer to review the asset management plans.
- Ensure specific assumptions relating to each asset management plan is disclosed in the respective asset management plan's in addition to the corporate assumptions.
- Include an improvement plan in the roading asset management plan.
- Implement a robust system to track the condition and performance of stormwater assets, to ensure funding of depreciation is sufficient to ensure sustainability.

#### Management comment

*As part of the Local Water Done Well process and the production of the Water Services Delivery Plan, staff are considering the resource structure. Asset Management, Finance and Information Disclosure activities will be addressed as part of the unit design.*

*Subsequent to the 2025-2034 Long Term Plan an assurance review of the Three Waters Asset Management Plans has been completed. We propose to utilise this methodology for future iterations as a key requirement of the Economic Regulation (in tandem with the*

*current audit processes). Furthermore, staff are undertaking an Asset Management Maturity Assessment to inform the 2037-47 Asset Management Plans.*

#### **4.3 Quality of asset-related forecasting information**

During our audit of the CD, we noticed the reliability of condition and performance data for three waters assets has not, to date, been systematically assessed and remains ungraded as per the International Infrastructure Management Manual (IIMM).

The following recommendation remains outstanding:

##### **Recommendation**

- Formally grade the reliability of three waters data in accordance with the IIMM manual.

##### **Management comment**

*Grading the reliability of three waters data will be included in the improvement plan.*

#### **4.4 Investment vs depreciation**

During the audit of the CD, our review of depreciation expense compared to forecast renewals indicated that at an overall level, investment in relation to depreciation is satisfactory except for stormwater.

The following recommendation remains outstanding:

##### **Recommendation**

We recommend that the Council implements a robust system to track the condition and performance of stormwater assets, to ensure funding of depreciation is sufficient to ensure sustainability.

##### **Management comment**

*The recommendation is noted has been partially addressed through hydraulic modelling. Condition assessments have typically been undertaken using CCTV with underperforming assets being replaced. Future CCTV will help to ensure that assets, especially critical assets, are maintained in perpetuity.*

## 5 Publication of the LTP on the Council's website

As the Council intends to publish the LTP electronically, we asked for time for us to examine the final electronic file version of the LTP incorporating the audit report before uploading onto the Council's website.

We will provide clearance for the Council to publish the electronic file version of the LTP following the completion of our examination of the final electronic file version. We will ensure consistency with the documents that we had audited and given clearance on.

## Appendix 1: Corrected misstatements and disclosure deficiencies

The following table summarises the corrected misstatements and disclosure deficiencies identified during the audits of the CD and final LTP, which were assessed to be quantitatively or qualitatively material, or otherwise fundamental to the reader.

### Corrected misstatements and disclosure deficiencies

#### CD

- Disclosure was added to explain that Council has prepared a nine year LTP and the rationale for deferring its development and adoption.
- Each of the key issue options was required to be updated to describe the correct impacts on rates, debt, and levels of service.
- The section on “key issue 3 / track funding” was updated to clarify that the funding will initially be allocated from the recreation reserve, but that a loan will be required to replenish the reserve.
- The narrative within the “three waters reform” section was updated to better describe the Council’s current position at the time of the CD adoption.
- The “balanced budget” section was updated to clarify that Council was only proposing an unbalanced budget for the first two years of the plan and describe the reasons why the Council considered it prudent / how it aligns with its financial strategy.
- The “what does this mean for my rates?” section was updated to show the effect of the proposals on rates for different categories of rateable land with a range of property values, including examples.
- The “major projects” section was updated to disclose Council’s planned approach to levels of service, to add the section on climate change, and to correct the schemes that are to be included in the proposed drinking water compliance upgrades.
- The “Mayor and Chief Executive message” section was updated to describe the correct planned rates increases.
- The “our priorities and challenges” section was updated to summarise key points from the infrastructure strategy and provide information about the material theoretical backlogs for roading and three waters.
- Commentary was added to outline Council’s current efforts and future plans to develop and implement a robust tracking system for stormwater assets.

**Forecast statement of service performance**

- Disclosures were added to clarify where any changes to targets or forecast levels of service have been made since the prior long term plan, as well as whether there are any changes over the nine years of the plan, and the rationale for any changes.
- A footnote disclosure was added to the “provide safe drinking water” measure to explain that compliance rule 4.7 was updated to reflect amendments to the Drinking Water Quality Assurance Rules that took effect from 1 January 2025.

**Significant forecasting assumptions**

- The uncertainty rating on the “NZTA revenue” assumption was updated from high to moderate and the narrative was updated to clarify the assumption around the outer years.
- A new assumption was added for “legislation changes” relating to the changes to the local authority’s business dictated by as yet unknown/unconfirmed legislation or central government policy change.
- The “emissions trading scheme” assumption was initially omitted but added back to the LTP, as the balance is material and there is more uncertainty as of the current LTP cycle (the Climate Change Commission has recommended changes to the unit limits and price control settings for 2025-2029, which could impact the market dynamics and create uncertainty).
- The “New Zealand water service delivery” assumption was updated to add potential effects of the uncertainty on the financial estimates per schedule 10 section 17 C (ii) of the Local Government Act 2002, as the level of uncertainty is assessed as high.
- The interest rate range disclosed within the “borrowing costs” assumption was updated to include rates for the Downlands water scheme.

