

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 16 June 2026
Wā | Time: 9:00
Wāhi | Venue: Council Chambers
35 Kenrick Street
TE AROHA

NGĀ MEMA | MEMBERSHIP

He mema tūtahi | Independent Member

Tiamana | Chairperson: Jaydene Kana

Mema | Members: He mema tūtahi | Independent Member

To be confirmed

Koromatua | Mayor

Ash Tanner

Koromatua Tautoko | Deputy Mayor

James Sainsbury

Kaunihera ā-Rohe | District Councillors

Bruce Dewhurst

Andrew McGiven

James Thomas

Waea | Phone: 07-884-0060

Wāhitau | Address: PO Box 266, Te Aroha 3342

Īmēra | Email: governance@mpdc.govt.nz

Kāinga Ipuranga | Website: www.mpdc.govt.nz



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1 Whakatūwheratanga o te hui | Meeting Opening

The Tiamana | Chairperson is to open the meeting.

2 Karakia | Prayer

The 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 take ohorere | Notification of Urgent 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 Whākī pānga | Declaration of Interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

6 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 24 February 2026

7 Pūrongo me whakatau | Decision Reports

7.1 Risk Appetite Statement

CM No.: 3177387

Te Kaupapa | Purpose

To present the proposed Risk Appetite Statement (June 2026) for consideration by the Risk and Assurance Committee, and to seek the Committee's recommendation to Council for formal adoption.

Rāpopotonga Matua | Executive Summary

The development of this Risk Appetite Statement represents a significant step forward in strengthening risk governance, assisting consistency in decision-making, and embedding organisational risk maturity. It provides a common reference point for elected members and staff when balancing risk and opportunity.

As this is the first introduction of a formal risk appetite framework at Matamata-Piako District Council, it is important to recognise that embedding its use into organisational culture, decision-making, and day-to-day practice will take time. The statement is therefore intended to be foundational and enabling, rather than overly prescriptive.

The document emphasises that risk appetite does not replace professional judgement or elected member discretion and should not be applied as a rigid formula. Rather, it supports structured, transparent decisions, including where there may be a deliberate and well-justified departure from stated appetite.

Following adoption, the application of the Risk Appetite Statement will be progressively embedded through the new Risk Management Framework currently under development, supported by guidance, tools, and processes to ensure consistent and practical use across the organisation.

Tūtohunga | Recommendation

That:

1. **The Committee receives the report.**
2. **The Committee reviews the proposed Risk Appetite Statement (June 2026).**
3. **The Committee recommends that Council adopts the Risk Appetite Statement (June 2026).**

Horopaki | Background

The Council has not previously had a formally adopted, organisation-wide Risk Appetite Statement. While risk management processes are in place, and developing, there has not been a single, explicit articulation of the level of risk Council is willing to accept across its activities.

The proposed Risk Appetite Statement addresses this gap by:

- Defining Council's appetite across a broad range of strategic, operational, and project risk categories
- Supporting improved risk governance, accountability, and transparency
- Providing a consistent framework for assessing whether risks are within acceptable levels

The statement aligns with good practice in local government and public sector risk management, where clarity of risk appetite is a key component of effective risk governance and oversight.

Ngā Take/Kōrerorero | Issues/Discussion

First-time introduction and cultural embedding

This is the first time Council will have formally adopted a Risk Appetite Statement. As such, it represents a shift towards a more structured and mature approach to risk management.

It is recognised that:

- Embedding risk appetite into organisational culture, behaviours, and decision-making will take time
- Staff and elected members will require guidance and experience in applying the framework
- Early application will necessarily involve learning, refinement, and continuous improvement.

The initial focus is on building understanding and practical use.

Not a rigid decision-making formula

The statement has been intentionally framed to avoid being overly prescriptive.

As outlined in the document, risk appetite:

- Should guide rather than dictate decisions
- Does not replace professional judgement, statutory obligations, or elected member discretion
- Allows for informed departures, where justified by context, community need, or strategic benefit.

This is an important principle to ensure the framework:

- Supports good governance without constraining decision-making
- Enables balanced consideration of risk and opportunity
- Encourages transparent documentation where decisions fall outside stated appetite.

Integration into the Risk Management Framework

Following adoption, the Risk Appetite Statement will not operate in isolation.

Its practical application will be embedded within the new Risk Management Framework currently under development. This will include:

- Clear guidance on how to apply risk appetite in risk assessments and decision-making
- Incorporation in risk registers, reporting, and escalation processes
- Potential integration into planning, project governance, and policy development processes
- Supporting tools, templates, and training.

This approach will ensure the statement becomes a living tool that informs real decisions, rather than a standalone reference document.

Ongoing review and refinement

Given this is an initial version, it is expected that the Risk Appetite Statement will evolve over time.

The document includes provision for annual review, allowing Council to:

- Refine appetite settings based on experience
- Respond to changes in the external environment
- Reflect evolving strategic priorities and community expectations

Ngā Tāpiritanga | Attachments

A.  Draft Risk Appetite Statement 2026 for RAC Consideration (*Under Separate Cover*)

Ngā waitohu | Signatories

| | | |
|-----------|--|--|
| Author(s) | Ken Morris Mōrearea, Kai-whakahaere ā Pakihi hoki Risk and Business Excellence Advisor | |
|-----------|--|--|

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|-------------|---|--|
| Approved by | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |
|-------------|---|--|

8 Ngā Pūrongo Whakamārama | Information Reports

8.1 Chair's Update

CM No.: 3176103

Te Kaupapa | Purpose

The purpose of this report is for the Chairperson to update the committee on activities following the last committee meeting.

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↓](#) MPDC - RAC Chair Report - 060626



Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Stephanie Hutchins Kaitohu Mātāmua Kāwana Senior Governance Advisor | |
|-----------|---|--|

| | | |
|-------------|---|--|
| Approved by | Tamara Kingi Kaiārahi Kāwana Governance Team Leader | |
|-------------|---|--|

MATAMATA-PIAKO DISTRICT COUNCIL
RISK AND ASSURANCE COMMITTEE
JUNE 2026 – CHAIR REPORT

Teena koutou katoa e ngaa rau rangatira maa,

Firstly, I wanted to acknowledge the significant change impacting local government and the work of elected members and staff members in responding to these changes.

Secondly, the table below outlines my reflections from relevant events that I have attended and I've presented questions for elected members to consider in their respective roles in serving the Matamata-Piako community:

| Forum | Summary Reflections |
|---|--|
| <p>OAG Forum for audit and risk committee chairpersons on Strategic financial management and value for money – 17 April 2026 and 5 June 2026 – Various presenters including from the Public Service Commission</p> | <p>Managing public finances strategically is about integrating strategy, planning, and performance information to get the best value for money from spending over the medium to long-term. Planning needs to look ahead for major potential changes – whether these are demographic changes, natural disasters, pandemics, or climate change. Good strategic financial planning also needs to navigate the natural tensions that can arise between taking a long-term view and an annual budget and three-yearly election cycles. Public organisations need to understand how to optimise results while balancing those tensions and demonstrate the longer-term impact of decisions made through annual budget cycles.</p> <p>Questions for Elected Members to consider:</p> <ul style="list-style-type: none"> • How is assurance provided, monitored and reported that Council provides good value for money for ratepayer investment? Is the organisation focused on core business? • How does the risk management framework support better financial decision-making including making trade-offs, testing assumptions and benefits realisation? • What role are technology, data and AI playing in strengthening strategic financial management particularly in improving efficiency or decision quality, lifting productivity and enhancing customer experience? • Are cost recovered activities reviewed regularly and are any fees/levies covering more than the actual cost of service? • Are capital programmes on time and on budget? <p>The Audit Office has also published an article on managing public finances strategically and outline 4 essential elements:</p> <ol style="list-style-type: none"> 1. <u>Understand your costs</u> Know what your services cost at the right level of detail (the “cost to serve”). 2. <u>Know what difference you’re making</u> Link your activities to results and impact, not just outputs. 3. <u>Look ahead</u> Forecast, plan for asset needs, and manage risks over the medium to long term. 4. <u>Join it up</u> Integrate strategy, budgeting, and performance information to make well-informed decisions about priorities. |

| | |
|---|---|
| <p>AG Forum for audit and risk committee chairpersons on Internal audit for lasting impact - 20 March 2026 – Presenters from Deloitte and Institute of Internal Auditors</p> | <p>New Zealand’s public sector leaders are working in an environment of constant change, tight resources, and increased scrutiny, with little room for error. From global events and regulatory change to financial constraints and new technologies, these pressures are reshaping how organisations operate. As a result, expectations of internal audit are changing, with increased demand to help organisations perform well, act transparently, and maintain trust. This results in five expectations about the role internal audit needs to play to effectively support governance, performance, and organisational resilience:</p> <ol style="list-style-type: none"> 1. Governors and chief executives are sending a clear message: we need internal audit to step up, lean in, and help shape the future. They want audit to be more than a safety net; they want it to be a catalyst for strategic change through their work. 2. Internal audit often enters the conversation with pre-existing perceptions that affect its influence and impact. Having a strong strategy helps to address this, however influence is not guaranteed by strategy alone; it depends on how effectively insights are conveyed and understood by decision-makers. In short, internal audit’s impact can falter if communication is ambiguous and unclear, or seen to be weak. 3. Effective management of an organisation in the modern era can be compared to navigating an endless storm. Emerging risks are multiplying faster than ever, from cyber threats to regulatory shifts, and reputational challenges. Yet, while the risk landscape expands at breakneck speed, resources for internal audit are often static or declining. 4. Expectation that internal audit be agile, forward-looking, and aligned with the organisation’s evolving risk profile. Stakeholders stressed that the function cannot remain static or backward-focused; it must adapt to a data-driven, AI-enabled environment, and build capability to address technology-related risks. 5. Governors and chief executives want advice that is timely and relevant, helping management focus on critical areas, avoiding tick-box exercises, and anticipating future risks. Insights delivered too late to influence decisions weaken the impact of recommendations. <p>Questions for Elected Members to consider:</p> <ul style="list-style-type: none"> • How is assurance provided over the key strategic and organisational risks and opportunities? • How is accountability managed for implementing agreed actions (reporting of progress, explanations for delays and consequential risk impacts)? |
| <p>Meeting of Independent Members of LG Audit and Risk Committees 11 May 2026</p> | <p>For Information, topics/presenters included:</p> <ul style="list-style-type: none"> • Office of the Controller and Auditor-General • Institute of Internal Auditors • Local Water Done Well • Insurance • Cybersecurity |

No reira rau rangatira maa, teena koutou, teena koutou, teena koutou katoa.

Recommendation

That the Risk and Assurance Committee receive the report.

Jaydene Kana
Chair, Risk and Assurance Committee
6 June 2026

8 Ngā Pūrongo Whakamārama | Information Reports

8.2 Chief Executive's Update

CM No.: 3177448

Te Kaupapa | Purpose

The purpose of this report is for the Chief Executive to update the Committee on organisational matters relevant to the Risk and Assurance Committee's Terms of Reference.

Rāpopotonga Matua | Executive Summary

Chief Executive, Manaia Te Wiata, in attendance to present the Chief Executive's Update which is attached to the agenda.

Tūtohunga | Recommendation

That:

1. The information be received.

Ngā Tāpiritanga | Attachments

[A↓](#) CEO Report Risk & Assurance June 2026



Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Manaia Te Wiata Tumu Whakarae Chief Executive Officer | |
|-----------|---|--|

| | | |
|-------------|---|--|
| Approved by | Manaia Te Wiata Tumu Whakarae Chief Executive Officer | |
|-------------|---|--|

Matamata-Piako District Council
Chief Executive's Report to the Risk and Assurance Committee
June 2026 Meeting

Introduction

This report updates the Risk and Assurance Committee on matters within its terms of reference that are not otherwise covered on the agenda.

1. Financial Reporting

This summary is based on the March 2026 financial report presented to Council on 27 May 2026.

Overall Position

Council's financial position remains stable, but it is under pressure. Operating income is ahead of budget overall, mainly because consent activity is stronger than forecast, with fees and charges around \$1.7 million above budget. That is partly offset by lower revenue from development contributions, trade waste, metered water, and community facilities. On a cash basis, the operating result is around \$370,000 unfavourable to budget and is likely to stay under pressure through to year-end.

Cost pressure is concentrated in infrastructure, particularly wastewater and water mechanical maintenance, compliance, and Taumata Arowai levy costs. There is also pressure in Community Facilities, where expenditure is around \$507,000 above budget. Notable budget exceptions are January storm-related costs, extraordinary legal costs, and higher insurance costs.

Capital Delivery

Capital delivery is the primary financial risk this period. Spend is significantly behind budget across most activities. This is covered in more detail under the separate Project Management Report.

Treasury and Debt Management

As previously reported to the Committee, Council's portfolio is currently over-hedged and operating outside a number of policy limits. These positions are temporary and permitted under the transitional provisions of the Liability Management Policy, and are intended to position us for debt transferring to Waikato Waters in October. Liquidity remains strong.

Key Risk

The main financial risk remains under-delivery of the capital programme. That carries both cost escalation and backlog risk into 2026/27. Sustained operating cost pressure in several areas is also likely to carry into the 2026/27 financial year.

2. Compliance with Laws and Regulations

Te Ohu Takatū Anamata | Future Ready Group — legislative change

Te Ohu Takatū Anamata (an internal cross-organisational team) continues to coordinate the organisation's oversight of legislative change.

I previously reported a risk that we might not be able to give Council timely and adequate advice on proposed changes and submissions.

I am pleased to report that our teams have been able to support Council's consideration of the following major items, and to make submissions where Council considered that appropriate:

- Planning Bill and the Natural Environment Bill
- Simplifying Local Government proposals
- Going for Growth development levies proposals

Local government reorganisation — Head Start process and operating pressure

The Government has released a reform programme that includes two work streams:

- A "Head Start" process where councils have the option to submit proposals on the future form of local government for their area by 9 August 2026.
- A "Backstop" process for councils that do not participate in the "Head Start" process.

The Government has released guidance for the "Head Start" process and is seeking:

- The removal of Regional Councils
- The amalgamation of Councils into Unitary authorities.

The very tight timeframes mean there are limited opportunities for community and iwi engagement.

Council has not made a formal decision on the matter. Staff are working with other Councils to prepare a formal report for Council in July.

At this stage, based on the Government guidelines, it appears the main two options for this Council are:

- A unitary Council based on the Waihou-Piako catchment
- A unitary Council for all or most of the Waikato Region.

Council is engaging in this process to develop credible proposals while continuing to meet its statutory responsibilities, including the Long-Term Plan, a representation review, and the Government's new planning system. At the same time, sector leaders have questioned the value and cost of representation reviews and 10-year long-term plans when the outcomes may have a very short shelf life.

The pace and scale of reform, alongside other concurrent change, is testing staff capacity. Uncertainty about future structures, including possible amalgamation, is also affecting staff confidence and retention. There is a real risk that critical capability is either absorbed by reform work or lost to the sector when we need it most.

Key Risk

The compressed timeframe increases both governance and delivery risk. I am considering the trade-offs we may need to make to use our resources well and deliver the best possible outcome for Council and the community.

Water, Wastewater and Stormwater Compliance

The most recent compliance position was reported to Council in March 2026 through the Three Waters Compliance Report for Quarter 4 of 2025 and January 2026. Drinking water quality compliance remains sound, and resource consent compliance for the three waters activities sits at 97%. A number of non-compliances were recorded — principally wet-

weather wastewater and stormwater overflows, some consent and monitoring breaches, and several drinking water deviations that were not assessed as water quality risks. The report also highlights a number of higher-rated compliance risks, including:

- Supply pressure and backflow management,
- Elevated nitrate levels,
- Treatment plant sludge accumulation
- Outstanding Drinking Water Safety Plan actions.

Our compliance framework and reporting have matured. The Compliance and Monitoring team is proactively tracking obligations, escalating risks, and engaging openly with regulators. There have been no new non-compliances reported since March 2026.

Pohomihi water supply — regulatory direction (Taumata Arowai)

The Te Aroha water supply includes a source from the Pohomihi Stream that feeds into the Te Aroha Water Treatment Plant. A number of rural properties are connected to the trunk main. Six of those properties have dwellings, and a permanent boil water notice remains in place because the supply is not treated. Taumata Arowai has issued a formal direction requiring Council to provide a plan for the Pohomihi connections. Long-term reliance on a boil water notice is not an acceptable control. A permanent, compliant solution is required. Council had previously indicated that the boil water advisory could be lifted by 30 June 2026, but this has been delayed while staff work through the available options. A report will be considered at the June Council meeting.

Staff have kept Taumata Arowai updated on progress.

Key Risk

Council has received a formal direction from the Water Regulator and must comply with this direction as it is legally enforceable.

3. Other Responsibilities and Strategic Matters

Waikato Waters transition

Planning and preparation for the transfer of water and wastewater activities to Waikato Waters Limited is well advanced. Council is scheduled to approve the transition agreement later this month.

Chief Executives have been working on a draft Statement of Expectations for review by the Shareholders Forum. The forum will then enter into discussions with the Waikato Waters Limited Board.

Most staff have now been advised of their positions in Waikato Waters Limited. I still have four staff matters to resolve with Waikato Waters Limited.

The transfer of land and assets has largely been agreed.

There is still considerable work underway to clarify the post-transfer services Council will provide.

While 1 October 2026 presents some accounting challenges, we have the advantage of being able to leverage the work of the first three councils transferring on 1 July 2026.

Key Risks

One staff member has already transferred to Waikato Waters Limited, and three more will transfer on 1 July 2026. That creates a continuity risk for our operations. We have accepted that some projects and work programmes will not progress as far as planned before the transfer occurs.

Organisation structure review — initial consultation

I have commenced a whole-of-organisation structure review, driven by three things:

- the transfer of water and wastewater services to Waikato Waters Limited from 1 October 2026, which removes a material portion of our workforce, costs and revenue and leaves a gap in how we fund and deliver internal services;
- Council's direction to be more enabling for our communities while improving efficiency and affordability; and
- a deliberate focus on changes that are within our control now, rather than waiting on wider local government reform.

My approach is to make sure the structure and leadership are aligned with Council's expectations, while also being deliberate about improving efficiency and effectiveness, particularly through better use of technology.

A key constraint is that we still need to balance the books, noting that \$1.7 million of overheads are currently charged to the water and wastewater activity.

Timing

Consultation is underway, with decisions expected in early July and implementation staged through to February 2027, overlapping with the Waikato Waters transition.

Key risks

- People and capability — Risk that cumulative change impacts staff wellbeing, engagement and retention of critical capability required for service delivery and the Waikato Waters transition.
- Employment process and fairness — Risk that any perceived lack of fairness or transparency in consultation and selection processes results in legal challenge or reputational damage.
- Business continuity — Risk that organisational change disrupts delivery of core and statutory services during a period of concurrent transition.
- Financial delivery — Risk that the restructure does not deliver intended efficiencies or absorb internal cost pressures, resulting in ongoing financial pressure on rates.
- Control environment — Risk that changes to roles and reporting lines create gaps or ambiguity in delegations and decision-making authority during transition.

Once the structure is finalised, the Executive Team will prepare an implementation plan. That plan will include how we will monitor and mitigate the risks outlined above.

Manaia Te Wiata

Tumu Whakararae | Chief Executive Officer

8 Ngā Pūrongo Whakamārama | Information Reports

8.3 Risk Update and Quarterly Risk Report - June 2026

CM No.: 3177378

Te Kaupapa | Purpose

The purpose of this report is to provide a risk management update and a quarterly risk report for the information of the Committee.

Rāpopotonga Matua | Executive Summary

Robust risk management is essential to Council achieving its strategic objectives and this Committee has responsibility for the oversight of enterprise risk management at Matamata-Piako District Council and the effectiveness of Council's risk management framework.

The Quarterly Risk Report has been developed to aid the Committee in its work. It provides a progress update on the 2026 Risk Management Work Plan and insights into recent work completing a Fuel Supply Business Impact Assessment and developing an Organisational Fuel Resilience Plan and Workforce Response Strategy. It also provides a Top Risks update and an emerging risks commentary.

The Top Risks update includes Key Risk Indicator (KRI) information, and a status update on the implementation of the additional mitigating controls set out in the 2025/26 Top Risks document.

The KRI reporting will continue to develop over time and we trust the Committee will see this information as valuable in its oversight work.

The basis of the status update on the implementation of the additional mitigating controls has been changed as more fully described in the Background section of this covering report. The revised framework shifts the focus from whether controls are delivered by financial year-end, to progress of implementation and the level of risk being managed in the interim.

Management believe that good progress is being made in strengthening Council's risk management culture.

Tūtohunga | Recommendation

That:

1. The report is received;
2. The Quarterly Risk Report June 2026 is received.

Horopaki | Background

The Quarterly Risk Report has been developed to aid the Committee in its work.

The intention is this report will continue to be further developed in future quarters as the key reporting mechanism on enterprise risk for the Committee and Council. For instance, with the KRIs, only some of the indicators are reported on at this stage, as reporting continues to be developed for the others.

Change in basis of reporting implementation of additional controls

It is clear that in setting the Top Risks for the 2025/26 year an optimistic view was taken across the organisation of what could be achieved in a relatively short timeframe. With the considerable pressure across the organisation, particularly with Waters transition and its wider impact on

council, while much has been delivered, other elements have had to be de-prioritised in favour of other pressing priorities.

The previous reporting approach combined multiple concepts within a single status (e.g. “on-track”, “off-track”, “ongoing”), which:

- Blended progress, delivery timing, and completion status
- Created distortions near financial year-end, where controls might otherwise move from “on-track” to “off-track” irrespective of actual progress
- Limited visibility of residual risk exposure during implementation

The revised framework separates reporting into two distinct dimensions:

1. Implementation Status (progress-focused)

This reflects the current stage of control implementation, independent of financial year deadlines:

- Complete
- In Progress (Advanced)
- In Progress (Early)
- Not Started
- Rephased to 2026/27

2. Risk Exposure in interim

This reflects the level of risk currently being carried until the control is fully operational:

- High
- Medium
- Low
- None (Control Implemented)

This approach provides:

- Improved transparency – clear distinction between progress and risk exposure
- More accurate reporting – reduces artificial deterioration of status near reporting cut-offs
- Better risk visibility – enables identification of areas where risk remains elevated despite progress
- Stronger governance insights – supports more informed prioritisation and decision-making

Ngā Tāpiritanga | Attachments

- A.  Quarterly Risk Report June 2026 (*Under Separate Cover*)

Ngā waitohu | Signatories

| | | |
|-----------|--|--|
| Author(s) | Ken Morris Mōrearea, Kai-whakahaere ā Pakihi hoki Risk and Business Excellence Advisor | |
|-----------|--|--|

| | | |
|-------------|---|--|
| Approved by | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |
|-------------|---|--|

8 Ngā Pūrongo Whakamārama | Information Reports

8.4 Long Term Plan 2027-37 Risks and Issues, Quality Assurance, Project Timeline, and Progress Update

CM No.: 3155377

Te Kaupapa | Purpose

The purpose of this report is to provide the Committee with an overview and updates on the Long Term Plan (LTP) 2027-37 project including the:

- High level timeline and plan on a page
- Risks and issues register
- Key legislative reforms of relevance to the LTP
- Implications of the proposed organisation structure review for the LTP
- Approach to LTP consultation
- Quality assurance plan
- Audit update
- LTP workstreams progress update

And seek any feedback and guidance from the Committee on the LTP project and the information provided.

Attached documents

1. LTP 27-37 Project Timeline
2. LTP 27-37 Plan on a Page
3. LTP 27-37 Quality Assurance Plan
4. MPDC Vision and Community Outcomes
5. LTP 27-37 Draft Significant Forecasting Assumptions
6. LTP Risks and Issues Register

Linked documents

Trends and Analysis Report
Population Projections

Rāpopotonga Matua | Executive Summary

Council is required to prepare and adopt an LTP under the Local Government Act 2002 (LGA) every three years. The LTP must be adopted before the first day of the year to which it relates i.e. before 1 July 2027.

Timeline and Plan on a Page

A timeline for the LTP project, and a Plan on a Page outlining the key elements of the LTP, have been developed and circulated to members (see attached documents). The key dates are outlined below:

| Task | Dates |
|--|---------------------|
| LTP development | Jan-Nov 2026 |
| Consultation Document development | Sep 2026 – Feb 2027 |
| Audit of draft LTP and Consultation Document | Dec 2026 - Mar 2027 |
| Public Consultation | April - May 2027 |
| Final Audit | May-June 2027 |
| Adoption of Final LTP | June 2027 |
| LTP in force | 1 July 2027 |

Key issues and risks

A risks and issues register has been developed (see attached document).

The key risks to the LTP project can be characterised as follows:

1. Constrained staff and organisational capacity to meet LTP deliverables due to multiple and complex competing obligations
2. Legislative uncertainty delaying decision-making and budgets

Key legislative reforms

The reforms (including proposed, draft and recently enacted) that are of most significance to the LTP include the:

- Simplifying Local Government proposal and Headstart process
- Local Government (Systems Improvement) Amendment Bill
- Local Government (Water Services) Act 2025
- Rates capping proposal

Councils proposed organisation structure review

At the time of writing this report a proposed organisation structure review is out for staff consultation. The proposal would see significant changes to the structure of some teams which, if accepted, will need to be reflected in LTP budgets and planning. In the interim, a plan is in place to continue with budgeting for all teams, while pausing detailed planning for a small number of teams until the final outcome of the review is known.

Approach to LTP public consultation

Council has provided direction that they would like to take a different approach to the hearing of oral submissions for this LTP and will look to hold face to face engagement sessions during the consultation period, rather than as a separate engagement after the consultation period is finished. It is envisaged that this approach will both enable wider community participation, and provide staff with additional time to undertake quality assurance.

Quality assurance

A Quality Assurance (QA) Plan has been developed (see attached document).

The QA Plan consists of both on-going processes and specific points of review, in order to deliver an LTP that is accurate, consistent, communicates its message effectively, and meets legal requirements.

Audit

The Audit Office (formally Audit NZ) will be auditing Council's LTP documents.

LTP workstreams progress update

The development of the LTP is well underway and is currently on track.

Feedback and guidance

Staff welcome the Committee's feedback and guidance on any of the information presented.

Tūtohunga | Recommendation

That:

1. The information be received.
2. The Committee provide any feedback or guidance on the Long Term Plan 2027-37 project [*feedback to be specified*].

Horopaki | Background

Council is required to prepare and adopt an LTP under the Local Government Act 2002. The LTP 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 2024. The LTP must be adopted before the first day of the year to which it relates i.e. before 1 July 2027.

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 10 years
- Determines how much this will cost and how we will fund it.

The LTP process also provides a way for our community to have a say on where we are heading and for Council to ensure our planning is robust. In completing the LTP 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.

Ngā Take/Kōrerorero | Issues/Discussion

Timeline and Plan on a Page

A timeline for the LTP project, and a Plan on a Page outlining the key elements of the LTP, have been developed and circulated to elected members (see attached documents). The key dates are outlined below.

| Task | Dates |
|--|---------------------|
| LTP development | Jan-Nov 2026 |
| Consultation Document development | Sep 2026 – Feb 2027 |
| Audit of draft LTP and Consultation Document | Dec 2026 - Mar 2027 |
| Public Consultation | April - May 2027 |
| Final Audit | May-June 2027 |
| Adoption of Final LTP | June 2027 |
| LTP in force | 1 July 2027 |

Key issues and risks

A risks and issues register has been developed (see attached document).

