

Risk and Audit Committee Agenda

Date: Wednesday, 4 December, 2024

Time: 11:00 am

Location: Civic Centre, Te Iwitahi, 9 Rust Avenue

Elected Members: Cr Patrick Holmes (Deputy Chairperson)
His Worship the Mayor Vince Cocurullo
Cr Ken Couper
Cr Phil Halse
Cr Deborah Harding
Cr Simon Reid
Cr Paul Yovich
Rachael Dean (Independent Chairperson)

For any queries regarding this meeting please contact the Whangarei District Council on (09) 430-4200.

1. Declarations of Interest	
2. Apologies	
3. Confirmation of Minutes of Previous Risk and Audit Committee Meeting	
3.1 Minutes Risk and Audit Committee meeting held 4 September 2024	5
4. Information Reports	
4.1 Financial Management Activity Update Report - December 2024	9
4.2 Deloitte Verbal Update and Audit Report to 30 June 2024	14
4.3 Internal Audit Actions - December 2024 Update	42
4.4 Internal Audit Report - Privacy Audit 2024	50
4.5 Strategic Risks Report December 2024	71
4.6 Operational Risk Report December 2024	81
4.7 Health and safety risks - December 2024	88
5. Public Excluded Business	
5.1 Confidential Minutes Risk and Audit Committee meeting held 4 September 2024	
5.2 Health and Safety Site Visit	
5.3 ICT Risks Report - December 2024	
6. Closure of Meeting	

Recommendations contained in the agenda are not the decisions of the meeting.

Please refer to minutes for resolutions.

Risk and Audit Committee – Terms of Reference

Membership

Chairperson	Independent Chair Richard Briggs
Deputy Chairperson	Councillor Patrick Holmes
Members	His Worship the Mayor Vince Cocurullo Councillors Ken Couper, Phil Halse, Deborah Harding, Simon Reid and Paul Yovich
Meetings	Quarterly
Quorum	4

Purpose

To provide assurance to Council that robust, independent and operationally effective controls around operational and financial management practices are in place.

To provide oversight of the risk management of internal controls including but not limited to:

- Risk management framework
- Operational risk management
- Financial risk management
- Health and safety risk management
- Compliance with legislation

Key responsibilities

- Risk
 - Approve and review Councils risk management framework
 - Review and monitor Council critical risks
 - Receive and review Health and Safety reports
 - Oversight of the processes used to manage project risks
- Internal audit
 - Approve and review the internal audit programme
 - Receive and review the internal audit reports as they become available.
- External audit
 - Receive and consider audit management reports, monitor that appropriate action is being taken
 - Hold a confidential meeting with the external auditors at least once every year.
- Financial planning and control

- Treasury – debt funding and interest risk management
- Procurement – major risks associated with procurement
- Overseeing and making decisions relating to an ongoing programme of service delivery reviews as required under section 17A of the Local Government Act 2002.
- Other assurance activities:
 - Receive and monitor Councils policy review program.
 - Receive and monitor Councils legislative compliance attestations
 - Receive renewal information to provide assurance that Council's assets are insured appropriately.

Delegations

All powers necessary to perform the committee's responsibilities including:

- (a) establishment of working parties or steering groups.

The Committee does not have:

- i. The power to establish sub-committees.
- ii. The powers Council is expressly prohibited from delegating as outlined in Clause 32(1)(a)-(h) of Schedule 7 of the Local Government Act 2002; being:
 - the power to make a rate
 - the power to make a bylaw
 - the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan
 - the power to adopt a long-term plan, annual plan or annual report
 - the power to appoint a chief executive the power to adopt policies required to be adopted and consulted on under the Local Government 2002 in association with the long-term plan or developed for the purpose of the local governance statement
 - the power to adopt a remuneration and employment policy.

Risk and Audit Committee Meeting Minutes

Date: Wednesday, 4 September, 2024
Time: 11:00 a.m.
Location: Civic Centre, Te Iwitahi, 9 Rust Avenue

In Attendance	Rachael Dean (Independent Chairperson) Cr Patrick Holmes (Deputy Chairperson) His Worship the Mayor Vince Cocurullo Cr Ken Couper Cr Phil Halse Cr Deborah Harding Cr Simon Reid Cr Paul Yovich (Teams)
Also in Attendance	Cr Marie Olsen
Scribe	D Garner (Democracy Adviser)

1. Declarations of Interest

Rachael Dean declared an interest as Independent Chair of the Audit, Risk and Improvement Committee for South Waikato District Council and Independent Chair of the Risk and Assurance Committee for Westland District Council.

2. Apologies

There were no apologies.

3. Confirmation of Minutes of Previous Risk and Audit Committee Meeting

3.1 Minutes Risk and Audit Committee Meeting held on 5 June 2024

Moved By His Worship the Mayor
Seconded By Cr Ken Couper

That the minutes of the Risk and Audit Committee meeting held on Wednesday 5 June 2024, including the confidential section, having been circulated, be taken as read and now confirmed and adopted as a true and correct record of proceedings of that meeting.

Carried

4. Information Reports**4.1 Financial Management Activity Update Report - September 2024**

Moved By Cr Ken Couper

Seconded By Cr Deborah Harding

That the Risk and Audit Committee notes the financial management activity in relation to risk and audit matters.

Carried

4.2 Health and Safety September 2024

Moved By Cr Ken Couper

Seconded By His Worship the Mayor

That the Risk and Audit Committee notes the health and safety report and reported risks.

Carried

4.3 Strategic Risks Report September 2024

Moved By Cr Deborah Harding

Seconded By Cr Patrick Holmes

That the Risk and Audit Committee notes the Strategic Risk Register for September 2024.

Carried

4.4 Variations to Procurement Process Report - September 2024

Moved By His Worship the Mayor

Seconded By Cr Phil Halse

Risk and Audit Committee notes the variations to procurement process report.

Carried

4.5 Operational Risk Report September 2024

Moved By Cr Patrick Holmes

Seconded By Cr Ken Couper

That the Risk and Audit Committee notes the September 2024 Operational Risk Report.

Carried

5. Public Excluded Business

Moved By Cr Ken Couper

Seconded By His Worship the Mayor

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
1.1 Confidential Minutes Risk and Audit Committee Meeting held on 5 June 2025	Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
1.2 ICT Risks Report – September 2024		
1.3 Planning Report for the annual audit of Whangarei District Council for the year ended 30 June 2024		

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

Item	Grounds	Section
1.1	For the reasons as stated in the open minutes	
1.2	To prevent the disclosure or use of official information for improper gain or improper advantage.	S7(2)(j)
1.3	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 it the subject of the information.	S7(2)(b)(ii)

Carried

Cr Couper left at 11:58am before Item 5.1.

6. Closure of Meeting

The meeting concluded at 12.16pm.

Confirmed this 4th day of December 2024

Rachael Dean (Independent Chairperson)

4.1 Financial Management Activity Update Report – December 2024

Meeting: Risk and Audit Committee
Date of meeting: 4 December 2024
Reporting officer: Delyse Henwood (Manager – Finance)

1 Purpose / Te Kaupapa

To update the Committee on financial management activity in relation to risk and audit matters.

2 Recommendation / Whakataunga

That the Risk and Audit Committee notes the financial management activity in relation to risk and audit matters.

3 Background / Horopaki

3.1 2023-24 Annual Report and Audit

At the time of writing the agenda, the final steps were being taken to finalise the 2023-24 Annual Report and associated audit. The Annual Report is scheduled for adoption on 28 November 2024. WDC is entitled to an extension under the Water Services Acts Repeal Act 2024, which extended the deadline for adoption from 31 October to 31 December.

This extension provided necessary relief allowing priority to be given to the Long Term Plan. However, this resulted in a delay in starting the preparation of the Annual Report and limited opportunities to address prior year audit recommendations.

Deloitte's report to the Risk and Audit Committee is included as a separate agenda item in this month's Committee meeting. While the items raised do not have a material impact on the financial statements, they are an important aspect of continuous improvement to ensure Council's Annual Report is prepared in accordance with reporting standards and reflects a true and fair view.

Of note within the report is the ongoing challenge of reconciling RAMM (software used to hold Roding asset data) with the General Ledger. Further information will be presented to this Committee in future agendas with Deloitte's Management Letter.

Council's financial statements show a surplus before tax of \$18.2m, which includes non-cash adjustments such as vested asset income and investment properties revaluation movement. Council's operating surplus excluding non-cash adjustments totals \$12.1m, \$5.3m unfavourable against budget. This unfavourable variance is mainly due to receiving less capital subsidies and grants revenue, as well as unbudgeted operating expenses because of

weather events and cost pressures with rising inflation and contractual increases. This information is included within the Annual Report from page 19.

Continuing to budget and achieve an operating surplus is necessary to achieve Council's Financial Strategy of achieving the Everyday Funding benchmark by year 4, and keeping Council debt controlled.

Council did not meet two of the financial prudence benchmarks:

- **Rates (increases) affordability benchmark:** The quantified limit for the 2023-24 year was that the general rates increase should not exceed LGCI plus 2%, plus growth of 1%. The increase applied to our rates was as per the Financial Strategy. However, we achieved higher growth than budgeted. In addition, the 2022-23 financial year included a reduction to rates revenue due to a private plan change and its impact on the application of rating policy.
- **Operations control benchmark:** this benchmark compares actual net cash flow from operations as a proportion of its planned net cash flow from operations. Significantly less subsidies and grants were received compared to budget. This is mainly due to delays in completing Transportation projects and is a direct consequence of having a large capital expenditure programme that is partly funded by external funding.

3.2 2024-25 Financial Year

The most recent full year operating forecast continues to show an unfavourable variance to budget. Several of Council's Activities are forecasting higher spend than budget reflecting the challenge of continuing to provide current levels of service with ongoing cost escalations and budget pressures. Budget variances will continue to be monitored with actions taken to remedy overspends where possible as we progress through the financial year.

The business undertook a full year forecast in October. This forecast will be used to form the start point of the 2025-26 Annual Plan (AP) budget. Forecast results for depreciation and the Transportation activity will be reviewed during the next forecasting round when more information is available.

Year to date capital spend is currently tracking at 85% of the phased budget. The forecast provided by the business indicates significant spend from now through to 30 June 2025. Based on levels of historical spend, the forecast is optimistic and there is some uncertainty about achieving these projections by the end of the financial year. Unfinished capital works indicated as a carry forward will be included within the first draft of the 2025-26 Annual Plan.

As at 31 October, net debt remains slightly over budget at \$228.5 million against a budget of \$219.8 million. As explained within the Financial Report, this is a result of reduced subsidy revenue, unbudgeted spend, and timing differences between the forecasted debt (based on historical trends), and the timing of expenses incurred. The net debt position is significantly influenced by the level of capital expenditure throughout the year, compared to assumptions made for debt projections during the preparation of the Long Term Plan.

3.3 2025-26 Annual Plan

At the initial Council briefing, direction was provided to adhere to the Financial Strategy parameters adopted for the 2024-34 Long Term Plan (LTP) which encompassed:

- achieving a financial prudence balanced budget benchmark in each year
- ensuring everyday funding exceeds everyday expenditure from Year 4 of the LTP, and
- controlling debt.

Budget packs have been distributed to Budget Managers during November, facilitating the preparation of a preliminary draft budget. These packs are pre-populated with Year 2 of the LTP, with limited changes permitted, such as aligning depreciation with the June 2024 revaluation and ensuring rates revenue reflects the final Local Government Cost Index (LGCI) advised by BERL in October 2024.

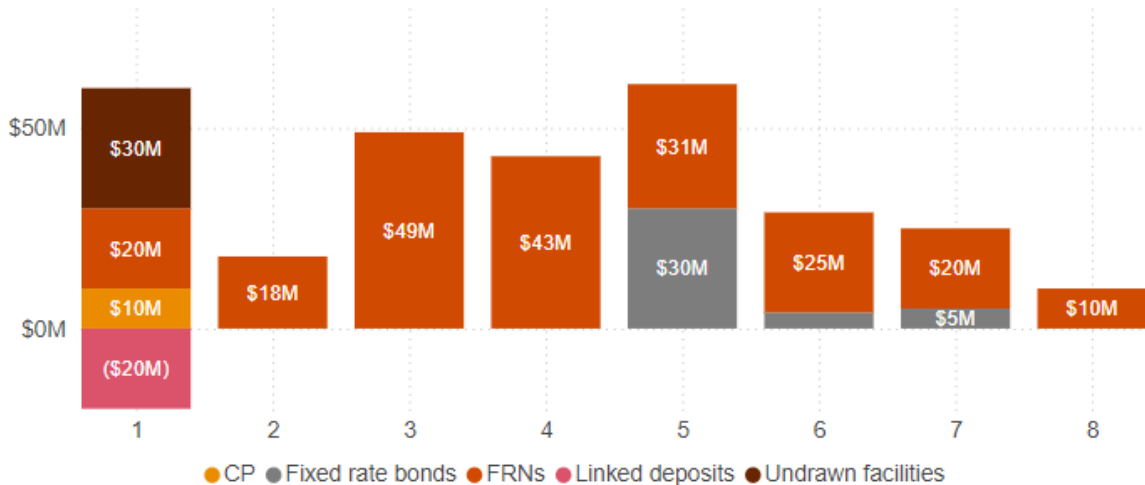
The full year forecast for the current financial year indicates significant pressures on the operating budget. Risks associated with operating within the financial constraints of Year 2 of the LTP will be evaluated throughout the development of this Annual Plan.

Additionally, the recently announced organisational restructure introduces further complexity and extends the timeline of the budget process due to the necessary remapping efforts.

3.4 Treasury Risk Management

The graphs below show Council’s compliance to the risk parameters set out in the Treasury Risk Management Policy. Council is operating within these parameters.

Funding and liquidity risk timeline



Funding summary

Bucket (years)	Policy	Actual
0 - 3	10% - 60%	39%
3 - 7	25% - 85%	57%
7 - 12	0% - 60%	4%
Total		100%

The above graph illustrates Council’s ‘buckets’ of current gross debt (including the \$30m undrawn facility) and when each tranche is due to mature. The linked deposit of \$20m represents prefunding of debt due to mature in the future.

The table illustrates Council’s current funding timeline against the parameters included in Council’s Treasury Policy.

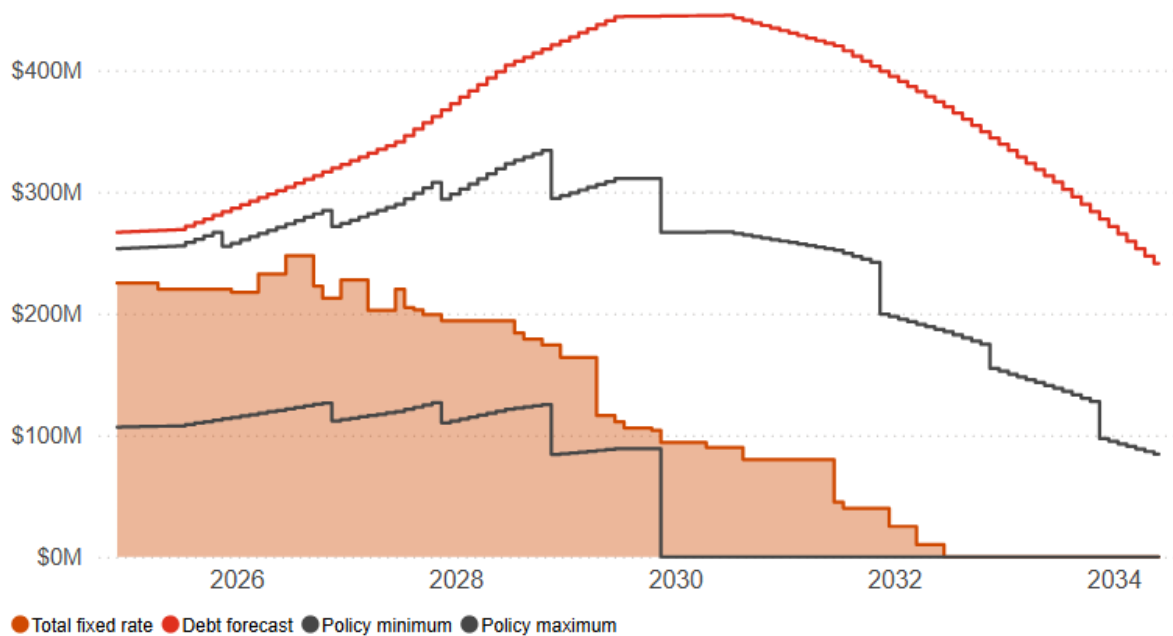
As illustrated by the graph above, the majority of Council's debt is borrowed as floating. Interest rate swaps are then used to manage Council's exposure to interest rate changes.

Council currently has \$225m of fixed rate instruments, meaning 92% of Council's gross debt (\$265m) less prefunding (\$20m) is currently hedged. The shaded portion of the below graph represents Council's hedged debt position between the policy minimum and maximum.

The below debt forecast reflects the final version of the 2024-34 Long Term Plan. Forecast debt position for the LTP is well below the LGFA borrowing covenants.

As Council's debt grows, management will work with external treasury providers to ensure that sufficient hedging is in place to manage Council's long term risk and adhere to treasury policy limits.

Interest rate risk timeline



3.5 Sensitive Expenditure

To improve transparency, and in accordance with best practice guidelines, Council's Sensitive Expenditure Policy requires the reporting of sensitive expenditure incurred by Elected Members and the Senior Leadership Team to the Risk and Audit Committee. This information has been summarised; therefore, some items may include several individuals and/or transactions.

Dates have not been included within the below table as reporting lines consist of multiple transactions with different dates. The disclosure below covers transactions that have been processed in the general ledger between 1 August 2024 and 31 October 2024.

The Long Term Plan includes budgets for the below expenses. Full year forecast spend and any resulting variance to budget will be monitored as we progress through the financial year. In the event that actual spend exceeds budget, efforts will be made to offset unfavourable variances within that particular cost centre.

4.2 Deloitte verbal update and Audit Report to 30 June 2024

Meeting:	Risk and Audit Committee
Date of meeting:	4 December 2024
Reporting officer:	Delyse Henwood (Manager – Finance) Bryce Henderson (Deloitte – Director)

1 Purpose / Te Kaupapa

To receive Deloitte's Report to the Risk and Audit Committee for the year ended 30 June 2024, and to provide an update from Council's auditor, Deloitte.

2 Recommendation / Whakataunga

That the Risk and Audit Committee receives the report.

3 Background / Horopaki

Deloitte have prepared a report to the Audit and Risk Committee for the year ended 30 June 2024. This report summarises the areas of audit focus and findings from the audit of the 2023-24 Annual Report. The report was also included as an attachment to the 2023-24 Annual Report Adoption agenda item presented in the November Council meeting.

This session will also allow for a verbal update from Deloitte to report on any other key audit activity concerning the Annual Report or general sector guidance.

4 Discussion / Whakawhiti kōrero

As part of the completion of the 2023-24 Annual Report and associated audit, audit findings and recommendations are provided within the attached report. While none of these items have materially impacted the financial statements, they do signal areas that require further attention with regards to internal controls, revaluation of infrastructure assets, and statement of service performance.

Brief management comments have been included within the report. Subsequent to the signing of the Annual Report, Deloitte will issue a Management Letter. This document will provide more detailed recommendations and highlight any outstanding items from prior years that need to be addressed. The committee will receive regular updates on the issues identified in the Management Letter, including remediation plans and actions taken to resolve them.

Management acknowledges room for improvement within the items raised but is pleased to have received an unqualified audit opinion, particularly after what was a challenging year.

4.1 Financial/budget considerations

While this agenda item has no direct financial impact, the audit findings raised within the report will be used to inform potential changes to processes, procedures and controls concerning the preparation of both financial information and Statement of Service Performance reporting.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

1. Deloitte's Report to the Risk and Audit Committee for the year ended 30 June 2024



Whangarei District Council

Report to the Risk and Audit Committee
for the year ended 30 June 2024

November 2024



Purpose of report

This report has been prepared for Whangarei District Council's Risk and Audit Committee ("the Committee") and is part of our ongoing discussions as auditor in accordance with our engagement letter and master terms of business dated 5 August 2024 and as required by New Zealand auditing standards.

This report is intended for the directors and should not be distributed further. We do not accept any responsibility for reliance that a third party might place on this report should they obtain a copy without our consent.

This report includes only those matters that have come to our attention as a result of performing our audit procedures and which we believe are appropriate to communicate to the Committee. The ultimate responsibility for the preparation of the financial statements rests with the Councillors.

Responsibility statement

We are responsible for conducting an audit of Whangarei District Council for the year ended 30 June 2024 in accordance with New Zealand auditing standards issued by the NZ Auditing and Assurance Standards Board. Our audit is performed pursuant to the requirements of the Financial Reporting Act 2013, the Local Government Acts 1974 and 2002, and the Local Government (Auckland Council) Act 2009, with the objective of forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of the directors. The audit of the financial statements does not relieve management or the directors of their responsibilities.

Our audit is not designed to provide assurance as to the overall effectiveness of the Group's controls but we will provide you with any recommendations on controls that we may identify during the course of our audit work.



Contents

Section 1 – Our final report

Introduction	5
Executive summary	6
Areas of audit focus dashboard	7
Areas of audit focus explained	8-11
Your control environment and findings	12-16
Summary of unadjusted differences including omitted disclosures	17
Our audit report	19

Appendices

Independence and fees	24
Other communications	25



Our final report

Our final report	19
Executive summary	23
Our final report	25-29
Our final report	30-33
Our final report	34
Our final report	35
Our final report	36
Our final report	37
Our final report	38

Our final report	39
Our final report	40
Our final report	41
Our final report	42
Our final report	43
Our final report	44
Our final report	45
Our final report	46
Our final report	47
Our final report	48
Our final report	49
Our final report	50
Our final report	51
Our final report	52
Our final report	53
Our final report	54
Our final report	55
Our final report	56
Our final report	57
Our final report	58
Our final report	59
Our final report	60
Our final report	61
Our final report	62
Our final report	63
Our final report	64
Our final report	65
Our final report	66
Our final report	67
Our final report	68
Our final report	69
Our final report	70
Our final report	71
Our final report	72
Our final report	73
Our final report	74
Our final report	75
Our final report	76
Our final report	77
Our final report	78
Our final report	79
Our final report	80
Our final report	81
Our final report	82
Our final report	83
Our final report	84
Our final report	85
Our final report	86
Our final report	87
Our final report	88
Our final report	89
Our final report	90
Our final report	91
Our final report	92
Our final report	93
Our final report	94
Our final report	95
Our final report	96
Our final report	97
Our final report	98
Our final report	99
Our final report	100

CONTENTS



Introduction

Dear Committee members

We are pleased to provide you with the results of the audit of Whangarei District Council (the 'Group') for the year ended 30 June 2024.

Included in this report are the results and insights arising from our audit which we consider appropriate for the attention of the Committee. These matters have been discussed with management and their comments have been included where appropriate. We also include those matters we are required to report to you in accordance with the auditing standards. As a result, this report is intended for the Committee (and other Council members) and should not be distributed further.

We would like to take this opportunity to extend our appreciation to management and staff for their assistance and cooperation during the course of our audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'B Henderson', written in a cursive style.

Bryce Henderson, **Appointed Auditor**
Partner for Deloitte Limited
Auckland | November 2024



Executive Summary

This executive summary details the key matters arising from our audit

Key areas of audit focus	Status	Misstatements and deficiencies – Council				Status of Audit
		(\$000)	As presented	Aggregate unadjusted misstatements	Adjusted Balance	
1 Management override of controls		Assets	2,805,602	(2,559)	2,803,043	<p>Our audit is substantially completed subject to the following substantive matters being</p> <ul style="list-style-type: none"> • Receipt of the finalised annual report; • Completion of internal quality procedures; • Council to approve the annual report contents and representation letter; and • Completion of subsequent event procedures. <p>We will update you on these outstanding items throughout the period to signing.</p>
2 Revaluation of infrastructure assets		Liabilities	(319,828)	1,473	(318,355)	
3 Statement of service performance		Equity	(2,485,774)	1,520	(2,484,254)	
4 OAG Audit Brief and other items		Comprehensive revenue and expense	(349,435)	(434)	349,001	

Matters of interest

Signing timetable

Given the delays in the financial reporting processes, the signing of the annual report has been deferred past the 4-month statutory deadline. Legislation provides that WDC are entitled to take the exemptions provided by the Water Services Acts Repeal Act 2024 so the deadline is now 31 December.



Completed, no issues noted.



Completed, insights identified.



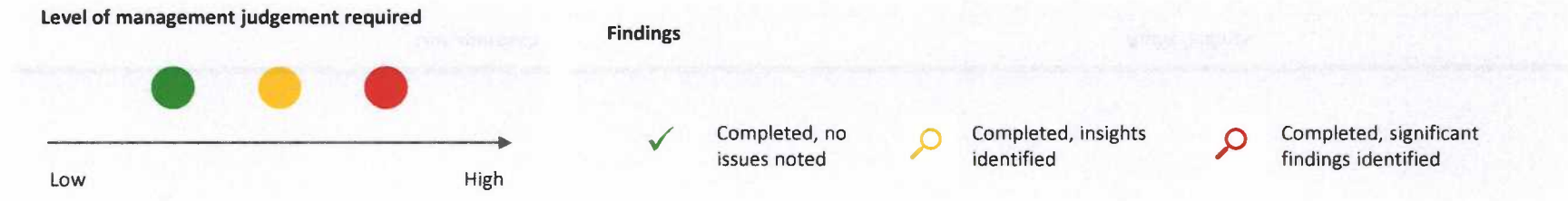
Completed, significant findings identified.



Areas of audit focus – dashboard

The following areas of audit focus are consistent with the areas identified in our planning report.

