

Komiti o te Mōrearea me te Tūmaru | Risk & Assurance Committee



Kaupapataka Wātea | Open Agenda



Notice is hereby given that an ordinary meeting of Komiti o te Mōrearea me te Tūmaru | Risk & Assurance Committee will be held on:

Ko te rā | Date: Tuesday 7 March 2023
Wā | Time: 9.00am
Wāhi | Venue: Council Chambers
35 Kenrick Street
TE AROHA

Ngā Mema | Membership

Tiamana | Chairperson

Jaydene Kana

Independent Member

Joanne Aoake

Koromatua | Mayor

Adrienne Wilcock, JP

Koromatua Tautoko | Deputy Mayor

James Thomas

Kaunihera ā-Rohe | District Councillors

Bruce Dewhurst

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1 Whakatūwheratanga o te hui | Meeting Opening

Chairperson to welcome members and open the meeting.

2 Karakia

The opening karakia is to be performed.

3 Ngā whakapāha/Tono whakawātea | Apologies/Leave of Absence

At the close of the agenda no apologies had been received.

4 Pānui i Ngā Take Ohore Anō | Notification of Urgent/Additional Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

- (a) The local authority by resolution so decides; and
- (b) The presiding member explains at the meeting, at a time when it is open to the public,-
 - (i) The reason why the item is not on the agenda; and
 - (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

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

5 Whakaaetanga mēneti | Confirmation of Minutes

Minutes, as circulated, of the Ordinary meeting of Komiti o te Mōrearea me te Tūmaru | Risk & Assurance Committee, held on 6 December 2022

6 Pūrongo me whakatau | Decision Reports

6.1 Amendments to Risk and Assurance Charter

CM No.: 2691308

Rāpopotonga Matua | Executive Summary

This report provides the Committee with a copy of the revised Charter (attached) as a result of the Committee's review workshop on Monday 20th February 2023 where amendments were suggested. The attached Charter reflects those amendments and the Committee can add any further amendments before recommending the changes to Council for adoption.

Tūtohunga | Recommendation

That:

1. The revised Charter of the Risk and Assurance Committee be sent to Council for approval.

Horopaki | Background

At its inaugural meeting on 6 December 2022 of the 2022-2025 triennium, the Risk and Assurance Committee indicated the preference to undertake a full review of the Risk and Assurance Charter.

The Office of the Auditor General ("OAG") has resources available on their website regarding making the most of audit committees, guiding principles etc. These resources can be viewed at <http://www.oag.govt.nz/our-work/audit-committees>. These resources have replaced the previous good practice guide 'Audit committees in the public sector'.

Ngā Take/Kōrerorero | Issues/Discussion

At Council's meeting on 9 November 2022 the Risk and Assurance Committee was established and delegated the role of "ensuring Council has appropriate risk management, internal and financial control systems" Further to this Council resolved that the Risk and Assurance Committee be requested to propose a work programme for the fulfilment of this delegation. The Committee shall operate under a Terms of Reference approved by Council.

The OAG recommends that a Charter is developed to guide the work of the Committee and advises "*It is useful to set out the purpose, roles, and responsibilities of the audit committee and its scope in the context of the entity's governance framework.*"

On 20 February 2023 the Risk and Assurance Committee undertook a full review of the previous Audit and Risk Committee's Charter where amendments to the title, objectives, authority, composition, meetings and responsibilities were suggested.

OAG guidance is that a Charter should formally document the accountability, authority, duties, membership, role, and responsibilities of the audit committee. The Charter should be approved by the governing body and reviewed and confirmed each year.

The Charter should include the Committee's:

- objective (its role or purpose, the governance framework/context within which it operates, and how it relates to other governance mechanisms/committees);

- authority (the power or authority it has to fulfil its objectives);
- composition and tenure of members (the size of the audit committee, the sort of members it has, how new members are appointed and reappointed, how long members remain on the audit committee, and how members (including the chairperson) are removed in the event of non-performance);
- responsibilities;
- administrative arrangements (meetings, attendance and quorums, decision-making and voting, secretariat, conflict of interest provisions, induction);
- performance assessment arrangements; and
- systems and schedules for reviewing the Charter.

Ngā Whiringa | Options

- 1) The revised Charter of the Risk and Assurance Committee as attached be sent to Council for approval.
- 2) The revised Charter of the Risk and Assurance Committee as attached with any additional amendments be sent to Council for approval.



Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

A Charter for the Risk and Assurance Committee is not a statutory requirement, it is recommended as good practice by the OAG.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

The Risk and Assurance Committee should seek approval from Council of any amendments to its Charter as soon as reasonably possible.

Ngā Tāpiritanga | Attachments

 Risk and Assurance Committee Charter - Reviewed 20.02.2023 - for Committee approval
 7 March 2023

Ngā waitohu | Signatories

Author(s)	Stephanie Hutchins Governance Support Officer	
Approved by	Sandra Harris Placemaking and Governance Team Leader	

Matamata-Piako District Council

Risk and Assurance Committee

Charter

Reviewed by the Risk and Assurance Committee February 2023



1. Objectives

The primary objective of the Risk and Assurance Committee (Committee) is to assist the Matamata-Piako District Council (Council) in fulfilling its overall responsibilities relating to financial reporting, external audit, internal audit, compliance reporting and risk reporting, and report any areas of concern to Council.

The Committee will review:

- 1.1 The integrity of Council's financial management and reporting processes.
- 1.2 The scope, timeliness and effectiveness of Council's internal audit programme.
- 1.3 The scope and timeliness of Council's external audit activity.
- 1.4 Council's process for monitoring compliance with laws and regulations.
- 1.5 Council's risk management activities and their effectiveness.

2. Authority

The Council authorises the Committee within the scope of this Charter, through the Chairperson, to:

- 2.1 Seek any information it requires from any employee of Council
- 2.2 Obtain outside legal or other professional advice from within Council allocated resources or with the approval of Council should additional unfunded resource be needed.

3. Composition

The Chairperson must be suitably qualified and shall be an independent appointment with skills and experience, including governance and leadership, to provide value for Council. The Committee size will be determined by Council and must include members who have appropriate skills and experience, may include a second independent member.

4. Term of Membership

The Committee membership may be reviewed by Council but otherwise will be appointed for the term of Council.

5. Meetings

- 5.1 The Committee will meet at least four times per year, and such additional meetings as the Chairperson shall decide to fulfil its duties. In addition, the Chairperson is required to

call a meeting of the Committee if requested to do so by a majority of Committee Members, Council or the external auditors.

- 5.2 The Committee will be supported by Council's Governance Support Officer who shall be responsible, in conjunction with the Chairperson, for compiling the agenda and circulating it, supported by explanatory documentation to Committee Members prior to each meeting.
- 5.3 The Governance Support Officer will also be responsible for keeping the minutes of meetings of the Committee and circulating them to Committee Members and to the other members of Council.
- 5.4 A quorum shall consist of a majority of the Members.
- 5.5 The Committee will adopt Standing Orders to support its objectives and responsibilities.

6. Responsibilities

The responsibilities of the Committee aligned to the Committee's objectives are:

6.1 Financial Reporting

- 6.1.1 Review the performance of Council's financial and non-financial activities against the Long-Term Plan and Annual Plan.
- 6.1.2 Review the accuracy and completeness of Council's interim and annual financial statements and Annual Report in accordance with Council's policies, relevant accounting principles and relevant accounting standards.
- 6.1.3 Review all significant changes in accounting policy or activities that could have a material impact on Council's financial statements or Annual Report.
- 6.1.4 Recommend the adoption of the Annual Report to Council.

6.2 External Audit

- 6.2.1 Recommend the appointment or reappointment of external auditors to Council.
- 6.2.2 Review and recommend the proposed external audit scope, plan, and fees to Council.
- 6.2.3 Monitor the performance of the external auditor, including enabling Council to meet statutory reporting deadlines.
- 6.2.4 Review the external audit recommendations and the appropriateness of management's response and monitor the timeliness and effectiveness of management's implementation of these recommendations.

- 6.2.5 As required, meet with management and/or the external auditors to discuss the audit arrangements, audit process, audit opinion or audit report.

6.3 Internal Audit

- 6.3.1 Review and approve the proposed internal audit programme and the terms of reference for each internal audit within that programme.

- 6.3.2 Monitor the delivery of the internal audit programme.

- 6.3.3 Review the internal audit recommendations and the appropriateness of management's response and monitor the timeliness and effectiveness of management's implementation of these recommendations.

6.4 Compliance with Laws and Regulations

- 6.4.1 Review the effectiveness of Council's system for monitoring compliance with laws and regulations, including management's report on any non-compliance and actions taken to address this non-compliance.

- 6.4.2 Review reports from regulatory agencies independently assessing Council's compliance with laws and regulations.

6.5 Risk and Internal Controls

- 6.5.1 Review the effectiveness of Council's framework to identify, treat, monitor, and report on risks to Council's activities, Annual Plan and Long-Term Plan.

- 6.5.2 Review the effectiveness of Council's system to implement the Safety and Wellness Charter and achieve the mission of "Home Safe Every Day".

- 6.5.3 Review the effectiveness of Council's control environment, including Council employees understanding the importance of internal controls and their role in identifying and reporting on risks.

- 6.5.4 Review the effectiveness of Council's framework for business continuity, including the vulnerability of Council's information technology systems to threats.

- 6.5.5 Review the effectiveness of Council's insurance arrangements to mitigate insurable risks.

7 Other Responsibilities

- 7.1 Regularly update and make recommendations to Council on Committee activities within the scope of this Charter.

- 7.2 Perform other Risk and Assurance responsibilities as requested by Council.
- 7.3 Review all Council policies within the scope of this Charter.
- 7.4 Review and recommend the Committee's Charter to Council for approval.
- 7.5 Annually review the performance of this Committee against this Charter, including recommendations to management on improved content or presentation of reports.
- 7.6 Council's external auditors or Risk Manager will have independent access to the Committee Chairperson at any time.

6 Pūrongo me whakatau | Decision Reports

6.2 Risk management and assurance approach for the Long-term Plan 2024-2034

CM No.: 2680679

Rāpopotonga Matua | Executive Summary

Council is required to prepare and adopt a Long Term Plan under the Local Government Act 2002 (LGA) every three years. The purpose of this report is two-fold:

- To introduce the Long Term Plan 2024-34 (LTP) project to the Risk and Assurance Committee (Committee) to enable feedback or comment on the proposed timeline and project outline.
- To outline the Long-term Plan 2024-34 (LTP) assurance process and the role of the Risk and Assurance Committee in this process.

Committee members need to be aware of the LTP programme plan and implications; both in terms of logistics and content. As with previous LTPs the Taituara 'Piecing it together' guide has been used as the basis for the process.

Tūtohunga | Recommendation

That:

- 1) The information be received.
- 2) The Committee endorse the risk management and assurance approach for Long-term Plan 2024-2034.

Horopaki | Background

Council is required to prepare and adopt a LTP under the LGA. The Long Term Plan sets out the activities, budgets, Financial Strategy and key financial policies of the Council for the next 10 years and the Infrastructure Strategy for the next 30 years. The LTP is required to be updated every three years, with the last LTP being approved in 2021 (available online <https://www.mpd.govt.nz/plans/long-term-plan>).

The LTP:

- describes the type of district our communities have told us they want – our community outcomes
- identifies the key projects to take place over the next 10 years
- provides an overview of each activity we will carry out and the services we will provide for the next ten years
- determines how much this will cost and how we will fund it.

We also do it to give our community the opportunity to have a say on where we are heading and to ensure our planning is robust. In completing the plan we are required to do a number of things, including:

- take a sustainable development approach and promote community interests
- carry out our business in a clear, transparent and accountable manner
- operate in an efficient and effective manner, using sound business practices
- take into account community views by offering clear information and the opportunity to present views
- provide opportunities for Māori to contribute to decision making
- collaborate and co-operate with other agencies and councils to achieve desired outcomes.

The LTP is a complex document covering all activities of Council, major strategic documents, financial policies, auditing and a large consultation component with the community.

The LTP must be adopted prior to 30 June 2024. The project timeline for LTP is typically 18 months or more, and involves staff across the whole organisation, elected members and the community. A high level overview of the timeline is set out under Communication and Timeline heading below.

Long-term Plan 2024-2034 (LTP) assurance process

According to the Local Government Act 2002, the council must have an LTP adopted before the beginning of the first year to which it relates (2024/25) and utilise the special consultative procedure to consult with its community.

Section 94 of the Local Government Act 2002 requires the LTP to be audited by and contain a report from the Auditor-General. To deliver an LTP that achieves an unqualified audit opinion, it is critical for the Council to ensure that:

- LTP processes are robust
- information contained in the LTP is materially complete and reliable
- any risks associated with the LTP process are minimised and
- the LTP meets the requirements of all relevant legal requirements, including those set out in the Local Government Act 2002.

A programme of work has now commenced to develop Council's Long-term Plan 2024-2034. Various work streams have been setup to deliver this programme, overseen by an LTP Project Control Group.

Ngā Take | Issues / Kōrerorero | Discussion

Risk and Assistance workshops and reports

It is expected that regular reports on the LTP will be provided to Committee meetings between March 2023 and June 2024 to provide adequate opportunities for members to discuss and consider issues relevant to the project.

The Committee may wish to consider the need for additional meetings or workshops in particular aspects of the LTP.

Monthly Project update reports will be provided to Council, and quarterly reports including a review of the project planning (including risk) will be provided to the Risk and Assurance Committee.

Quality assurance process

The attached paper discusses the quality assurance approach for the LTP. Also attached is the project 'plan on a page' and calendar timeline.

Phase one of the LTP project focuses on developing the consultation document and supporting information, to be adopted by the Council in early February 2024. This will be made available throughout the region for public consultation in mid-March 2024.

Phase two of LTP focuses on developing the final LTP, as a key statutory document that enables the implementation of its strategic plans and identifies what people can expect over the next 10 years. The Council will need to adopt the final LTP document by 30 June 2024.

Risk and Assurance Committee role

The attached paper discusses the role and responsibility of the Risk and Assurance Committee for the LTP.

It is intended the Risk and Assurance Committee will have an oversight role throughout the LTP process, in line with its assurance, risk management and reporting role set out in the Committee's Charter.

In phase two, it is suggested the committee's role can be to attest that the final prepared document is a true and accurate reflection of the decisions made by the Council and that it complies with all accounting standards and legislative requirements. The committee may wish to recommend the document to the Council for adoption, to assist Council in fulfilling its overall responsibilities in relation to the LTP.

Mōrearea | Risk

A key focus for this Committee will be providing oversight of key risks and assumptions. A list of identified risks and proposed mitigations is attached.

Risk management involves the identification and assessment, then avoidance, mitigation or elimination of risks. An LTP risk register has been developed, and will be monitored and updated throughout the project.

The Project Team is also maintaining an Issues Register to capture issues as they arise and ensure issues are considered and reviewed in a timely manner as they relate to the project.

Ngā Whiringa | Options

There are no reasonably practicable issue to consider. The LTP is required by legislation and has prescribed content.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

Requirement for a Long Term Plan

The preparation of the LTP is a requirement under the Local Government Act 2002. [Schedule 10](#) of the LGA sets out the requirements for a LTP. The LTP must include information about;

- Community Outcomes
- Groups of Activities
- Capital Expenditure for groups of activities
- Statement of service provision
- Funding impact statement for groups of activities
- Variation between territorial authority's longer term plan and assessment of water and sanitary services and waste management plans
- Council controlled organisations
- Development of Māori capacity to contribute to decision-making processes
- Financial strategy and Infrastructure Strategy
- Revenue and financing policy
- Significant and engagement policy
- Forecast financial statements
- Financial statements for previous year

- Statement concerning balancing of budget
- Funding impact statement
- Rating base information
- Reserve funds
- Significant forecasting assumption

Mayoral Powers

Under LGA [s41A](#), “it is the role of a mayor to lead the development of the territorial authority’s plans (including the long-term plan and the annual plan), policies, and budgets for consideration by the members of the territorial authority.”

Council policies and strategies

As part of the preparation of the LTP, Activity and Asset Management Plans will be checked against Council’s key strategic and policy documents and wider regional and national documents for strategic fit. The preparation of the Long Term Plan may lead to the review of some Council policy documents.

Community Engagement

A Communication and Engagement Strategy is being prepared and will be presented to Council in March 2023.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

The Long Term Plan project is one of Council’s key opportunities to engage with our communities to find out what their aspirations and priorities are.

The LTP is subject to the special consultative process under the LGA ([s83](#)). The special consultative process is a structured one month submission process with a hearing for those who have submitted and wish to speak to their submission.

The Long Term Plan project timeline also provides for a ‘pre-engagement’ process with the community referred to as the Right Debate where Council can ask for feedback on key issues it is considering for the LTP.

A Communication and Engagement Strategy for the project will be developed discussed with Council in March 2023. This strategy will set out how we plan to engage with and get our communities involved in the development of the LTP.

The timeline for the project centres on key dates for completion of the draft documents in December 2023, auditing in January / February 2024 and consultation in March / April 2024.

The Project on a Page (attached) provides an overview of the different building blocks and the associated timelines for the project. The below table provides a summary of key milestones and timelines.

Description	Start	Finish
Briefing Papers	Mid-2022	January/February 2023
Demographic/Growth/Economic/Assumptions <ul style="list-style-type: none">- NIDEA/FutureProof (demographic projections)- Infometrics (economics)	Oct 2021	May 2023
Revaluation of Assets	Jan 2023	June 2023
Community Outcomes/Vision Review	February 2023	June 2023
Rates Structure	April 2023	June 2023

Activity Plans (including budgets)	April 2023	Aug/Sep 2023
Right Debate (pre engagement – possible level of service review)	April 2023	Aug 2023
Infrastructure and Financial Strategy	April 2023	Oct 2023
Asset Management Plans (excluding 3 water assets)	Feb 2023	Oct 2023
Policy Review	April 2023	Oct 2023
Council controlled organisation section	July 2023	Nov 2023
Māori participation in decision making	July 2023	Oct 2023
Budgets/ Financials/ Notes	July 2023	Dec 2023
Document development	July 2023	Dec 2023
Quality checks and administration	July 2023	Dec 2023
Communications Strategy and implementation	Feb 2024	Dec 2024
External Audit Process	Jan 2024	June 2024
Special Consultative Procedure	Jan 2024	June 2024

Ngā take ā-lhinga | Consent issues




There are no consent issues.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Community Outcome: The Long-Term Plan must set out community outcomes.

As part of the development of the LTP, Council will review its vision and outcomes. In the 2021 LTP, Council's vision is for Matamata-Piako to be the 'place of choice'. To realise this vision, Council has fifteen specific community outcomes to achieve this as set out below.

Our Community outcomes

<p>Connected Infrastructure</p>  <p>Infrastructure and services are fit for purpose and affordable, now and in the future.</p>	<p>Economic Opportunities</p>  <p>We are a business friendly Council.</p>	<p>Healthy Communities</p>  <p>Our community is safe, healthy and connected.</p>	<p>Environmental Sustainability</p>  <p>We support environmentally friendly practices and technologies.</p>	<p>Vibrant Cultural Values</p>  <p>We promote and protect our arts, culture, historic, and natural resources.</p>
<p>Quality infrastructure is provided to support community wellbeing.</p>	<p>Our future planning enables sustainable growth in our District.</p>	<p>We encourage the use and development of our facilities.</p>	<p>Development occurs in a sustainable and respectful manner considering kawa/protocol and tikanga/customs.</p>	<p>We value and encourage strong relationships with iwi and other cultures, recognising wāhi tapu and taonga/significant and treasured sites and whakapapa/ancestral heritage.</p>
<p>We have positive partnerships with external providers of infrastructure to our communities.</p>	<p>We provide leadership and advocacy is provided to enable our communities to grow.</p>	<p>We encourage community engagement and provide sound and visionary decision making.</p>	<p>We engage with our regional and national partners to ensure positive environmental outcomes for our community.</p>	<p>Tangata Whenua with Mana whenua status (those with authority over the land under Māori lore) have meaningful involvement in decision making.</p>

In 2022, Council set its strategic direction to inform Council's priorities and work programme over the next 30 years. The strategic direction aligns with the four community wellbeings – social, environmental, cultural and economic, which are core pillars of the mandate of local government.

The following four long-term priorities identified for Matamata-Piako are focused on promoting community wellbeing within our District.



Work has been completed through the Pride of Place project to establish town goals. It is intended to consolidate the Strategic Direction, existing Community Outcomes and Place Goals (through Pride of Place project) for the 2024 LTP.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The development of and consultation on the Long Term Plan is funded from the Strategy and Engagement Activity Operating budget. A budget of \$45,000 per annum is provided for, being \$135,000 over 3 years, excluding audit fees.

Ngā Tāpiritanga | Attachments

[A↓](#). Long Term Plan 2024-34 - The One Page Project Plan



[B↓](#). LTP 2024-34 Timeline Calendar



[C↓](#). LTP Key Risks v2



[D↓](#). DRAFT LTP Quality Assurance (QA) Plan v2

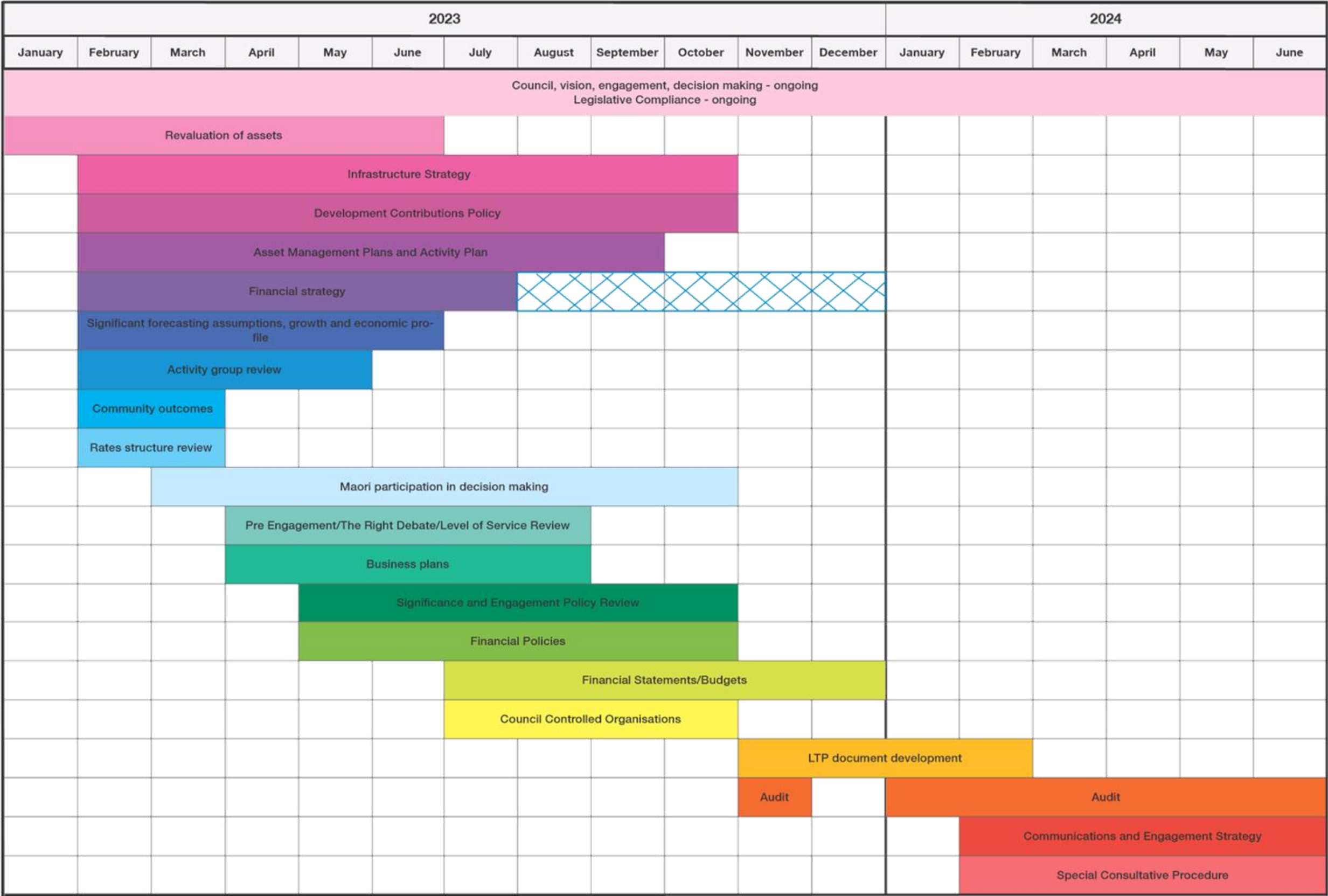


Ngā waitohu | Signatories

Author(s)	Niall Baker Policy Team Leader	
Approved by	Don McLeod Chief Executive Officer	

Risk management and assurance approach for the Long-term Plan 2024-2034

Long Term Plan 2024/-34 Calendar Timeline
Council Workshop
1 February 2023



Risk Management Reporting on the Long-Term Plan 2024-34 (LTP)

The LTP is being developed to ensure that we achieve the Council's Vision and Community Outcomes and articulate the near term and long term aspirations of our communities. The LTP must be developed in line with the Local Government Act 2002.