**Forecast financial information**

- The financial model and financial statements were required to be updated at CD stage to incorporate the preferred option for key issue 3 / track funding.
- The forecast financial statements were required to be updated for the estimated impact on the opening 2025 balance of the investment in AEL, of the Commerce Commission penalty for historical pricing errors (refer to further discussion in section 2.3.2 above). The impact on the opening balance of non-current other financial assets, was an approximate \$1 million reduction with a flow-on impact to all nine years of the LTP.
- The “forecast 2025” column was added to some statements to show the starting point for the opening balances forecast in year 1 / 2026.

**Statement of accounting policies**

- The useful lives disclosed within the “depreciation” policy were updated to align with the latest revaluations.

- The section was updated to remove policies for account balances that are immaterial, as only those that are deemed material are required by the accounting standards to be disclosed.

**Revenue and Financing Policy**

- The policy was required to be updated as the roading activity was initially determined to be in breach of the policy for years 1 and 2 of the LTP with respect to limits on targeted rates funding.

**Financial strategy**

- The “smoothed and unsmoothed rates increases” graph was corrected to include all Downlands pre and post smoothing rates.
- The “debt requirement vs debt limit” graph was updated to remove internal debt to minimise confusion and better align with the “net debt” expectation and limit.
- Disclosures were added within the “what have we considered?” section around LWDW and its implications for the financial strategy.
- The debt limits disclosed in section 5 were corrected to be consistent with the debt limits in the prudence benchmarks.

**Infrastructure strategy**

- In the CD version, disclosures were added to better describe Council’s approaches to overdue work (backlog) as well as the large roading renewals gap (theoretical vs planned).
- In the final LTP version, the disclosure of the theoretical backlog for three waters was corrected to state the amount of \$26 million, as it was initially stated as “negligible”.
- In the final LTP version, various updates were required to correct inconsistencies with information presented in the CD version.

**Long-term plan disclosure statement**

- The rates (increases) affordability benchmark was updated to show the first three years’ individual increases, and then the average increases over the remaining years.
- The balanced budget, essential services and debt servicing benchmarks were updated to include the annual plan 2025 figures in accordance with the requirements of the Local Government Financial Reporting and Prudence Regulations 2014 (the Act).
- The narrative for the debt affordability benchmark was updated to define what is included in “net debt”.

- The balanced budget benchmark graph was required to be updated to add back the forestry gains to the revenue amounts used in the calculations, as they were initially incorrectly excluded.
- The debt servicing benchmark was required to be updated to reflect the correct limit on borrowing costs for a district that is growing slowly (10% of revenue instead of the 20% that was initially described), and the calculation was required to be updated to not net the borrowing costs against the interest revenue, as is required by the Act.
- The presentation of all the benchmarks and their narratives were required to be updated to conform to the explicit requirements of the Act.

## Appendix 2: Disclosures

Area	Key messages
Our responsibilities in conducting the audit	<p>We carried out this audit on behalf of the Controller and Auditor General. We are responsible for expressing an independent opinion on the LTP and reporting that opinion to you. This responsibility arises from section 93C(4) of the Local Government Act 2002.</p> <p>The audit of the LTP does not relieve management or the Council of their responsibilities.</p> <p>Our audit engagement letter contains a detailed explanation of the respective responsibilities of the auditor and the Council.</p>
Assurance and auditing standards	<p>We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) <i>Assurance Engagements Other Than Audits or Reviews of Historical Financial Information</i>. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 <i>The Examination of Prospective Financial Information</i> that were consistent with those requirements.</p> <p>Our work cannot and should not be relied upon to detect all instances of misstatement, fraud, irregularity or inefficiency that are immaterial to your financial statements. The Council and management are responsible for implementing and maintaining your systems of controls for detecting these matters.</p>
Auditor independence	<p>We are independent of the 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: <i>International Code of Ethics for Assurance Practitioners</i>, issued by New Zealand Auditing and Assurance Standards Board.</p> <p>We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 <i>Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements</i> (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p>Other than our work in carrying out all legally required external audits and a limited assurance engagement in respect of the Council's Debenture Trust Deed, we have no relationship with or interests in the Council.</p>



Area	Key messages
Fees	<p>The audit fee for the LTP is \$98,175 (excluding GST and disbursements), as detailed in our audit engagement letter.</p> <p>No other fees have been charged in this period.</p>
Other relationships	<p>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 Council that is significant to the audit.</p> <p>We are not aware of any situations where a staff member of Audit New Zealand has accepted a position of employment with the Council during or since the audit.</p>



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**6.11 EXTERNAL AUDIT RECOMMENDATIONS PROGRESS REPORT TO SEPTEMBER 2025**