Area of audit focus	\$	Relied on controls	Level of management judgement required	Findings	Page #
Management override of controls	N/A	✘	N/A		8
Revaluation of infrastructure assets	\$331m	✘			9
Statement of service performance	N/A	✘			10
OAG Audit Brief and other items	N/A	✘			11





Areas of audit focus

Area of audit focus	Our approach	Audit findings
<p>Management override of controls</p> <p>We are required to design and perform audit procedures to respond to the risk of management’s override of controls.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Built an understanding and evaluated the financial reporting process and the controls over journal entries and other adjustments made in the preparation of the financial statements. • Tested the appropriateness of a sample of journal entries and adjustments and made enquiries about inappropriate or unusual activities relating to the processing of journal entries and other adjustments. • Reviewed accounting estimates for biases that could result in material misstatement due to fraud, including assessing whether the judgements and decisions made, even if individually reasonable, indicate a possible bias on the part of management. • Performed a retrospective review of management’s judgements and assumptions relating to significant estimates reflected in last year’s financial statements. • Obtained an understanding of the business rationale of significant transactions that we became aware of that were outside the normal course of business or that otherwise appeared to be unusual given our understanding of the Group and its environment. 	<p>Deloitte note that WDC do not have a process in place to individually review each journal that is posted by all the users within TechOne that have access to posting within the system.</p> <p>We also noted through the walkthrough of the Financial Reporting Process cycle for FY24 and from discussions with the Senior Financial Accountant, WDC generally does not review manual journals before it is posted into the TechOne system.</p> <p>Without appropriate Segregation of Duties controls, the ability to take a control reliance on underlying system processes is limited.</p> <p>Refer to our observation in the section “Your control environment and findings”.</p>



Areas of audit focus

Area of audit focus	Our approach	Audit findings				
<p>Revaluation of Infrastructure Assets</p> <p>The Council accounts for revaluations of infrastructure assets on a class of asset basis. The asset classes include roads, land under roads, water reticulation, wastewater reticulation, stormwater systems and flood protection assets. Land associated with the wastewater system, water and flood protection assets are also treated as a separate class of infrastructure asset.</p> <p>Management have adopted a rotation plan for revaluing the asset classes so the valuations are not all completed in the one year. Assets that experience significant changes in fair value are revalued outside the rotation plan. We noted that in the FY24 the revaluations included almost all assets class, with the only exception of pensioner housing.</p> <p>The impact of the revaluations this year are currently:</p> <table border="0"> <tr> <td>Roading</td> <td>\$115.2m uplift</td> </tr> <tr> <td>Three waters and land drainage</td> <td>\$215.8m uplift</td> </tr> </table> <p>Management has booked the revaluation movement of roading, three waters and land drainage in 2024 with a restatement adjustment of stop banks made for \$73.6 million.</p>	Roading	\$115.2m uplift	Three waters and land drainage	\$215.8m uplift	<p>In order to address this risk, we have:</p> <ul style="list-style-type: none"> • Obtained the independent valuations of the relevant infrastructure asset classes namely roading; • Obtained representations directly from the independent valuers confirming their valuation methodology; • Reviewed the key underlying assumptions used by the independent valuers to determine whether these assumptions were reasonable and in line with NZ generally accepted accounting practice (NZ GAAP); • Held various discussions with the valuers as appropriate; and • Determined whether the revaluation transactions are correctly accounted for and disclosed in the financial statements in compliance with NZ GAAP. If there is significant valuation uncertainty noted, ensure that this has been adequately disclosed in the financial statements; • Reviewed managements analysis to identify any material fluctuations in value of assets not revalued in the current year; and • Reviewed the disclosures in the financial statements on the revaluation assumptions. 	<p><u>Revaluation movements</u></p> <p>During our review of the Three Waters valuation analysis, we identified that there was the opportunity for management to increase the rigour in terms of accounting papers for this analysis. We will discuss this in our management letter which is issued subsequent to the annual report signing.</p> <p>Our testing of the roading valuation identified variances between the accounting systems and that of the underlying roading system (RAMM) in terms of sunk costs. Additional work was undertaken with management to understand and resolve such variances which primarily relate to costs incurred which would not be repeated in a renewal scenario or relate to increased service levels.</p> <p>Refer to our roading valuation observation in the section “Your control environment and findings”</p> <p>Quality of data records</p> <p>As in prior years, the valuer has made a small number of recommendations to management which we will raise in our management letter.</p> <p>Good quality data also informs Council on the level of renewals that is required in future years and potentially impacts on the future rates required to be collected.</p>
Roading	\$115.2m uplift					
Three waters and land drainage	\$215.8m uplift					



Areas of audit focus

Area of audit focus	Our approach	Audit findings
<p>Statement of service performance</p> <p>The Council’s annual report is required to include an audited Statement of Service Performance (“SSP”) which reports against the performance framework included in the LTP.</p> <p>The SSP is an important part of Council’s annual performance reporting and it is important it adequately “tells the performance story” for each Group of activities.</p> <p>We are to consider whether the service performance information:</p> <ul style="list-style-type: none"> • Is based on appropriately identified elements (outcomes, impacts, outputs), performance measures, targets/results; and • Fairly reflects actual service performance for the year (i.e. not just reports against forecast). 	<ul style="list-style-type: none"> • We reviewed Council’s SSP against legislative requirements and good practice. This included checking consistency with the performance framework included in 2021-2031 LTP and 2023/2024 annual plan; • We gained an understanding from management on how they intend to ensure the completeness and accuracy of underlying data forming part of the performance measures. • We audited a sample of reported performance measures, with a focus on the more significant Council activities; and • We reviewed the narrative commentary and explanatory information provided in the annual report to ensure that this provides sufficient information to the readers i.e. “tells the performance story”. 	<p>We have seen some improvement from the prior year although there are still areas to work on so the prior year recommendations have been raised again where applicable.</p> <p>Refer to our observation in the section “Your control environment and findings”.</p>



Areas of audit focus

Area of audit focus	Our approach	Audit findings
<p>OAG Audit Brief and Other items</p> <p>OAG Audit Brief</p> <p>The OAG Audit Brief has been updated (no material impacts for 2023/24 audit).</p> <p>The main areas of focus include:</p> <ul style="list-style-type: none"> • Recovery from significant weather events, Related party transactions, conflicts of interest and severance payments • Legislative compliance • Effectiveness, efficiency, waste and probity: Good practice involves the establishment of policies and controls to ensure that expenses have a justifiable business purpose; preserve impartiality; have been made with integrity; are moderate and conservative; have regard to the circumstances; have been made transparently; and are appropriate in all respects. • Procurement: Procurement is an area of focus for the work programme of the Auditor-General (OAG) and while no specific projects have been identified relating to local government at this stage for 2023/24, it is expected that major capital projects and significant procurement activity are areas where audit effort is focused. • Central government/stimulus funding: It is important that Council is accounting for this funding in accordance with PBE accounting standards, being transparent with communities and meeting any obligations. • Climate Change: Climate change is an area of focus for the work programme of the OAG as Local government is becoming a focus for climate change related action. The OAG focuses on the Councils ability to provides for the resilience of infrastructure assets to the risk of natural hazards, including making sufficient financial provision to respond to these risks. • Most councils were previously members of the New Zealand Mutual Liability Riskpool scheme (Riskpool). In November 2023, Riskpool made a call on member councils to fund quantified shortfalls. The amount to be funded by member councils was \$12.9 million. Riskpool reserves the right to made further calls for additional funding if it is needed. 	<p>We held discussions with management to understand the plans and processes in place to address the focus areas of the OAG, including understanding any information requests from central government organisations during the period.</p> <p>We held discussions with management on the overall impact of weather events recovery on damages, amounts claimed to date and future operating and capital expenditure plans noting no significant impact outside of additional funding from government.</p> <p>Council received \$50.2m of funding in FY24 in the form of subsidies and grants. We have reviewed contracts and focused on the risk that revenue may not be recorded in the appropriate accounting period due to incorrect recognition or deferral of revenue. This could arise from incorrectly identifying conditions or restrictions associated with revenue transactions or incorrectly applying the contractual terms associated with the timing of when revenue is recognised.</p> <p>We remained alert for issues of effectiveness and efficiency, waste, and a lack of probity or financial prudence throughout the audit. We also :</p> <ul style="list-style-type: none"> • Assessed policies and procedures in place for expenses and procurement processes, and • Tested a sample of expenses for appropriateness against good practice and other guidance issued as relevant for the Group. Our tests focused primarily on sensitive expenditure such as board and senior management pay, travel and expenses; large contract tenders; related party transactions; and payments to offshore locations. <p>On procurement, we have reviewed a sample of contracts entered into by the Council against the procurement policy.</p>	<p>Testing was performed as planned.</p> <p>We note that WDC is not a climate reporting entity, and as such, are not required to report their emissions. We are aware that assurance on emissions has been requested but are currently unsure on the status or timing of this.</p> <p>We noted some areas of improvement, and these will be reported in our management letter or in the control findings section. Our management letter is issued subsequent to the annual report signing.</p>



Your control environment and findings

Details of findings identified

Our audit approach requires us to obtain an understanding of an entity's internal controls, sufficient to identify and assess the risks of material misstatement of the financial statements whether due to fraud or error. We remind you that our audit is not designed to express an opinion on the effectiveness of the controls operating within the Group, although we have reported to management any recommendations on controls that we identified during the audit. The matters being communicated are limited to those deficiencies identified that we have concluded are of sufficient importance to merit being reported. Our recommendations for improvement should be assessed by you for their full commercial implications before they are implemented.

Observations and recommendations in the current period that have not been included in other parts of our report

We have not identified any significant deficiencies in internal controls which would impact upon our ability to provide our opinion. However, we did note a number of control observations and expect to issue a Management Letter shortly at the conclusion of our audit testing. The most significant control observations in relation to the focus areas only within this report are identified as detailed below. We note that testing in these areas may not be complete so additional findings may be identified.

Finding/observation	Business implication from control deficiency	Deloitte recommendation	Management response and remediation plan
Statement of service performance measures – controls around methodology and reporting	There did not exist detailed system notes for performance measures identified as significant.	For each performance measure, management should have its methodologies agreed and signed off by the data owner and reviewer. This will ensure that the methodology is applied consistently each year.	Noted and this will be reviewed in the current year. While improvements were made following the 2022-23 audit, management acknowledge that further work is required to improve the processes around methodologies, documentation, the collection and collation of data, and retention of interim data and results.
	There is a weak control environment surrounding the extraction and determination of data used as inputs for the purposes of quantifying performance measures.	When reviewing results, the reviewer should agree the result back to supporting documentation, to ensure consistency between the reported and actual result.	
	For certain performance measures, there are disparities and inconsistencies between the reported results and the supporting documentation provided, where the former does not reconcile to the latter.	The performance measure owner should ensure all system-generated reports/information used in the determination of the measure are retained and can be traced back to its source.	
	For certain performance measures, there were still discussions around the intention and methodology to be used in its measurement during audit testing.	Controls to address the accuracy and completeness of data inputs should be put in place, particularly where there is reliance on non-financial systems.	
	Methodologies were not always consistently applied during the year, often due to staff changes or no documented methodology (see above), in which some prior year measures were incorrect.	Detailed system notes should be maintained for each performance measure, to 1) ensure the performance measure owner clearly understands how the measure should be derived and 2) to improve efficiencies across audit testing.	
For certain performance measures, there did not exist an audit trail, in which data used to derive the results were unable to be traced back to its source.			



Your control environment and findings

Details of findings identified

Finding/observation	Business implication from control deficiency	Deloitte recommendation	Management response and remediation plan
<p>Statement of service performance measures – Inconsistencies with customer service request data</p>	<p>There are inconsistencies and disparities between Job Sheets uploaded by third party service contractors and data recorded into TechOne.</p> <p>Furthermore, there does not exist a process in place to validate judgements made by external contractors, in which customer service request data entered into TechOne may not be a true reflection of the situation at hand.</p> <p>Given numerous measures place reliance on the time/date in which the requests are attended to/responded to by contractors, it is pivotal that contractors input the correct data attributes.</p>	<p>Management should implement quality control over the competency levels of third-party contractors, including training, setting clear expectations, and performing regular quality checks.</p>	<p>Noted and this will be reviewed in the current year.</p>
<p>Statement of service performance measures – Timing inconsistencies</p>	<p>An average across all months within the reporting period was used to quantify certain measures, rather than calculating the measure after year-end with data pertaining to the entire year.</p>	<p>Management should ensure that measures quantified monthly for internal reporting purposes are also quantified separately at year-end to derive the annual result, rather than taking an average across all months within the reporting period.</p>	<p>Noted and this will be reviewed in the current year.</p>



Your control environment and findings

Details of findings identified

Finding/observation	Business implication from control deficiency	Deloitte recommendation	Management response and remediation plan
Lack of manual journal entry review	<p>The lack of review over manual journal entries is considered a significant deficiency. Management is in a unique position to override controls via the use of manual journal entries and a lack of control increases the risk of inappropriate manipulation of controls and the amounts recorded in the general ledger.</p> <p>In the absence of strong journal entry controls, there is a risk that unauthorised posted JEs are fraudulent or contain errors in financial reporting. Ultimately, a weak journal entry control environment may result in inaccurate financial statements and reports and increases the exposure to fraud and error.</p>	<p>Access to journal entries should be restricted to specific team members with the appropriate authority and a control implemented whereby journals are not able to be posted without adequate review.</p>	<p>Management accepts this comment. However, resourcing, workload, and the volume of transactions processed makes the review of all journals impractical. Management must weigh up the costs, benefits and risks of implementing further controls</p> <p>Staff consider there are adequate controls in place for the high-volume transactions as the postings to the general ledger from the property and rating and ECR ledger are reconciled and or analysed daily, monthly, quarterly or annually depending on the frequency of transactions; e.g. banking daily, rates setting annually.</p>
Improper review of balance sheet reconciliations	<p>Due to the inherent lack of review over journal entries, adequate reviews of the balance sheet reconciliations should take place as a compensating control. Management is in a unique position to override controls, and a lack of review increases the risk of inappropriate manipulation of controls and inaccurate amounts recorded in the general ledger.</p> <p>Ultimately, a weak review of balance sheet reconciliation control environment may result in inaccurate financial statements and reports and increases the exposure to fraud and error.</p>	<p>All accounts within the monthly balance sheet reconciliation should be reviewed by appropriate personnel in a timely manner.</p>	<p>Management accepts this comment. Processes will be improved to ensure that all balance sheets are reviewed on a frequent and timely basis.</p>



Your control environment and findings

Details of findings identified

Finding/observation	Business implication from control deficiency	Deloitte recommendation	Management response and remediation plan
<p>Revaluation of infrastructure assets</p>	<p>We encountered difficulties matching and reconciling data provided by the Council to the valuers and the data that was included in the financial system. These include:</p> <ul style="list-style-type: none"> Difficulties in reconciling roading additions to RAMM for completeness. Whilst the value of the respective systems are validly different, ensuring the assets themselves are included within RAMM should be checked. As management conducted their own valuation on Infrastructure Asset (non-roading), obtaining the same level of analysis and documentation versus that which is normally available under an external reviewer occurred. 	<p>We recommend that Council perform some form of reconciliation between the RAMM and their General ledger at an asset level. An analysis as to the granularity of this should occur to determine at what level if needed.</p> <p>Additionally, Deloitte recommends the Finance team and Asset Management team actively communicates together to prevent variances arising for reporting purposes</p> <p>A review of the respective processes of both the Finance and the Roding Asset team should occur to understand the reasons for reconciling items occurring in the first instance and then instigating a process to allow such items to be quantified.</p>	<p>The current method of capturing data in RAMM presents significant challenges when it comes to reconciling this data with the General Ledger. Management will explore opportunities to allow for a reconciliation between RAMM and the General Ledger including investigating best practice across other Councils who also use RAMM.</p> <p>Management acknowledges the recommendation for non-roading infrastructure revaluations.</p>



Your control environment and findings

Details of findings identified

Finding/observation	Business implication from control deficiency	Deloitte recommendation	Management response and remediation plan
<p>Procurement testing</p> <p>As part of our procurement testing, we noted that:</p> <ul style="list-style-type: none"> WDC does not maintain a centralised contract register resulting in difficulty in tracking procurement progress/ spend and document retention. WDC's procurement policy is centred around "risk categories" which determine the treatment of the procurement plan. However, WDC does not maintain documentation around the determination of these categories for each procurement undertaken. 	<p>Lapses in procurement policy can result in legal implications such as non-compliance with regulations, financial implications due to inefficiencies or potential fraud, and reputational implications stemming from negative public perception or loss of trust.</p>	<p>WDC is starting to consider maintaining a centralised contract register to track procurement progress/ spend as well as a centralised storage for all procurement related documents. In addition, risk category assessment should be documented and retained. Where relevant, finance and legal review should be documented and retained.</p>	<p>Council's Procurement Plan template requires staff to consider the risk matrix and determine the appropriate Risk Category. This is noted in the Procurement Plan along with comments as to measures taken to fulfil the requirements outlined in the Policy in Table 2, page 17. If required by the Policy, finance and legal reviews are completed and saved in the CON folder in Kete</p>



Summary of unadjusted differences

We have communicated to management all misstatements accumulated during the audit and have requested that management correct those misstatements. We have obtained an understanding of the misstatements below, and management's reasons for not making the corrections, and based on our evaluations have determined that no uncorrected misstatements individually or in aggregate, have a material effect on the financial statements for the year ended 30 June 2024.

The unadjusted differences we have identified are set out below.

Unadjusted misstatements identified	Assets Dr/(Cr) (\$'000)	Liabilities Dr/(Cr) (\$'000)	Equity Dr/(Cr) (\$'000)	Profit or loss Dr/(Cr) (\$'000)	If applicable, control deficiency identified
Current year:					
Whangarei Harbour Marina Management Trust - WHMMT - Reclass of un-drawn funds	(1,898)	1,898			No
Cash Balances - Reclass at Consolidation level - WQGT	(303) 303				No
Infringement debtors ECL – Under provisioning	(650)			650	Yes
Land rate ECL – Under-provision for current debtors	(115)			115	Yes
Reclassification of credit balances in the Debtors ATB to creditors	667	(667)			No
Reclassification of debit balances in the Creditors ATB to debtors	(242)	242			No
Asset revaluations – unreconciled difference	(321)		321		No
Prior year items impact on current year					
RAMM Valuation not updated			(2,500) 2,500		
Infringements listing reconciling difference			310	(310)	
Infringement debtors ECL - under provision factoring in time value of money			329	(329)	
Riskpool call not accrued for			150	(150)	
Buildings that are held for sale are not being held at their probable disposal value of \$1			410	(410)	
Total before tax	(2,559)	1,473	1,520	(434)	

Note: Immaterial balance sheet and income statement reclassifications have not been included in the summary of unadjusted differences



Summary of omitted disclosures

In performing our audit, no material uncorrected disclosure deficiencies were detected in the financial statements. The following omitted disclosures remain uncorrected in the financial statements and management has determined that these do not result in a material misstatement of the financial statements or non-compliance with the applicable legislative framework.

Omitted disclosures assessed by management as not being material	Ref	Amount (where applicable)	Management's response
Fair value disclosure: Each class of financial assets and financial liabilities shall disclose the fair value of that class of assets and liabilities in a way that permits it to be compared with its carrying amount. In disclosing fair values, an entity shall group financial assets and financial liabilities into classes, but shall offset them only to the extent that their carrying amounts are offset in the statement of financial position.	IPSAS 30 29-31	NA	Not material. Additional fair value disclosure will be considered
ECL - An entity shall explain the inputs, assumptions and estimation techniques used to apply the requirements in paragraphs 73-93 of PBE IPSAS 41. For this purpose an entity shall disclose: (a) The basis of inputs and assumptions and the estimation techniques used to: (i) Measure the 12-month and lifetime expected credit losses; (ii) Determine whether the credit risk of financial instruments has increased significantly since initial recognition; and (iii) Determine whether a financial asset is a credit-impaired financial asset.	IPSAS30 42	NA	The provision for doubtful debts were calculated based on the model provided by Deloitte. Unfortunately the methodology was not fully understood. Due to the clarification being provided after final allocations had been completed, and the fact that the differences were considered immaterial, the provision was not adjusted. Staff expect that the ECL calculation for doubtful debts will meet IAS 41 next year



Our audit report

Matters relating to the form and content of our report

Here we discuss how the results of the audit impact on our audit report.



Our opinion on the financial statements

Subject to completion of outstanding matters discussed below, we expect to issue an unmodified opinion on the financial report.



Going concern

We have not identified a material uncertainty related to going concern and will report by exception regarding the appropriateness of the use of the going concern basis of accounting.



Emphasis of matter and other matter paragraphs

No items noted.



Other reporting responsibilities

We will prepare a Summary of Audit Findings which will be presented to the OAG. The report highlights significant matters, issues, or risks considered in the audit.

Outstanding matters required before we can issue our opinions and/or report are noted in the executive summary.



Report on our system of quality management

Deloitte believes an effective system of quality management (SQM) is crucial for the consistent performance of high-quality audit engagements and we continue to make significant investments in our people, processes, and technologies that underlie Deloitte's quality management processes.

Regulators and standard setters in New Zealand and globally are also focused on the effectiveness and continued improvements in firms' SQMs. Deloitte New Zealand complies with Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) which requires annual evaluation of the SQM.

PES 3 introduced a risk-based approach to the SQM that require firms to respond to quality objectives and risks to our ability to execute high-quality audits in the following areas:

- | | |
|---|--|
| • The firm's risk assessment process | • Engagement performance |
| • Governance and leadership | • Resources |
| • Relevant ethical requirements | • Information and communication |
| • Acceptance and continuance of client relationships and specific engagements | • The monitoring and remediation process |

The effective implementation of PES 3 has been and remains a key element of Deloitte's audit and assurance quality strategy.

As part of the implementation of PES 3, quality objectives, quality risks and responses were formalised and brought together in a globally consistent technology platform to facilitate the design and maintenance of the system, as well as the operation through tri-annual self-assessments by business process owners and reporting capabilities to support the required annual evaluation.

Deloitte New Zealand continues to work with leaders across the firm, as well as the broader network, to further enhance our proactive approach to managing the quality of engagements performed—identifying and addressing risks to audit quality and driving continued advancements in quality management processes serves us well into the future as the environment within which we operate continues to evolve and become increasingly complex.

Consistent with Deloitte's culture of continuous improvement and innovation, Deloitte New Zealand's efforts relating to PES 3 and our SQM provide us the opportunity to challenge ourselves—examining

those areas where we can further enhance and transform our SQM. Quality is always front and centre, and robust audit quality monitoring processes play an integral role in our ability to continually improve.

PES 3 requires an annual evaluation of the SQM. Deloitte New Zealand performed its annual evaluation of its SQM as of 31 May 2024. This evaluation is required to be shared with those charged with governance when performing an audit of financial statements of FMC reporting entities considered to have a higher level of public accountability.

Conclusion on the effectiveness of the system of quality management

Deloitte New Zealand is responsible for designing, implementing, and operating a SQM for audits or reviews of financial statements, or other assurance or related services engagements performed by the firm, that provides the firm with reasonable assurance that the objectives of the SQM are being achieved. The objectives are:

- The firm and its personnel fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and
- Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.

Deloitte New Zealand conducted its evaluation in accordance with PES 3.

Deloitte New Zealand concluded that the SQM provides the firm with reasonable assurance that objectives of the SQM are being achieved as of 31 May 2024.

Reasonable assurance is obtained when the system of quality management reduces to an acceptably low level the risk that the objectives of the SQM are not achieved. Reasonable assurance is not an absolute level of assurance, because there are inherent limitations of a system of quality management.

Mike Horne, Chief Executive Officer
for Deloitte Limited



Managing public funding in an emergency response or recovery

Observations from the OAG

While funding and purchasing decisions may need to be made quickly in an emergency response, public entities still need to ensure that there is transparent and accountable decision-making, with the public entity getting value for money, and acting lawfully. In March 2023, the OAG issued their observations to help public sector staff who are setting up and running emergency response and recovery initiatives.

The report available [here](#), covers these topics:

- Core principles for funding and purchasing decisions
- Consistent, transparent application processes and clear criteria provide a strong foundation
- Reasons for awarding funding should be clearly explained and well documented
- Managing conflicts of interest helps protect trust and confidence
- A high-trust approach needs post-payment verification to mitigate the risk of fraud and error
- Clear expectations need to be set for the staff involved
- Consider where and how the funding fits in with performance reporting

Core principles for funding and purchasing decisions [Extract]

There are fundamental principles that govern how public organisations use money to pay for or fund external parties, no matter what level of urgency.

The principles are:

- *Accountability*
- *Openness*
- *Value for money*
- *Lawfulness*
- *Fairness*
- *Integrity*





Quality of accounting records

Council's legislative responsibility to keep appropriate accounting records has taken more of a spotlight in recent times.

Regulators have identified this as one of their focus areas.

Regulators are concerned with the quality of information provided, who specifically carries out a financial reporting surveillance programme of financial statements and expects to see proper accounting papers documenting:

- the support for entities' significant judgements and estimates; and
- how the accounting for complex transactions complies with GAAP.

Regulators' interest in the area also arises because they continue to see a connection between the quality of accounting records and audit quality.

Although the lack of appropriate accounting records alone will rarely be the sole cause of a business to fail, issues with the financial statements commonly feature in liquidation cases. Such breaches are easy to identify retrospectively and can result in those charged with governance becoming personally liable to creditors of the business as well as fines.

Accounting continues to become increasingly complex while at the same time, the level of regulatory scrutiny rises.

While elected members are not expected to be accounting experts, there must be records demonstrating that they have:

- Adequately questioned and assessed the key accounting treatments applied;
- Applied professional scepticism when assessing management's views on areas on significant judgements and estimates; and
- Acted on a fully informed basis, in good faith and with due diligence and care.

Ultimately, just like any other key decision made by the Council, the decisions relating to accounting issues must be recorded and be defended by proper analysis and support.

Accounting papers should be prepared for key, complex transactions and where there have been significant judgements or estimates.

We note that as a general rule, WDC do not prepare accounting papers on key issues unless requested by Audit. We believe that accounting papers should be completed where there are key judgements, material issues or other areas of a sensitive nature. These should also be of appropriate quality and referencing to accounting guidance.



Independence and fees

Fees

The professional fees earned by Deloitte Limited in the period from 1 July 2023 to 30 June 2024 are as follows:

	CY (\$'000)	PY (\$'000)
Fees for the audit of Whangarei District Council annual report*	323	326
Scope extension due to overruns from prior year	33	28
Other assurance engagements relating to the Debenture Trust Deed and audit of the Register of Security Stock	5	5
Total audit related and other assurance fees	361	359
Estimated disbursements including technology charge	23	23
Total billing	384	382
Other fees in Group -NRLLP	24	22

* Includes OAG audit standards and quality support charge of 31k)



Other communications

Additional matters we report to you in accordance with the requirements of New Zealand auditing standards

Accounting policies / Financial reporting	<p>There were no changes in accounting policies during the year ended 30 June 2024.</p> <p>We have not become aware of any significant qualitative aspects of the Group's accounting practices, including judgements about accounting policies, accounting estimates and financial statement disclosures that need to be communicated to you.</p>
Related parties	<p>No significant related party matters other than those reflected in the financial statements came to our attention that, in our professional judgement, need to be communicated to you</p>
Written representation	<p>A copy of the representation letter to be signed on behalf of the Council has been circulated separately.</p>
Specialists	<p>As planned, specialists assisted in the audit to the extent we considered necessary. The findings arising from their involvement will be communicated in our management letter.</p>
Group considerations	<p>In relation to our audit work on components of the group we bring the following matters to your attention:</p> <ul style="list-style-type: none"> • All audits of the CCOs were completed within the statutory deadline being 30 September
Compliance with Laws and Regulations	<p>The Group is also required to ensure that its operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in the financial statements.</p>
Fraud Characteristics	<p>In relation to fraud, the primary responsibility for the prevention and detection of fraud rests with management and the directors, including establishing and maintaining internal controls over the reliability of financial reporting.</p> <ul style="list-style-type: none"> • We did not identify any indicators of fraud in our testing, nor has management informed us of any frauds.
Significant matters discussed with management	<p>Other significant matters arising during the audit that have been discussed with management include the following:</p> <ul style="list-style-type: none"> • WHMMT accounting • Timing of PPE Rooding Testing and impact on reporting timetable



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4.3 Internal Audit Actions – December 2024 Update

Meeting: Risk and Audit Committee
Date of meeting: 4 December 2024
Reporting officer: Joanne Tasker (Risk Management Adviser)

1 Purpose / Te Kaupapa

To report the status of outstanding actions from the internal audits conducted within Council.

2 Recommendation / Whakataunga

That the Risk and Audit Committee notes the status of the outstanding internal audit actions.

3 Background / Horopaki

An internal audit allows Council to check processes and systems and make improvements based on the recommendations from our internal auditor BDO.

The current internal audit plan intends to undertake two internal audits per year, which are reported to the Risk and Audit Committee upon completion.

In 2024 only one internal audit has occurred in relation to privacy. The actions from that internal audit will be added to the next iteration of the Internal Audit Actions Spreadsheet (attachment 1).

On a six-monthly basis staff report on the status of the current outstanding internal audit actions to the Risk and Audit Committee.

Department Managers are responsible for completing the recommendations. They have updated the spreadsheet to show what has been done to complete each action, what is still outstanding, and when they expect to have outstanding actions completed.

Actions remain for the following internal audits:

- Giving of grants audit – 2019
- Permit to work audit – 2021
- Delegated financial authority audit – 2024

Several actions have now been implemented and closed for the PCBU (person conducting a business or undertaking) Contractor Health and Safety internal audit, and one for the 2018 Revenue internal audit. These are included in the spreadsheet and identified in the “status” column as either ‘open’ (meaning in progress) or ‘closed’ (meaning completed).

4 Discussion / Whakawhiti kōrero

4.1 Financial/budget considerations

Council has budgeted for two internal audits to be undertaken per year. All internal audits are conducted within agreed budgets.