This paper provides an overview of on risks identified for this project; and the development of the Plan in response to those risks.

Process to identify, assess, mitigate and manage project risks

An internal meeting was held in November 2022 to frame the risk statements; assess those risks, and identify mitigations. With the support of Lesley Steeples, Council's Risk Manager, the outcomes from the meeting were captured in an updated risk register.

Regular reporting to E-team / Risk and Assurance Committee will focus on identified risks rated as 'High' or 'Very High' through to the adoption of the LTP.

A risk register is maintained for the project and is regularly reviewed by the project owner, the project director and the project manager.

Identified Risks for Discussion

Risks will be reported to the Project Control Group (PCG) on a monthly basis.

Overall project risks have been identified in relation to:

- Project delivery within a developing context (i.e. organisational review, Government reforms);
- Elected member involvement/focus; and
- Legislative risks
- Community buy-in.

LTP – Key Risk summary as at February 2023

Description of LTP risk	Actions/Mitigation
Failure to comply with all LTP statutory requirements	Peer review and legal review of the plan to ensure compliance.
Insufficient quality of financial / non financial information.	Ensure that a robust review of performance measures and targeted with internal quality assurance measures is planned and implemented.
Misalignment of projected service levels with projected expenditure budgets	Update underlying assumptions, drawing on the best information from national and international trends and forecasts (drawn from sources such as BERL). Use a financial scenario modelling approach to understand the potential impact of this uncertainty. Address the quality of financial and non financial information through key controls and relating to the sign off from Council managers and CCOs (to a lesser extent).

Description of LTP risk	Actions/Mitigation
Central government reforms	<p>The impact of 3 Waters, and RMA reforms are not yet fully understood. It is likely these reforms will be legislated for/implemented by the commencement of the LTP on 1 July 2024. The LTP project will respond to the status of the reforms and liaise with the internal 'Transformation Group' set up to monitor the reform workstreams. Discuss at regular Project meetings.</p> <p>The Future for Local Government report is due this year. The findings of the interim discussion documents will be taken account in the preparation of the LTP.</p> <p>The LTP 3 waters activity section and aspects of the Infrastructure Strategy may need to be altered/removed. Further government funding (approx \$17M) has been allocated to Council through 'better off reforms'. This will likely need to be considered as part of the LTP, including ongoing funding implications of initiatives.</p> <p>If Central Government introduces legislative reform which cuts across the purpose/scope/ implementation of the LTP, then this could undermine the LTP outcomes</p>
Project delivery deadlines are not met	<p>The timeline for the development of the LTP is fairly tight given the complexity of the project and the need to ensure successful delivery. If staff, consultants, partners and/or stakeholders have competing priorities, they may not have sufficient time and resources available to provide the required inputs for this project, and the quality of project deliverables could be compromised.</p> <p>The timing of the planned organisational review may impact on the ability to present a final plan for Council approval within the original project timeframes. If the project is not substantially progressed on time, Council will have a risk the plan is not ready on time allowing rates to be levied in July-August 2024.</p> <p>The project was set up with a project sponsor and project manager roles, providing oversight and understanding of the technical requirements needed to develop the Plan through to completion. This structure allows for project synergies to be realised.</p> <p>The project team continuously seeks input from across Council to ensure expertise is provided by the right people at the right time. Additionally, regular updates are provided to the E-team, Council and the Risk & Assurance Committee.</p> <p>Project delivery progress will be monitored and additional resource sought if and when required. Using effective programme governance will help manage complex interdependencies and escalate any key issues promptly.</p>

Description of LTP risk	Actions/Mitigation
Impact of climate change on council assets and services	Council is part of regional work to understand climate change impacts through Co-Lab initiatives. Key aspects of the LTP will be considered through the lens of climate change, as part of the review activity plans and asset management plans. The LTP will also disclose forecasting assumptions around climate change
Impact of asset condition (and understanding of this) on the ability to provide Council services	Asset Management Plans will be prepared and reviewed to ensure asset condition information and risks to critical assets are well understood. Any significant asset renewal funding gaps will be addressed via the Infrastructure and Financial Strategies.
Project fails to engage across MPDC's demographic / communities	The community may feel they have not had adequate opportunity to engage on the contents of the LTP. If we do not actively engage with our diverse communities and across the generations, the LTP may not reflect their needs and aspirations. The intention is to utilise Pride of Place (PoP) as the foundation for the LTP reflecting community engagement occurred in 2022-2023 across the 3 main towns. The Place Plan for Matamata and the draft Plan for Morrinsville identifies 'place goals' and actions in response to significant 'on the ground' engagement with local communities. At the time of writing [January 2023] a PoP project for Te Aroha is being planned. The Place Plans are also oriented around the well-beings. The PoP project has also identified influencers and champions within our communities who we can potential engage with as part of the LTP as a focus group and those individuals may be able to help champion the long term purpose of the LTP.
The community does not support the LTP	The communities of MPDC may not support the LTP if the projects selected by Council do not reflect their aspirations or the rates level set is unaffordable. If the community do not support the proposed content of the LTP they will have an opportunity to provide feedback as part of the formal consultation process in 2024. Council can then consider this feedback prior to adoption of the LTP in June 2024.
Iwi are not engaged in the LTP development Mana Whenua / Iwi aspirations are not appropriately reflected	If the aspirations of Mana Whenua and Iwi, and Matauranga Māori, are not accurately and appropriately reflected in the LTP it will not reflect the desire to develop meaningful relationships and it will be an opportunity lost. Council also has legislative requirements to ensure Maori are involved in decision making. Some principles Council should consider as part of the LTP are: <ul style="list-style-type: none">• Manawatōpū: Unity of purpose and working together

Description of LTP risk	Actions/Mitigation
	<ul style="list-style-type: none"> • Kaitiakitanga: Environmental stewardship and sustainability • Mana tangata: Respect and fairness • Te Tiriti o Waitangi: Sprit of Partnership • Whanaungatanga: Family, community, connecting and sharing <p>Council's iwi liaison officer is able to provide guidance and input on Mana Whenua and Iwi engagement.</p> <p>The LTP project manager will provide regular updates to the Te Mana Whenua Forum. Iwi groups represented on the Te Mana Whenua Forum will be asked how they would like to be engaged with. This involvement is planned through hui, zui (online hui) and dedicated Iwi wānanga.</p>

MATAMATA-PIAKO DISTRICT COUNCIL

LONG-TERM PLAN 2024-34

DRAFT QUALITY ASSURANCE PLAN

Introduction

Quality assurance is a vital part of developing an LTP and needs to be incorporated formally into our process (and thus is a key project management discipline).

Quality assurance is an on-going process, and not just a task that gets done towards the end. It is a key project management discipline that supports each of the others.

Why is quality assurance so important?

Quality assurance helps ensure that our LTP is:

- complete – legislative requirements are met, and the key issues are discussed
- coherent – all parts of the plan make sense individually and hang together
- consistent – all information is presented in the same way,
- Cost-effective – the need for rework is minimised.

It is important that quality assurance is factored into the overall LTP project plan – thus the quality assurance plan needs to be prepared before the LTP project starts.

It is in everyone's interest to ensure that both the consultation document and the final LTP are quality documents and are the result of quality processes.

Preparation of a Quality Assurance Plan is recommended by Taituara Good Practice guidance.

How does quality assurance relate to the legislation?

A quality assurance process is a tool for ensuring that legislative requirements are met, not a legislative requirement of itself.

What other processes are linked to quality assurance?

Quality assurance is linked to all of the processes that go into an LTP. It is also related to the risk management process.

Opportunities/risks with quality assurance

- Limited assurance or assurance that comes too late may not make much difference to the final document.
- Quality assurance should not be reduced or 'squeezed' if there is slippage in the overall project. The most important assurance of all comes in our consistency and coherence checks.
- Legal review of the LTP and the supporting processes (e.g. key decision-making processes and the papers that support them) are now regarded as good practice.
- The external audit process should not be a de facto quality assurance process. This will add to the time and cost it takes to produce the LTP and should be avoided.

Long-Term Plan 2024-34
DRAFT Quality Assurance Plan

An identified person should be responsible for ensuring that quality assurance occurs. Some of the best quality assurance is achieved from the informal quality assurance individual staff incorporate into their daily work.

Regardless, quality assurance must be applied throughout the whole process.

Long-term Plan 2024-34 (LTP) assurance process

1. According to the Local Government Act 2002, Council must have an LTP adopted before the beginning of the first year to which it relates and utilise the special consultative procedure to consult with its community.
2. Section 94 of the Local Government Act 2002 requires the LTP to be audited by and contain a report from the Auditor-General. To deliver an LTP that achieves an unqualified audit opinion, it is critical for the council group to ensure that:
 - a) LTP processes are robust
 - b) information contained in the LTP is materially complete and reliable
 - c) any risks associated with the LTP process are minimised and
 - d) The LTP meets the requirements of all relevant legal requirements, including those set out in the Local Government Act 2002, and the Local Government Rating Act.
3. A programme of work has now commenced to develop Council's Long-term Plan 2024-34 (essentially council's 10-year budget/plan). Various work streams will be setup to deliver this programme, overseen by an LTP Project Control Group.
4. The LTP is a key statutory document for Council, enabling the implementation of its strategic plans and identifying what people can expect over the next 10 years.
5. Council will be providing an opportunity for all stakeholders including tangata whenua and the community at large to submit on the LTP consultation document.
6. The development of the LTP is a collaborative effort with key accountabilities for delivery lying with the Strategic Partnerships and Governance (SPAG) team. However, by its very nature and content, it requires collective engagement from the entire council, including Finance, Asset Strategy & Policy activity managers, Executive Team and CCOs (to a lesser extent, for example Hamilton & Waikato Tourism).
7. Phase one of the LTP project focuses on Project planning, governance and risk management that will guide the project.
8. Phase Two develops the key Underlying Information such as the Asset Management Plans, Finance Strategy, and policies.
9. Phase three involves developing the consultation document and supporting information, to be adopted by the Council around December 2023-February 2024. This will be made available throughout the district for public consultation in mid-February/March 2024.
10. Phase four of LTP focuses on developing the final LTP, as a key statutory document that enables the implementation of its strategic plans and identifies what people can expect over the next 10 years. The Council will need to adopt the final LTP document by 30 June 2024.

11. The following table provides a summary of controls and sign-offs for key areas of the LTP:

Area	Key controls and sign-offs
a) Programme management and governance	<ul style="list-style-type: none"> An LTP Project Control Group (made-up of policy, asset, finance, and communications staff) monitors LTP alignment with council priorities, and ensures that significant risks are being actively managed. Councillors are engaged throughout the LTP process so the risk of late surprises or risks to adoption are minimised. The Mayor has a legal role to lead the development of plans and policies, which can include the LTP. The Mayor has indicated a desire for briefings by staff prior to key workshops and Council meetings.
b) Asset management plans (AMPS)	<ul style="list-style-type: none"> Council staff are updating existing AMPs and draw upon external help as required. No external review is planned however they are reviewed internally and by Audit NZ. Prior to submission of all draft budgets, there will be a review and signoff by council's Executive Leadership Team. Activity Managers sign off that the planned services and AMPs are consistent with available funding and strategies as per Draft Budget. Finance team to reflect Final Budget decisions (following the consultation process), and asset team to ensure the AMPs are updated accordingly
c) Infrastructure investment	<ul style="list-style-type: none"> Mitigate risks of uncoordinated planning by areas working together in one work stream on an integrated programme of infrastructure provision. This could include mapping out the major projects and programmes by location and time, so that the integration between them is clearly visible. It is noted the 2024 LTP will only dealing with community facilities and transport assets in view of the 3 waters reform/legislation. Engagement with community and stakeholders on scenario trade-offs and decisions. How we communicate these Trade-Offs will be critical – through pre-engagement and the Consultation Document.
d) Levels of service and performance measures/ performance targets	<ul style="list-style-type: none"> Validate existing measure set for relevancy, meaningful targets and robust reporting methodology. Further consideration is needed as to how this is validated. Following approval of budgets, performance targets will be realigned if necessary and signed-off by activity managers to ensure that the planned services are consistent with available funding (staff to incorporate this within the project plan/timeline).
e) Key alignment and linkages	<ul style="list-style-type: none"> Key steps will be taken to ensure that financial and non-financial information included in the LTP is consistent with council's strategies, policies and assumptions. The GMs and E-team will review and sign-off whether information included for each group of activities has been incorporated into the underlying information.

Area	Key controls and sign-offs
f) Assumptions	<ul style="list-style-type: none"> Ensure assumptions are complete, reasonable and supportable through E-team review and Risk and Assurance Committee consideration. Sign-off of budget submissions by activity managers to confirm consistent application of assumptions. Further consideration is needed around how we can make this step easier for managers to understand? When sending out the budgets, do we need to also include the assumptions, and include a step to confirm the Budget Manager has read and understood the impact of the assumptions on their budget – and perhaps including a place for commentary when the assumptions drive budget decisions? Further consideration is needed on the best mechanism for this control.
g) Accounting standards	<ul style="list-style-type: none"> Document review against accounting standard FRS-42 Prospective financial statements as well as Taituara guidance. Peer review of financials by Finance team.
h) Financial model and data	<ul style="list-style-type: none"> Monitor built-in checks in model of treasury ratios, prudential benchmarks and the balanced budget requirement. Review the financial model against significant commitments, policies and strategies e.g. Revenue and Financing Policy, Parks & Open Spaces Strategy, Financial Strategy, Infrastructure Strategy.
i) Legal sign off/Document preparation / Peer review	<ul style="list-style-type: none"> Council has a range of experienced external legal advisors who can be engaged to conduct a review of the Consultation Document, supporting information, and the final LTP, as well as in-house legal advisor who can provide legal support and guidance during the process. Having a person at a senior level, who is not involved in the day to day 'nuts and bolts' preparation of the LTP, undertaking a final 'stand back' test. This may be a role for Council's Risk Manager. Council will commission an external peer review of all or part of the LTP. This could be from a law firm, by a reviewer from another local authority or a consultant working in the sector (the purpose/scope of peer review is to be clearly defined).
j) Prudent financial management	<ul style="list-style-type: none"> Financial scenarios presented to elected members will illustrate the impact of different scenarios on rates and debt levels in the short and long term. Final published documents will include assessment of council's borrowing against its prescribed limits and of its operating budget through a prescribed Balanced Budget Benchmark.
k) Right debate with the community	<ul style="list-style-type: none"> It is expected one of the key issues in the Consultation Document will be balancing economic conditions such as an inflationary pressure, affordability of rates against the need for additional (social and hard) infrastructure investment. Strategic Partnership and Governance team to ensure that we ask the right questions, and provide genuine options (avoiding asking where there's only one feasible option)

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Area	Key controls and sign-offs
	<ul style="list-style-type: none"> Strategic Partnership and Governance team in consultation with the Communications Team will review that the consultation document and process adopted are fit for purpose. The Project Manager will provide sign-off.
L) Budget refresh for Final LTP	<ul style="list-style-type: none"> Budget refresh process will incorporate alignment of budgets with AMP and performance targets and any new investment or changes in budget request will require a full justification. If during the Hearing, Council is leaning towards a different option than set out in the Consultation Document/draft LTP or a decision that impacts budgets, a process of staff reviewing the impact of this before Council decision-making and commitment is needed (further consideration is required on how this best occurs and the process needs to be clearly mapped out (future task)).

Long-term Plan 2024-34 (LTP) assurance process

Phase one: Project planning and early engagement to help identify issues consultation document

Programme management and governance

12. A detailed draft roadmap has been developed that sets out the intended path of the entire LTP process.
13. This roadmap should be finalised by late 2022/early 2023 and will be provided to Audit New Zealand to assist with their resource planning.
14. The key dates from this draft roadmap are as follows:

Milestone	Definition	Date
Risk and Assurance Committee workshops Te Mana Whenua Forum workshops	Workshop key issues for the LTP 2024-2034 Ensuring Committee members and iwi are engaged throughout the process.	Ongoing during 2023
Council	Agree consultation items	October/November 2023
Risk and Assurance Committee meeting	Ensure process is sound and advise there are no outstanding Audit issues in relation to the Consultation Document & Supporting Information	Feb 2024
Council meeting	Adopt Consultation Document & Supporting Information and agree to the consultation and engagement approach	Feb/March 2024
Public consultation	Details to be confirmed as part of the engagement plan	March/April 2024

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Milestone	Definition	Date
Submission hearings	Public input Decision making for final plan	April / May 2024
Risk and Assurance Committee meeting	Ensure process is sound and advise there are no outstanding Audit issues in relation to the final LTP 2024-2034	June 2024 (TBC)
Council meeting	Adoption of the LTP 2021-2031	June 2024

15. The Risk and Assurance will have oversight of key aspects of LTP governance, assurance, risk management and internal control.
16. Clear roles and responsibilities have been allocated to various work-streams who report to the LTP Project Control Group. Membership of this group consisting of key project staff.
17. The Project Control Group includes members with the necessary delegated authority to make key decisions that will impact the process and accountability of:
 - monitoring the strategic direction of the project and ensure ongoing alignment with council priorities
 - understanding and supporting the project objectives, process and deliverables
 - checking that all significant project risks have been identified and are being actively managed.
18. Elected members are part of the process at the outset, in the form of Council and committee meetings and workshops.
19. The work stream leads and Project Control Group will meet regularly to track progress and respond to issues.
20. Representatives from Te Mana Whenua Forum may be invited to attend the work stream leads' meetings or Council workshops on relevant topics.
21. Risks and issues will be recorded in the internal LTP risk and issues register and mitigating actions will be coordinated through LTP governance and programme management. Highly significant risks will also be recorded and followed up via the Council-wide Top Risk Register and risk mitigation process.
22. Any substantial risks or issues will be escalated to the Executive Leadership Team by the Project Control Group.
23. We will work closely with Audit New Zealand to ensure that the scope of assurance reflects the work that they will be performing when they audit the LTP. By doing this work in advance of the external audit, we will be in a position to identify any issues early and address them prior to the external audit visits during the LTP preparation.

Phase Two: Underlying Information

Asset management plans

24. A maturity assessment is completed each LTP. Audit NZ also undertake a review of the underlying information used to support the LTP which considers whether the plans will

provide a reasonable basis for the Infrastructure Strategy, Financial Strategy, financial forecasts and service performance framework that will be contained in the LTP.

25. Additional external review could be considered as part of future LTPs – for example review and testing of individual AMPs on:
- analytical review to understand and verify the reasonableness of operational and capital expenditure
 - identification, assessment and disclosure of risk
 - assumptions for completeness, reasonableness, and consistency of application
 - integration of service levels
 - integration of demand and asset lifecycle management
 - updating of AMPs to reflect operational and capital expenditure incurred
 - the outcomes of quality assurance performed over AMPs, including the actions taken to respond to AMP Improvement/QA findings.

Infrastructure Investment

26. The infrastructure investment work focuses on council's capital build over the next three, 10 and 30 years. The 3 water reform means the LTP will not include details of these assets. Council staff will provide an integrated programme view of infrastructure (for roading, community facilities) for the next 30 years, informed by the Housing and Business Assessments. Together with the work on the AMPs, this information will inform the development of the 30-year Infrastructure Strategy and future District Plan Changes.
27. Staff are mitigating risks of uncoordinated planning by working together on an integrated programme of infrastructure provision. The work includes taking a spatial view of planned infrastructure investment to ensure alignment with the council's growth projections and District Plan changes especially around the periphery of Morrinsville and Matamata.
28. There will be engagement with community and stakeholders on scenario trade-offs and decisions.
29. Any funding risks or issues are being managed in conjunction with Finance staff to ensure alignment with relevant financial, audit and legal requirements.

Assumptions

30. Controls and sign-off on completeness and appropriateness of assumptions will consist of the following:
- ensure assumptions are complete, reasonable and supportable
 - review assumptions against Local Government Act 2002 and Taituara guidance to identify mandatory and recommended assumptions
 - identify council specific assumptions based on a documented risk assessment, e.g. central government funding for transport
 - support assumptions by way of reference to external supporting documentation where practical
 - sign-off of assumptions, including assessment of risk and potential impacts, by Council.
31. To ensure consistent application of assumptions, the following controls and sign-offs are intended:
- Sending out clear written communication/ guidance to all budget managers on expectations e.g. business as usual, restraint, increased level of service etc.

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- design and pre-populate templates with assumptions where practical, e.g. budget submission templates
- sign-off of budget submissions by activity managers to confirm consistent application of assumptions
- Perform and document an analytical review of budget submissions and supporting information to confirm consistency with assumptions.

32. The Office of the Auditor General (OAG) has stated that climate change assumptions and disclosures were a focus for our auditors when auditing the 2021-31 LTPs. They have expressed that councils should have a comprehensive discussion of resilience and climate change issues with their communities. They intend to consider climate action by councils in more depth in a performance audit in 2022/23. This is an area that potentially may have increasing emphasis in the 2024 LTP audits.

33. Staff will provide an update to the Risk and Assurance Committee later in the process on key assumptions for this LTP. This will include an update on assumptions related to the key review areas indicated by the OAG.

Financial model and data

34. Councils budget are typically based on the current year budget and any changes must be supported by a business case. In the case of transport, Council is required to complete a business case on options of investment and relate it to Levels of service. The transport activity is supported by Waka Kotahi funding.

35. Data integrity review will consist of the following:

- confirm access controls exist to prevent unauthorised changes to data and models
- reconcile base data for modelling to existing 2023/24 budgets
- reconcile the financial model results to budget submissions/ templates
- clearly identify the impact of consultation options and reconcile back to base data
- monitor built-in data checks in the financial model.
- In addition to the reconciliation of budgets, a process will be developed for documenting changes during the budget preparation process (such as a change log) and to ensure budget managers are made aware of any budget changes as they happen.

36. To ensure consistency with other strategies and policies, the following reviews will be carried out:

- monitor built-in checks in model of treasury ratios, prudential benchmarks and the balanced budget assumption
- review the financial model against significant commitments, policies and strategies such as Parks & Open Spaces Strategy, Financial Strategy, Infrastructure Strategy.

37. The financial model will also go through an overall review, reconciliation and sign-off process:

- document analytical review of year-on-year movements by activity
- reconcile the result of different financial statements in the model, e.g. funding impact statement, statement of comprehensive income, statement of cash flows and movements in balance sheet
- acceptance of budgets by operational and senior management by way of sign-off.

Accounting Standards

38. The following key steps will be taken to ensure prospective financial information complies with General Accounting Accepted Practices:
- document review against accounting standard FRS-42 Prospective financial statements as well as Taituara guidance
 - confirm with Financial Control department that the accounting policies are consistent with those in the last audited annual report and those expected to be used for subsequent reporting
 - Peer review of financials by the Group Manager Business Services (Manaia).