Risks

The key risks to the LTP project can be characterised as follows:

- a) Constrained staff and organisational capacity to meet LTP deliverables due to multiple and complex competing obligations including the:
 - Reform of the local government sector
 - Transition of water and wastewater to Waikato Waters Ltd (including loss of staff to the new entity)
 - Council’s organisation structure review proposal
 - Stormwater Strategy development

- b) Legislative uncertainty delaying decision-making and budgets including:
 - Reform of the local government sector
 - Signalled addition of mandatory groups of activities and performance measures
 - Signalled changes to the purpose of local government and the definition of core services
 - Signalled rates capping legislation
 - Signalled changes to Development Contributions
 - Emergency management legislation reform
 - Resource management reform

To mitigate the impact of these risks, the Executive Team is currently looking for ways to simplify the LTP process wherever possible as well as considering ways to provide support and back up to staff. This could include an approach that emphasises

- A refresh of existing documents rather than a restart from scratch
- Keeping documents concise
- Using digital tools, including AI where appropriate (with appropriate controls)
- Building in extra time for QA
- Early and frequent communication with the audit team

Please see the Chief Executive’s Update report on this agenda for further commentary.

LTP Risks will be managed in accordance with the draft Risk Management Framework.

Table: LTP 27-37 Risks that currently have a residual rating of High

| Risk | Inherent Risk | Controls | Residual Risk |
|---|---------------|---|---------------|
| <u>Strategic</u> Legislative reform - Risk of legislative | Very High | LTP Project Team and the Executive Team closely | High |

| Risk | Inherent Risk | Controls | Residual Risk |
|--|---------------|--|---------------|
| uncertainty, and legislative change impacting LTP timeframes, decision-making, budgets, document quality or accuracy and/or the audit process. | | monitor legislative changes/ announcements, assess possible consequences and implement appropriate interim responses where possible. Sector guidance is regularly reviewed. Regular communication and updates to elected members and managers. General approach of carrying on with development of the LTP and using an iterative approach where needed. | |
| <u>Human Resources</u> Staff capacity - Risk from competing demands on staff putting pressure on LTP quality and timeframes. Currently the Waikato Waters Ltd Transition and the Head Start process are of particular note. | Very High | Consideration for using consultants if necessary. Work shared between teams where possible. Taking an approach of reviewing and updating documents rather than starting from scratch where possible. Using AI tools where appropriate. | High |
| <u>People and Wellness</u> Staff wellbeing - Risk to staff wellbeing from multiple and complex competing demands, LTP-related and other, leading to risk of stress, fatigue and burnout. | Very High | Ongoing communication and support within project team. Collaborative and supportive team culture including sharing work between teams where possible. Consideration for using consultants if necessary. | High |
| <u>Financial</u> Audit costs - Risk that Audit costs are higher than | Very High | Additional time for QA built into project plan. Access to new IT systems partially | High |

| Risk | Inherent Risk | Controls | Residual Risk |
|--|---------------|--|---------------|
| budgeted leading to budget overrun and elected member dissatisfaction. | | reducing manual processes. Audit management report reviewed and responses to issues developed. Early and frequent engagement with Audit. | |

Issues

In addition to the risks register, the issues register is a way for staff to stay up to date with challenges as they emerge and change, and to provide a place to record our current assessment and analysis of these challenges and the best ways to respond. The majority of the issues are related to legislative reform. Staff have been in contact with Audit to seek guidance on some matters, as outlined in the register.

Key legislative reforms

The reforms (including proposed, draft and recently enacted) that are of most significance to the LTP include the following:

Simplifying Local Government proposal and Headstart process

The government has recently outlined a two-option approach to the Simplification of Local Government – Head Start and Back Stop. Council are currently working through developing a Head Start proposal. The key impact on the LTP is on staff and organisational capacity and the uncertainty inherent in the process.

Local Government (Systems Improvement) Amendment Bill

Under the Bill there are proposed changes to the purpose of local government, definitions of core services and the ability for the government to mandate additional groups of activities and performance measures, which they have signalled they intend to do. The main implications for the LTP are progressing the LTP within agreed timeframes in an environment of uncertainty.

Local Government (Water Services) Act 2025

Under the Act, Council is required to develop a separate Stormwater Services Strategy. The main implications for the LTP are on staff capacity, ensuring strategic alignment between the LTP and Stormwater Strategy, and meeting legislative requirements for the way in which any stormwater information is included in the LTP.

Rates capping proposal

Under the proposal, a rates cap of between 2-4% would be implemented in year 3 of the LTP. The main implication for the LTP is for decision making in an environment of uncertainty.

These issues/ impacts are captured in the risks and/or issues registers, and some are also currently addressed in the Significant Forecasting Assumptions.

Council's organisation structure review proposal

At the time of writing this report a proposed organisation structure review is out for staff consultation. The proposal would see significant changes to the structure of some teams which, if accepted, will need to be reflected in LTP budgets and planning. In the interim, a plan is in place to continue with budgeting for all teams, while pausing detailed planning for a small number of teams until the final outcome of the review.

This potential impact of this proposal is currently captured in the risks register.

Approach to LTP public consultation

LTP consultation must use the special consultative process – including a month of public consultation on the proposed LTP, with an audited Consultation Document prepared to facilitate this process. Generally, Council holds a formal Hearing after the consultation period has closed to fulfil the requirement to hear from submitters who wish to present their submissions orally. For this LTP, Council has provided direction that they would like to take a different approach and will instead look to hold face to face engagement sessions during the consultation period. It is envisaged that this approach will both enable wider community participation, and provide staff with additional time to undertake quality assurance.

It is planned that this new process will be first used and refined, ahead of the LTP, as part of consultation on the draft Climate Resilience Strategy and/or draft Waste Management and Minimisation Plan.

The potential impact of this approach is captured in the risks register.

Quality assurance

A QA plan has been developed (see attached document). Taituarā guidance and review of the LTP 24-34 Audit Management Report have been used to inform the QA plan.

The QA plan consists of both on-going processes and specific points of review, in order to deliver an LTP that is accurate, consistent, communicates its message effectively, and meets legal requirements.

Role of the Risk and Assurance Committee

It is intended that 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.

Once the final LTP has been developed, 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.

Audit

The Audit Office (formally Audit NZ) will be auditing Council's LTP documents. Staff have been in touch with the Audit Office to provide the high level timeline with suggested audit dates, and request the audit engagement letter, schedule of fees and a schedule of regular catch ups.

Please refer to the CE Update for more information on considerations in respect to the LTP audit.

LTP progress update

The LTP Project Group meet fortnightly to oversee development of the various workstreams of the LTP and provide guidance on key issues. The table below provides a high level of how the workstreams are currently tracking.

| Workstream | Key actions completed | Status | More Information |
|--|---|---------------------|--|
| Trends and Analysis Report | Report completed and adopted by Council | Complete | Link to Trends and Analysis Report |
| Population projections | High growth projection adopted by Council | Complete | Link to population projections |
| Council's Vision and Community Outcomes | Adopted by Council | Complete | Attached |
| Key drivers | Discussed with Council | Underway – On Track | |
| Significant Forecasting Assumptions | Working draft developed and discussed with Council with suggested additions of the impact of fuel supply/price and potential for joint ventures to be considered for inclusion as the document develops | Underway – On Track | Attached |
| Infrastructure Strategy and Financial Strategy | Introductory Council workshops held, more workshops to follow | Underway – On Track | |
| Rating Structure | 2 x Council workshops completed. Direction given that no substantial changes are necessary, likely use of UAGC to help counter the impact of waters moving to Waikato Waters Ltd. | Underway – On Track | |
| Revenue and Financing Policy | Council workshop held with initial direction given on areas for review. More workshops scheduled. | Underway – On Track | |
| Asset Management Plans | Staff workshops held. Council workshops currently underway. | Underway – On Track | |

| Workstream | Key actions completed | Status | More Information |
|---|---|---|------------------|
| | Stormwater, Land Transport, Parks and Open Spaces workshops held to date, with discussion and direction given on priorities. Solid Waste and Building and Facilities workshops scheduled. | | |
| Activity Group structure | Initial direction from Exec Team. Awaiting further government direction on mandatory groups of activities | On Hold | |
| Activity Plans, Business Plans, Budgets, Fees and Charges | Managers currently drafting. Exec team review and Council workshops to follow | Underway – On Track / On Hold (for 3 internal teams, awaiting outcome of organisation structure review) | |
| Māori engagement in decision-making | Discussion with Te Manawhenua Forum scheduled at the time of writing | Underway – On Track | |
| Financial Policies | | June onwards | |
| Development Contributions Policy | | June onwards | |
| Council Controlled Organisations | | June onwards | |
| Significance and Engagement Policy | | August onwards | |
| Grants | | September onwards | |
| Financial statements | | November | |
| Early LTP engagement | | June onwards | |
| LTP document | | July onwards | |
| Consultation document | | September onwards | |
| Coms and engagement plan | | November onwards | |

Feedback and guidance

Staff welcome the Committee's feedback and guidance on any of the information presented.

Mōrearea | Risk

A key focus for the Committee in regards to the LTP will be providing oversight of key risks and assumptions. As detailed above, an LTP issues and risks register has been developed and will be monitored and updated regularly throughout the LTP process.

Ngā Whiringa | Options

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

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations Requirements 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 an 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 LTP may lead to the review of some Council policy documents.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

The LTP 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 the opportunity for those who wish to present their submission orally, as discussed above.

In the lead up to the formal consultation period, over the rest of 2026 and early 2027, Council will be engaging with the community to set the scene and raise awareness of some of the key issues and challenges facing Council and our district.

In addition, there may be a period of more structured early-engagement on any issues of key importance to future planning.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council's Community Outcomes are set out below:

| MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE | | MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION | |
|--|--|--|--|
| TŌ MĀTOU WHAKAKITENGA OUR VISION | | | |
| Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. 'The heart of our community is our people, and the people are the heart of our community.' | | | |
| TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES) | | | |
|  |  |  |  |
| He wāhi kaingākau ki te manawa A place with people at its heart | He wāhi puawaitanga A place to thrive | He wāhi e poipoi ai tō tātou taiao A place that embraces our environment | He wāhi whakapapa, he wāhi hangahanga A place to belong and create |

The community outcomes relevant to this report are as follows:

- All of the above, noting that a new Vision and Community Outcomes has been prepared and will come into force from 1 July 2027 on adoption of the LTP 2027-37.

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

The LTP is funded within the Strategy and Plans activity.


Ngā Tāpiritanga | Attachments

A.  MPDC Vision and Community Outcomes for LTP 27-37



B.  LTP 27-37 Project Timeline



C.  LTP 27-37 Plan on a Page



D.  LTP 27-37 Draft Significant Forecasting Assumptions (*Under Separate Cover*)

[E↓](#). LTP 27-37 Quality Assurance Plan



[F↓](#). LTP 27-37 Risks and Issues Register



Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Anne Gummer Kaitohu Kaupapahere Mātāmua Senior Policy Advisor | |
| | Larnia Rushbrooke Pou Pūtea, Ratonga Pakihi Finance & Business Services Manager | |
| | Susanne Kampshof Pou Rawa me ngā Kaupapa Assets and Projects Manager | |
| | Andrea Durie Pou Whakapā, Whai Wāhi Communications & Engagement Manager | |

| | | |
|-------------|---|--|
| Approved by | Niall Baker Kaiārahi Tīma Kaupapahere Policy Team Leader | |
| | Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager | |
| | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |

The Vision, Community Outcomes and Priority Focus Areas have been developed through a combination of community engagement, Elected Member workshops and organisational input. Together, they set the direction for how Council will focus its efforts and make choices for the district into the future. They are intentionally aspirational, providing a clear framework to guide future decisions, investment and prioritisation rather than a list of guaranteed deliverables. They describe what we are working towards, while recognising the need to balance with affordability, available resources and changing conditions. They will be translated into achievable actions through strategies, plans, work programmes and budgets.

Vision

An enabling council that is efficient, communicates clearly and works with our community

Community Outcome 1:

A community that is well managed with fair rates

People understand how and why decisions are made, and trust that resources are used wisely for current and future needs.

Priority Focus Areas:

1a. Keep rates manageable

Focus on keeping rates fair and transparent.

1b. Ensure costs and decisions are clearly communicated

Clear communication of what rates fund, what projects cost and why. What services cost and what service levels people can expect.

1c. Operate efficiently and deliver value for money

Do things right, reduce inefficiencies and improve internal processes.

1d. Look for revenue and funding sources beyond rates

Optimise use of assets, partnerships, sponsorships, and advocacy for external funding for core services.

Community Outcome 2:

A community that is encouraged to grow and contribute

Residents, iwi, community groups, and local businesses are supported to take initiative, work together, and shape a thriving local economy.

Priority Focus Areas:

2a. Be an enabling, can-do council with a focus on the customer

Clear processes, timely decisions, and practical support rather than barriers.

2b. Reduce unnecessary red tape

Simplify approval processes where possible.

2c. Support local economic activity

Support and maintain vibrant town centres, and make it easier to invest locally where possible.

2d. Partner with iwi, community groups, and stakeholders

Better collaboration, visibility of partnerships, inclusive decision-making and acknowledge the potential of Māori economic development.

Community Outcome 3:

A community with reliable and resilient essential services

People have confidence in the infrastructure and services they rely on.

Priority Focus Areas:

3a. Prioritise maintaining core infrastructure

Footpaths, lighting, roads, rubbish and recycling and stormwater.

3b. Plan and invest for growth and demand

Infrastructure that keeps pace with development and population change.

3c. Strengthen our ability to respond to emergencies

Preparedness and resilience for flooding, drought, and other emergency events, including working alongside marae and iwi and building strong recovery capability.

3d. Provide accessible and safe infrastructure for all users

Mobility, disability access, aging population needs, cycling and walking safety.

Community Outcome 4:

A community that is safe, inclusive and with places people value

Towns, neighbourhoods, and settlements are welcoming, safe, inclusive, and well cared for — supporting connection, a feeling of belonging, wellbeing, and local identity across the whole district.

Priority Focus Areas:

4a. Maintain and enhance community facilities for all

Parks and open spaces, playgrounds, pools and spas, cemeteries, public toilets, libraries, housing and property and event/community venues and spaces.

4b. Support connected, inclusive communities across the whole district

Smaller settlements, rural communities, marae | meeting place, rangatahi | youth, whānau | family, older people.

4c. Support and enable community-led events and activities

Supportive council processes for volunteers, local identity, culture, and events.

4d. Work together to create a thriving community

Embrace culture within our district to create wellbeing.

The Long-Term Plan – putting the pieces together (as of 19/02/2026)

The purpose of the Long-Term Plan is to describe our activities and community outcomes and provide:

- for integrated decision-making and co-ordination of our resources
- a long-term focus for our decisions and activities
- a basis for accountability to the community
- an opportunity for participation by the public our decision-making processes

Trends and Analysis Report – Population, Environment, Economy, Society Feb - Mar 2026 [Policy]

The purpose of this report is to identify and highlight key trends that impact the district when planning for the long term e.g. population, economy, deprivation levels.

Council ongoing [Policy]

- Engagement
- Decision making
- TMF & Rac updates

Legislative compliance – ongoing [Policy, Finance]

- LGA 2002
- Local Government Rating Act
- Accounting standards s111
- Purpose of local govt, core services, removal of the four wellbeing's (s3, s10 LGA)

Activity group review

- Apr 2026 [Policy]
- What activities have we identified?
- Templates
- Review GL budgets to align with new org structure (update required here)

Financial Strategy (s101A) May - Oct 2026 (checked throughout the project) [Finance]

- Facilitate prudent financial management
 - Make transparent the effect on services, rates, debt, and investments.
- The financial strategy must include
- Factors that have a significant impact - population, land use & the cost of providing for change;
 - Capital expenditure on network infrastructure to maintain existing levels of service
 - Significant factors affecting ability to maintain levels of service and to meet additional demand;
 - Quantified limits on rates, rate increases, and borrowing;
 - Our ability to maintain existing levels of service and meet additional demands within those limits;
 - Policy on the giving of securities for borrowing;
 - Objectives for holding financial investments and equity securities and targets for returns

S18, Local Government (Water Services) Act 2025

- The financial strategy must demonstrate compliance with financial principles for MPDC as water service provider (i.e. stormwater).
 - Ensure revenue is spent only on stormwater maintenance, renewals, providing for growth etc.
 - Ensure funding is sufficient for long term investment and meeting regulatory requirements
 - Revenue and funding (including from charges), expenses, dividends must be transparent to the public

(Financial Strategy to be completed in conjunction with Infrastructure Strategy)

Significant Forecasting Assumptions sch10

- Feb – Sep 2026 [Policy]
- Identify the significant forecasting assumptions and risks underlying the financial estimates including:
 - Assumptions on the useful life of significant assets;
 - Sources of funds for the replacement of significant assets;
 - Identification of high levels of uncertainty; and potential effects

Vision / Community Outcomes sch10

- Feb – Apr 2026 [Policy, Coms]
- Confirm new vision / outcomes
- Community engagement
- Review against purpose of LG with the removal of the Four Well-beings

Rates structure review

- Mar - Jun 2026 [Finance]
- How do we structure our rates
- Any changes contemplated?
- Compliance with Rating Act?

Early Engagement

- April – Sep 2026 [Policy]
- Key issues
- Communication plan
- Consultation
- Consideration of responses

Level of Service Review

- Apr – Aug 2026 [Policy, Assets]
- strategic context/direction
- current LOS, any transition to a different LOS
- user/community issues/feedback
- costs of current LOS and future options
- available funding sources
- Communication plan
- Consultation
- Consideration of responses

Infrastructure Strategy (s101B) Feb - Sep 2026 [Assets]

- Cover a period of at least 30 years
- Must include roading – can cover additional assets, except for water services (see note below).
- Outline the management of infrastructure assets, taking into account:
 - renewal or replacement of existing assets;
 - growth /decline in the demand for services;
 - increases/decreases in levels of service;
 - the need to maintain, improve or mitigate adverse effects on public health and environmental outcomes
 - the resilience of infrastructure assets in the event of natural disasters by identifying, managing and making financial provision for risks
- Include indicative estimates of projected capital and operating expenditure and the following assumptions (including high levels of uncertainty and effects):
 - the life cycle of significant infrastructure assets
 - growth or decline in the demand for services
 - increases or decreases in levels of service

(Infrastructure Strategy to be completed in conjunction with Financial Strategy)
Only includes roading and any other assets we choose e.g., solid waste, parks, facilities. Stormwater is covered by a Water Services Strategy (see below)
May include info on waters “if desirable to support an integrated approach to infrastructure planning” (s101B) but MUST NOT incl the detailed info in the water services strategy.

Revaluation of assets

- Mar – Jul 2026 [Assets]
- Reval of asset classes

Financial Policies April - July 2026 - FABS

- Revenue and financing policy s103 – sources of funding for cap & op ex
- Investment policy s105 – mix and acquisition of investments, management and
- Liability Management Policy s104 – managing borrowing, interest rate & credit exposure & debt repayment
- Remission and postponement of rates on Māori freehold land s108
- Rates remission policy (optional) s109
- Rates postponement policy (optional) s110

Business plans Mar – Jun 2026 [Policy]

- Identify the activities & the rationale for Delivery
- Identify budgets
- Fees and charges reviewed
- Establish overheads for the organisation

Key challenges and responses

- Mar – Jun 2026 [Policy]
- Identify external factors that influence our decision making and understand the responses to these.

Mana whenua participation in decision making (Sch 10)

- Feb – Oct 2026 [Policy]
- Set out any steps that the local authority intends to take to foster the development of Māori capacity to contribute to our decision-making processes

Asset management plans and activity plans (Sch 10)

- Mar – Jul 2026 [Assets, Activity managers, Policy]
- Identify the activities within the group of activities (including mandatory groups) & the rationale for delivery of the activities (including the community outcomes to which the group of activities primarily contributes)
- Outline any significant negative effects
- Identify the amount of capital expenditure budgeted to
 - meet additional demand for an activity
 - improve the level of service
 - replace existing assets
- Include a statement of service provision with performance measures (including mandatory PMs), targets, changes to levels of service and reasons for material changes in cost of service
- Include a funding impact statement for each group of activities
- Identify any variations between the LTP and our assessment of water/sanitary services and waste management plans
- Fees and charges reviewed
- Consideration of major strategies and plans

Development Contributions Policy (s102(2), 106, 101(3), 201, 202, Sch 13) June – Sep 2026 – [Assets, Finance]

- Capex identified to meet the increased demand from growth;
- Proportion of & reason for cap ex funded by DCs etc
- Activities to be funded
- Explanation of calculation of DCs, significant assumptions, Conditions and criteria, valuation of allotments or land, triggers, catchments, units of demand
- Range of assets DCs can be used for narrowed (core infrastructure halls, play equipment, toilets, reserves on non-residential developments)
- Additional disclosures on work funded required
- DC Commissioner objection process

NOTE: Pending legislation, the Development levies system will replace this policy/DC's. (Council can charge levies from July 2028).

Will not include water or wastewater DC's as Waikato Waters will have its own policy from 1 July 2027.

Consider provision for reserve contributions – due to no transitional provisions currently provided in the RMA replacement (i.e. Planning Bill).

Significance and engagement policy review (s76AA, Sch10)

- Aug – Oct 2026 [Policy, Coms]
- General approach to determining the significance of proposals
- Criteria, procedures used in assessing significance
- How we will respond to the community's engagement preferences on decisions relating to specific issues, assets
- How we engage with communities on other matters.
- List strategic assets
- Include a summary in the LTP

Budgets

- Jul – Oct 2026 [Finance]
- 1st cut budgets: August/ September 2026
- Final budgets: October 2026
- Fees and charges

Water services strategy (sch 3, Local Government (Water Services) Act 2025) Mar – Oct 2026 [Assets]
For **stormwater only** – MPDC as a ‘waters service provider’. (n.b. MPDC will not be a ‘water organisation’). May be audited – if we request it ourselves or DIA request.

Purpose of strategy:

- To state the activities, we intend to meet the objectives in the Act + any other outcomes
- to provide a basis of accountability to the community
- to present, in one document, information that relates to service provision for transparency & supporting decisions about -
 - the costs of, and investment associated with, providing water services; and
 - proposed charges, levels of service, and performance measures; and
 - financial forecasting; and
 - long-term infrastructure and investment plans.
- Covering a period of 3 years in detail:**
 - Significant work proposed, levels of service, performance measures/targets (inc those LOS set under Commerce Act + relevant quality standards/performance requirements). Changes in LOS from the year prior, reasons for change, & changes in cost.
- Covering a period of at least 10 years:**
 - Identify the activities, the outcomes Council expects to achieve by providing the service.
 - Relevant community outcomes
 - strategic priorities
 - objectives, outcomes, and expectations including the objectives in s17 of the Act
 - an overview of regulatory requirements
 - an explanation of how Council intends to achieve or meet all the above (incl how Council intends provide service in a financially sustainable manner)
 - factors Council expects will have a significant impact e.g. population, land use, & capex, opex needed to respond to this
 - expected investment needed to meet objectives relating to housing growth and urban development
 - significant issues affecting the ability to maintain existing LOS to consumers and to meet additional demands
 - information relating to Council’s resource management/land use planning
 - a description of any stormwater service zones and any proposals to change them.
 - How we propose to obtain feedback from stormwater consumers
 - Complete set of financials (n.b some exemptions apply for first strategy where Council is only providing stormwater)
 - Intended approach to funding, revenue, and pricing inc a schedule of prices and charges, methodology for setting them. Reasons to be given and expected revenue.
 - Estimates of capex, opex (first 10yrs, then in 5-year periods).
 - Significant decisions to be made & when. Options & costs.
 - Significant forecasting assumptions

Communications Strategy
Nov – Dec 2027 [Coms, Policy]

- Consultation Document
- The right tools?
- The right audience?
- The right messages?

Quality assurance ongoing and at specific points [Policy]

- Consistency and quality of documents
- Checklists, audit self-assessment
- QA ahead of audit of underlying information/ CD/ final LTP

Special Consultative Procedure (s93A)
Feb – Jun 2027 [Coms, Policy]

- Distribution of consultation document
- Consultation
- Hearing
- Adoption of LTP

LTP document Sep 2026 – Feb 2027 [Policy, Coms]

- LTP document
- Consultation Document
- Drafted and finalised

Grants review Jul-Sep 2026 [Policy]

- Single year grants
- Multi-year grants
- One off grants e.g. Natural, Built heritage
- Engagement / Consultation

Council controlled organisations(Sch 10) Jun-Jul 2026 [Policy]

- Name the CCO and any subsidiary
- Identify the local authority’s significant policies and objectives in relation to ownership and control of the CCO
- Identify the nature and scope of the activities to be provided by the CCO
- Identify the performance targets & measures by which performance is to be judged.

Financial Statements Nov 2026 [Finance]

- Forecast Financial Statements (Sch 10) – previous and next 10yrs
- Balanced Budget Statement (revenue = expenses) (s100 & Sch 10)
- Funding Impact statement – sources, amounts & application of funds, detail of rates (Sch 10)
- Reserve Funds - Purpose, activities and balances (Sch 10)

Consultation Document (s93C) Aug-Oct 2026 [Policy, Coms]

- Provide fair representation of the proposed LTP
- Identify and explain the significant issues and choices facing Council

Must for each issue set out -

- the principal options for addressing the issue and the implications (including financial implications) of each of those options;
- Councils proposal, if any, for addressing the issue;
- the likely consequences of proceeding with the proposal on rates, debt, and levels of service

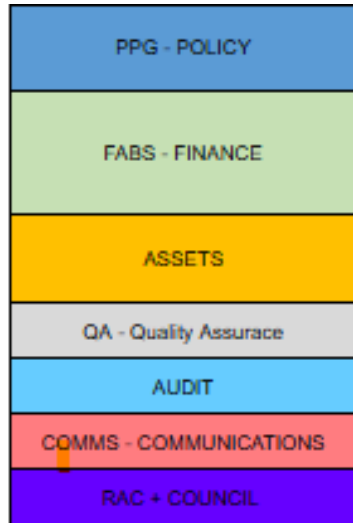
Also include -

- other matters of public interest relating to the financial strategy (incl rates increases and borrowing) and the infrastructure strategy
- any significant changes proposed to capex and opex funding, or to the rating system
- use of graphs or charts to show the direction and scale of changes to rates and debt levels
- rating impact examples for different properties with a range of property values.
- the Audit opinion

Audit (s94) Dec 2026 - Jun 2027 [Policy]

- Dec - Interim audit, December 2026: Audit AMPs & accounts, supporting info
- Feb-Mar - Audit Consultation Document & opinion.
- June Audit final LTP & opinion

Implementation – July 2027 onwards



Long Term Plan 2027-37 Quality Assurance Plan

The context

The Long Term Plan (LTP) is a complex project covering compliance with a large number of legislative requirements, planning for all activities of Council, developing major strategic documents and financial policies, undertaking an audit process and engaging with the community in an extensive way. The project timeline for an LTP is typically 18 months or more, and involves staff across the whole organisation, elected members, Council committees, and the community.