4.2 Risks

Internal audits are a great risk management tool. Any internal audit action, once implemented, becomes a new control to manage risk.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

Attachment 1 – Internal Audit Outstanding Actions – December 2024

Audit Name & Date	Audit Reference number & Title	Internal Audit Key Finding	Auditor Recommendation	Management Commitment	Management action	Update	Status
Giving grants Audit 11/09/2019	4.2 Central Management of Rent Concessions	There is currently some degree of cross over between the Community Funding and the District Development management divisions within Whangarei District Council. The documented policy and guidance appears to be relatively brief for concessions as compared with say the giving of grants.	That the roles and responsibilities together with the underlying budgets pertaining to rent concessions are workshopped/reviewed. It is important that roles and responsibilities are clear and that all concessions are managed on a consistent basis that is underpinned by robust policy and procedure.	There is work to be done by SLT to approve the adoption of the model proposed by Community Development and this can then be implemented.	Consider and approve consistent approach to rent concessions.	The 2020 Community Funding Review resolved that there would be a moratorium on granting new rent concessions until end 2023. The Grants, Concessions, and Loans Policy was also reviewed and changed to the Community Funding Policy which now applies only to Community Development department's activities. As Community Development can only control its own department's concessions, and other departments have since implemented their own policies on this. Community Development had planned to present a paper to council mid-2023, proposing to phase out Community Development-managed concessions and move to a grant-based model. Due to the current financial constraints that Council faces, Community Development is now focused on developing a Community Occupancy Policy with input from relevant departments across Council. The policy will be a public document that outlines the process for tenancy in community buildings, terms of lease, levels of concession, community benefit etc. The policy will also require a plan to be developed by each tenant that demonstrates how their organisation will contribute to council's community outcomes. Due to structure changes the Community Occupancy Policy has been put on hold until the new property department is established. This action will remain open.	Open
Giving grants Audit 11/09/2019	4.6 Rent concession observations and peppercorn leases	Weaknesses in reporting by concession recipients have been identified by management and communicated to them. However to date there has been no financial penalty and the concessions continue. There is some inconsistency in the way in which peppercorn leases are negotiated and there appears to be a lack of formal policy in place.	That there is a clear policy to follow in the event of non-compliant reporting by recipients. We note that this finding should be read in conjunction with 4.2 above. That the impact of the capital grant to the Hihiaua Cultural Centre is formally documented with a conclusion formed as to the ongoing applicability of the rent concession. That a policy specific for peppercorn leases is approved and put into practice. We are aware that some rent concessions and peppercorn leases have an historical origin. It is important however that these are subject to consistent and regular review to ensure the benefit remains fit for purpose and is comparable/fair between similar entities. Also that the recipient is either fully compliant or subject to tangible penalties for non-compliance.	Management accept the recommendation. This will be presented to SLT for adoption and then allocated to departmental managers to action.	Opportunity to ensure fairness in the benefits a organisations receives via grants or rent concessions. Consider and approve consistent approach to rent concessions.	This is a lease issue. The 2020 Community Funding Review considered this flaw. It was noted that because concessions are currently written into lease agreements with no clear accountability or consequences, there is little to nothing that can be done about poor performance or reporting. Community Development had planned to submit a paper to council due mid-2023 will recommend phasing out rent concessions and moving to contestable grants as a way to appropriately manage this in line with our funding principles. Due to the current financial constraints that Council faces, Community Development is now focused on developing a Community Occupancy Policy with input from relevant departments across Council. The policy will be a public document that outlines the process for tenancy in community buildings, terms of lease, levels of concession, community benefit etc. The policy will also require a plan to be developed by each tenant that demonstrates how their organisation will contribute to council's community outcomes. Due to the current financial constraints that Council faces, Community Development is now focused on developing a Community Occupancy Policy with input from relevant departments across Council. The policy will be a public document that outlines the process for tenancy in community buildings, terms of lease, levels of concession, community benefit etc. The policy will also require a plan to be developed by each tenant that demonstrates how their organisation will contribute to council's community outcomes. Due to structure changes the Community Occupancy Policy has been put on hold until the new property department is established. This action will remain open.	Open

Audit Name & Date	Audit Reference number & Title	Internal Audit Key Finding	Auditor Recommendation	Management Commitment	Management action	Update	Status
Permit to work 1/03/2021	4.1 Control of Permit to Work Documentation	<p>There is no specific document or register that captures permits that have been issued by WDC. We are aware that there are various individuals across different departments that issue permits of this nature and that it is currently a manual process.</p> <p>Reliance on manually derived documentation in lieu of a software solution means that visibility and the ability to report is restricted. We noted that permit to work templates are currently obtained from Kete and are manually completed. Filing of completed documentation varies between departments, for example waste water file these manually in paper form whereas water treatment uploads completed forms to Kete.</p> <p>When inspecting the current permit template we observed that there is no sequential numbering system in place. This made it difficult to isolate the scope of permits which had been issued and therefore the sample population to include within our testing.</p> <p>The absence of a central register of manual documents that have been issued further limits visibility but also restricts the ability to monitor and internally review permits to work that have been issued.</p>	<p>Implication: Because there is no central register it is currently cumbersome to review the number and nature of permits that have been issued. This in turn reduces the effectiveness of oversight and the ability to effectively review and audit. Further to this, the lack of sequential numbering creates an environment where completeness cannot be established.</p> <p>Recommendations: In the long term it would seem that the process of issuing permits to work could be automated through a software solution that is accessible across all Council departments. We appreciate that this would require both a budget and time to implement. In the interim we recommend that a sequential numbering system be introduced. The simplest way of achieving this could be the introduction of a pre-printed, duplicate copy, sequential permit to work form. These forms should be the same throughout Council with a register of where the sequentially numbered books have been issued centrally maintained. Alternatively, it may be possible for the IT department to facilitate sequential numbering from within Kete.</p>	Council agree with the recommendation. Staff will look into arranging printed permit to work books, with sequential numbering as a means of providing better review.	Arrange for printed permitted work books with sequential numbering	<p>Updated 31/10/24 - We are anticipating a February 25"Go Live" date for this new system.</p> <p>We are currently in the midst of conjuring our Assura Software so as to have a working permit to work system into our new software. We anticipate this will make this an effective process. Automatic numbering will occur in the system.</p>	Open
Permit to work 1/03/2021	Decentralization of Issuing Permits	<p>Each of the departments issue their own permits to work. The permits are issued on their own merit within the various departments. This allows for a degree of decentralization which creates a risk of inconsistent policy and process.</p> <p>The following are current examples of decentralization: Venues & Events Only one permit has been issued from this department in 12 months. Business Support No permits have been issued from this department in 12 months – the general expectation is that this area would generate a need for permits to work. Waste Water Treatment Plant Permits are regularly issued from this department. When an internal permit is issued, a permit to work is issued on the same basis as would have been if a contractor executed the work. Water Treatment Plant Permits are regularly issued from this department. No permit to work is issued unless a Job Safety Analysis has been received or conducted. Job safety analyses do not appear to be routinely used in the other departments we visited.</p>	<p>Implications: Permits to work issued from various departments are not necessarily following the same process. This can lead to inconsistency of both compliance with policy and follow up. From a transparency and safety perspective it is important that all permits to work issued by Whangarei District Council are subject to the same procedure and safety rigor</p> <p>Recommendation: We recommend a more streamlined manner of issuing permits is introduced – refer 4.1. Training staff across various departments and having regular refresher courses to ensure there is continuity between departments when issuing these permits is key.</p> <p>Regular internal reviews and spot checks should be undertaken once the updated procedures are operational. This will assist in identifying training gaps but also serve to minimize non compliant interpretation before it becomes established practice.</p>	Council acknowledge this recommendation. Staff consider that this will be easier to review once we have printed permit to work forms in a book (recommendation 4.1). A permit to work book will assist in picking up problem areas. Staff will work on determining refresher expiry dates, as well as content of the training.	Staff consider that this will be easier to review once we have printed permit to work forms in a book (recommendation 4.1). A permit to work book will assist in picking up problem areas. Staff will work on determining refresher expiry dates, as well as content of the training.	<p>Updated 31/10/24 - We are anticipating a February 25"Go Live" date for this new system.</p> <p>We are currently in the midst of conjuring our Assura Software so as to have a centralized permit to work system into our new software. This will have high visibility and the ability to be more readily monitored and audited.</p>	Open
Revenue 16/11/2018	4.7 Payments received in advance (Code of compliance – Buildings)	There has been an increased focus internally to monitor the balance of revenue received in advance for code of compliance fees. However a degree of long standing balances remain, some dating back to the 1990's.	It is a financial reporting requirement that liabilities are recognized only to the extent there is a likely outflow of economic resources. Therefore it is important the balance is reviewed periodically to identify amounts where there is no longer a reasonable expectation the customer will request inspection. We recommend an exercise is completed periodically to remove old balances, whilst ensuring a record of the write-back is retained should the customer inquire and that legal obligations are met. Consideration of best practice from other Councils is also recommended.	WDC Accept the recommendation There is management support for option (I) as this would meet the requirements of the Building Act. If we record that the consent is essentially open and not completed, then it would be appropriate to write back the money.	1. Balances identified for write back are kept for historical records so there is support if the customer does eventually come back to use the balance or request a refund. 2. Consider legal obligations of Council and discuss with other District Councils to establish processes followed by other Councils.	No change - conversation to be had with auditors as this may no longer be relevant Action relates to the 2018 audit. Can close in 2024.	Closed

Audit Name & Date	Audit Reference number & Title	Internal Audit Key Finding	Auditor Recommendation	Management Commitment	Management action	Update	Status
PCBU - Contractor H&S Controls March 2023	4.1 Operating system - method of documentation	<p>It became clear that whilst there is a central documentation solution, (Kete), the filing within that intranet based tool is not consistent. Consistency of filing within Kete has been raised by internal audit before, however in addition to this, it is notable that there is no specific Health and Safety operating system or software. A mix of mechanisms is used to record/file Health and Safety data including Kete, spreadsheets and E-Mails.</p> <p>Accessing core data such as the underlying contract is not always easy or possible within Kete, i.e. there could be various versions, signed/unsigned or with attachments such as appendices sometimes not filed with the contract itself. There is a flow on impact in regard to the efficiency of compiling data for Health and Safety reporting and also ease of monitoring. This is because data is required to be manually extracted from various sources and there is no automated system of alerts or warnings.</p> <p>For contractor Health and Safety this issue is exacerbated because contracting companies utilize various different methods to regularly report to Council. From our observations we found that there didn't appear to be a central area for contractor incidents or monthly reports. Irrespective if the current systems are retained, this is likely to be an area of ongoing training and review.</p>	That the method of storing and reporting contractor Health and Safety data is reviewed. If the status quo is retained we recommend that the filing protocol is reviewed, simplified and rolled out across all departments.	We currently use a centralized spreadsheet to record any contractor incidents that are sent in. This involves the contractor sending in incidents monthly, then components are copied and pasted into the spreadsheet. The contractors often change the format of the spreadsheet, so we must tidy these up. This process involves a lot of time and administration, and it is not visible to non-health and safety staff. Despite best efforts, Council staff do not file contractor health and safety related information consistently in the right places either. Many use a contracts or projects folder, and everything gets filed in these, including monitoring, or into personal drives. As mentioned above, it makes it very difficult to monitor or audit. A business case for a new health and safety software package has been prepared, with a must have factor that contractors would be able to report any incidents directly into this system. The new system should also include automated contractor monitoring prompts and linked into this system. It should also provide better visibility by way of dashboards so managers could monitor this type of thing. This is awaiting final sign off and the intent of going out to market for such a package.	Purchase and implement a suitable software programme so that contractor related health and safety information is centralized and available.	Updated 31/10/24. The implementation of our new health and safety software has made it much easier to store and locate health and safety information.	Closed
PCBU - Contractor H&S Controls March 2023	4.2 Form of contracts	<p>During our walkthroughs of various documents relating to contractor engagement we observed a number of different contract templates in use within Council. Whilst we would expect this to be the case depending upon the nature and complexity of the work required, for core Health and Safety requirements, we would expect there to be a baseline of consistency.</p> <p>For example: -We noted that some contracts refer to the Health and Safety in Employment Act 2015 as opposed to the correctly termed Health and Safety at Work Act 20015. -The line and method of reporting does not necessarily align with the contractor Health and Safety Handbook.</p>	That consideration is given to further contract standardization between departments. We recommend that Council assess the appropriateness of developing a set of core health and safety policies that are applicable to all high-risk contractors. These should be mirrored throughout all contracts and also align with the requirements of the Handbook. We appreciate that there will always be a need for some contracts to have detailed Health and Safety specifications. These would be additional to the standard requirements that would apply across all contractors.	Previous information and training has been provided to staff regards consistency and accuracy of health and safety information in contracts and tenders. We do have several important health and safety documents that specify what health and safety requirements are to be used, but there can be a tendency for people to use their last contract or document and just alter some of the details. This is not desirable and while there is a procurement area in our document management system which provides a wealth of information on the correct processes, these are not consistently used. Along with this, we are aiming to recruit a person who will be responsible for overseeing contracts and we would expect with their aid, this also would help resolve this raised issue.	<p>Actions:</p> <ol style="list-style-type: none"> 1. Review existing standards and requirements and re-provide clear policy requirements to all that use procurement processes. Completion July 2023 2. Speak to People and Capability about providing further training in use of Council documentation systems, as this seems to be a key reason why people do not use the correct documents. Completed February 2023 3. Undertake quarterly spot checks and regularly report on the situation to senior leaders – commencing July 2023 	We have a new Contracts Co-Ordinator in the Business Support Team. Part of that role is to focus on the H&S contracts to ensure requirements are aligned and included in our contracts going forward. This action is ready to be closed. Procurement policy under review and work is currently being done on this. Quarterly spot checks are scheduled and are being done	Closed
PCBU - Contractor H&S Controls March 2023	4.3 Departmental inconsistencies and chain of communication	<p>As noted in findings 4.1 and 4.2, there are inconsistencies in some practices within Council pertaining to the management of Contractor Health and Safety. There is an inherent risk with Council adopting a degree of decentralization coupled with some departments dealing with more complex contracts and types of work. By nature, the types of work and projects that Council contractors undertake is diverse. The Contractor Health & Safety Management Policy, (pg. 6 - responsibilities - Council Representative), requires the Health and Safety Representative to take on the key contractor relationship role. The Health & Safety Handbook for Contractors requires the monthly reporting to be e-mailed through to the central Council Health & Safety Advisor. This could be construed as contradictory.</p> <p>In practice we have observed multiple variations in the chain of reporting, i.e. directly to central health and safety, directly to the Council Representative, with and without a CC to the alternate person in e-mail correspondence.</p>	That the standard line of communication for Health and Safety reporting by contractors is reviewed. Once resolved, key documentation should be updated followed by tailored training with Council Representatives.	We have been aiming to have most correspondence and communication go to and from the Council representative to their contract and to just cc in health and safety personnel if required. A concerted effort to promote this through the next few months will take place with both contractors and employees. As per 4.1, with a software package that has the capacity for contractors to enter their own data, this too will reduce this issue significantly.	<ol style="list-style-type: none"> 1. Advise contractors to report incidents to their key Council Reps and cc reports into a newly set up new email called contractorincidents@wdc.govt.nz. Underway February 2023. 2. This includes reinforcing the requirements with contractors who persist in sending in information directly to health and safety personnel. From March 2023. 3. Alter the contractor handbook and reissue to contractors to include the recommendations in this report. Before May 2023. 	This is now well in place. Incidents are sent to contract Reps and H&S copied in. This requirement has been well communicated to contractors using the following: Action 1 - a new "sole purpose" email address for reporting incidents Action 2 - the H&S Handbook for contractors has been updated to include new information Action 3 - discussed with contract reps If any anomalies are found, we will follow up with Council Reps to address with contractors. This action is ready to be closed.	Closed

Audit Name & Date	Audit Reference number & Title	Internal Audit Key Finding	Auditor Recommendation	Management Commitment	Management action	Update	Status
PCBU - Contractor H&S Controls March 2023	4.4 Evidence of monitoring	Evidence of Health and Safety monitoring of contractor Health and Safety performance was not always easy to verify from an audit perspective. The level of monitoring undertaken appeared to vary between high-risk contractors and between departments. For example, New Zealand Standard contracts required the checks to have taken place prior to release of the payment whereas others seemed to place reliance upon the fact that the contractor was SiteWise approved, and the monitoring was effectively performed by the contractor. Some contracts require audits of Health and Safety; we observed instances of these taking place in practice but also instances where they had not, usually due to resourcing or the need to establish how and when the audits would practically take place. Ultimately it is the Council as the Person Conducting a Business or Undertaking (PCBU) that is responsible to ensure the monitoring as per the policy, handbook and the underlying contract is taking place to a satisfactory standard.	That management review the current expectation around the monitoring of Contractors and what the baseline requirement is. Once established this will need to be communicated to all Council Representatives. A central and agreed place of filing will also need to be established so that it can be reviewed and audited as required.	Although training has been provided on this, it is administratively cumbersome to file monitoring reports into the right place. As per action 4.2/2 a lack of training and understanding of Council documentation systems is evident and needs work on. Some staff report they do not feel they have the necessary skills and knowhow to undertake good monitoring. Some have advised they do not have the time to do justice to this. A project is already underway to identify what is best practice and the desired standard and provide coaching and further training to people who manage contractors undertaking high risk work.	Action: 1. An easier way to link monitoring reports should be available via the new health and safety software purchased, but a temporary requirement to link monitoring into the correct documentation systems to be publicized and enforced. By March 2023. 2. Internal quarterly spot checks will be scheduled quarterly and undertaken, then reported on. By July 2023. 3. There is a project underway to identify current best practice monitoring and this will be actively worked on and coaching or training provided. Before December 2023.	Updated 31/10/24. The implementation of our new health and safety software has made it much easier to store and locate the specific health and safety information required for internal auditing purposes. This is now even being reported on in the monthly infrastructure report received by the Infrastructure Committee.	Closed
PCBU - Contractor H&S Controls March 2023	4.5 Level of incident reporting	We observed that the quantum and level of reporting of Health and Safety incidents was variable between contractors. This is expected however we did note that some contractors seem to have nil or a very low level of incidents. Whilst this will occur from time to time, generally we would expect to see all high-risk contractors reporting, not necessarily monthly, but at various times throughout the year. As an indicative example, we noted an occasion whereby a Council employee had filed an incident in respect to a contractor. The WDC Health & Safety field officer, (at that time), had made a comment as part of the internal report that it would be interesting to see if the contractor reported. We located other correspondence that indicated the Council team had to prompt the contractor to report. The Council employee then queried the contractor further on the basis that he had never seen any previous reports.	There are several barriers or reasons for not reporting workplace incidents. These can include resource/time, confusion around responsibility, knowledge of process and fear of negative repercussions. We recommend that all contractors are sent a communications update in regard to incident reporting. In the event that high risk contractors are not supplying regular reports, the Council Representative should enquire or send out a reminder.	Already, notification has been sent out to key personnel on this. Some have already been in discussion with their contractors about this. One issue is that some older contracts used to have a financial penalty clause in them for the reporting of incidents and contractors gave feedback it did not inspire them to report to report.	Actions: 1. Promote again in the strongest terms, the importance of incident reporting to contractors, including this being undertaken by their Council Reps – March 2023. 2. Internal checks will be scheduled quarterly and undertaken, then reported on. By July 2023. 3. Have contractor monthly incident statistics sent out internally so there is more visibility on who has not reported anything. February 2023 onwards.	Updated 31/10/24. We are currently working on an area in Assura where we will store contractor incidents giving this even more visibility.	Closed
PCBU - Contractor H&S Controls March 2023	4.9 H&S Handbook - evidence of receipt	Council have published a comprehensive Contractor Health & Safety Handbook which is regularly reviewed and updated. Many (but not all), contracts specifically refer to compliance with this handbook. All new contractors are provided with a copy of the handbook as part of the supplier approval process. This is a fantastic resource for which we recommend controls are strengthened as follows; -Baseline requirement for inclusion within all contracts – refer also to finding 4.2 -Contractors to formally evidence receipt in some way. We note that currently some contracts require the back page to be signed and returned, some simply refer to compliance. -The handbook is generally e-mailed out to contractors – there could be scope to collect and collate evidence of review and receipt – this record should be centrally filed.	N/A	All of the above recommendations will be put in place	1. Alter the contractor handbook, add in a sign off page and reissue to contractors. Before May 2023. 2. Add the inclusion and requirements of the handbook into all procurement processes. By July 2023. 3. Develop a process to receipt in the return of handbooks and chase up those not returned, By July 2023.	This is now in place. We have had a few contractors refuse to sign the handbook, due to a particular clause on claiming legal privilege, but we have worked through this with them. This action is ready to be closed.	Closed

Audit Name & Date	Audit Reference number & Title	Internal Audit Key Finding	Auditor Recommendation	Management Commitment	Management action	Update	Status
Delegated Financial Authority Feb 2024	4.1 Approval Hierarchy - Available approval levels across all departments	One-up approval process within the various departments is not practical for some of the purchase requisitions. Only two approval levels exist for EA which were the EAs themselves and senior members of staff. Although EAs have sufficient \$ value, they need to submit their low value requisitions to senior staff to ensure compliance with policy. Every purchase order for the Mayor must be authorized by the CE and Chair of R&A Committee. The current process is being adhered to however we are concerned that the level of approval required for minor purchases is excessive and potentially inefficient.	That the approval process for EAs be reviewed. They are currently allocated a delegated authority limit however in practice are unable to apply it due to the one up requirement. There are several ways that could be considered as a means of streamlining the current process: .Introduce a form of EA cross approval that is supported by regular review .A controlled debit/ credit card facility specifically for those users. Whilst any form of upfront purchase mechanism requires robust controls, these are not insurmountable to manage. .Modify the delegated financial authority to provide for an alternate and independent department to approval certain EA purchases.	Staff are updating the delegations policy to include reference to one up approvals. Additional staff training and guidelines will also be developed to help ensure control are effective and adhered to. This work will be completed when resource is available	An additional process will be developed to provide a consistent delegated one up approval point to remove the sideways approval or reliance on General Managers to approve low value spend.	Update to delegations policy adopted by Council August 2024. This includes confirmation of the requirement of a one-up approval for financial spend. Staff are now updating operational processes to ensure there is a suitable approval point is identified and all parties are aware of the process.	Open
Delegated Financial Authority Feb 2024	4.2 Delegations register and documented process	In terms of the application of delegated authorities in practice and the functionality of the Delegations Register, there is an opportunity to improve the current level of guidance in place for employees. The delegations register in Kete lists the position held at council and their DFA, amount other information. But it does not show the name of the staff member. Purchase orders show the name of the requisition approver. When Council staff perform internal checks, they may also need to make enquiries before being able to verify a past approver. Some areas may currently apply 'sideways' approval where there is not a hierarchy of available internal staff. This this is to be retained, some documented guidance could be beneficial. Similarly there is potentially benefit in some documented guidance around the appropriate application of blanket purchase orders.	That there is a linkage between staff names and staff roles in the kete delegations register. That specific procedure is drafted to outline the delegated financial authority process that council require. This should define and disallow 'sideways approval' whilst explaining the importance of one up approval. Tailored training is delivered to assist in the application of current and if applicable, amended process.	Staff roles are included in the Kete Delegation register as the maintenance of staff names became untenable due to turnover levels. We have no intention of changing this but can provide resource to auditors to understand roles if the names in Tech One have changed roles. This should be supported by P&C process documenting the change. The team are keen to close the gap on the situation relating to administrative approvals being required and being actioned by a peer.	Staff accept the suggestion of creating some guidance to clarify approval requirements, and use of blanket purchase orders. Further staff training will also be rolled out to ensure existing controls are understood and adhered to.	Timing of staff training and development of formal guidelines is dependent on resource becoming available and will be scheduled in around existing work programmes when time permits.	Open
Delegated Financial Authority Feb 2024	4.3 Deviation from purchase order process	We identified 4 purchase orders where the supplier invoice date was prior to the requisition approval date. From time to time, and with valid reason, emergency orders are placed with suppliers and approval is obtained after the fact. From the sample tested this appears to be the expectation and is not being overused. Two of the identified POs were in breach of policy. The impact of this is somewhat lessened by the purchase being approved after the fact. Because a legal transaction has already occurred between Council and the supplier, it may create a situation whereby the approver feels some pressure to approve the requisition, even though it would have been declined if there was no existing obligation to the supplier.	Additional guidance and or training is held in this area. Ideally the approval should be documented prior to the supplier commitment. Any deviation to this should be restricted to limited one off/ emergency purchases.	Noted. We will continue to ensure that staff, particularly those procuring services are aware of the financial process that the purchase order is raised after receipt of a quote, or before the services are ordered.	Staff will also investigate additional reporting to help identify regular instances of this occurring.	Staff are currently working on additional reporting to identify instances of when this occurs, so that targeted action and training can be undertaken. There are minimal occurrences of this identified.	Open
Delegated Financial Authority Feb 2024	4.4 Deviation from 'one up' approval process	We noted instances where the one-up approval process was not being followed. Most of these instances occurred in the infrastructure department. The approvers are generally Project Managers with delegated financial authority in line with their seniority. However, they do not have internal staff, who work on the projects and raise requisitions. They look across the infrastructure team for a cross check on requisitions and the associated approval thereof. We also noted findings outside of the infrastructure department and have further confirmed that the IT system does not currently prevent sideways approval from occurring in practice. The above is effectively a breach of expected procedure. We have provided management with a list of examples.	.The delegated policy and register is currently being updated. Post this exercise, ongoing training and clear communication will be required across all departments .the updated delegations register should allow for some form of one up approval for all staff members. i.e. to take away the practical need for sideways approval. it may be that some of the current delegation bands are split into two tiers of seniority. .That the IT department is requested to investigate if TechOne can be changed to disallow sideways approvals. .Perform regular spot-checks and advise staff members when deviations are observed.	Noted.	The Delegation Policy will include specific information on the requirement for one up approval. Training will be undertaken to ensure all staff are aware of these requirements.	Changes have been made within the Infrastructure department to ensure the one-up approval is applied. Timing of staff training and development of formal guidelines is depended on resource becoming available and will be scheduled in around existing work programmes when time permits.	Open

Audit Name & Date	Audit Reference number & Title	Internal Audit Key Finding	Auditor Recommendation	Management Commitment	Management action	Update	Status
Delegated Financial Authority Feb 2024	4.5 Blanket purchase orders	Blanket or bulk purchase orders are utilised regularly by Council. These are for continuing and regular purchases and are typically issued on an annual or quarterly basis, in line with budget, as opposed to raising multiple purchase orders for a similar or regular service. We appreciate both the practicality and need for such a mechanism however there is a risk that they could be overused in practice or potentially encourage a culture of spending to budget.	That there is additional guidance to support the use of blanket purchase orders. We recommend that this is incorporated within the review suggested in finding 4.1.	Noted but is a good way to ensure we understand the commitment to the supplier. The other option is to raise POs through the year and this creates a risk that staff raise multiple low levels of purchase orders (under their DFA) but when looking across the year they payments are over the DFA of the approver. We believe blanket orders are a useful tool to ensure that providers are contracts are within DFA amounts.	Training will cover situations where the use of blanket orders is appropriate.	Timing of staff training and development of formal guidelines is depended on resource becoming available and will be scheduled in around existing work programmes when time permits.	Open

4.4 Internal Audit Report – Privacy Audit 2024

Meeting: Risk and Audit Committee
Date of meeting: 6 December 2024
Reporting officer: Joanne Tasker (Risk Management Adviser)
Adelle Wilson (BDO Northland Ltd)

1 Purpose / Te Kaupapa

To receive the delegated financial authority internal audit report.

2 Recommendation / Whakataunga

That the Risk and Audit Committee note the Internal Audit Report on Privacy processes.

3 Background / Horopaki

In September 2024 Council engaged BDO to undertake an internal audit on Council's privacy processes.

The objective of the internal audit was to assess Council's compliance with policies and processes for the application of delegated financial authority in relation to expenditure.

To achieve this objective BDO interviewed key staff, reviewed process documentation, accessed relevant systems to test existing controls, and documented the results of the work undertaken to issue this independent audit report.

4 Discussion / Whakawhiti kōrero

The findings of this internal audit are presented in Attachment 1 Final report – WDC Privacy Nov 2024. The report details any issues identified and their implications, and outlines recommendations for continued improvement in this area. Management commentary has been provided to indicate how Council intends to address the recommendations, and where improvements will be made because of this internal audit.

The report has no significant finding from this internal audit which is a good outcome.

The audit team have identified a couple of areas where the organisation can improve processes and have provided a number of opportunity recommendations that will improve how we identify, report and handle privacy across the organisation. All these recommendations have been accepted by management and will be considered for implementation in 2025.

Financial/budget considerations

No direct financial impact, however, there will be a resource cost to ensuring that the actions from this audit are reviewed for implementation. This will mean resource is engaged on privacy policy and process review rather than other topics, however this is an important aspect of the work complete by Council and it is becoming an area of greater focus for our residents and ratepayers.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

Attachment 1 – Final report – WDC Privacy Nov 2024.pdf



WHANGAREI DISTRICT COUNCIL
Internal Audit
Final Report - Privacy
November 2024



TABLE OF CONTENTS

1.	SCOPE AND APPROACH	4
2.	EXECUTIVE SUMMARY OF FINDINGS	6
5.	INTERNAL AUDIT WORK CONDUCTED	15
	APPENDIX 1 - FINDINGS RATING	18
	APPENDIX 2 - LIMITATIONS OF INTERNAL AUDIT PROJECT	19



Private & Confidential

22 November 2024

Joanne Tasker
Risk Management Adviser
Whangarei District Council
Private Bag 9023
WHANGAREI 0148

Dear Joanne

We are pleased to share our report on the Internal Audit of data privacy controls.

In accordance with the relevant AoG Consultancy Services Order the Whangarei District Council (the 'Council') engaged BDO Wellington and Northland to undertake an internal audit over the procedures associated with managing privacy. This report sets out a summary of the work we have performed, our findings, the conclusion that we reached, and recommendations we have made.

A number of management actions have been agreed in response to our findings. We highly recommend that BDO follow up of these actions in twelve months' time. This will help provide assurance that the agreed actions have been implemented in practice.

We would like to take this opportunity to acknowledge our appreciation for the assistance and co-operation provided to us in addressing our information requests and dealing with our queries as they arose during the course of the audit.

Yours sincerely

BDO Wellington

A handwritten signature in blue ink that reads 'Mark Bewley'.

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A handwritten signature in blue ink that reads 'Adelle Wilson'.

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1. SCOPE AND APPROACH

Our internal audit has been performed in accordance with the Consultancy Services Order dated 13 September 2024.

The objective of the internal audit is to assess if Council has adequate internal policies, controls and safeguards to manage key risks associated with privacy of data.

The scope of the engagement was to document, review and where applicable test existing controls in relation to controlling and monitoring the privacy of data, specifically we considered the following areas:

- Review of WDC current policy & process with industry best practice and in particular with that of other Councils or “like” organisations.
- Consistency with the requirements of the Privacy Act 2020 including documentation of the current framework and direct liaison with the WDC privacy officers.
- Understand and assess the timing and content of training that has been provided to employees around privacy of data.
- Carry out interviews and assess controls in respect to privacy of internal data across mutually agreed WDC departments.
- Document the current process for recording any breaches of the Privacy Act that become known to WDC employees. Assess if the current process appears compliant with the Privacy Act 2020.
- Review the process around self reporting/notifying privacy breaches to the Privacy Commissioner, in particular the appropriateness of content and the timing of reporting. As part of this work we will consider completeness - i.e. what areas of Council are reporting and those that are not.
- We will carry out a light touch review in regard to the disclosure of personal information outside of New Zealand (being a new privacy principle introduced within the 2020 Act).

Specifically, it was requested that we review a number of non-notifiable privacy breaches (i.e. breaches that were not reported to the Privacy Commissioner), and any notifiable privacy breaches (i.e. breaches there were reported to the Privacy Commissioner) to consider whether the decision to notify (or not) was appropriate.

Based on our review of the above areas, we have highlighted in this report the issues identified, implications and our recommendations for continuous improvement as applicable.



Key Activities

To complete the objectives of this engagement, we have performed the following activities:

Interviewed	<ul style="list-style-type: none"> • Relevant personnel from focus areas and elsewhere within Council.
Reviewed	<ul style="list-style-type: none"> • Council policies and guidance relevant to privacy of data.
Evaluated	<ul style="list-style-type: none"> • Compliance with the agreed process and reviewed how relevant information is recorded and retained in Kete and Tech 1. Our focus in Kete was in relation primarily to the privacy register.
Tested	<ul style="list-style-type: none"> • Reviewed 30 of the most recent entries to the privacy register and all notifiable privacy events. Assessed the appropriateness of reporting and compliance with policy.
Reported	<ul style="list-style-type: none"> • Work completed and significant issues identified together with our recommendations.

BDO's reference points

We have used discussions and interviews with relevant Council management and staff as a fixed point of reference for conducting our review. The management and staff we met with included:

Interviewee	Position
Joanne Tasker	Risk Management Adviser
Emily Thomson	Manager - Democracy and Assurance
Rebecca Vertongen	Legal Counsel
Charlotte Sutton	Legal Counsel

We also held a scheduled meeting with Representatives from the following WDC Departments

Health & Bylaws	People & Capability
Information Technology	Building Consents
Resource Management Act	Customer Service
Revenue	Armourguard



2. EXECUTIVE SUMMARY OF FINDINGS

We have delivered upon the agreed scope of work and we take this opportunity to thank Council management and staff that assisted us throughout the process. The following is a tabular summary of the findings we have raised.

REF	TITLE	TYPE	RATING
4.1	Privacy Policy	Opportunity	Medium
4.2	Privacy Training	Opportunity	Medium
4.3	Employee Induction & Standard Form of Employment Contract	Risk	Medium
4.4	Code of Conduct	Risk	Medium
4.5	Privacy Reporting & Consistency	Opportunity	Medium
4.6	Access and use of Data from Alternate Sources	Risk	Medium
4.7	Reporting of Privacy	Opportunity	Low
4.8	Focus on the Future	Opportunity	Low

Positive Findings

TITLE	SUMMARY OF KEY FINDINGS
Reference to the Privacy Act 2020 and guidance from the Privacy Commissioner.	The Privacy policy and supporting documentation contained good reference back to the Privacy Act 2020. Additionally, we noted regular reference to the materials and resources issued by the Privacy Commissioner including the 13 privacy principles.
Privacy Register	We observed regular recording of privacy events/breaches. The classification between notifiable and non-notifiable appeared to be reasonable.
Culture of Reporting	During our review of correspondence saved within the Privacy Register we noted examples of senior management commending employees for reporting a privacy breach. This demonstrates a positive culture toward the importance of Privacy.