Prudent financial management

39. Council's approach to prudence is laid out in the Financial Strategy and supported by the Treasury Management Policies, and the Revenue and Financing Policy. In phase four, the final LTP will include an updated Financial Strategy and Revenue and Financing Policy. The plan development process may also include an update to our Accounting Policies.
40. The key factors in the council's approach to ensuring long-term financial prudence and sustainability are the parameters around prudent borrowing and funding of depreciation and rate affordability for the community. All financial scenarios presented to elected members will clearly illustrate the impact of the scenario on these factors.
41. The demographic, social, and economic state of the district will be factors when considering the prudent and affordable levels of capital and operating expenditure for this LTP.
42. Final published documents will include, in accordance with regulations, assessment of planned financial performance in relation to various benchmarks to enable the assessment of whether Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

Levels of service and performance measures/performance targets

43. In order to ensure a set of relevant, meaningful measures and targets, along with a robust underpinning methodology, a review will be conducted between representatives from the appropriate departments to validate the information.
44. A performance framework and guidance material has been developed that articulates the linkages between community outcomes, LTP measures and AMP performance information.
45. LTP targets will be updated and signed-off to reflect any changes to levels of service due to proposed funding envelopes. Following the Finance and Performance Committee approval of the final envelopes, the targets will be realigned to ensure that the planned services are consistent with available funding.

Key alignment and linkages

46. Key steps will be taken to ensure that information included in the LTP is consistent, such as:
- review and sign-off by activity managers that key plans and policies are adequately applied
 - review of consistency of assumptions with key plans and policies in the development of the underlying information
 - review and sign-off whether information on capital expenditure included in the funding impact statements is consistent with underlying asset information

- review to ensure linkages between community outcomes, LTP measures and AMP performance information.

47. All documents are reviewed by a core group of the project team to ensure consistency of language, projects and financials throughout the documents. The Project Manager will assign responsibilities for which staff member is responsible for reviewing particular parts reviewing what part for example the Finance Manager to review consistency with Financial Strategy, Revenue and Financing Policy, etc.
48. Time for internal Q&A (to consider internal consistency with the document, proof reading) has been allocated in January 2024 prior to the commencement of the audit.
49. Communications staff provide 'plain englishing' of the Long-Term Plan for readability and consistency.
50. All Activity Managers are involved with the development of the Activity Plans and are asked to proof read their sections of the LTP.
51. The Executive Team will review and sign-off whether information for each group of activity has been incorporated into the underlying information. This will occur prior to the Audit process, before the 2023 Christmas break.

Phase three: Consultation Document

Consultation document preparation

52. We will work with Councils Communications Team to produce a user friendly LTP consultation document that informs and engages the public about the LTP. Further consideration will be given to:
 - Process for identifying the issues and options
 - How we ensure that all options are back up with business case and cost analysis
 - Developing the content
 - Developing the designed document and ensuring consistency
 - How we ensure consistency across all platforms (print to publish)
53. Council has an experienced legal team who will conduct a legal review of the consultation document, supporting information, and the final LTP, and provide legal support and guidance during the process.

Right debate with the community

54. Section 93(2) of the Local Government Act 2002 requires the council to consult with the community through a special consultative procedure (SCP) in order to adopt the LTP. Using the SCP places enhanced obligations on the council, specifying what must be done in order to consult with the community for this purpose.
55. We plan to drive a conversation with our community, based on the big issues to help them engage in, understand and shape the LTP. We will also utilize existing engagement such as through the Pride of Place Project to inform the LTP. We will ensure the LTP consultation document, supporting material and final document is publicly available easily (through use of digital/web based tools).

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56. The Communications Manager will take the lead on the Communications workstream within the LTP project. The Engagement work stream will be led by the Placemaking & Engagement Lead, with SPAG Policy having sign off on all content and the overall Communication Strategy.
57. The Communications Strategy will be a key QA tool to ensure effective community engagement. The Communication and Events team are involved in ensuring that the consultation document and process adopted are effective in meeting their intended purpose.

Phase four: final Long-term Plan 2024-34

Final budget decision-making

58. A series of workshops will be held through 2023 to discuss budget issues, implications and trade-offs.
59. The mayor has a statutory role of leading the planning process and may wish to present a budget proposal to Council. The Mayor has indicated a desire to have briefings before key workshops and meetings but has not signaled an intention to put forward a Mayoral budget proposal to Council.
60. If required, Council will debate the Mayor's proposal (if any) and final decisions on the LTP will then be made by the Council (scheduled for mid-late 2023).

Document preparation

61. Council staff will incorporate the decisions made by the Council into the LTP document in line with the appropriate legislation. This document will include an updated Financial Strategy, Infrastructure Strategy, Revenue and Financing Policy, and Funding Impact Statement.

Risk and Assurance Committee review

62. The Risk and Assurance Committee will have an oversight role throughout the LTP process in line with its Charter. The draft final LTP will be presented to the Risk and Assurance Committee in late 2023. The committee will review the document to ensure that:
- it is a true and accurate reflection of the decisions made by the Council
 - the prospective financial statements, and level of service statements accurately reflect the impacts of the decisions
 - the prospective financial statements are compliant with the relevance accounting standards
 - the document complies with all legislative requirements.

63. The committee will recommend the document to the Council for adoption.

Long-term Plan 2024-34 Adoption

64. The Council must adopt the final LTP by 30 June 2024. This allows for the rates to be set for 2024/25.

6 Pūrongo me whakatau | Decision Reports

6.3 Policy Reviews

CM No.: 2692505

Rāpopotonga Matua | Executive Summary

The Protected Disclosures – WhistleBlower Policy has recently been reviewed and updated in accordance with the new Protected Disclosures (Protection of Whistleblowers) Act 2022.

The Fraud and Corruption Policy has also been reviewed and updated to align with new Ministry of Justice guidelines.

Tūtohunga | Recommendation

That:

1. **The Risk and Assurance Committee review the Protected Disclosures – WhistleBlower Policy and the Fraud and Corruption Policy and provide feedback.**

Horopaki | Background


The Protected Disclosures – WhistleBlower Policy has recently been reviewed and updated in accordance with the new Protected Disclosures (Protection of Whistleblowers) Act 2022.

The Fraud and Corruption Policy has also been reviewed and updated to align with new Ministry of Justice guidelines.


At the time of writing this report the policies have been out for staff consultation for almost two weeks and the submission period is about to close. No submissions have been received so far.

Your feedback is now sought on these policies.

Ngā Tāpiritanga | Attachments

A  Draft Protected Disclosures - Whistleblower Policy



B  Draft Fraud and Corruption Policy



Ngā waitohu | Signatories

Author(s)	Kelly Reith People, Safety and Wellness Manager	
Approved by	Don McLeod Chief Executive Officer	

Protected Disclosures - Whistleblower Policy



Department: People, Safety and Wellness

Policy Type: Internal policy

Version and date: Version 5, February 2023

Introduction

Matamata-Piako District Council (MPDC) encourages you to report serious wrongdoing. Reporting serious wrongdoing is sometimes referred to as 'whistleblowing'.

Our vision and values are part of everyday life. This policy directly aligns with our value of 'we do it right', and ensuring our commitment to high standards of ethical and accountable conduct.

This policy sets out how we will facilitate the disclosure and investigation of serious wrongdoing in the workplace, and provide protection from reprisal or victimization for you and other workers who report concerns in accordance with the provisions of the Protected Disclosures (Protection of Whistleblowers) Act 2022 (Act).

Audience/Scope

This policy applies to all Council employees. Under the Protected Disclosures (Protection of Whistleblowers) Act 2022, an employee includes current and former employees, contractors, people seconded to Council and volunteers.

This policy also applies to elected members in their work for MPDC.

Policy

We are committed to maintaining a culture that reflects our value of 'we do it right', to prevent and/or expose serious wrongdoing at MPDC.

To achieve this, we will:

- promote a staff culture where serious wrongdoing is unacceptable
- promote a staff culture where you are comfortable making a protected disclosure if needed, and you are aware that coming forward and reporting wrongdoing demonstrates your commitment to MPDC by helping to promote integrity, accountability and good management.
- educate you on what serious wrong doing is and what to do if you suspect it
- undertake a full investigation in accordance with this policy and procedures.

35 Kenrick Street - PO Box 266 - Te Aroha 3342 - www.mpdc.govt.nz
Morrinsville & Te Aroha 07 884 0060 - Matamata 07 881 9050 - Fax 07 884 8865

Serious wrongdoing is:

- unlawful, corrupt or irregular use of public money or resources
- behaviour that poses a serious risk to public or individual health or safety
- behaviour that poses a serious risk to the environment
- behaviour that poses a serious risk to the law being maintained including the prevention, investigation and detection of offences
- any criminal offence
- behaviour by public officials, or persons acting on behalf of public officials, that is oppressive, discriminatory, negligent (being grossly careless) or is considered gross mismanagement.

If you genuinely suspect that something is serious wrongdoing and report it using the process set out in this policy, MPDC will offer protection to you. This means you can be confident that anything you report will be investigated, without endangering you or your job e.g. MPDC will not retaliate (or threaten to retaliate) or treat (or threaten to treat) an employee who discloses serious wrongdoing less favourably than others.

Protection will be offered to you if you:

- are reporting information that is about serious wrongdoing in or by the organisation,
- reasonably believe the information is true or likely to be true,
- want the serious wrongdoing to be investigated, and
- want your identity to be protected.

We will refuse any request for information under the Official Information Act 1982 or the Local Government Official Information and Meetings Act 1987 if that information might identify an employee who has made a protected disclosure.

Your identity will not be protected:

- a) where you consent in writing to the disclosure of your identity; or
- b) the person who has acquired knowledge of the protected disclosure reasonably believes that disclosure of identity information is essential to:
 - the effective investigation of the allegation in the protected disclosure;
 - prevent serious risk to public or individual health or safety or to the environment;
 - comply with the principles of natural justice.

MPDC will consult (where applicable) with you if disclosing your identity is required and will inform you if your identity has been disclosed. If the release of information does not comply with either point a or b above, you may make a complaint under the Privacy Act 2020.

Your identity will not be protected if you know the allegations are false, you act in bad faith, you make the allegations public or disclose information that is protected

by legal professional privilege.

Legal professional privilege broadly means information prepared by or for lawyers for the purpose of giving or receiving legal advice. It also includes documents prepared to enable lawyers to advise their clients.

If you make a disclosure in accordance with this policy, you will have the following protection:

- MPDC will not treat, or threaten to treat, an employee less favourably because they have made or intend to make a protected disclosure
- in the unlikely event that you suffer any retaliatory action by MPDC for making the disclosure, you can raise a personal grievance in accordance with the Employment Relations Act 2000
- if you make a protected disclosure you will be immune from any civil or criminal proceeding or any disciplinary proceeding due to having made or referred the disclosure of information.

Making a protected disclosure

Refer to the procedure section of this policy for details on how to make a protected disclosure and the process that will be followed by MPDC.

Effects and Risks

This policy provides assurance to Council, auditors and the community that MPDC will address serious wrongdoing.

Failure to follow this policy could result in financial loss, damage to Council's reputation and legal action.

Relevant Legislation

- Local Government Act 2002
- Employment Relations Act 2000
- Human Rights Act 1993
- Privacy Act 2020
- Protected Disclosures (Protection of Whistleblowers) Act 2022

Related Policies, Strategies or Guidelines

- Ombudsman's checklist "[Am I ready to make a protected disclosure?](#)" and guide to "[blowing the whistle](#)"
- [Code of conduct for the public service](#)
- [Ombudsman's guidance on internal policies and procedures](#)
- Fraud and Corruption Policy
- Sensitive Expenditure Policy
- Gifts Policy
- Managing Conflicts of Interest Policy

- Declaration of interest forms
- Substandard Performance, Misconduct and Disciplinary Policy

Monitoring and Review

The People, Safety and Wellness Manager will review the policy every three years or when there is a change to legislation. The review will be reported to the Risk and Assurance Committee.

The Risk and Assurance Committee will monitor the effectiveness of this policy annually by way of a summary report from the People, Safety and Wellness Manager on the operation of the policy and procedures.

Authorisation

Authorised by: Don McLeod
Chief Executive Officer
Matamata-Piako District Council

Signed: _____
Don McLeod

Kelly Reith
People, Safety and Wellness
Manager

Protected Disclosures Procedure

These procedures have been developed so employees are aware of the procedure to follow in the event that they want to make a protected disclosure and understand the process that will be followed.

1. Serious wrong doing is suspected and you are thinking about making a

protected disclosure or wondering about how to make a disclosure

Check out the Ombudsman's checklist to assist you to decide whether you can make a protected disclosure. This will help you to identify things you should think about before making a decision about what to do.

<https://www.ombudsman.parliament.nz/resources/checklist-am-i-ready-make-protected-disclosure>

You might also want to check out the Ombudsman's guide to "blowing the whistle" <https://www.ombudsman.parliament.nz/resources/making-protected-disclosure-guide-blowing-whistle>

2. You have decided to make a protected disclosure

- a. You can make a protected disclosure by notifying any of the following: the Mayor, Chair of the Risk and Assurance Committee, Chief Executive Officer (CEO), a Group Manager or the People, Safety and Wellness Manager. The CEO will report all disclosures to the Mayor and Risk and Assurance Committee Chair as soon as practical while also taking into consideration the principles of natural justice and procedural fairness.
- b. Or you could make the disclosure to the Ombudsman, Police, the Serious Fraud Office, the Health and Disability Commissioner, the Auditor-General, or the Independent Police Conduct Authority.
- c. Disclosing the information about the serious wrong-doing can be done verbally or in writing.

3. How will Council respond

A person who receives a protected disclosure (as listed in 2.a above) shall undertake the following:

- Within 20 working days of receiving a protected disclosure:
 - Acknowledge the date and receipt of the complaint (if the disclosure was made verbally, summarise the disclosure that was made)
 - Consider the disclosure and whether it warrants investigation
 - Check if you (the employee) has also made a disclosure somewhere else
 - Deal with the matter by undertaking one or more of the following:
 - investigate the disclosure;
 - address any serious wrongdoing by acting or recommending action;
 - refer the disclosure to an appropriate authority (following consultation with you if appropriate); and/or
 - decide that no action is required and provide reasons which may include:

- the requirements of the Protected Disclosures Act 2022 are not met, to be an *employee* who has made a *protected disclosure* about *serious wrongdoing*;
 - the length of time since the alleged wrongdoing makes an investigation impractical or undesirable; or
 - the matter is better addressed by other means.
- If the disclosure is investigated the person that receives the disclosure will make arrangements to:
 - advise that you are entitled to bring a support person to any meetings
 - interview you
 - investigate the allegation
 - keep a detailed file note recording the interview, the investigation and the explanation given to you about procedures to be followed;
 - have the file note signed by you to verify the accuracy and completeness of the interview notes and to record your acceptance of the procedures to be followed; and
 - keep you informed about the progress and outcome of the report (including advising how you will be informed and when)
 - determine if any protective measures should be put in place
 - confirm with you how the organisation will maintain confidentiality of your identity, and what will happen in the event that potentially identifying information needs to be released
 - store information confidentially in the organisation's information management system
 - Workplace support will also be offered to you (MPDC's Workplace Support Programme/EAP) as well as advising who to contact if you have any concerns about retaliation or any other concern.

4. Promotion of internal policy and procedures

Information about the Protected Disclosure Policy and Procedures will be promoted by the People, Safety and Wellness team as follows:

- Included in induction for all new employees
- Information found on the Council intranet
- Reminder and link to the policy quarterly in the staff newsletter (Bulletin)

The People, Safety and Wellness team can provide advice on any aspect of this procedure or any related matter.



Fraud and Corruption Policy

Department: Finance and Business Services

Policy Type: Internal policy

Version and date: Version 7, February 2023

Introduction

The purpose of this policy is to provide high-level guidance for the prevention, detection and response to fraud and corruption incidents within or involving Matamata-Piako District Council (MPDC or Council).

At MPDC, our vision and values are part of everyday life. This policy directly aligns with our value of "we do it right".

We are committed to maintaining a culture that reflects our core values of communication and integrity to prevent fraud and corruption from occurring at MPDC.

To achieve this, we will:

- promote a staff culture where fraud and corruption are unacceptable
- inform staff of the penalties that that can be faced if convicted of fraud or corruption offences
- educate staff on what fraud and corruption is and what to do if they suspect fraud or corruption
- develop and maintain effective ways (controls) to prevent fraud and corruption
- If fraud or corruption occurs:
 - o ensure a full investigation takes place
 - o take disciplinary and/or legal action where justified
 - o review systems and procedures to prevent similar frauds
 - o investigate whether there has been a failure in supervision and take disciplinary action if justified
 - o record and report all discovered cases

MPDC does not tolerate fraudulent or corrupt behaviour and has a zero-tolerance policy to identified behaviour or incidents involving fraud and corruption.

Zero tolerance within Council means:

- All instances of suspected fraud or corruption will be investigated thoroughly with appropriate action taken.
- All confirmed fraudulent or corrupt activities will be treated as serious misconduct in accordance with Council's Substandard Performance, Misconduct and Disciplinary Policy and will be referred to the New Zealand Police, Serious Fraud Office or other appropriate enforcement agency where statutes may have been breached, for prosecution consideration.
- Council will take all appropriate measures to recover any loss or expenditure attributable to fraudulent or corrupt behaviour. This includes, but is not limited to, recovery of intellectual property, physical assets, money, third party expenses incurred and investigation costs.

This policy covers how employees and elected members can prevent, report and

manage suspected fraud or corruption.

The policy describes:

- The intended audience and scope of this Policy;
- How fraud and corruption are defined for the purposes of this Policy;
- Reporting of suspected fraud or corruption;
- The Investigation of suspected fraud or corruption;
- The roles and responsibilities of in regard to the prevention and detection of fraud or corruption.

Audience/Scope

Fraud and corruption may occur due to the actions of employees, suppliers or other persons that Council has dealings with. This could be an individual or a group of individuals, companies, partnerships, trusts or other entities.

This policy applies to all MPDC employees and elected officials.

This policy applies to all fraud or corruption incidents, whether suspected or proven, that are either:

- Committed against MPDC by any person; or
- Committed by MPDC employees against any third party

For the purposes of this policy, the following are also included in the definition of 'employee':

- Elected officials and appointed committee members;
- Former employees and former elected officials;
- Persons seconded to MPDC;
- Contractors (individuals, contractor staff, sub-contractors or affiliated persons with third parties);

Policy

What is fraud and corruption

Fraud

The term 'Fraud' refers to the deliberate practice of deception in order to receive unfair, unjustified or unlawful gain; or to unjustly cause loss to another person. Keeping this definition in mind, examples of fraud and dishonesty may include, but are not limited to:

- Knowingly providing false, incomplete or misleading information for gain;
- Unauthorised possession, use or misappropriation of funds or assets, whether Council's or a third party's;
- Deliberate mishandling of or misreporting money or financial transactions;
- Unauthorised access and misuse of Council systems and information for unfair, unjustified or unlawful gain;
- Destruction, removal, or inappropriate use of records, furniture, fixtures, or equipment for unlawful gain;

- Deliberate misuse of Council resources (including work time, internet, mobile phones, photocopiers, computers, vehicles or mail services);
- Forgery or unauthorized alteration of any document or computer file or record belonging to Council.

Corruption

'Corruption' is the abuse of entrusted power for private gain. It can include the giving or receiving of bribes, coercion, inappropriate disclosure of records, or any similar or related inappropriate conduct.

Examples of corrupt conduct include, but are not limited to:

- The improper use of knowledge, power or resources for personal gain or the advantage of others;
- Providing false, misleading, incomplete or fictitious information to circumvent Council procurement processes;
- Disclosing private, confidential or commercially sensitive information to outside parties without consent;
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services or materials to Council;

Distinction from other policies

It is important to distinguish between the Fraud and Corruption Policy and other Council policies (e.g. Privacy) which may invoke Council's Substandard Performance, Misconduct and Disciplinary Policy. The difference is the element of dishonesty that leads to an unfair, unjustified or unlawful loss or gain. For example:

- Using Council systems to access private information for self-interest is a Privacy breach.
- Using Council systems to access private information and providing that information to another person for financial reward is captured by the Fraud and Corruption Policy.

Integrity-related policies are often closely aligned and may overlap. If you are unsure as to which policy applies, contact the People, Safety and Wellness (PSW) Manager.

Reporting a suspected fraud or corrupt act

Any person who suspects that a fraudulent or corrupt act is occurring or has occurred, **must** report this **immediately**. All information about suspected fraud or corruption is to be treated **confidentially**.

Notification, either in writing or verbally, should be made to one of the following:

- The Chief Executive Officer,
- A Group Manager or
- The PSW Manager.

If there is a concern about reporting suspected fraud or corruption to any of the people listed above, then the case may be reported to any of the following:

- Mayor,
- Deputy Mayor or
- Chair of the Risk and Assurance Committee.

Reports should provide as much detail as possible, including information about the events or acts constituting the suspected fraud or corrupt act, dates, times and persons alleged to be involved together with any documentary evidence or facts that support the allegation.

All suspected fraud or corrupt acts must also be immediately reported to the Risk and Assurance Committee Chair and Council's appointed external Audit Director, and insurers (where appropriate)

Protected Disclosures

Employees who report serious wrongdoing in the workplace may be protected by the Protected Disclosures (Protection of Whistleblowers) Act 2022. Refer to the Protected Disclosures – Whistleblower Policy for further details.

Investigating a suspected fraud or corrupt act

The Chief Executive Officer will determine how an allegation will be investigated and will nominate an officer or external party to head the investigation. If the Chief Executive Officer is implicated in the allegation, the Mayor will be responsible for determining how an allegation will be investigated. The PSW Manager will be included in the establishment of an investigation team where the allegation relates to staff, unless they are implicated in the allegation. The PSW Manager will also provide advice on employment matters.

Employees must cooperate with and not impede any investigation of suspected fraud or corruption. Free and unrestricted access must be granted to the investigation team to access and review Council records and premises.

Employees will not undertake investigations into suspected fraud or corruption unless they are specifically assigned to do this.

Refer to the Fraud Procedures document for further details on the investigation process, including investigator independence and skills, evidential requirements to determine confirmed fraud or corruption and notification to law enforcement.

Roles and responsibilities

MPDC will proactively take all reasonable steps to prevent fraud and corruption by developing and maintaining a policy framework that sets out clearly the procedures, processes and expectations of employee behaviour, and promotes robust internal controls for business delivery including the protection of assets, procurement, purchasing, payroll, treasury and cash management.

This will include but is not limited to:

- Regular anti-fraud and corruption training and awareness initiatives for all employees to support them in complying with this Policy;
- Our Substandard Performance, Misconduct and Disciplinary Policy, as well as Council's values, that clearly set out the expectations for employee behaviour;
- Pre-employment screening that includes checking for criminal convictions for appropriate staff (for example, those with financial or

procurement responsibilities);

- Assuring that staff appointed to positions of responsibility are appropriately qualified, experienced and aware of their obligations in regard to fraud and the protection of assets of the Council;
- Induction processes for new staff that include fraud awareness and training on Council's Substandard Performance, Misconduct and Disciplinary Policy;
- Segregation of duties in accordance with best practice;
- Appropriately robust and regular reporting that provides information about results against budget, benchmarks and expected key performance indicators;
- Robust confirmation of new suppliers;
- Centralised Contract Register;
- A planned programme of internal audit work to be carried out by either internal or external parties; and
- A safe, documented and widely available process for employees to report suspected fraud.

Managers' Responsibilities

The day to day responsibility for the prevention and detection of fraud and corruption and other inappropriate conduct rests with Managers. Managers are responsible for:

- Demonstrating the highest standards of ethical behaviour;
- Identifying the risks to which systems, operations and procedures are exposed; developing and maintaining effective internal controls to ensure effective stewardship of funds and to prevent and detect fraud or corruption;
- Ensuring these internal controls are being complied with;
- Strictly adhering to delegations of authority (including the 'one up' approval principle and the amount they can authorise);
- Ensuring compliance with all Council policies, procedures and guidelines;
- An awareness and sense of responsibility for the types of impropriety that may occur within their respective areas and being alert for any indication of irregularity. Being vigilant to 'red flag' and other fraud and corruption risks, which may necessitate further due diligence and/or process change. (Examples of 'red flags' or situations where fraud, bribery or corruption risk may arise are outlined in Appendix 1 of this Policy)
- Ensuring employees are supported when making allegations of fraud or corruption.