**Author:** Carolyn Johns, Acting Corporate Services Group Manager

**Authoriser:** Carolyn Johns, Acting Corporate Services Group Manager

**Attachments:** 1. **Audit NZ Management Report Recommendations - September 2025**  
 

**PURPOSE**

1. To provide the Audit and Risk Committee with a progress update on recommendations from Audit New Zealand (Audit NZ).

**BACKGROUND**

2. Audit NZ identifies recommendations through their audit process which may be classified as:
  - Urgent: 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. These recommendations need to be addressed urgently.
  - Necessary: 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. These recommendations should be addressed at the earliest reasonable opportunity, generally within 6 months.
  - Beneficial: These recommendations relate to areas where the District Council is falling short of best practice. In the view of Audit NZ, it is beneficial for management to address these, provided the benefits outweigh the costs. These recommendations should generally be addressed within 6 to 12 months.
3. The recommendations are followed up by Audit NZ during each interim and final audit and if sufficient remedial action has occurred, they may be closed due to the implementation of the recommendation.
4. The recommendations which were satisfactorily addressed during the 2024 audit have been removed following their reporting to the March Committee meeting.
5. Council staff have updated progress on the open/in progress External Audit Recommendations where appropriate, for the Audit and Risk Committee's information and any relevant feedback.
6. Additionally, 3 new recommendations were identified in the audit of the 2025-34 Long Term Plan and these have been added, with staff's initial response to the recommendation.
7. Recommendations have been/will be re-visited by Audit NZ during the various 2025 audits, culminating in the 2025 Annual Report audit, to be completed by 31 October 2025.
8. The LTP recommendations will next be tested for the 2027-37 LTP.

**RECOMMENDATION**

That the External Audit Recommendations Progress Report to September 2025 Report is accepted

AUDIT NEW ZEALAND RECOMMENDATIONS – PROGRESS REPORT TO ~~SEPTEMBER~~ MARCH 2025

## Open recommendations as per 2020 Final Audit

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<b>Beneficial</b>				
<b>Enhancing sensitive expenditure policies</b>				
Consider updating sensitive expenditure policies to fully comply with the Office of the Auditor-General's good practice guidelines, as applicable to the District Council.	2019/20	<b>Open</b>  This finding has not been addressed and remains outstanding as no update done on the Sensitive Expenditure Policy.	When next reviewing the Sensitive Expenditure Policy we will incorporate Audit New Zealand's recommendations, that is, closer alignment to the OAG guidelines.	<del>March-September</del> 2025: The Sensitive Expenditure Policy has been reviewed and updated to incorporate closer alignment to the OAG guidelines. The policy was adopted by Council in November 2024. <a href="#">We therefore expect this recommendation will be satisfactorily addressed and closed following our 2025 audit.</a>

## Recommendations as per Long Term Plan 2021-2031 Audit

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<b>Climate Change Disclosures</b>				
<p>We have reviewed Council's disclosures in respect of climate change against guidance published by the OAG and Taituarā (formerly known as SOLGM). Disclosures satisfy the minimum requirements set out in the guidance; however, we have noted some remaining areas for future improvement as follows:</p> <ul style="list-style-type: none"> <li>• include presentation of more detailed analysis of impacts at a local and activity level;</li> <li>• stress linkages between infrastructure programmes and mitigation of climate change effects; and</li> <li>• more clearly articulate what key decisions will need to be made by Council and community with regard to levels of service and financing.</li> </ul> <p>Incorporate the above information into the LTP, infrastructure strategy and financial strategy.</p>	2021 LTP Audit	<del>Open</del> <u>Closed</u>	<p>We are satisfied that the climate change disclosures fulfil the minimum requirements and acknowledge the areas for future improvement noted that will be considered in the next Long Term Plan (2024-34).</p>	<p><del>No action required for 2021-31 Long Term Plan. To be considered for 2024-34 Long Term Plan.</del></p> <p><u>September 2025:</u></p> <p><u>As no further recommendation was received following the audit of the 2025-34 LTP, we understand this recommendation has been satisfactorily addressed and can therefore be closed.</u></p>
<b>Data Reliability for Three Waters Assets</b>				
The reliability of condition and performance data for three waters assets	2021 LTP Audit	<b>Open</b>	Reliability grading of condition and	<del>March 2025:</del>

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<p>has not, to date, been systematically assessed and remains ungraded as per the IIMM (International Infrastructure Management Manual) manual.</p> <p>Formally grade the reliability of three waters data in accordance with the IIMM manual.</p>			<p>performance data has been identified as an improvement item within the respective asset management plans. This improvement will be implemented prior to the 2024-34 Long Term Plan. Management does however note that the reliability assessment will align with the appropriate level of asset management sophistication for the activities in question.</p>	<p><del>Given the previous government reform programme this improvement was delayed. With the implementation of Local Water Done Well, staff will refocus on assessing the data reliability for the three waters dataset once the Water Services Delivery Plan is approved.</del></p> <p><u>September 2025:</u>  <a href="#">This recommendation has been replicated in the 2025-34 LTP recommendation section, so will be deleted from this section accordingly.</a></p>