The role of quality assurance

Quality assurance (QA) is key to successfully delivering a Long Term Plan that is accurate, consistent, communicates its message effectively, and meets legal requirements. QA is both an on-going process that continues throughout the period over which the LTP is developed, and a specific formal step at crucial points in the process.

Effective QA will:

- a) Detect errors and omissions and minimise the amount of re-working
- b) Keep audit fees to their lowest possible level and help achieve an audit opinion
- c) Minimise the chance of legislative non-compliance
- d) Improve the overall clarity and consistency of the document
- e) Maximise engagement with the community by ensuring we are communicating our proposals clearly and effectively

Long Term Plan 2027-37 quality assurance plan

The following tables provide a summary of the quality assurance processes for key areas of the LTP. The first table outlines the points at which formal standalone QA will take place. The second table outlines QA processes that are ongoing.

A) Formal periods of QA at specific points in the LTP Process – to ensure accuracy, consistency, compliance and completeness

| Area | Key controls and sign-offs |
|---|---|
| QA ahead of the audit of the underlying information October-December | <ul style="list-style-type: none"> - Financial information - QA by the acting Risk Manager - AMPs – QA by Assets and Projects Manager or other delegated staff, including to ensure they are consistent with the Infrastructure Strategy - Draft LTP - QA by the Policy, Partnerships and Governance (PPG) Manager and the Group Manager Corporate, People & Relationships (LTP Project Sponsor) - Use of Copilot (AI) to check documents for errors and any inconsistencies between the various documents - Oversight by the Risk and Assurance Committee at the October and/or December meeting - Final review and sign off for audit by Executive Team |
| QA ahead of the audit of the Consultation Document (CD) | <ul style="list-style-type: none"> - QA of the consultation document to ensure consistency between the CD and the LTP by Policy staff, PPG Manager and Project Sponsor |

| Area | Key controls and sign-offs |
|---|---|
| December - January | <ul style="list-style-type: none"> - Readability test by internal staff not otherwise associated with the day to day LTP project to ensure messages and options are clearly communicated - Use of Copilot (AI) to check documents for errors and any inconsistencies between the various documents - Final review and sign off for audit by Executive Team |
| QA following adoption of the CD and before public consultation begins | <ul style="list-style-type: none"> - QA by policy staff to ensure the consultation website accurately and fully reflects the information in the CD |
| March-April | |
| QA before final audit | <ul style="list-style-type: none"> - AMPs – QA by suitably qualified staff to ensure updates have been made that are consistent with the LTP decisions - Overall LTP – ‘stand back test’ by senior staff not involved in day to day preparation of the LTP - Overall check of consistency with Council’s policies – policy staff - Stormwater information – QA by staff to ensure consistency between Stormwater Strategy and LTP at a strategic level, and accuracy of any information related to Stormwater included in the LTP, noting as below, that staff will ensure any stormwater information is presented at the correct level of detail to meet legislative requirements and avoid the Stormwater Strategy being viewed as underlying information and therefore subject to audit. - Overall – completion of Taituarā and audit checklists - Use of Copilot (AI) to check documents for errors and any inconsistencies between the various documents - Oversight by the Risk and Assurance Committee - Final review and sign off for audit by Executive Team |
| Legal review of rates resolution and Funding Impact Statement | <ul style="list-style-type: none"> - This is a standard review that Council undertakes each LTP |
| Other legal review as needed | <ul style="list-style-type: none"> - If needed, Council has a range of experienced external legal advisors who can be engaged to conduct a review of the Consultation Document, supporting information, and/or the final LTP, as well as staff in-house who can provide legal support and guidance during the process. |

B) On-going QA processes

| Area | Key controls and sign-offs |
|-------------------------------------|---|
| Programme management and governance | <ul style="list-style-type: none"> - The overall approach to QA for this LTP is to have factored more time into the project plan to allow for more thorough QA ahead of the audit periods. As well as contributing to document quality it is envisaged that this approach will help manage audit costs and overall project timeframes. - High level and detailed timelines are in place for all workstreams of the LTP. |

| Area | Key controls and sign-offs |
|---|--|
| | <ul style="list-style-type: none"> - An LTP Project Group monitors LTP alignment with Council priorities and legislative requirements, ensures that significant risks and issues are being actively managed, and maintains oversight of key deliverables. - A risks and issues register is regularly reviewed and updated to ensure we are actively managing risks and staying on top of signalled legislative changes that can impact the LTP and the information we provide to elected members. - Staff are in the process of setting up regular catch ups with Audit including to ensure we understand the areas of audit focus and can deal with any issues early. - Elected members are engaged throughout the LTP process, including regular progress updates, 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. - MPDC are now using SharePoint which means that multiple staff can work on the same document at the same time, leading to efficiency and accuracy gains. |
| Decision-making | <ul style="list-style-type: none"> - Processes are in place to capture feedback, questions and direction received during Council workshops and Committee meetings, to ensure LTP documents correctly reflect Council's priorities. |
| Asset management plans (AMPS) and infrastructure investment | <ul style="list-style-type: none"> - An integrated programme of infrastructure provision overseen by the Assets and Projects Manager is being undertaken to avoid asset planning occurring in silos. This includes mapping out the major projects and programmes by location and time, so that the integration between them is clearly visible. - Although stormwater will have ring-fenced funding and only be included in the LTP at a high level, it will still be important to ensure that stormwater planning remains strategically linked to other infrastructure planning. - Staff will follow sector guidance and liaise with audit to ensure that any stormwater information in the LTP and CD is at the correct level of detail to meet legislative requirements and avoid the Stormwater Strategy being viewed as underlying information and therefore subject to audit. - To help ensure the AMPs are informed by the best available information, a series of staff workshops have been held to gather staff feedback on key challenges and opportunities. - A new two-gate project pipeline framework has been instigated to help ensure there is a robust basis on which to make investment decisions. - Draft budgets will be workshopped with Council, and signed off by the Executive Team. - Activity managers will sign off that the planned services and AMPs are consistent with available funding and strategies as per the draft budget. |

| Area | Key controls and sign-offs |
|---|--|
| | <ul style="list-style-type: none"> - Budgets will be reviewed against significant commitments, policies and strategies e.g. Revenue and Financing Policy, Parks & Open Spaces Strategy, Financial Strategy, Infrastructure Strategy. - The finance team will reflect final budget decisions (following the consultation process), and asset team to ensure the AMPs and Development Contributions are updated accordingly. |
| Levels of service and performance measures/ targets | <ul style="list-style-type: none"> - As part of developing their draft Activity Plans, activity managers are undertaking a thorough review of their performance to date. - Activity managers have been given clear guidance about level of service and budget expectations. - The Activity Plan template guides managers through a process of establishing comprehensive background information to inform forward planning, including key pressures on maintaining levels of service within existing (inflation adjusted) budgets. - As part of the last LTP, a comprehensive review of performance measures was undertaken including assessment against the Accounting Standard FRS48. Any changes to performance measures that managers wish to make will be done in conjunction with the Policy team who will ensure continued alignment with the standard. - Development of the draft Activity Plans by managers is being supported by the Policy team, who will also review the draft Plans once complete to ensure information is robust and consistent. - Concurrently, the government has signalled that new groups of activities with associated mandatory performance measures are likely to be implemented for this LTP. Staff will respond as necessary once direction is clear. - 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. |
| Key alignment and linkages | <ul style="list-style-type: none"> - Templates and ongoing review by the policy team will help ensure consistency across the various parts of the LTP - Copilot can be used to both aid in the development of consistent messaging, and check for consistency across documents, with any use of AI to be checked by staff for accuracy. - A change log process will be implemented as the project progresses toward the final audit, including documenting the risks associated with any changes - A process is in place to align the development, content, messaging and tone of the Infrastructure and Financial Strategies |
| Assumptions | <ul style="list-style-type: none"> - Staff have processes in place to ensure that a) assumptions are complete, reasonable and supportable and b) assumptions are applied consistently across the various parts of the LTP |
| Accounting standards | <ul style="list-style-type: none"> - Documents are reviewed against accounting standard FRS-42 as well as Taituarā guidance by Finance staff |

| Area | Key controls and sign-offs |
|---------------------------------|---|
| Financial model and data | <ul style="list-style-type: none"> - A data integrity review will be undertaken - Built-in checks for the following will be monitored: treasury ratios, prudential benchmarks and the balanced budget requirement |
| Prudent financial management | <ul style="list-style-type: none"> - Financial information 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. |
| Consultation with the community | <ul style="list-style-type: none"> - The Communications and Engagement Manager and/ or the LTP Project Lead attends Council workshops on LTP related topics where possible throughout the year to gain a good understanding of elected members' concerns and priorities and ensure messaging can be developed for the CD that effectively captures the considerations and trade-offs that Council have discussed in the lead up to their decision making - The CD will be developed collaboratively by the Policy and Communications and Engagement teams to ensure it is both legislatively compliant and communicates effectively. - Processes will be put in place to ensure the way in which public submissions are captured at face to face sessions are accurate, and legislatively compliant - Best practice processes will be put in place to provide checks and balances for any use of AI in the summarising of submission themes |
| Budget refresh for Final LTP | <ul style="list-style-type: none"> - The 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. |

Risk Area: Long Term Plan 2027-2037
Risk Assessment Team: LTP Project Team

Date: 04.06.26

Please save Risk Registers to the Central Risk Folder: CM 22/9028 as well as your own folder ie alternate folder

| Categorise Risk | Risk No. | #Risks Description | # Consequences | Inherent Risk Assessment | | | #Describe Individual Controls | Select Control | Assess Control | Residual Risk Assessment | | |
|-----------------------------------|----------|---|--|--------------------------|-------------|-------------|--|----------------|-----------------|--------------------------|-------------|-------------|
| | | | | Likelihood | Consequence | *Inh Rating | | | | Likelihood | Consequence | *Res Rating |
| Strategic - Annual/Long Term Plan | 1 | Legislative timeframe - Risk that the LTP is not delivered within the legislative timeframe. | Damage to Council reputation, and ability to set rates. | Unlikely | Very High | High | Detailed project plan with milestone dates identified and oversight from Exec Team. | Key | Partially (60%) | Unlikely | High | Moderate |
| Strategic - Annual/Long Term Plan | 2 | Project timeframes - Risk that project timeframes slip. | Pressure on elected member decision making and the quality of the LTP documents. | Possible | High | High | Detailed project plan with milestone dates identified and oversight from Exec Team. Ongoing proactive support to LTP project team members and wider staff to achieve deliverables within timeframes. | Key | Partially (60%) | Possible | Moderate | Moderate |
| Strategic - Annual/Long Term Plan | 3 | Project timeframes - Risk that project timeframes slip. | Pressure on meeting legislative timeframe. | Possible | High | High | Detailed project plan with milestone dates identified and oversight from Exec Team. Timeframes modified from last time to build in extra time for QA ahead of audit. QA Plan. | Key | Partially (60%) | Possible | Moderate | Moderate |
| Brand & Reputation | 4 | Audit opinion - Risk that Council receives a qualified opinion | Reputational damage. Elected member dissatisfaction. | Possible | Moderate | Moderate | Additional time for QA built into project plan. Access to new IT systems partially reducing manual processes. Audit management report reviewed and responses to issues developed. Early and frequent engagement with Audit. | Key | Partially (60%) | Possible | Moderate | Moderate |
| Financial/Economic | 5 | Audit costs - Risk that Audit costs are higher than budgeted. | Budget overspend. Elected member dissatisfaction. | Possible | High | High | Additional time for QA built into project plan. Access to new IT systems partially reducing manual processes. Audit management report reviewed and responses to issues developed. Early and frequent engagement with Audit. | Key | Partially (60%) | Possible | High | High |
| Strategic - Annual/Long Term Plan | 6 | Elected member direction setting - Risk that elected member direction setting is not well documented or followed through. | LTP does not accurately reflect Council direction. | Possible | Moderate | Moderate | Information management processes in place to record Council direction. | Key | Partially (60%) | Unlikely | Moderate | Low |
| Strategic - Annual/Long Term Plan | 7 | Elected member decision making - Risk that elected member decision making is not based on robust information. | Quality of decision making is compromised. | Unlikely | Moderate | Low | Schedule of Council workshops with information provided in reports and presentations. Additional information provided in response to elected member questions. | Key | Partially (60%) | Rare | Moderate | Very Low |
| Financial/Economic | 8 | Legislative compliance: documents - Risk that the LTP and/or CD and/or LTP processes do not meet legislative compliance. | Increased audit work with associated increased cost to rectify this. | Possible | Moderate | Moderate | QA processes to ensure legislative compliance. Experienced staff on the Project team. | Key | Partially (60%) | Unlikely | Moderate | Low |
| Financial/Economic | 9 | Quality of information - Risk that the underlying information, the Consultation Document or the LTP is not of sufficient quality. | Extra audit time and cost to rectify this. | Possible | Moderate | Moderate | QA processes to ensure document quality. Experienced staff on the Project team. | Key | Partially (60%) | Unlikely | Moderate | Low |
| Strategic - Annual/Long Term Plan | 10 | Assumptions - Risk that Significant forecasting assumptions are not based on robust data sources and/or do not address all the relevant factors. | Decision making is based on weak or erroneous assumptions. | Unlikely | Moderate | Low | QA processes to ensure document quality. Experienced staff on the Project team. | Key | Partially (60%) | Unlikely | Low | Very Low |
| Strategic - Annual/Long Term Plan | 11 | Levels of service - Risk that levels of service set in the LTP are not realistic. | Council is obliged to do an LTP amendment in coming years. | Unlikely | High | Moderate | Robust review of past performance and budgeting is part of the process of developing the budgets. | Key | Partially (60%) | Unlikely | Moderate | Low |
| Strategic - Annual/Long Term Plan | 12 | Information management - Risk that document filing processes are not adequate due to under developed processes, and/or unfamiliarity with new systems. | Council not fulfilling its legal obligations for information management, extra time for audit. | Likely | Moderate | High | A filing system is in place in Sharepoint. A document system is in place in Teams. Long term storage of documents will still be in Content Manager. The Project Manager is working to streamline the use of the different processes. | Key | Partially (60%) | Possible | Moderate | Moderate |

Item 8.4

Attachment F

| | | | | | | | | | | | | |
|-----------------------------------|----|---|--|----------|----------|-----------|--|-----|-----------------|----------|----------|----------|
| Strategic - Annual/Long Term Plan | 13 | Legislative reform - Risk of legislative uncertainty and legislative change impacting LTP timeframes, decision-making, budgets, document quality or accuracy and/or the audit process. | Pressure on LTP timeline, budgets, staff and processes. The HeadStart proposal is impacting on us and may impact us more significantly, especially staff resourcing from August. | Likely | High | Very High | LTP Project Team and the Executive Team closely monitor legislative changes/ announcements, assess possible consequences and implement appropriate interim responses where possible. Sector guidance is regularly reviewed. Regular communication and updates to elected members and managers. General approach of carrying on with development of the LTP and using an iterative approach where needed. | Key | Partially (60%) | Possible | High | High |
| Strategic - Annual/Long Term Plan | 14 | Restriction of voting rights - Risk that the proposal to restrict voting rights on Council committees to elected members only, undermines the LTP oversight role of the Risk and Assurance Committee | Impact on LTP quality assurance | Possible | Moderate | Moderate | Still at proposal stage. Controls yet to be identified. | | Ineffective | Possible | Moderate | Moderate |
| Strategic - Annual/Long Term Plan | 15 | Restriction of voting rights - Risk that the proposal to restrict voting rights on Council committees to elected members only, undermines the LGA obligation to encourage Māori participation in decision-making | Impact on LTP quality | Possible | Moderate | Moderate | Still at proposal stage. Controls yet to be identified. | | Ineffective | Possible | Moderate | Moderate |
| Strategic - Annual/Long Term Plan | 16 | MPDC Reorganisation - Risk of the reorganisation putting pressure on meeting LTP timeframes. | Pressure on LTP timeline. Potential disruption and slippage of timeframes. | Likely | Moderate | High | Being flexible and adjusting work as needed. Ongoing communication with managers and Exec team. Modified plan in place for managers completing budgets and planning documents. | Key | Partially (60%) | Possible | Moderate | Moderate |
| Human Resources | 17 | Staff capacity - Risk from competing demands on staff especially Waikato Waters Transition and the Head Start process. | Timeframes slipping, quality of LTP information compromised. | Likely | High | Very High | Consideration for using consultants if necessary. Work shared between teams where possible. Taking an approach of reviewing and updating documents rather than starting from scratch where possible. Using AI tools where appropriate. | Key | Partially (60%) | Possible | High | High |
| Strategic - Annual/Long Term Plan | 18 | Removal of stormwater from LTP - Risk that the way that information related to stormwater is included in the LTP does not meet legislative requirements and/or audit expectations. | Risk that the Stormwater Strategy is seen as underlying information to the LTP and therefore subject to audit. | Possible | High | High | Communication with audit team. Communication with other Councils. Budget available for legal review if needed. | Key | Partially (60%) | Unlikely | High | Moderate |
| People & Wellness | 19 | Staff wellbeing - Risk to staff wellbeing from multiple and complex competing demands, LTP-related and other. | Possibility of staff stress, fatigue and burnout. | Likely | High | Very High | Ongoing communication and support within project team. Consideration for using consultants if necessary. Collaborative and supportive team culture including sharing work between teams where possible. | Key | Partially (60%) | Possible | High | High |
| Human Resources | 20 | Loss of key staff - Risk to LTP deliverables and timeframes if key staff leave the organisation during the development of the LTP. | Loss of expertise and institutional knowledge impacting LTP deliverables and timeframes | Possible | High | High | Promapp processes, back fill roles with consultants. | | Partially (60%) | Possible | Moderate | Moderate |
| Strategic - Annual/Long Term Plan | 21 | Rates capping - Risk of rates cap putting pressure on ability of Council to meet compliance requirements. | Council non compliance leading to fines, reputational damage, environmental harm. | Possible | High | High | Prioritisation of compliance related projects. | Key | Partially (60%) | Possible | Moderate | Moderate |
| Strategic - Annual/Long Term Plan | 22 | Rates capping - Risk of rates cap putting pressure on ability of Council to maintain levels of service | Community expectations not met. Reputational damage. | Possible | Moderate | Moderate | Comprehensive coms campaign explaining pressures on Council's levels of service. Investigation of alternative funding sources. Prioritisation of projects. | Key | Partially (60%) | Possible | Moderate | Moderate |
| Strategic - Annual/Long Term Plan | 23 | DCs - Risk of making incorrect assumption about the final DC levy legislation and how it's incorporated into the LTP | Budget pressure. | Possible | Moderate | Moderate | Following sector guidance, external review of DC Policy | | Partially (60%) | Possible | Moderate | Moderate |
| Financial/Economic | 24 | Capital spreadsheet - Risk that the capital spreadsheet does not meet audit expectations. | Additional audit and staff time to rectify. | Possible | Moderate | Moderate | QA processes. Communication with audit team. | Key | Partially (60%) | Unlikely | Moderate | Low |

| | | | | | | | | | | | | |
|-----------------------------------|----|--|--|----------|------|----------|---|-----|-----------------|----------|----------|----------|
| Legal & Regulatory | 25 | Waikato Waters Ltd billing system - Risk that the billing system is not set up by July 2027. | Would put legality of Council to rate for the 2027-28 year into question. And would mean MPDC would still be collecting water rates. | Unlikely | High | Moderate | Regular updates to project team on progress of the system. | Key | Partially (60%) | Unlikely | Moderate | Low |
| Brand & Reputation | 26 | Change to consultation process - Risk that holding face to face sessions instead of a formal Hearing will not meet community expectations or that community feedback is not captured effectively. | Reputational damage. Loss of public confidence. | Possible | High | High | This change will be well communicated and opportunities for face to face engagement well publicised. There is likely to be the opportunity to use this new process for consultations that occurs ahead of the LTP. Processes will be put in place to capture feedback accurately. | Key | Partially (60%) | Possible | Moderate | Moderate |
| Brand & Reputation | 27 | Use of AI - Risk of inaccuracies in the LTP due to use of AI without the proper controls. | Poor quality LTP documents. Loss of public confidence. | Possible | High | High | Process to be developed with input from coms and digital to ensure best practice controls and checks are in place. | Key | Partially (60%) | Possible | Moderate | Moderate |
| Strategic - Annual/Long Term Plan | 28 | Manual processes - Risk that manual processes lead to inaccuracies in the LTP documents. | Risk that financial forecasts are inaccurate. | Possible | High | High | Build checks and balances into financial models and QA reviews performed to confirm reasonableness of forecasts. | Key | Partially (60%) | Unlikely | High | Moderate |
| Strategic - Annual/Long Term Plan | 29 | Financial controls - Risk of insufficient financial controls. | Risk that financial forecasts are inaccurate. | Possible | High | High | Build checks and balances into financial models and QA reviews performed to confirm reasonableness of forecasts. | Key | Partially (60%) | Unlikely | High | Moderate |

Issues Register page 1

| Issues register as at 04.06.26 | | | |
|--|---|--|---|
| WORKING DOC FOR STAFF TO MONITOR, ASSESS, AND PLAN RESPONSE TO EMERGING ISSUES | | | |
| Topic | Description | Implications for Council | MPDC approach |
| Issues related to legislation reforms | | | |
| Legislative change and uncertainty | | Section 111 of the Local Government Act requires local authorities to prepare financial information in accordance with Generally Accepted Accounting Practice where a relevant standard exists. Local authorities are obligated under accounting standard PBE FRS 42 Prospective Financial Statements to prepare financials using the best available information at the time of preparation | Audit guidance sought We have sought audit advice on whether there are any ways (outside BAU processes) in which they would expect us to provide for legislative change that has been signaled and is likely to have significant impacts for the LTP, but that is yet to be confirmed or enacted, and/or comes late in the period of developing or consulting on the LTP. Approach > Taituarā has released guidance on reform assumptions which is being incorporated into Activity Planning and Significant Forecasting Assumptions. > Communication to managers and elected members that the LTP will be an iterative process as information becomes available. > Monitored through risk register process. |
| Systems Improvement Bill | Change to purpose of Local Government - removal of wellbeings Cost-effective meeting of community needs will replace wellbeing in the purpose of local government (and therefore at the top of the chain of logic). This has been given further weight by the change to the core services clause which requires councils to consider the contribution that the listed services make to the community. Definition of Core services Aspect of 'good quality' Proposal of mandatory groups of activities (and performance measures) | Groups of Activities Government has released draft groups of activities. MPDC's structure aligns pretty well. Some changes will need to be made if this goes ahead. There is a new group for Adaptation and Emergency Preparedness. Parks and Reserves are a group separate from community facilities. We are already reviewing and updating Activity Plans so any mandatory groups will require further work outside planned timeframes. Cost effective We will need to document the options for meeting the need, including identifying which is most cost-effective (least cost to meet the need). Core services When making decisions, Council must be able to demonstrate that they have given particular attention to what these things deliver for the community, ie understand levels of service, and impacts on your strategic objectives. Document this explicitly in decision making. | Audit guidance sought We have asked Audit the following: > Changes to the LGA to remove the wellbeings, define core services etc have been signalled but not enacted. In the interim period do you have any guidance on how we accommodate both the current and upcoming legislation? > What kind of processes / documentation would Audit expect to see to support Council's view that the services they are providing are 'good quality'? > What kind of processes / documentation would Audit expect to validate Council's view that the services they are providing are cost effective and achieve: (a) using resources effectively, economically, and without waste; and (b) taking into account the total costs and benefits of any decision or action > How best to demonstrate/document that Council has given particular regard to the contribution made by the core services? Does Audit anticipate looking at how fully Council has demonstrated this? Approach > Staff are monitoring this. > Most work progressing on planned timeframes (Activity Plans, budgets). > Budgets will need to be realigned to the new groups when confirmed. > Light touch review of groups of activities, performance measures. > Generally not moving activities to align with proposed groups until more certainty. > Monitored through risk register process. > New purpose included in Activity Plan template |
| Rates capping | A target range of 2-4 percent will be set based on long-term factors such as inflation and economic growth. The cap takes effect from 1 July 2029. There is some doubt as to whether stormwater rates will be included with or excluded from, the cap. | No detail is available as to how the cap will be integrated with the wider financial management framework within the Local Government Act (sections 100-101A). For example, it appears likely the cap will at least partially override or modify the obligation of prudence, but it's not clear exactly how (or what the credit rating agencies may think of this). The three main strategies for managing the impacts of rate capping are alternative revenue strategies (such as raising user charges); reducing levels of service; and seeking efficiency gains (shared services etc.). In all likelihood closing any gap created by the rates cap will involve some aspect of the three. Such a process will be iterative and accompanied by calls for further information, advice or further engagement with the community. Introduction of this proposal has already led to community and councillor expectation of Council restraint. | Approach > Will address as part of Financial Strategy. > Rates affordability is one of MPDC's new Community Outcomes > Included in budget direction to managers > Included in Significant Forecasting Assumptions and Risks Register |
| Restructure of local government structure - HeadStart proposal | HeadStart proposal currently being developed | Questions around what this means for the LTP in the medium term | Approach LTP continuing on current timetable |
| Dog Control Act changes | There is currently a review happening which may lead to legislative reform, keep watching brief. | | Approach Will be considered as part of Animal Control planning |
| CDEM | There is the EM Bill proposed and it is anticipated to come in prior to elections. This places greater weight on councils. The Group submission recommended that this be exempted from the rates cap | Will this function be exempt from the rates cap? | Approach Implications of EM Bill will be considered as part of Emergency Management activity planning. |
| Other issues | | | |
| Stormwater strategy | | DIA will not be requiring this to be audited. This will be a new strategy for us putting extra focus on this activity. Key challenges Align Stormwater Strategy and LTP at strategic level Include stormwater information in the LTP at the correct level of detail | Audit guidance sought We have asked Audit the following: What is Audit's approach to considering the information related to the Stormwater Strategy (summary not detailed) in the Financial Strategy, Infrastructure Strategy and Revenue and Financing Policy? and If the Stormwater Strategy summary forms a part of the LTP Consultation Document how will this work from an auditing perspective? Approach > Align Stormwater Strategy and LTP at a strategic level. > Using consultant support to assist with the Stormwater Strategy > Council have indicated they do not want it to be audited. > Will be consulted on alongside the LTP |
| General election | | Could potentially add to the legislative uncertainty in some areas | Approach Keep eye on policy announcements from various parties |

Issues Register page 2

| Issues register as at 04.06.26 | | | |
|--|--|--|---|
| WORKING DOC FOR STAFF TO MONITOR, ASSESS, AND PLAN RESPONSE TO EMERGING ISSUES | | | |
| Topic | Description | Implications for Council | MPDC approach |
| Areas of audit focus signalled at Taituarā event | Information on performance of assets Council's climate adaptation response and that assumptions are realistic Deliverability of capital programme Assumptions around LG reform Assumptions generally, expecting more information when there is uncertainty Financial sustainability Performance framework that is practical and relevant Internal performance measures Accounting for the council's interest in any water organisation | Need to ensure we put focus on the appropriate areas to align with Audit focus | Approach > Await Audit Engagement letter > Project plan and Quality Assurance plan |
| Using AI tools | MPDC have access to AI tools now that we have moved to Office 365 | There is scope to use AI to help mitigate issues with staff capacity. Need to ensure that any use of AI tools meets Audit expectations in terms of controls and reasonableness checks. Potential to use for QA | Next steps Seek Audit guidance on expectations Develop process and checks and balances for use of AI in the LTP |
| Climate change assumptions | Audit have signalled a focus on councils' measures to adapt to climate change | | Audit guidance sought We have asked Audit the following: Do you have any guidance on what you will be looking for in terms of climate change assumptions in the Significant Forecasting Assumptions, and through the other LTP sections? Approach Included in the significant forecasting assumptions Further work planned to integrate Climate Risk assessment results in to AMPs and reflect actions in Draft Climate Resilience Strategy in planning and budgets |

8 Ngā Pūrongo Whakamārama | Information Reports

8.5 Annual Report 2025/26 - Project update

CM No.: 3174792

Te Kaupapa | Purpose

The purpose of this report is to provide an update to the Committee on the Annual Report 2025/26 project.