4.1 Privacy Policy

Type	Opportunity
Rating	Medium

Audit Finding:

Throughout our assurance engagement we referred to the Whangarei District Council Privacy Policy - Policy 214. As per our agreed scope we also carried out some benchmarking against policies from other organisations including Councils and Universities. We raise the following suggestions that you may like to consider when next reviewing the Privacy Policy;

- The policy is structured as a controlled document however there is no issue or review date specified.
- The policy was drafted internally by Whangarei District Council. Given the level of scrutiny placed on local government in the privacy space and the links to other legislation such as (LGOIMA), we recommend that you consider obtaining a peer review from an external legal expert at the time the policy is next updated.
- As a result of our review of the policy and with reference to some benchmarking against other and external policy documents we make the following suggestions for additional content or cross reference;
 - Define Scope i.e. applicable to members (elected & appointed), contractors, temporary staff, volunteers etc.
 - Define key roles including that of the privacy officer.
 - Statement regarding Breach of policy. (Considered to be misconduct)
 - Greater reference to other relevant legislation
- The key Council contractor we interviewed is required to sign the Council confidentiality agreement. They have regular scheduled meetings with Council and if required, matters of privacy can be discussed at this forum. We further noted that the contractor has its own privacy policy that they must comply with. We recommend that consideration is also given to reviewing this policy to assure that it fundamentally aligns with that of Council.

Implication:

The Privacy Policy is one of the key documents that is referenced when asserting compliance with the Privacy Act 2020. It is therefore important that it is a "living document" that is subject to regular review and modification as required.

Recommendations:

That the Privacy Policy - Policy 214 is formally reviewed with the above matters considered and incorporated if deemed to be appropriate.

Management Comments:

Accept - Recognising that this is an opportunity for improvements, this policy is due for a review in 2025/26. Staff consider that the recommendations are reasonable considerations and will include in the review. However given this process includes the internal legal team, a peer legal review is unlikely, an increase in training would support the recommendation relating to contractor privacy policies.

4.2 Privacy Training

Type	Opportunity
Rating	Medium

Audit Finding:

Whilst onsite we conducted a number of interviews with groups of persons representing several departments within Council. As part of this process, we observed that there is scope to improve the frequency and possibly the structure of internal privacy training.

In raising this finding, we acknowledge that WDC has some great privacy training resources and several awareness initiatives have been undertaken. Training is an area that is constantly evolving, and we make these observations in the context of an opportunity to improve.

- We received some mixed responses from employees in regard to when the most recent privacy training had taken place, where to access the privacy policy and when the last privacy awareness week was held. Additionally, we felt that some departments seemed to place a higher emphasis on the importance of privacy than others.
- Some departments conduct their own training and reminders whereas others rely upon centralised training. This is reasonable because there is a greater relevance in some departments as compared to others. It does however highlight that there is an ongoing need for regular and centralised privacy training and reminders.
- There is currently no structured monitoring of attendance at training. There could be scope to roll out automated interactive training which also records attendance.
- Privacy principle 12 was introduced as part of the 2020 Act. This requires organisations to ensure that personal information transferred overseas is adequately protected. From our interviews we perceive that this would have limited relevance within most departments, irrespective; it is likely an area that could be highlighted as part of the training material.

We raised a positive observation within this report in respect to the constructive culture demonstrated by Senior Management in regard to privacy breaches that had been reported. We recommend that this continues to be encouraged and that an ongoing emphasis is placed upon the safe environment WDC provides for reporting potential or actual breaches.

Implications:

Regular privacy training within Council is crucial to ensure adherence to the Privacy Act and internal privacy policy. This is also important to consider in the context of staff turnover and employee absences.

Recommendations:

We recommend that management review the above suggestions with a view to formalising the next privacy training roll out. We additionally suggest that the scheduling of privacy education be assessed and recorded in order to ensure uniformity of both delivery and content.

Management Comments:

Accept - Recognising that this is an opportunity for improvements, the organisation will consider this in relation to the wider Organisation training plan to commence in 2025. This should be a collaborative process between Privacy Officers and P&C.

4.3 Employee Induction & Standard Form of Employment contract

Type	Risk
Rating	Medium

<p>Audit Finding: At present, the Privacy policy, procedure, and framework is not included in the centralised employee induction process. We were advised that it is takes place during peer-to-peer training and on a decentralised basis.</p> <p>Given the importance of Privacy in a local government setting and for completeness we feel that there would be benefit in incorporating a privacy overview within the centralised induction package.</p> <p>We also observed that the standard employment agreement does not specifically reference privacy obligations or the Privacy Act 2020. (It does include a confidentiality section).</p>
<p>Implications: The decentralised approach to the topic of privacy at induction could lead to some employees either not receiving the information or not receiving consistent information. The employment contract is a useful mechanism to formally reference privacy to all employees.</p> <p>Recommendations: We recommend that consideration is given to the following;</p> <ul style="list-style-type: none"> • Centralising an introduction to privacy principles at employee induction • The inclusion of a Privacy Act clause within the standard employment contract.
<p>Management Comments: Accept - the organisation is reviewing the induction process at the beginning of 2025 and will include privacy principles in the induction. Similarly, Council will consider the inclusion of a Privacy Act clause in employment agreements.</p>



4.4 Code of Conduct

Type	Risk
Rating	Medium

Audit Findings:

As required by the Local Government Act 2002, (Schedule 7 - Clause 15), the Whangarei District Council has adopted a formal employee Code of Conduct. We have confirmed that the code is referenced during the centralised employee induction process. There is currently no requirement for employees to sign the code or otherwise evidence that they have read the document.

The code was released in July 2019, making it relatively old and predating the Privacy Act 2020.

There is reference within the document to LGOIMA and information security however no specific reference to either the Privacy Act or Policy.

Similar to the work undertaken in finding 4.1 we have undertaken some benchmarking of the Code against other local Councils and together with our observations above, note the following;

- Given the 2019 release date, we recommend that the code is reviewed and updated
- Specific reference should be made to the Privacy Act 2020
- That some form of version control or timeframe for review be incorporated (for example triennial).

Implication:

This observation should be read in conjunction with finding 4.3 which references employee induction and the form of employment contract. Consistency within formal employee correspondence is critical to help provide a robust privacy framework.

Recommendations:

That the employee Code of Conduct is refreshed with the above matters incorporated.

Management Comments:

Accept - the organisation will undertake this review in 2025.

4.5 Privacy Reporting & Consistency

Type	Opportunity
Rating	Medium

Audit Finding:

As part of our internal audit procedures, we reviewed the privacy register as contained within Kete. We make the following observations;

- There is inconsistency between departments in the number of privacy events reported. We anticipate some variation since certain areas face higher privacy of information risk. On-site interviews also revealed differing levels of acceptance and recognition of the importance/relevance of privacy principles.
- The privacy register has a field to denote if the privacy event was significant (Yes or No). All events were designated No including those that had been notified to the Privacy Commissioner.
- We noted a couple of inconsistencies in the type of information that is filed to support each privacy notification;
 - A standard form has been devised to record privacy breaches- WDC Privacy Breach Notification form. We observed regular use of this form however it is not always used.
 - Many but not all privacy breaches were accompanied by a statement by one of the privacy officers to formally conclude on the outcome of the event. Further to this we observed variety in the form of close out. I.e. in some cases it was closed out via e-mail, a brief file memo and in a couple of instances we noted a formal word summary of the assessment of the breach.

Implications:

Councils by nature operate to a large extent on a decentralised model. For this reason, it is important that there is a focus on consistency between departments as pertains to the reporting of privacy.

Recommendation:

The roll out of centralised and mandatory privacy training will be beneficial in terms of improving consistency as to the source and number of privacy events that are reported.

We also recommend that some guidelines are set around the level of expected documentation to be filed to support and close out each privacy event. The use of the privacy form should be mandatory for all notifications including those externally generated. We recommend that a brief template is agreed and adopted to formally record the close out of privacy matters that are reported.

Management Comments:

Accept - Privacy officers can discuss the development of a more formalised process and template for closing out privacy breaches in 2025.



4.6 Access and Use of Data from Alternate Sources

Type	Risk
Rating	Medium

<p>Audit Findings:</p> <p>Councils operate in a relatively unique environment where information can be collected for an individual from a variety of sources.</p> <p>It is important that when personal information is collected by Council that is obtained from the source that is relevant to the task at hand.</p> <p>This is particularly relevant when it comes to the management of names, addresses and other contact details. For example, if this is required to be changed for one department in can inadvertently be changed in other areas. This can lead to information being sent to the incorrect place. From our review of the privacy register we noted several events that seemed to be linked to this root cause. For example a rates notice being sent to an incorrect however related recipient or the linking of a person to "Associations" in the system.</p> <p>Aside from matters we observed within the privacy register, this was also highlighted to us as a risk area during several of our interviews. A further example was noted when the BDO team member conducting the internal audit received a parking infringement for exceeding the timeframe within the Forum North carpark. The reminder notice for this offence was posted to an address that had never been associated with the vehicle and to an outdated surname that had also not been associated to that vehicle. We discussed this with the relevant Council Contractor who noted that this was not the first time this had occurred.</p>
<p>Implications:</p> <p>Retrieving personal data from multiple sources can result in unintentional communication errors, potentially leading to privacy violations.</p> <p>Recommendation:</p> <p>We recommend that accessing data from the correct source be emphasised within the internal training. Also, the management of names and addresses should be reviewed with the aim of either locking down or providing additional guidance. Further, there is possibly scope to limit access to data by the use of preventative IT controls.</p>
<p>Management Comments:</p> <p>Accept - The organisation has an ongoing program of work within the TechOne environment that will mitigate this risk. A review of the Name and Address records is due to start, as part of the transition to CiA, with updates to Regulatory systems one of the first areas in the work program.</p>

4.7 Reporting of Privacy

Type	Opportunity
Rating	Low

<p>Audit Findings: There is currently no formal mechanism for the reporting of privacy breaches through to Senior Management and Councillors.</p> <p>We believe that there is merit in the regular reporting of privacy events. This will assist with awareness, transparency and potentially the tailoring of future training events.</p> <p>We envisage that the report would be a brief overview utilising the presentation of graphical data including the source of the breach/event and the nature of the data.</p> <p>A brief summary of the internal work conducted in the area of privacy developments and awareness could also be captured and reported.</p>
<p>Implications: Without a regular mechanism to report privacy events there could be a gap in the understanding or communication of the level of activity and therefore risk for Council associated with the management of Privacy of data.</p> <p>Recommendations: That a short form and quarterly reporting mechanism is introduced to communicate the quantum and nature of privacy events.</p>
<p>Management Comments: Accept - the privacy officers will discuss what to report and when, regarding privacy, next year and then begin implementing reporting.</p>



4.8 Focus on the Future

Type	Opportunity
Rating	Low

Audit Findings:

Nothing stays the same in a regulated environment. The need to regularly review and look to the future will always be applicable.

As pertains to privacy the following areas are currently topical;

- The Privacy Amendment Bill would amend the Privacy Act 2020 with the purpose of enhancing transparency. It will introduce a new notification obligation for agencies collecting personal information indirectly, ensuring individuals are informed when their personal information is obtained from a third party source.
- The uptake of Artificial Intelligence (AI) in the workforce is increasing. Whilst this is generally seen as a positive development AI can cause the improper sharing of data when it infers information from a raw pool of information. The Privacy Commissioner issued a media release and guidance in September last year.

We acknowledge from our discussions with the IT department that they are aware of the need for guidance in the appropriate use of AI.

Recommendations:

We draw the above matters to your notice to assure awareness. We recommend that the above noted areas are reviewed for completeness as part of the current work plan.

Management Comments:

Accepted and noted - these matters will be raised with the appropriate operational teams and recommendation included in future training. will raise this finding with ICT.



5. INTERNAL AUDIT WORK CONDUCTED

The following summarises the work that we conducted during our internal audit. The purpose of this summary is to provide an understanding of the areas we covered.

Scope Required	Work Completed	Conclusion
Review of WDC current policy & process with industry best practice and in particular with that of other Councils or "like" organisations (benchmarking) – we will also seek to review any OAG guidance as applicable.	Completed. Obtained and reviewed the current WDC privacy policy. We did not observe any specific OAG policy guidance however we were able to benchmark against 5 other organisations.	Several observations were noted within an opportunity for improvement finding.
Compliance with the requirements of the Privacy Act 2020 including documentation of the current framework and direct liaison with the WDC privacy officers.	Completed. We discussed the current framework and obtained process documentation. We met with the Privacy Officers to understand the documented process.	The process seems to be reasonable however we did note some inconsistency in applications and therefore raised a finding in our report in this regard.
Understand and assess the timing and content of training that has been provided to employees around privacy of data.	Completed. This was done during our meetings with the eight departments that were interviewed. Further to this we requested and received some training material and were able to access this directly through Kete also.	We raised some opportunity for improvement observations to be considered for inclusion as part of the next scheduled internal training.
Carry out interviews and assess controls in respect to privacy of internal data across mutually agreed WDC departments.	Completed. We carried out onsite interviews with 7 WDC departments and one contractor.	The outcome of these discussions were considered throughout our internal audit work.



<p>Document the current process for recording any breaches of the Privacy Act that become known to WDC employees. Assess if the current process appears compliant with the Privacy Act 2020.</p> <p>Review a number of non-notifiable privacy breaches (i.e. breaches that were not reported to the Privacy Commissioner), and any notifiable privacy breaches (i.e. breaches there were reported to the Privacy Commissioner) to consider whether the decision to notify (or not) was appropriate.</p> <p>Review the process around self reporting/notifying privacy breaches to the Privacy Commissioner, in particular the appropriateness of content and the timing of reporting. As part of this work we will consider completeness – i.e. what areas of Council are reporting and those that are not.</p>	<p>Complete. We concluded that the current process was reasonable however would benefit from some additional structure and consistency of application.</p> <p>We obtained access to the privacy register. 66 events have been logged dating back to 2021.</p> <p>From this register we selected the 30 most recent events and considered the following;</p> <ul style="list-style-type: none"> Recorded the notifying department to assess consistency Recorded the nature and type of data to assess what sort of events were occurring in practice. Checked to see if the breach notification form had been completed. Reviewed for a concluding outcome message for each event. Checked the timing of reporting versus the timing of the event. Considered if the event met the threshold for notification. <p>Further to this we scanned the balance of events and spot checked any of significance/interest.</p> <p>We located and reviewed the 3 events that have been notified to the Privacy Commissioner to date.</p>	<p>We raised a report finding in respect to privacy reporting and consistency.</p> <p>Some departments report more than others – this has been incorporated within our report</p> <p>Information only</p> <p>Report finding raised around the consistent application of this form and the documentation of an outcome conclusion.</p> <p>Generally reasonable – timing of reporting is incorporated within employee training.</p> <p>No exceptions were noted.</p> <p>No new matters were identified.</p> <p>No observations were raised.</p>
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We will carry out a light touch review in regard to the disclosure of personal information outside of New Zealand (being a new privacy principle introduced within the 2020 Act).

We discussed this with various departments during our interviews. Further to this we remained alert to any overseas correspondence during our review of the privacy register.

This would seem to have limited applicability currently to WDC however we recommended that this was added to the training material to raise awareness of the issue.



APPENDIX 1 - FINDINGS RATING

We classify our findings according to whether the matter raised represents, in our view, either a risk or an opportunity to the company. A risk is generally linked to an internal control weakness whereas an opportunity represents the identification for a potential efficiency.

To enable Management to set priorities on their action plans we will report our findings in four categories, namely, critical, high, medium and low based on our assessment of the importance of each finding.

Definitions for each category are provided below.

Explanation	
	<p>Risk</p> <p>A risk may represent a source of potential harm or negative impact.</p>
	<p>Opportunity</p> <p>Opportunities may represent sub-optimal performance or potential for an efficiency to be gained.</p>

Explanation	
	<p>Critical</p> <p>Severe breakdown in controls exposing Council to substantial risk, requiring immediate management attention and resolution as soon as practicable.</p>
	<p>High</p> <p>Significant breakdown in controls exposing the organisation to risk, requiring urgent management attention and resolution.</p>
	<p>Medium</p> <p>Breakdown in controls requiring timely management attention and resolution.</p>
	<p>Low</p> <p>Process inefficiencies or non-compliance with policies and procedures of a housekeeping nature.</p>



APPENDIX 2 - LIMITATIONS OF INTERNAL AUDIT PROJECT

This limited assurance quality assurance audit has been conducted in accordance with New Zealand Audit Standard ISAE 3000 (Revised). This quality assurance audit is limited primarily to inquiries of entity personnel, inspection of evidence and observation of, and enquiry about, the operation of the control procedures for a small number of transactions or events. This audit is designed to provide a limited level of assurance in relation to the areas included within the terms of reference. An audit providing a high level of assurance has not been performed.

The engagement was performed on the basis of the following limitations:

- As a result of the inherent limitations of any internal control structure it is possible that errors or irregularities may occur and not be detected. Further, the internal control structure, within which the control procedures that we have reviewed operate, has not been reviewed and no view is expressed as to its effectiveness.
- The engagement is not designed to detect all weaknesses in control procedures as it is not performed continuously throughout the period and the tests performed are on a sample basis. Also, this engagement does not provide all the evidence that would be required in high level positive assurance audit.
- Any projection of the evaluation of the procedures reviewed for selected processes to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.
- Our comments refer specifically to the items sampled as the level of sampling would not represent a statistical sample that would be seen to represent all Permits to Work.
- In terms of the Asbestos management plan we have validated existence however cannot comment on the quality of these reports.

The matters raised in this report are only those which came to our attention during the course of our limited quality assurance audit and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made. We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud. Accordingly, management should not rely on our report to identify all weaknesses that may exist in the systems and procedures reviewed, or potential instances of fraud that may exist. Findings within this report may have been prepared on the basis of management representations and should be read in the context of the scope of our work.

The Council should assess management actions for their full commercial impact before they are implemented. This report has been prepared by BDO Northland and Wellington for the purpose of, and with a view to access by the Council. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose.

4.5 Strategic Risks Report December 2024

Meeting: Risk and Audit Committee
Date of meeting: 4 December 2024
Reporting officer: Joanne Tasker (Risk Management Adviser)

1 Purpose / Te Kaupapa

To receive an update on the status of Whangarei District Council's strategic risks.

2 Recommendation / Whakataunga

That the Risk and Audit Committee notes the Strategic Risk Register for September 2024.

3 Background / Horopaki

A strategic risk is a major challenge that Council faces in delivering the outcomes required in its Long Term Plan. Strategic risks impact widely on the organisation as a whole and our ability to deliver on Council's strategic direction. By comparison, operational risks impact operational delivery of services. Operational risks will generally affect a subset of the organisation.

Council maintains a Strategic Risk Register that is updated quarterly by risk owners (generally the Department Manager) and reviewed by the Strategic Leadership Team before being reported to this Committee.

The Risk Management Adviser facilitates this process to ensure there is a thorough review of each risk and consideration of any newly raised or emerging risks.

4 Discussion / Whakawhiti kōrero

Some changes have been made since the Strategic Risk Register was last reported to the Committee, these include:

- SLT18 was previously called 'Data of privacy breach' and has now been separated into SLT18 'Data breach' and SLT26 'Privacy breach'.
- SLT25 'Fraud' risk has been added.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via Agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

Attachment 1 – Strategic Risk Register December 2024

Risk ID	Risk Summary	Risk owner	Because of...	There is a risk that... (i.e. How it will impede the LTP)	Leading to...	Controls in place	Risk Treatment	Risk treatment plan
SLT03	Failure to adequately prepare for an emergency management response and recovery	GM Community	<p>There is an increase in extreme weather events. New Emergency Operations Centre (EOC) staff are not fully trained yet, especially in Function training/knowledge.</p> <p>There is a need to attend ongoing trainings which can prove challenging with heavy workloads to get the commitment of staff to proceed to next level training.</p> <p>There may be more instances of EOCs being set up by Council moving forward.</p>	<p>Council fails to adequately respond to an emergency event or weather event. If the emergency management plan and climate change strategy are not comprehensive it can lead to poor resource allocation (including staff resource) in the event of an emergency, or harm to staff or the public. In the long term this could lead to under investment in infrastructure services.</p> <p>An emergency response may not be effective if there are not enough staff trained in civil defence, or if staff have not been supported to attend trainings due to other workloads.</p>	<p>Health and safety risks for the public following weather or emergency events.</p> <p>Reputational harm for Council if emergency events are not well managed.</p> <p>Challenges to achieving the LTP. Service delivery may be impacted due to staff resource being utilised for emergency services. Future financial impacts due to under investment in infrastructure.</p>	<p>Staff are trained in civil defence emergency response management. Recruitment drives for more staff as needed, and some staff are currently in the process of undertaking trainings.</p> <p>Regular and varied training opportunities are being provided for staff to attend, remaining flexible to accommodate staff fitting in training with their heavy workloads.</p> <p>The EOC set up at Te Iwitahi has been completed from Forum North and used for the power outage in June 2024. The use of Forum North Council Chambers as a backup to Te Iwitahi for the EOC are being investigated as the generator can still be used there also.</p>	Reduce	<p>Learnings identified from 2024 power outage to be actioned or adopted into processes. A new procurement plan is being developed with council approved financial delegations for key EOC staff. Some work has been carried out on changing some infrastructure reliance on power within the building to a manual override and some additional equipment has been purchased to use in the areas where there is generation. i.e. Catering facilities, additional fans for aircon replacement etc.</p> <p>A new local controller and two new local recovery manager appointments are progressing well, which will enhance the capability of any response and recovery phase.</p> <p>Exercises running an Emergency Operations Centre (EOC), and EOC function trainings are planned for the end of 2024, increase in frequency to set up EOC will result in increased competency in staff, as well as further recruitment early 2025 onwards.</p> <p>Currently NRC are leading the build a new Multi-Agency Coordination Centre which WDC will also use as its purpose built EOC in the future.</p>
SLT04	Whangarei District may fall behind in terms of climate change resilience due to lack of direction and resourcing.	GM Strategy and Democracy	<p>Lack of guidance from central government on what is required for Council to adapt to future climate impacts.</p> <p>No new initiatives for climate change preparedness, reliance on management through business as usual.</p> <p>Elected Member views and staff may be misaligned regarding climate change preparedness and resilience.</p> <p>Council's auditor Deloitte has noted that WDC is not meeting expectations in regards to climate change response, given that a climate change emergency was declared in 2019. There is a large programme of work that needs to be undertaken and only one specific staff member with climate change as a key responsibility.</p>	<p>Any work that Council undertakes in this space may end up misaligning with future regional direction (once central Government implements legislation or regulations) creating additional challenges and more work.</p> <p>While Council is meeting current regulations (which allow building in areas susceptible to climate impacts), future investment and planning decisions may be poorly planned and not consider reasonably foreseeable climate impacts.</p> <p>There may be financial impacts if we do not meet our climate change targets as we will not be able to benefit from reduced borrowing costs.</p>	<p>Potential for future climate impacts including environmental impacts and financial impacts.</p> <p>Legal liabilities where the climate impact was reasonably foreseeable and Council failed to account for it.</p> <p>Reputational harm where Council appears to not be addressing climate impacts.</p>	<p>Council has adopted a climate adaption strategy.</p> <p>Building consent approvals follow current requirements. Locations for growth over the next 30 years have been identified in the draft Future Development Strategy which also considers the risks of climate change.</p>	Reduce	<p>We accept that the pace of progress will be slow due to resourcing. But are reducing the future impacts by mainly focusing growth outside of risk areas (draft FDS) and resourcing work to better understand flooding in the CBD.</p> <p>Programme Manager - Climate Adaptation is progressing the climate adaptation programme. A climate adaptation policy to be developed.</p> <p>The Government has announced their climate change targets including - infrastructure is resilient and communities are well prepared, credible markets support the climate transition, clean energy is abundant and affordable, world-leading climate innovation boosts the economy, nature-based solutions address climate change. These targets provide useful guidance on central government's expectations that can assist future planning.</p>
SLT05	Inability to meet 2024-34 financial strategy	GM Corporate / GM Strategy & Democracy	<p>Public scrutiny and level of pushback due to large increase in year 1 of LTP. Up and coming elections will likely put additional pressure on Elected Members to reconsider whether proposed rates increases for Year 2 of the LTP are appropriate. Problems and/or opportunities will also emerge during the year, if these are addressed without corresponding offsets these could also compromise the Financial Strategy</p>	<p>Elected Members change tack from the proposed rates increases which have been set to achieve a strong financially prudent financial strategy that allows Council to achieve an Everyday funding position by year 4. This will trigger a revisit of the financial strategy, re-consultation, potential downgrade to credit rating, programme cuts, reduced levels of service, impact on debt and future financial position of Council. A large reduction in the proposed rates increase may trigger an LTP amendment. Decisions that lead to significant changes to budgeted expenditure (whether operational, capital, or grants to external parties) could also compromise key objectives, such as Balanced Budget.</p>	<p>Serious financial harm to organisation, with increased debt levels likely and inability to meet targets set within the LTP. Likely reputational harm if the community are unhappy or don't understand the reasons for the rates increases, or as a result of services being cut.</p>	<p>Annual Plan briefing scheduled for August 2024 to set the scene for the Annual Plan. Project Sponsor will need to ensure risks involved with deviating from the LTP are well understood by EMs. Need to reaffirm the financial parameters and reasons for them. In the interim all agenda items must have detailed analysis of the financial implications for Elected Members to consider in their decision making.</p>	Reduce	<p>This will need to be addressed and managed throughout the development of the Annual Plan and ongoing monitoring of financial performance throughout the year.</p>

Risk ID	Risk Summary	Risk owner	Because of...	There is a risk that... (i.e. How it will impede the LTP)	Leading to...	Controls in place	Risk Treatment	Risk treatment plan
SLT08	Council is liable for a wrong decision made under legislation	GM Planning and Development	Wrong decisions can be caused by human error or mistakes. Changes in compliance requirements and/or increased growth pressures creates significant work for regulatory teams, resulting in an environment where mistakes or wrong decisions are possible. A lack of information can also lead to a wrong decision.	Staff or contractors may make a mistake or wrong decision on an approval or issuing a consent. Wrong decisions may be made due to a lack of information such as unstable land hazards which are not fully captured in our processes, leading to potential for developments to be built on unstable land. This could result in legal proceedings and an insurance claim against our professional indemnity insurance. This insurance coverage is challenging to obtain and comes with high premiums, high excesses, and a set loss limit. A major claim could cost both our insurer and the Council (covering any excess or costs above the loss limit) a lot of money. Historically these claims have been costly to NZ local government sector.	Wrong decisions can result in legal liabilities and this includes the associated costs. Any insurance claims made can impact future insurance premiums and insurability due to creating a poor claims history, making it harder and more expensive to obtain coverage. Lack of confidence in council and reputational harm from poor decisions. Workload pressures and staff retention challenges.	Reports and decisions required to be completed by suitably qualified and experienced persons based on level of risk or hazard. Professional indemnity insurance coverage. Two quotes were obtained by different brokers in 2024 which confirmed that current arrangements are the better option. This helped ensure Council receives the best value for money on this policy.	Reduce	Moderate to high risk hazard reports are likely to be peer reviewed by an suitably qualified and experienced contractor. Where council does not have the internal capability to review a specialist engineering report, a suitably qualified contract may undertake the review on behalf of council. Where compliance action is being considered compliance processes must be followed to ensure consistency and mitigate the risk of compliance action not withstanding scrutiny.
SLT09	Council is unable to deliver on the capital programme	GM Infrastructure	Service levels and quantum of works for delivery of the capital programme in the LTP do not match the resourcing levels provided within the Delivery teams who manage programmes and construction projects for all of council. Pressure continues to increase the number of projects delivered, however the manager and team leader are not sufficiently resourced to manage additional external project managers on contract. A low level of staffing and difficulty employing enough contractors raises challenges to achieving the capital programme, as well as increasing pressure on internal staff. This risk interrelates with and directly impacts SLT12, SLT11, SLT13, SLT19, SLT08, SLT05, and SLT03.	There is a risk that the capital programme is not achieved and continually delayed including increased amount of carry forwards. There may be a qualified audit opinion. Council's credit rating could be impacted, affecting total borrowing capacity. Increased costs and service delivery challenges places pressure on the capital and maintenance programme. This can result in budget overruns, quality control challenges, poor delivery, and the need to urgently rationalize overall programmes.	Reputational harm as expected service levels cannot be met. Project delays. Contract obligations not met, legislative obligations not met, contract variations increase, design issues not picked up, longer construction timeframes, higher costs, Council's health & safety obligations as PCBU not adequately managed, incidents likely to increase, quality of delivery decreases, professional staff more likely to leave due to unmanageable risks.	Updated work programs. Reports and progress updates provided to the Council. Reviewing carry forwards to ensure practicality. Resources have been increased through additional Contract staff, but only for up to 12 months at a time which poses significant resourcing risk at the end of each contract term in the event that contracts are not extended. Alternative procurement approaches have been adopted resulting in increased levels of renewals being undertaken.	Reduce	Service levels are set through the Long Term Plan. General Manager of Infrastructure, and managers in Infrastructure Group can clearly outline the impact and any changes to service levels required. Despite this the number of projects has increased but not the number of FTE's for delivery. This risk is being reduced to the extent possible within financial budget constraints and considering the level of staff. For this reason it is unlikely that current risk treatments will be enough to mitigate the risk fully. Project Lifecycle Management system implementation delayed until February 2025.