Employee's Responsibilities

All employees are responsible for:

- Being fair and honest in their business activities and dealings with contractors, suppliers or customers;
- Taking reasonable steps to safeguard MPDC's funds and assets against fraud, theft, unauthorised use and misappropriation;
- Strictly adhering to all system security measures, segregation of duties and delegations;
- In line with this policy, immediately reporting if they suspect or believe that there is evidence of irregular or improper behaviour or that fraud or corruption may have been committed.
- Assist in the investigation of any suspected fraud or corruption

Effects and Risks

This policy provides assurance to employees, Council, auditors and the community that MPDC has robust measures in place to prevent, detect and reduce fraud and corruption.

Failure to follow this policy could result in financial loss, damage to Council's reputation and legal action.

Any person convicted of fraud or corruption charges could face severe penalties under the Crimes Act 1961 or the Secret Commissions Act 1910. The penalties can range from fines to fourteen years' imprisonment.

Relevant Legislation

- Local Government Act 2002
- Employment Relations Act 2000
- Human Rights Act 1993
- Privacy Act 1993
- Protected Disclosures (Protection of Whistleblowers) Act 2022
- Crimes Act 1961
- Secret Commissions Act 1910

Related Policies, Strategies or Guidelines

- Protected Disclosures Policy
- Sensitive Expenditure Policy
- Gifts Policy
- Managing Conflicts of Interest Policy
- Declarations of interest (forms completed by staff)
- Substandard Performance, Misconduct and Disciplinary Policy

Monitoring, Measurement and Review

This policy will be reviewed every three years or when there is a change to legislation. The review will be reported to the Risk and Assurance Committee.

The Risk and Assurance Committee will monitor the effectiveness of this policy annually which will include a summary report from the Finance and Business Services Manager on the operation of the policy and procedures.

Authorisation

Authorised by: Manaia Te Wiata
Group Manager Business Support
Matamata-Piako District Council

Signed: _____
Manaia Te Wiata

Larnia Weir
Finance and Business Services Manager

APPENDIX ONE: RECOGNISING FRAUD AND CORRUPTION 'RED FLAGS'

MPDC recognises that there are generally three pre-conditions associated with fraud and corruption occurring in the workplace. These factors should be understood and inform the development of fit-for-purpose policies, procedures and business controls, as well as training and awareness activities:

- **Incentives/pressure:** employees and other (external) parties may have a personal incentive or be under pressure in their work or personal lives, which motivates them to commit fraud or wrongdoing (for example experiencing financial difficulty or the need to meet a significant business target).
- **Opportunities:** circumstances may exist that allow an employee to commit fraud, bribery or corruption, such as not having appropriate conflict of interest controls in place, or employees being able to 'work around' business controls (for example authorising personal expenditure).
- **Attitudes:** employees are able to rationalise committing fraud, bribery or corruption (for example having attitudes or beliefs that the organisation "owes you", "everybody else is doing it" or "I deserve this").

In order to reduce and deter the risk of fraud or corruption within Council, three key objectives must be met. These are:

- **Prevention:** Reducing the risk of fraud or corruption in the first place;
- **Detection:** Uncovering fraud or corruption at the earliest opportunity if it occurs and providing effective options to report, manage and respond;
- **Response:** Taking immediate corrective action and remedying the harm caused by fraud and corruption, including the preservation of crucial evidence to achieve a successful outcome.

There are a number of scenarios or activities ('red flags') that may indicate a heightened risk for the potential for fraud and corruption, and require further investigation to ensure no wrongdoing has been committed. Individuals who encounter any of these red flags, (depending on what seems most appropriate in the circumstances), should either:

- report them promptly in the same manner that a suspected fraud or corrupt act would be reported under this policy. The reported information should be dealt with as outlined in the Fraud Procedures document. Or
- at a minimum, the concern should be reported confidentially (either in writing or verbally) to the PSW Manager, who can then determine the appropriate course of action.

For clarity, if fraud or corruption is suspected then the "Reporting a suspected fraud or corrupt act" section of this policy must be followed.

FRAUD 'RED FLAGS'

These include, but are not limited to:

- An inability to account for missing assets and/ or inventory
- Orders for inventory that exceed 'normal' business use – or purchases made outside of standard centralised processes and oversight
- An employee receives an invoice or payment request that is non-standard or customised, lacks key information or is 'last minute and urgent'
- A failure to maintain a clear 'paper trail' including an absence of emails, written agreements, business documentation or record keeping
- An employee exerts an unusual degree of control over a work process, procedure or system, or is unwilling to share duties or business information (including a refusal to take leave)
- Unusual spikes in expenditure, invoice volume, financial adjustments (including 'rounded payments') and fee waivers, or the number and timing of service transactions – above and beyond business averages and trends
- A lack of segregation of key system, financial or business access, process/duties and authority (including the ability to approve personal expenditure or manage critical financial transactions end-to-end)

- A 'wheeler dealer' approach to business and disregard for process controls and business discipline.

CORRUPTION 'RED FLAGS'

These include, but are not limited to:

- A third party has a reputation for having a "special relationship" with the MPDC including instances of open-ended ('evergreen') contracts or informal work agreements
- An employee or third party has previously engaged in, or been accused of improper business practices
- An employee or third party insists on receiving a commission or fee payment before committing to a contract or carrying out a service
- An employee or third party requests payment be made in cash or to an unverified account (including at a different location or offshore)
- An employee or third party refuses to provide an invoice or receipt for a payment made
- An employee or third party requests that a payment is made to 'overlook' potential legal or performance violations
- An employee or third party insists on the use of side letters, refuses to put terms agreed in writing, or requires the use of an agent or intermediary that is not known to MPDC
- An employee or third party requests/ is offered entertainment or gifts before commencing contract negotiations or services
- An employee receives an invoice or makes a payment that appears large given the services provided
- Unreported payments are made to third parties on MPDC's behalf
- An employee has an unusually close relationships with third party vendors or customers, including an unwillingness to delegate management of a client relationship (services or portfolio)
- An employee provides/ offers unauthorised access to privileged information to a third party vendor or customer
- A refusal by employees or third party vendors to complete Conflict of Interest documentation or certify compliance with MPDC Policy.

7 Ngā Pūrongo Whakamārama | Information Reports

7.1 Risk Update

CM No.: 2695020

Rāpopotonga Matua | Executive Summary

Progress report on implementation Plan to Risk & Assurance Committee.

Tūtohunga | Recommendation

That:

1. The information be received.

Horopaki | Background

Implementation Plan Tasks:

- Review and update Risk Appetite: The Draft Risk Appetite discussed with the E-Team in December. This was followed by the E-Team working through examples and applying the process to the Spa Project through a workshop with Council on the 22 February. The process has been favourably received.
- The Risk Appetite process is a tool for Council to use when there is any uncertainty over making decisions in relation to opportunities as they arise.
- Top Risk Reporting: Risk on a Page format has been drafted.
- Implementation discussed with Comm's, considering use of Video's as an overview complemented with Risk Assessment Workshops for each Management and/or Project group.
- Strategic: SPAG utilised the process as part of the LTP process.
- Tactical: incorporated into the Project Management Process.
- Risk Management responsibilities to be incorporated into Position Descriptions as part of the Transformation project.

Ngā Take/Kōrerorero | Issues/Discussion

The Risk Consequence table headings were used for the Risk Appetite categories. To add value these will be revised to either incorporate or replace the current categories with MPDC's Vision and Values.

Mōrearea | Risk

The Risk Assessment process is spreadsheet based. There are a large number of spreadsheets making it impossible to provide reports.

The search for a software solution has recommenced. In discussion with other Council Risk Managers CAMM's appears to be preferred, a meeting is scheduled for 1st March with the provider. Another option to investigate is Protecht.

Ngā Tāpiritanga | Attachments

[A↓](#). Draft Risk Appetite Definitions



[B↓](#). Spa Risk Appetite Report 20Feb23



Ngā waitohu | Signatories

Author(s)	Lesley Steeples Risk Manager	
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Approved by	Dennis Bellamy Group Manager Community Development	
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How much uncertainty is acceptable to achieve the Councils Strategic goals?

Our Priorities:

- A place with people at it's heart: To improve the wellbeing of everyone in our community.
- A place to thrive and prosper: Enable our business to attract business.
- A place that embraces our environment: To enable a clean, green, environmentally friendly district.
- A place to belong and create: A district that's easy to live in, explore and connect.

Rating	Philosophy	Tolerance for Uncertainty Willingness to accept uncertain outcomes or variations.	Choice Willingness to select an option that puts objectives at risk:	Trade-off Willingness to trade off against achievement of other objectives.
Flexible	Will take justified risks	Fully anticipated	Will choose option/s with highest return; accepting possibility of failure.	Willing
Justified	Will take strongly justified risks	Expect some	Will choose to put at risk but will manage impact.	Willing under the right conditions.
Measured	Preference for delivering expected outcome.	Limited	Will accept if limited and heavily out weighted by benefits.	Prefer to Avoid.
Conservative	Extremely conservative	Low	Will accept only if essential and limited possibility/extent of failure.	With extreme reluctance.
Averse	Avoidance of risk is a core objective	Extremely low	Will always select the lowest risk option.	Never

Responses sheet Index		1		2		3		4		5		6		7		8		Consensus		Comments	
Descriptor	Risk	Appetite	Risk	Appetite	Risk	Appetite	Risk	Appetite	Risk	Appetite	Risk	Appetite	Risk	Appetite	Risk	Appetite	Int Risk	Appetite			
What is the risk to Public Safety & Workplace Health and Safety, including stress, injury, fire safety etc.	Very High	Averse	Very High	Averse	Very High	Averse	Very High	Averse	Moderate	Averse	Low	Justified	Very High	Averse	Very High	Averse	Very High	Averse	Very High	Averse	During construction period
What is the risk to Human Resources, can include corruption, dismissal, harassment, loss of key staff etc.	Moderate	Conservative	Very High	Measured	Moderate	Measured	High	Conservative	Moderate	Measured	Low	Justified	Moderate	Justified	High	Averse	Moderate	Measured	Moderate	Measured	Staffing availability
What is the Strategic risk, including impact on achieving Annual and/or Long Term Plan objectives	Moderate	Measured	Very High	Measured	Extreme	Conservative	Moderate	Averse	Extreme	Conservative	High	Justified	Very High	Measured	High	Conservative	Very High	Conservative	Very High	Conservative	Infrastructure
What is the financial risk, including cash flow, fraud, revenue loss, loss of funding etc.	Very High	Averse	Very High	Averse	High	Averse	High	Conservative	Extreme	Averse	High	Justified	Very High	Conservative	Moderate	Measured	Extreme	Averse	Extreme	Averse	Building/infrastructure costs high due to Covid. Severe weather events add further cost pressure.
What is the Operational risk including Property/Asset management compliance, liability, security, facility management, disruption of operations and/or services etc.	Moderate	Measured	Very High	Conservative	Moderate	Justified	Moderate	Averse	Very High	Justified	Moderate	Justified	High	Justified	High	Measured	High	Justified	High	Justified	Town Services/infrastructure constraints
What is the risk of Environmental damage, including biodiversity, alienation, legislation, pesticides, pollution, weather, floods, storms etc.	Very High	Averse	Very High	Conservative	Very High	Averse	Moderate	Averse	Extreme	Averse	Moderate	Justified	Moderate	Justified	Very High	Conservative	High	Conservative	High	Conservative	Partnership approach - Opt 3 reduces risk
What is the risk to Legal & Regulatory, including non-compliance and legal proceedings	Moderate	Conservative	Very High	Conservative	Extreme	Averse	High	Measured	Very High	Averse	Moderate	Justified	High	Conservative	Moderate	Measured	High	Conservative	High	Conservative	
What is the risk to Brand & Reputation, including negative individual and community reactions and confidence, political and/or negative media attention, government inquiry etc.	High	Averse	Very High	Averse	Extreme	Averse	Very High	Averse	Extreme	Averse	High	Justified	High	Measured	Moderate	Measured	Extreme	Averse	Extreme	Averse	Delivery of Project
What is the information and technology risk, including components of the IT systems affecting critical processes and keys sites, loss of data etc.	Moderate	Measured	Very High	Measured	Moderate	Justified	Moderate	Measured	Moderate	Justified	Low	Flexible	Moderate	Measured	Very High	Measured	Moderate	Justified	Moderate	Justified	Infrastructure constraints

7 Ngā Pūrongo Whakamārama | Information Reports

7.2 Food Act 2014 Quality Management System Audit

CM No.: 2686295

Rāpopotonga Matua | Executive Summary

The introduction of the Food Act 2014 changed the way that food premises were licensed as it went from an inspection regime to verification auditing. It also required Councils to be accredited to undertake verification services for National Programmes. In 2019, Council achieved our first QMS accreditation and was subsequently deemed a recognized agency. In April 2021 and February 2022 we passed our interim Surveillance Assessments.

To continue to maintain our accreditation, the Ministry of Primary Industries (MPI) engaged IANZ to carry out our three yearly full verification assessment in December 2022. This audit recommended that we maintain our accreditation with one minor non-conformity to be actioned.

Tūtohunga | Recommendation

That:

1. The information be received.

Horopaki | Background

The introduction of the Food Act 2014 (Act) changed the way food premises were licensed as it went from an inspection regime to a verification auditing. The Act promotes food safety by focusing on the processes of food production, not the premises where food is made. For example, someone who makes and sells food from a food truck must follow the same rules as someone who makes and sells food at a restaurant. It also required all food businesses to be registered with the local authority or the Ministry for Primary Industries (MPI).

All food businesses have transitioned from an inspection system under the Food Hygiene Regulations 1974 to an audit system pursuant to the Food Act 2014. Council has sole rights to audit food control plans however the audit of national programmes is contestable. Accreditation as a recognized agency was required to compete in this market and to offer a local service to our community.

The difference between food control plans and national programmes are:

- Food control plans (FCPs): Written plans for managing food safety on a day-to-day basis. These are used by higher-risk businesses.
- National programmes: A set of food safety rules for medium and low-risk businesses. If you're under a national programme, you don't need a written plan (or develop written procedures), but must register, meet food safety standards, keep some records, and get checked.

To date MPI has appointed JAS-ANZ and IANZ to assess all agencies against the requirements of the Act. To become a recognised agency pursuant to section 135 of the Food Act 2014 an agency must meet the requirements of Part 4 of the Food Regulations 2015 – Recognised agencies, persons, and classes of persons. This process allows MPI to check that they meet the same standards that they would apply if they were doing the checks. Our audits have focused on having

a robust quality management system containing all the requirements set out in Regulation 110 that apply to a quality management system for the purposes of these regulations.

In addition to becoming a recognized agency, we are required to have recognized person/s to undertake the audits. Peter Challis has achieved accreditation as a recognized person.

Cathy Bjerring is currently training to be able to carry out verification audits. This will provide some resilience for Council in the food auditing space.

Ngā Take/Kōrerorero | Issues/Discussion

Overall this audit result is an excellent achievement for Council and is the result of all the hard work carried out by the team. The non-conformance relates to an external contractor who Council had just recently engaged to assist with audits, in particular documenting her induction and competency. We have a plan to achieve the matters raised in this report and will undertake this as soon as possible.

Mōrearea | Risk

We are currently working with IANZ on the one non-conformance and have an agreed plan to get this signed off. The current risk of failing our accreditation is therefore very small.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

There are no legal or policy considerations.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Economic Opportunities

Community Outcome: We are a business friendly Council and We provide leadership and advocacy to enable our communities to grow

Theme: Healthy Communities

Community Outcome: Our community is safe, healthy and connected

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The cost of the audit is provided for within current budgets.

Ngā Tāpiritanga | Attachments

[A↓](#). IANZ Quality Management System Assessment Report



Ngā waitohu | Signatories

Author(s)	Cathy Bjerring Planning & Environmental Health Admin Officer	
Approved by	Ally van Kuijk District Planner	
	Dennis Bellamy Group Manager Community Development	



MINISTRY FOR PRIMARY INDUSTRIES

RECOGNISED AGENCY ASSESSMENT REPORT

Matamata-Piako District Council
Full Reassessment
14 December 2022

IANZ, April 2022

IANZ, Private Bag 28908, Remuera Auckland 1541; Ph. (09) 525 6655, Fax (09) 525 2266



ASSESSMENT REPORT

Organisation Details

Organisation:	Matamata-Piako District Council
Address:	35 Kenrick Street, Te Aroha
Agency Contact:	Ally van Kuijk

Assessment Team

Lead Assessor:	Julie Richards
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Report Preparation

Prepared by:	Julie Richards
Checked by:	Jennifer Foley
Date finalised:	20 December 2022



Introduction

This report relates to the Recognised Agency Reassessment of Matamata-Piako District Council which took place on 14 December 2022. This assessment was undertaken on behalf of the Ministry for Primary Industries (MPI) in order to make a recommendation to MPI whether or not Matamata-Piako District Council continues to meet the requirements for recognition as an agency to conduct registration and verification activities. The assessment was a sampling exercise and therefore this report is based on the observations made during the assessment.

Compliance with all legal requirements relating to health and safety is the responsibility of the agency. Where some items relating to health and safety may have been identified, this does not represent an exhaustive report on the agency's compliance with such legal requirements. Auditing for compliance with legal requirements relating to health and safety is outside the scope of this assessment.

Executive Summary

Matamata-Piako District Council (MPDC) had the following functions under the Food Act 2014:

- Registration of food businesses;
- Verification of Template Food Control Plans (FCPs) within Territorial Authority exclusivity;
- Verification of Template FCPs outside Territorial Authority exclusivity;
- Verification of National Programmes (NPs).

In order to conduct the verification of National Programmes, MPDC was required to maintain its recognition by MPI according to the Food Act 2014. The purpose of this assessment was to conduct an organisational competence assessment of MPDC to determine whether it continued to meet the requirements for recognition.

This assessment consisted of:

- A desk-top review of MPDC's Quality Management System (QMS) against the Food Act 2014, the Food Regulations 2015 and MPI criteria;
- An on-site assessment of the implementation of the submitted QMS at MPDC's offices in Te Aroha.

The assessment showed that the Food Act team of MPDC were open and receptive to opportunities for improvement related to their QMS, and were committed to ensuring the competent performance of verifications. A new training system had been introduced, and this was a promising new development towards training of personnel. The team was helpful and accommodating during the assessment process, and are thanked for their co-operation with the IANZ assessor.

The assessment found that MPDC was operating to a satisfactory level of conformance with the requirements of recognition as a Recognised Agency, with the exception of the issue identified later in this report as a non-conformity. Continued recognition will be recommended to MPI. Observations and recommendations contained in this report provide further detail on MPDC's performance as a Recognised Agency.

IANZ maintains records on the data collected, findings and completed checklists addressing specific requirements.



Observations

This reassessment consisted of a full review of MPDC's QMS, as well as a review of a selection of records to determine whether the QMS was being implemented according to specified requirements. Non-conformities and recommendations raised during the previous assessment were also discussed. The assessment was a sampling exercise and therefore this report is based on the observations made during the assessment. Any non-conformities and recommendations arising from these observations have been included in a separate section at the end of the report.

Conflicts of interest

MPDC had a Conflicts of Interest Policy, which described the requirement to declare and manage all actual and perceived conflicts of interest. Declaration forms were filled in on an annual basis by all staff; examples of these were reviewed and showed that the process was being conducted appropriately.

Confidential information

Personnel were well aware of the requirement to maintain confidentiality of any client-specific information. Application for registration forms included a declaration that information obtained during verifications will remain confidential. MPDC had appropriate systems in place to protect the integrity and security of electronic data, and a document destruction service was used for any hard-copy documents.

Staffing

Peter Challis was MPDC's sole verifier for tFCPs and NPs, and Cathy Bjerring was undergoing training for verification of tFCPs. According to the information provided to IANZ by MPI, Peter Challis was warranted as a Food Safety Office (FSO), though this was not actually the case. Peter was, however, in the process of applying to MPI for warranting as a FSO.

Position descriptions were available for personnel, describing the requirements of their roles, and their respective responsibilities and duties. A comprehensive induction process was in place, and records of these were available.

MPDC had recently introduced a new training process using the Learning and Development Framework, and the Food Act team were trialling this process for Cathy's training as a verifier. The Framework was based on the key tasks and competencies required for a specific role, and time-based expectations for the person to fulfil. The Framework allowed the training to be tailored to the individual and appeared to be a sound and meaningful training mechanism. Cathy's training to date included courses such as HACCP, auditing, and the various Food Safety Academy modules, as well as shadowing Peter on verifications. Good records of these had been maintained. Over the first few months of 2023, Cathy's training plan will include carrying out verifications under Peter's supervision. Once she has gained sufficient experience and competence as a verifier, MPDC is planning on having a peer review of Cathy by Hauraki District Council which will contribute to her authorisation as a tFCP verifier.

A Competency Table was used to record training and authorisation for each verifier using various tabs. The Verifier Skills Matrix tab and Competency Framework Summary tab showed the different food sectors, and which sectors the person had been authorised for, although it was not clear why there were two tabs with almost identical information on each. The Skill Competencies tab allowed the verifier to list the various training courses or modules they had done, with links to the specific records. The Sector Competencies tab listed "hot topics" and "competencies" for each food sector, and this also included links to training relevant for each competency.

Findings: R1, R2, R3

Resourcing

At the time of the assessment MPDC only had one recognised verifier, Peter Challis, which had created some pressure to ensure verifications were conducted on time. MPDC had recently engaged the services of a recognised person from a third party recognised agency, Jess Brueck, to assist with verifications until the end of June 2023. Jess had conducted one verification for MPDC, however MPDC had not notified MPI of her appointment, nor had they conducted an assessment of Jess's competence.

Once Cathy Bjerring has been recognised and authorised as a tFCP verifier, this will assist in ensuring verification services can continue to be managed appropriately. A shared services agreement was in place



with Hauraki District Council relating to the provision of Environmental Health Officer functions, however at the time of the assessment no services had been provided to MPDC.

Scheduling of verification activities was managed in Authority, which allowed specific tasks to be set with due dates. As at August 2022, MPDC had 64 overdue verifications. Overdue verifications had been identified as a concern during the last assessment, however at the time MPDC had a plan in place to manage these. It appeared as though the current high number was due to some businesses having been dropped from MPDC's system in error, and MPDC was working with MPI to ensure that all relevant businesses were correctly captured in their system. MPDC were able to show that they were scheduling in the overdue verifications, and it appeared as though they were managing this appropriately. Priority should be given to ensuring these are completed as soon as practicable.

Findings: NC1

Reporting requirements

As at August 2022, 9% of verifications were not being reported into Titiro within 10 working days of month-end. While this was not a significantly high number, MPDC should ensure this does not fall behind. Although MPDC had not identified any critical non-compliances during verifications in the past year, the verification procedure included the requirement to notify MPI should a critical non-compliance be identified.

Report templates were available in Authority. On a monthly basis, the District Planner selected one report to check whether the topics had been correctly indicated, notes were appropriate, correct client details had been included, etc.

A selection of reports were reviewed during the assessment. From these, it was evident that the Mandatory and Top 5 topics had been verified, the subsequent verification frequency had been correctly applied, and topics had been correctly reported in Titiro. The reports included notes on what was observed for each verified topic, which is considered to be good practice and MPDC should ensure this practice continues.

Findings: R4

Records

All relevant records were stored in MPDC's content management system, and could be accessed using Authority. Various records were provided during the assessment, which demonstrated that they could be easily accessed.

Non-compliance and corrective action

If any corrective action was required following a verification, this was specified in the verification report and managed in Authority by setting a task with the specific due date. Clearance of the non-compliances was conducted by either the verifier visiting the premises, or the operator sending the verifier evidence of the corrective actions.

Findings: R5

Complaints and disputes

Complaints were managed in the content management system, or by Human Resources if the complaint related to a specific staff member. MPDC had not received any complaints about verification services in the past year. An example of how a potential complaint would be managed was discussed, and it appeared as though this would be managed appropriately.

Internal management

MPDC has a management system in place with procedures and processes in Promapp. This included the "Food Act Verification Procedure", which described the administrative tasks associated with conducting a verification, and the "Undertake a Food Act Audit Process", which described the verification itself. The latter process was relatively brief and a recommendation has been provided to include more detail about the verification process. This will serve the dual purpose of being a useful guide and reference point for verifiers, as well as being suitable to use as training material for new verifiers.