## Recommendations as per 2022 Audit

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<b>Urgent</b>				
<b>Downlands Water Scheme</b>				
<p>The DWS accounting records are maintained by staff from TDC. Over successive years, receiving completed and audited information from TDC have been delayed, impacting our ability to complete the District Council's audit on time.</p> <p>The revised Joint Agreement dated 14 December 2021 places certain requirements on the District Council when TDC takes out a loan to fund DWS assets. These include issuing of indemnities and power of attorneys. Currently interaction between the parties appear to ignore the existence of the revised agreement.</p> <p>As all debt incurred by TDC in its own name to fund the development, extension or modification of the DWS becomes the liability of the other parties in their ownership proportions, it is important that the District Council is satisfied that debt allocated to it can be supported as actually relating to the</p>	2021/22	<p><b>In Progress</b></p> <p>We have been provided with DWS accounts close to the finalisation of the audit. Some audit work has been performed to check the figures.</p> <p>The issue relating to verification of debt applicable to DWS assets remain. To obtain some certainty, and similar to the prior year, we requested direct confirmation from TDC.</p>	<p>Council has taken steps to formalise the requirements of TDC for the timely supply of the DWS financial information. This has included communication between Governance and management of both Councils, including reference to the requirements of the Joint Agreement being adhered to and appropriate documentation to support any new debt allocated to WDC.</p>	<p><u>March-September</u> 2025:</p> <p>In April 2024, the Mayor wrote to the Timaru District Council (TDC) Mayor, reinforcing the following key messages already communicated between WDC and TDC staff:</p> <ul style="list-style-type: none"> <li>• WDC's reliance on TDC's timely supply of financial information for Annual Reports, Annual Plans, Long Term Plans and rates setting processes.</li> <li>• An initial request for DWS</li> </ul>

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<p>DWS.</p> <p>Formalise arrangements with TDC to agree a date when audited DWS information will be available. This should align with the District Council's agreed audit timeline.</p> <p>Ensure that the procedures and requirements of the revised Joint Agreement are implemented and adhered to.</p> <p>Establish what documentation would be required from TDC that would support any new debt allocated to the District Council.</p>				<p>financials to be provided no later than 31 August was unable to be met by TDC, so subsequently revised to 'as soon as this is available'.</p> <ul style="list-style-type: none"> <li>• The significance of DWS in respect of WDC's reporting, and the issues limited or delayed information have caused WDC and our auditors.</li> <li>• Adherence to the Joint Committee Agreement.</li> <li>• Sufficient information disclosure around matters that may be raised by our auditors, including any issues and the</li> </ul>



AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
				<p>recognition of loans for the scheme.</p> <ul style="list-style-type: none"> <li>• Clear evidence of the direct association of the DWS with its loan and reserve balances, given WDC indemnifies TDC for its ownership portion of these (14%).</li> </ul> <p>WDC staff will continue to reiterate the issue relating to verification of debt applicable to DWS assets, which should be provided direct to WDC rather than requiring our Auditors to obtain direct confirmation from TDC.</p> <p><a href="#">TDC staff have recently provided the Downlands draft financials to 30 June 2025.</a></p>

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<b>Necessary</b>				
<b>Improvement based on WSP Valuation</b>				
The District Council contracted WSP to undertake a valuation of the District Council's roading network assets during the audit period ending 30 June 2022. The final valuation report identified a number of areas for improvement. We recommend the District Council considers the recommendations from WSP and implement changes where appropriate.	2021/22	<b>Open</b>  This will be followed up as part of our review of the next roading network asset valuation.	The recommendations from WSP have been considered, with a number of the recommendations completed or our now standard practice.	September 2023: The recommendations have either been completed or are now standard practice.  <del>September</del> <u>March</u> 2025:  No further update applies. We expect this will be tested during the 2025 audit when the next roading asset valuation is reviewed.

## Recommendations as per 2023 Audit

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<b>Necessary</b>				
<b>Periodical review of user access and inactive users (General information technology controls (GITC) review)</b>				
We recommend that a regular review of users and their access levels be performed to ensure access to data remains appropriate.	Nov 2023	<b>Open</b> During our audit of GITC, we noted that there are no periodic reviews of users and their access levels within the Magiq system. This increases the risk of unauthorised system access. Employees that no longer require system access owing to either a change in their role, resignation or termination should be removed from the system in a timely manner. Ad hoc reviews of system access should be conducted to ensure that the above controls are in place and operating effectively.	A user access report will be provided to management for review on an annual basis.	<a href="#">September</a> <del>March</del> 2025: A new process to provide management with a User Access Report on an annual basis has been implemented, with this review most recently completed in September 2024. We therefore expect this recommendation will be satisfactorily addressed and closed following our 2025 audit.

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<b>Necessary</b>				
<b>Useful lives not in line with accounting policy</b>				
The upcoming long-term plan provides an opportune time to review and update the current policy. We recommend that a review of the Depreciation Policy is undertaken to ensure it is reflective of the actual useful lives and depreciation applied to the assets in the different asset classes. For assets carried at fair value, these should be similar to the valuer's recommendations.	Nov 2023	<b>In Progress</b>  We still find inconsistencies between useful lives recorded in the fixed assets register and those noted in the accounting policies. However the inconsistencies are considered to be immaterial. We have also confirmed the depreciation for assets measured at fair value under the ODRC method are consistent with the depreciation suggested by the latest valuation report.	Assets and finance will review the accounting policy and grouping of components of each asset class for the LTP to ensure alignment with the useful lives from the revaluation reports, translating through to the depreciation applied.	<a href="#">September</a> <del>March</del> 2025:  The Finance Team and Asset Group will continue to work together to review the Depreciation Policy as required.
<b>Necessary</b>				
<b>User access role for general ledger postings</b>				
We recommend for the update of access rights for users tagged as inappropriate. We further recommend preparing and reviewing the journal reconciliations on a timely basis, that is, quarterly.	Nov 2023	<b>In Progress</b>  <b>Inappropriate access given to General Ledger (GL) users</b>  As part of our interim audit, we noted four instances where a staff member's administrator access was no longer appropriate (not required for their role).	<b>Inappropriate access given to GL users:</b> The Deloitte consultant and NCS employee's access to Magiq have been removed, and the Cashier's access has been modified to officer level – instead of administrator access.	<a href="#">September</a> <del>March</del> 2025:  <b>Inappropriate access given to GL users:</b>  The four instances of administrator access identified have been removed. A new process to provide management with a User Access