Risk ID	Risk Summary	Risk owner	Because of...	There is a risk that... (i.e. How it will impede the LTP)	Leading to...	Controls in place	Risk Treatment	Risk treatment plan
SLT11	Māori Relations	GM Strategy and Democracy	<p>Representation defaulting to certain groups (e.g., Te Huinga, Te Kārearea or Māori Ward Elected Members) poses a risk to the agency of mana whenua and hapū.</p> <p>For whānau: There are cases where whānau or genealogical lines are the mana whenua, so marginalization could ignore the unique interests and responsibilities of whānau in decision-making.</p> <p>For hapū: Lack of proper consideration for hapū not engaged with Te Huinga or Te Kārearea could lead to accountability and representation issues, split delegations, and inconsistent engagement practices.</p>	<p>The quality of engagement with Māori may be low. There may be relationship issues between Council and Māori, whānau, or hapū. This presents a risk of Council not capturing the agency of hapū and iwi which could affect the quality of the cultural lens on the LTP.</p>	<p>Reputational damage; complaints and conflicts within Māori communities; media scrutiny; legal challenges; strained or damaged relationships with whānau, hapū and iwi. Failure of Council decision making to consider Māori views.</p>	<p>Māori Outcomes department providing ongoing advisory support to maintain balanced and appropriate engagement across all activities and functions in the absence of a formal Engagement Framework.</p>	Reduce	<p>Enhance WDC's capacity to engage inclusively with whānau, hapū and iwi through the formalization of engagement processes to ensure effective consultation and decision-making pathways for Māori.</p> <p>Engage mana whenua, hapū, and Te Huinga quarterly to discuss matters of importance to tangata whenua and Council.</p> <p>Conduct an annual Māori survey to monitor outcomes.</p> <p>Complete a Tiriti audit by June 2027 and implement its recommendations.</p>
SLT12	The level of staffing is too low to meet set service levels	GM People and Capability.	<p>Limited budget for staffing combined with high staff workload expectations. A lack of work force resilience built into plans and service delivery.</p> <p>High community expectations put pressure on staff. We see low tolerance from the community for perceived delays, and an expectation that Council will operate at a fast pace.</p> <p>Central Government reforms can require significant work from staff beyond their regular roles.</p> <p>Staff good will is starting to deplete.</p> <p>Limited workload capacity and experience available to cover other staff when they are on leave.</p>	<p>There is a lack of capacity to meet business as usual as well as unexpected or unplanned work, leading to overall staff tension, high turnover, lack of capacity to deal with unusual events, poor advice and reactive decisions.</p> <p>Lack of ability in teams to provide cover when staff are on leave or unwell, meaning that progress can stall.</p>	<p>Challenges to achieve service levels, potential for community dissatisfaction with services and reputational harm.</p> <p>Impact on existing staff health, safety and wellbeing due to workload expectations.</p> <p>Ongoing cycle of staff dissatisfaction leading to high turnover. Loss of organisational knowledge and experience.</p>	<p>Processes, policies, and procedures for hiring and recruitment. Strong organisational values and image as a good place to work.</p> <p>Remuneration package includes salary and benefits including medical insurance. Regular staff catch ups with their direct manager to monitor workloads. Training opportunities and onboarding of new staff. Current controls are not having the desired effect to sufficiently lower this risk.</p>	Reduce	<p>Council is in the process of undertaking an organisational review where we are looking at the allocation of staffing and functions. Some additional resource will be allocated through this process where the need is greatest. Staff have been involved in consultation on this proposal to receive their feedback and some of their suggestions have been incorporated into subsequent drafts of the organisational review document.</p>

Risk ID	Risk Summary	Risk owner	Because of...	There is a risk that... (i.e. How it will impede the LTP)	Leading to...	Controls in place	Risk Treatment	Risk treatment plan
SLT13	Low trust between staff and Elected Members leading to poor decision making	GM Strategy and Development	A lack of focus on maintaining a robust relationship between Elected Members and staff. Poor information in agenda reports or poor understanding (or misunderstanding) of that content and its risks and impacts. Rushed agenda reports that may be underdeveloped. Impacts not fully understood or articulated to Elected Members. Low trust can also be caused by risk SLT20 relating to conflicts of interest.	There is a lack of trust between Council staff or management, and Elected Members. This can lead to increased frustration and dissatisfaction, which can effect staff outputs or Elected Member decisions. There may be delays to delivery of services or projects where Elected Members require further work before making a decision. This leads to challenges on delivering the LTP.	Poor decision making, inefficiencies and duplicated work. Reputational damage for the organisation. Relationships deteriorate to the point of staff turnover.	Report writing training provided to staff as needed. Reports written by staff are reviewed by the manager, general manager, and CE. This should capture any ambiguity within the recommendations. Agenda deadlines are set to allow time for reports to be appropriately written and reviewed. Relationship and communication between senior leadership and Elected Members appears to be improving as a result of the LTP process. A new measure has been added to the latest LTP to measure the percentage of recommendations that are not altered by amendment in Chambers for reason of ambiguity. This will help track the quality of staff reports/ recommendations, with a target of 95%.	Reduce	Continue building strong relationships and providing reasoned reports with sound analysis that are reviewed by senior leadership team. Monitor this risk as we near 2025 Elections.
SLT14	Council Controlled Organisations are not performing as expected	GM Infrastructure & GM Strategy and Democracy	High expectations with minimal support provided to CCOs. Performance monitoring of CCOs is predominately comprised of the formal appointment of trustees and review of the statement of intent, rather than comprehensive relationship building. Council does not currently have internal resource for CCO performance monitoring or stakeholder management. Council has unrealistic expectations for performance of our CCOs, given that most CCO trustees or directors are part time, voluntary, unpaid roles. There is limited funding provided for CCOs.	CCOs fail to meet expectations of Council and the community. They may not operate to best practice for this type of organisation, and the outcomes achieved may not support the performance measure within the LTP. The public are aware of the connection between Council and CCO's and see the services provided by our CCO's as an extension of Council business.	CCO's underperforming could cause increased costs to Council. CCO's are connected, in the ratepayers view, with Council and therefore Council may suffer reputational harm if CCO's consistently underperform. CCOs may not meet their obligations under the LGA.	CCO Good Governance and Accountability Framework (although no education on this). Process for appointment of directors or trustees to CCOs. Legislative reporting requirements. Issues affecting a specific CCO are worked through and reported to Council through agenda papers.	Reduce	Some of the funding concerns have been addressed in the LTP. However consideration should be given to providing other support mechanisms to our CCO's and their boards. This could be additional resource to provide advice, and training for their boards. The WDC structure change proposal includes a proposed CCO Adviser role to help address this risk. CCO issues or trustee/director appointments are currently worked through as the need arises, however additional support to the CCO's in the make up of their boards, and good practice would assist to raise the professionalism of these organisations. At the end of each calendar year a Statement of Expectations is developed by Council and provided to the CCO to clearly outline Council's expectations of the CCO for the upcoming year.

Risk ID	Risk Summary	Risk owner	Because of...	There is a risk that... (i.e. How it will impede the LTP)	Leading to...	Controls in place	Risk Treatment	Risk treatment plan
SLT17	Inefficient delivery of the Council's roading function	GM Infrastructure	<p>The NTA structure was a multi-council collaborative shared services business unit. There were challenges and inefficiencies due to the use of multiple systems, processes, and delegations for the different Councils.</p> <p>To address these issues the decision has been made (following a 17A review) to transition NTA into an in-house WDC Roding Department. While this change addresses risks related to NTA structure additional risks may arise throughout this transition process.</p>	<p>Risks identified in the s17A Report include</p> <ul style="list-style-type: none"> - Loss of key staff and skilled resources - Limited capacity across Councils leading to reduced resilience to cover staff absences - Challenges in recruitment - Duplication of staff across the Region - Reduced confidence from Waka Kotahi (noting possible reduction in quality of Strategic AMP) reduces funding 	<p>Inefficiencies while in transition from NTA to Roding Department. Impact on LTP services and potential delay. Reputational harm for not managing Northland roads effectively.</p>	<p>Detailed roading maintenance programme.</p>	Reduce	<p>Staff are now working to WDC systems since 5th August 2024 with transition from NTA structure and systems complete by the end of the year.</p> <p>It is noted that the delivery of roading services may be impacted in both the short term (as we transition from the NTA to an in-house WDC roading department) as well as in the longer term. The organisational structure change will create a Transportation department within the new Transportation and Community Infrastructure Group.</p>
SLT18	Data breach	GM Corporate	<p>Information held by Council (or held by a contractor on behalf of Council) may be accessed without authorization (e.g. a cyber breach, hacking, or employee browsing), or mistakenly or accidentally disclosed to a third party.</p>	<p>A cyber security threat breaches or hacks Council systems. Council systems could be shut down and data could be corrupted or inaccessible. Data may be 'leaked' to the public or media where it cannot be contained or retracted.</p> <p>Confidential Council information may be accessed and disclosed without authorization. This could include commercially sensitive information or legally privileged information.</p>	<p>Information may be used to cause financial harm to Council</p> <p>Confidential information may be released which could impact contracts and procurements, ongoing legal matters, or other decisions of Council.</p>	<p>ICT monitoring of data breaches. Monitoring and notification of data breaches by external service and third party. Security software for Council systems, such as internal and external firewalls, anti-malware, antivirus and multifactor authentication.</p>	Reduce	<p>Council are undertaking an assessment of controls based on the Australian Signal Directorate's Essential 8. Training planned on the risks of artificial intelligence and how these programmes can contribute to data breaches.</p> <p>Continual review and monitoring of data security and implementation of process improvements where viable.</p> <p>Review vendor/contractor security and privacy posture, including standards and processes during procurement and contract renewal.</p> <p>Considering developing a data breach response plan or standard operating procedure that could be part of cyber security incident planning.</p> <p>Ensuring our data and information, is classified, known, and protected anywhere on any system or device.</p>
SLT19	Failure of critical assets	GM Infrastructure	<p>Unforeseeable events such as natural disasters, power outages, physical damage, system hacking, machinery or part failure, etc.</p> <p>Compromised stability or functionality of an asset as a result of previous damage or current repairs.</p> <p>Deprioritisation of asset or system maintenance (often due to lack of staffing capacity and competing workloads).</p> <p>Funding for condition assessment, risk modelling and is not prioritized.</p>	<p>An important or critical asset or system could be compromised or fail, such as: waste water treatment plant, water treatment plant, landfill, Airport, Parihaka transmission mast, certain roads or bridges, Te Iwitahi, a critical Council ICT system etc.</p>	<p>Health and safety risks to the community where certain assets fail.</p> <p>Financial impacts where assets need significant unplanned repairs.</p> <p>Serious disruption to service levels.</p> <p>Public frustration and potential reputational harm.</p>	<p>Controls vary depending on the asset but include detailed planning documents such as safety plans, continuity plans, strategies, processes and procedures.</p> <p>Compliance with regulation and law.</p> <p>Insurance cover for buildings.</p> <p>Asset maintenance prioritized on critical assets, and asset management plans in place to manage renewals and</p> <p>Generators at certain sites such as water treatment plants.</p> <p>Professional reports may be undertaken as needed for an asset, such as an engineering report.</p> <p>Parihaka mast made safe, is being continuously monitored to assess the risk, and next steps planned.</p>	Reduce	<p>Continue following current processes. Plans and risk treatments are updated as improvements are identified, and regularly reviewed.</p> <p>Asset Management plans updated and Asset Management improvement plans in place to address gaps including improving data.</p> <p>Problems dealt with as they arise. Staff work programmes such as asset management and maintenance, and working with Hapu on Parihaka transmission mast.</p> <p>Council membership of Northland Lifelines Group.</p>

Risk ID	Risk Summary	Risk owner	Because of...	There is a risk that... (i.e. How it will impede the LTP)	Leading to...	Controls in place	Risk Treatment	Risk treatment plan
SLT20	Conflicts of Interest	GM Strategy and Democracy	Conflicts of interests, or poor management of interests, such as an interest in a property, business opportunity, relationship with a stakeholder or other interest (whether financial, non-financial, self-interest, or an indirect interest of a family member or associate).	Decisions of Council will not meet the expectations within the LGA. These are the principles that a local authority will conduct it's business in an open, transparent, and democratically accountable manner. Decisions may be challenged or have undesirable impacts, which could have a long term effect.	Reputational harm and loss of public trust. Deterioration of relationships with staff, Elected Members, or stakeholders. Decisions made where conflicts of interest are present may have financial implications.	Elected Members Code of Conduct & Employee Code of Conduct. Ensuring appropriate minuting of meetings to clarify resolutions made by Council and Committees. Annual register of interests completed by Elected Members and Senior Leadership Team. Management plans put in place when a staff member raises a potential conflict due to an interest that they have outside of work.	Reduce	Following the next elections there will be training and on boarding for Elected Members including conflicts of interest.

Risk ID	Risk Summary	Risk owner	Because of...	There is a risk that... (i.e. How it will impede the LTP)	Leading to...	Controls in place	Risk Treatment	Risk treatment plan
SLT22	Reliability and integrity of LTP Performance Measures	GM Strategy and Democracy e & GM Corporate	<p>Staff input the results of LTP performance measures and these are reviewed by our external auditor each year as part of the Annual Report process.</p> <p>For many performance measures there is no succession planning or recorded process methodology.</p> <p>There is no dedicated resource for working with staff one-on-one to conduct pressure testing of performance measures and ensure the process and methodology is appropriate and can be recreated.</p>	<p>Our external auditor is unable to recreate the same results. They may issue an adverse audit report and this may erode trust between Council and our auditor which can impact future audits.</p> <p>We may not meet our performance measures, which could breach legislation (for statutory performance measures). Statistics and data input by staff may be incorrect.</p> <p>The cost of our audit may increase significantly and require much more work for both the auditor and staff whose BAU work is then impacted.</p>	<p>Increased audit costs.</p> <p>Impact on BAU services as staff are required to prioritise assisting the audit process.</p> <p>Harm to relationship with our auditor and reputational harm for an adverse audit report.</p>	<p>Most areas require a sign off authority that is different to the person inputting the performance measure statistic, allowing a double check. However, some areas do not have this separation.</p> <p>Project Manager - Corporate Planning has provided commentary of the previous year and sent this to staff to assist in completing the data. Managers will get the commentary to review alongside the performance measures. Together this will allow a double check</p>	Accept	<p>Plan to require General Manager sign off after Department Manager sign off.</p> <p>There are a lot of new performance measures for the current LTP, so this is a good time to implement and map out new processes to track performance measures. This will ensure that the methodology is understood for future years and can be recreated.</p> <p>We need to prioritise resourcing in a way that can ensure these measures are input accurately. The current proposal for the organisational restructure suggests a new role for Corporate Planning Manager to help address this risk to a limited extent. It still requires dedicated resourcing.</p>
SLT25	Fraud	GM Corporate	<p>Fraud involves intentional deception to gain something of value, usually money. One commits fraud through false statements, misrepresentation, or dishonest conduct intended to mislead or deceive. Fraud risk refers to the possibility of financial loss due to the intentional deception. Fraud could be committed by a staff member, Elected Member or an external individual or group.</p>	<p>After an investigation Council may discover that it suffered a financial loss or loss of resources. Depending on the extent of the fraud the following may be required:</p> <ul style="list-style-type: none"> -Police investigation -Serious Fraud Office investigation -Employee misconduct process -Elected Member Code of Conduct investigation -Attempt to recover lost funds or assets 	<p>Financial loss. Damage to Council's reputation. Police investigation or legal action. Increased scrutiny by Office of the Auditor General.</p>	<p>Fraud and Whistleblower Policy outlines the process for reporting and investigating fraud, and allows for anonymous reports of suspected fraud to be made, clearly outlining the protections available for staff who make reports. The current policy is out of date (although content is still applicable) and is being updated.</p> <p>Internal controls, systems, and processes across Council. Clear processes for financial transactions and procurement. Need for 'one up' approval of purchases, as stated in the Delegations Policy.</p> <p>Staff Code of Conduct and Elected Members Code of Conduct.</p> <p>ICT cybersecurity systems and processes, and regular Friendly Phishing training for staff.</p>	Accept	<p>Recommended improvement actions from the Delegated Financial Authority internal audit are in the process of being implemented.</p> <p>The Fraud and Whistleblowers Policy is being reviewed and updated.</p> <p>Fraud Awareness week (17-23 November) to be used as a way to increase staff knowledge of fraud and fraud reporting processes.</p> <p>Elected Member training on conflicts of interest following 2025 Elections.</p>

Risk ID	Risk Summary	Risk owner	Because of...	There is a risk that... (i.e. How it will impede the LTP)	Leading to...	Controls in place	Risk Treatment	Risk treatment plan
SLT26	Privacy breach	GM Strategy and Democracy	<p>Council holds a lot of personal information about members of the public. Someone's personal information could be disclosed to another person either by mistake (e.g. a missent email) or deliberately (e.g. employee browsing).</p> <p>Council contractors holding information on behalf of the Council could similarly disclose personal information to a third party and commit a privacy breach.</p>	<p>A person's privacy is breached by the disclosure of their personal information to another person.</p> <p>A privacy breach could cause serious harm to a person where the information is sensitive (e.g. health information, complaint information, financial information, etc.) or where the information is disclosed to someone who might use it for harm.</p>	<p>Health and safety risk to the member of the public.</p> <p>Reputational harm to Council.</p> <p>Privacy breaches likely to cause serious harm must be reported to the Privacy Commissioner. The Commissioner may impose penalties/fines.</p>	<p>Council has two privacy officers who investigate any privacy breaches identified internally or reported by customers.</p> <p>Any privacy breaches that may reach the serious harm threshold are reported to the Privacy Commissioner.</p> <p>Internal process for reporting privacy breaches, and investigating privacy breaches.</p> <p>Staff training on privacy law through annual privacy week events, and ad hoc training sessions with teams or departments.</p>	Reduce	<p>Internal audit on Privacy is underway and the final report is likely to be completed and reported to Risk and Audit by the end of 2024.</p> <p>Actions from this internal audit will identify any areas for improvement, which will be actioned moving forward.</p>

4.6 Operational Risk Report December 2024

Meeting:	Risk and Audit Committee
Date of meeting:	4 December 2024
Reporting officer:	Georgina Ellis (Business Integrity Administrator) Joanne Tasker (Risk Management Advisor)

1 Purpose / Te Kaupapa

To receive an update on Whangarei District Council's current risk profile of Operational Risks

2 Recommendation / Whakataunga

That the Risk and Audit Committee notes the December 2024 Operational Risk Update.

3 Background / Horopaki

An operational risk is an operational challenge to delivering Council services. Operational risks with a critical risk rating are provided to the committee in detail due to the particularly high likelihood of occurring, or a particularly high impact if the risk was to occur.

The quarterly Operational Risk update gives an overview of current operational risks, providing assurance to the Risk and Audit Committee that risk controls are strong and effective.

The following sections are not included in the update, they are provided separate to the Risk and Audit Committee:

- Health and Safety Risks
- ICT Risks
- Strategic Risks

Only the Critical Operational Risk Details are provided as Attachment One.

4 Discussion / Whakawhiti kōrero

The report is developed quarterly following a review of the organisation's operational risks. This review is completed by the Assurance Team through discussion with departments who are the subject matter experts alongside the Department Managers.

Operational risks are updated in the Group Risk Registers by Department Managers, and the Assurance Team reviews the data and consolidates it into the Risk Report.

At the time of reporting there are six operational risks assessed as critical.

Critical risk Com83 has been upgraded from high to critical. This has increased due to financial risks that have recently re-emerged. The General Manager of Community will be available at the Risk and Audit Committee Meeting to address this issue.

An additional subdivision risk is currently being investigated and further detail will be put to either the Council or the Infrastructure Committee in due course.

Council's current Critical Operational Risks are as follows:

Risk ID	Risk Rating September 2024	Change	Risk Rating December 2024
INF48 Prolonged Inability to Supply Water	Critical	-----	Critical
INF59 Risk of Contaminated Water	Critical	-----	Critical
INF109 Private Stormwater Attenuation Devices Compromised	Critical	-----	Critical
INF112 Effluent Discharge Risk to Public Health	Critical	-----	Critical
DS35 Difficulty/inability obtaining insurance	Critical	-----	Critical
Com83 Unbudgeted Funding to the Whangarei Art Trust	High	↑	Critical

The risks, low, medium and high move up and down by small percentages as they are assessed and reviewed regularly. Approximately 65% of the assessed low, medium risks across Council are currently within the Committee's risk appetite, meaning it is an acceptable level of risk to carry. It shows that the risk controls are likely working well.

Since developing this report there was an event at Council Pūtahi Park water feature in which the water recycling malfunctioned. The filtration system developed a fault, and the system has been rebalanced and restarted, with an increased water quality testing schedule.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matter of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via Agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

Attachment 1 – Operational Critical Risks

CRITICAL OPERATIONAL RISK DETAILS

The current critical operational risks are explained in detail below. These risks have been reviewed and updated by department managers.

Four critical risks reside within the Infrastructure Group and could have serious health and safety impacts if the risk were to occur. These critical risks relate to access to clean drinking water, treatment of wastewater, and flooding. One critical risk reside within Strategy and Democracy Group and Community Group and upgraded The Whangarei Art Trust becoming insolvent back to critical after request to review rating.

Operational Critical Risks

<i>Risk Details</i>	<i>Risk Description</i>	<i>Controls</i>	<i>Risk treatment plan</i>
INF48 Water Services, Infrastructure Likelihood: Possible Impact: Catastrophic	Prolonged Inability to Supply Water An event such as a power outage, seismic event, prolonged drought, dam failure or truck main failure could result in Council being unable to meet service levels due to a water shortage and prolonged inability to supply portable water. This could lead to reputational damage and health and safety concerns to the public.	Controls in place: <ul style="list-style-type: none"> • Demand management strategy. • Network maintenance strategy. • Compliance with NZ dam safety guidelines and comprehensive dam safety review 5 yearly. • Emergency action plan understood by stakeholders and contractors. • Consent renewals for intakes (rivers, streams etc). • Northland lifeline group has created a register of all critical sites in Northland including a fuel plan. 	Contingency plans are maintained including specific requirements of key customers on the basis that outages are likely to be in pockets rather than widespread issues (widespread would be addressed by drought planning). Generators at key sites. The following projects are planned: <ul style="list-style-type: none"> • Fairway drive pump station upgrade to include connection point for a generator. • Whau valley dam chimney drain project. • Wairau river source and treatment at Porotia water treatment plant upgrade. • Generator for Ahuroa Water treatment plant.

<p>INF59 Water Services, Infrastructure</p> <p>Likelihood: Unlikely</p> <p>Impact: Catastrophic</p>	<p>Risk of Contaminated Water</p> <p>Members of the public could become sick from water borne organisms where water is contaminated or untreated.</p> <p>This could lead to fatalities, particularly for the young and aged who are most at risk. It could cause many people and animals to become sick.</p>	<p>Water safety plans are in place for all water treatment plants.</p> <p>Water is fully treated. All key parameters continuously monitored. Any anomalies trigger an alarm which is promptly responded to by a water technician.</p> <p>Regular sampling, testing, and monitoring. Staff are well trained and highly competent.</p>	<p>Upgrade Poroti water treatment plant and consider upgrades of other water treatment plants to ensure multiple barriers meet new standards and rules.</p> <p>Water safety plans are in place and are regularly reviewed.</p>
<p>INF109 Waste and Drainage, Infrastructure</p> <p>Likelihood: Likely</p> <p>Impact: Major</p>	<p>Private Stormwater Attenuation Devices Compromised</p> <p>Due to possible interference with stormwater attenuation devices (e.g. private attenuation tanks), there is a risk that attenuation function is compromised, and there is an incremental exceedance of network capacity over time.</p> <p>This may lead to an increased risk of flooding due to high discharge into the stormwater system during large rain events.</p>	<p>Monitoring and compliance by Council not currently pursued.</p>	<p>Council to investigate community engagement and compliance program to maintain function of attenuation tanks. Investigation project is currently underway.</p>

<p>INF112</p> <p>Waste and Drainage, Infrastructure</p> <p>Likelihood: Likely</p> <p>Impact: Major</p>	<p>Effluent Discharge Risk to Public Health</p> <p>Poor performance at wastewater and stormwater sites can lead to discharge of untreated effluent. This may result from extreme weather events. It could lead to seafood contamination and public health concerns.</p>	<p>Discharge testing is conducted by Council and Northland Regional Council. There is investment in high flow treatment in problem areas. Network assessments and planning assessments are conducted to identify problem areas and address them.</p> <p>Northland Regional Council communication following weather events regarding swimming safety.</p>	<p>Continue to improve the network and target problem sites.</p> <p>Northland Regional Council have identified that they expect Council to apply for a Network Resource Consent. A consultant has been engaged to help deliver this, targeting quarter 4 of 2024 for delivery.</p>
<p>DS35</p> <p>Democracy and Assurance, Strategy and Democracy</p> <p>Likelihood: Possible</p> <p>Impact: Major</p>	<p>Difficulty or Inability Obtaining Insurance</p> <p>A hard insurance market (domestically and internationally), alongside poor claims history. Increased weather events leading to less desire from business to insure Councils.</p> <p>Professional indemnity insurance is challenging to obtain due to the NZ Legal system and case law, meaning this coverage is high risk for insurers.</p>	<p>Insurance policy and Framework to provide direction and prioritization.</p> <p>Annual review of all policy coverage in advance of the insurance policy renewal.</p> <p>Insurance broker to provide advice and place coverage on our behalf.</p> <p>Collection of accurate assets information and values to improve insurability.</p>	<p>Review of above ground assets on our material damage policy to occur in advance of the 1 November 2024 insurance renewal.</p> <p>Asset valuation year 3 occurring in 2025</p> <p>Consideration of whether Building or subdivision consents should be an internal audit topic to improve risk controls for potential future professional indemnity claims.</p>
<p>Com83</p> <p>Community Group</p>	<p>The Whangarei Art Trust becoming insolvent.</p> <p>Negative financial situation and insolvent financial forecast through Statement of Intent and half yearly reporting 2023/2023 onwards.</p>	<p>Reporting to Community Development Committee. Reporting to the Risk and Audit Committee and raising the topic during long-term plan discussions.</p> <p>Documenting the risk in the risk register so that it is monitored and managed.</p>	<p>On recruitment of a CCO Principal Advisor staff member, further investigations will be undertaken into mitigation of this risk</p>

Likelihood: Likely	If the Whangarei Art Trust becomes insolvent, the Council will have to fund the facility with unbudgeted funding unless funding is included in the annual plan 2025-2026		
Impact: Major			

4.7 Health and safety risks – December 2024

Meeting:	Risk and Audit Committee
Date of meeting:	4 December 2024
Reporting officer:	Desarae Williams (Health and Safety Manager)

1 Purpose / Te Kaupapa

To inform the Risk and Audit Committee about health and safety risks, any issues arising since the previous meeting affecting these and the measures in place to mitigate those risks at the Whangarei District Council workplace.

2 Recommendation / Whakataunga

That the Risk and Audit Committee notes the health and safety report and reported risks.

3 Background / Horopaki

Elected Members have a legal obligation to be aware of the critical health and safety (H&S) risks within an organisation, and to ensure these are being managed and the risks minimised. Also, to understand and verify that the organisation has robust health and safety (H&S) processes and systems in place.

4 Discussion / Whakawhiti kōrero

Executive Summary

These are key items that Elected Members (EMs) should note as important from this report;

- The top critical health and safety risks provided in Attachment 1.
- The annual health and safety self-assessment report is in Attachment 2, showing a 1% drop in score from 2023, with a total scoring of 91%.
- The new health and software (Assura) has been successfully implemented and is working well. There are several new items in the reported made possible by our new system. There are a number of actions that have not been completed on schedule. As with any new system, people are still getting used to it and all actions that are due are being monitored and followed up. This type of health and safety monitoring was not previously available or practical.
- Budget information as requested by the committee is included for; Employee Assistance programme (EAP) costs and the status of the health and safety budget.
- Aggressive person incidents continue to be problematic, particularly at the libraries.

Top critical health and safety risks affecting Council workplaces.

Our critical health and safety risks are listed in Attachment one of this report. These show the risks and the key controls and what we have actioned since the last report, including any perceived gaps in our defences. Changes from the previous report are shown in italics.

Hazard and risk reviews

We have a number of generic Council health and safety risks in our health and safety system that are managed by the H&S team and location hazards that are managed by the departments. We also have a safety observation area where staff can report new hazards that can be remedied in the short term. If longer term monitoring is required that hazard is entered into the location hazard area.

Risks		Location hazards	
Total health and safety risks identified.	58	Total health and safety location hazards identified.	205
Total number of critical risks identified	10	Total new hazards identified from safety observations, <i>that can be remedied quickly</i> July to November 18, 2024.	10
Total new health and safety risks identified, since the last meeting.	5	Total new location hazards entered into system since last meeting.	114
Total number of overdue risk reviews.	0	Total overdue hazard reviews as at 22/11/24	49
Risks reviewed since last meeting	11	Hazards reviewed since last meeting as at 14/11/24	90

Table 1: Update on health and safety risks and hazards

Changes to legislation affecting health and safety

There is new legislation - New Zealand Gang Law, 2024 that has been enacted that could affect us. The law is specific about gang members not being permitted in public places wearing gang insignia and includes the powers of the police to disperse small groups of gang members in public places

Compliance risk - Asbestos

As noted in previous reports not all Council owned buildings have been surveyed for the presence of asbestos or have a current asbestos management plan. We have sought legal advice on this matter to ensure we manage any compliance risk. We have a plan in place to work through this by the end of 2025. A project has been set up to manage the plan with an Asbestos Assessor now working on undertaking asbestos surveys on a number of Council owned properties. The surveys will be undertaken by priority, with our workplaces currently underway, followed by tenanted properties and other defined properties. Our ground lease properties will not require asbestos surveying. The newly formed Property department will manage this once it is operational. It is intended progress on this will be reported in the monthly Corporate operations report going forward.