MPDC had not conducted internal audits during the Covid-19 pandemic, since internal auditors from other teams were used and MPDC's policy was to limit contact between individuals. Despite this, an audit schedule was available for 2022 and 2023 and several internal audits had been conducted at the time of the



assessment. The internal audits were scheduled according to the various processes relevant to the Food Act team. Some examples of completed reports were reviewed, and it was apparent that the internal audit process had been improved, with a focus on implementation of procedures as well as determining whether the procedures were still fit-for-purpose. The report included a record of what evidence was looked at during the audit, and non-conformances were identified. Non-conformances were recorded in Promapp, which allowed them to be followed up.

An annual management review had been held on 16 November 2022. The record of the management review showed that relevant topics such as internal and external audits, customer feedback, changes in legislation, staffing and resources, risks, opportunities and KPIs had been discussed.

Findings: R6

Review of performance

MPDC had an annual performance review process for all staff. Verifier peer reviews were scheduled on an annual basis, and Peter Challis had been peer reviewed by Manual Loffley from Hauraki District Council on 4 August 2022.

Contractual arrangements

Food businesses completed an application form for registration with MPDC. The registration form included the terms and conditions of service, which included confidentiality, the purpose of verifications, the nature of findings, etc. Businesses were also sent a confirmation letter prior to verifications, to remind them of the verification.

Findings: R7



Assessment Findings

The following non-conformity must be implemented in accordance with the plan agreed to by the agency and detailed below. Evidence for all corrective actions and related correspondence must be submitted to IANZ for review according to the timeframe indicated.

Recommendations are intended to assist the agency in its efforts to maintain an effective quality management system and are not conditions of recognition. All corrective actions and recommendations will be followed up at the next assessment.

Non-conformity number	NC1	Reference	Food Notice: Requirements for Recognised Agencies and Persons, part 2 (1)(d) Food Regulations 110 (2)(e)
Details of non-conformity			
MPDC had recently engaged the services of Jess Brueck to provide verification services, however they had not informed MPI of this. Furthermore, there were no records available of an assessment of Jess's competence; MPDC's authorisation of Jess to carry out verifications was based on her MPI recognition and her reputation as a verifier, which is not appropriate.			
Information provided by the agency to rectify non-conformance			
MPDC submitted correspondence notifying MPI Approvals that Jess Brueck had been contracted to conduct verifications for MPDC. This correspondence included evidence of Professional Indemnity cover for QEC Ltd consultants. Note: the certificate of insurance showed QEC Ltd as being the insured party. It is unlikely that this insurance would extend to Jess's activities on behalf of MPDC, and MPDC should ensure that their own insurance covers Jess while she conducts verifications for MPDC.			
MPDC will submit a confirmation or a screenshot showing that Jess Brueck has added as a recognised person under MPDC.			
MPDC has requested Jess Brueck's training records for the previous three years, after which an assessment will be undertaken on Jess's competency to undertake verifications for MPDC. This will be forwarded to IANZ. Note: this assessment should cover all sectors in which Jess will be conducting verifications for MPDC.			
IANZ comment / closure and date			
NC 1 remains open; clearance material to be submitted to IANZ by 30 January 2023.			

Recommendations to Matamata-Piako District Council	
R1	For the Competency Table, it is recommended that the reason for having both the Verifier Skills Matrix tab and the Competency Framework Summary tab is reviewed. Both appear to provide similar information, although the Competency Framework looks like it may be more useful (colour-coded approvals). MPDC's attention is also drawn to the fact that information is not consistent between the two tabs, so if one is eliminated MPDC should ensure that the one that is retained has all the correct information.
R2	The Sector Competencies tab of the Competency Table lists "hot topics" and "competencies" for each food sector. It is recommended that these are independently reviewed to ensure that all relevant topics / competencies are included for each sector.
R3	On the Sector Competencies tab of the Competency Table, the competencies are grouped together for each sector (e.g. temperature control, allergens, food standards code, separation, vulnerable population). This makes it difficult to verify the training records associated with each competency. MPDC is encouraged to consider introducing an itemised list of each individual competency, which would allow the training relevant to each competency to be referenced. This would facilitate easy checking of the training record against the competency.



R4	Verifiers are reminded to ensure that all verified topics are reported in Titiro.
R5	When corrective actions were closed out, the only record of this was the completed task in Authority. It is recommended that evidence of the corrective action is saved as an attachment against the premises (e.g. photos / records that were submitted by the operator, or a note that a visit was made to the premises, etc.).
R6	<p>It is recommended that the “Undertake a Food Act Audit Process” be updated to include more relevant information relating to the verification process. Such information is available in the regulations, practice notes, Tiritiri training material, etc. For example:</p> <ul style="list-style-type: none"> • Inclusion of the Mandatory and Top 5 topics, including that some sectors have different Top 5 topics. • Allocation of verification frequency. • The importance of taking notes of what was looked at for each topic. • When corrective action must be requested (a corrective action request must be issued for a non-complying topic outcome, and it may be issued for a non-conforming topic outcome, although in the latter case there may still be an overall acceptable outcome). • Guidance on allocating overall verification outcome. <p>There are various MPI resources, practice notes, etc. available – these could be included in the process as links.</p>
R7	It is recommended that a clause is added to the Terms and Conditions or verification confirmation letter covering the requirement that the business allow verifiers on site to conduct a verification, and to provide access to all relevant records, and access to staff for discussions.

Recommendation to MPI

IANZ recommends that Matamata-Piako District Council continues to meet the requirements to be a Recognised Agency to conduct verification services under the Food Act 2014, on condition that the non-conformity detailed above is managed and closed-out by IANZ according to the plan provided by and agreed with Matamata-Piako District Council.

7 Ngā Pūrongo Whakamārama | Information Reports

7.3 Safety and Wellness Quarterly Report October-December 2022

CM No.: 2691461

Rāpopotonga Matua | Executive Summary

The Quarterly Safety and Wellness report for October - December 2022 and the January 2023 Safety and Wellness Update are attached to the agenda. Kate Stevens, Safety & Wellness Team leader, in attendance to discuss the report with the committee.

Tūtohunga | Recommendation

That:

1. The information be received.

Ngā Tāpiritanga | Attachments

A  Quarterly Safety and Wellness Update October-December 2022



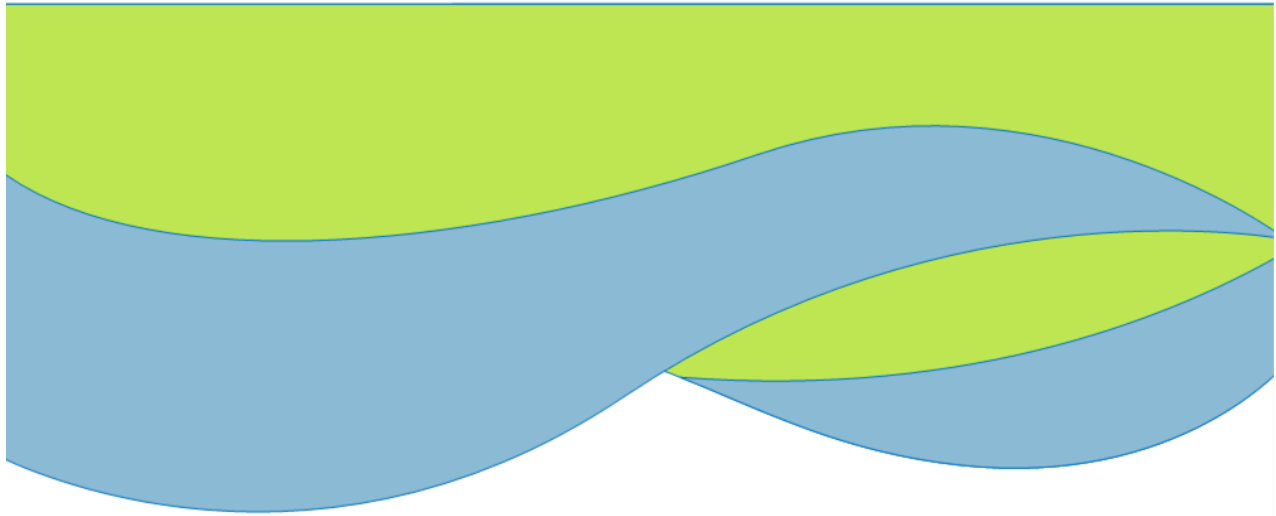
B  January 2023 Safety and Wellness Update



Ngā waitohu | Signatories

Author(s)	Kate Stevens Safety and Wellness Team Leader	
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Approved by	Kelly Reith People, Safety and Wellness Manager	
	Manaia Te Wiata Group Manager Business Support	



Safety & Wellness

Quarterly report:

October - December 2022

Together we create a healthy, safe workplace where we thrive.

Executive summary

We have had a strong focus on critical risk management this quarter, dealing with the backlog of risk reviews, identifying opportunities to strengthen the controls we have in place and collaborating with contractors that do high risk work. The Plant and Equipment critical risk review was completed, with the teams involved sharing information and identifying areas for improvement. We also visited the three refuse transfer stations to review the risks on site.

A group of staff from several areas of MPDC met regularly to review volunteer management, with the intent of clarifying our vision for volunteers and ensuring that we have consistent and clear processes for volunteer organisations. This work will continue in 2023.

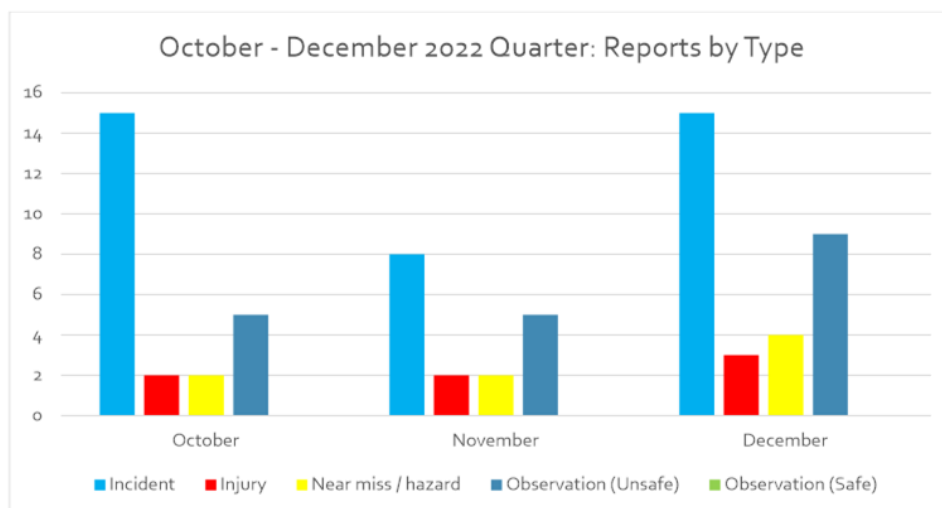
We asked our staff to complete the Taitaurā Health, Safety and Wellbeing survey and had a participation rate of 51% (149 participants). We were pleased to see that our overall average score was 75%, which is 6% higher than the Local Government benchmark. Positive feedback was received as well as some feedback that we can continue to work on.

Events

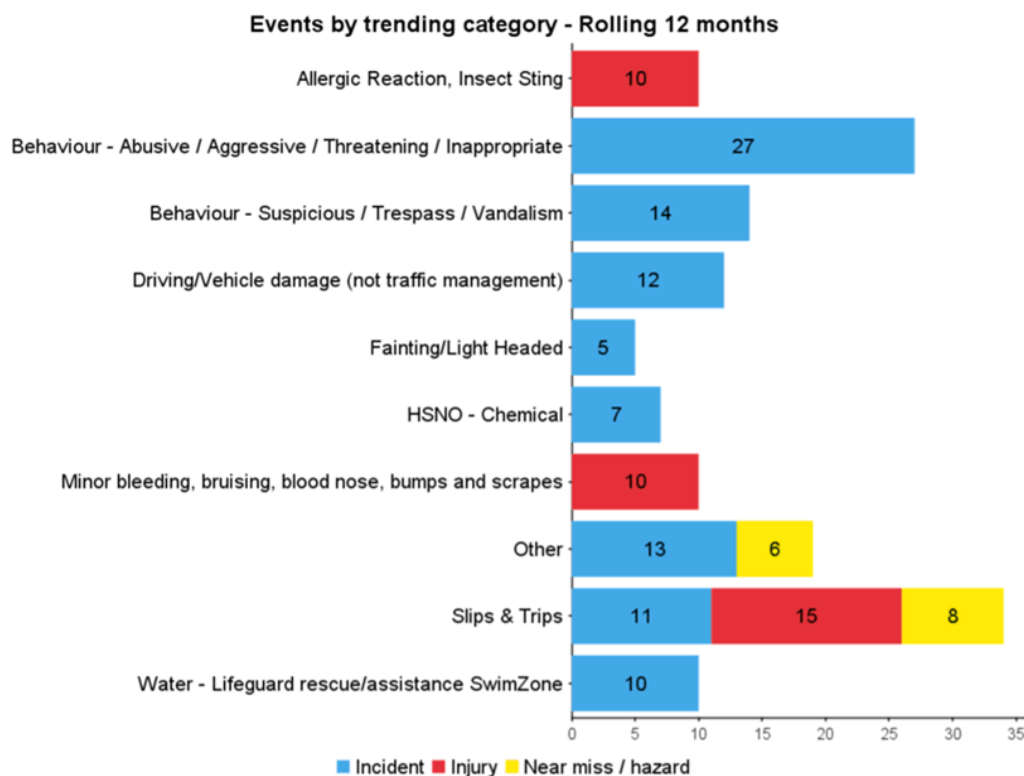
There were no notifiable events and one lost time injury this quarter: an elbow fracture, which was due to a slip and fall.

The graphs below provide summary data from Vault.

Number of events and observations this quarter:						
Incidents	Injuries/illness	Near Miss/Hazards	Observations (Unsafe)	Observations (Safe)	Notifiable Events	Lost Time Injuries
38	7	8	19	0	0	1



The graph below shows events from the last twelve months that have occurred five or more times. Third party behaviour continues to be the most commonly reported event type.



The graph below sets out the number of events reported according to the person involved.



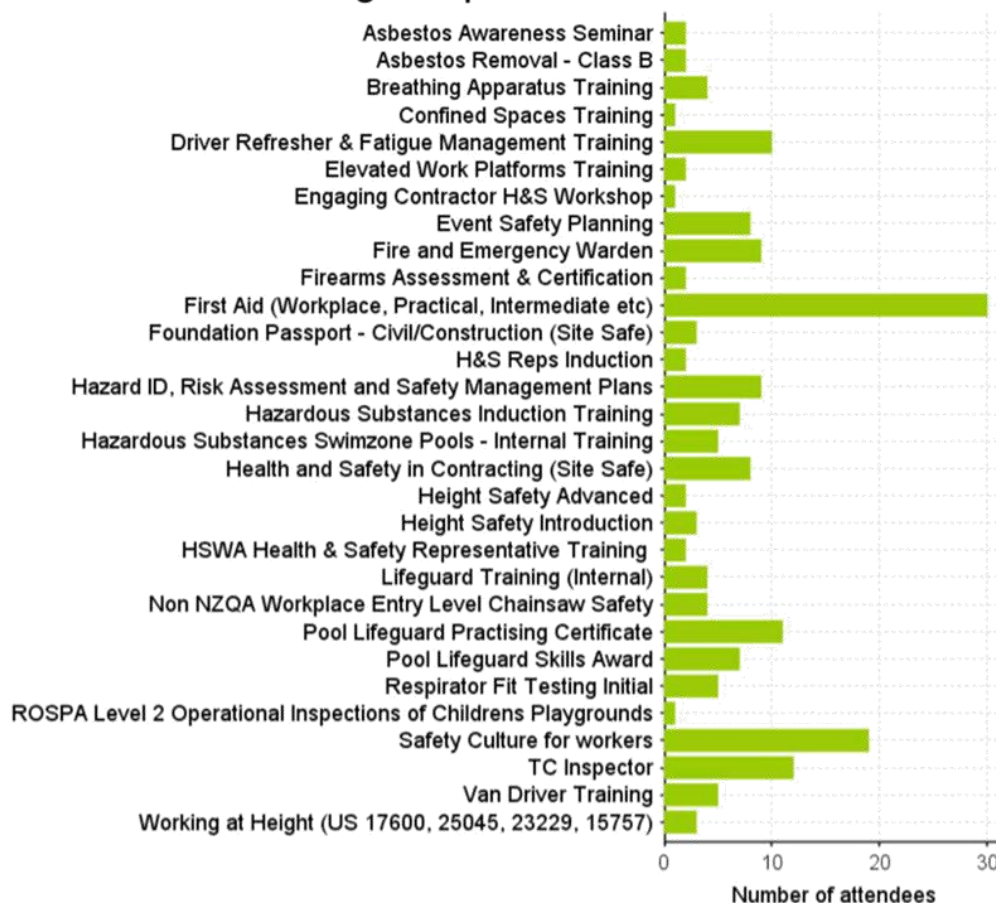
Event Investigations completed this quarter	31	Overdue Investigations at end of quarter	31
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Many of the overdue investigations relate to Three Waters and KVS events. The S&W Team will assist these teams to work through the backlog in the New Year.

Learning & Development

The graph below shows training (both internal and external) completed this quarter.

Training Completed this Quarter



Risk management

Council's identified "Top 10" critical risks are as follows:



Critical risk updates:



Hazardous Substances:

- Location Compliance Certification (LCC) has been achieved at Hinuera, Tahuna, Te Aroha and Tills Road Water Treatment Plants. WorkSafe have again extended the Provisional Improvement Notices (PINs) for Burwood Road, Morrinsville and Tawari Street Water Treatment Plants. The Water Team have reviewed the LCC requirements for Burwood and Tawari Street Plants, as the large Chlorine drums have been removed from these sites and changes to the regulations may mean that Location Compliance is no longer required. We are awaiting confirmation from WorkSafe that they will remove the PINs for these sites. The design for the new Chlorine Room at Morrinsville Water Treatment Plant is now complete and will go to tender early next year.



Working on the road:

- Twelve staff attended Temporary Traffic Management Inspector training this quarter. This course is relevant for staff who are doing tasks such as surveying or site inspections.



Psychological wellbeing:

- The REACH Reps quarterly meeting was well attended and we continue to promote our REACH reps through the staff bulletin.
- We continue to follow up on the recommendations from the security review at Matamata Civic and Memorial Centre.
- In the busy lead-up to Christmas we ran the 'Twelve days of Kindmas' an internal campaign to support staff.



Driving on the Roads:

- Argus GPS Tracking shows MPDC's average risk points per vehicle per 100 km per month for this quarter is 0.55, well below the national average of two risk points for this period.
- We reviewed our induction process for new drivers and will be updating this in the coming quarter. In 2023 we will also provide external training for key staff on safe towing and load security.



Plant, Equipment & Machinery:

We reviewed the critical risk of Plant, Machinery and Equipment with the KVS, Three Waters and Facilities teams. Each team reviewed the controls they have in place and identified some areas for improvement.

Recommendations from the review include:

- Further work with Three Waters to ensure that inspections for safety critical equipment (e.g. harnesses, ladders etc) are captured in the system and missed checks are escalated.
- KVS to strengthen their internal training processes and ensure that competency assessments are documented.
- Noise assessments for key roles where staff are exposed to high noise levels.
- Refresher training on Safety by Design and New Plant/Equipment process for project/contract managers, and an internal audit on these processes.

New regulations: Health and Safety at Work Act 2015: Plant, structures and hazardous work are due to be released in 2023. We will review these and determine whether any additional controls are required as a result of the new requirements.

Other key risks:

Fatigue:

We continue to see observations relating to excessive hours worked (11 this quarter for the water and wastewater team) – these observations are logged when hours worked during an on-call period exceed 56. This allows us to review the measures put in place to manage fatigue, particularly when there are emergency events such as the Morrinsville Water Supply issue in November.

Lone Work:

We continue to monitor Lone Worker device usage for those teams that have devices: Water and Waste Water, KVS and Animal Control. Work with Planning, Roading and Parks teams is underway to trial devices and consider other options.

Property Maintenance:

After staff changes at KVS, the Property Maintenance Team have reviewed and updated their risks and training programme.

Risk reviews and corrective actions

At the end of the July to September 2022 quarter there were 128 risks overdue for review, relating primarily to Three Waters and KVS teams. The Safety and Wellness Team provided a significant level of support to these teams to ensure that these were completed, and as at the end of this quarter (December 2022), there were no overdue reviews.

The number of overdue corrective actions had increased to 122 at the end of this quarter (actions relating to risks, events and audits combined), up from 72 last quarter. (Some were updated in January prior to writing this report, leaving 85 overdue corrective actions.) More than half of these actions are assigned to KVS and we are planning to assist KVS with getting these up to date in early 2023.

Solid Waste:

We visited the three Refuse Transfer Stations (RTS) with a focus on site traffic management.

Site reconfiguration is underway at Matamata RTS, with the installation of a second weighbridge complete and further work required to install signage and road marking on site to manage traffic flow.

Operators at Waihou RTS raised concerns about traffic waiting to enter site over the holiday period, which has previously resulted in traffic queues on the State Highway. The Solid Waste Manager arranged for earlier opening over the holiday period to address this issue. The limited space

available at this RTS increases the risk of vehicle collision, and a proposal has been put forward to increase the available space and create a safer layout to reduce the risk of the loader or trucks colliding with a vehicle or pedestrian.

Work is planned for early 2023 at Morrinsville RTS to install updated signage and road marking to improve traffic flow on site.

Health Monitoring

Data for health monitoring and respirator fit testing for the quarter is shown below.

Annual health monitoring completed	29	Exit health monitoring completed	0
Overdue health monitoring	0	Pre-employment health monitoring	12

Emergency management

The Incident Management Team provided support during the Morrinsville Water Supply event in late November/early December. A boil water notice was issued to Morrinsville, and some customers were left without water at times. Tankers were utilised to provide water to those affected. Key safety risks included: fatigue for Three Waters team and IMT staff due to long hours worked, particularly for those required to work at night; and personal safety and fatigue for tanker drivers who worked long shifts and alone at night (with learnings around ensuring good lighting and visibility for night-time placements). IMT learnings have been captured through a debrief process, and the Three Waters independent investigation recommendations will be followed up in the New Year.

Contractor management

Our Site Safety Coordinator completed seven site visits this quarter, at sites where our contractors' work included critical risks such as work at height, crane operation, electricity and plant and equipment. This quarter we completed five Annual Contractor Safety and Wellness Review meetings with Fulton Hogan, Allied Security, Electrico, Te Aroha Plumbing and Drainage and Fibre Networks.

We also sent out our first Contractor Safety & Wellness Newsletter to contractors, sharing updates from WorkSafe and providing an update on the changes we have made in contractor safety and wellness management.

Volunteers

We have put together a team of MPDC staff from across the organisation to work on streamlining and ensuring a consistent approach to volunteer management. We will run a Council workshop in March to provide information about how we propose to move forward with this.

Policy

The Vehicle Policy was reviewed and several changes were made after consultation with staff, including an increased focus on safety.

Celebrating success

The Performance Recognition Framework trial has been extended, providing an opportunity for managers to recognise high safety and wellness performance.

Employee Engagement & Participation

The H&S Committee meeting in November was attended by 19 people. Five H&S Representatives had attended the Safeskills Conference for H&S Representatives in Hamilton, and they shared some of their learnings with the Committee.

Taitaurā Health, Safety and Wellbeing survey

We asked our staff to complete the Taitaurā Health, Safety and Wellbeing survey and had a participation rate of 51% (149 participants). We were pleased to see that our overall average score was 75%, which is 6% higher than the Local Government benchmark.

Staff identified the following main themes for what MPDC does well in terms of health, safety and wellbeing:

- Provide information and resources - including S&W team, H&S Reps, Reach Reps etc.
- An organisation that is supportive and values staff
- Engagement.

Survey feedback also helped us identify some areas we can continue to focus on: workload and resources, building issues (e.g. ventilation, noise problems) and Learning and Development (L&D).