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
		<p><b>Delays in preparation and review of journal reconciliations</b></p> <p>We have confirmed that journal reconciliations have been performed on a timely basis.</p>	<p><b>Delays in preparation and review of journals reconciliation:</b> Due to resourcing constraints, more timely preparation and review of journals reconciliations was unable to be achieved, but this is expected to be alleviated with the introduction of an extra (fixed term) resource.</p>	<p>Report on an annual basis has been implemented, with this review most recently completed in September 2024.</p> <p><b>Delays in preparation and review of journal reconciliations:</b></p> <p>Audit have confirmed journal reconciliations have been performed on a timely basis so we expect this recommendation will be closed in due course.</p>

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<b>Necessary</b>				
<b>Equity investments previously measured at cost should be measured at fair value per IPSAS 41</b>				
We recommend that going forward the Council applies a valuation technique to estimate the fair value of these shares.	Nov 2023	<b>Open</b>  The District Council has confirmed the value of the shareholdings directly with each entity. We have not verified whether the investments have been recorded at fair value as the information provided do not specifically state the valuation methods.	We will consider valuation techniques for measuring the fair value of Council's unquoted shares for the 2024 Annual Report.	<del>September March</del> 2025:  The audit team did not look into the details of our valuation during their audit. We are of the view that the supporting evidence confirms the fair value of these investments and expect this recommendation has been addressed.
<b>Beneficial</b>				
<b>Password policy not compliant with NZISM requirement (General information technology controls (GITC) review)</b>				
We recommend that management review the Password Policy to comply with NZISM.	Nov 2023	<b>Open</b>  There's no change in policy in the current year, as such we continue to recommend to the District Council to review password and lockout policies, considering the NZISM recommendations.	WDC will investigate how the next version of Magiq conforms to the NZISM password recommendations	September 2024:  The new version of Magiq has multiple authentication options. We are currently evaluating.  <del>September March</del> 2025:

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
				No further update until we transition our Magiq software to the cloud, anticipated during the 2025 calendar year.

## Recommendations as per 2024 Audit

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<b>Urgent</b>				
<b>Segregation of duties over cash receipt at head office</b>				
<p>We recommend that:</p> <ol style="list-style-type: none"> <li>two individuals count and document/sign off on the cash count at the District Council offices;</li> <li>there should be segregation between individuals who balance the cash receipts to the till and those that enter the cash receipts into the system; and</li> <li>consideration be given to implementing the recommendations resulting from the September 2023 investigation into the missing campground funds.</li> </ol>	Nov 2024	<a href="#">NewOpen</a>	Various improvements are being considered for implementation. In the interim, we have introduced the following process improvement: When cash is delivered to the main Council office from off-site, it will be counted and signed off by 2 members of the Business Administration Team. These staff will not be involved with entering	<a href="#">September</a> <del>March</del> 2025: The process improvement to ensure two individuals count cash received at the Council office and segregation between those who count cash and those who enter this information into the system, has been implemented. The Business

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
			the cash into the system, just as the staff entering the cash into the system will not be involved with counting the cash. Where the Business Administration Team is short-staffed, assistance will be requested from other staff to ensure appropriate independent checks and that segregation of duties is maintained.	Administration Team Leader <del>was been</del> tasked with considering further improvements including implementing recommendations resulting from the September 2023 investigation, <a href="#">however due to competing work streams and a vacancy in this role, consideration to further improvements is to occur. and is making this a priority.</a>
<b>Necessary</b>				
<b>Management of delegation limits</b>				
We recommend that management improve processes to ensure that any temporary approval delegations are revoked upon expiry of the approval term.	Nov 2024	<a href="#">NewOpen</a>	The recommendation is noted with Accounts Payable staff responsible for the administration of the Purchase Order (PO) system required to document temporary approval delegations appropriately to ensure	<a href="#">September</a> <del>March</del> 2025: Staff have implemented a process for the Accounts Payable Officer to document temporary approval delegations including a system for a reminder of the expiry date of the delegation.



AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
			they are revoked upon expiry by default.	The Business Administration Team Leader monitors this.
<b>Necessary</b>				
<b>Approval of employment contracts</b>				
We recommend that the District Council ensure that staff appointments are appropriately approved by the Chief Executive, or if deemed appropriate, amend the existing delegation to include the Human Resources Manager in relation to employment of staff.	Nov 2024	<a href="#">NewOpen</a>	The CE will ensure that staff appointments are appropriately approved, which may include potential amendment of delegations if considered appropriate.	<del>March-September</del> 2025: It is the CE's preference to <a href="#">continue to</a> approve all staff appointments. <del>The and signing of the associated</del> <a href="#">documentation including all new</a> employment contracts <a href="#">is to be delegated from the CE to the HR Manager. An amendment to the Delegation Policy is required to implement this change and will be considered in due course. <del>There is no delegation to another staff member, so all future staff appointments</del></a>

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
				<del>will need to be made by the CE.</del>
<b>Necessary</b>				
<b>Journal review process</b>				
An effective “one up” review of journals is a key control process mitigating against the significant audit risk of fraud. We recommend that the journal review process be improved in order to minimise the chance of incorrect or inappropriate transactions being processed.	Nov 2024	<a href="#">NewOpen</a>	The recommendation is noted. The anomaly was simply human error. It is noted the error was identified by staff prior to the commencement of the audit, but this was not in time to amend for the first version of the draft annual report.	<del>September</del> <a href="#">March</a> 2025:  No further action required.
<b>Necessary</b>				
<b>One up authorisation of sensitive expenditure</b>				
We recommend that a one-up approval process for sensitive expenditure be followed. We further recommend that prior approval for attending conferences and training be obtained.	Nov 2024	<a href="#">NewOpen</a>	The recommendation is noted. The revised Sensitive Expenditure Policy was adopted by Council on 19 November 2024, and clarifies the one-up approval principle, as does the Elected Member Reimbursement and Expenses Policy. The	<del>September</del> <a href="#">March</a> 2025:  We have introduced clear approval documentation to support this process for Elected Members and the Audit & Risk Chair.  A process to document the approval of the Chief Executive’s sensitive

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
			revised Sensitive Expenditure Policy will be communicated to all staff to ensure awareness and ensure compliance with the policy. The process for completion of training forms for Elected Members and the Chief Executive has/is being improved to ensure compliance with policy.	expenditure is yet to be formalized.
<b>Necessary</b>				
<b>Declaration of related party interest</b>				
We recommend that the need to disclose related party interests in the interest register, be reenforced with councillors and senior managers.	Nov 2024	<a href="#">NewOpen</a>	The recommendation has been brought to the attention of the Asset Group Manager so that disclosure of this interest can be included in his interests declaration and the interest register.	<del>September</del> <a href="#">March</a> 2025: No further update.
<b>Necessary</b>				
<b>Formal documentation of TOIL records</b>				
We recommend formally documenting when staff are eligible to earn TOIL, and to ensure compliance with the District Council staff manual in terms of TOIL accumulation and approval.	Nov 2024	<a href="#">NewOpen</a>	All TOIL was approved by the Chief Executive and is now being documented within the Datacom Payroll system.	<del>September</del> <a href="#">March</a> 2025: TOIL is approved by approving managers (usually the employee's 'one-up' manager) within

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
				<p>the Datacom payroll system (and/or hardcopy timesheets).</p> <p>However, being paid for TOIL (and other additional payments such as additional ordinary hours and T1.5) are not always consistent with contractual terms and conditions, the Staff Manual and other directives; this is an area that needs to be improved upon.</p>
<b>Necessary</b>				
<b>Expenditure approval – repairs and maintenance costs of community housing properties</b>				
We recommend improvement to the process for approval of repairs and maintenance costs relating to community housing properties and that this approval should be by the relevant managers within their delegation.	Nov 2024	<a href="#">NewOpen</a>	We have reviewed and revised our processes so that staff responsible for processing banking obtain the relevant managers approval for the rental related expenditure deducted from the rental income, in line with the process	<p><del>September March</del> 2025:</p> <p>The process implemented <del>was</del> <a href="#">now</a> extended to a second rental property managed by LJ Hooker, to ensure managers written approval is documented</p>

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
			for all expenditure. The manager's written approval is filed with the accompanying LJ Hooker statement with the banking transaction records. This process has already been implemented.	for all rental related expenditure, including community housing.
<b>Necessary</b>				
<b>No formal IEA variation for vehicle benefits</b>				
We recommend that where the value of a cash or non-cash benefit provided for in an employee's IEA, exceeds the stated limit, the variation should be formally documented and approved.	Nov 2024	<a href="#">NewOpen</a>	The recommendation is noted. The HR Manager will assess the value of benefits and – should these exceed the limits in the IEA - prepare documentation for approval by the Mayor in conjunction with the CE Recruitment and Performance Review Committee.	<a href="#">September March 2025:</a>  The CE is the only person who has a stated cash benefit with a stated limit. Their cash benefit with stated limit was recently updated in their terms and conditions.  Some employees receive a vehicle benefit that is documented in their contractual terms and conditions but does not include a stated limit per se.

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
				<p>Some employees receive a vehicle benefit without this being documented in their contractual terms and conditions in any way.</p> <p>Waimate District Council does not currently have an agreed methodology to capture and record the second and third points above.</p>

## Recommendations as per 2025-34 Audit

AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<u>Asset Management Practices</u>				
<u>Improve the planning process for the next LTP by considering the staff resources and skills appropriate for the exercise.</u>	<u>July 2025</u>	<u>New</u>	<u>As part of the Local Water Done Well process and the production of the Water Services Delivery Plan, staff are considering the resource</u>	<p>September 2025:</p> <p><u>No further update. The Roding Manager notes that the Roding Asset Management Plan (AMP)</u></p>