Public safety risks

The General Manager – Infrastructure, has been concerned about public safety risks. These can include locations in the district where we have put signage and /or barriers to alert the public to safety risks on site. When we utilise minimisation strategies like this we need to make sure they are monitored. Previous incidents, 2 of which were at Putahi Park, have been scrutinised and added into our H&S management software as public place's location hazards. Most of these are managed by the Parks Department.

The committee will have already noted a recent incident, where a member of the public contacted us about their child falling ill from possible e-coli contamination from the Putahi Park fountain. The Parks team conducted a thorough review of this situation. Several extra minimisation controls to prevent reoccurrence were identified and were put in place, after samples of the water confirmed e-coli was present. These include;

- The fountain was temporarily turned off.
- Samples to test for e-coli contamination in the treated water were continued until we had evidence this had cleared up completely.
- Daily chlorine level checks will be undertaken by our contractor through summer period and weekly checks through winter period. If chlorine levels are found to be unsatisfactory, extra chlorine will be added.
- Shock dosing of chlorine into the system is planned for Friday nights, as it is the weekend when the fountain is most used and contamination most likely.

Health and safety software

The next phase of our Assura health and safety software is now underway. This includes the development of a permit to work and contractor incident reporting.

The implementation of this software has had a very positive effect on the organisation and particularly for the health and safety team to better monitor health and safety.

The Tech One contractor health and safety database has also had an update and this too is proving very effective at reducing the time taken to enter, find and retrieve data.

Health and safety assurance

Internal audits

An internal audit of physical monitoring of contractors doing high risk work was undertaken with the Infrastructure Capital Programmes Department. The audit found this was being managed to our requirements very well.

External audits

Nil this quarter

Annual self-assessment

An annual self-assessment was undertaken through October and November and is attached in Attachment 2 of this report. An evidence column was removed as this mainly contained links into the council document system which would not be able to be opened by the Committee members. If any committee members would like more detailed information on these specific evidence responses, these can be requested from the Council Health and Safety Manager.

Last year, the overall result was a 92% score and this year, 91%.

Year	Score	Possible score	Percentage
2024	125	138	91%
2023	126	137	92%

Table 2: Scoring from health and safety self-assessment

The areas we did not score perfectly on this time during the self-assessment included;

- Section 2 Hazard and Risk - some location hazards have fallen behind in their annual due by review times along with several overdue workplace inspections.
- Section 6 Occupational Health - we lost a mark because some teams were overdue with their annual health monitoring.
- Section 7 Contractor Management - we missed out on the question about all contractor work being risk assessed. An example of this involved the January 2024 contractor fatality on a resealing roadworks site, where our contract stated that we did not require an on-site risk assessment, just the use of a generic Site Safety Plan.

- Section 8 - we lost a score due to not all departments having done an update of their chemical inventories. This includes checking we have current safety data sheets being available in the workplace, so is important it is done.
- Section 9 - we lost marks due to having several overdue security reviews and exercises not completed along with some location emergency drills not undertaken by the due date. As security risks have crept up to the status of a significant risk for us, it is important these are done.
- Section 11 - we scored lower than expected when the H&S committee advised that some teams and departments, did not cover off health and safety in team or department meetings and some reported that meetings were not held at all for long periods of time. It was also disappointing to note that a mechanism to cover discussing health and safety during performance reviews had not been implemented (an action from the last external health and safety audit) and while there may be occasions health and safety does get discussed in these reviews, there is likely not much evidence of this nor the prompt to do this.

The above will all be addressed.

Council Controlled Organisations (CCOs)

The Chief Executive has asked that the H&S team visit each of the CCOs on his behalf this year to undertake a health and safety check. Table 1 below shows the schedule and summary of findings, with changes since the previous report shown in italics.

CCO	Date of last health and safety check	General summary of findings	Date of next scheduled visit
Resort, joint venture with Quay Contracting and Council	5/9/24	<i>Health and safety managed well. A noted improvement on housekeeping and means to slow down the speed of vehicles noted. Staff report a slight reduction in aggressive person encounters, although they are still experiencing this in the 'Last resort' (The shop).</i> <i>The full report is available in Attachment 3.</i>	<i>August 2025</i>
Puwera landfill, joint venture with Quay Contracting and Council	25 September 2024	<i>Health and safety risks seem well managed with some highly innovative work going on there. Recommendations were made about having better H&S KPIs identified.</i> <i>The full report is available in a separate agenda item.</i>	<i>September 2025</i>
Semenoff Stadium, NECT	July 10, 2024	The H&S Manager and Venue and Events Manager visited the stadium for a site visit and check. There was a general good will noted to work together and the team were able to show and explain various incremental improvements made since the last visit. No items of concern noted.	July 2025
Whangarei Art Museum (WAT), a joint venture	25 September, 2024	<i>There have been incremental improvements at WAT, with much of the work streamlined and simplified. It was advised that the staff are reporting incidents more than in the past. They</i>	<i>September 2025</i>

CCO	Date of last health and safety check	General summary of findings	Date of next scheduled visit
		<i>rely on an active H&S Committee and their monthly minutes are reported to the Board. The full report is available in Attachment 4.</i>	
Whangarei Airport, run by Council and the Crown, through Chubb contracting	15 November 2024	<i>The airport health and safety is being managed and their new H&S software was advised to have made a real difference with more staff buy in than the past, with a noted increase in incident reporting. Their QR codes around the airport, enabling even members of the public to report issues has been beneficial too. The full report is available in Attachment 5.</i>	November 2025

Table 2: CCO visits, 2024

After completing these visits and discussing this with the Chief Executive, it was agreed that any incidents reported by the CCOs will be included in this report. However, in some instances, this information is not available, and it will likely be the next meeting before this will be available. For example, one of our CCOs is only required to report WorkSafe notifiable events on an annual basis. This could be easily viewed as an inadequate measure of how health and safety is being performed.

Security

Internal security reviews

Internal security reviews have been conducted initially by health and safety personnel, using a checklist that aims to identify what is in place and if there are any shortfalls. Any resulting actions are added to our health and safety corrective action register. Checklists have been made available in our new software for departments to use, although support is offered by the health and safety team where needed.

CCTV footage retrieval and placement has been identified as a health and safety risk in several of our locations. To address some of the concerns in Te Iwitahi/Civic Centre two extra CCTV cameras have been installed on the ground floor.

Any changes from last time are shown below in italics.

Site	Date of security review	Comments	Next review scheduled
Laboratory	24/9/24	<ul style="list-style-type: none"> <i>Mostly adequate controls noted as being in place.</i> <i>Looking at the need to continue to do cash transactions.</i> 	30/9/24
Onerahi library	26/8/2024	<p><i>This was undertaken by the DM- Library.</i></p> <ul style="list-style-type: none"> <i>Gathering CCTV footage in a timely manner noted as problematic.</i> <i>Recommendation for a further duress alarm in the staff room, as this is where the JPs sit when meeting the public.</i> <i>Email out information to staff about incidents that have occurred at a branch. Due to roster situation</i> 	30 September 2025

Site	Date of security review	Comments	Next review scheduled
		<p>sometime communication breakdowns have occurred.</p> <ul style="list-style-type: none"> Looking at emergency cue cards for staff in emergencies Ongoing training identified for handling aggressive person situations. 	
Tikipunga library	22/11/24	<p>This was undertaken by the DM- Library.</p> <ul style="list-style-type: none"> Mostly in order but faulty duress alarms noted as problematic. 	November 2025
Kamo library	16/10/24	<p>This was undertaken by the DM - Library.</p> <ul style="list-style-type: none"> Looking at emergency cue cards for staff in emergencies No other particular security risk issues noted. 	Due 31 October 2025
Central library	January 2024	<p>Previous survey;</p> <p>Most of the actions arising have been either completed or are underway.</p> <p>We are looking at improved CCTV systems.</p>	Due January 2025
Venue and Events (V&E)	20/11/24	<p>Undertaken by V&E Operations team leader;</p> <ul style="list-style-type: none"> CCTV footage retrieval and placement issues noted Poor lighting in carpark when people leaving events at night. 	November 2025
isite	September 2023	<p>From previous survey;</p> <p>Most of the actions arising have been either completed or are underway.</p>	<p>Due September 2024</p> <p>But now scheduled for November 2024</p>
Claphams Clocks	26/7/24	<p>This review was undertaken by the Team Leader and H&S Rep at the museum. No issues arising, nor any corrective actions required.</p>	Due by end of June 2025
Te Iwitahi/Civic Centre	4/10/24	<p>This was completed by the H&S Manager.</p> <p>All outstanding matters we had been waiting on (Extra lights, CCTV etc) have now been completed.</p>	3/4/25
Ruakaka Service Centre	1/10/24	<p>This was completed by the Team Leader.</p> <ul style="list-style-type: none"> Issues with CCTV footage gathering is problematic and its location can feel a little isolated from others. Emergency cue cards for staff to use are required. 	September 2024
Botanica	May 2023	<p>From the previous security survey;</p> <p>One of the key items completed since the review has been the establishment of duress alarms in the area.</p> <p>Better CCTV coverage is also recommended, but money has not been budgeted for this. To achieve better coverage of some riskier spots the estimated cost would be \$15k.</p>	Scheduled for 29 November 2024

Site	Date of security review	Comments	Next review scheduled
Cemetery		Newly identified as needing to be undertaken.	<i>This is to be scheduled for early 2025</i>

Table 3: Security reviews, 2024

Change in policy

Police recently advised Council Officers of a change of policy regarding what they will and won't respond to. Specifically, police will continue to respond to anything likely to cause physical harm however in mental health situations, where there is no threat of harm, they will be unlikely to respond. They have further advised that they will not necessarily assist in workplace situations, where a trespassed person returns to the location they have been trespassed from, unless the person has become violent or is threatening physical harm. We have been somewhat reliant on Police coming to our assistance for mental health, trespass and other situations, but this expectation has been gradually diminishing for some time. While this change continues to be of concern, we have attempted to mitigate this by utilising our security guards, we now rely on them heavily, along with back up from our City Safe officers. In addition, we have many other security risk controls in place, including; duress alarms, communication processes, barriers, restricted access or lockdown processes.

Physical workplace inspections

Contractor physical inspection of contractor temporary worksites are now being provided in the monthly operational report to the Infrastructure Committee report.

However, we also have an internal schedule and the committee might be interested in the status of these in the table below. Some areas have not been completed for a while or the information is quite difficult to find. The information below is now all in Assura.

While some of these are showing as overdue, the committee can be assured these are being followed up and reasons established about the delay, with plans put in place to remedy.

Location	Specific Location	Last undertaken	Comments	Next review due
Botanica.				<i>Scheduled for November 29, 2024</i>
isite				<i>April 2025</i>
Ruakaka	<i>Ruakaka Customer Service Centre</i>	<i>9/10/24</i>	<i>One minor fire extinguisher matter noted.</i>	<i>October 2025</i>
Libraries	Central library	6/10/24	Staff training on handling aggressive persons noted	June 2025
	Kamo library	15/10/24	One minor fire extinguisher matter noted.	October 2025
	Onerahi Library	15/10/24	One minor fire extinguisher matter noted.	October 2025
	Tikipunga library	15/10/24	No issues arising	October 2025
Wastewater	Wastewater treatment plant			<i>March 2025</i>
	Hatea pumping station			<i>Oct 2025</i>
	Laboratory			<i>Overdue at 18/10/24</i>
Forum North	<i>Venue and Events, Forum North</i>	<i>1/7/24</i>	<i>No issues noted</i>	<i>July 2025</i>

Location	Specific Location	Last undertaken	Comments	Next review due
Civic Centre – Te Iwitahi	Roof			Scheduled December 2024
	Level 3			April 2024
	Level 2			Scheduled March 2024
	Level 1	20/11/24	Undertaken by Business Support Manager, H&S Manager and a BS staff member. A number of smaller items found and corrective actions put in place – e.g. some shelving in cupboards needs restraining to the wall and some items stacked too high.	20 November 2025
	Ground floor			Scheduled Jan 2024
	Grounds			December 2024
Town basin	Claphams Clocks			March 2025
Cemetery	Cemetery Road site	20/11/24	No particular items noted. Removal of sharp item off desk that could be used by the public as a weapon.	November 2025
Water	Whau Valley site			Scheduled January 2025
	Ahuroa site			Scheduled Feb 24
	Managapai site			Scheduled March 2024
	Ruddels site			April 2025
	Maungatapere site			May 2025
	Ruakaka site			June 2025
	Poroti site			July 2025

Table 4 Physical inspection schedule 2024-25

Reported incidents and injuries

Below in Table 5, are incidents and injuries reported since the last meeting from 1 August to 31 October 2024. Employee injuries are noted as being low.

Type of injury	Employees	Contractors	Volunteers	Totals
Fatality	0	0	0	0
WorkSafe notifiable event	0	0	0	0
Lost time injury	0	10	0	10
Medical treatment injury	0	5	0	5
Minor injury	5	12	0	17
Pain and discomfort - work related	3	2	0	5
Occupational health illness or condition	0	0	0	0

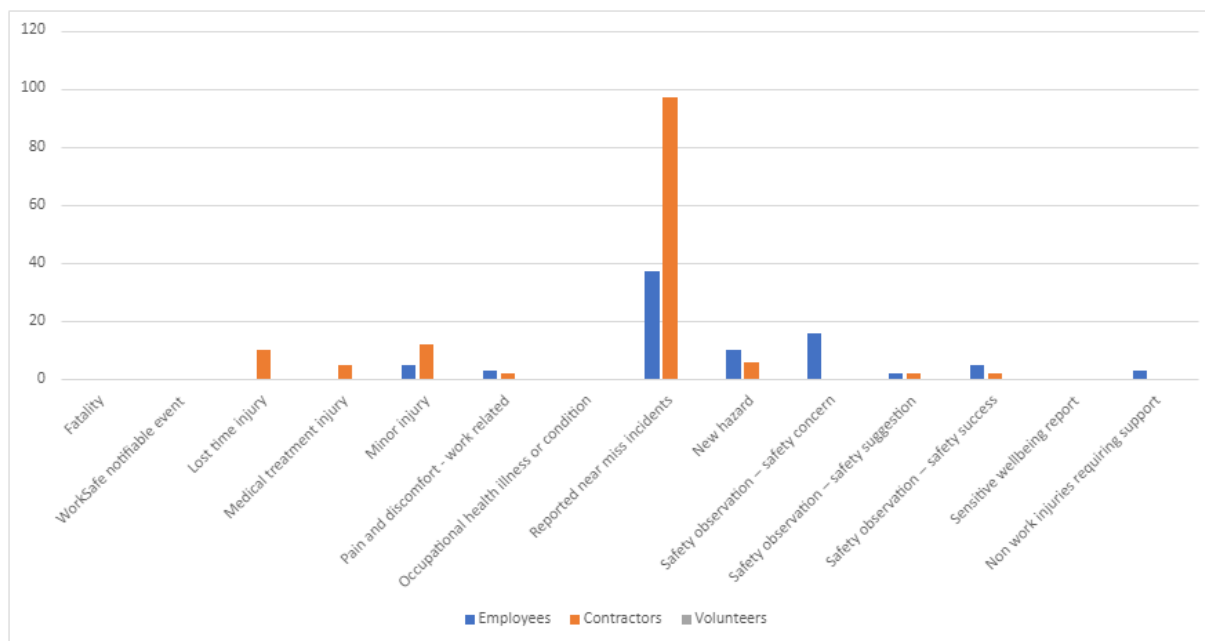
Type of injury	Employees	Contractors	Volunteers	Totals
Reported near miss incidents	37	97	0	134
New hazards reported	10	6	0	16
Safety observation – safety concern	16	0	0	16
Safety observation – safety suggestion	2	2	0	4
Safety observation – safety success	5	2	0	7
Sensitive wellbeing report	0	0	0	0
Non work injuries requiring support	3	0	0	3
Totals	81	136	0	217

Table 5: Reported incidents, August - October 2024

Council staff also reported a further;

- 26 contractor incidents during this time frame and,
- 9 members of public incidents.

One of these incidents involved a member of the public being reversed into by a visitor in the driveway of Te Iwitahi/Civic Centre and we are investigating possible ways to make this shared space safer for pedestrians.



Graph 1: Employee reported injuries August – October 2024

Emergency management

Table 6 below shows what emergency procedures have been completed, reviewed and updated, what is in progress and what is scheduled. Changes in the table from the previous meeting, are shown in italics.

Location	Reviewed and published	Comments	Next review due
Botanica.	July 2023		July 2025
isite	January 2024	New	January 2026
Ruakaka Customer Service Centre	February 2024		February 2026
Venue and Events	November 2024	<i>An ad hoc review to amend emergency instructions as advised by Fire and Emergency regarding occupancy number when events re held.</i>	November 2026
Library sites	March 2024	<i>However, this is under review to accommodate some new changes following an incident with the mobile bus.</i>	March 2026
Wastewater treatment plant	May 2024		May 2026
Laboratory	May 2024	New	May 2026
Civic Centre/Te Iwitahi site	November 2024	<i>Ad hoc review to accommodate some small changes to duress alarm processes and protest and hearing security procedures.</i>	November 2026
Claphams Clocks	June 2024	<i>Completed since last meeting</i>	June 2026
Cemetery	May 2024	New	May 2026
Water	July/August 2024	<i>The Water department prefer to maintain their own emergency plans and procedures. A reminder was sent in July they require updating.</i>	July/August 2026

Table 6: Status of emergency procedure manuals, mid-November 2024

As these are all up to date and complete, this table won't be shown for the next few meetings.

Emergency exercises

These scheduled emergency exercises were completed in the last quarter, shown in table 7 below.

Type of emergency exercise	September	October	November
Emergency evacuation		Venue and Events at Forum North	
Aggressive person	Council Chambers, Te Iwitahi		
1/4ly Fleet emergency alarm activation	Pool vehicle Transportation Building compliance Building inspector Wastewater Lab Water treatment		
Chemical spill			Waste water treatment
Suspicious mail or parcel			Suspicious Mail, Mail room Te Iwitahi
Bomb Threat Call in exercise	Call Centre – Te Iwitahi		

Type of emergency exercise	September	October	November
Shakeout		Council wide	

Table 7: Emergency exercises September to mid-November 2024

We currently have these emergency exercises below overdue. These have been followed up with management to progress and will be completed by the end of 2024.

Type of emergency exercise	June	July	August	September	October	November
Emergency evacuation	Botanica					
Aggressive person		Botanica isite				
Chemical spill		Botanica			Water treatment	
CSE retrieval exercise		Water				
Suspicious mail or parcel		isite				

Table 8: Overdue emergency exercises, 2024

Health and safety training

Below is a list of health and safety compliance training that staff have attended since the last report;

External	# of attendants	Hours spent	Internal	# of attendants	Hours spent
Breathing apparatus refresher	6	8	Dog behaviour awareness	2	1 approx.
Confined space entry initial and refreshers	5	48	General health and safety induction	12	24
Field officer training	8	68	New building health and safety inductions & refreshers	25	12.5
Fire extinguisher training	12	24	New leaders H&S induction	3	6
First Aid initial and refresher training	4	22	Self-learning inductions set up in Assura including; <ul style="list-style-type: none"> • Site specific induction • Security induction • Work in the road corridor induction 	33	16.5 approx.
Health and safety representative training	4	24	Safetywhys – One person's wellbeing journey	10	5
Height safety and refresher	3	24			
Hazardous substances management and refreshers	2	16			
Permit Issuer training	2	16			

Permit receiver	2	16			
Front line personal safety	15	60			
Protest response	7	17.5			
Public consultation	29	101.5			
Traffic management inspector training	1	8			
Working at heights & refreshers	3	24			
Totals	103	477		85	65

Table 9: Known health and safety compliance training, August – October 2024

OSH/Wellness Programme Budget

The Risk and Audit committee have asked we report on budget status or overspend. The Health and Safety budget is on track for this financial year as outlined below.

The total budget for the year is \$45,810, which includes \$10,000 to engage external health and safety auditors.

Total budget for 2025	\$45,810
Already spent to end of October	\$5147
Accrued in November to 14/11/24	\$1191
Remainder left in this financial year's budget	\$39,472

Table 10: OSH budget 2024-25

Much of the budget is assigned to EAP costs, flu vaccine costs, first aid supplies and equipment, AED checks and maintenance and health and safety subscriptions (Chemwatch safety data sheet database and SiteSafe membership) that are available to all staff.

The committee has also expressed interest in the past about what is being spent on employee assistance programme (EAP) services. This is slightly up from previous years.

Total budgeted in the natural account for EAP fees for 2025.	\$10,000
Already spent to end of October 2024	\$2542
Accrued in November to 14/11/24	\$826
Total spent on EAP from 1/7/24 to 14/11/24	\$3,368

Table 11: EAP/ OSH budget 2024-25

Employees with access to Southern Cross can also access three free EAP session

Security spend

At the last Risk and Audit Committee meeting, there was a request to know how much we are spending on security costs. The budget and spend for security is spread across many cost centres. We have begun analysing this information and due to the diverse nature of council it is taking some time to confirm the details with staff across other departments.

5 Significance and engagement / Te Hira me te Arawhiti

5.1 Significance

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via report publication on the website.

6 Attachments / Ngā Tāpiritanga

Attachment 1 – Critical health and safety risks – November 2024

Attachment 2 – Annual health and safety self-assessment 2024 (*with evidence column removed from the original report*)

Attachment 3 – CCO H&S visit to Resort

Attachment 4 – CCO H&S visit to Whangarei Art Trust

Attachment 5 – CCO H&S visit to Whangarei Airport.

Council critical health and safety risks – November 2024

Critical risk	What is or could be the impact on Council?	What are we doing about it?	Opportunities
Having a motor vehicle accident	This is possibly the most likely scenario of a staff member or contractor being killed at work. It could also result in a vehicle write off and create insurance issues.	<ul style="list-style-type: none"> • Hold fleet inductions for new employees. • Driver licence checks • We have begun driver behaviour on- line awareness training • Fleet management • On road driver training offered • Safe, well-maintained vehicles provided • Procedures in place • Monthly focus held annually 	<ul style="list-style-type: none"> • That we can monitor driver speeds and behaviour – but this is not actively done. • Provision of further driver training
People falling from height (from one level to another)	A contractor fatality could result if there are inadequate fall from heights protection in place.	<ul style="list-style-type: none"> • Use of scaffolding or installation of handrails • Use of suitable appliances • On occasion drones are used to check items at high with difficult access • Permit to work for work at heights • Training of contractors and those who manage them • Work at heights procedures in place and monitoring of this kind of work 	<ul style="list-style-type: none"> • Annual focus on this critical risk, this calendar year internally to help create better awareness.
Hit by falling object	A fatality could result, without suitable exclusion zones or other controls being in place.	<ul style="list-style-type: none"> • Use of permit to work with controls for this kind of high-risk work • Exclusion zones expectations 	<ul style="list-style-type: none"> • Further staff and contractor awareness • Annual focus on this critical risk, this calendar year internally to help create better awareness.
Drowning	A fatality could result from undertaking work over water, including use of boats and work at heights over water.	<ul style="list-style-type: none"> • Use of permit to work with controls for work over water • Procedures in place • Training provided to staff who manage contractors doing this. • Only using certified occupational divers 	<ul style="list-style-type: none"> • More staff and contractor awareness • Annual focus on this critical risk, this calendar year internally to help create better awareness. <p><i>Note – one department no longer does sampling near water so their risk eliminated.</i></p>

Critical risk	What is or could be the impact on Council?	What are we doing about it?	Opportunities
Electrocution	An electric shock could result in a fatality and property damage.	<ul style="list-style-type: none"> • Use of permit to work • Only using licenced electricians 	<ul style="list-style-type: none"> • Make sure any electrical incidents are sent out as a safety alert, to raise awareness • Annual focus on this critical risk, this calendar year internally to help create better awareness.
Exposure to hazardous substances	Long term health effects could result from exposure to hazards chemicals and materials such as asbestos.	<ul style="list-style-type: none"> • Trained and certified staff, (including chlorine handling, agricultural chemicals) • Hazardous substances internal and external audits • Safety data sheet software available to all staff • Asbestos management processes • Awareness training provided • New procedure developed and published – January 2024 • Use of Worksafe calculator that identifies controls to have in place. 	<ul style="list-style-type: none"> • Add more people into the Chemwatch software and publicise this. • Monthly focus on this critical risk, this calendar year internally to help create better awareness. <i>This is scheduled for early 2025.</i>
Working around heavy and moving machinery	A fatality and/or crushing injuries could occur if a person was in the way of heavy and moving machinery.	<ul style="list-style-type: none"> • People working in this area inducted, trained, supervised and monitored • Use of high viz clothing • On site monitoring conducted • Monthly focus done annually 	<ul style="list-style-type: none"> • Utilise any learnings from the recent contractor fatality to raise awareness
Working in a confined space	A fatality could occur when entering and working in a confined space if controls are not in place.	<ul style="list-style-type: none"> • All who enter must be trained each two years. • Use of rescue equipment, gas monitors • Safety watch in place • Must have a permit to work • Audit and monitor • Monthly focus done annually 	<ul style="list-style-type: none"> • <i>Work on the permit to work system is underway including this area.</i>
Working in the road corridor and being hit by vehicles	A fatality could occur if there were insufficient traffic management plan controls in place.	<ul style="list-style-type: none"> • People who work in or inspect in the road corridor to be trained • Use of road inspection signage • Use of a customised traffic management plan • Monitoring of civil sites • Monthly focus done annually • The Transportation CAR team have offered to assist contractors struggling with the risk management approach 	<ul style="list-style-type: none"> • <i>Internal training opportunities being explored as the whole traffic management training area is being altered.</i>

Critical risk	What is or could be the impact on Council?	What are we doing about it?	Opportunities
Exposure to unacceptable behaviours – including physical and psychological damage	Long term psychological effects could affect people involved as well as physical violence causing injuries. Incidents of this nature also tend to create raised anxiety in others.	<ul style="list-style-type: none"> • Security guards in high-risk areas • Duress alarms in place • Radios available to enhance communication. • Staff trained and aware of procedures. • Drills and test regularly held to check the system • Use of CCTV • <i>Further training held for staff in September and October 2024. This was customised to accommodate differing teams and needs.</i> • All staff now must undertake a security induction. 	<ul style="list-style-type: none"> • <i>Annual focus on this critical risk, this calendar year internally to help create better awareness. This is scheduled for really delving further into in 2025</i>

Whangarei District Council

***Annual health and safety system
self-assessment for 2024***

Date of Audit: Completed 14 November 2024

Report completed by: Desarae Williams

Index

Contents

Index	2
Executive summary.....	4
Introduction.....	6
1..... Incident management	7
2..... Hazard Management	8
3..... Policies, Procedures & Information	12
Health and Safety Policy	12
Other H&S policies	12
Information	12
4..... Reporting	13
5..... Work Culture, Participation and Engagement.....	14
Worker participation (H&S Committee & Reps)	14
Engagement and Culture.....	15
6..... Occupational health and wellbeing.....	15
Occupational health.....	15
Wellbeing	16
Ergonomics	17
7. Contractor Management.....	18
8..... Audits and Monitoring	19
9..... Security and Emergency.....	21
Security	21

Emergencies22

10..... Health and Safety Training.....24

11..... Visible leadership and commitment.....25

Total scores27

12..... Recommendations.....28

Executive summary

An internal self-assessment was undertaken in October 2024 and reviewed again in November 2024, facilitated by the H&S Manager, to check how we were managing our health and safety systems. This was a prior recommendation from the most recent external audit we had in 2023.

As some of the questions are of a 'perception', the Health and Safety Committee were involved in this review and responded to the questions shown as greyed out in the following sections 1 -11.

It is important to note we score ourselves a lot harsher, than an external auditor likely would, as they only need one piece of evidence to show something is being complied with. While in all cases we could provide at least one piece of evidence, this internal audit is looking for a consistent quality and quantity before scoring a question as a yes.

Below is a table with this year's results compared to last year. One extra question was added this year and having adequate emergency procedures. We scored overall 1% less than last year and reached a 91% compliance to our own standards.

Year	Score	Possible score	Percentage
2024	125	138	91%
2023	126	137	92%

The scoring was influenced to some degree by the same few locations or departments who have been noted as persistently overdue with health and safety compliance requirements. These have been followed up with already with the managers of these areas, however at the moment the overdue actions remain. Non-compliance is intended to be more regularly reported on to senior leaders, with the intent to provide more visibility on this issue and hopefully subsequent follow up and action.

The areas we fell down on this time during the self-assessment included;

- In the hazard and risk area of section 2, some location hazards have fallen behind in their annual due by review times and several workplace inspections are overdue too.
- In the occupational health in section 6, we lost a mark, by some areas being overdue to undertake annual health monitoring.
- In the contractor management in section 7, we missed out on the question about all contractor work being risk assessed. An example of this involved the January 2024 contractor fatality on a resealing roadworks site, where our contract stated that we did not require an on site risk assessment, just the use of a generic Site Safety Plan.
- In section 8, we lost a score due to not all departments having done an update of their chemical inventories. This includes checking we have current safety data sheets being available in the workplace, so is important it is done.

- In section 9, we lost marks due to having several overdue security reviews and exercises not completed along with some location emergency drills not undertaken by the due date. As security risks have crept up to being a significant risk for us, this has been disappointing that attention has not been paid to this.
- In section 11 we scored lower than expected when the H&S committee advised that in some teams and departments, health and safety was not covered off in team or department meetings and some reported that meetings were not held at all for long periods of time. It was also disappointing to note that a mechanism to cover discussing health and safety during performance reviews had not been implemented (an action from the last external health and safety audit) and while there may be occasions this does get discussed, there is likely not much evidence of this, nor the prompt to do this.

Recommendations to improve the scores are shown in Section 12, but in summary, these refer to either;

1. That with better visibility, comes an expectation of better follow up and support from leaders as health and safety compliance items are not allowed to become significantly overdue.
2. There is one non-compliance involving that we ensure we have asbestos management plans in place and this is now in hand with a plan to address.
3. There are several recommendations where the People and Capability department can set up better processes to allow full scoring in the future.