The E-team responded to these issues as follows:

- Workload/resources – Managers have been asked to discuss this with their team and to work on identifying practical ways to manage the workload. This may include deferring planned work, prioritising work, accepting that deadlines may not be met and seeking further support/help to get things done.
- Building work environment issues – this has been an ongoing issue and work is still underway. A draft design has been prepared to assist the Planning/open plan office with a number of issues such as lack of meeting space/space for private conversations, noise and ventilation. At this stage it is hoped a solution will be in place this financial year. In the meantime, staff are encouraged to use the new SpacetoCo system to book meeting spaces or other workspaces if needed. Our Flexible Ways of Working Policy also enables staff flexibility in the way that they work to help alleviate some of the

building issues we are working through.

- Learning and Development (L&D) budget/availability – this year we have taken a strategic approach to L&D, focussing on areas such as leadership development, and moving into the E-Learning space in collaboration with other Waikato Councils which will open up more learning opportunities in the future. We are also focussed on delivering learning and development that is essential for staff to undertake their role, and developing the learning and development framework.

Governance

Two safety and wellness induction workshops were held for the newly elected Council. There have also been some changes to reporting: the quarterly and annual safety and wellness reports will be presented to the Risk and Assurance Committee. Monthly, quarterly and annual reports will be included in monthly Due Diligence workshops for Council.

Assurance activities

The Safety and Wellness team assisted KVS with a review of their risks, identifying some opportunities for improvement including: revisiting training processes to ensure that competency assessments are documented and safe work procedures are used to ensure that good practices are consistent across teams.

Safety and Wellness Objectives

We have three over-arching strategic priorities for this financial year. Below are some examples of activities we have undertaken this quarter that align with these priorities.

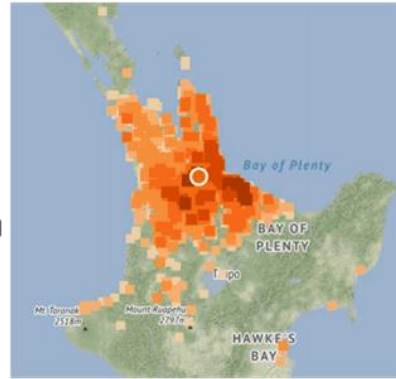
1. Building partnerships (with contractors, volunteers and between MPDC Teams)
—strengthening relationships through collaboration and sharing of information:
 - Volunteer Management Focus Group including staff from KVS Parks and Reserves, Strategic Partnerships and Governance, Assets, Facilities and Safety & Wellness teams drafted a proposed approach to volunteer management.
 - Annual safety and wellness meetings with contractors that we use regularly
 - Newsletter to contractors providing information about new WorkSafe guidance
 - Plant and Equipment Critical Risk Review focus group included a range of staff (from Third Tier Managers through to operators and H&S Reps) from KVS, Three Waters and Facilities.
2. Using the hierarchy of control—looking for prevention strategies to keep people safe and well, rather than just mitigation when things have gone wrong.
 - Highlighted good practice in contractor newsletter.
3. Using the processes that work and challenging those that do not—decluttering our paperwork. Streamlining how we do things and focusing on the things that make a difference.
 - Risk reviews at KVS included review of the existing risk register, with updates to the structure to better align with the way the team operates, and clarification about the safe work procedures and other documents that are currently available.

Earthquake

The 5.1 magnitude earthquake 5km south of Te Aroha on the 4th of January provided a good opportunity for us to rehearse and review the actions we need to take in this scenario. Staff went out across our district checking infrastructure and fortunately no major damage seems to have resulted.

We asked our teams to check their workplace, making sure that any tall furniture is secured to the wall and heavy items are stored lower down on shelves.

Teams also discussed the actions to take in an earthquake and the importance of planning for emergencies (see below).



Drop, cover hold

The key actions to take in the event of an earthquake are: drop, cover and hold.

A doorway is no longer recommended for shelter, EQC recommend:

- Somewhere close to you, no more than a few steps away, to avoid injury from flying debris.
- Under a strong table. Hold on to the table legs to keep it from moving away from you.
- Away from windows that can shatter and cause injury. And from tall furniture that can fall on you. Protect your head and neck with your arms.
- Not in a doorway. In most homes, doorways are not stronger than any other part of a house and a swinging door can cause more injury.



GET READY

Make sure you and your family have a plan for emergencies, there's some useful information to help with this here: <https://www.civildefence.govt.nz/get-ready/prepared-for-an-emergency/>

Critical risk

Working over or near water and the risk of drowning is one of our top ten critical risks at MPDC.

It includes:

- Three Waters ponds, dams, reservoirs, intakes, clarifiers, chambers, rivers
- Flooding due to weather events
- Spas and Swimming pools

This January update focusses on this risk at our SwimZone facilities and the controls we have in place to prevent drowning at these sites.

Over the new few months we will be mapping and reviewing the risk at our Water and Waste Water sites. We will report on this later in the year.



SwimZone— factors that can increase the risk:

- Deep water
- Poor swimming ability
- Inadequate parental supervision
- Crowded pool, lively play
- Medical conditions
- Inexperienced lifeguards
- Facility design e.g. limited visibility
- Drug/alcohol use
- Hot water & fainting e.g. spas

Lifeguards

Lifeguards are a key control at SwimZone. They intervene to prevent an 'at risk' situation from developing into an emergency and are also trained in how to manage an emergency if it occurs. At MPDC our lifeguards have:

- Pre-employment swim test and drug and alcohol testing
- Training: Lifeguarding qualifications, First Aid, Managing Customer Conflict, detailed induction and practical training programme
- Rostering to ensure supervision ratios are correct
- A walkie-talkie for easy communication, and they position themselves where they have a good view of the pool
- Shade to sit in (where possible), sunglasses, and regular position changes to help stay alert.

7 Ngā Pūrongo Whakamārama | Information Reports

7.4 Six-Month Report - July to December 2022

CM No.: 2691484

Rāpopotonga Matua | Executive Summary

The Local Government Act 2002 requires Council to adopt its Annual Report and Summary by 31 October each year.

To ensure that there are no unexpected performance or financial matters leading up to this report, a Six Month Report has been prepared to advise of progress and any likely issues that may arise.

At time of writing, the financial section of the Six Month Report was currently under preparation. Attached to this report is a condensed version of the Six Month Report outlining our achievement on performance measures during the period 1 July to 31 December 2022.

The full version of the Six Month Report will be circulated once finalised.

Tūtohunga | Recommendation

That:

1. **The Committee receive the Six Month Report July – December 2022.**

Horopaki | Background

The Local Government Act 2002 requires Council to adopt its audited Annual Report and Summary by 31 October each year. The Annual Report and Summary must be published within one month of adoption. The Annual Report and Summary must be audited, and an opinion on the Annual Report and Summary provided to Council and the report's readers.

The Six Month Report provides the Committee with an opportunity to review the non-financial and financial performance of the organisation. The financial information builds on the monthly financial reports whereby staff endeavour to ensure there are no "surprises" for Council.

As at the six month mark, 36 performance measures are on track for the year, with 14 not on track and 1 measure where information is not available. 8 performance measures are only measured at the end of the financial year.

Some of the performance measures are measured through a Customer Survey (survey) that is undertaken by Versus Research (Versus). This survey asks how satisfied respondents are with a number of different services or facilities that Council provides. Respondents are asked to rate their satisfaction on a 6-point scale with 1 being very dissatisfied and 5 being very satisfied or a sixth option of don't know.

There are 200 randomly selected people surveyed throughout the year. Versus ensure respondents are representative of the overall population of our district in regards to where they live, their sex, age, ethnicity and so forth.

The results from the survey are used to track our performance against our performance measure targets set in the LTP. The quarter two report dashboard from Versus is attached.

Ngā Take/Kōrerorero | Issues/Discussion

Non-financial information

Full details of performance measured to date against our targets are set out in the Six Month Report. A number of these measures can only be measured annually and are not included e.g. the number of elderly persons housing tenants who are satisfied with the standard of maintenance and accommodation.

Mōrearea | Risk

Refer to discussion above.

Ngā Whiringa | Options

The preparation of the Six Month Report is a non-statutory process for Council. The Committee may wish to consider any risks or issues arising from this report.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

The Annual Report measures our performance against the Long Term Plan 2021-31

Ngā take ā-lhinga | Consent issues

There are no consent issues.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The financial summary is currently being prepared at the time of writing this report. The financial summary will be circulated once finalised.

Ngā Tāpiritanga | Attachments

[A](#)  MPDC dashboard Quarter 2 2022-2023



[B](#)  Six Month Performance Measure Summary



Ngā waitohu | Signatories

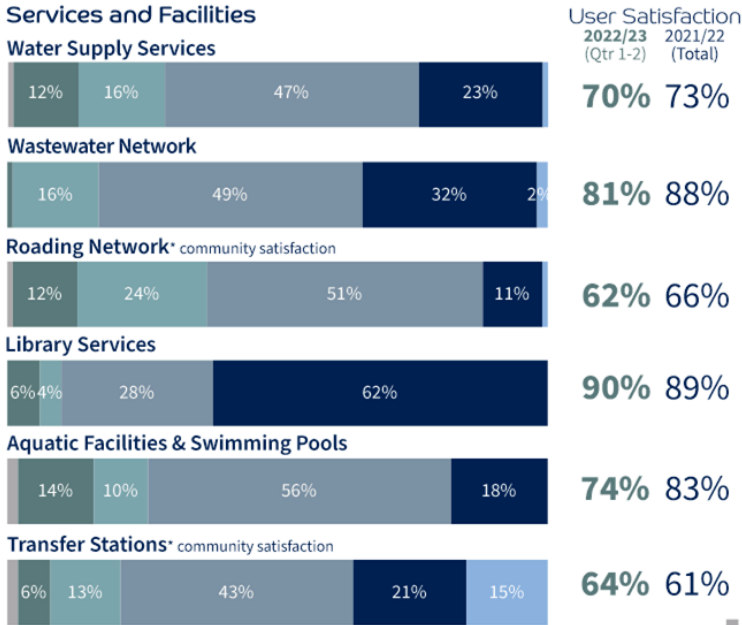
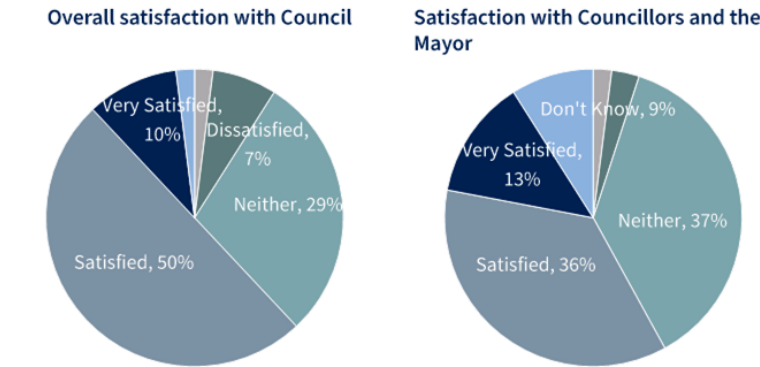
Author(s)	Christa Kurian Graduate Policy Advisor	
	Larnia Rushbrooke Finance and Business Services Manager	

Approved by	Niall Baker Policy Team Leader	
	Erin Bates Strategic Partnerships and Governance Manager	
	Manaia Te Wiata	

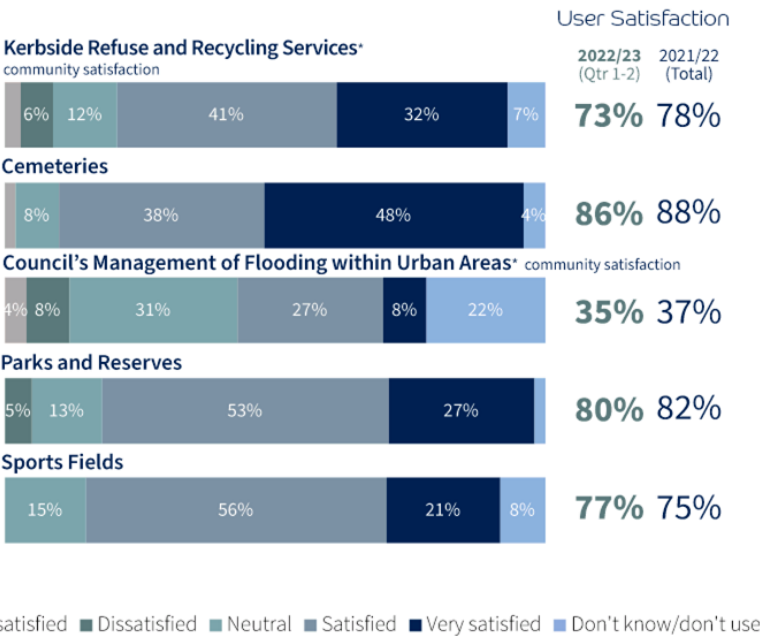
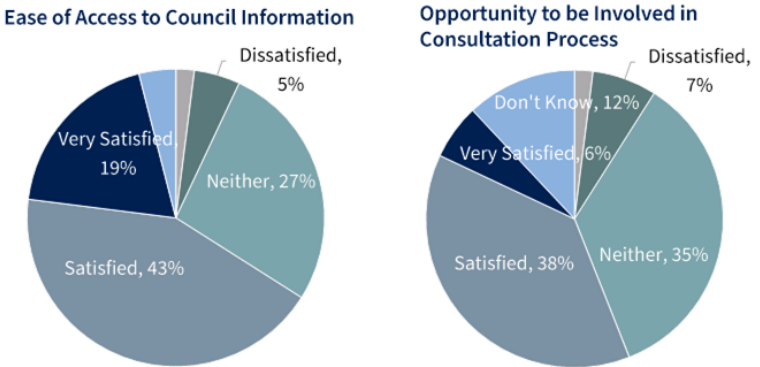
	Group Manager Business Support	
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QUARTERLY DASHBOARD

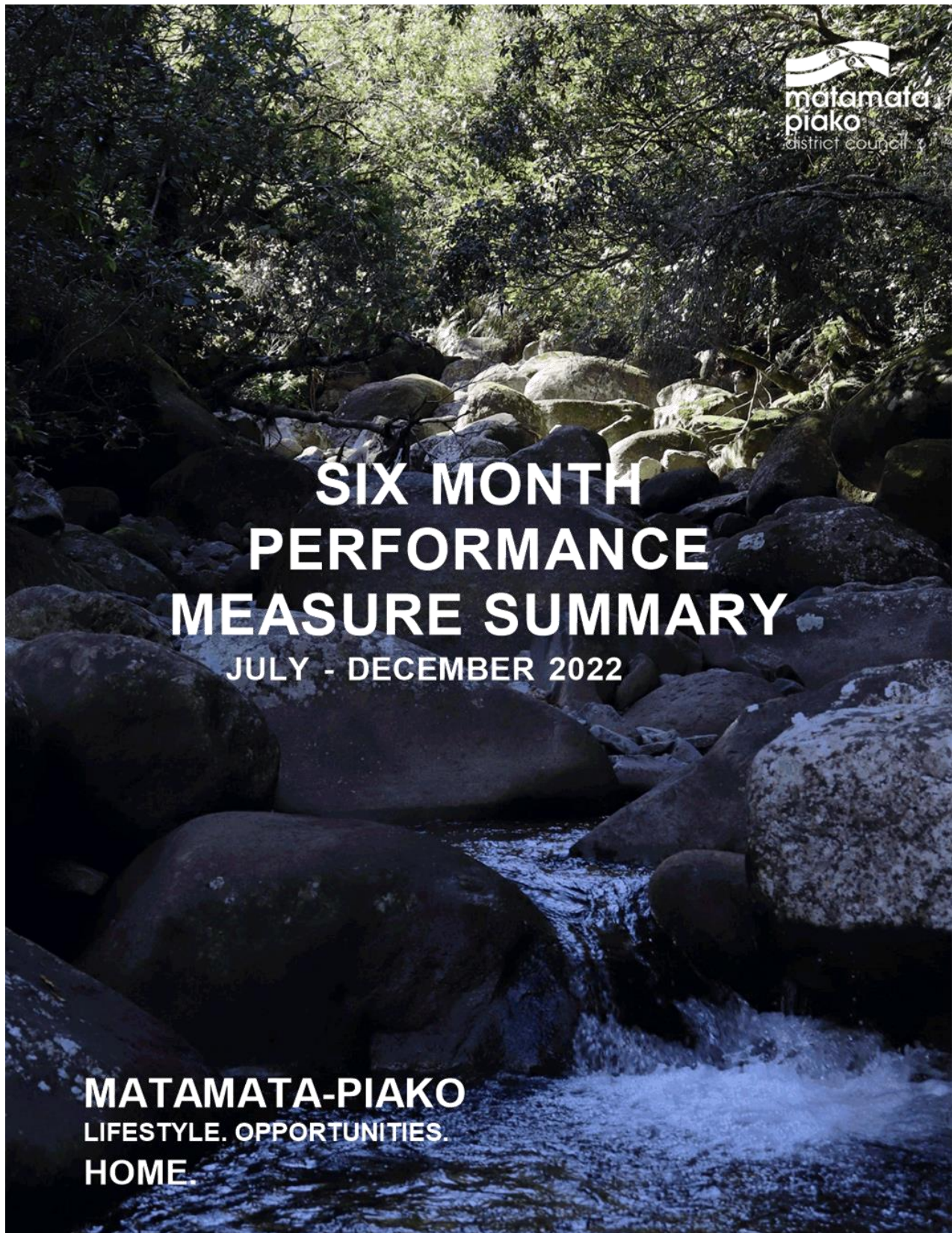
(QUARTER 1 - 2 2022/23 n=200* unweighted sample)



Matamata-Piako District Council



Very dissatisfied Dissatisfied Neutral Satisfied Very satisfied Don't know/don't use



PERFORMANCE MEASURES

Below is a summary of Council's progress at the six-month mark against its performance measures.

Not achieved
Not on track
On track
Information not yet available
Information not available

PERFORMANCE MEASURE	TARGET	TRACKING
Ngā Rawa ā-Hapori Community Facilities and Property		
Carparks and Street Furniture		
90% or more of damage, vandalism and graffiti complaints regarding Council carparks and street furniture will be responded to within the assigned timeframe. <i>During the period 1 July to 31 December 2022, we received 2 complaints of damage, vandalism and graffiti regarding Council carparks and street furniture. 50% (1) were responded to within the timeframe of two working days.</i>	90% or more	50%
Ngā Urupā Cemeteries		
Percentage of people who have visited a Council cemetery in the last year who are satisfied/very satisfied with the cemeteries. <i>Of the 200 people surveyed during 1 July to 31 December 2022, 86% of visitors were satisfied/very satisfied, 8% were neither satisfied nor dissatisfied and 4% unsure.</i>	80% or more	86%
Te Whakahaere i te Whare me ngā Rawa Housing and Property Management		
Percentage of elderly persons housing tenants who are satisfied/very satisfied with the standard of maintenance and accommodation <i>Pensioner Housing Tenant satisfaction survey is planned for March/April 2023.</i>	80% or more satisfied/very satisfied	Information not yet available.
Rent charged for elderly persons housing will be below the market median for the district. <i>There is no market median data for our district. It has been split into 3 towns. The market rent:</i> One Bedroom <i>Matamata no data available</i> <i>Te Aroha no data available</i> <i>Morrinsville no data available</i> Two Bedroom <i>Matamata \$350 (median for a 2-bedroom flat is \$350)</i> <i>Te Aroha \$430 (no data on flats)</i> <i>Morrinsville \$430 (no data on flats)</i> <i>Our elderly person housing rent is currently \$220 per week across the district for a one-bedroom unit, and \$280 per week for the two bedroom units.</i>	Rents are below the market median	Elderly persons rent is below market median.
At least 95% of elderly persons housing will be occupied. <i>During the period 1 July to 31 December 2022, 95% of available elderly persons housing was occupied. Three (3) units are currently empty due to refurbishment being required.</i>	95% or more	95%.

PERFORMANCE MEASURE	TARGET	TRACKING
Ngā Wharepukapuka Libraries		
Visitor and online user numbers will be within 5% of the five-year average		
<p><i>For the period 1 July to 31 December 2022, we had 120,420 visitors and online users.</i></p> <p>Matamata – 13,041 Morrinsville – 22,669 Te Aroha – 11,347</p> <p>Online users – 73,363 Visitors – 47,057</p>	Visitor and online user numbers will be within 5% of the 5-year average. (100,415 – 2nd quarter)	120,420 Visitor and online users.
The percentage of users who are satisfied/very satisfied with library services		
<p><i>Of the 200 people surveyed during 1 July to 31 December 2022, 90% were both satisfied/very satisfied, 4% were neither satisfied nor dissatisfied and 6% were dissatisfied.</i></p>	90% satisfied/ very satisfied or more	90%
Ngā Pāka me ngā Ara Parks and Tracks		
Percentage of users satisfied/very satisfied with sports fields.		
<p><i>Of the 200 people surveyed during 1 July to 31 December 2022, 77% of visitors were satisfied/very satisfied with the sports fields, 15% were neither satisfied nor dissatisfied, 5% were dissatisfied or very dissatisfied, and 8% were unsure.</i></p> <p><i>Common comments received for dissatisfaction referred to excess litter and poor turf management at the sports fields in Morrinsville, and occurrences of unleashed dogs in Te Aroha.</i></p>	80% or more of users satisfied/ very satisfied	77%
Percentage of users satisfied/very satisfied with parks and reserves.		
<p><i>Of the 200 people surveyed during 1 July to 31 December 2022, 80% of visitors were satisfied/very satisfied with the sports fields, 13% were neither satisfied nor dissatisfied, 5% were dissatisfied and 2% were unsure.</i></p> <p><i>Common comments received for dissatisfaction referred to occurrences of unleashed dogs, lack of shade, and poor park maintenance in Matamata. Common complaints received for parks and reserves in Morrinsville referred to excess litter and poor park maintenance.</i></p>	80% or more of users satisfied/very satisfied	80%
<p>Playground safety will be assessed on a regular basis.</p> <p><i>All scheduled inspections have been undertaken</i></p>	<p>Inspections will be undertaken once every two weeks, and once every week during school holidays. An external audit will be undertaken annually to evaluate compliance with the relevant New Zealand standard.</p>	On track.
Ngā Puna me ngā Puna Waiariki Pools and Spas		
<p>Four independent safety and quality audits (one audit per quarter) will be carried out on Swim Zone Te Aroha, Swim Zone Matamata and Te Aroha Mineral Spas. Two independent safety and quality audits will be carried out on Swim Zone Morrinsville (one audit per six months).</p> <p><i>During the period 1 July to 31 December 2022, Grossart Water Solutions</i></p>	Achieved	On track.

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completed two audits for Swimzone Te Aroha and Swimzone Matamata, and one audit for Swimzone Morrinsville. One safety and quality audit was also completed for Te Aroha Mineral Spas.