AUDIT NEW ZEALAND			WAIMATE DISTRICT COUNCIL	
Recommendation	First raised	Status	Managements Initial Response to Recommendation	Progress
<ul style="list-style-type: none"> <li>• <a href="#">Consider engaging an independent peer reviewer to review the asset management plans.</a></li> <li>• <a href="#">Ensure specific assumptions relating to each asset management plan is disclosed in the respective asset management plan's in addition to the corporate assumptions.</a></li> <li>• <a href="#">Include an improvement plan in the roading asset management plan.</a></li> <li>• <a href="#">Implement a robust system to track the condition and performance of stormwater assets, to ensure funding of depreciation is sufficient to ensure sustainability.</a></li> </ul>			<a href="#">structure. Asset Management, Finance and Information Disclosure activities will be addressed as part of the unit design. Subsequent to the 2025-2034 Long Term Plan an assurance review of the Three Waters Asset Management Plans has been completed. We propose to utilise this methodology for future iterations as a key requirement of the Economic Regulation (in tandem with the 13 current audit processes). Furthermore, staff are undertaking an Asset Management Maturity Assessment to inform the 2037-47 Asset Management Plans.</a>	<a href="#">improvement plan was completed in July 2025, subsequent to the LTP audit.</a>

**6.12 AUDIT NEW ZEALAND ADDITIONAL FEE RECOVERY FOR THE AUDIT OF THE 2025-34 LONG TERM PLAN**

**Author:** Carolyn Johns, Acting Corporate Services Group Manager

**Authoriser:** Carolyn Johns, Acting Corporate Services Group Manager

**Attachments:**

1. OAG Additional Fee Recovery 2025-34 LTP Audit [↓](#) 
2. OAG Additional Fee Recovery 2025-34 LTP Audit - Detailed Schedule [↓](#) 

### PURPOSE

1. For the Audit and Risk Committee to consider the request for recovery of additional audit fees totalling \$64,076 excluding GST.

### BACKGROUND

2. The Audit and Risk Committee's Terms of Reference state that 'The Committee, in conjunction with the Chief Executive, will engage and confirm with the external auditor the terms of the auditor's appointment and engagement, including the nature and scope of the audit, timetable and fees.'
3. Council received the attached letter on 1 August 2025 from the Office of the Auditor General (OAG) regarding the recovery of additional audit fees relating to the 2025-34 Long Term Plan (LTP).
4. The request arises from the need to do unforeseen audit work, as a result of the following:
  - a. Gaps in the Infrastructure Strategy and Asset Management Plans, as well as delays in receiving these documents.
  - b. Ensuring that the proposed LTP funding aligned with the Council's Revenue and Financing Policy.
  - c. Multiple versions of the Consultation Document.
  - d. Having to review two versions of the financial model.
  - e. Unplanned work on the Council's Water Services Delivery Model.
  - f. Unplanned work on the valuation of Council's investment in Alpine Energy Limited.
5. The OAG agrees to Audit NZ negotiating with Council for fees of up to \$64,076 plus GST. Note reference to 5.6 refers to an OAG document not the Terms and Conditions of Engagement to conduct the audit.
6. Audit NZ are seeking to recover approximately 25% of their cost overrun, therefore absorbing the balance.
7. Accompanying the OAG letter is a schedule with more detailed information, duly attached.
8. The detailed schedule quantifies the additional costs as 977 hours - \$258,680, of which 207 hours - \$64,076 is being requested for recovery. Audit NZ are therefore absorbing \$194,604 on this basis.
9. The Chief Executive has subsequently met with our Audit Director and agreed to pay the additional fees.
10. Audit NZ Director Rudie Tomlinson is scheduled to remotely attend the meeting at 11.00am to present the 2025-34 LTP Audit Report and to answer any questions relating to the request for recovery of additional audit fees.

### PROPOSAL



11. That the Audit & Risk Committee considers the Audit NZ request for recovery of additional fees of up to \$64,076 plus GST.

**ASSESSMENT OF SIGNIFICANCE**

12. This matter is deemed to be of low significance under Council's Significance and Engagement Policy.

**FINANCIAL**

13. The 2025-34 LTP audit fees of \$98,175 excl GST, were agreed to by the Committee at the 3 December 2024 meeting.
14. As this is an additional audit fee, it is unbudgeted expenditure.

**RECOMMENDATION**

1. That the Audit New Zealand Additional Fee Recovery for the audit of the 2025-34 Long Term Plan is received; and
2. That the Audit and Risk Committee consider the recovery of additional audit fees up to \$64,076 plus GST.



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29 July 2025

Our Ref.: EN/LCA/03-0046

Rudie Tomlinson  
Audit New Zealand

By email: [Rudie.Tomlinson@auditnz.parliament.nz](mailto:Rudie.Tomlinson@auditnz.parliament.nz)

Tēnā koe Rudie

**VARIATION OF AUDIT FEE: WAIMATE DISTRICT COUNCIL**

Thank you for your email dated 15 July 2025 seeking the agreement of this Office before negotiating with Waimate District Council for an increase in the audit fee for the 2025 Long Term Plan (LTP). You state that the request arises from the need to do significant additional audit work, as a result of:

1. Gaps in the Infrastructure Strategy and Asset Management Plans, as well as delays in receiving these documents.
2. Ensuring that the proposed LTP funding aligned with the Council's Revenue and Financing Policy.
3. Multiple versions of the Consultation Document.
4. Having to review two versions of the financial model.
5. Unplanned work on the Council's Water Services Delivery Model.
6. Unplanned work on the valuation of Council's investment in Alpine Energy Limited.