Rāpopotonga Matua | Executive Summary

At the time of writing this report the interim and pre-final audits have been completed, the final audit is scheduled to begin from 31 August, scheduled adoption by Council is on 28 October. The Audit plan and the Audit appointment letter is attached for information.

The Audit Office (formerly Audit NZ) is expected to provide an update on the project to the Committee (either written or verbal).

Tūtohunga | Recommendation

That:

1. The information be received.
2. The update from the Audit Office be received.

Horopaki | Background

The Annual Report is required to be completed by 31 October each year and externally audited by the Audit Office. Council reports on its financial and non-financial performance against its Long Term Plan and Annual Plan.

The interim audit and pre-final audit are complete, with the final audit scheduled to begin from 31 August 2026.

The draft Annual Report and Annual Report Summary will be provided to the Committee at the 23 October meeting prior to Council adoption on 28 October.

Ngā Take/Kōrerorero | Issues/Discussion

Following the March 2026 interim audit visit, the Audit Office was unable to commence planned substantive testing of revenue and expenditure due to issues with the Council's system-generated trial balance, which was not in balance and therefore could not be relied upon for audit purposes. The trial balance issue was subsequently identified as a system-related defect and has since been resolved by Civica. This has enabled staff to progress work required to support audit testing.

In relation to Property, Plant and Equipment (PPE), which was a key area of audit focus following the 2025 audit qualification, staff met with the Audit Office in March to agree an approach to providing supporting information in the format required by the Audit Office. A way forward has now been agreed, with supporting information for the 2025 balances scheduled for audit testing from May 2026, and the same approach to be applied to the 2026 year-end balances once finalised.

The Audit Office has noted in relation to the trial balance and PPE issues that delays in the timing of information may impact audit resourcing, timing, and cost.

Overall, staff have made progress addressing the key issues identified at the interim audit and are continuing to work closely with the Audit Office to support completion of the audit within the planned timetable. The Audit Office will provide a further update to the Committee as audit work progresses.

Mōrearea | Risk


There is a risk the audit plan to adopt the 2025/26 Annual Report by 28 October could be delayed and breach the LGA requirement for the Annual Report to be adopted by 30 October each year. Staff are working closely with the Audit Office to provide all required information to meet the adoption deadline.

The additional audit work that resulted in a second interim audit is likely to result in increased audit fees for the 2025/26 Annual Report audit.

Ngā Tāpiritanga | Attachments

[A](#)  Audit Milestone Letter - Annual Report 2025/26



[B](#)  Agreement for Audit NZ to conduct Audit 2026 to 2028 - Signed



Ngā waitohu | Signatories

| | | |
|-----------|--|--|
| Author(s) | Olivia Picard Kaitohu Kaupapahere Policy Advisor | |
|-----------|--|--|

| | | |
|-------------|---|--|
| Approved by | Niall Baker Kaiārahi Tima Kaupapahere Policy Team Leader | |
| | Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager | |
| | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |

30 April 2026

Level 14, Shortland & Fort
88 Shortland Street, Auckland 1010
PO Box 1165, Auckland 1140

Kei te whakaihu waka, tēnā koe

Audit for the year ending 30 June 2026

Thank you for your ongoing engagement with me and for the work already underway to progress the completion and adoption of your 2026 Annual Report.

Based on your annual report project plan and the information you've provided, Audit New Zealand has allocated the necessary resources to complete our audit work within your chosen timeframe and as efficiently as possible. We've summarised the key items and their timing in the attached milestone letter to support your plan. We have been experiencing some delays in receiving requested information and want to firm up some arrangements particularly around the areas posing the most risk for achieving the goal of signing on time and the opinion we are issuing for the 2026 year. I encourage you to review this carefully and, where relevant, to reflect these items in your plan.

As you know, I am working with several other Councils across the sector to audit their 2026 Annual Reports. Delays in providing good-quality information may affect our ability to meet your timeline. I am committed to working with you to meet the planned timeline but need your commitment to support the planned delivery dates.

Please keep in touch and let me know as soon as possible if your timelines or plans change.

Nāku iti nei, nā



René van Zyl
Appointed Auditor

Agreement to be signed

We acknowledge that the updated key dates of the audit set out herein form part of the Audit Plan dated 14 April 2026 and are in keeping with our understanding of the arrangements for the audit.

Signed _____ Date _____
Name
Title

Schedule of important dates in the audit process

| # | Description | Information required from Council | Date due |
|--|--------------------------------------|--|--------------------|
| Interim 2 (18 May to 29 May) | | | |
| 1 | Property, plant and Equipment - 2025 | Supporting documentation for the sample of assets work-in-progress additions and capitalisations requested on 23 April 2026. | Monday 18 May 2026 |
| Pre-final visit (2 June to 11 June) | | | |
| 2 | Trial Balance - financials | <p>Trial Balance directly exported from the Authority (FMIS) system as at 31 March 2026.</p> <ul style="list-style-type: none"> A manually constructed trial balance cannot be accepted for audit. If a system trial balance cannot be provided, please let us know as soon as possible to allow us to consider the options we have in terms of the audit approach. <p>The trial balance needs to be in balance with any unreconciled items resolved.</p> <ul style="list-style-type: none"> We note that the initial monthly trial balances provided to audit in March 2026 (July to December 2025) all seem to be out-of-balance. We consider this to be potentially a very serious problem for completing the audit and will need to be resolved by Council as soon as possible. | Monday 18 May 2026 |
| 3 | Revenue listing | <p>Please provide the transaction listing for the following revenue streams from 1 July 2025 to 31 March 2026.</p> <ul style="list-style-type: none"> Development contributions revenue. Fee and charges. Subsidies and grants. <p>Ensure the above revenue listing matches the interim trial balance as at 31 March 2026.</p> | Monday 25 May 2026 |

| # | Description | Information required from Council | Date due |
|---|-----------------------|---|--------------------|
| 4 | Expenditure | <p>Expenditure listings from 1 July 2025 to 31 March 2026, reconciled with the interim trial balance as at 31 March 2026.</p> <p>We will select our sample for testing and will request for supporting invoices and evidence of approval.</p> | Monday 25 May 2026 |
| 5 | Sensitive expenditure | <ul style="list-style-type: none"> • Credit card statements to date. • Listing of expenses incurred by the Mayor, Councillors and Chief Executive from 1 Jan 2026 to 31 March 2026 and please provide transactions from the following GL codes: <ul style="list-style-type: none"> ○ Code 3020 - Councillor Remuneration & Meeting Expenses. ○ Code 3021 - Council Training Conferences Costs. ○ Code 3022 - Council Hospitality. ○ Code 3023 - Council Operating costs. ○ Code 3011 - Corporate Management Operating Costs. • Please highlight expenditures by the Mayor, Councillors, and Chief Executive within the above GL transaction listings. <p>We will select our sample for testing and will request for supporting documentation and evidence of approval.</p> | Monday 25 May 2026 |
| 6 | KMP | <ul style="list-style-type: none"> • KMP remuneration paid as per the payroll system. • Chief Executive’s employment contract. • KMP’s remuneration letters related to the 2026 year. | Monday 25 May 2026 |
| 7 | Councillors | Councillors GL listing. | Monday 25 May 2026 |

| # | Description | Information required from Council | Date due |
|--|--|---|-----------------------|
| 8 | Personnel costs (bonuses and severance payments) | <ul style="list-style-type: none"> List of bonuses to date. List of severance payments to date. Please advise us of any bonuses or severance payments still planned for the financial year. | Monday 25 May 2026 |
| 9 | SSP | Result as at 31 May 2026 and supporting workings and listing for the following measure: <ul style="list-style-type: none"> The number of dry weather sewage overflows from our wastewater system, (expressed per 1,000 connections per year to Council's wastewater system). | Monday 25 May 2026 |
| 10 | PPE - Fair value assessment | Council fair value assessment for operational and infrastructure assets based on March indices. | Wednesday 27 May 2026 |
| Final audit (begins 31 August 2026) | | | |
| 11 | Final trial balance | Final trial balance (mapped to the final financial statements). <ul style="list-style-type: none"> The final trial balance needs to be directly exported from the Authority (FMIS) system, in balance with any unreconciled items resolved, and containing all the year-end adjustments. A manually constructed trial balance cannot be accepted for audit. If a system trial balance cannot be provided, please let us know as soon as possible to allow us to consider the options we have in terms of the audit approach. | Friday 21 August 2026 |
| 12 | Draft financial statements | Draft financials including all the notes to the financial statements. | Friday 28 August 2026 |
| 13 | Draft Statement of Service Performance | Draft Statement of Service Performance section of the annual report. | Friday 28 August 2026 |
| 14 | Funding impact statements | Draft funding impact statements (Whole of Council and for each GOAs) including: <ul style="list-style-type: none"> Variance explanations. Reconciliation to the SOCRE. | Friday 28 August 2026 |

| # | Description | Information required from Council | Date due |
|----|---|---|--------------------------|
| 15 | PPE - Fair value assessment | Council fair value assessment for operational and infrastructure assets updated for 30 June 2026 indices. | Monday 31 August 2026 |
| 16 | PPE (Addition, Disposals, Depreciation, useful lives) | <ul style="list-style-type: none"> PPE movement schedule. Fixed Asset Register as at 30 June 2026 (including depreciation rates and useful lives). Reconciliation between the fixed assets register and the PPE note. Additions Listings (reconciled to the PPE note additions figure). Disposals Listings (reconciled to the PPE note disposals figure). Significant capital projects - comparison against budget (for each GOA). Please ensure that supporting documentation for the asset's additions, capitalisations and disposals are available upon requests. We will aim to select our sample for testing when the listings are ready. | Monday 31 August 2026 |
| 17 | PPE (Impairment) | Council's formal assessment of Impairment. | Monday 31 August 2026 |
| 18 | Capital commitments | Capital register and supporting capital contracts to significant commitments (if any). | Monday 31 August 2026 |
| 19 | Going concern | Council's formal going concern assessment. | Monday 31 August 2026 |
| 20 | Cash flow | <ul style="list-style-type: none"> Completed cash flow. Council's workings to support the cash flow. | Monday 31 August 2026 |
| 21 | Rates Revenue | <ul style="list-style-type: none"> Rates strike for FY26. Approved rates resolution from the Council minutes. | Monday 31 August 2026 |

| # | Description | Information required from Council | Date due |
|----|--|---|-----------------------------|
| 22 | Statement of Service Performance | Supporting information and workings to the reported result for all material measures as per the audit plan. | Monday 7 September 2026 |
| 23 | Personnel costs (including KMP and Councillors) | Remuneration banding disclosure supporting workings. | Monday 7 September 2026 |
| 24 | Receivables | <ul style="list-style-type: none"> Aged Debtors report. List of all invoices issued for June and July 2026. List of all credit notes issued for July and to date in August 2026. Assessment regarding Council's impairment for receivables. | Monday 7 September 2026 |
| 25 | Payables and deferred revenue | <ul style="list-style-type: none"> Aged payables report. Bank statements for July and to date August 2026. List of all invoices issued for July and to date August 2026. | Monday 7 September 2026 |
| 26 | Other financial assets (Investments in CCO and other entities) | Audited Financial Statements of Waikato Regional Airport Limited. | Monday 7 September 2026 |
| 27 | Journals | <ul style="list-style-type: none"> List of Journals for FY26. Arrange meeting for Audit to view extraction of listing. | Monday 7 September 2026 |
| 28 | Financial prudence disclosures | <ul style="list-style-type: none"> Council's financial prudence disclosures. Council's workings to support the calculation of the graphs/tables. | Monday 7 September 2026 |
| 29 | Draft financial statements and performance reporting | Audit feedback to send to Council. | Monday 14 September 2026 |
| 30 | Summary Annual Report | Completed draft Summary Annual Report to send to Audit NZ. | Monday 21 September 2026 |

| # | Description | Information required from Council | Date due |
|----|-----------------------------------|--|------------------------------|
| 31 | Draft Annual Report review - Full | Complete draft Annual Report including financials and performance reporting to send to Audit NZ. | Monday 21 September 2026 |
| 32 | Full Annual Report | Audit feedback to send to Council. | Monday 28 September 2026 |
| 33 | Summary Annual Report | Audit feedback to send to Council. | Monday 28 September 2026 |
| 34 | Final Full Annual Report | Final publish version of the annual report, including all sections available for audit. | Monday 12 October 2026 |
| 35 | Verbal audit clearance | Verbal audit clearance to Council. | Tuesday 20 October 2026 |
| 36 | Audit report | Draft audit report sent to Council. | Friday 23 October 2026 |
| 37 | Council meeting adoption | Council adoption of the annual report. | Wednesday 28 October 2026 |
| 38 | Audit Opinion | Issue of audit opinion on Annual Report following receipt of signed Annual Report and representation letter, both dated the day of adoption. | Wednesday 28 October 2026 |



AUDIT NEW ZEALAND
Mana Arotake Aotearoa

13 February 2026

Level 14, 88 Shortland Street, Auckland 1010
PO Box 1165, Auckland 1140

Ash Tanner
Mayor
Matamata-Piako District Council
PO Box 266
Te Aroha 3342

Ref: EN/LCA/3-0025 H616
Copy: Director Auditor Appointments
Office of the Auditor-General
PO Box 3928
Wellington 6140

Tēnā koe Ash

Proposal to conduct the audit of Matamata-Piako District Council on behalf of the Auditor-General for the 2026, 2027 and 2028 financial years

1 Introduction

The Auditor-General proposes to appoint me to carry out the audit of your organisation for the next three years. As required by the Office of the Auditor-General (OAG), I set out below information relating to the audit for the three financial years ending 30 June 2026, 2027 and 2028. The purpose of this proposal is to provide information on:

- the statutory basis for the audit and how audit fees are set;
- the entities covered by this proposal;
- key members of the audit team;
- the hours we plan to spend on the audit and reasons for any change in hours;
- our proposed fee for the audit for the financial year ending 30 June 2026 and reasons for any change – *given the ongoing changes in the sector, we will agree the fees for the financial years ending 30 June 2027 and 30 June 2028 at a future date;*
- assumptions relating to the proposed audit fees, including what we expect of your organisation;
- what the OAG Audit Standards and Quality Support (ASQS) fee provides;
- certification required by the Auditor-General; and
- our commitment to conduct the audit in accordance with the Auditor-General’s Auditing Standards.

A business unit of the Controller and Auditor-General | www.auditnz.parliament.nz



2 Statutory basis for the audit and how audit fees are set

The audit of your organisation is carried out under section 15 of the Public Audit Act 2001, which states that “the Auditor-General must from time to time audit the financial statements, accounts, and other information that a public entity is required to have audited”.

Fees for audits of public entities are set by the Auditor-General under section 42 of the Public Audit Act 2001. The Auditor-General has asked auditors to ensure that the audit hours included in their proposals reflect the time that is required to complete a quality public sector audit efficiently, and that the fees proposed are reasonable.

Your Risk and Assurance Committee and I have the opportunity to reach agreement first and recommend those fees for approval. The Auditor-General, with assistance from the OAG, will set audit fees directly only if we fail to reach agreement.

There is much that the Council can itself do to ensure the efficiency and effectiveness of the audit. This includes being well prepared for audit, having good systems and controls, and ensuring staff are available to assist the auditors as they carry out their audit work.

Our proposed audit fees are set out in this letter and include an estimate of the reasonable cost of disbursements (including travel and accommodation where necessary).

3 Entities covered by this proposal

This proposal covers the audit of Matamata-Piako District Council.

A separate engagement letter and fee proposal will be provided for the Debenture Trust Deed audit.

4 Key members of the audit team

| | |
|-------------------|---------------|
| Appointed Auditor | René van Zyl |
| Audit Manager | Penica Cortez |
| Assistant Manager | Bernard Lee |

In accordance with normal professional practice, the key members of the audit team named in this proposal are subject to change. For example, a change made to comply with the Auditor-General’s independence requirements.

5 Estimated audit hours

We have prepared a one-year fee budget with the budgeted fees for the two outer years of this proposal to be prepared and negotiated with you following completion of the 2026 audit.



We estimate that the following hours will be required to carry out this year’s audit (compared to the budgeted and actual data from the previous financial year):

| Audit team member | 2025 budget | 2025 actual* | 2026 |
|--------------------------|-------------|--------------|------------|
| Appointed Auditor | 80 | 97 | 80 |
| Audit Manager | 115 | 142 | 120 |
| Audit Staff | 765 | 914 | 748 |
| Information Systems | 29 | 42 | 40 |
| Tax Specialists | 2 | 0 | 2 |
| Other specialists | 7 | 0 | 8 |
| Total audit hours | 998 | 1,195 | 998 |

***Note** – actual hours have been adjusted to eliminate any hours that were due to auditor inefficiencies. The actual hours that remain are the reasonable hours that were attributable to the audit in that year.

2025 actual hours were higher than the 2025 budget mainly due to the following:

- Additional hours spent due to the quality of the supporting information obtained for property, plant and equipment;
- Additional hours spent on technical consultation relating to the limitation of scope qualification of property, plant and equipment – current year additions and work-in progress transferred into assets and material prior period error relating to vested assets;
- Additional hours spent on Property Plant and Equipment (PPE) revaluations;
- Hours spent on the material prior period error relating to vested assets;
- Additional hours spent on items relating to the statement of service performance; and
- Additional hours spent resolving issues identified in relation to payroll, bank reconciliation, trial balance and the expenditure listing.

The total number of hours allocated for the current period remains consistent with the previous year. However, there has been a reallocation of hours among the different audit team member categories. This adjustment has been made to better reflect the actual hours required.



6 Proposed audit fees

Our proposed fees for this year’s audit (compared to budgeted and actual data from the previous financial year) is:

| Structure of audit fees | 2025 budget fees \$ | 2025 actual fees charged (*) \$ | 2026 \$ |
|---|------------------------|------------------------------------|----------------|
| Net audit fee (excluding OAG ASQS charge and disbursements) | 219,839 | 252,819 | 232,198 |
| OAG ASQS charge | 20,728 | 20,728 | 20,718 |
| Total audit fee (excluding disbursements) | 240,567 | 273,547 | 252,916 |
| Disbursements (estimated/actual) | 10,000 | 17,132 | 10,000 |
| Total billable audit fees including ASQS and disbursements | 250,567 | 290,679 | 262,916 |

The audit fees allow for the audit team to carry out specific tasks identified in the OAG Sector Brief and for the OAG Audit Standards and Quality Support fees.

We have also estimated the reasonable cost of disbursements (including travel and accommodation where necessary). Disbursement costs are indicative only and will be charged on an actual and reasonable basis.

6.1 Reasons for changes in audit fees

There are no proposed changes to the audit hours. However, there is a change to the audit cost. The reason for the changes are shown in the table below.

| Reasons for increased or decreased audit fees compared to previous period budgeted fees | 2026 \$ |
|---|---------------|
| Predicted staff salary cost movements (3% increase) | 6,595 |
| Effect of change in staff mix | 5,754 |
| Total increase in audit fees | 12,349 |

Assumptions relating to our audit fee

You are responsible for the production of your financial statements and anything else that must be audited. Our proposed audit fees are based on the assumption that:



- you will provide to us, in accordance with the agreed timetable, the complete information required by us to conduct the audit;
- your staff will provide us with an appropriate level of assistance;
- your organisation’s annual report (including financial statements and statements of service performance) will be subject to appropriate levels of quality review by you before being submitted to us for audit;
- your organisation’s financial statements will include all relevant disclosures;
- we will review up to two sets of draft annual reports, one printer’s proof copy of the annual report, and one copy of the electronic version of the annual report (for publication on your website);
- there are no significant changes to the structure and/or scale of operations of the entities covered by this proposal (other than as already advised to us);
- there are no significant changes to the accounting standards or the financial reporting framework that require additional work;
- there are no significant changes to auditing standards that require additional work other than items specifically identified in the tables above; and
- there are no significant changes to the agreed audit arrangements that change the scope of, timing of, or disbursements related to, this audit.

Our fee specifically excludes the following:

- Costs associated with the audit of a revaluation of property, plant and equipment.
- Costs associated with review and/or audit of greenhouse gas emissions or climate change disclosures contained in audited information.
- Costs associated with the impact of changes resulting from the Government’s Local Water Done Well programme.
- Changes to the annual report or financial statements resulting from regulatory or legislative changes.
- Costs associated with the review of the PPE opening balances with the view of lifting the audit opinion qualification.

If the scope and/or amount of work changes significantly, we will discuss the issues and any implications for our audit costs and your audit fees with you and the OAG at the time.



7 What the OAG ASQS fees provides

Parliament has indicated that it expects the cost of annual audits under the Public Audit Act (including an OAG ASQS fees) to be funded by public entities.

The OAG ASQS fees partially fund a range of work that supports auditors and entities, including:

- development and maintenance of auditing standards;
- technical support for auditors on specific accounting and auditing issues;
- ongoing auditor training on specific public sector issues;
- preparation of sector briefs to ensure a consistent approach to annual audits;
- development and maintenance of strategic audit plans; and
- carrying out quality assurance reviews of all auditors, and their audits and staff on a regular (generally, three-year) cycle.

Appointed Auditors are required to return the OAG ASQS fees portion of the total audit fee, to the OAG.

8 Certifications required by the Auditor-General

We certify that:

- the undertakings, methodology, and quality control procedures that we have declared to the OAG continue to apply;
- our professional indemnity insurance policy covers this engagement; and
- the audit will be conducted in accordance with the terms and conditions of engagement set out in the audit engagement agreement and schedules.

9 Conclusion

As the Appointed Auditor, I am committed to providing you and the Auditor-General with the highest level of professional service. I intend to work with you, the OAG, and the Auditor-General in a partnership environment to resolve any issues that may arise.

If you require any further information, please do not hesitate to contact me.

Please counter-sign this letter (below) to confirm that you, and the governing body of your organisation, agree with its contents. This letter will then form the basis for a recommendation to the Auditor-General on the audit fee that should be set. The schedules of audit hours and fees will also be incorporated into my audit engagement agreement with



the Auditor-General to carry out the audit of your organisation as the agent of the Auditor-General.

Nāku noa, nā

René van Zyl
Appointed Auditor
Audit New Zealand

I accept the audit fees for the financial year ending 30 June 2026 as stated above.

Full name: Ash Tanner Position: Mayor
Authorised signature:  Date: 24/02/2026
Entity name: Matamata-Piako District Council

Actions to take when agreement has been reached:

- 1 Make a copy of this signed proposal and keep it for your file.
- 2 Send the original to: René van Zyl
Audit New Zealand
P O Box 1156
Auckland 1140



Item 8.5

Attachment B

8 Ngā Pūrongo Whakamārama | Information Reports

8.6 Annual Plan 2026/27

CM No.: 3176072

Te Kaupapa | Purpose

The purpose of this report is to seek the Committee's oversight of the following aspects of the Annual Plan 2026/27 process:

- Review of the Annual Plan 2026/27 document and provide any feedback
- Review and approve the assessment of the Annual Plan's legislative compliance

Rāpopotonga Matua | Executive Summary

Council is required to produce an Annual Plan each year with the exception of the years when a Long Term Plan (LTP) is produced. The Annual Plan is Council's budget for the financial year 1 July to 30 June. The Annual Plan 2026/27 represents year 3 of the 2024-34 LTP.

The Annual Plan 2026/27 document is circulated separately.

An assessment of the Annual Plan 2026/27 against relevant legislative requirements has been undertaken and confirms that the Annual Plan is compliant. The assessment is included in the body of the report below.

Tūtohunga | Recommendation

That:

1. **The report be received.**
2. **The Committee provide any feedback on the Annual Plan 2026/27 [feedback to be specified].**
3. **The Committee approve the assessment of legislative compliance undertaken for the Annual Plan 2026/27.**

Horopaki | Background

Annual Plan Timeline

Key milestones in the development of the Annual Plan 2026/27 are outlined below:

| Date | Meeting | Topic | Decision |
|-----------------------------|--------------------|--|---------------------------------------|
| November 2025-February 2026 | Council Workshops | Key issues and budget options Draft budgets, variances to LTP | Discussion and direction setting only |
| 9 December 2025 | Risk and Assurance | Key Risks, Issues and Timeline | Oversight and review only |
| 11 February 2026 | Council Meeting | Decision on preliminary budgets and consultation | Consultation not required |
| 16 June 2026 | Risk and Assurance | Review of Annual Plan document, assessment of legislative compliance | |

| Date | Meeting | Topic | Decision |
|--------------|-----------------|---|----------|
| 24 June 2026 | Council Meeting | Adoption of Annual Plan Setting of the rates | |
| 1 July 2026 | | Annual Plan 2026/27 in force | |

Ngā Take/Kōrerorero | Issues/Discussion

At the Council meeting in February 2026, Council approved the preliminary Draft Annual Plan budget for 2026/27.

Following review of the Significance and Materiality Assessment, Council also confirmed there were no significant or material differences from year three of the LTP 2024-34, and that therefore no formal consultation was required, and that instead an information campaign would be developed to keep the community informed.

Next steps

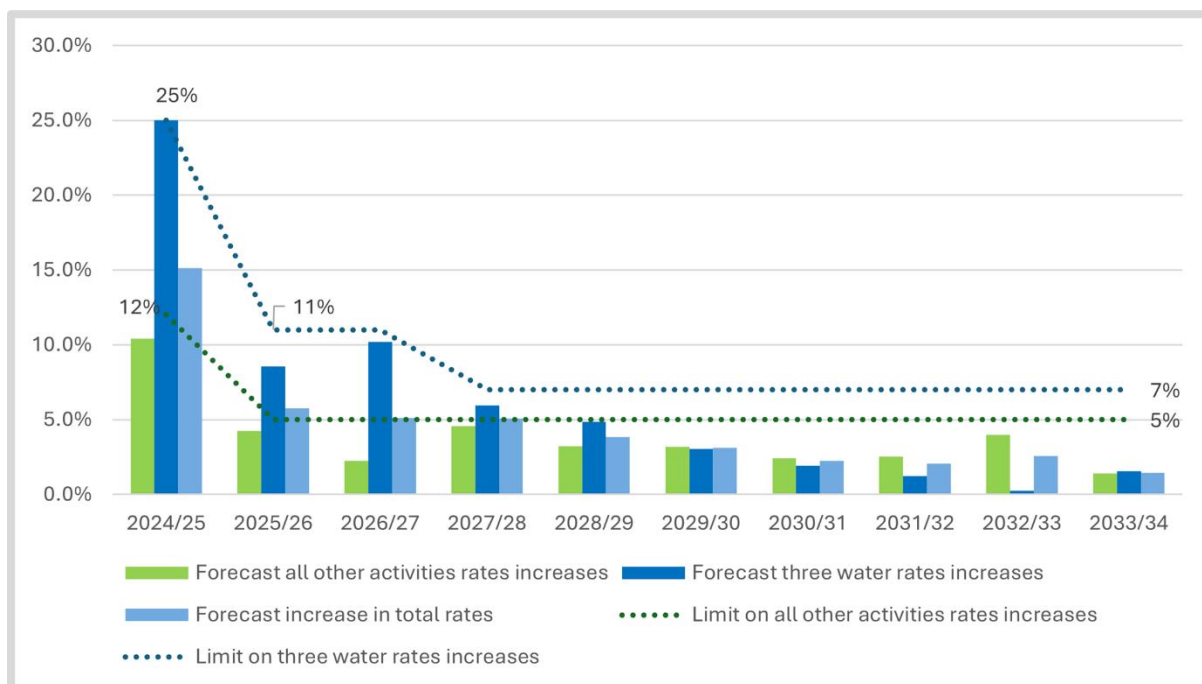
- 1) Annual Plan adoption - The Annual Plan will be brought to the 24 June 2026 Council meeting for adoption. And will come into force from 1 July 2026.
- 2) Information campaign – Initial communications around the Annual Plan was included with the recent Fees and Charges consultation. Additional communications are currently being developed and will be discussed at the workshop.