PERFORMANCE MEASURE	TARGET	TRACKING
Percentage of users satisfied or very satisfied with pool facilities. Of the 200 people surveyed during 1 July to 31 December 2022, 74% were satisfied/very satisfied, 10% were neither satisfied nor dissatisfied, and 14% were dissatisfied. Comments received for dissatisfaction referred to lack of cover, expensive entry fees, and restricted opening hours at Swimzone Morrinsville. Common complaints regarding Te Aroha Minerals Spas referred to expensive entry fees, site not being mobility friendly, and inability to book a single person visit to the Spas. Reasons for dissatisfaction at Swimzone Matamata included lack of cover and poor maintenance.	80% or more of customers satisfied/very satisfied	74%
The number of customers using our pool facilities will be maintained. During the first six months of the financial year we had a total of 71,259 visitors to our pools and spas. This puts us behind on to achieve our target for the year within +/-5% of the five-year average. SwimZone Matamata 29,589 SwimZone Te Aroha 13,801 Te Aroha Mineral Spas 20,101 SwimZone Morrinsville 7,768 Swimzone Morrinsville was closed and reopened in November 2022.	Visitor numbers will be within 5% of the five year average, (88,755 is the six month average)	71,295
Whareiti Iwi Whānui Public Toilets		
The number of complaints received regarding dissatisfaction with the cleanliness of public toilets. During the period 1 July to 31 December 2022, we received 11 complaints about the cleanliness of public toilets.	20 or fewer complaints about cleanliness per year (10 per 6 months)	Eleven (11)
Ngā Wāhi ā-Rēhia, ā-Tuku Iho Recreation Facilities and Heritage		
90% or more of damage, vandalism and graffiti complaints regarding recreation and heritage facilities will be responded to within the assigned timeframe. For the period 1 July to 31 December 2022, we received 1 complaint of damage, vandalism and graffiti regarding Council recreation and heritage facilities. 100% of calls were responded within the prescribed timeframe of 2 working days.	90% or more	100%
Te Rautaki me te Whakawhitiwhiti Kōrero Strategy and Engagement		
Te Ārai Mate Whawhati Tata Civil Defence		
The evaluation of annual exercise as a measure of effectiveness of training In the six months July to December 2022 no exercise was undertaken, an exercise is scheduled for May 2023.	Baseline	On track

PERFORMANCE MEASURE	TARGET	TRACKING
Ngā Pāpāhonga me ngā Takahanga o te Wā Communications and Events		
<p><i>The annual business night out was held on 1 September 2022. Two big business breakfast events were also held in July and November. These events help keep businesses across the district informed of topical events and help strengthen business relationships to support the local economy.</i></p> <p><i>No functions to recognize volunteers have been held yet over the past six months.</i></p>	<p>We will hold one function annually to recognise volunteers, ANZAC Day commemorations and two functions to contribute to economic development</p>	On track
<p>We will develop one new digital service per year to allow customer to exchange money or information with Council.</p> <p><i>No new digital initiatives have been developed over the past six months. The digital initiatives implemented in the current financial year have all centered around improving internal systems and efficiencies.</i></p>	<p>One new transaction or service per year</p>	Not on track.
<p>Percentage of residents who are satisfied with ease of access to Council information.</p> <p><i>Of the 200 people surveyed during 1 July to 31 December 2022, 62% were satisfied/very satisfied, 27% were neither satisfied nor dissatisfied, and 5% were dissatisfied.</i></p> <p><i>Common comments received for dissatisfaction included not being able to find information on the website, rates, lack of information, and communication between residents and Council.</i></p>	<p>65% or more of residents satisfied/very satisfied</p>	62%
Te Ārahitanga ā-Hapori Community Leadership		
<p>Percentage of the community satisfied with the leadership of the Councillors and Mayor.</p> <p><i>Of the 200 people surveyed during 1 July to 31 December 2022, 49% were either satisfied/very satisfied, 37% were neither satisfied nor dissatisfied, 5% either dissatisfied or very dissatisfied, and 9% were unsure.</i></p> <p><i>Common comments received for dissatisfaction included lack of communication with local community, handling of three waters, and lack of action.</i></p>	<p>55% or more satisfied/very satisfied</p>	49%
<p>Percentage of Te Manawhenua Forum members who complete the survey are satisfied/very that Tangata Whenua with Mana Whenua status are recognized and have meaningful involvement in decision making.</p> <p><i>The Annual Survey of Te Manawhenua Forum members will be undertaken in mid-2023</i></p>	<p>75% or more satisfied/very satisfied</p>	Information not yet available.
<p>Monthly reporting to Council showing our progress towards health and safety targets.</p> <p><i>During the period 1 July to 31 December 2022 seven (7) safety and wellness reports were presented to Council. The reports provided included monthly reports, quarterly reports, and an annual report for the 2021/22 financial year.</i></p>	<p>11 Reports to Council per year</p>	On track.
<p>Percentage of official information requests responded to within legislative timeframes</p> <p><i>During the period 1 July 2022 to 31 December 2022, we received forty (40) official information requests. Of these 92.5% (37) were responded to within the 20-day timeframe. Two were missed due to human error and one staff requested a couple of extensions included in the request.</i></p>	<p>100% of official information requests responded to within legislative timeframes</p>	92.5%

PERFORMANCE MEASURE	TARGET	TRACKING
Ngā Rautakinga me ngā Mahere Strategies and Plans		
Percentage of the community satisfied that they have been provided with an opportunity to be involved in consultation processes.		
Of the 200 people surveyed during 1 July to 31 December 2022, 44% were satisfied/very satisfied, 35% were neither satisfied nor dissatisfied, 9% either dissatisfied or very dissatisfied and 12% were unsure. Common comments received for dissatisfaction included poor public advertisement of consultations, difficulties completing online submissions, and lack of consultation and information regarding three waters reform.	52% (maintain benchmark)	44%
State of the Environment monitoring reports will be updated on Council's website each year. The 2021/22 SOE report was published on the 20 th of November 2022.	20 November each year	Achieved
Te Hanganga Infrastructure		
Ngā Rori Roading		
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as a number. Comparison with 2021/22 will be provided at the end of the financial year.	A reduction in the number of fatal and serious crashes from the previous year	Information not yet available.
The average quality of ride on a sealed local road network, measured by smooth travel exposure.		
This is a biennial survey. This survey was undertaken in 2021/2022. The results show 97% which has remained the same since the 2019/2020 result of 97%. This next survey will be completed in 2023/2024. The current results show 97%.	97% or more	Information not yet available.
The percentage of the sealed local road network that is resurfaced. From the period 1 July to 31 December 2022, 1.6% of the sealed local road network was resurfaced. A large portion of the work is scheduled to be undertaken in the second half of the year when better weather can be expected. Forecasted to achieve target by the end of the financial year.	6.7% or more	1.6%
The percentage of footpaths within our district that fall within the level of service standard for the condition of footpaths that is set out in our relevant documents (such as our annual plan, activity management plan, asset management plan, annual works program or Long Term Plan). This is a biennial survey, this was measured in 2021/22. It will be reported on in 2024/25.	95% or more within the acceptable level of service	Information not yet available.
The percentage of customer service requests relating to roads and footpaths to that the territorial authority responds to within the time frame specified in the Long Term Plan.	90% of urgent requests responded to within one working day	100% (4/4)
During the period 1 July to 31 December 2022, we received four (4) urgent roading requests. Of these, 100% were responded to within one working day. 385 non-urgent roading requests were received, of which 330 were responded to within prescribed timeframes. An additional five (5) non-urgent roading requests were received within the timeframe but still remain open.	90% of non-urgent requests responded to within five working days	85.7% (330/385)

PERFORMANCE MEASURE	TARGET	TRACKING
Te Para me te Whakahōu Rubbish and Recycling		
<p>Percentage of users satisfied/very satisfied with kerbside rubbish and recycling collection services.</p> <p><i>Of the 200 people surveyed during 1 July to 31 December 2022, 73% were satisfied or very satisfied, 12% were neither satisfied nor dissatisfied, 8% were dissatisfied or very dissatisfied and 7% were unsure.</i></p> <p><i>Common comments received for dissatisfaction included price of rubbish bags, quality of rubbish bags, collection services, and recycling information.</i></p>	Maintain baseline of 80%	73%
<p>Percentage of residents satisfied with transfer stations</p> <p><i>Of the 200 people surveyed during 1 July to 31 December 2022, 64% were satisfied or very satisfied, 13% were neither satisfied nor dissatisfied, 8% were dissatisfied or very dissatisfied and 15% were unsure.</i></p> <p><i>Common comments received for dissatisfaction mentioned issues with transfer station layout and process, poor customer service, and high cost for users.</i></p>	Maintain baseline of 60%	64%
<p>Total quantity of kerbside household waste sent to landfill.</p> <p><i>During the period 1 July to 31 December 2022 705.06 metric tonnes of kerbside household waste was sent to landfill. Based on the estimated population of 36,700, on average 19.21kgs of waste per person was sent to the landfill during the period of 1 July to 31 December 2022.</i></p>	Reduction of 1% per person per year (from previous year)	19.21kgs of waste per person per six months was sent
<p>Proportion of waste diverted (recycled or composted) from the transfer station and kerbside recycling collection service.</p> <p><i>During the period 1 July to 31 December 2022, we diverted 43.55% of total waste from landfill.</i></p>	40% or more	43.55%
Te Waimarangi Stormwater		
<p>The number of flooding events that occur in our district. For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to our stormwater system).</p> <p><i>During the period from 1 July to 31 December 2022, there were zero (0) reported flooding events of habitable floors.</i></p>	0 flooding events 0 habitable floors affected	Zero (0)
<p>Compliance with our resource consents for discharge from our stormwater system, (measured by the number of: abatement notices, infringement notices, enforcement orders, and convictions received in relation to those resource consents).</p> <p><i>During the period from 1 July to 31 December 2022, there were zero (0) abatements notices, infringement notices, enforcement orders, and convictions, received in relation to those resource consents.</i></p>	Zero	Zero (0)
<p>The median response time to attend a flooding event, measured from the time that we receive notification to the time that the service personnel reach the site.</p> <p><i>During the period from 1 July to 31 December 2022, there were zero (0) reported flooding events of habitable floors.</i></p>	Median: 4 hours	N/A (there were 0 flooding events of habitable floors)
<p>The number of complaints we received about the performance of our stormwater system (expressed per 1,000 properties connected to our stormwater system).</p> <p><i>During the period from 1 July to 31 December 2022, we received a total of</i></p>	4 complaints per 1,000 connections per year (36 in total)	Eight (8) complaints in total

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eight (8) complaints about the performance of the stormwater network.

PERFORMANCE MEASURE	TARGET	TRACKING
Te Waipara Wastewater		
The number of dry weather sewage overflows from our wastewater system (expressed per 1,000 connections per year to our wastewater system). <i>There were five (0) dry weather overflows from our wastewater system during the period 1 July to 31 December 2022.</i>	1 complaint per 1,000 connections per year (9 total)	Zero (0)
Compliance with our resource consents for discharge from our wastewater. (Measured by the number of: abatement notices, infringement notices, enforcement orders, and convictions received in relation to those resource consents). <i>During the period from 1 July to 31 December 2022, there were zero (0) abatements notices, infringement notices, enforcement orders, and convictions, received in relation to those resource consents.</i>	Zero	Zero (0)
Where we attend to sewage overflows resulting from a blockage or other fault in our wastewater system, we will measure the following median response times: Attendance time: from the time that we receive notification to the time that service personal reach the site <i>There were zero (0) overflows resulting from blockage or other fault in our wastewater system.</i>	Median: 4 hours	N/A (0 wastewater overflows)
Resolution time: from the time that we receive notification to the time that service personal confirm resolution of the blockage or other fault. <i>There were zero (0) overflows resulting from blockage or other fault in our wastewater system.</i>	Median: 24 hours	N/A (0 wastewater overflows)
The total number of complaints received by Council about any of the following (expressed as 1,000 connections per year): Sewage odour <i>One (1) complaint regarding the sewerage odour.</i> Wastewater system faults <i>One (1) complaint regarding the wastewater system faults.</i> Wastewater system blockages <i>Eight (8) complaints regarding the wastewater blockages.</i> Council's response to issues with our wastewater system <i>Zero (0) complaints regarding councils response to any of these issues.</i>	16 complaints per 1,000 connections (144 total)	Ten (10) complaints in total
Wai Water		
The extent to which Council drinking water supply complies with: Part 4 of the drinking-water standards (bacteria compliance criteria). <i>The Drinking water compliance report is sent out annually and is expected to be completed in June 2023.</i>	Compliant	Information not yet available
Part 5 of the drinking-water standards (protozoal compliance criteria). <i>The Drinking water compliance report is sent out annually and is expected to be completed in June 2023</i>		
The percentage of real water loss from Council's networked reticulation system (using minimum night flow analysis). <i>This information will be reported on Annually.</i>	25% or less	Information not yet available

Where we attend a call-out in response to a fault or unplanned interruption to our networked reticulation system, we will measure the following median response times:		
Attendance for urgent call-outs: from the time that we receive notification to the time that service personnel reach the site. <i>The median response time for urgent water requests was 0.65 hours.</i>	Median: 4 hours	0.65 hours (39 minutes)
PERFORMANCE MEASURE	TARGET	TRACKING
Resolution of urgent call-outs: from the time that we receive notification to the time that service personnel confirm resolution of the fault or interruption. The median resolution time for urgent water requests was 2 hours and 53 minutes.	Median: 24 hours	2 hours and 53 minutes
Where we attend to a call-out in response to a fault or unplanned interruption to our network reticulation system, we will measure the following median response times:		
Attendance for non-urgent call-outs: from the time we receive notification to the time that service personnel reach the site The median response time for non-urgent water requests was 9.17 hours (544 minutes).	Median: 3 working days or less	9.17 hours (544 minutes)
Resolution of non-urgent call-outs: from the time that we receive notification to the time that service personnel confirm resolution of the fault or interruption. The median resolution time for non-urgent water requests was 13.51 hours (811 minutes). An additional seven (7) requests were received within the timeframe but still remain open.	Median: 5 working days or less	13.51 hours (811 minutes)
The total number of complaints received by Council about any of the following (expressed per 1,000 connections per year):		
Drinking water clarity. <i>Seven (7) complaints regarding the drinking water clarity.</i>	9 complaints per 1,000 connections across all categories (total of 81 complaints based on 9,000 connections)	24 complaints in total
Drinking water taste. <i>Three (3) complaints regarding the drinking water taste.</i>		
Drinking water odour. <i>One (1) complaint regarding the drinking water odor.</i>		
Drinking water pressure or flow. <i>Twelve (12) complaints regarding the drinking water pressure or flow.</i>		
Continuity of supply. <i>One (1) complaint regarding the continuity of supply.</i>		
Council's response to any of these issues. <i>Zero (0) complaints about Council's response to any of these issues.</i>	500 litres per urban resident per day	Information not yet available.
The average consumption of drinking water per day per resident within the district. <i>This information will be reported on annually.</i>		
Ngā Whakaaetanga me ngā Raihana Consents and Licensing		
Te Whakahare Kararehe Animal Control		
Complaints will be investigated within set timeframes. <i>We received 370 animal control complaints during the period 1 July to 31</i>	95% within adopted timeframes	99%

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December 2022. This includes dogs and stock control complaints. Of these 99% (365) were responded to within the prescribed timeframe.

PERFORMANCE MEASURE	TARGET	TRACKING
<p>Number of property visits per year</p> <p>During the period 1 July to 31 December 2022, our animal control officers carried out 507 property visits;</p> <p>Matamata - 186 Morrinsville - 196 Te Aroha - 125</p>	At least 600 property visits per year	On track.
<p>Number of street patrols undertaken in each of the three main towns.</p> <p>During the period 1 July to 31 December 2022, our animal control officers carried out 489 Street Patrols across the district.</p> <p>Our average street patrol per town per month is;</p> <p>Matamata - 38 Morrinsville - 26 Te Aroha - 17</p>	At least an average of 10 per month per town	On track.
Ngā Whakaaetanga ā-Whare me te Mātai Building Consents and Monitoring		
<p>Building consents processing timeframes.</p> <p>During the period 1 July to 31 December 2022, we processed 425 building consents. 86.59% of these were processed within statutory timeframes.</p> <p>Building consents not being completed with statutory time frames have been put down to staff shortages with recruiting efforts yielding zero suitable staff candidates.</p>	100% of building consents will be processed within statutory timeframes	86.59%
<p>Complaints to be responded to within 10 working days.</p> <p>During the period 1 July to 31 December 2022, we received 7 complaints about alleged illegal buildings and illegal swimming pools. 100% (7/7) complaints were responded to within 10 days.</p>	100% of complaints to be responded to within 10 working days	100%
Te Raihanatanga me te Uruhitanga Licensing and Enforcement		
<p>Food premise, hairdressers, funeral directors and camping grounds will be inspected or audited in accordance with legislation.</p> <p>Under the existing health act the majority of Health Licenses are inspected in the second half of the financial year – we are on track to achieving this by 30 June 2023</p> <p>All applications under the New Health Act 2014 which set individual anniversary dates.</p> <p>All New Premises are audited within required timeframes and are up to date. 69 Audits have been booked from 1 July 2022 – 31 December 2023. 65 of these were completed, 4 had to be rebooked due to rescheduling</p> <p>All upcoming New & Audits due are being booked.</p>	100% inspected or audited	On track.
<p>On, Off and Club alcohol licensed premises will be inspected annually to ensure they comply with alcohollicensing standards.</p> <p>We currently have 75 Licensed Premises in our District – of these 19 have been inspected between 1 July and 31 December 2022.</p> <p>We are on track to having these completed by 30 June 2023.</p>	100% inspected annually	On track.

Percentage of after-hours (between 5pm and 8am, weekends and public holidays) noise complaints responded to within two hours.		
<i>There have been 135 Afterhours Noise complaints received from 1 July 2022 – 31 December 2022. 100% of these have been responded too within the required timeframe</i>	100% responded to within two hours	100%
Ngā Whakaaetanga ā-Rawa me te Mātai Resource Consents and Monitoring		
Percentage of resource consents processed within statutory timelines.		
<i>During the period 1 July to 31 December 2022, we received 138 resource consent applications, of which 84 (61%) of these were processed within the specified timeframes.</i>	100% inspected or audited	61%
<i>No comment provided yet (pending response from Ally).</i>		
Percentage of land use consents monitored within four months of being granted.		
<i>During the period 1 July to 31 December 2022, 55/55 (100%) land use consents were monitored within four months of being granted.</i>	100% inspected or audited	100%

7 Ngā Pūrongo Whakamārama | Information Reports

7.5 Transformation Team Update

CM No.: 2692497

Rāpopotonga Matua | Executive Summary

The purpose of this report is to provide an update on work undertaken by the Transformation Team – the internal team set up to support the organisation through the current local government reform programme.

Tūtohunga | Recommendation

That:

1. That the information be received.

Horopaki | Background

The Local Government sector is undergoing significant reform and this has the potential to impact MPDC's ability to deliver both business as usual as well as the activities contained in the 2021-31 Long Term Plan. The reform agenda includes Three Waters, RMA and Future for Local Government.

The MPDC Executive Team identified that a dedicated team is required to lead the organisation through change and support the transformation process.

The team is made up of the following:

The core group:

Project Sponsors: Exec Team

People, Safety and Wellness Manager: Kelly Reith (Chair of the Group and has also been appointed to the National People and Workforce Transition Reference Group for the Three Waters Reform)

Communications Manager: Jenni Cochrane

Strategic Partnerships and Governance Manager: Erin Bates

Sub groups:

Water Reform:

Sponsor: Fiona Vessey

Project Manager(s): Karl Pavlovich / Lance Gwynne

RMA:

Sponsor: Dennis Bellamy

Project Manager(s): Ally van Kuijk / Susanne Kampshof

Future for LG:

Sponsors: Don McLeod and Manaia Te Wiata

Project Manager: Erin Bates

Specialist advice provided by (as required):

- Finance (Larnia Rushbrooke)
- Risk (Lesley Steeples)

- Information Management (Steve Hancock/Jo Gifford)
- Project Management (Rachel Norman)
- Iwi Liaison (Tuatahi Nightingale-Pene)
- Communications (Andrea Durie)

Latest update:

The Transformation Team continues to meet regularly to ensure there is an overview of all three reform areas and staff are kept well informed. This includes monitoring the impact on the organisation - ensuring risks are reviewed, the ability to maintain business as usual is monitored and any resourcing issues are raised.

Three Waters: a number of requests for information (RFI) from the National Transition Unit (NTU) have been processed. Additional requests have been signalled. The team arranged for the People and Workforce Lead from Entity B to present to our staff on 28 February about the Transition Guidelines. A hot topic zoom session is also planned for staff so they can ask questions and keep informed about latest announcements. A submission to the Water Services Bill Legislation was also submitted.

Future for Local Government: a hot topic zoom session was held to inform staff about the Future for Local Government Draft Report. A workshop was held with elected members to inform a submission on the report.

RMA – a submission on the Spatial Planning Bill and the Natural and Built Environment Bill was submitted following Council input. A hot topic zoom session is planned for staff on 6 March to discuss the submission and latest information.

Mōrearea | Risk

Risk registers have been set up for each of the reform areas, with input from MPDC's Risk Manager.

Ngā Whiringa | Options

The formation of this group proactively responds to the need to guide the organisation through the local government reform changes.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

The reforms will impact across the organisation.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

The Communications Manager is part of the Transformation Team to ensure robust communications. The Internal Communications Coordinator ensures information is shared with staff on a regular basis.

Ngā take ā-lhinga | Consent issues

Not applicable.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

Not applicable.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Kelly Reith People, Safety and Wellness Manager	
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Approved by	Don McLeod Chief Executive Officer	
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7 Ngā Pūrongo Whakamārama | Information Reports

7.6 Quarterly Procurement Update

CM No.: 2693824

Rāpopotonga Matua | Executive Summary

This report summarises procurement performance over the 2022/2023 second quarter, whilst also comparing performance from this quarter to past quarters to track progress. Potential opportunities are highlighted and performance of recent initiatives is reported. It should be noted that this spend analysis in this report is based off purchase orders (PO) and excludes progress payments unless stated otherwise.

Tūtohunga | Recommendation

That:

1. The information be received.

Horopaki | Background

Analysis of purchase order data enables greater awareness of spend via person, department, all of Council or supplier. Identifying suppliers with large spends enables Council to determine if the current procurement method is gaining best value for money or if a different approach is required.

Recommendations and findings from previous audits have been implemented into Councils Procurement Manual and procedures to ensure all areas for improvement are addressed and recommendations are applied.

Audits and analysis of PO data will continue to be undertaken to ensure the embedding of processes into practises. Whilst working towards taking advantage of opportunities as they are identified.

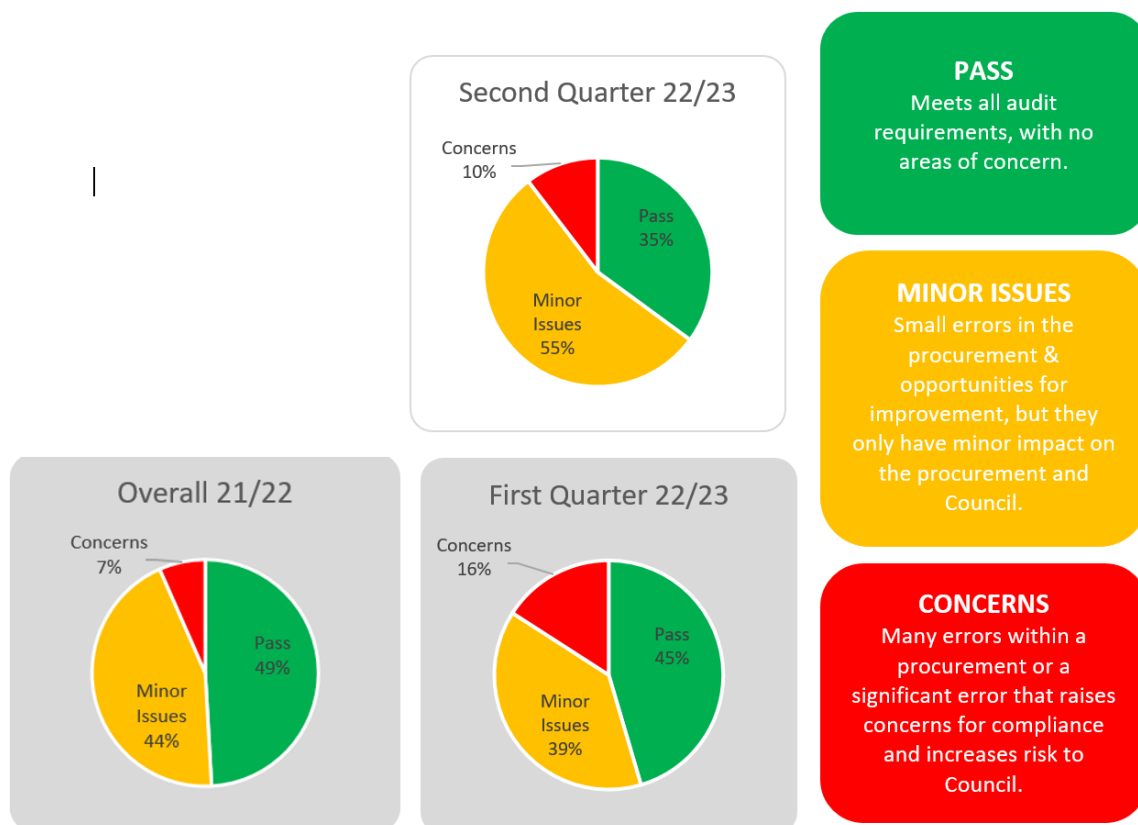
Ngā Take/Kōrerorero | Issues/Discussion

1. Auditing Findings

Audit findings are reported to managers to discuss with their staff. This ensures staff are made aware of any non-compliance whilst also reminding those approving requisitions, what to look for when reviewing a requisition for approval.