I confirm that your request is within the criteria for fee variation set out in section 5.6 of your Terms and Conditions of Engagement to conduct the audit. This Office, therefore, agrees to you negotiating with Waimate District Council for an increase of up to \$64,076 plus GST in the fee for the audit for the 2025 LTP. I note that you are seeking to recover approximately 25% of your cost overrun and are absorbing the balance.

You should present a copy of this approval to the organisation as evidence that you are acting within the terms of your contract for the audit.

Nāku noa, nā

Amin Khan  
Manager, Auditor Appointments

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Request for approval to negotiate additional fees for the audit of Waimate District Council 2025-34 LTP				
Headline	Detail	Total Additional Costs and hours	Proposed additional fees and hours	Other Comments
Client inefficiencies – asset management plan and infrastructure strategy	<p>Various gaps were identified in the content of the IS and the AMPs when compared to guidance issued by the OAG and Taituarā.</p> <p>All required AMPS were also not available or finalised when we completed our initial review, resulting in rework having to be performed.</p>	\$22,001 (66 hours)	\$22,001 (66 hours)	There was no inefficiency in our process, just additional work required.
Unplanned work – Revenue and finance policy	<p>At the CD stage we found that Council's proposed sources of funding appeared to contravene the limits set in its R&amp;FP.</p> <p>Additional time was spent on the assessment of the disclosure in the R&amp;FP to ensure alignment with statutory requirements and to avoid a potential audit opinion modification.</p>	\$7,141 (27 hours)	\$7,141 (27 hours)	There was no inefficiency in our process, just additional work required.
Client inefficiencies - Consultation Document	<p>There were multiple iterations of the CD (up to version 7).</p> <p>There was also multiple disclosure changes required. Additional time was required to document and discuss</p>	\$4,687 (28 hours)	\$4,687 (28 hours)	There was no inefficiency in our process, just additional work required.

	<p>the misstatements with the client.</p> <p>Each CD version had to be checked. With every new version of the CD we had to update our work papers and audit work.</p>			
Client inefficiencies - Multiple versions of financial model, financial strategy, significant forecasting assumption document	<p>We had to review two financial models which took additional time.</p> <p>We had to amend our workings and flow this through to the OAR and prudence benchmarks</p>	\$2,333 (12 hours)	\$2,333 (12 hours))	There was no inefficiency in our process, just additional work required.
Unplanned work – Water services delivery model	<p>Various meetings were held with management at both the CD and LTP stages to understand Council's intended process for developing and consulting on the LWDW CD. This included assessing the status and impact of the uncertainty around Council's progress towards identifying preferred options</p> <p>Meetings were also held with the OAG to discuss the Council's approach and the impact of this on the opinions at both the CD and LTP stages.</p> <p>In order to conclude on this matter, we also</p>	\$23,231 (61 hours)	\$23,231 (61 hours)	There was no inefficiency in our process, just additional work required.

	<p>met with Council's external consultants to understand issues around the review of 3 waters asset valuations and the assumptions underlying the LWDW CD and how these assumptions differed from the financial model used in the LTP consultation.</p> <p>Additional time was spent assessing financial sustainability for the water service delivery activity and the impact of uncertainties due to the timing of key decisions on LWDW, which were scheduled after both the LTP CD &amp; LTP adoptions.</p> <p>Finally, a significant amount of time was spent on preparation for the hot review and ORC, to get to a position where an unmodified opinion was agreed to.</p>			
Unplanned work – Alpine Energy Ltd - valuation	<p>Additional time spent on assessing the value of Council's investment in AEL, specifically the impact of the ComCom penalty decisions regarding the regulatory administration errors.</p> <p>We discussed the matter with the</p>	\$4,683 (13 hours)	\$4,683 (13 hours)	There was no inefficiency in our process, just additional work required.

	external valuer, calculated the adjustment required to the fair value of the investment and subsequently reviewed the changes made to the financial model.			
Fee gap and auditor inefficiencies	<p>By and large this represents the gap between the assigned fee and an the realistic cost of performing an efficient quality audit.</p> <p>Inefficient time spent on planning before the decision to defer, additional time spent due to the team being new to LTP audits, and inefficiencies resulting from a different team mix to what was allowed for in the fee proposal, including a change in Supervisor between CD and LTP, further added to the audit cost.</p>	\$194,604 (770 hours)	-	We have eliminated the costs of that from our request.
	<b>TOTAL ADDITIONAL COSTS, and TOTAL recovery sought</b>	\$258,680 (977 hours)	\$64,076 (207 hours)	

## PUBLIC EXCLUDED

## 7 EXCLUSION OF THE PUBLIC REPORT

## RESOLUTION TO EXCLUDE THE PUBLIC

**RECOMMENDATION**

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>7.1 - Public Excluded Minutes of the Audit and Risk Committee Meeting held on 10 June 2025</b>	s6(a) - the making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>7.2 - Presentation: Insurance Renewals - Marsh 11.30AM</b>	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons  s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information  s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

**8 RE-ADMITTANCE OF THE PUBLIC REPORT  
MEETING CLOSURES**