Forecast rate increase for year 3 of the LTP

In the LTP 2024-34, Council forecast a total rate increase for 2026/27 of 5.1%.

The graph below, from the LTP, shows the forecast rate increases and limits for total rates, three water related rates, and rates for all other activities over the ten year period.

Graph: Long Term Plan 2024-34 Forecast Rates and Limits



Draft Annual Plan 2026/27 rate increase

The following table outlines the budget figures for the Annual Plan 2026/27 and details the forecasts and limits from year three of the LTP.

Graph: Draft Annual Plan 2026/27 rates compared to Long Term Plan forecasts and limits

| | Annual Plan 26/27 | LTP Forecast year 3 | LTP Limit year 3 |
|----------------------|-------------------|---------------------|------------------|
| Total rates | 5.92% | 5.1% | - |
| Waters rates | 11% | 10% | 11% |
| Other activity rates | 3.4% | 2% | 5% |

As detailed in the table above, the Annual Plan budget has a total rate increase of 5.92%, which is slightly ahead of forecast. The Annual Plan rates for Water and other activities are also slightly ahead of forecast compared to year 3 of the LTP, but within the limits set.

Transition of Water and Wastewater Services to Waikato Waters Ltd

On 1 October 2026, Council's water and wastewater services will be transferred to Waikato Waters Ltd. Stormwater services will be retained in-house.

This has several policy, budgetary and administrative implications for the Annual Plan 2026/27 including:

- Projects in the Annual Plan for Water and Wastewater necessarily reflect those outlined in both the LTP and the Water Services Delivery Plan (largely aligned);
- It is a legislative requirement for Council to deliver on its Water Services Delivery Plan;
- Water and Wastewater projects will continue to be delivered, as outlined in the Annual Plan, after the 1 October transfer date;
- For the 2026/27 financial year, Council will continue to collect rates, fees and charges and development contributions in respect of the Water and Wastewater activities, and will, from 1 October 2026, pass these funds to Waikato Waters Ltd;
- The Shareholders Agreement, Transfer Agreement and other documentation set out the way that responsibilities for delivering, administering and charging for Water and Wastewater services will be managed during a transition period (1 October 2026 – 31 June 2027), and beyond;
- The Annual Plan budget and financial statements contain staff's best estimates, (based on the information available at this time) of the impact of the transition to Waikato Waters Ltd (WWL), including revenue, expenses, assets and liabilities. Noting however there are a number of significant moving parts to the equation (e.g. final assets and debt amounts to be transferred are still to be confirmed and agreed with WWL, post completion service agreements (for services that Council will provide on WWL's behalf during 2026/27) have yet to be fully developed, costed or agreed with WWL, and staff transfers to WWL are yet to be finalised. There is an unavoidable risk that our estimates may differ materially to the final outcome of the transition. Once the financial outcome of the transition is more concrete (which will be after the adoption of this Annual Plan), staff will report a re-forecasted position to Council (if significant).
- Council's accounting policies have been updated to reflect the transfer of water and wastewater services to Waikato Waters Limited on 1 October 2026. New policies have been added for Council's interest in WWL (recognised as an intangible asset under PBE IPSAS 31, measured at cost being the carrying amount of the net water operations transferred, with an indefinite useful life and annual impairment testing), the Local Government Funding Agency financial guarantee for WWL's borrowings, discontinued operations under PBE IFRS 5, and revenue collected as agent for WWL during the transitional period.

Existing policies for infrastructure assets, depreciation, revaluations, borrowings, receivables, employee entitlements, development contributions, and vested assets have been amended to remove water and wastewater references from 1 October 2026. The critical estimates and judgments sections have been updated to address the classification of water services as a discontinued operation, the gain or loss on transfer, and the nature of Council's interest in WWL — specifically, the assessment that WWL's Stage 2 Shares do not meet the definition of an equity instrument under PBE IPSAS 28 (as they carry no dividend rights, cannot be transferred, and do not evidence a traditional residual interest in net assets), and are therefore recognised as an intangible asset rather than a financial instrument. This treatment is consistent with independent accounting advice obtained by the Waikato Water Done Well group of councils from KPMG in August 2025.

- The requirement under the Local Government Act 2002 to undertake an LTP amendment if there is a change to the ownership or control of a strategic asset has been amended so that changes to the ownership of waters assets does not trigger this requirement;
- Several policies related to the LTP and Annual Plan, such as the Revenue and Financing Policy and Significance and Engagement Policy are being reviewed and updated as required.

Annual Plan 2026/27 communications approach

The plan is to take a simple “looking back / looking ahead” approach, consistent with previous Annual Plan communications.

Looking back: We will provide a brief update on progress over the past 12-17 months (from Jan 2025), including delivery of core services and key projects.

Looking ahead: We will outline what is planned for the coming year, including continuation of services and any key projects or changes.

What it means for you

We will clearly explain:

- information on the rates increase
- how rates changes are experienced by different property types
- why some properties, including commercial, may see different impacts
- practical examples to help people understand their situation

Channels and delivery

Information will be shared through a mix of channels, including:

- Council website (primary source of information)
- Council in Focus and other local media
- Social media, Antenno and e-newsletters

Assessment of Legislative Compliance

The table below assesses the Annual Plan 2026/27 against compliance with the Local Government Act 2002 and the Financial Reporting Requirements.

Are you satisfied that the draft Annual Plan 2026/27...

Completed by Policy, Partnerships & Governance Manager:

| Are you satisfied that the draft Annual Plan 2026/27... | | |
|--|-----|---|
| the rates resolution? | | |
| Provides for integrated decision making and co-ordination of resources? | Yes | Development of the Annual Plan allows Council to consider current key issues and options, thus providing up to date, integrated decision making and coordination of resources. |
| Contributes to the accountability to the community? | Yes | The Annual Plan provides accountability to the community by providing updates for key projects, and explanations of budget variances. |
| Contains appropriate references to the LTP whilst minimising duplication? | Yes | Section 2 provides brief overview information for each activity group, and updates to key projects. |
| Will be made publicly available within one month of adoption? | Yes | The Annual Plan will be made publicly available on our website from 1 July 2026, and a communication campaign undertaken to inform the community. |
| Completed by Finance and Business Services Manager: | | |
| Was prepared in accordance with the principles and procedures that apply to the preparation of the financial statements and funding impact statement in the Long Term Plan? | Yes | The forecast financial statements were prepared in accordance with Financial Reporting Standard 42 Prospective Financial Statements (PBE), and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). Disclosure thereof has been made in the statement of accounting policies. |
| Contains: <ul style="list-style-type: none"> The annual budget Forecast financial statements for the current and previous year Identifies any variation from the LTP and Is presented in a way that allows the public to compare the information | Yes | All required financial information is presented in an acceptable way, including required comparatives and explanations of significant variances to the LTP for 2026/27. |
| Includes a funding impact statement which identifies: <ul style="list-style-type: none"> The sources of funding The amount of funds expected to be produced from each source How the funds are to be applied | Yes | The funding impact statements are presented as prescribed by Local Government (Financial Reporting and Prudence) Regulations 2014) |
| If the sources of funding include a | Yes | The 'Calculation of Rates" section states the |

| Are you satisfied that the draft Annual Plan 2026/27... | | |
|--|-------------------|--|
| <p>general rate, the funding impact statement</p> <ul style="list-style-type: none"> Includes particulars of the valuation system on which the general rate is to be assessed States whether a uniform annual general charge is to be included, how it is calculated and a definition of a separately used or inhabited part of a rating unit, if applicable States whether the general rate is to be set differentially, and if so the categories of rateable land to be used, the objectives of the differential rate in terms of the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land in each category? | | <p>following:</p> <p>General rate is assessed on capital value</p> <p>Uniform Annual General Charge is calculated per rating unit</p> <p>Does not use rate differentials for general rates.</p> |
| <p>If the sources of funding include a targeted rate, the funding impact statement:</p> <ul style="list-style-type: none"> Specifies the activities or groups of activities for which the targeted rate is to be set Includes particulars of the category, or categories, of rateable land to be used For each category states how liability for the targeted rate is to be calculated Defines a separately used or inhabited part of a rating unit, if applicable If the targeted rate is set differentially, states the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land in each category States whether lump sum contributions will be invited in respect of the targeted rate If the sources of funding include a general or targeted rate, the funding impact statement | <p>Yes</p> | <p>In the ‘Calculation of Rates’ section, for each targeted rate:</p> <p>The activity is specified, and notes for Water and Wastewater that these rates will be collected on behalf of WWL from 1 October 2026.</p> <p>The category is specified.</p> <p>How the targeted rate is to be calculated is specified.</p> <p>Separately used or inhabited part is defined for Kerbside Collection and Water.</p> <p>Differentiates between connected and available services for Water and Wastewater, and includes a scale of charges for non-residential wastewater connections based on the number of pans.</p> <p>Lump sum contributions are not included.</p> |

| Are you satisfied that the draft Annual Plan 2026/27... | | |
|--|-----|--|
| includes examples of the impact of the rating proposals on the rates assessed on different categories of rateable land with a range of property values | | The rates impact on a range of indicator properties is included. |
| Includes the projected number, total capital value and total land value of rating units within the district at the end of the preceding financial year? | Yes | This is included towards the front of the Annual Plan document in the “Annual Plan Guide” section under the heading “To Rohe Your District”. |
| Identifies for each reserve fund: <ul style="list-style-type: none"> • The purpose of the fund • The activities to which the fund relates • The amount expected to be in the fund at the commencement and end of the year • The amount expected to be deposited and withdrawn during that year | Yes | This information is included in the “Reserve Funds” section in part 3 of the document. |

Mōrearea | Risk

The key risks for the development of the Annual Plan 2026/27, and the measures in place to mitigate these risks, were presented to the Risk and Assurance Committee at its meeting in December 2025.

The following risks have been identified:

- Estimates of the impact of the transition to WWL could differ materially to the final outcome of the transition, and final accounting policies as a result of the transition may change following review by the Audit Office through the 30 June 2026 Annual Report audit process or subsequent audit processes.
- The Executive Team are currently consulting on a proposal to restructure the organisation. If confirmed, some aspects of the organisation structure review would occur in the 2026/27 year. The budget does not reflect any potential costs or savings as a result of the proposal at this time.
- Project timing and cost – there is always some risk as to whether projects are able to be completed as scheduled.
- Revenue - Overall revenue could be less than budgeted.
- Inflation – Inflation could be higher than expected, particularly affecting contract costs and the valuation and depreciation costs of infrastructure assets.
- Interest rates – There is a risk that rates could shift more than is forecast.
- Growth - Economic and other factors may result in growth being less than has been estimated.
- Legislative change - There could be legislative changes over the coming year that have an impact on Council’s budgets that have not been accounted for.

- If significance and materiality are not correctly assessed there is a risk of Council not fulfilling its legislative obligations to consult.

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

See Assessment of Legislative Compliance above.

Annual Plan consultation requirements of the Local Government Act 2002

Section 95 of the Local Government Act 2002 states that councils must prepare and adopt an annual plan for each financial year. It includes the requirement, to consult in a manner that gives effect to the requirements of section 82, the principles of consultation, before adopting an Annual Plan.

In 2014, the Local Government Act 2002 was changed to not requiring consultation unless the Annual Plan includes significant or material differences from the content of the LTP for that financial year. This is to be determined by reference to Council's [Significance and engagement policy](#). These amendments were designed to streamline consultation to make it more useful, practical and effective, and to introduce more flexibility and discretion for Councils.





The purpose of the Annual Plan was amended to reflect the legislative changes. It is a document which identifies variance from the LTP and provides a statutory link between the LTP and the annual setting of rates.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

The Annual Plan will be made publicly available on our website, and an information campaign will take place.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council's Community Outcomes are set out below:

| MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE | | MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION | |
|--|---|---|---|
| TŌ MĀTOU WHAKAKITENGA OUR VISION | | | |
| Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. 'The heart of our community is our people, and the people are the heart of our community.' | | | |
| TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES) | | | |
|  |  |  |  |
| He wāhi kaingākau ki te manawa A place with people at its heart | He wāhi puawaitanga A place to thrive | He wāhi e poipoi ai tō tātou taiao A place that embraces our environment | He wāhi whakapapa, he wāhi hangahanga A place to belong and create |

All of the community outcomes are relevant to this report.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source
The development of the Annual Plan is budgeted within the Strategy and Plans activity.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

| | | |
|-------------|---|--|
| Author(s) | Niall Baker Kaiārahi Tīma Kaupapahere Policy Team Leader | |
| | Larnia Rushbrooke Pou Pūtea, Ratonga Pakihi Finance & Business Services Manager | |
| Approved by | Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager | |
| | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |

8 Ngā Pūrongo Whakamārama | Information Reports

8.7 Project Management Report

CM No.: 3173004

Te Kaupapa | Purpose

The purpose of this report is to provide the Risk & Assurance Committee with an overview of the current delivery performance and key risks across the Council's project and programmes, including both Water & Wastewater and broader infrastructure activities to support governance oversight and understanding of delivery risk and assurance.

Rāpopotonga Matua | Executive Summary

This report presents the current delivery performance and risk position across two key portfolios and currently operate across two distinct risk environments:

- Water & Wastewater
- Parks, Community Facilities, Roading, Waste, and Stormwater (broader infrastructure activities)

The Water & Wastewater activities present a higher level of delivery risk and are assessed as RED. Delivery confidence has increased slightly to approximately 63%, reflecting ongoing progress across the portfolio, while the delivery environment remains complex and less predictable than other areas. Performance continues to be shaped by external factors, including regulatory and consent dependencies, projects on hold or delayed pending the transition to Waikato Waters, and uncertainty in scope, funding, and timing for several key initiatives. Major projects such as the Matamata Wastewater Treatment Plant upgrade, Wastewater Reconsenting, and strategic programmes continue to require close oversight and careful sequencing.

The Parks, Buildings, Community Facilities, Roading, Waste, and Stormwater portfolio is assessed as AMBER, with delivery confidence at approximately 74%. The majority of programmes and projects are continuing to progress, with current performance influenced by internal factors including capacity limitations, ambitious initiation and planning assumptions, procurement delays, and ongoing decision dependencies. A number of more complex projects, including the Matamata Playground, Morrinsville RTS Upgrade, and RSA Wall, continue to affect overall delivery performance and require active management.

Across all activities there are consistent systemic risk themes impacting delivery performance. These include:

- misalignment between planned targets and delivery readiness
- resource constraints within the project management function
- procurement and approval delays
- gaps in front end planning discipline.

These risks are largely structural in nature rather than project specific and continue to place pressure on delivery performance across the organisation.

Despite these constraints, delivery momentum has been maintained, and the teams continue to progress committed works, manage compliance priorities, and adjust sequencing in response to changing conditions.

Overall, the risk profile is considered consistent with the complexity and operating environment of the portfolios. Delivery performance is being influenced more by structural factors and external dependencies than by execution capability alone. Continued focus is needed on aligning planning, prioritisation, and resource capacity with realistic delivery expectations, alongside managing external dependencies within the Water & Wastewater portfolio.

Tūtohunga | Recommendation

That:

1. The information be received.

Horopaki | Background

This report builds on previous reporting to the Risk & Assurance Committee regarding project and programme delivery and associated risks across Council's capital portfolios.

The Council's project portfolio spans a wide range of asset classes and includes both internally delivered infrastructure projects and those subject to external regulatory and organisational dependencies.

At present, project and programme delivery and risk reporting is supported by a combination of project-level status updates and risk registers, maintained through manual processes to ensure continuity and visibility. Project & Programme Reporting includes assessment against delivery targets, budget allocation, progress against milestones, and confidence ratings to support effective governance oversight. While this approach has provided useful transparency in the short term, it is resource intensive and would benefit over time from a more integrated management approach, including project management tools and reporting systems, to improve efficiency, consistency, and sustainability.

Since previous reporting, delivery performance has continued to evolve across both portfolios. The broader infrastructure portfolio (Parks, Community Facilities, Roding, Waste, and Stormwater) continues to make progress, while also working through capacity constraints, procurement timelines, and planning assumptions.

The Water & Wastewater portfolio continues to operate within a complex and evolving environment, influenced by regulatory requirements, consent dependencies, and the ongoing transition to Waikato Waters. These factors continue to affect delivery sequencing, scope, and timing for a number of key projects and programmes.

Supporting reports, including Targets vs Actuals and portfolio-level summaries, provide detailed evidence of delivery performance, confidence levels, and key risk drivers. These indicate that progress is being made across a significant number of programmes and projects, while overall delivery performance continues to be influenced by systemic organisational factors and external dependencies rather than execution capability alone.

This report consolidates that information into a governance-level view to support the Committee in understanding current delivery performance, key risks, and the overall assurance position across the portfolios.

Ngā Tāpiritanga | Attachments

A↓. Risk & Assurance Project & Programs Summary as at April 26 Remaining with MPDC



B↓. Project & Programme Reporting Summary April 26 Remaining with MPDC



C↓. Targets vs Actuals Remaining April 26



D↓. Risk & Assurance Project & Program Water Wastewater as at end April 26



E↓. Project & Programme Reporting Summary Water Wastewater April 26



F↓. Targets vs Actuals Water & Wastewater April 26



Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Rachel Norman Kaiārahi Kaupapa Project Lead | |
|-----------|---|--|

| | | |
|-------------|--|--|
| Approved by | Susanne Kampshof Pou Rawa me ngā Kaupapa Assets and Projects Manager | |
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| | | |
|--|--|--|
| | Fiona Vessey Hautū Hanganga Rawa me ngā Whakahaere Group Manager Infrastructure, Assets & Operations | |
|--|--|--|

Projects & Program: Parks, Building, Facilities, Pools, Spas, Roothing, Waste Management, Stormwater Risk & Assurance Summary as at End of April 26

Key Takeaway:

Delivery performance is increasingly constrained by internal planning discipline, capacity limits, and unrealistic initiation assumptions. Stronger prioritisation and alignment of workload to delivery capability is required for the future, current targets will be unachievable as set in July 25.

Delivery Performance Context

Delivery performance should be considered in the context of a developing organisational maturity in project and risk management, alongside the absence of integrated tools and reliance on manual processes.

Delivery capability within the project management function is also still maturing, with many individuals building experience across these disciplines.

Within this environment, the team has maintained delivery momentum and reporting discipline, which reflects strong commitment, resilience and adaptability.

Current performance constraints are therefore assessed as primarily systemic and maturity-related, rather than solely driven by individual capability.

Overall Assurance Rating: ● **AMBER (Pressured but Controllable)**

Delivery Confidence

- 74% confidence to meet 100% FY targets (↓ from 81%)
- Decline reflects increasing strain on delivery system, indicating growing misalignment between plan and delivery capacity, not reduced effort

Key Risk Themes (Top 3)

1. Unrealistic Initiation & Planning Assumptions – **HIGH RISK**
 - Projects commenced without business case validation or strategic planning
 - Resulting in rework, delays, and scope uncertainty
2. Capacity Constraints – **HIGH RISK**
 - PM workload saturation across complex programmes
 - Competing priorities and reactive work impacting delivery
3. Decision & Procurement Delays – **HIGH RISK**
 - Projects stalled in investigation or approval stages
 - Procurement timelines underestimated

Areas of Highest Concern (Material Delivery Risk)

- Destination Playgrounds (complex + delayed)
- Morrinsville RTS Upgrade (unrealistic timeframe)
- Stormwater Districtwide initiatives (decision-dependent)
- Morrinsville Recreation Ground Masterplan (governance delays)
- RSA Wall (scope escalation >\$1m)

Control Effectiveness (Assurance View)

| Risk Area | Control | Effectiveness | Gap |
|--------------------------|---------------------|---------------|---------------------------------------|
| Front end planning | Business Cases | ◆ Weak | Projects initiated without validation |
| Portfolio Prioritisation | Governance | ◆ Partial | Not consistently enforced |
| Resource Allocation | PM assignment | ◆ Constrained | Capacity exceeded |
| Budget controls | Financial processes | ◆ Partial | Delays in allocation |

Projects & Program: Parks, Building, Facilities, Pools, Spas, Roding, Waste Management, Stormwater Risk & Assurance Summary as at End of April 26

Systemic Assurance Issues

- Delivery system operating beyond sustainable capacity
- Persistent gap between planned vs achievable workload
- Front-end governance (initiation discipline) is weak
- Performance issues are structural, not project-specific

Management Response (Adequacy)

- Actions identified: ◆ Yes
- Actions underway: ◆ Yes
- Residual risk: ◆ Moderate –High

Key actions underway:

- Active reprioritisation and resequencing
- Focus on externally funded (BOF) deadlines
- Preparation for carry-forward funding decisions

Matters for Risk & Assurance Committee

The Committee is requested to:

- Note the increasing misalignment between planned workload and delivery capacity
- Acknowledge that current targets are not fully aligned with realistic delivery capability
- Support strengthened prioritisation and sequencing aligned to capacity and risk
- Endorse improved front-end planning and business case discipline for future programmes

Project and Program Reporting April 2026

Summary: Parks, Building, Facilities, Pools, Spas, Roding, Waste Management, Stormwater

Overall Position

Delivery momentum across the portfolio has slightly decreased since March, with overall estimated completion vs targets sitting at 74% against a 100% target. Considerable progress is still achievable, but delivery is increasingly threatened by a ripple effect from unplanned/reactive projects and prior delays in decision making, unclear scope and procurement leading to a high volume of work that is now materially straining our resources.

While current status reflects the challenge of capacity and readiness constraints rather than an execution failure at delivery level, the team's performance remains a key success factor. Given that the majority of these initiatives launched without formal business case validation or strategic pre-planning, the team's ability to ensure delivery continuity in such a demanding environment represents a significant operational achievement.

Externally funded projects (BOF) remain a critical priority given the 30 June funding deadline, and continued executive oversight is required to ensure focus is maintained on those with no tolerance for slippage.

Programme and Project Performance

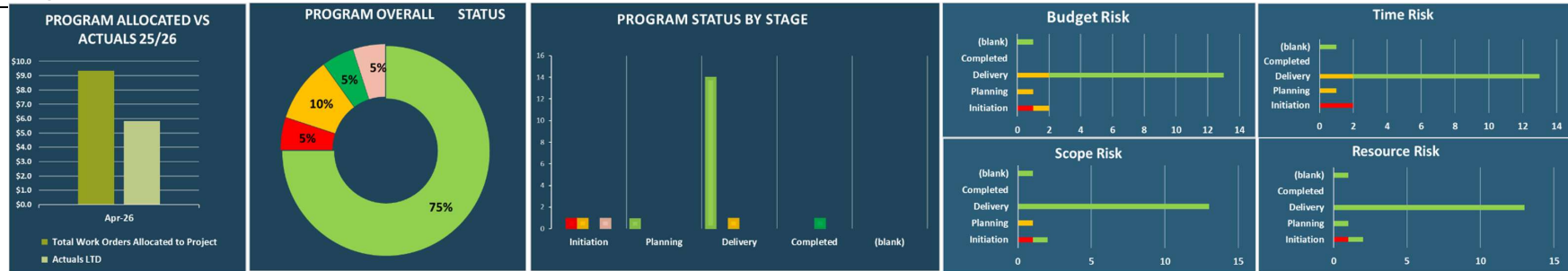
Most programmes and projects continue to progress steadily and remain high confidence to achieve targets.

Complex capital projects and multi-year initiatives continue to underperform against original targets. This is not a result of decreased output, but rather:

- Over-optimistic initiation and scoping assumptions
- Procurement and market timing constraints
- Projects remaining in investigation or decision phases longer than planned.
- Competing demands on a constrained project management team

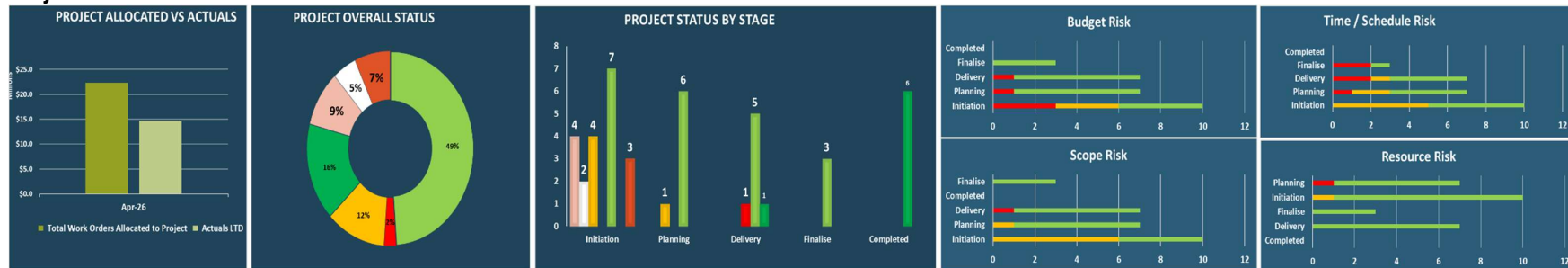
As a result, several projects are now showing persistent drag on delivery confidence, particularly in:

- Destination Playgrounds (Matamata)
- Morrinsville RTS Upgrade
- Stormwater Districtwide initiatives
- Te Aroha Domain and Office-related upgrades
- Morrinsville Recreation Ground Masterplan
- Morrinsville RSA Wall



- Majority of programs are on track (ACHIEVABLE), with 80% of activity in the Delivery stage.
- A small number of key programs are ACTION REQUIRED (1) and AT RISK (2), due to scoping delays, capacity constraints, or budget allocation issues.

Projects



- Project delivery is tracking well overall, with momentum across completed and funded work, while a small number of complex projects are lagging due to scope, procurement, and decision timing.

Confidence to Meet 100% Targets set in July 25: 74%, slight decrease from 81% in March.

Confidence to meet the 100% targets set in July 2025 has declined, with an increasing proportion of activity now sitting in medium and low confidence categories.

- High confidence projects continue to close out where they are in final delivery or finalisation stages.
- Medium confidence projects typically have work underway but remain subject to decisions or budget confirmation requirements.
- Low confidence projects all share common characteristics: unresolved scope, council decision dependencies, or unrealistic timeframes relative to available capacity.