First quarter concern results decreased by 6% on last quarter, with overall compliance decreased by 10% compared to last quarter. During the second quarter the number for PO's audited was doubled to 30 per month and were reported back to E-Team on a monthly basis. This was to attempt to crack down on the compliance issues. Unfortunately this has not lead to improved compliance. With compliance sitting at 35% which is the lowest since auditing began in 2018.

Graph 1: Auditing results categorised

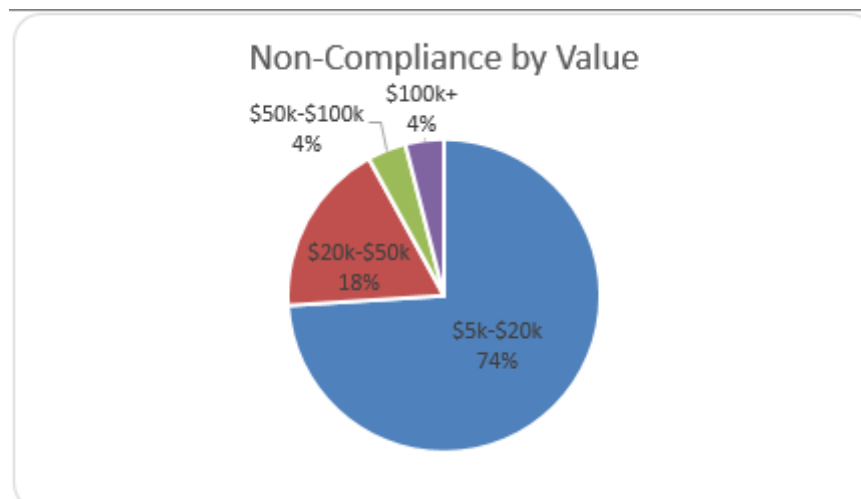


1.1. Non-compliance Management

Non-compliance tends to occur in lower value purchases, typically between \$5,000 and \$20,000. As shown in the graph below 74% of non-compliances with quarter were between \$5,000 and \$20,000. To help improve these results more emphasis has been placed on managers to reject any requisitions that come through for approval and are non-compliant. This is an important step to reduce issues, as once the requisition is approved it is often too late to make changes.

There will always be some non-compliance due to new staff learning and unforeseen circumstances. However, the aim is to have con-compliances sitting at under 10%.

Graph 2: Non-compliance by value from samples of monthly purchase ordering



1.1.1. Procurement non-compliance summary

The procurement non-compliance results for this quarter were analysed and categorised into what types of non-compliance that is occurring. Non-compliance is still high and an area for continuous improvement. As you can see in the table above, the most common issue is quotes not being attached and more emphasis needs to be placed on delegated authority to reject requisitions, behaviours will not change and we will not see an improvement if requisitions continue to be approved that are in breach of our procurement requirements.

Reason for non-compliance	Number of occurrences
IFS not done/in CM	4
Contracts need to be added to Register	1
Need more quotes/quotes not attached	20
Specialised process not followed	6
PO exceeds IFS value	1
PSP process not followed	4
PO needs to be raised against contract in the register	9

2. Suppliers

2.1. Suppliers identified for review – implementing new contracts

All suppliers with spend more than \$100,000 with on an annual basis should be under a contract (excluding one off purchases). The table below outlines suppliers who we spent over \$100,000 last financial year (21/22) that need to be reviewed.

Supplier	Value	Comments
Environmental research technologies	\$308,371	Working with GHD on the contract for these services
Pipeline & Civil Ltd	\$302,155	
Begovich Builders Ltd	\$276,179	Working on specialised procurement for building services if supplier is to be continued to be used
Mokena Construction Group Ltd	\$198,939	Working on specialised procurement for building services if supplier is to be continued to be used
Atrax Group	\$190,567	Working on a contract for these services

Construct Civil	\$162,726	First year using them, will need to contract if going to continue
Hynds pipe systems	\$145,424	Previous years spend has been much lower, increased due to KVS stock. If on-going need contract

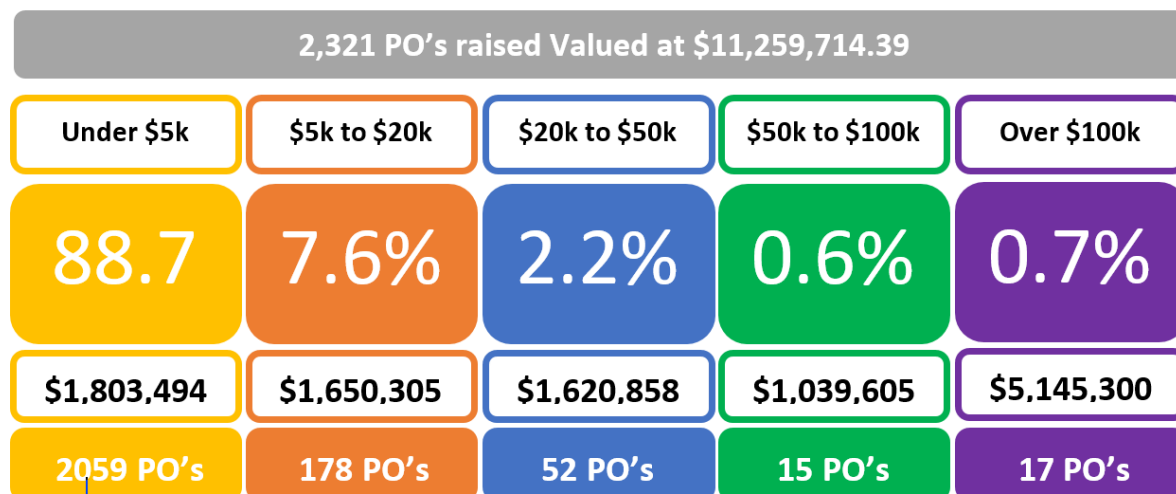
2.2. Top 10 Suppliers (PO)

The following table outlines the top 10 suppliers who had the most transactions raised this quarter. It also outlines the total spent with suppliers this quarter. Red indicates a high volume of transactions, down to green which is an acceptable number. A transaction is an invoice. There may be many transactions/invoices for one purchase order.

Supplier	No of transactions	Spend	Avg per transaction
OFFICEMAX NEW ZEALAND LTD	119	\$46,451	\$390
SOLUTIONS TEAM LIMITED	116	\$89,205	\$769
WESFARMERS INDUSTRIAL AND SAFETY (NZ) LTD	86	\$14,644	\$170
JAMES BENNETT PTY LTD	80	\$32,387	\$405
GENUS PEST MANAGEMENT LIMITED	71	\$51,088	\$720
MITRE 10 MATAMATA	61	\$7,967	\$131
WAIHOU ENGINEERING & MECHANICAL SERVICES LTD	58	\$38,459	\$663
SELECT ALARMS LTD	52	\$36,876	\$709
MORRINSVILLE MITRE 10	49	\$5,254	\$107
MEA MOBILE LTD	45	\$16,677	\$371

3. Purchase Orders

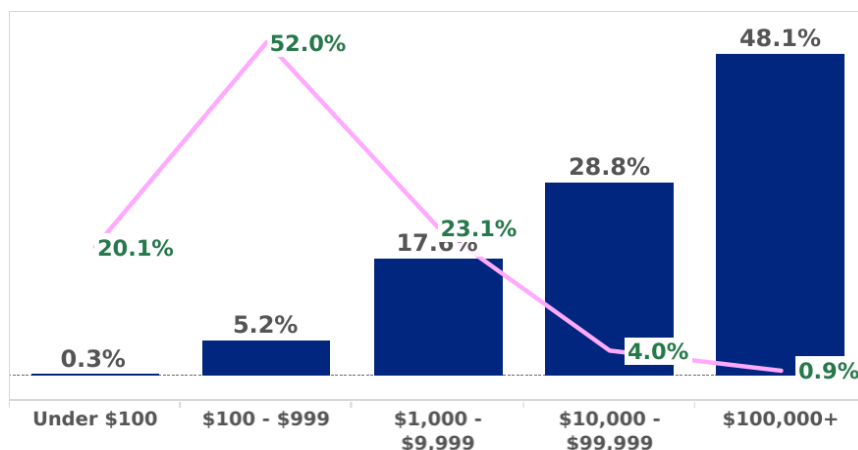
In the second quarter 2,321 purchase orders were raised totalling over \$11.2mil. See below for threshold breakdown. As detailed below 88.7% of PO's raised fall under the \$5,000 threshold.



158 PO's were raised this quarter valued at under \$50. The table below contains the suppliers we have raised five or more PO's with under \$50 this quarter.

Supplier	Volume of PO's under \$50
Bridgestone New Zealand Limited	6
Corporate Traveller Hamilton	6
J T Carter (Plumbers) Limited	5
Kinsey Kydd Building Supplies Limited	9
Mitre 10 Matamata	11
Morrinsville Mitre 10	12
Officemax New Zealand Ltd	10
Te Aroha Fuels Limited	5
Waikato Wide Locksmith Services Limited	5
Wesfarmers Industrial and Safety (NZ)	5

The following graph compares the volume of transactions (PO's and progress payments) compared to the total spend in each value range.



4. Tenders

0 Tenders Advertisted on GETS

Responses Recieved

NTT Issued

5. Contracts

All contracts should be entered into the contracts register regardless of value. The following provides an overview of the contracts register at the end of the third quarter (excluding the PSP). Noted for continuous improvement is for the information in the register to be reviewed in future for accuracy.

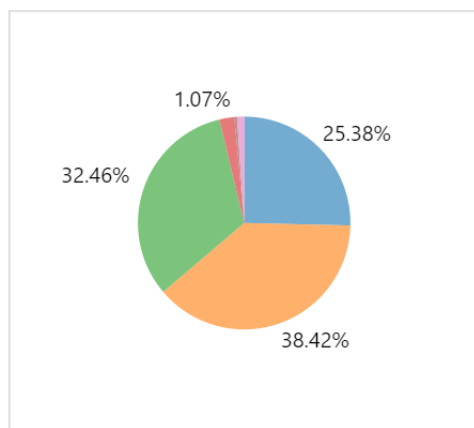
81	• Active contracts in the register
\$65.3Mil	• Total value of active contracts
11	• Maintanace and Operations contracts
27	• Capital and Renwal contracts
43	• Consultancy/Services contracts

5.1. Contracts Starting/Ending

Contracts Started This Quarter	Start date	Contracts Ending Next Quarter	End date
Works Programme 2022-23	01/11/2022	Works Programme 2022-23	17/03/2023
Food Premises Auditing	12/12/2022	HDC Chemical Supplies Panel - STM	01/03/2023
		HDC Chemical Supplies Panel – Ixom	01/03/2023
		HDC Chemical Supplies Panel - Chemicals	01/03/2023
		HDC Chemical Supplies Panel - CHEMTREX	01/03/2023
		ICT Network Switch/Router Renewal/Upgrade	31/01/2023

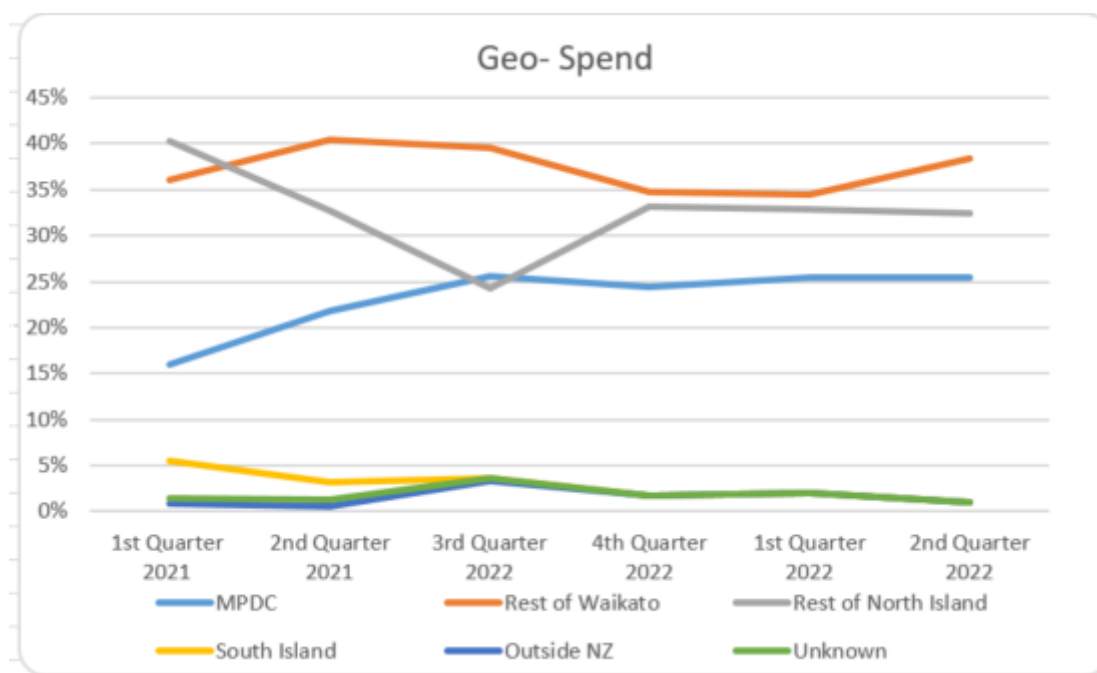
6. Geographical Spend

Changes were implemented to encourage the use of local suppliers. These changes removed barriers for local suppliers to bid for Council work and also recognised the benefit of purchasing locally has on local economy. The graph below shows that 25.38 % of all spend is undertaken within Matamata-Piako District. With a further 38.42% in the rest of the Waikato. Therefore 63.8 % of purchases are being undertaken in the Waikato region.



- Matamata-Piako
- Rest of Waikato
- Rest of North Island
- South Island
- Outside New Zealand
- Unknown address

As demonstrated in the graph below spend in the MPDC area is trending upwards since the first quarter 21/22, with spend in the rest of the Waikato area remaining relatively steady.



Mōrearea | Risk

When undertaking procurement risks need to be identified, mitigated and managed. These risks include:

- Financial: ensuring Council is getting value for money
- Operational: purchasing the right outcome in the required timeframe
- Non-compliance: ensuring process non-compliance is reduced, monitored and managed
- Reputational: managing conflicts of interest and ensuring transparency and fairness

Ngā Whiringa | Options

There are no options to be considered in this report.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

The Office of the Auditor General provide the framework for good procurement practise by public entities. Good practice principles, government policies, and rules. Basic principles that govern all public spending.

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

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

Not applicable.

Ngā take ā-lhinga | Consent issues

Not applicable.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Not applicable.

Community Outcome: Not applicable

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The financial cost involved with procurement is the staff time required. In some instances consultants are engaged for specialist procurement assistance. Procurement activities are funded within existing budgets.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Rachel Norman Project Delivery Lead	
	Nicola Watson EA to Group Manager Service Delivery	
Approved by	Manaia Te Wiata Group Manager Business Support	

7 Ngā Pūrongo Whakamārama | Information Reports

7.7 Chair's Update

CM No.: 2691361

Rāpopotonga Matua | Executive Summary

Risk and Assurance Committee Chairperson, Jaydene Kana, in attendance to present the Chair's Update report (attached).

Tūtohunga | Recommendation

That:

1. The information be received.

Ngā Tāpiritanga | Attachments

[A↓](#). Chairperson Report - 7 March 2023



Ngā waitohu | Signatories

Author(s)	Stephanie Hutchins Governance Support Officer	
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Approved by	Sandra Harris Placemaking and Governance Team Leader	
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Chairperson Report

23 February 2023

Nau mai hoki mai ngaa mema o te Komiti o te Moorearea me te Tuumaru me ngaa kaimahi o Te Kaunihera aa-rohe o Matamata-Piako. Welcome back members of the Risk and Assurance Committee and staff members of Matamata-Piako District Council (MPDC).

It is my privilege to offer my first Chairperson Report to the Risk and Assurance Committee.

It is the final week of February and already across New Zealand in 2023 we have had earthquakes, flooding, a cyclone and more flooding is predicted in the upcoming weekend. We have also had a change of Prime Minister, an increase in the official cash rate to 4.75% with the Reserve Bank stating “Inflation is currently too high and employment is beyond its maximum sustainable level” and it is an election year.

Based on this, 2023 will be a demanding year and I look forward to finalising our Charter for Council’s adoption, to provide clarity on our Committee’s role to assist Council and the leadership team with its overall responsibilities to the Matamata-Piako community through these unprecedented times.

In the recently released Controller and Auditor-General Publication [Getting the most out of your Audit and Risk Committee](#), one of the four foundations of an effective Committee is “Respected and trusted relationships”, which the publication states is “For the Committee to be effective, its members need to be able to ask questions and raise issues in a culture of respect, openness, and trust. The senior leadership team needs to see the continuous improvement value that arises from the questions and challenges raised by the Committee.” I thank Committee Members in advance, for considering this during our service on the Risk and Assurance Committee.

On the 10th of February I represented MPDC at the Co-Lab Councils Regional ARC Chair’s Forum. One Council shared their journey towards risk management maturity – I highlight this because the Committee’s role will be to support MPDC’s risk management maturity. The table below summarises a discussion on 2023 local government and more global risks to provide insights to the Committee of risks from a national and international perspective:

Local Government	World Economic Forum
Capital works delivery	Cost of living crisis
Climate change	Natural disasters and extreme weather events
Community sentiment	Geo-economic confrontation
Cyber security and the protection of data	Failure to mitigate climate change
Failure to give effect to Te Tiriti o Waitangi	Erosion of social cohesion and societal polarisation
Financial sustainability	Large-scale environment damage incidents
Government reforms	Failure of climate change adaptation
Health, safety and wellbeing	Widespread cyber crime and cyber insecurity
Staff (capability, capacity and culture)	Natural resource crises
Stakeholder relationships	Large-scale involuntary migration

In closing, I humbly offer my gratitude to Independent Member Joanne Aoake, for admirably serving as the Chair of Matamata-Piako District Council’s previously named Audit and Risk Committee and also for continuing the Risk and Assurance Committee’s journey with us. Nei ra te mihi nunui ki a koe Whaea Joanne.

Recommendation

That the Risk and Assurance Committee receives the report.

Jaydene Kana

Chairperson, Risk and Assurance Committee

7 Ngā Pūrongo Whakamārama | Information Reports

7.8 Risk and Assurance Work Programme 2023 - Update March 2023

CM No.: 2693213

Rāpopotonga Matua | Executive Summary

The Work Programme for the Committee is attached. It is intended this is a standing item for each Committee meeting.

Tūtohunga | Recommendation

That:

1. The information be received.

Horopaki | Background

Prior to the commencement of each calendar year the Committee sets a work programme.

While priorities can shift during the year as unexpected issues arise, the work programme is a useful tool to enable Committee members to set their direction and to allow staff to understand the work priorities that need to be achieved.

Ngā Tāpiritanga | Attachments

A  Risk and Assurance Committee Work Programme 2023 - Update March 2023



B  Risk and Assurance Committee Work Programme 2023



Ngā waitohu | Signatories

Author(s)	Stephanie Hutchins Governance Support Officer	
Approved by	Sandra Harris Placemaking and Governance Team Leader	
	Erin Bates Strategic Partnerships and Governance Manager	

Risk and Assurance Committee Work Programme 2023

Meeting Date	Scheduled Reports	Status – included in agenda	Comment
7 March 2023	• Annual update on organisational culture - vision and values	×	Will be reported at the next meeting due to Annual Staff Survey closing on 10 March.
	• Annual Plan – <i>project update</i>	×	No update. Annual Plan is not being consulted on, with draft budgets confirmed by Council in December 2022. The Annual Plan will be presented to Council for adoption in June 2023.
	• Annual Report – review of the Audit Arrangements Letters (<i>if available</i>)	×	Not available. Audit arrangements letter has not yet been provided by Audit NZ.
	• Annual Report – review of the six-month report	×	No update. Audit arrangements letter has not yet been provided by Audit NZ. The delays in audit timing was reported to the Risk & Assurance Committee at the December meeting.
	• Local Government Reform update	✓	See agenda report
	• Long Term Plan – <i>project update</i>	✓	See agenda report
	• Treasury Policy Review	×	To be reported at the next meeting in June 2023 as last review was done September 2022.
	• IT Security Audit	×	Not available as the latest audit has not been completed yet. To be reported next meeting.
	Standing Items (if required)		
	• Specific Project Risk Management Review	-	Not required
	• Review of any audit reports that have been completed	-	Not required
	• Quarterly procurement report	-	Not required
	• Policy review	✓	See agenda report

Risk and Assurance Committee Work Programme 2023



Meeting Date	Scheduled Reports
7 March 2023	<ul style="list-style-type: none"> Annual update on organisational culture - vision and values Annual Plan – <i>project update</i> Annual Report – review of the Audit Arrangements Letters (<i>if available</i>) Annual Report – review of the six-month report Local Government Reform update Long Term Plan – <i>project update</i> Treasury Policy Review Annual Plan – project update IT Security Audit <p><u>Standing Items</u></p> <ul style="list-style-type: none"> Specific Project Risk Management Review (<i>if required</i>) Review of any audit reports that have been completed (<i>if required</i>) Policy review (<i>if required</i>) Quarterly procurement report
13 June 2023	<ul style="list-style-type: none"> Annual Report – <i>review of the report on the interim audit</i> Annual update on organisational culture - vision and values Annual Insurance Programme Review Weathertight Buildings Update Annual Plan – <i>project update</i> Annual risk management framework/analysis review & Risk Management Policy Accounting Policies Local Government Reform update IT Security Report <p><u>Standing Items</u></p> <ul style="list-style-type: none"> Specific Project Risk Management Review (<i>if required</i>) Review of any audit reports that have been completed (<i>if required</i>) Policy review (<i>if required</i>) Quarterly procurement report
12 September 2023	<ul style="list-style-type: none"> Annual Report – review of the final Annual Report, Summary, Audit Opinion and letter of representation (<i>if available</i>) Long Term Plan – <i>project update</i> Annual financial warrant of fitness assessment Annual review of delegations Annual review of legislative compliance assessment Self-evaluation of committee circulated (<i>Survey Monkey</i>) Policies raised in interim management report Web Security Audit Local Government Reform update

Risk and Assurance Committee Work Programme 2023



	<p><u>Standing Items</u></p> <ul style="list-style-type: none"> • Specific Project Risk Management Review <i>(if required)</i> • Review of any audit reports that have been completed <i>(if required)</i> • Policy review <i>(if required)</i> • Quarterly procurement report
<p>5 December 2023 <i>(Combined Christmas Lunch)</i></p>	<ul style="list-style-type: none"> • Review of the Audit and Risk Committee Charter • Schedule of Meetings 2024 • Draft Work Programme 2024 • Annual Report – review of the final Annual Report, Summary, Audit Opinion and letter of representation <i>(if not addressed at September meeting)</i> • Annual update of External Audit being undertaken by Council • Annual Risk Policy review • Self-evaluation of committee completed and chair comments <i>(Survey Monkey)</i> • LGOIMA requests summary for 2023 • Local Government Reform update <p><u>Standing Items</u></p> <ul style="list-style-type: none"> • Specific Project Risk Management Review <i>(if required)</i> • Review of any audit reports that have been completed <i>(if required)</i> • Policy review <i>(if required)</i> • Quarterly procurement report

Exclusion of the Public: Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following part(s) of the proceedings of this meeting.

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

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

C1 Swim Zone Cash Handling Procedures

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 6.	s6(a) - The making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences and the right to a fair trial. .	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 6.

C2 Te Aroha Industrial Land Development Update

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. . s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). .	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.