Introduction

This is a health and safety self-assessment tool that is designed to be used annually, to provide reassurance to the Senior Leadership Team, the Chief Executive and Elected Members that our Council health and safety management systems are in good order.

This assessment has been led by the Council Health & Safety Manager, with some of the questions requiring the insight of the Health and Safety committee to respond to some questions where it is difficult to gather actual evidence and where responses are based more on the perceptual responses of the organisation. These questions are highlighted in light grey and were worked through during a workshop held 21 October 2024.

The responses primarily reflect operational matters occurring over the previous year up to the current time.

Each yes response is given a score of 1 point, with subtotals shown at the end of each section of the self-assessment tool. Total scores are shown near the end.

If the response is a no, a recommendation or comment is recorded on how this question will be moved to a yes.

It is important to note we score ourselves a lot harsher, than an external auditor likely would, as they only need one piece of evidence to show something is being complied with. While in all cases we could provide more than one piece of evidence, this internal audit is looking for a consistent quality and quantity before scoring a question as a yes. And on advice from the General Manager – People and capability, it seems important to show senior leadership, where we are experiencing health and safety compliance risks.

Special thanks to the Health and safety committee for their participation and input.

1. Incident management

This section of the self-assessment covers how we manage incidents.

#	Question	Yes/No	Comments	Recommendations
1.1	Employees know to report incidents by the end of the working day?	Yes		
1.2	Employees know how to report an incident?	Yes		
1.3	Leaders know the requirement to investigate and review incidents that could cause significant injury?	Yes		
1.4	Leaders provide incident investigations in the prescribed timeframes?	Yes <i>(mostly)</i>	<p>Many leaders do this in a timely manner, but some don't.</p> <p>The Assura H&S system allows us to monitor this well and escalate as required.</p> <p>Initially, this was scored as a no, but over the last month there has been a noted improvement in this as leaders have become more used to the new Assura system.</p> <p><i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i></p>	
1.5	Leaders follow through on any actions arising from incident investigations in a timely manner?	Yes <i>(mostly)</i>	<p>Some leaders do this in a timely manner, but many don't. The Assura H&S system allows us to monitor this well and escalate as required.</p> <p>Initially, this was scored as a no, but over the last month there has been a noted improvement in this as leaders have become more used to the new Assura system.</p>	

			There has only been resistance from a very small percentage of leaders and we expect over time this will resolve itself.	
1.6	Actions arising from incidents are placed into a corrective action register?	Yes	This is still new in Assura, and many leaders are not fully utilizing the corrective action area of Assura. The H&S team are currently filling in the gap. There is an intention to provide a Safetywhys module again for leaders on this topic.	
1.7	Actions arising from incidents are monitored, if overdue?	Yes	<i>On draft the strategic plan is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i>	
1.8	Actions arising from incidents are escalated up, if overdue?	Yes	The H&S team tends to be the one to do this. <i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i>	
1.9	The incident management system is user friendly and simple to use?	Yes	We are now using Assura.	

Score = 9/9

2. Hazard Management

This section of the self-assessment covers how we manage hazards and risks.

#	Question	Yes/No	Comments	Recommendations
2.1	Is there a hazard management policy?	Yes		

#	Question	Yes/No	Comments	Recommendations
2.2	Is there a schedule of checking each physical workplace where employees are stationed?	Yes	At 4/10/24 - 8 of these have been logged into Assura as required to be completed. 6 of these have been completed.	
2.3	Have all scheduled workplace inspections been undertaken within two months of being due?	No	<p>There were four sites overdue for inspections as at the 13th of November. Some were over 3 months overdue.</p> <p>The Assura H&S system allows us to monitor this well and escalate as required.</p> <p><i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i></p>	Managers need to monitor and follow up, particularly when prompted about overdue.
2.4	Is there an annual PPE check reminder?	Yes		
2.5	If this is not completed, is this followed up with those who have not completed?	Yes		
2.6	If hazard actions are not completed in a timely manner, is this escalated up?	Yes	<p>A report will be sent to SLT monthly showing overdue actions from October 2024, with an expectation these will be followed up, down through the organisation.</p> <p>The Assura H&S system allows us to monitor this well and escalate as required.</p> <p><i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i></p>	<p>While not the intent of the system, the H&S Manager has been finding it easier to make a time with Managers and H&S Reps and go through these location hazard reviews with them and update them at the time. The benefit to this is that the H&S Manager is brought up to date with improvements or issues and it is not so much of an admin struggle for the department.</p> <p>However, Managers need to monitor and follow up, particularly when prompted about overdue.</p>

#	Question	Yes/No	Comments	Recommendations
2.7	Have all department hazards in the hazard register been reviewed this year?	No	<p>There are several areas and departments who have not completed these by due date as at 13/11/24 T48 are currently overdue for review.</p> <p><i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i></p>	Managers need to monitor and follow up, particularly when prompted.
2.8	Have all generic Council Risks been reviewed within the past two years?	Yes	This area is now called Risks.	
2.9	Is the asbestos register reviewed each year?	Yes	This is done each year in late November/early December with a time frame of the end of January in place.	
2.10	Is there an Asbestos Management Plan available for each site with identified asbestos?	No	<p>We are aiming to identify what properties need a survey and an asbestos management plan and what properties have plans but may have expired.</p> <p>This is a current compliance risk.</p> <p>This has recently been discussed with senior management and a project is to be set up with an aim to have this completed by the end of 2025.</p> <p>This will be managed by the new Property Department.</p> <p>Monthly reporting is planned to be done in the Corporate monthly report to Council and via the Risk and Audit committee.</p>	Add this into the H&S strategic plan.
2.11	Is each existing management plan within its expiry date (5 years)	Yes	<p>This will no longer be the case, very shortly though. We only have few properties with an AMP, which is a problem in itself.</p> <p>This is as per 2.10</p>	

#	Question	Yes/No	Comments	Recommendations
12.2	The hazard management system is user friendly and simple to use?	Yes	Now using Assura.	
2.13	Employees know how to report a hazard?	Yes	Making a change to the menu name will help even more and is in progress.	
2.14	Employees feel comfortable to stop doing unsafe work?	Yes	Mostly, and getting better at this.	
2.15	Newly identified hazards are resolved or isolated or temporarily minimized while a longer-term solution is thought through?	Yes	Mostly, the group advised.	
2.16	Are there current procedures to follow-on high-risk work, such as permit to work, work at height, confined space entry and similar?	Yes		
2.17	Actions arising are placed in a corrective action register, that is actively monitored?	Yes		
2.18	Are visitors adequately protected from H&S risks in our workplace?	Yes	Need to look at the WWTP lab gate though.	
2.19	Are volunteers adequately protected from H&S risks?	Yes mostly	e.g. Freedom camper ambassadors were more problematic. However, we no longer engage these volunteers. Onerahi clean-up was excellent, we were advised. Events volunteers well inducted. Library – some work done recently to improve.	
2.20	Is the public adequately protected from H&S risks in the workplace?	Yes		

Score = 17/20

3. Policies, Procedures & Information

Th9s area covers our health and safety documentation area.

Health and Safety Policy

#	Question	Yes/No	Comments	Recommendations
3.1	The overarching H&S policy is signed and still current?	Yes	Expires in July 2026.	

Other H&S policies

#	Question	Yes/No	Comments	Recommendations
3.2	All H&S policies, procedures and forms are on a schedule for review	Yes	2024 schedule.	
3.3	All policies are reviewed within 3 months of being due?	Yes	If for some reason a policy or procedure cannot be reviewed in a timely manner, it is run past the H&S committee and noted – e.g., the recent Contractor management policy which will be updated to coincide with contractor management changes in Assura.	
3.4	Are changes to policies notified to employees?	Yes	All policies that are altered are advertised on the intranet with important ones emailed out to leaders and reps as well.	

Information

#	Question	Yes/No	Comments	Recommendations
3.5	Employees find health and safety information is up to date and easy to find?	Yes	The group advised this was generally better now with Assura.	
3.6	Health and safety information on the intranet is current?	Yes	The response group commented this was generally the case.	

Score = 6/6

4. Reporting

#	Question	Yes/No	Comments	Recommendations
4.1	Have all monthly reports been issued in the last year? <i>(Note – generally a combined December/January one)</i>	Yes		
4.2	Has the H&S Committee been provided all the employee incident reports prior to the meeting each month, throughout the year? <i>(Note – generally a combined December/January one)</i>	Yes		
4.3	Is health and safety regularly reported on in operational reports going to Council, throughout the year?	Yes	Also information provided to the Risk and Audit Committee.	
4.4	Has there been a health and safety report regularly going to each Risk and Audit Committee in the last year?	Yes		
4.5	Have there been any Safety Alerts sent out in the past year?	Yes		
4.6	Have there been any safety successes sent out in the past year?	Yes		
4.7	The H&S management system provides sufficient customised reports for the needs of the organisation?	Yes		

Score = 7/7

5. Work Culture, Participation and Engagement

This section covers how we manage worker participation, employee engagement and the health and safety culture of the organisation.

Worker participation (H&S Committee & Reps)

#	Question	Yes/No	Comments	Recommendations
5.1	Have health and safety committee meetings been held each month?	Yes		
5.2	Is there a list of trained H&S Reps readily available?	Yes		
5.3	Is the list of H&S Reps and Aides current and maintained throughout the year?	Yes	Looking at options to manage in a different way in Tech One.	
5.4	Are any H&S Reps who resign replaced in a timely manner?	Yes		
5.5	Annual planning and review session held with H&S Reps that includes incident review?	Yes		
5.6	Are new H&S Reps given training within the first 3 months of taking up their role?	Yes	<i>Generally, this is aimed for, although not always possible 100% of the time.</i>	
5.7	Are H&S Reps made to feel valued in their role?	Yes		
5.8	H&S Reps report they feel consulted with if there is change that could affect health and safety in the group they represent?	Yes	Comments included 'mostly'.	
5.9	There have been no PIN notices issued by H&S Reps in the past year	Yes		
5.10	H&S Reps have access to incident reporting information?	Yes	A record of reports issued to reps is kept in this Kete library and sent to them monthly	

Engagement and Culture

#	Question	Yes/No	Comments	Recommendations
5.11	Employees report they feel can raise health and safety issues, report incidents or hazards freely?	Yes		
5.12	There are change management processes employed when change is made affecting health and safety	Yes	Good communications from H&S was mentioned.	
5.13	Employees report that health and safety is just part of the way we do things around here	Yes		
5.14	Employees consider health and safety risks before commencing work?	Yes	This was a mostly yes for employees and those working in higher risk jobs. Maybe no so much with some lower risk jobs based in the office and contractors.	

Score = 14/14

6. Occupational health and wellbeing

This section covers occupational health management and wellbeing in the workplace.

Occupational health

#	Question	Yes/No	Comments	Recommendations
6.1	Is there a current Occupational health monitoring policy?	Yes		
6.2	Is there a schedule for health monitoring?	Yes		
6.3	Have all departments undertaken occupational health checks within 1 month of being due?	Yes	Sometimes for genuine reasons these become delayed. But often department teams have to be cajoled to get these done by due timeframes.	

			Some team leaders are excellent at responding. Overdue; Botanica is overdue from June but there was only one staff member at the time.	
6.4	Are overdue health monitoring checks escalated up if not completed within 2 months of being due?	Yes	This is done by the H&S Manager	
6.5	Are summary reports provided to the department?	Yes		
6.6	Are at risk staff given pre-employment checks?	Yes	Generally, although the odd person slips through.	
6.7	Are occupational health monitoring reports kept confidential?	Yes		
6.8	Have summer safety controls been reminded of – prior to each summer (Sunscreen, keep hydrated etc.)?	Yes	In 2023, this was also done at an All-staff meeting. On the schedule for November.	
6.9	Are Occupational health exposures reported?	Yes		
6.10	If there were a critical occupational health exposure or medical event, is there a process to manage this?	Yes		
6.11	Is there a current Drug and Alcohol policy?	Yes		

Wellbeing

#	Question	Yes/No	Comments	Recommendations
6.12	Have annual flu vaccines been offered?	Yes	Done annually. The schedule of events to arrange in early April each year.	
6.13	Has mental health awareness week been noted?	Yes		
6.14	Is the psychological risk plan current?	Yes		

#	Question	Yes/No	Comments	Recommendations
6.15	Do employees feel that their wellbeing is considered?	No	<p>This was a very mixed response. Some leaders were reported as being good at this and some not so much.</p> <p>Examples were given such as; if work volumes feel very high and are reported, there is <i>sympathy</i> from the leader/organisation, but there is an expectation to carry on regardless.</p> <p>This has been discussed at length with the GM – People and Capability.</p>	<p>P&C and H&S to investigate this further and identify solutions.</p> <p>Work with departments to help identify high work volume causes and solutions.</p>
6.16	Is there a current Fatigue Prevention Policy?	Yes		
6.17	Employees feel free to discuss wellbeing issues with their leader?	No	<p>This was a somewhat mixed response from the review group. Some Reps advised their leaders were very approachable and some said not so much, or no way they would. Some said it would depend on the circumstances.</p> <p>This has been discussed at length with the GM – People and Capability.</p>	We are exploring the benefits of a further culture survey and other potential solutions on this.

Ergonomics

#	Question	Yes/No	Comments	Recommendations
6.18	Have all employees been offered the opportunity to report pain and discomfort?	Yes		
6.19	Are pain and discomfort reports handled in a timely manner?	Yes		
6.20	Do employees know how to report pain and discomfort?	Yes		

Score = 18/20

7. Contractor Management

This section looks at how contractor health and safety management is handled.

#	Question	Yes/No	Comments	Recommendations
7.1	Is there a current Contractor Management Policy?	Yes		
7.2	Is there a pre-qualification process of contractors?	Yes		
7.3	Do contractors receive in regular information about changes and requirements?	Yes		
7.4	Do Council Reps provide regular information (Or have access to this) on contractor incidents?	Yes		
7.5	Is there a process of regularly recertifying contractors?	Yes		
7.6	Is high risk work performed by contractors' risk assessed and controlled?	No	<p>A lot of times, yes but not consistently.</p> <p>We regularly find very high-risk work done without any form of safety plan or risk assessment undertaken – e.g. work at height, excavations, diving etc.</p> <p>Use of the Council permit to work system can really help in this area, but also not consistently applied.</p> <p>There is also an area in Assura where the HS014 checklist for small projects or maintenance work can be used.</p> <p>This is an unfortunate score as the quarterly contract monitoring reports show pockets of excellence where this is being done well (E,g, Waste Department, Capital Projects Dept). It will be good to</p>	<p>This is covered in the draft strategic plan as an action.</p> <p>This requirement needs inclusion into every new and existing contract, where there is high risk physical work</p>

#	Question	Yes/No	Comments	Recommendations
			see this lifted to the same standard everywhere.	
7.7	Is there a requirement to monitor the high-risk work of contractors?	Yes		
7.8	Can evidence be provided that regular contractor monitoring has been undertaken?	Yes	These are also showing on the schedule of events.	
7.9	All contractors go through an induction process before commencing work at Council?	Yes	This area is being looked at further in terms of Assura contractor H&S as well.	
7.70	Is the Contractor H&S handbook current and accurate?	Yes	<i>This will be updated once we go live with Phase 2 Assura as there will be a number of changes required.</i>	
7.11	People who engage contractors undertaking high risk work understand their health and safety responsibilities to manage and monitor the work?	Yes		

Score = 10/11

8. Audits and Monitoring

This section looks at internal and external auditing and monitoring.

#	Question	Yes/No	Comments	Recommendations
8.1	Is there a current Health and Safety Auditing and monitoring policy?	Yes		
8.2	Is there a current risk assessment matrix that is used to assess H&S risks?	Yes	This is linked in the Risk and Audit policy	
8.3	During the last two years has there been any external monitoring or auditing undertaken?	Yes	Done by Securo	

#	Question	Yes/No	Comments	Recommendations
8.4	Are any resulting actions in a corrective action register (CAR)?	Yes	Any new corrective actions arising from this internal self assessment or subsequent ones, will be logged into the Audits area of Assura.	
8.5	Are the corrective actions being actively monitored?	Yes	At 13/11/24 there were 28 overdue H&S actions in Assura. Some people who should have access to their department actions, don't yet and this is being resolved shortly. It would be good to see this being more actively monitored by DMs.	Ideally managers need to monitor this area too and follow up, particularly when prompted. <i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i>
8.6	Have there been any internal checks of systems that could cause serious harm injuries (e.g. Lock out, permit to work, work at height, confined space)?	Yes		
8.7	Have all of Councils CCOs had a H&S visit in the last year?	Yes	Only the airport to do before the end of November 2024	
8.8	Are all TMPs current?	Yes	One still required for Cemetery work	
8.9	Are all CSE registers current?	Yes		
8.10	Are all ladder registers current?	Yes	We are setting up a special ladder checklist area in Assura and this should all be completed by the end of 2024.	
8.11	Has there been a check of all chemical inventories during the past year	No	As at 13/11/24 we only have one overdue whereas at the end of October we had three. However, the one overdue one was over a year overdue. This is now underway with a plan to complete.	Managers need to monitor and follow up, particularly when prompted.

Score =10 /11

9. Security and Emergency

This section looks at emergency management, including how we manage security risks.

Security

#	Question	Yes/No	Comments	Recommendations
9.1	Is there a current Workplace Security policy?	Yes		
9.2	Is there a schedule of Security checks to be done annually?	Yes		
9.3	Have these all the security checks been done or checked in the past year?	No	Overdue at 3/10/2024 and still at 13/11/24 were three sites despite prompts and offers of assistance.	Managers need to monitor and follow up, particularly when prompted. <i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i>
9.4	Are duress alarms being regularly tested	Yes	This is now scheduled with he contractor to undertake quarterly. This can become a long drawn-out task, especially if items found wanting and they need retesting. <i>This is being monitored by the H&S team and chased up if not completed by contractors in a timely manner.</i>	
9.5	Are security exercises scheduled?	Yes		
9.6	Have the security exercises occurred within 2 months of scheduled date due?	No	The same three teams overdue in questions 9.3 have not completed these either.	Managers need to monitor and follow up, particularly when prompted. <i>In the draft H&S strategic plan there is a recommendation to provide a monthly</i>

#	Question	Yes/No	Comments	Recommendations
				<i>report to SLT for more visibility of overdue actions and the expectation of their follow up.</i>
9.7	Do employees in front line areas report there are adequate controls in place to keep them safe?	Yes	The concierge has made a difference at Te Iwitahi	
9.8	Do employees who undertake site visits report there are adequate controls to keep them safe?	Yes	Fear free courses have helped a lot. Risk assessments done prior. Dog training too.	
9.9	Do employees know how to locate or know the procedures to follow in security related events?	Yes		
9.10	The Code Orange register is actively monitored, and processes followed?	Yes		
9.11	Is there a current trespass policy?	Yes		
9.12	The trespass register is current and actively monitored and managed?	Yes	There was an improvement in 2024 with the implementation of a new area of Kete where staff at stated sites can see Trespass photos.	
9.13	Is there a current Work Alone policy?	Yes		

Emergencies

#	Question	Yes/No	Comments	Recommendations
9.14	Is there a current emergency management policy?	Yes		
9.15	Have all emergencies been identified?	Yes	We found we needed a power outage plan in 2024.	

#	Question	Yes/No	Comments	Recommendations
			The need for a fire alarm system outage plan has been identified. A hostile protest plan is also under development.	
9.16	Is there a schedule of emergency exercises to be done annually?	Yes		
9.17	Have these emergency evacuation drills all been done within a 2-month time frame when due?	No	There were three overdue at 3/10/2024 and two at 13/11/24. This is despite prompting	Managers need to monitor and follow up, particularly when prompted. <i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i>
9.18	Have fleet alarms been tested in the last year?	Yes		
9.19	Have a work alone devices been tested in the last year	Yes		
9.20	Have fire alarms been tested in the last year?	Yes		
9.21	Is there a current first aid policy?	Yes		
9.22	Are there adequate numbers of first aiders in each workplace?	Yes		
9.23	Is there a list of trained first aiders readily available?	Yes		
9.24	Is there a list of trained emergency wardens readily available?	Yes		
9.25	Are there adequate numbers of emergency wardens trained in the workplace?	Yes	The Transportation area on level 2 is a bit sparse as at 3/10/24.	

#	Question	Yes/No	Comments	Recommendations
9.26	* Are there adequate emergency procedures in place that receive regular review?	Yes		
9.27	Do employees know how to locate or know the procedures to follow in emergencies?	Yes		

Score = 24 /27

10. Health and Safety Training

This section looks at how health and safety training is managed and delivered to ensure people are able to do their jobs safely.

#	Question	Yes/No	Comments	Recommendations
10.1	There is a health and safety training policy?	Yes		
10.2	There is an annual health and safety training plan?	Yes		
10.3	Sufficient money is budgeted and allocated for H&S compliance training?	Yes	On average about 15% of the centralized training budget is allocated to health and safety compliance training attended by multiple departments. This is approximately \$50K. Individual departments also pay for their own training, estimated to be roughly about the same amount. (\$50K)	
10.4	H&S Compliance training needs have been identified by role?	Yes	To some extent this has been done, but we are looking to use another area of tech one to better manage this.	

			<p>Authorities to undertake certain tasks have been added into Assura during 2024.</p> <p>The H&S manager has commenced some work to identify compliance training by role in a more user friendly role and this will be shown in the draft H&S strategic plan.</p>	
10.5	All new employees attend a H&S induction?	Yes		
10.6	There is a current H&S employee handbook available and provided to new employees?	Yes		

Score =6/6

11. Visible leadership and commitment

This section looks at visible leadership and commitment.

#	Question	Yes/No	Comments	Recommendations
11.1	Health and safety is discussed at team and department meetings?	No	<p>This is not consistent across Council. Some leaders do this faithfully and some teams reportedly go for some time with no team meetings at all let alone ones where H&S is discussed.</p>	This needs to be a KPI in performance reviews.
11.2	Health and safety performance is covered during performance reviews	No	<p>This had been thought to have been done from the last external audit, but still not actually in place.</p> <p>This is still an outstanding action from the Securo audit to add into</p>	The wording in the HR admin forms library needs to be used and added.

			performance reviews. It was completed but the new 2024-25 ones still do not have this in.	
11.3	Information is provided to leaders on their H&S responsibilities?	Yes	In the draft H&S strategic plan, there is an action to develop a series of H&S leadership modules for leaders and new leaders.	
11.4	High health and safety risks are identified and resourced to eliminate or minimise the risk?	Yes	.	
11.5	There are enough people looking after health and safety?	Yes	This includes H&S personnel, reps and others in the organisation.	
11.6	Unsafe work is stopped?	Yes		

Score = 4/6

Total scores

#	Area	2023 Actual score	2023 Total possible score	2023 %	2024 Actual score	2024 total possible score	2024 %	Comparison from last year
1	Incident management	7	9	77%	9	9	100%	Up
2	Hazard management	16	20	80%	17	20	85%	Up
3	Policies, Procedures & Information	7	7	100%	6	6	100%	Same
4	Reporting	6	7	85%	7	7	100%	Up
5	Worker Culture, Participation and Engagement	14	14	100%	14	14	100%	Same
6	Occupational health and wellbeing	21	20	95%	18	20	90%	Down
7	Contractor Management	10	11	91%	10	11	91%	Same
8	Audits and Monitoring	11	11	100%	10	11	91%	Down
9	Security and Emergency	23	26	85%	24	27	89%	Same
10	Health and Safety Training	6	6	100%	6	6	100%	Same
11	Visible leadership	5	6	83%	4	6	66%	Down
Totals		126	137	92	125	138	91%	Down %

12. Recommendations

This is a summary of all the recommendations;

#	Question	Yes /No	Evidence	Comments	Recommendations
2.3	Have all scheduled workplace inspections been undertaken within two months of being due?	No	This is available in Assura	<p>There were four sites overdue for inspections as at the 13th November. Some were over 3 months overdue.</p> <p>The Assura H&S system allows us to monitor this well and escalate as required.</p> <p><i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i></p>	Managers need to monitor and follow up, particularly when prompted about overdue.
2.7	Have all department hazards in the hazard register been reviewed this year?	No	These are now all set up in Assura.	<p>There are several departments who have not completed these by due date as at 13/11/24 This involves 48 separate ones</p> <p><i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i></p>	Managers need to monitor and follow up, particularly when prompted.
2.10	Is there an Asbestos Management Plan available for each site with identified asbestos?	No	The asbestos register is now in Assura.	<p>We are aiming to identify what properties need a survey and an asbestos management plan and what properties have plans but may have expired.</p> <p>This is a current compliance risk.</p>	Add this into the H&S strategic plan.

				<p>This has recently been discussed with senior management and a project is to be set up with an aim to have this completed by the end of 2025.</p> <p>This will be managed by the new Property Department.</p> <p>Monthly reporting is planned to be done in the Corporate monthly report to Council and via the Risk and Audit committee.</p>	
6.15	Do employees feel that their wellbeing is considered?	No	This response came from a review group.	<p>This was a very mixed response. Some leaders were reported as being good at this and some not so much.</p> <p>Examples were given such as; if work volumes feel very high and are reported, there is <i>sympathy</i> from the leader/organisation, but there is an expectation to carry on regardless.</p> <p>This has been discussed at length with the GM – People and Capability.</p>	<p>P&C and H&S to investigate this further and identify solutions.</p> <p>Work with departments to help identify high work volume causes and solutions.</p>
6.17	Employees feel free to discuss wellbeing issues with their leader?	No	This response came from a review group.	<p>This was a somewhat mixed response from the review group. Some Reps advised their leaders were very approachable and some said not so much, or no way they would. Some said it would depend on the circumstances.</p> <p>This has been discussed at length with the GM – People and Capability.</p>	<p>We are exploring the benefits of a further culture survey and other potential solutions on this.</p>
7.6	Is high risk work performed by contractors' risk assessed and controlled?	No	Incident reports show this is not always the case.	<p>A lot of times, yes but not consistently.</p> <p>We regularly find very high-risk work done without any form of safety plan or risk assessment undertaken – e.g. work at height, excavations, diving etc.</p>	<p>This is covered in the draft strategic plan as an action.</p> <p>This requirement needs inclusion into every new and existing contract, where there is high risk physical work</p>

				<p>Use of the Council permit to work system can really help in this area, but also not consistently applied.</p> <p>There is also an area in Assura where the HS014 checklist for small projects or maintenance work can be used.</p> <p>This is an unfortunate score as the quarterly contract monitoring reports show pockets of excellence where this is being done well (e.g., Waste Department, Capital Projects Dept). It will be good to see this lifted to the same standard everywhere.</p>	
8.11	Has there been a check of all chemical inventories during the past year	No	<p>Most completed, but on a rolling annual schedule to check now.</p> <p>These are now in Assura and actions to do assigned.</p>	<p>As at 13/11/24 we only have one overdue whereas at the end of October we had three. However, the one overdue one was over a year overdue. This is now underway with a plan to complete.</p>	<p>Managers need to monitor and follow up, particularly when prompted.</p>
9.3	Have these all been done or checked in the past year?	No	<p>Information located in Assura.</p>	<p>Overdue at 3/10/2024 and still at 13/11/24 were three sites despite prompts and offers of assistance.</p>	<p>Managers need to monitor and follow up, particularly when prompted.</p> <p><i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i></p>
9.4	Are duress alarms being regularly tested	No	<p>Information located in Assura.</p>	<p>This can become a long drawn-out task, especially if items found wanting and they need retesting. <i>This is being monitored by the H&S team and chased up if not completed by contractors in a timely manner.</i></p>	

9.6	Have the security exercises occurred within 2 months of scheduled date due?	No	Evidence in Assura	The same three teams overdue in questions 9.3 have not completed these either.	Managers need to monitor and follow up, particularly when prompted. <i>In the draft H&S strategic plan there is a recommendation to provide a monthly report to SLT for more visibility of overdue actions and the expectation of their follow up.</i>
11.1	Health and safety is discussed at team and department meetings?	No	Minutes. This response came from a review group.	This is not consistent across Council. Some leaders do this faithfully and some teams reportedly go for some time with no team meetings at all let alone ones where H&S is discussed.	This needs to be a KPI in performance reviews.
11.2	Health and safety performance is covered during performance reviews	No	Not available	This had been thought to have been done from the last external audit, but still not actually in place. This is still an outstanding action from the Securo audit to add into performance reviews. It was completed but the new 2024-25 ones still do not have this in.	The wording in the HR admin forms library needs to be used and added.

CCO Health and Safety visit RE:SORT, Kioreroa Road



September 2024

1. Executive summary

- This is a waste management site that Council and Quay contracting can feel rightly proud of.
- The housekeeping at the RE:SORT site was of a very high standard and staff can feel proud of their efforts.
- New signage has clearly improved the traffic plan and flow.
- Speedbumps were noted to significantly reduce driver speed.
- Staff noted aggressive incident levels down from covid times.
- There is a significant risk of moving machinery and human interface, and Northland Waste needs to keep a strong monitoring focus on this.
- I would like to see the 500lt diesel tank reviewed by a suitable expert to ensure there are sufficient controls in place. They may well be sufficient controls in place, but it would be good to be confident of this, including if bunding is required. Even from an environmental point of view, as this flows down to a drain.

2. Introduction

Simon Weston, Chief Executive (CE) has asked the health and safety (H&S) team to undertake an annual health and safety visit to each of the CCOs.

I visited RE:SORT on the 5th September accompanied by Solid Waste Department, Council employees, Wendy Bertholet and Grant Alsop.

We were hosted by Ellen Robertson, H&S Manager from Northland Waste. Unfortunately, others invited were either ill or had other appointments on. Ellen was very open and helpful with providing information.

During the visit we had interactions with several Northland Waste staff as well.