Underspends and unallocated budgets across several programmes are increasingly a symptom of delayed starts. To maintain delivery continuity and meet project objectives, a carry-forward of these funds will be required to ensure the successful delivery of these committed initiatives into the next financial year.

Key Risks (Evolving)

Observations from March remain valid, as the anticipated risks are now evident in performance and delivery metrics.

- **Timeframes – High Risk**
Initiation and procurement durations continue to be underestimated, compressing delivery windows and creating compounding pressure across the portfolio.
- **Scope – High Risk**
A considerable proportion of projects remain in initiation or investigation phases while still being measured against delivery targets.
- **Budget – High Risk**
Progress is increasingly contingent upon budget finalisation and carry-forward decisions for unallocated capital, unplanned/reactive works.
- **Resources – Sustained Pressure**
PM workload saturation, particularly across complex and politically sensitive projects, is constraining delivery.

Forward Focus

To stabilise delivery and improve confidence ahead of year-end, the following executive and management actions are critical:

- Decisive direction on projects remaining in investigation or scope-definition phases.
- Active reprioritisation and resequencing where original assumptions no longer valid
- Improvements for future targets: must reflect realistic readiness, not intent.

Analysis

| | |
|-----------------|----|
| Target 100% | 35 |
| COMPLETE | 8 |
| High | 18 |
| Medium | 2 |
| Low | 6 |

Completed 8 completed as at end of April.

High Confidence to meet 100% anticipated targets (18)

The programme is on track to meet 26 of the 35 anticipated targets. Overall delivery confidence remains strong for these.

| | | |
|--------|---|---|
| >90% | 6 | In finalization or delivery with physical works underway |
| 50-80% | 9 | Progressing as anticipated |
| 25-50% | 2 | Externally funded Better Off projects with high priority for completion before 30 June 26 |
| <25% | 1 | ID:421 the Internal Carparking Renewals Programme |

Medium Confidence to meet 100% anticipated targets (2)

- **ID:336 & ID: 367 Te Aroha & Matamata Stormwater Modelling 24/27.** 100% of surveying has been done. Sensitivity testing framework continuing
- **ID:410 M365 Implementation:** Delays in SharePoint build due to resource constraints

Low Confidence to meet 100% anticipated target (6)

- **ID:247 Destination Playgrounds - Matamata Domain 24/25:** Complex with partnerships and unanticipated delays procurement, dependent on tender award timing. New estimated completion December 26
- **ID:388 Wall at RSA Morrinsville 24/25:** Complex and unanticipated delays in scope . Total estimated project cost now exceeds \$1m. Report to go to Council on the 27th of May.
- **ID:419 Stormwater Districtwide - Honi St Te Aroha 24/25.** Decision required if works are continuing, if so, additional budget required to be allocated
- **ID:334/2 Morrinsville RTS Upgrade 24/26:** Unrealistic timeframe for resource capacity and procurement requirements, PM assigned in Sept 25. Design progressing for tender specs to be finalized.
- **ID:356 Ashes Walls - provide additional 24/27:** Decision required to proceed to reallocate budget for priority works for major drainage issues at Te Aroha Cemetery.
- **ID:297 Morrinsville Recreation Ground Masterplan 24/27:** unanticipated delays due to engagement and decisions required after council elections and onboarding of councilors

Remaining Targets

| | | | | | | | | | | | |
|------------|---|------------|---|------------|---|------------|---|------------|---|------------|---|
| Target 90% | 1 | Target 80% | 5 | Target 75% | 7 | Target 50% | 4 | Target 25% | 5 | Target 10% | 2 |
| High | 1 | High | 4 | High | 2 | High | 1 | High | 1 | High | 0 |
| Medium | 0 | Medium | 1 | Medium | 0 | Medium | 1 | Medium | 0 | Medium | 0 |
| Low | 0 | Low | 0 | Low | 5 | Low | 1 | Low | 3 | Low | 2 |

High Confidence to meet anticipated targets (9)

Predominantly Renewals programs progressing as anticipated against targets. 3 achieved higher than anticipated targets

Medium Confidence to meet anticipated targets (2)

- **80% Target: ID:390 EPH Program 24/27** No reporting complete
- **50% Target ID:359 Te Aroha Domain Redevelopment 25/26:** Delays due to resource capacity. PM assigned Oct 25. Design underway and heritage engaged. Looking at Domain to benefit future projects not just renewals

Low Confidence to meet anticipated target (11)

- **75% Target ID:382 Te Aroha Office Building Upgrade 24/25:** Delays in scoping, solution sought before problem/objective defined.
- **75% Target ID:302 Building, Parks & Open Spaces Bulk Fund Program 24/27.** Decision required to continue schedule for 25/26 or reallocate budget for unanticipated reactive works.

- **75% Target ID:412** IT Capital Works Program 24/27: Delays in schedule preparation
- **75% Target ID:420** Closed Landfill Improvements Program 25/26: unplanned works, strategic scope investigations continuing. Additional budget will be required to progress once option determined.
- **75% Target ID:416** Te Miro Tree Harvesting 25/27: Unrealistic timeframe now revised to 26/27. Investigations continuing , council decision required.
- **50% Target ID:361** Matamata - Tower Road Parking Bays 25/26: deferred due to dependant on developer
- **25% Target ID:422** Destination Playgrounds - Te Aroha 26/27, scoping only anticipated 25/26. Delays in resource capacity and PM conflicts and capacity.
- **25% Target ID:357** Te Aroha Library - Building Relocation 26/28: Delays due to further investigation required, will be completed by Libraries to do a Business Case for requirements to determine if proceeding to a project.
- **25% Target ID:365** New Resource Recovery Centre 26/28: Delays due to decisions required. We will retain \$100,000 capital in 26/27 to continue with investigations, planning and design, deferring the rest of the capital until 27/28.
- **10% Target ID:423** Matamata Level Crossing 25/26: Unanticipated project, delays in resource capacity and PM busy with Stadium & Matamata Playground
- **10% Target ID:375** Te Aroha Spa Enhancement 26/27: Delays due to decisions required. Requires council workshop to determine scope to proceed.

Continuous Improvement Initiatives for Program and Project Management:

Summary

The Continuous Improvement workstream is currently paused by direction while management review the most effective and scalable approach to strengthening project and portfolio management capability. This includes consideration of off-the-shelf solutions alongside previously proposed internal configurations to ensure the selected approach is fit-for-purpose, cost-effective, and sustainable.

It is proposed that an RFP be undertaken to identify a suitable portfolio management solution once requirements are confirmed. Delivery of this workstream will require dedicated budget provision to support procurement, licensing, configuration, and implementation, with existing practices maintained in the interim.

This initiative was previously included on the SEBS (Smarter, Easier, Better, Safety) priority list but it no longer appears in the current SEBS list on the Intranet. Clarification is required on whether the initiative remains within scope of SEBS funding and prioritisation, or whether it is to be progressed as a departmental investment. Confirmation of this position is required before proceeding further.

Risk Management

Risk management remains a recognised area for improvement. Initial work has been undertaken on risk register structure, categories, and consequences but until these are finalised and implemented by Risk Management, teams will continue to use existing risk registers in the interim.

Further progress is intentionally on hold pending confirmation of the broader portfolio management approach. Once direction is confirmed, work will recommence to:

- Clarify risk ownership and reporting accountability
- Confirm whether risk capture will be project-specific or enterprise-wide
- Determine the most appropriate system and reporting pathways to support consistent risk visibility

Digital Enablement / Portfolio Management Tooling

Progress on the proposed Microsoft 365-based Project and Portfolio Management solution is on hold following management direction to reassess delivery options. A draft business case (including ROI, risk assessment, and operating model) has been developed, however, an RFP will also be prepared to evaluate alternative off-the-shelf PPM solutions alongside Microsoft-based options before proceeding.

This reassessment is intended to:

- Validate the most appropriate tooling for organisational maturity and capacity
- Reduce reliance on bespoke configuration and internal resourcing
- Ensure a scalable single source of truth for programme and project oversight

Operating Model and Future Direction

The proposed operating model focused on governance clarity, prioritisation, delivery assurance, and digital enablement remains conceptually sound. Its implementation pathway will be revisited once tool selection and resourcing decisions are confirmed.

The current approach of applying the Project Management Framework to both initiative identification and delivery has contributed to inefficiencies and blurred accountability. A more structured, staged model is recommended and will be re-established once the enabling platform and delivery model are confirmed, with alignment to the next LTP cycle.

Community Facilities, Property, Waste Management, Roothing, Stormwater Progress VS Targets April 26

| | | |
|-----------------|----|------------|
| Target 100% | 35 | % |
| COMPLETE | 8 | 23% |
| High | 18 | 51% |
| Medium | 2 | 6% |
| Low | 6 | 17% |

74%

| F/Y | Method Of Delivery | Program/Project | Est. Completion | Total Work Orders Allocated to Project | Actuals LTD | Variance | Est. % Completed Progress | Target completion 25/26 | % Progress April 26 VS Target | Confidence to meet Targets 25/26 Financial Year | Capex - Finance Remaining Budget - unallocated to work orders | Comments |
|-------|--------------------|---|-----------------|--|-------------|-----------|---------------------------|-------------------------|-------------------------------|---|--|--|
| 23/24 | Project | ID:381 Closed Landfills Pump Station Upgrade Waihou/Morrinsville Leachate 23/24 | Mar-26 | 426,767 | 400,055 | 26,712 | 99% | 100% | 99% | High | | Purchase orders committals to be cleaned up & capitalised. ID:420 Closed Landfills will be used for remaining works once scope determined |
| | Project | ID:406 Maea Fields Playground 23/24 | Mar-26 | 100,000 | 31,725 | 68,275 | 75% | 100% | 75% | High | | On grounds works anticipated to be completed by end of May 26 |
| 24/25 | Project | ID:226 BOF - Matamata - Enhance Matamata Connectivity 24/25 | Aug-25 | 297,187 | 297,187 | 0 | 100% | 100% | 100% | COMPLETE | | - |
| | Project | ID:242 BOF - Matamata - Matamata/Morrinsville Accessibility Improvements 24/25 | Oct-25 | 1,001,362 | 1,001,362 | 0 | 100% | 100% | 100% | COMPLETE | | - |
| | Project | ID:249 RTS Management & Operations - External to MPDC In-House | Dec-25 | 730,000 | 762,019 | -32,019 | 100% | 100% | 100% | COMPLETE | | - |
| | Project | ID:303 Matamata Domain - New Toilets 24/25 | Oct-25 | 177,780 | 177,780 | 0 | 100% | 100% | 100% | COMPLETE | | - |
| | Project | ID:304 Davies Park - Lockerbie Estate - New Toilets 24/25 | Jan-26 | 177,087 | 177,087 | 0 | 100% | 100% | 100% | COMPLETE | | - |
| | Project | ID:407 Morrinsville Office Building Upgrade 24/25 | Aug-25 | 350,000 | 351,099 | -1,099 | 100% | 100% | 100% | COMPLETE | | - |
| | Project | ID:240 Matamata Sports Stadium 24/25 | Feb-26 | 11,187,000 | 9,878,218 | 1,308,782 | 98% | 100% | 98% | High | | - |
| | Project | ID:396 BOF - Morrinsville - State Highway Crossing near Lorne Street 24/25 | Dec-26 | 150,000 | 109,568 | 40,432 | 99% | 100% | 99% | High | | Physical works complete. Externally funded, physical works must be completed by 30 June |
| | Project | ID:417 Matamata Swimzone Pools Ventilation 24/25 | Jul-26 | 65,775 | 18,833 | 46,942 | 60% | 100% | 60% | High | | Additional budget to be sourced and allocated, potentially come from unallocated capex |
| | Project | ID:247 Destination Playgrounds - Matamata Domain 24/25 | Dec-26 | 1,500,000 | - | 1,500,000 | 25% | 100% | 25% | Low | | - Mayor delays |
| | Project | ID:382 Te Aroha Office Building Upgrade 24/25 | Jun-26 | 450,000 | 107,742 | 342,258 | 20% | 75% | 27% | Low | | - |
| | Project | ID:388 Wall at RSA Morrinsville 24/25 | Apr-26 | - | 29,300 | -29,300 | 28% | 100% | 28% | Low | | Budget to be sourced and allocated, potentially reserve funding - Operational not Capex |
| | Project | ID:419 Stormwater Districtwide - Honi St Te Aroha 24/25 | Jun-26 | 96,000 | 38,320 | 57,680 | 25% | 100% | 25% | Low | | Decision required if proceeding, if approved, budget required |
| | Project | ID:332 Matamata - Tower Road Pedestrian 24/25 | Sept-26 | 50,000 | 5,014 | 44,986 | 0% | 0% | 0% | N/A | | - Reinstated March 26, previously deferred |
| | Project | ID:431 Matamata Railway Fencing 25/26 | Jul-26 | - | - | 0 | 10% | 0% | 0% | | | Better Off Funding reallocated from ID:237 BOF - Matamata Inner Green Route Implementation Hetana St Reserve 25/26. Externally funded, physical works must be completed by 30 June |
| 24/26 | Project | ID:328 Speed Management Plan Implementation 24/26 | Jun-26 | 698,922 | 196,439 | 502,483 | 75% | 100% | 75% | High | | - |
| | Project | ID:334/2 Morrinsville RTS Upgrade 24/26 | Oct-26 | 1,730,900 | 157,573 | 1,573,327 | 30% | 100% | 30% | Low | | - |
| 24/27 | Program - Sch€ | ID:296 Street Furniture Replacement Program 24/27 | Apr-27 | 91,735 | 89,249 | 2,486 | 0% | 100% | 100% | COMPLETE | 10,043 | |
| | Program - Sch€ | ID:294 Building & Housing Renewals Program 24/27 | May-27 | 804,361 | 242,720 | 561,641 | 70% | 80% | 88% | High | 3,603 | |
| | Program - Sch€ | ID:295 District Pools & Spa Plant Renewals Program 24/27 | May-27 | 372,454 | 330,389 | 42,065 | 94% | 90% | 104% | High | 53,762 | |

Item 8.7
Attachment C

| F/Y | Method Of Delivery | Program/Project | Est. Completion | Total Work Orders Allocated to Project | Actuals LTD | Variance | Est. % Completed Progress | Target completion 25/26 | % Progress April 26 VS Target | Confidence to meet Targets 25/26 Financial Year | Remaining Budget - unallocated to work orders | Comments |
|-------|--------------------|--|-----------------|--|-------------|-----------|---------------------------|-------------------------|-------------------------------|---|---|--|
| | | ID:298 Tracks & Track Structures Renewal Program | | | | | | | | | | |
| | Program - Sch€ | ID:298 Tracks & Track Structures Renewal Program 24/27 | May-27 | 20,430 | 3,547 | 16,883 | 60% | 100% | 60% | High | - | Project 399 BOF Spur Street Wetland Walkway has been incorporated under this programme. Externally funded, must be complete by 30 June |
| | Program - Sch€ | ID:299 Playground Renewals Program 24/27 | Mar-27 | 162,000 | 60,917 | 101,083 | 75% | 100% | 75% | High | 55,162 | |
| | | ID:319 Pavement Renewals Program 24/27 - | | | | | | | | | | |
| | Program - Sch€ | ID:319 Pavement Renewals Program 24/27 - Subsidised | May-27 | 3,492,927 | 2,747,895 | 745,032 | 82% | 100% | 82% | High | | |
| | Program - Sch€ | ID:320 Reseals Program 24/27 - Subsidised | Apr-27 | 3,009,408 | 1,541,869 | 1,467,539 | 50% | 100% | 50% | High | | |
| | | ID:321 District-wide Footpaths Program 24/27 - | | | | | | | | | | |
| | Program - Sch€ | ID:321 District-wide Footpaths Program 24/27 - Subsidised | May-27 | 175,061 | 164,804 | 10,257 | 94% | 100% | 94% | High | | |
| | | ID:322 Traffic Services - Streetlight poles, posts, signs | | | | | | | | | | |
| | Program - Sch€ | ID:322 Traffic Services - Streetlight poles, posts, signs Program 24/27 - Subsidised | May-27 | 446,000 | 242,667 | 203,333 | 54% | 100% | 54% | High | | |
| | Program - Sch€ | ID:323 Unsealed Roads Program 24/27 - Subsidised | May-27 | 50,000 | 3,302 | 46,698 | 6% | 80% | 8% | High | | |
| | | ID:324 Drainage Renewals Program 24/27 - | | | | | | | | | | |
| | Program - Sch€ | ID:324 Drainage Renewals Program 24/27 - Subsidised | May-27 | 347,065 | 257,711 | 89,354 | 74% | 80% | 93% | High | - | |
| | | ID:325 Structure Renewals Program 24/27 - | | | | | | | | | | |
| | Program - Sch€ | ID:325 Structure Renewals Program 24/27 - Subsidised | May-27 | 92,333 | 3,100 | 89,233 | 3% | 80% | 4% | High | - | |
| | | ID:326 Local Improvements Program 24/26 - | | | | | | | | | | |
| | Program - Sch€ | ID:326 Local Improvements Program 24/26 - Streetlighting | May-26 | 80,000 | 6,220 | 73,780 | 90% | 75% | 120% | High | | |
| | | ID:327 Safety Improvements Program 24/27 -Roads | | | | | | | | | | |
| | Program - Sch€ | ID:327 Safety Improvements Program 24/27 -Roads to Zero | Apr-27 | 80,000 | 62,735 | 17,265 | 90% | 75% | 120% | High | | |
| | Program - Sch€ | ID:421 Internal Carparking Renewals Program 25/27 | Feb-27 | 79,715 | 68,715 | 11,000 | 10% | 100% | 10% | High | | |
| | | ID:335 Stormwater District Wide - Upgrades, Retic | | | | | | | | | | |
| | Project | ID:335 Stormwater District Wide - Upgrades, Retic Treatment & Renewals 24/27 | Jun-27 | 134,400 | 30,087 | 104,313 | 20% | 25% | 80% | High | 2,649,713 | |
| | Program - Sch€ | ID:390 EPH Program 24/27 | May-27 | - | - | 0 | 63% | 80% | 79% | Medium | | |
| | Project | ID:336 & ID: 367 Te Aroha & Matamata Stormwater Modelling 24/27 | Apr-26 | 124,400 | 3,437 | 120,963 | 45% | 100% | 45% | Medium | 35,000 | |
| | | ID:302 Building, Parks & Open Spaces Bulk Fund | | | | | | | | | | |
| | Program - Sch€ | ID:302 Building, Parks & Open Spaces Bulk Fund Program 24/27 | Mar-27 | 44,250 | 10,465 | 33,785 | 5% | 75% | 7% | Low | 121,901 | Change of project manager due to workloads, schedule preparation underway |
| | | ID:356 Ashes Walls - provide additional 24/27 | | | | | | | | | | |
| | Program - Sch€ | ID:356 Ashes Walls - provide additional 24/27 | Mar-26 | - | - | 0 | 0% | 100% | 10% | Low | 133,549 | Ashes walls currently on hold as major drainage issues at Te Aroha Cemetery have taken priority. Potential for TA drainage works to come from unallocated capex to allow for Morrinsville expansion to continue as planned |
| | Program - Sch€ | ID:412 IT Capital Works Program 24/27 | Jun-27 | - | - | 0 | 14% | 75% | 19% | Low | | |
| | | ID:420 Closed Landfill Improvements Program 25/26 | | | | | | | | | | |
| | Program - Sch€ | ID:420 Closed Landfill Improvements Program 25/26 | May-26 | - | - | 0 | 0% | 75% | 0% | Low | 100,000 | Strategic scoping needs to be completed for this program to proceed, carry forward required |
| | | ID:297 Morrinsville Recreation Ground Masterplan 24/27 | | | | | | | | | | |
| | Project | ID:297 Morrinsville Recreation Ground Masterplan 24/27 | Jun-27 | 300,000 | 1,440 | 298,560 | 12% | 100% | 12% | Low | | Decisions from councillors required to proceed |
| | | ID:377 Stormwater Reticulation District-wide | | | | | | | | | | |
| | Program - Sch€ | ID:377 Stormwater Reticulation District-wide Renewals 25/26 | Jun-26 | - | - | 0 | 0% | 50% | 0% | N/A | | Terminated, combined with ID:335 Stormwater District Wide Upgrades 24/27 |
| | Program - Sch€ | ID:300 Public Toilet Upgrades Program 24/27 | | | | | | | | | 256,893 | Deferred to 26/27 |
| | | ID:333 Matamata - Hinuera to Station Road Link 24/27 | | | | | | | | | | |
| | Project | ID:333 Matamata - Hinuera to Station Road Link 24/27 | | | | | | | | | | Deferred, developer dependant |
| 24/28 | Project | ID:331 Matamata - Station to Peria Road Link 24/28 | | | | | | | | | | Deferred, developer dependant |
| 25/26 | Project | ID:404 Asset Data Management Implementation 25/26 | May-26 | 131,160 | 104,820 | 26,340 | 100% | 100% | 100% | COMPLETE | | |

| F/Y | Method Of Delivery | Program/Project | Est. Completion | Total Work Orders Allocated to Project | Actuals LTD | Variance | Est. % Completed Progress | Target completion 25/26 | % Progress April 26 VS Target | Confidence to meet Targets 25/26 Financial Year | Remaining Budget - unallocated to work orders | Comments |
|-------|--------------------|---|-----------------|--|-------------|----------|---------------------------|-------------------------|-------------------------------|---|---|---|
| | Project | ID:242 BOF - Te Aroha – Te Aroha Accessibility Improvements 25/26 | Jun-26 | 216,000 | 10,177 | 205,823 | 40% | 100% | 40% | High | | Physical works starting mid May. Externally funded, physical works must be completed by 30 June |
| | Project | ID:358 Waharoa Rest Area Car Park Upgrade 25/26 | Feb-26 | 68,715 | 4,764 | 63,951 | 95% | 100% | 95% | High | 328,891 | Physical works complete |
| | Project | ID:360 Morrinsville - Avenue Road North Upgrades 25/26 | Jun-26 | - | - | 0 | 25% | 50% | 50% | High | | Work order to be raised |
| | Project | ID:395 BOF - Morrinsville - Continuation of Avenue Rd and Snell Street Footpath 25/26 | Apr-26 | 351,676 | 9,359 | 342,317 | 35% | 100% | 35% | High | | Physical works starting mid May. Externally funded, physical works must be completed by 30 June |
| | Project | ID:398 BOF - Te Aroha - Town Centre lighting upgrade 25/26 | Feb-26 | 200,000 | 187,932 | 12,068 | 50% | 100% | 50% | High | | Installation planned to start beginning of May. Externally funded, physical works must be completed by 30 June |
| | Project | ID:402 BOF - Waters Asset Data Improvement 24/25 | Jun-26 | 200,000 | 72,420 | 127,580 | 99% | 100% | 99% | High | | Finalisation & complete journal for processing. Externally funded, physical works must be completed by 30 June |
| | Project | ID:359 Te Aroha Domain Redevelopment 25/26 | Dec-26 | 612,000 | 4,725 | 607,275 | 20% | 50% | 40% | Medium | 909 | |
| | Project | ID:410 M365 Implementation | Jun-26 | 950,000 | 552,868 | 397,132 | 88% | 100% | 88% | Medium | | - |
| | Project | ID:361 Matamata - Tower Road Parking Bays 25/26 | Apr-26 | - | - | 0 | 0% | 50% | 0% | Low | | Deferred, developer dependant |
| | Project | ID:423 Matamata Level Crossing 25/26 | Dec-26 | - | - | 0 | 0% | 10% | 0% | Low | | Investigations only, future budget to be determined and sourced |
| | Project | ID:366 Stormwater Treatment District-wide Upgrades 25/26 | Jun-27 | - | - | 0 | 0% | 25% | 0% | N/A | | Terminated and combined with ID:335 |
| | Project | ID:399 BOF - Te Aroha - Spur St - wetlands connection 25/26 | Feb-26 | - | - | 0 | 0% | 100% | 0% | N/A | | Project terminated Nov 25 and works are an activity for completion under ID:298 Tracks & Track Structures Renewal Program 24/27 |
| 25/27 | Project | ID:416 Te Miro Tree Harvesting 25/27 | May-27 | - | - | 0 | 5% | 75% | 7% | Low | | Decisions required from councillors if project is proceeding |
| 26/27 | Project | ID:375 Te Aroha Spa Enhancement 26/27 | Jun-27 | - | - | 0 | 0% | 10% | 0% | Low | | Requires council workshop to determine scope to proceed |
| 26/27 | Project | ID:422 Destination Playgrounds - Te Aroha 26/27 | Jun-27 | - | - | 0 | 2% | 25% | 8% | Low | | - |
| 26/28 | Project | ID:357 Te Aroha Library - Building Relocation 26/28 | Jun-28 | - | - | 0 | 0% | 25% | 0% | Low | | Further investigation required, will be completed by Libraries to do a Business Case for requirements to determine if proceeding to a project |
| 26/28 | Project | ID:365 New Resource Recovery Centre 26/28 | Apr-28 | - | - | 0 | 0% | 25% | 0% | Low | | Moved to 26/27 , further investigation required, if proceeding to a project |
| | | | | | | | 0 | | | | 296,203 | Unallocated capital |

Project & Programs: Water & Wastewater Risk & Assurance Summary as at End of April 26

Key Takeaway:

Delivery risk is structurally elevated due to transition, regulatory dependency, and misaligned planning assumptions, targets are unlikely to be achieved as set in July 25.

Delivery Performance Context

Delivery performance should be considered in the context of a developing organisational maturity in project and risk management, alongside the absence of integrated tools and reliance on manual processes. This portfolio is also operating within a highly uncertain transition environment, with ongoing changes, evolving direction, and staff uncertainty associated with the transfer to Waikato Waters. Delivery capability within the team is continuing to develop, with many staff building experience while simultaneously navigating this period of organisational change. Despite these conditions, the team has maintained delivery momentum and reporting continuity, reflecting strong commitment, resilience and adaptability. Current performance constraints are therefore assessed as primarily structural and environment-driven, rather than solely related to individual capability.