Acronyms used in this report;

CE = Chief Executive

CCO = Council Controlled Organisation

H&S = Health and Safety

3. Findings

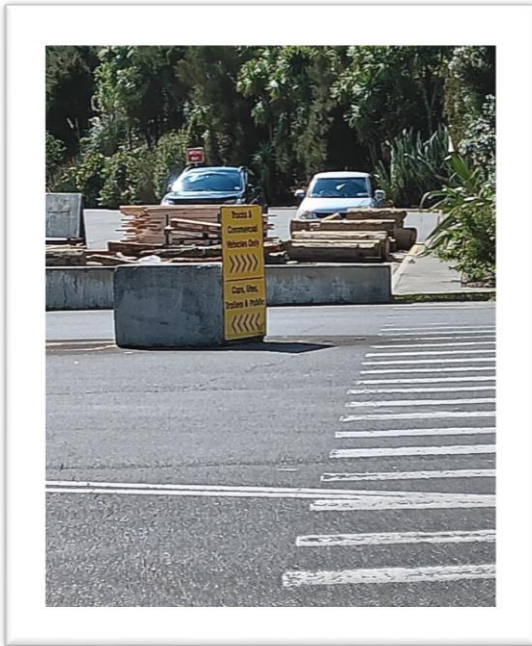
Significant risks

There are a number of potentially significant health and safety risks on site, as shown below.

Traffic

Traffic poses a significant risk at the site. This includes traffic going too fast for the conditions or going the wrong way, as per required traffic flows. Noted controls in place included new and very clear signage giving instructions to drivers about traffic flow, pedestrian access, and speed bumps.

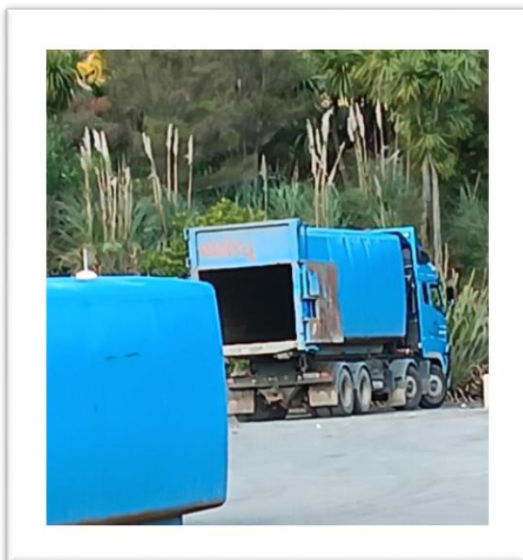




Moving machinery

There are a number of moving machinery operations and therefore health and safety risks on site most of the time.

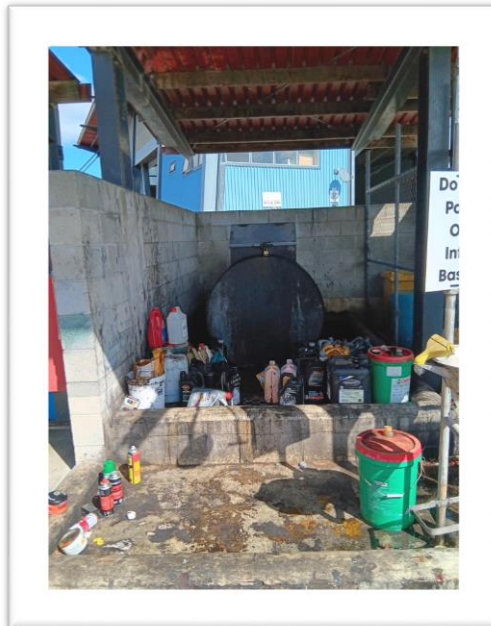
The site has good barriers in place, signage and monitoring. Most of the vehicles observed had amber flashing lights and reversing alarms. One of the areas where previous near miss incidents had occurred some years ago, was the commercial glass drop off area, when trucks were reversing, although no incidents have been recently reported.



No reversing alarm noted on the above machine in the pit (Photo to the right).

Hazardous substances

Key controls in place observed were bunding, emergency shower and eyewash, signage, and monitoring.



Bunding

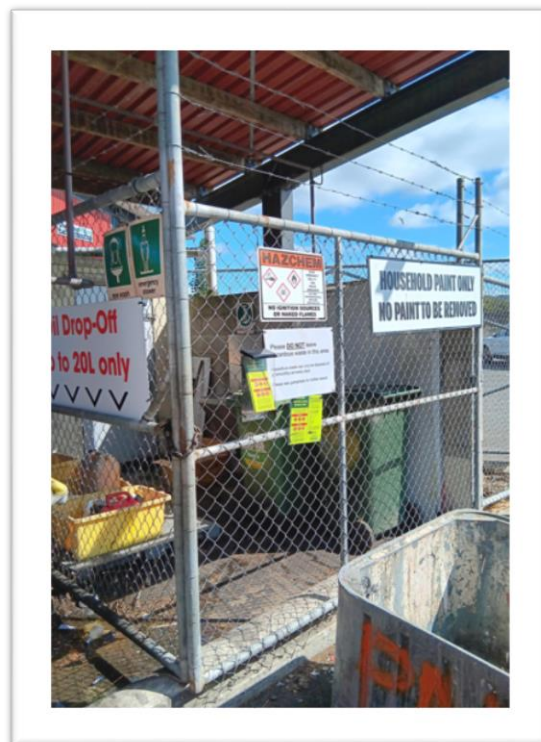


500lt diesel tank.

There is a 500lt diesel tank on site and I aimed to research what was required for this tank in the way of bunding and other requirements, but this whole hazardous chemical area has become such a specialist area, I would be very hesitant to give advice on this. This could be done however by Northland Waste, if they have not already. A spill kit is placed nearby, as per above photo shows.



Safety and eye shower



Hazchem and other signage

NRC monitor the hazardous waste drop off and amnesty days and Resort staff are in regular communication with them.



Wendy noted the timber on the oxidizing substances bin, which we hope has been removed. Wendy followed up and this was removed. Sited near the wood waste collection and a member of the public just dropped some in. Staff check routinely.

Wendy also said she would follow up regards having some sand available in case of fire in the bin.

Wendy noted some non-battery waste in this bin and said she would follow up on this.



Asbestos management

Ellen advised on site staff are highly aware of the potential for the public dropping off knowingly or unknowingly asbestos material and monitor this well.

This handy visual board showing examples of asbestos waste was also a good idea.



Cuts

There is a reasonably high risk of people cutting themselves on site from glass or other sharp objects. Staff are aware of the risk and use PPE and other precautions to prevent cuts.

First aid gear was advised as being up to date with this sometimes being required by staff, the public and others. Some staff are first aid trained.

It was noted that water to wash out wounds was also readily available around the site.

Fall from height

There is a risk that the public dropping off waste may fall from height into the pit.

Bunding to prevent trailers or vehicles going over the edge are in place, as shown below. This area is also monitored by staff for any inappropriate or risky behaviour.



Biological risks

Some of the biological risks Ellen advised us of are wasps, which are attracted to the location and rodents. Bait stations were noted, and this is monitored closely. There used to be a seagull problem, but Ellen advised this did not seem to be a concern for them now.

Risks for children

There is clear signage up about children remaining in vehicles and staff monitor this closely. However, Grant observed this signage might be best placed in a more prominent position so more visible to the public and it seemed like a good idea.

Emergencies

An emergency evacuation exercise just held a month ago. We suggested a chemical spill exercise might be useful to be done sometime too.

There are several evacuation assembly points around the site.



Aggressive person risks

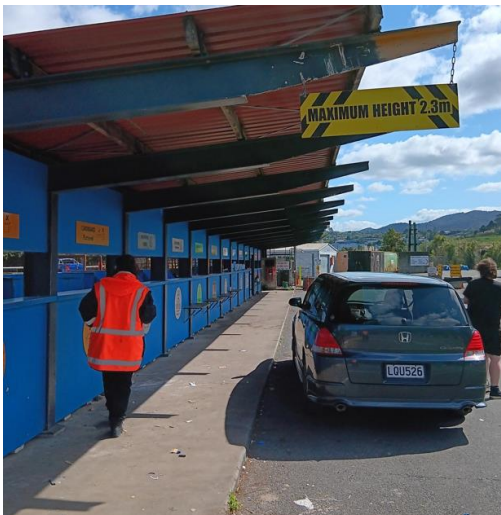
While noted in covid times, high levels of public aggression was reported to have somewhat reduced to operators in the kiosk.

Eftpos use is used (no cash) in the shop, so there is less likelihood of an armed robbery risk.

However, staff in the shop – *The Last Resort*, did report some people got quite agitated about prices, even though they were very low.

Housekeeping

A sure sign of how a site is managed is by observing housekeeping. Under the operational constraints, the high standard of housekeeping on site was evident. Ellen advised us that staff take much pride in keeping the site clean and tidy. Some examples include;



The recycling area drop off point where regular sweeping occurs to check and remove any broken glass and other items.

Recycling area drop off point



The very tidy paper and cardboard reclaim area yard.

Footpaths

Just one area had flaxes overgrowing on one of the pedestrian paths which could pose a trip hazard. Ellen noted at the time.

4. Recommendations

1. Northland Waste to review whether a reversing alarm is required on the digger in operation in the pit
2. Northland Waste to investigate requirements for a 500lt diesel tank.
3. Wendy to liaise further with Northland waste about the timber in the oxidizing bin and the battery bin – this was completed already.
4. Suggestion that Northland Waste move the signage about children remaining in the vehicle to a more prominent location.

Desarae Williams
H&S Manager
13.9.2024

CCO Health and Safety Visit Whangarei Arts Trust



September 2024

Table of contents

CCO Health and Safety visit	1
Whangarei Arts Trust	1
September 2024	1
1. Executive summary.....	3
2. Introduction.....	4
Acronyms used in this report;.....	4
Acknowledgements.....	4
3. Findings	5
Governance.....	5
CCO guidance	5
Statement of intent.....	7
4. Significant risks.....	8
Installing and packing up exhibits	8
Aggression from the public	8
Accessibility.....	8
Work alone	8
School visits	8
Hazard register.....	8
Staff and workers involved	9
Worker participation	9
Board involvement.....	9
Incident reporting.....	9
Information	10
Emergencies	10
5. Conclusion.....	11
6. Recommendations.....	12
1. Governance.....	12
2. Monitoring	13
3. Risk reporting to the CE and Risk and Audit Committee.....	13
4. Working together	14
Actions.....	14

1. Executive summary

1. A health and safety visit was conducted by Council staff with the Whangarei Arts Trust (WAT) on September 25, 2024.
2. A staff member has been appointed to help coordinate health and safety and the work accomplished since the last visit is evident. There was strong evidence of improvements in their health and safety systems provided.
3. The risk of aggressive people is problematic and can be difficult to adequately control.
4. There is a recommendation to add a specific health and safety clause into the next Statement of intent we provide to the trust.
5. The Council Health and Safety Manager would like to receive in the meeting minutes from the WAT health and safety committee meetings, enabling better monitoring and more accurate reporting through to the CE and Risk and Audit Committee. This can be arranged via the executive assistant of the General Manager – Community.
6. Efforts to ensure we have good health and safety working relationships can be put in place, in small ways and area shown in the actions area of section 6.

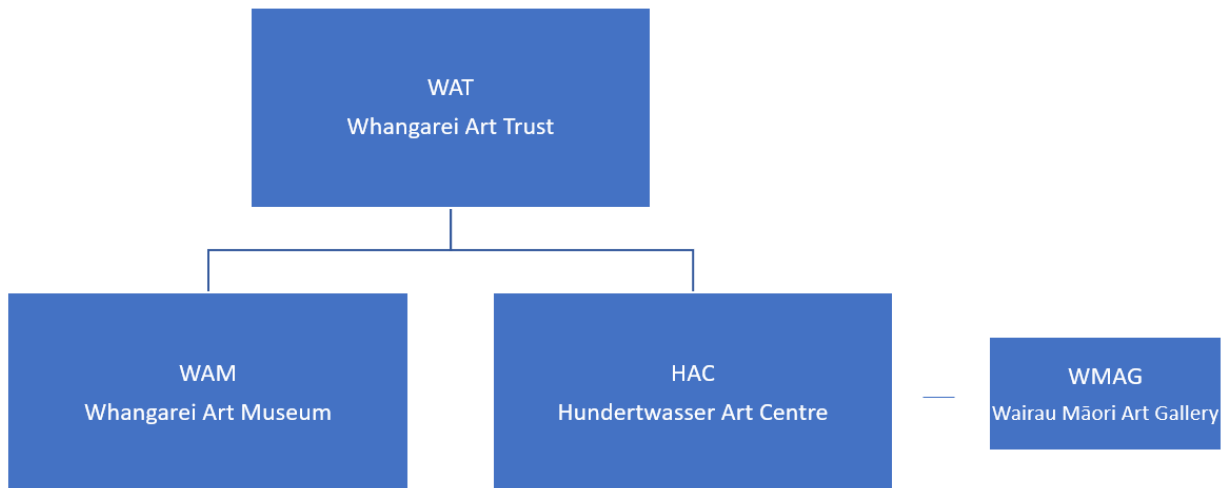
2. Introduction

Simon Weston, Chief Executive (CE) has asked the health and safety (H&S) team to undertake an annual health and safety visit to each of the CCOs. Victoria Harwood, General Manager – Community was also very keen we undertook this visit.

On September 25, accompanied by Jacki Cooper, Department Manager – Community, we visited Whangarei Art Museum, with the purpose of undertaking a health and safety check in with Whangarei Arts Trust (WAT).

We were hosted by Simon Bowerbank from the Whangarei Arts Museum (WAM), Joost de Buin from the Hundertwasser Art Centre (HAC) with Wairau Māori Art Gallery and Jacinda Selmen from HAC. Both divisions are governed by the Whangarei Art Trust (WAT)

WAT has a structure as outlined below.



The Wairau Māori Gallery Board is an independent entity that works within the Hundertwasser Art Centre to help set up some displays. It was not discussed in this visit.

Acronyms used in this report;

CE = Chief Executive
 CCO = Council Controlled Organisation
 HAC = Hundertwasser Art Centre.
 H&S = Health and Safety
 WAM = Whangarei Art Museum

Acknowledgements

Appreciation is given to the staff who met up with us and provided helpful information on their health and safety systems, achievements and solutions.

3. Findings

Governance

The Whangarei Art Trust is Council Controlled Organisations (CCO), run by a board, mostly Council appointed and with the intent to be independent of Council in terms of operations and governance, including how health and safety is managed.

The GM -Community currently attends the WAT board meetings. Agendas and minutes are sent through to the GM – Community every month and reported by the GM - Community through the Operations report of the Community Development Committee each month.

Further details about the Trust can be found on their website page, including information about directors of the trust - <https://whangareiartmuseum.co.nz/wat/>

One important question to be answered is, should Council be monitoring the health and safety of CCOs.

CCO guidance

The Auditor General has put out guidance on CCOs (*see below cover page*) - <https://oag.parliament.nz/2015/cco-governance/docs/cco-governance.pdf> and although it does not specifically cover health and safety, it does make mention of 'risks'.



B.29 [15m]

Governance and accountability of council-controlled organisations



There were some particular clauses noted, that might be pertinent to health and safety monitoring and particularly relevant wording, is highlighted.

Section 3.20 - Can a local authority transfer risk to its CCO?

*A reason for setting up a separate entity such as a CCO can be to insulate the local authority from financial liability for an activity or venture involving other parties (such as a joint venture). However, when there are concerns or problems, the parent local authority is likely to find that it retains accountability for outcomes – **in a reputational sense at least.***

Section 4.34 - Covers the need for clarity of purpose

A local authority will never be just the shareholder of a CCO. It will always be accountable to the community for the activities of the CCO.

Section 5.19 - Covers Councillors as directors of CCOs

*Councillor-directors can also add to the Council's understanding of the affairs of the CCO. Around the Council table, they are able to provide clarity to their colleagues about matters affecting the CCO. **They can ensure that the Council has an informed debate that focuses on the main issues for decision.** That said, councillor-directors may be unable to participate in decisions on matters about the CCO because of their interest as a director.*

Note - There is more in this section 5 of the Auditor General's report that is pertinent.

Section 6.10 - Covers Monitoring

A local authority must **monitor** the performance of its CCOs to evaluate their contribution to the achievement of:

- the local authority's objectives for the organisation;
- the desired results set out in the CCO's statement of intent; and
- the overall aims of the local authority

Section 7. 2 – Covers several sections about relationships between CCOs and the Council.

An effective relationship between a local authority and its council-controlled organisations and discusses the importance of Council and the CCO maintaining good relationships and working together. Specifically in Section 7.2 it covers;

*However a local authority chooses to monitor its CCOs, its primary aim should be to find a system that enables an effective relationship between parent and subsidiary. **That relationship should go beyond the formal statutory requirements.***

Statement of intent

One of the requirements stated by the Auditor General is about Councils providing the CCO with a letter of expectation and CCOs develop their own statement of intent and then basically letting them get on with it.

We have a current statement of intent for WAT, that can be easily located on our Council website; <https://www.wdc.govt.nz/files/assets/public/v/1/documents/council/cco/wat/wat-statement-of-intent-2025-2027.pdf>. This statement of intent does not however, specifically mention health and safety.

This was checked to establish what it said if anything about health and safety. It is not specifically mentioned.

4. Significant risks

Installing and packing up exhibits

Simon advised us that in terms of WAM, the installation of exhibits and dismantling of them poses their biggest health and safety risk. The staff basically treat these tasks as a construction zone, with similar controls in place.

Key controls in place – A JSA for each exhibit is developed and followed, Jacinda showed us one of these and it appeared detailed and comprehensive, with hazards and controls identified.

Aggression from the public

One of their key risks is aggression from the public, especially that that overflows from the bus stop area.

Joost advised they had tried several times to get funding for panic buttons, but so far this has not been successful.

Some measures have been taken since the last H&S visit to try and reduce this risk. Training in this area used to be provided by Volunteering Whangarei but has recently not been offered.

Simon offered that he had been on the receiving end of several aggressive person incidents. Mostly from the bus passenger environment.

Accessibility

During the last H&S visit, we were advised there had been some incidents involving people with mobility impairments, including an incident where a person had been stuck in the Hundertwasser chair lift. Since then, the accessway nearby has been widened and there is constant scrutiny on the use of this chair lift and the weight restrictions applied.

Work alone

A cleaner had been accidentally locked in a bathroom after hours and did not have a phone on her (even though required). Since then and after review, cleaning was altered so it is done early in the morning. Even if a person were locked in, they would be reasonably quickly discovered by staff coming in during the morning. This was not the sole reason for moving cleaning times, but a strong driver.

School visits

A Risk management (RAMs) form is now supplied to schools, following requests from schools that outlines the hazards they might encounter and the required controls.

Jacinda hosts these tours and advised each school term, on average about 800 children on average, visit Hundertwasser and sometimes WAM. School visits are subsidised by WAT, allowing children access to this cultural opportunity, they might not otherwise have.

They have a policy covering vulnerable children and Jacinda advised she had had a police check, as she is the main tour guide through Hundertwasser.

They also hold activities for the children, and these are also carefully managed for health and safety risks.

Hazard register

Jacinda showed us the hazard register for the different components of WAT. All residual risk scores had been reduced down to a tolerable level, once controls were in place.



Photo of the risk register

Staff and workers involved

Jacinda is now full time. On the previous visit she was part-time. While Jacinda looks after the school visits, she also looks after the WAT health and safety coordination. Jacinda has worked hard at simplifying and streamlining health and safety at WAT and spending energy engaging with staff to get involved.

WAT relies on its volunteers and makes sure they are inducted.

The induction programme has also been streamlined. We were advised inductions are not as prevalent as during the last visit as the volunteer and staff base had stabilized considerably.

Worker participation

There is a WAT health and safety committee (which has participants from HAC and WAM). One of the WAT Trustees, Bronwyn Dalley, is a member of the committee.

Jacinda showed us the minutes of the previous committee meeting, which was detailed, simple to follow and comprehensive.

Board involvement

The WAT board receives a copy of the health and safety committee minutes and passes a resolution on these. We were advised Bronwyn Dalley, speaks to any items of concern at the meetings.

Incident reporting

Jacinda showed us their incident reporting list, in folder in photo overleaf. She advised staff were now reporting more incidents. She takes this data and puts it into a spreadsheet and shows this data at H&S committee meetings. One of the things there had been a belief about was most injuries and incidents were caused by school visits. Jacinda did some data analysis, and this showed this was not actually the case. Most incidents occur on the Hundertwasser building roof area, involving trips and slips and falls.



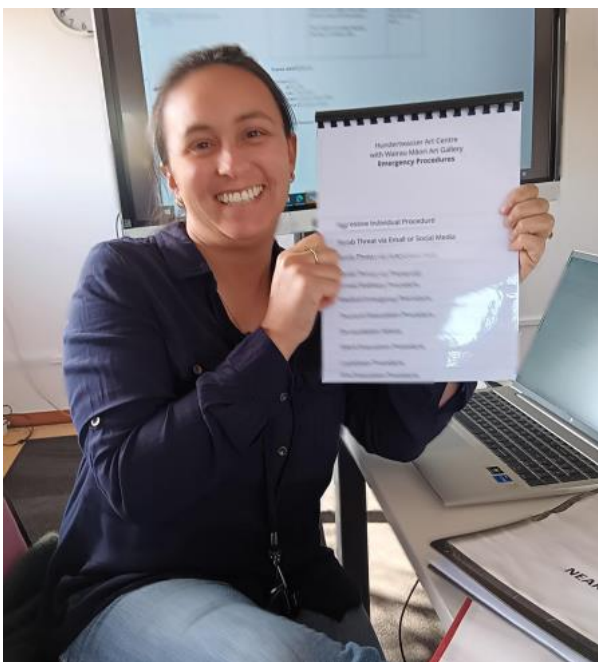
Photo of incident register (the red one for school incidents)

Information

Jacinda advised she has gone through and simplified many existing procedures and processes and created checklists etc. that are easier to follow.

A policy a month is reviewed at the H&S committee, and she advised staff are now giving good input and feedback into these.

One of the recent policies developed, she advised was a 'vomit' policy, following an incident with a school and the need for a suitable response where several visiting children vomited at the same time.



Emergencies

A flip chart with quick emergency responses was available, along with lengthier emergency procedures.

A new silent evacuation procedure had been developed recently.

A new power outage procedure was also developed following the recent power outage in Northland. In this event, they noted that the external door remained open and therefore unsecured, and staff had to stand by until power was restored.

Jacinda is proudly holding up the newly developed emergency response flip chart, to the left.

5. Conclusion

There has been a noted improvement in the WAT health and safety (and other systems and processes), since the last H&S visit including visible evidence of;

- Staff engagement
- Incident reporting
- Data analysis
- Streamlining of procedures
- Inductions
- Staff wellbeing and morale

Jacinda, with support from the leaders, has developed a robust health and safety system that is suitable for an organisation of this size and seems to be working well for them.

The recommendations made in the next section are for Council to address, rather than WAT.

6. Recommendations

1. Governance

There is no specific coverage of health and safety requirements in the statement of intent. I would recommend that Council add a clause into the next annual statement of intent that in the 'Good governance' section (below), we add in these words;

- **Follow good health and safety governance as outlined in the Directors institute, H&S Guide Good governance for directors.**

Good Governance	<ul style="list-style-type: none"> ● Maintain a trustee skills matrix. ● Provide an induction for any new board members. ● Be a good employer. ● Maintain a good reputation. ● Have a clear purpose and to stay focused on it. ● Have clear roles and responsibilities that separate governance and management. ● Invest in effective relationships built on trust and respect. ● Be clear about accountabilities and transparent about performance against them; manage risk effectively and ensure that you have good information, systems, and controls. ● Take proactive measures to build, maintain and ensure a positive relationship is held with the Hundertwasser Foundation from a governance and operations perspective, including following all requirements of the Cooperation Agreement.
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The H&S Guide Good governance for directors is linked below;

https://www.sitesafe.org.nz/globalassets/guides-and-resources/best-practice-guides/iod-health-and-safety-guide_good-governance-for-directors.pdf

In addition, some specific reporting measures could be taken from the Worksafe – Health and safety leadership guide: for owners and company directors of small to medium businesses. place guidance, linked below;

<https://www.worksafe.govt.nz/managing-health-and-safety/businesses/guidance-for-business-leaders/>

They recommend that the following systems are in place, and these could then be monitored by Council (See overleaf).

Good health and safety systems have:

✔ **GOOD LEADERS**

Clearly communicate your health and safety goals so everyone's in the loop, and lead by example.

✔ **RISK SMARTS**

Identify all the workplace hazards and associated risks in your business, and work out how to control these risks by eliminating and minimising them.

✔ **HEALTH AS WELL AS SAFETY**

Make sure your system focuses on good health not just safety. Your processes should identify, control and monitor risks to worker health.

✔ **EMERGENCIES SORTED**

Identify all potential emergencies and work out how to manage them. Share the plan with your team and test it regularly.

✔ **REPORTING PROCESSES**

Have clear processes for reporting and investigating injuries, incidents, near-misses, hazards and exposure and health monitoring results to work out what caused them, so you can stop them happening again.

✔ **CARE FOR PEOPLE**

Ensure your workers receive proper treatment and rehabilitation if they have an injury or ill health at work. Remember their families.

✔ **WORKER ENGAGEMENT**

Make sure that you have a process to ensure that you involve your workers in all decisions that relate to their health and safety and that you take their input seriously.

✔ **WORKER PARTICIPATION**

Get your team actively involved in all aspects of your health and safety plan, including identifying risks, investigating incidents, and taking part in training and ongoing planning.

✔ **CONSTANT IMPROVEMENT**

Your business will change with time and so should your health and safety plan. Set time aside each year to continually look for ways to improve and adapt your health and safety plan to your changing needs. You may also need to revise your plans if it becomes clear that something is going wrong.

✔ **RESOURCES AND TRAINING**

Make sure you have the right resources (think equipment, plant, budget, time, people, and training). It's your responsibility as a director, owner or manager to ensure your people are trained to do their job safely. Don't be tempted to skimp here – it's just not worth the risk.

2. *Monitoring*

Monitoring is a requirement in section 6.2 of the General Auditor general's report.

When the WAT agenda comes through, I would recommend a copy of the WAT H&S committee minutes (which is attached) is forwarded to the Council H&S Manager. This could be viewed as providing some more active monitoring.

3. *Risk reporting to the CE and Risk and Audit Committee*

Currently there is a section in the Risk and Audit committee report for CCO visits. I recommend and propose that this report is attached to the next committee agenda, as an attachment to the Committee, and that by receiving regular WAT H&S minutes, items of concern or improvement can be updated in this report, so our elected members are receiving more accurate and current information than they may currently do. This is also a requirement in section 6.2 of the Auditor General's report.

4. Working together

There is benefit in WAT and Council working together health and safety wise, as per Section 7.2 of the Auditor general's report. Some specific actions that could help WAT are listed below.

7. Actions

1. Jacki Cooper to find out if the bus stop is going to move to Rose Street and advise. This would relieve some aggressive behaviours on staff.
2. Desarae to note a desire of WAT staff to attend future Fear free training that Council arrange, if we have any spare spaces.
3. Jacki Cooper to note if there are any significant homeless person situations or other community risks that could pose a hazard in the area, and to alert WAT.
4. Desarae Williams to forward completed report to Jacinda.
5. Desarae Williams to forward our monthly contractor H&S newsletter to Jacinda, as it usually contains some updates and safety alerts from other organisations.

Desarae Williams
H&S Manager
27.9.2024

Audit #273972

TimeZone: Whangarei District Council

Overview

Lodged By	Williams, Desarae	Date Lodged	21-Nov-2024 10:24 AM
Last Changed By		Date Changed	
Active	Yes	Global ID	273972

General Audit Details

Brief Description	CCO - Airport Health and Safety Check		
Full Details	Visited the Airport and spoke to Stephen Jenkins about the airport H&S		
Audit Type	CCO		
Internal / External	Internal		
Internal Auditor	Desarae Williams		
Business Unit	People & Capability - People & Capability - Strategic Leadership Team - WDC BU		
Audit Date	15-Nov-2024		
Locations Involved	<table border="1"> <thead> <tr> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Airport - Council-Controlled Organisations - Whangarei District Council</td> </tr> </tbody> </table>	Description	Airport - Council-Controlled Organisations - Whangarei District Council
Description			
Airport - Council-Controlled Organisations - Whangarei District Council			
Location - Other Details	Office		

Kete Link

Kete Link

Report Attached

Report	Title	Attached Date	Attached By
No attachments.			

Comments

Comments	<p>New software in place that is being well utilised by staff and being used for more than just health and safety management. User friendly and provides good information out - One Reg. It was given access to the H&S committee portal/dashboard and the general H&S one).</p> <p>The new software I was advised had made the biggest difference to H&S improvements at the airport with a very high take up of the users.</p> <p>There are QR codes all around the airport for everyone to report issues, including the public;</p> <p>The industry is having discussions about CAA taking on the regulator role, instead of Worksafe.</p> <p>There is also discussion about changes to legislation that would require all regional airports to have office space for the Police and Security to work from and work task areas too. Whangarei airport is not set up for this and this would be a large capital cost involved and for us to consider.</p> <p>The many cancelled ANZ flights are causing a lack of trust by many travellers and this was discussed at length at a recent industry 4 day conference.</p>
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Corrective Actions

Corrective Actions	Brief Description	Action Officer	Planned Completion	Action Completed on
No records to display.				

Other Correspondence & Files

Other Attachments	Title	Attached Date	Attached By
No attachments.			

RESOLUTION TO EXCLUDE THE PUBLIC**Move/Second**

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
1.1 Confidential Minutes Risk and Audit Committee meeting held 4 September 2024	Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
1.2 Health and safety visit to Puwera Landfill		
1.3 ICT Risks Report - December 2024		

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

Item	Grounds	Section
1.1	For the reasons as stated in the open minutes	
1.2	To prevent the disclosure or use of official information for improper gain or improper advantage.	S7(2)(j)
1.3	To prevent the disclosure or use of official information for improper gain or improper advantage.	S7(2)(b)(ii)

Resolution to allow members of the public to remain

If the committee wishes members of the public to remain during discussion of confidential items the following additional recommendation will need to be passed:

Move/Second

“That _____ be permitted to remain at this meeting, after the public has been excluded, because of his/her/their knowledge of Item _____.

This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because _____.