Overall Assurance Rating: ● **RED (Transition-driven risk environment)**

Delivery Confidence

- 63% confidence to meet 100% FY targets (↑ from 56%)
- Improvement is marginal and does not reflect a stable or predictable delivery environment, with performance heavily influenced by external dependencies

Key Risk Themes (Top 3)

1. Transition to Waikato Waters – **HIGH RISK**
 - Multiple projects on hold or slowed pending transition decisions
 - Uncertainty impacting scope, funding, and timing
 - Risk of value loss and delivery discontinuity at transfer
2. Consent & Regulatory Dependencies – **HIGH RISK**
 - Consenting delays and legislative changes affecting critical projects
 - Direct impact on compliance timelines and statutory obligations
3. Misalignment Between Targets & Readiness – **HIGH RISK**
 - Projects in investigation phase still measured against delivery targets
 - Targets reflect intent rather than executable plans

Areas of Highest Concern (Material Delivery Risk)

- **Compliance:** Wastewater Reconsenting (on hold), Pohomihi Raw Water (decision and funding gap – compliance risk)
- **Major capital delivery:** Matamata WWTP Upgrade (multi-year, behind target)
- **Strategic Programmes:** District-wide Infiltration & Inflow Programme (limited progress), Water Loss Strategy (no defined delivery schedule)

Control Effectiveness (Assurance View)

| Risk Area | Control | Effectiveness | Gap |
|---------------------|---------------------|---------------|--|
| Transition Planning | Programme oversight | ◆ Partial | No confirmed delivery pathway pre-transfer |
| Scope Definition | Project Planning | ◆ Weak | Projects initiated without confirmed scope |

Project & Programs: Water & Wastewater Risk & Assurance Summary as at End of April 26

| | | | |
|-------------------|----------------------|-----------|--|
| Budget Allocation | Work Order processes | ◆ Weak | Unallocated funding delaying delivery |
| Prioritisation | Portfolio Management | ◆ Partial | Not aligned to resource availability or capacity |

Systemic Assurance Issues

- Portfolio reflects delivery under uncertainty, not stable execution conditions
- Significant dependency on external decisions (transition + regulatory)
- Planning discipline not aligned to delivery reality
- Risk that current performance metrics do not represent true delivery capability

Management Response (Adequacy)

- Actions identified: ◆ Yes
- Actions underway: ◆ Partial
- Residual risk: ◆ High

Key actions underway:

- Reprioritisation of compliance-critical works
- Preparation for funding carry-forward
- Engagement on consent pathways

Matters for Risk & Assurance Committee

The Committee is requested to:

- Note the elevated delivery risk associated with the Waikato Waters transition
- Acknowledge that current targets are not fully aligned with deliverability

Project and Program Reporting April 2026

Summary: Water & Wastewater

Overall Position

Delivery across the Water & Wastewater portfolio continues to progress, with a high volume of activity underway and several major projects completing or in finalisation. Overall estimated completion vs targets have increased since March, sitting at 63% against a 100% target reflecting the complexity of projects, regulatory dependencies, and the impact of on-hold or deferred initiatives and the uncertainty around the transition to Waikato Waters.

The current position reflects readiness, sequencing, and consent decision impacts rather than a reduction in delivery effort. Teams continue to actively progress endorsed works, manage compliance priorities, and prepare projects for transfer or continuation, demonstrating resilience under sustained operational and regulatory pressure.

Programme and Project Performance

Renewals and core infrastructure programmes (Water Plant Renewals, Wastewater Plant Renewals, Water and Wastewater Reticulation Renewals) are largely Achievable, with progress generally tracking between 65–80% against 90% FY targets, however, increasing pressure on timeframes due to competing priorities and resource constraints is a factor.

A number of programmes and projects are “At Risk” or “Action Required” primarily driven by:

- Regulatory and consent dependencies
- Projects paused or slowed pending Waikato Waters transition decisions
- Scope uncertainty and delayed budget allocation to work orders
- Competing delivery demands across a constrained workforce

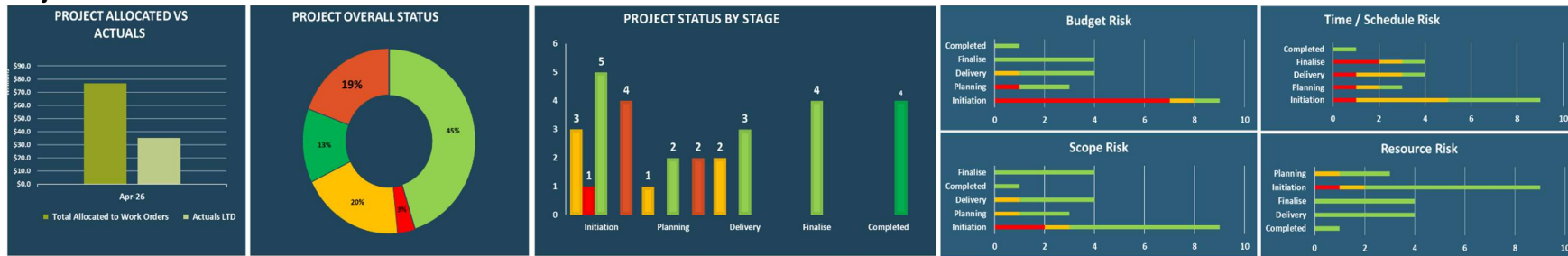
Projects and programmes currently contributing most to delivery drag include:

- Wastewater Reconsenting (on hold by Exec direction)
- District-Wide Infiltration & Inflow Reduction Programme (limited progress and reporting)
- Water Loss Strategy Implementation (schedule not yet established)
- Matamata WWTP Upgrade (large-scale, complex, multi-year)
- Pohomihi Raw Water (decision and funding direction required)
- Matamata Tills Road Sludge (structural and compliance issues)



- Majority of Water & Wastewater programmes remain in Delivery and are Achievable, with physical works underway.
- A smaller number of programmes are classified as “At Risk” or “Action Required” due to no reporting completed or schedules not finalised.

Projects



- Project delivery is progressing with strong close-out performance across several 23/24 and 24/25 projects. A portion of larger or compliance-driven projects is behind annual targets due to consent timing, scope definition, delays in key decisions and transition-related factors, rather than operational delivery issues.

Confidence to Meet 100% Targets Set in July 2025: 63%, increase from 56% in March.

Confidence to meet 2025/26 targets across Water & Wastewater remains mixed:

- High confidence projects are predominantly those in finalisation or renewal programmes with established scope and funding.
- Medium confidence projects generally have progress underway but are sensitive to timing of approvals, consents, or allocation of remaining budget.
- Low confidence projects consistently share common characteristics: awaiting strategic or council decisions, on hold pending Waikato Waters transition, significant scope, consent, compliance complexity or allocation of budget

Underspends and unallocated budgets across Water & Wastewater largely reflect:

- Projects on hold by executive direction
- Deferred scope pending regulatory or transition clarity
- Multi-year programmes where works are staged or have had delays in schedule preparation

Carry-forward of unspent funding will be required to ensure continuity of committed compliance and infrastructure work into 2026/27. There remains an opportunity to reallocate underspent renewal funding to priority risk-based projects where appropriate.

Key Risks (Evolving)

- **Timeframes – High Risk**
Delivery schedules continue to be impacted by consent processes, investigation-led projects, and transition-related uncertainty.
- **Scope – High Risk**
Several initiatives remain in investigation or options phases while still being measured against delivery targets.
- **Budget – High Risk**
Progress on a number of projects is contingent on work orders being raised and unallocated budgets being formally confirmed.
- **Resources – Sustained Pressure**
PM workload saturation, specialist capability constraints, combined with transition workload, continue to place pressure on delivery.

Forward Focus

To stabilise delivery and maintain confidence across Water & Wastewater, the following actions remain critical:

- Clear executive direction on projects on hold pending transition decisions
- Confirmation of scope and funding for compliance-critical works.
- Active reprioritisation to align targets with realistic readiness and regulatory pathways where original assumptions no longer valid
- Improvements for future targets: must reflect realistic readiness, not intent.

Analysis

| | | |
|-----------------|----|------------|
| Target 100% | 16 | % |
| COMPLETE | 4 | 25% |
| High | 6 | 38% |
| Medium | 1 | 6% |
| Low | 5 | 31% |

63%

Completed 4 completed as at end of April.

High Confidence to meet 100% anticipated targets (6)

On track to meet 10 of the 16 anticipated targets. Overall delivery confidence remains strong for these.

| | | |
|----------------|----------|---|
| >90% | 6 | 6 in final delivery or finalization, awaiting remaining financials, capitalization and completion reports |
|----------------|----------|---|

Low Confidence to meet targets

- **ID: XX1** Wastewater Reconsenting (20/21): On hold pending Waikato Water. Cannot be capitalised, transfer to WW as WIP to be confirmed.
- **ID:244** Matamata Wastewater Treatment Plant Upgrade 24/26: Completion date moved out to Dec 26, Target was 100% completion by end of June 26.
- **ID: 348** Matamata Tills Road Sludge: Major structural issues, updating discharge consent proceeding and proposed 2 stage delivery.
- **ID:354** Te Aroha Water Treatment Plant Intake Consent, & Resource Consent Renewals 24/25. Not lodged in December as planned due to a change in legislation for proposed RMA replacement and application delayed. We recently had confirmation from WWL that they would like us to proceed with submission under the existing legislation. Submit April/May.
- **ID: 427** Morrinsville Waterworks Road Water Treatment Plant UV Install 25/26: Delays in procurement. Tender documents complete and contract is on GETS with an end date of the 16 April 2026. New target 75%. Andrew to confirm PM to be assigned as current PM resigned.
- **ID: 418 Pohomihi Raw Water:** Decisions required for options to proceed and budget allocated (potentially from Water Unallocated) Taumata Arowai deadline was to be completed end of June 26 . **HIGH RISK:** Compliance

Remaining Targets

| Target 90% | 5 | % | Target 75% | 1 | % | Target 50% | 2 | % | Target 25% | 5 | % |
|------------|---|-----|------------|---|------|------------|---|------|------------|---|-----|
| High | 4 | 80% | High | 1 | 100% | High | 0 | 0% | High | 1 | 20% |
| Medium | 0 | 0% | Medium | 0 | 0% | Medium | 0 | 0% | Medium | 2 | 40% |
| Low | 1 | 20% | Low | 0 | 0% | Low | 2 | 100% | Low | 2 | 40% |

High Confidence to meet % anticipated targets (6)

Predominantly Renewals programs progressing as anticipated against targets (4). ID:263 Rollenston Street Intake (Permanent) 23/27 is exceeding expectations of 25% target (scoping only) and is now in the tender evaluation process.

Medium Confidence to meet targets

- **25% Target: ID:414** Desludging - Districtwide 24/27: staff have engaged consultant to prepare a step-by-step plan for the Te Aroha WWTP desludging to provide direction, and ready to enact steps for WWL to progress with from August 2026.
- **25% Target: ID:347** Hinuera Water Treatment Plant 24/27: Option report progressing to inform scope.

Low Confidence to meet targets

- **90% Target: ID:337** District-Wide Infiltration and Inflow Reduction Program: no change, no reporting completed and budget not fully allocated to work orders
- **50% Target: ID:355 Te Poi** Water Treatment Plant Resource Consent Renewal 24/26: No update, no reporting completed. First phase of this project is to identify suitable solutions for the current issues with the water sources.
- **50% Target: ID:343** Water Loss Strategy Implementation 24/28. No reporting completed this month or previous. Schedule of works to be determined and finalised.
- **25% Target: ID: 409** Te Aroha Falling Main Upgrade: No update. Scope to be confirmed to achieve target.
- **25% Target: ID: 424** Morrinsville WWTP Upgrades: Scope to be confirmed to achieve target.

Other or Unplanned (no set target):

- **ID: 428** District Radio Transmission Unit: Budget allocation required to continue. This is a renewal but separated from the renewals schedule and a project created for clarity and visibility. **Hight Risk:** Critical to operations

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| | | | |
|-------------|----|-----|-----|
| Target 100% | 16 | % | 63% |
| COMPLETE | 4 | 25% | |
| High | 6 | 38% | |
| Medium | 1 | 6% | |
| Low | 5 | 31% | |

Excludes no set target (0) as project created after.

| F/Y | Type | Program/Project | Est. Completion | Total Allocated to Work Orders | Actuals LTD | Variance | Est. % Completed Progress | Target completion 25/26 | Progress VS Targets 25/26 | Confidence to meet Targets 25/26 Financial Year | Remaining Budget - Comments unallocated to work orders |
|-------|--------------------|---|-----------------|--------------------------------|-------------|------------|---------------------------|-------------------------|---------------------------|---|--|
| 20/21 | Project | ID: XX1 Wastewater Reconsenting 20/21 | Dec-25 | 2,775,393 | 2,474,313 | 301,080 | 70% | 100% | 70% | Low | On hold. MPDC Exec Team have confirmed to place the application and project on-hold until Waikato Waters have taken over management. |
| 23/24 | Project | ID:251 Morrinsville Lockerbie Bore Pump and Water Treatment Plant 23/24 | Dec-25 | 9,625,422 | 9,625,422 | - | 100% | 100% | 100% | Complete | - |
| 23/24 | Project | ID:266 Matamata South (Burwood Rd) Bore Upgrade 23/24 | Dec-25 | 132,762 | 132,762 | - | 100% | 100% | 100% | Complete | - |
| 23/24 | Project | ID:279 Te Aroha Wastewater Treatment Plant Fencing 23/24 | Nov-25 | 147,415 | 147,415 | - | 100% | 100% | 100% | Complete | - |
| 23/24 | Project | ID:283 Tahuna Wastewater Treatment Plant Alkalinity Dosing 23/24 | Aug-25 | 300,000 | 219,379 | 80,621 | 100% | 100% | 100% | Complete | - |
| 23/24 | Project | ID:252 Gross Pollution Monitoring (Conductivity and PH Probes) 23/24 | Jul-26 | 392,514 | 151,123 | 241,391 | 90% | 100% | 90% | High | 941 To be capitalised and closed |
| 23/24 | Project | ID:254 Te Aroha Water Treatment Plant Retaining Wall and Washout Issues 23/24 | Jun-26 | 275,000 | 275,264 | - 264 | 90% | 100% | 90% | High | - To be capitalised and closed |
| 23/24 | Project | ID:XXX Te Aroha Wastewater Fine Screens 23/24 | Feb-26 | 1,215,000 | 1,002,036 | 212,964 | 99% | 100% | 99% | High | - To be capitalised and closed |
| 23/24 | Project | ID:260 Tahuna New Bore 23/24 | Feb-26 | 500,000 | 398,225 | 101,775 | 92% | 100% | 92% | High | - |
| 23/24 | Project | ID:262 Tawari Water Treatment Plant - Replacement Caustic Soda System 23/24 | Dec-25 | 300,000 | 223,068 | 76,932 | 97% | 100% | 97% | High | - |
| 23/27 | Project | ID:263 Rollenston Street Intake (Permanent) 23/27 | Aug-26 | 1,700,000 | 213,728 | 1,486,272 | 62% | 25% | 248% | High | - |
| 24/25 | Project | ID:411 Tahuna Bore 2 Re-establishment 24/25 | Dec-25 | 265,000 | 191,235 | 73,765 | 99% | 100% | 99% | High | - To be capitalised and closed |
| 24/26 | Project | ID:244 Matamata Wastewater Treatment Plant Upgrade 24/26 | Dec-26 | 53,274,993 | 19,473,602 | 33,801,391 | 86% | 100% | 86% | Low | - 60,000 Budget adjustment required |
| 24/26 | Project | ID:348 Matamata Tills Road Sludge 24/26 | Jun-26 | - | - | - | 20% | 100% | 20% | Low | 460,000 Work order to be issued |
| 24/26 | Project | ID:355 Te Poi Water Treatment Plant Resource Consent Renewal 24/26 | Apr-27 | - | - | - | 20% | 50% | 40% | Low | - |
| 24/27 | Program - Schedule | ID:346 Water Retic Renewals Program 24/27 | May-27 | 4,501,793 | 1,905,915 | 2,595,878 | 65% | 90% | 72% | High | 151,211 |
| 24/27 | Program - Schedule | ID:338 Wastewater Plant Renewal Programme 24/27 | May-27 | 3,366,911 | 1,565,010 | 1,801,901 | 68% | 90% | 76% | High | 1,134,000 |
| 24/27 | Program - Schedule | ID:339 Wastewater Reticulation Renewal Programme 24/27 | Apr-27 | 2,215,576 | 1,580,861 | 634,715 | 68% | 90% | 76% | High | 699,250 |
| 24/27 | Program - Schedule | ID:345 Water Plant Renewals Program 24/27 | May-27 | 1,985,390 | 617,959 | 1,367,431 | 71% | 90% | 79% | High | 422,981 |
| 24/27 | Program - Schedule | ID:337 District-Wide Infiltration and Inflow Reduction Program 24/27 | May-27 | 310,000 | 30,082 | 279,918 | 25% | 90% | 28% | Low | 94,000 |
| 24/27 | Program - Schedule | ID:343 Water Loss Strategy Implementation 24/28 | Apr-27 | 70,000 | 35,018 | 70,000 | 0% | 50% | 0% | Low | 157,007 |
| 24/27 | Project | ID:414 Desludging - Districtwide 24/27 | Jun-28 | - | - | - | 5% | 25% | 20% | Medium | - |
| 24/27 | Project | ID:347 Hinuera Water Treatment Plant 24/27 | Jun-27 | - | - | - | 15% | 25% | 60% | Medium | 1,122,000 |
| 24/27 | Project | ID:354 Te Aroha Water Treatment Plant Intake Consent, & Resource Consent Renewals 24/25 | Jun-27 | 271,315 | 310,419 | - 39,104 | 25% | 100% | 25% | Medium | 1,000,000 |
| 24/27 | Program - Schedule | ID:426 Wastewater - Unplanned Capex 25/36 | Jun-27 | 248,257 | 219,619 | 28,638 | 99% | 0% | 0% | N/A | 1,743 |

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Attachment F

| F/Y | Type | Program/Project | Est. Completion | Total Allocated to Work Orders | Actuals LTD | Variance | Est. % Completed Progress | Target completion 25/26 | Progress VS Targets 25/26 | Confidence to meet Targets 25/26 Financial Year | Remaining Budget - Comments unallocated to work orders | |
|-------|--------------------|---|-----------------|--------------------------------|-------------|-----------|---------------------------|-------------------------|---------------------------|---|--|---------------------------------------|
| 24/27 | Program - Schedule | ID:425 Water - Unplanned Capex 24/27 | Jun-27 | 250,000 | 33,078 | 216,922 | 50% | 0% | 0% | N/A | - | |
| 25/26 | Project | ID: 427 Morrinsville Waterworks Road Water Treatment Plant UV Install 25/26 | Jun-26 | 1,350,000 | 98,880 | 1,251,120 | 45% | 100% | 45% | Low | - | |
| 25/26 | Project | ID:409 Te Aroha Falling Main Upgrade 25/27 | Apr-27 | - | - | - | 0% | 25% | 0% | Low | - | |
| 25/26 | Project | ID:418 Pohomihi Raw Water 25/26 | Jun-26 | - | - | - | 25% | 100% | 25% | Low | - Budget to be allocated - Unallocated | |
| 25/26 | Project | ID:428 District Radio Transmission Unit | | - | - | - | 35% | | 0% | N/A | - Budget to be allocated - renewals | |
| 25/26 | Project | ID:429 Waharoa East SPS Renewal 25/26 | Oct-26 | 815,000 | 26,254 | 788,746 | 35% | | 0% | N/A | - | |
| 25/27 | Project | ID:401/2 Waikato Waters Transition 25/27 | Dec-26 | 3,227,377 | 149,507 | 3,077,870 | 65% | 75% | 87% | High | | |
| 25/28 | Project | ID:424 Morrinsville Wastewater Treatment Plant Upgrades 25/28 | Jun-28 | - | - | - | 5% | 25% | 20% | Low | 1,000,000 | |
| | | | | | | | | | | | 16,467 | Wastewater Unallocated to any project |
| | | | | | | | | | | | 2,006,093 | Water Unallocated to any project |

8 Ngā Pūrongo Whakamārama | Information Reports

8.8 Project Management - Top Projects Risks

CM No.: 3173001

Te Kaupapa | Purpose

The purpose of this report is to provide the Risk & Assurance Committee with an overview of the key residual risks across four high-complexity projects.

Rāpopotonga Matua | Executive Summary

The report provides an overview of the top risks across four high-complexity infrastructure projects. While risk profiles vary by project, common drivers include programme delivery, cost escalation, construction safety, and external dependencies. The Matamata Wastewater Treatment Plant project remains the most complex, with ongoing compliance, commissioning, and operational risks requiring active management. Across all projects, residual High risks remain but are appropriate given project stage and complexity, with robust controls and governance in place to manage these effectively.

The purpose of this report is to provide the Risk & Assurance Committee with an overview of the top residual risks across five complex infrastructure projects:

- ID244 Matamata Wastewater Treatment Plant Upgrade
- ID240 Matamata Stadium.
- ID247 Matamata Domain Playground
- ID342/2 – Morrinsville RTS Upgrade
- ID388 – Morrinsville RSA Wall

Summary of Risk Maturity and Overall Position

Across all projects:

- Risk registers are well-developed and actively managed
- Risks are clearly defined, non-duplicated, and aligned to key themes
- Controls include design, operational, and governance measures
- Residual High risks reflect genuine project complexity rather than gaps in management

The overall risk profile is considered appropriate and manageable, with residual risks reflecting project complexity and being actively monitored through established governance processes.

Tūtohunga | Recommendation

That:

1. **The information be received.**

Horopaki | Background

The ID240 Matamata Stadium (Open Country Community Stadium) project has now reached practical completion. Risk exposure has reduced from Very High/High during construction to Low residual close-out risks (defects and compliance). No critical risks remain.

Across the 4 remaining projects the dominant risk themes remain consistent:

- Programme and delivery risk, including procurement delays, contractor performance, and sequencing of works
- Cost escalation, driven by market conditions, scope changes, and unforeseen site or delivery challenges

- Construction and health & safety risks, particularly for complex or high-risk activities
- Design and quality risks, including ensuring assets meet long-term performance requirements
- External dependencies, including regulatory approvals, supply chain constraints, and stakeholder factors
- While most risks have reduced from Very High to High or Moderate through controls, several residual High risks remain, reflecting the inherent complexity of delivering these projects.

ID:244 Matamata Wastewater Treatment Plant Upgrade. Project Manager Marie McIntyre in attendance

The Matamata Wastewater Treatment Plant project continues to present a high residual risk profile that remains stable while delivery has progressed through to the construction phase driven by the critical requirement to:

- Maintain compliance of the existing plant during construction
- Successfully commission and transition to the new treatment system
- Achieve stringent discharge consent limits

Key residual risks include:

- Treatment performance and consent compliance
- Commissioning and start-up stability
- Operational continuity during construction
- Influent variability and shock loading

These risks are being actively managed through:

- Robust process design and modelling
- Staged commissioning and monitoring
- Operational controls for the existing plant
- Active regulatory engagement

ID342/2 – Morrinsville RTS Upgrade. Project Manager Greg Hall in attendance

The RTS project maintains a high residual risk profile, typical of large infrastructure delivery.

Key risk drivers include:

- Programme and sequencing risk, particularly around staging and integration of works
- Site and ground condition uncertainty, impacting design and construction
- Cost pressures, including contractor pricing and material availability
- Health and safety risks, particularly during heavy construction activities

Residual risks remain high where:

- Dependencies on contractors and external conditions cannot be fully mitigated
- Construction activities are inherently high-risk

Controls focus on:

- Detailed programme planning and monitoring
- Contractor management and quality assurance
- Safety in design and construction controls
- Active project governance and reporting

ID388 – Morrinsville RSA Wall. Project Manager Rapa Young in attendance

The RSA Wall project demonstrates a focused but still high-risk profile, primarily driven by:

- Geotechnical and design risks, ensuring structural performance and long-term stability
- Construction risk, including sequencing, access, and safety
- Cost and programme pressures, typical of civil construction works

Key residual risks relate to:

- Design adequacy and constructability
- Ground conditions and structural performance
- Health and safety during construction

Controls include:

- Detailed geotechnical investigations and design validation
- Construction methodology planning
- Contractor supervision and safety controls
- Ongoing technical oversight

ID247 – Matamata Domain Playground. Rapa Young in attendance of behalf of Project Manager Chris Lee

The Playground project presents a moderate to high risk profile, with risks more focused on delivery and procurement rather than technical complexity.

Recent changes include:

- Additional procurement delays requiring re-advertising of the tender
- Resulting programme delays

Key residual risks include:

- Procurement and contractor engagement
- Programme delay impacts
- Cost implications from re-tendering

Controls include:

- Revised procurement approach
- Market engagement
- Programme re-baselining

Ngā Tāpiritanga | Attachments

[A↓](#). ID244 Matamata Wastewater Treatment Plant Upgrade Risk & Assurance June 26



[B↓](#). ID:240 Matamata Stadium Risk & Assurance June 26



[C↓](#). ID247 Matamata Playground Risk & Assurance June 26



[D↓](#). ID334/2 Morrinsville RTS Upgrade Risk & Assurance June 26



[E↓](#). ID388 Morrinsville RSA Wall Risk & Assurance June 26



Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Rachel Norman Kaiārahi Kaupapa Project Lead | |
|-----------|---|--|

| | | |
|-------------|---|--|
| Approved by | Susanne Kampshof Pou Rawa me ngā Kaupapa Assets and Projects Manager | |
| | Fiona Vessey Hautū Hanganga Rawa me ngā Whakahaere Group Manager Infrastructure, Assets & | |

| | | |
|--|-------------------|--|
| | Operations | |
|--|-------------------|--|

Project Overview

Start: Jul-22 Completion: Early 2027

This project covers all aspects relating to the upgrade of the Matamata WWTP, including but not limited to, Design, Enabling Works, Principal Supplied Items (Membranes & Inlet Works), all Technical investigations. Outfall design and overall Main Civil Works contract.

Objectives:

- * To provide Matamata with a new treatment plant and meets the requirements of the new comprehensive consent, and is delivered by December 2027 as required by the consent application.
- * Ensure the project is delivered within budget and provides excellent outcomes for the funds spent

Milestones:

- * Detailed Design - Complete
- * Enabling Works Contract - Complete
- * Principal Supplier Items Awarded - Complete
- * Main Civil Works Awarded and Underway - Complete. Site Establishment from July 2025
- * Main Civil Works Completed - In progress
- * Comprehensive Consent Obtained - On-hold. The consent will remain on-hold until management is taken over by Waikato Waters

Risk Overview

The project carries a high residual risk profile, reflecting the complexity of delivering and commissioning a new wastewater treatment plant while trying to maintain compliance of the existing plant. Inherent risks are elevated across environmental, operational, and safety areas, driven by treatment performance requirements, commissioning challenges, and ongoing operations during construction. Following implementation of controls, most risks reduce to high or moderate, however several risks remain high post-controls, particularly those relating to: Treatment performance and compliance, Commissioning and transition to operation, Operational continuity of the existing plant, Construction-related health and safety.

These risks are inherent to the nature of wastewater treatment plant upgrades and are being actively managed. The overall risk profile is considered appropriate and manageable, subject to continued active oversight through construction, commissioning, and handover phases.

Key drivers of residual risk include:

- * Maintaining compliance of the existing plant, particularly during peak loading periods prior to commissioning of the new facility
- * Treatment performance and process reliability, including influent variability, biological process stability, and meeting consent limits
- * Commissioning and start-up challenges, including stabilising treatment processes and achieving performance requirements
- * Operational continuity, ensuring existing plant operations are maintained during construction and integration of new assets
- * Environmental risk, including discharge compliance, odour, and construction-related impacts
- * Site conditions and infrastructure constraints, including flooding, groundwater, and power supply capacity
- * Construction and safety risks, including excavation, confined space, working at heights, and working around water and hazardous substances

Key Controls

- * Operational controls for existing plant, including additional aeration, sludge removal, and active compliance monitoring
- * Robust process design and treatment systems, including biological treatment processes, dosing systems, and modelling for all operating stages
- * Detailed commissioning and start-up planning, including staged commissioning, vendor involvement, and performance testing
- * Construction staging and operational interface management, ensuring continuity of operations and controlled cut-in to new systems
- * Environmental management controls, including erosion and sediment control, odour mitigation systems, and compliance monitoring
- * Programme and cost management controls, including early procurement of critical items, programme monitoring, and variation control
- * Contractor management and health & safety controls, including SSSPs, inductions, supervision, and safety in design (HAZOP)
- * Monitoring and automation systems, including SCADA, alarms, and real-time monitoring of treatment performance

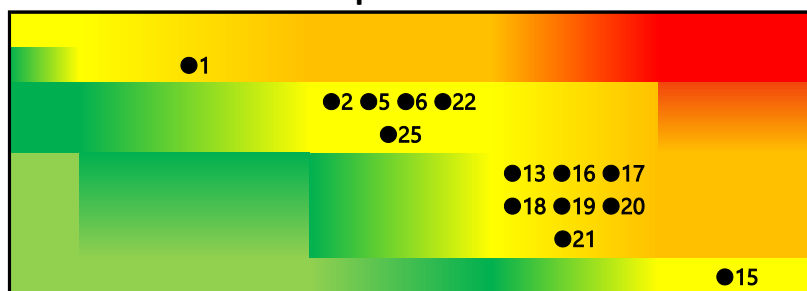
Project Risk Changes

| Risk # | Risk | Risk Category | Inherent Rating | Residual Rating | Movement | Status |
|--------|--|--------------------|-----------------|-----------------|----------|-----------------|
| 1 | Compliance under existing consent | Legal & Regulatory | Very High | High | ↓ | Active/On-going |
| 2 | Treatment Performance and Consent Compliance | Environmental | Very High | High | ↓ | Active/On-going |
| 5 | Programme Delivery | Project | Very High | High | ↓ | Active/On-going |
| 6 | Project Cost Overrun | Financial Economic | Very High | High | ↓ | Active/On-going |
| 13 | Construction / excavation | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 15 | Confined Space | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 16 | Driving | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 17 | Energy Electricity/Gas/other | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 18 | Hazardous substances | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 19 | Working from heights | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 20 | Working over or near water bodies | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 21 | Working with hazardous plant /equipment/ machinery | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 22 | Commissioning and start up performance | Project | Very High | High | ↓ | Monitored |
| 25 | Influent load variability / shock loading | Operational | Very High | High | ↓ | Monitored |



Residual Risk Heat Map

● Residual Risk



Top Risks

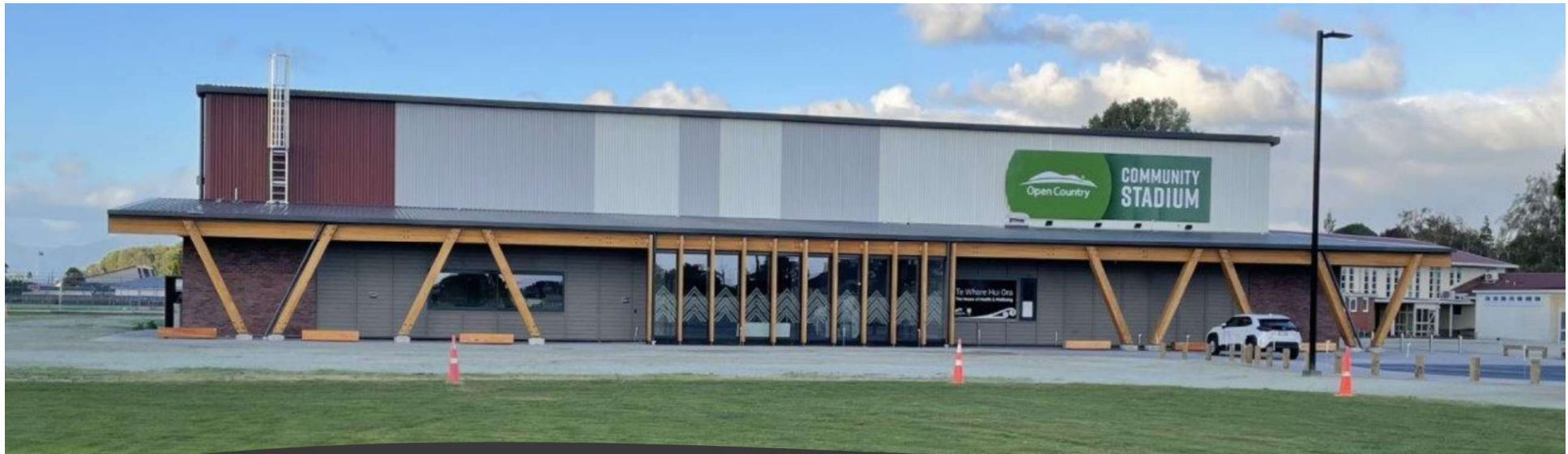
Filtered on High, Very High and Extreme

| Risk # | *Inh Rating | Likelihood | Consequence | *Res Rating | Res Likelihood | Res Consequence | Risk | Risk Description | Consequences | Controls |
|--------|-------------|----------------|-------------|-------------|----------------|-----------------|--|--|---|--|
| 1 | Very High | Almost Certain | High | High | Likely | Moderate | Compliance under existing consent | Failure to maintain compliance of the existing wastewater treatment plant during construction and commissioning phases prior to the new plant becoming fully operational. | Non-compliant discharge Consistent consent breaches across multiple parameters (TN, TP, BOD, TSS) Regulatory enforcement and potential prosecution Reputational damage to Council Operational disruption Environmental harm | Additional aeration capacity installed and operational Sludge removal completed to increase pond capacity Daily monitoring of plant performance and discharge quality Contingency operational procedures implemented for peak load periods Ongoing engagement and reporting to Waikato Regional Council |
| 2 | Very High | Likely | High | High | Possible | High | Treatment Performance and Consent Compliance | Failure of the treatment process to consistently meet discharge consent requirements due to influent variability, process limitations, or operational challenges including variability in influent loads, septage inputs, and potential inhibitory or toxic substances affecting biological treatment processes. | Breach of discharge consent limits Environmental contamination Regulatory action Reputational damage | Detailed process modelling completed for all design horizons (commissioning, Stage 1, Stage 2) Bardenpho biological treatment process implemented for nitrogen removal Alum dosing system installed and automated for phosphorus removal Septage intake limited and controlled (maximum daily volumes enforced) Trade waste agreements in place restricting harmful discharges (e.g. biocides) Online monitoring of key process parameters (TN, TP, BOD, TSS) Operational procedures in place for process optimisation |
| 5 | Very High | Likely | High | High | Possible | High | Programme Delivery | Delays to project delivery due to supply chain issues, contractor performance, or adverse weather conditions. | Programme delays Increased costs Failure to meet consent deadlines | Long-lead items (membranes, inlet works) procured early and outside main contract Detailed construction programme prepared and regularly updated Allowances included for weather-related delays Contractor programme reviewed and monitored against milestones Regular programme reporting and escalation through governance |
| 6 | Very High | Possible | Very High | High | Possible | High | Project Cost Overrun | Total project costs exceeding approved budget due to variations, unforeseen conditions, or delays. | Budget exceedance Additional funding required Scope reduction | Formal variation approval process in place and enforced Project budget monitored regularly against actuals and forecasts Contingency allowances included and actively managed Cost implications of scope changes assessed prior to approval Regular financial reporting through project governance |
| 13 | Very High | Possible | Extreme | High | Unlikely | Very High | Construction / excavation | Injury, illness, or fatality arising from construction or operational activities. | Serious injury or fatality Work stoppage Legal action Reputational damage | Contractor Site Specific Safety Plan (SSSP) approved prior to works Mandatory site inductions for all personnel Regular toolbox meetings conducted Safety in Design and HAZOP workshops completed Independent health and safety audits undertaken Defined exclusion zones and safe work procedures enforced |
| 15 | Very High | Possible | Extreme | High | Rare | Extreme | Confined Space | Confined Space Entry | Safety: Lack of Oxygen, suffocation, toxic atmospheres, poisonous gases, fumes vapours, poisoning, gases, liquids, fire/explosion. Engulfment, loose materials, sand, liquids, suffocation, drowning. Physical Hazards, sharp objects, machinery, injury. Ext | SSSP and Confined Space Entry procedures in place. H&S audit of processes and use of them |
| 16 | Very High | Possible | Extreme | High | Unlikely | Very High | Driving | Driving on the Road and accessing site from main road | Impact (debris) or environmental exposure - heat stress/stroke, sunburn, cold, wind, rain, hypothermia, sprains/strains, trips & falls resulting in injury, illness, disability, fatality. | SSSP, Traffic Management Plan for site access |
| 17 | Very High | Possible | Extreme | High | Unlikely | Very High | Energy Electricity/Gas/other | Contact with Energy Electricity/Gas - services strike | Shock, burns, fires, explosions, inhalation/poisoning from substances resulting in injury, illness, disability, fatality. Equipment damage | Ensure service locations are undertaken and where service locations are unknown, ensure excavation and drilling is undertaken in a controlled main to identify services before strikes occur. |
| 18 | Very High | Possible | Extreme | High | Unlikely | Very High | Hazardous substances | Contact with chemicals, infectious substances, contaminated waste, Hazardous Substances from wastewater/human sewerage | Inhalation, irritation to skin, eyes, respiratory tract, acute (headaches, dizziness, nausea, breathing difficulties)/chronic toxicity (sever health issues, cancer, genetic mutations, organ damage), asbestos exposure (cancer) burns resulting in injury, illness, disability, fatality. | All chemical areas will be designed and installed as per the NZ Standards, to ensure that chemicals can be delivered, stored and used within the new plant safely. Sid and HAZOP workshops consider these elements to reduce or remove the potential risks to installation and operations staff, |

| | | | | | | | | | | |
|----|-----------|----------|---------|------|----------|-----------|----------------------|--|---|---|
| 19 | Very High | Possible | Extreme | High | Unlikely | Very High | Working from heights | Falls, equipment - ladders, scaffolding, lifts, weather, human factors | Falls, sprains/strains, trips & falls resulting in injury, illness, disability, fatality. | <p>Contractor will prepare a SSSP document for review and approval by the Engineer or their Representative ahead of any physical works occurring, which will include procedures for working a heights.</p> <p>H&S audits will be undertake by independent MPDC staff to ensure compliance of process with the H&S documentation</p> <p>The design will have HAZOP and Safety in Design workshop undertaken to ensure the design for operation and installation is made safe and to remove or reduce working at heights risks to operators and installers .</p> <p>Procedures for working at heights as part of operations will be documents within the O&M documents, and H&S process developed to ensure it is undertake in a safe manner.</p> |
|----|-----------|----------|---------|------|----------|-----------|----------------------|--|---|---|

Open Country Community Stadium





Current Status

The Open Country Community Stadium project has now reached practical completion, with all major construction works finished. The facility is fully built and operational from a construction standpoint. The facility is being well used by the community and Matamata College.

Defects

- We are currently working through the defects list in collaboration with the main contractor to address minor outstanding items.

Compliance

- The project is now awaiting the Code of Compliance Certificate (CCC) from the MPDC. Once the defects have been rectified and the CCC is issued, the project will be formally closed out.

Risk Summary

- Project has reached practical completion. Risk exposure has reduced from High/Extreme during construction to Low residual close-out risks (defects and compliance). No critical risks remain.

Current Top Risks (Close-out Phase)

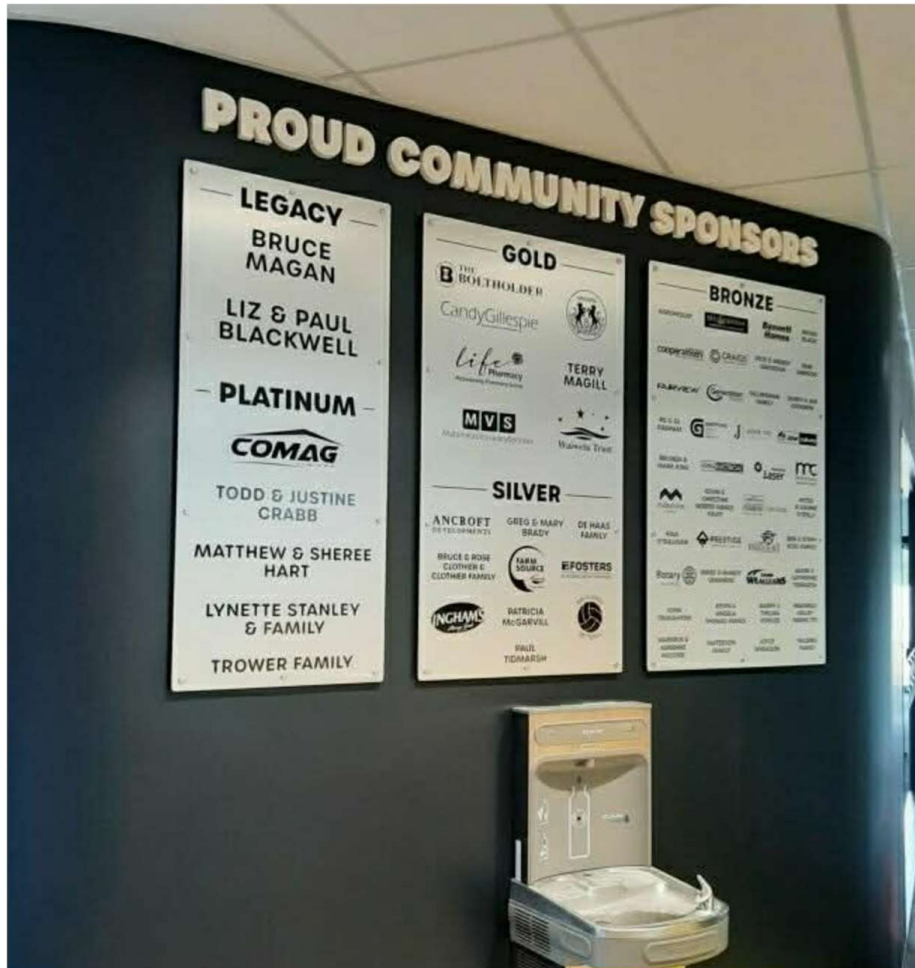
- Defects resolution delays
- Code of Compliance Certificate (CCC)
- Final contractor handover

Trend: Risk trajectory shows continuous reduction. All previously High/Extreme risks are now closed or at low residual levels

Item 8.8

Attachment B





Item 8.8

Attachment B

Project Overview

Start: Jun-24 Completion: Sept-26

Council has allocated \$1.5 million towards the development of the Matamata Domain Destination Playground. This is a community-led initiative, with the remaining funding to be raised by the local community. The project scope includes the supply and installation of all playground equipment, safety surfacing, and associated landscaping works for the new playground, which will be located on Muera Street within Matamata Domain. The in-kind work has started with the surfacing and landscaping contractor planning to start work in late June with the priority to have the new playground open for summer.

Risk Overview

The project risk profile remains elevated, with a concentration of High to Very High residual risks, reflecting the complexity of a partnership-led, partially funded and in-kind delivery model. While controls are in place and reducing several risks, a number remain inherent to the delivery model and require ongoing active management. Overall, the project is considered deliverable, however success is dependent on monitoring and maintaining controls

| Key drivers of residual risk include: | Key Controls |
|--|--|
| <ul style="list-style-type: none"> * Funding uncertainty and staging constraints, impacting programme sequencing, cost efficiency, and final scope outcomes * Coordination across multiple contractors and in-kind contributors, creating interface, ownership, and delivery risks * Donated asset acceptance, including ensuring compliance with Council standards, lifecycle performance, and long-term maintenance obligations * Stakeholder and partnership dynamics, including alignment of expectations, roles, and decision-making across Council, community groups, and donors * Health and safety risks, particularly relating to site control and multiple PCBUs operating concurrently | <ul style="list-style-type: none"> * Maintaining strong governance and decision-making discipline * Clear communication and expectation management * Robust coordination of contractors and partners * Strict adherence to Council standards for all accepted assets |

Project Risk Changes

| Risk # | Risk | Risk Category | Inherent Rating | Residual Rating | Movement | Status |
|--------|---|--------------------|-----------------|-----------------|----------|-----------------|
| 1 | Electricity | Safety & Wellness | Extreme | Very High | ↓ | Active/On-going |
| 2 | Hazardous plant, Equipment & Machinery | Safety & Wellness | Very High | Very High | = | Active/On-going |
| 4 | Work at heights | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 5 | Community expectations | Brand & Reputation | Very High | High | ↓ | Active/On-going |
| 8 | Concept Design vs actual Cost | Project | Very High | High | ↓ | Active/On-going |
| 12 | Scope Creep | Project | Very High | High | ↓ | Active/On-going |
| 13 | Project budget / estimates / contingency | Project | Very High | High | ↓ | Active/On-going |
| 14 | Materials - costs | Procurement | Very High | High | ↓ | Monitored |
| 16 | Contractors quality | Procurement | Very High | High | ↓ | Monitored |
| 21 | Agreements/ Partnerships | Legal & Regulatory | Very High | High | ↓ | Active/On-going |
| 22 | Dependencies | Project | Very High | High | ↓ | Active/On-going |
| 24 | Asset Acceptance, donated assets | Legal & Regulatory | Very High | High | ↓ | Active/On-going |
| 27 | Site Control – Multiple Contractors / PCBUs | Safety & Wellness | Extreme | Very High | ↓ | Active/On-going |

Residual Risk Heat Map

● Residual Risk



Top Risks

Filtered on High, Very High and Extreme

| Risk # | *Inh Rating | Likelihood | Consequence | *Res Rating | Res Likelihood | Res Consequence | Risk | Risk Description | Consequences | Controls |
|--------|-------------|----------------|-------------|-------------|----------------|-----------------|--|--|--|---|
| 1 | Extreme | Likely | Extreme | Very High | Unlikely | Extreme | Electricity | Failure to identify and manage electrical services on site. | Shock, resulting in injury, illness, disability, fatality. | All services will be located prior to work starting on site. |
| 2 | Very High | Possible | Very High | Very High | Unlikely | Extreme | Hazardous plant, Equipment | Failure to safely manage hazardous plant, equipment and machinery. | Impact, crush, inhalation, ingestion, shock, burn, fires, explosion, sprains/strains, trips & falls resulting in injury, illness, disability, fatality | Qualified machine operators, exclusion zones, PPE. |
| 4 | Very High | Possible | Extreme | High | Rare | Extreme | Work at heights | Failure to safely manage work at height activities. | Falls, sprains/strains, trips & falls resulting in injury, illness, disability, fatality. | Qualified operators, harnesses, ticketed equipment. |
| 5 | Very High | Likely | High | High | Possible | High | Community expectations | Failure to effectively manage community expectations and communication for the project. | Negative individual and community reactions. E.g. increased complaints, loss of confidence in Council Ratepayer dissatisfaction for budget spent for playground E.g. complaints, loss of confidence in Council | Having a good communication plan in place and posting factual updates on where the project is at. |
| 8 | Very High | Almost Certain | High | High | Possible | High | Concept Design vs actual Cost | Failure to manage project costs within the approved budget. Costs as stated in concept design exceed the allocated budget | Impact to financials, damage to reputation, complaints, project delays | Council resolution to approve \$1.5M from the Long Term Plan. Matamata Futures agreed to raise excess funds required to complete the playground. We are working to finalise the budget now, it is looking achievable and we can complete VE if needed. MMF have raised a significant contribution can stage if fundraising doesn't meet the costs. |
| 12 | Very High | Almost Certain | High | High | Possible | High | Scope Creep | Failure to control scope | Additional costs, delays, timeframes exceeded | Strict Change Control Process, Project Team to confirm scope with stakeholders. Stakeholder engagement before and during project |
| 13 | Very High | Almost Certain | High | High | Possible | High | Project budget / estimates / contingency | Failure to secure sufficient funding and maintain accurate cost estimates and contingency. | Missed deadlines, uncertainty leading to insufficient lead times. Scope Creep, negative impacts to cost, time/schedule Insufficient staff capacity to run procurement and project management and surfacing and landscaping contracts Negative stakeholder, individual and community reactions. | Delayed project until community funding is confirmed. Control communications to ensure we aren't releasing plans showing full extent of works. Have possible reductions of scope of works and changes in design to reduce equipment costs. if funding not secured Communication – updates to the community and stakeholders of status/progress. Regular meetings between MMF and MPDC. Ensure all stakeholders are working to the same goal. |
| 14 | Very High | Almost Certain | High | High | Possible | High | Materials - costs | Failure to manage increases in material costs. | Increased costs | Provide sufficient contingency |
| 16 | Very High | Possible | Very High | High | Possible | High | Contractors quality | Insufficient quality of contractors work | End product not up to standard/specification | Strict procurement evaluation criteria. Require references for previous works. On site supervision Quality requirements apply to all in-kind and donated assets |
| 21 | Very High | Likely | High | High | Possible | High | Agreements/ Partnerships | Insufficient or ineffective stakeholder, partnerships communication and engagement including failure of partners to meet obligations or align to project objectives. | Misalignment with stakeholders. Potential disputes Playground not fit for purpose. | Design Plan reviewed by multiple departments at MPDC. Regular Meetings |

Project Overview

Start: Oct-25 Completion: Oct-26

Upgrade of the Morrinsville Refuse Transfer Station (RTS) to improve traffic flow, health and safety, user experience, and site operations by installing a second weighbridge, new kiosk, and reconfiguring the site layout. Scope and budget increased Feb 2026 to include refuse area wall repair/upgrade.

Objectives:

- * Improve traffic efficiency and site safety by reconfiguring entrance and weighbridge layout
- * Support a future increase in demand
- * Demolish DG, Shed, Kiosk and old weighbridge
- * Build new refuse roof (if budget allows), Shed and staff kiosk, install new x2 weighbridges with automated payment kiosks. 2 x containerised Dangerous Goods Containers with Emergency Shower Station and concrete cast wall to protect existing gabion wall from further damage
- * Asphalt the forecourt area

Risk Overview

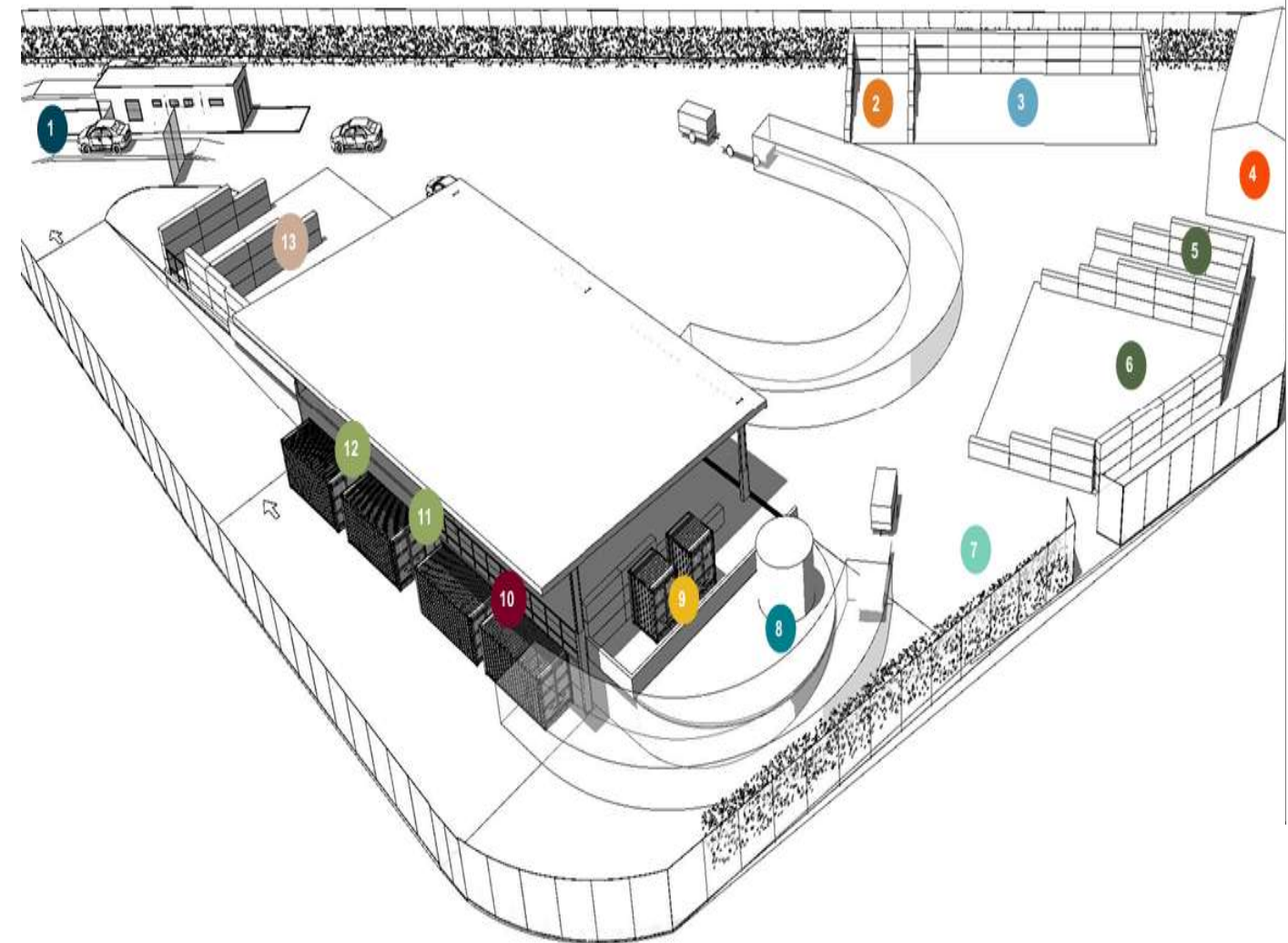
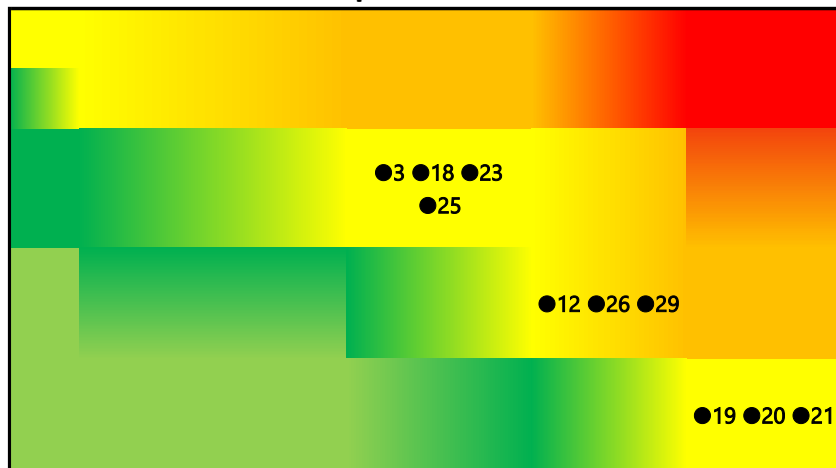
The project has a moderate to high residual risk profile, consistent with construction activities within an operational waste management environment. Inherent risks are elevated across health & safety, environmental, and service continuity areas, driven by demolition works, proximity to a closed landfill, and operational impacts during site closure. Following implementation of controls, most risks reduce to moderate, with a small number remaining high, reflecting the inherent nature of construction and safety-related activities. Residual risks are considered appropriate and manageable, with no risks outside expected tolerance for this type of project.

| Key drivers of residual risk include: | Key Controls |
|--|--|
| <ul style="list-style-type: none"> * Construction-related health and safety risks, including demolition, excavation, working at heights, and hazardous materials * Ground conditions and legacy site issues, including landfill interface and uncertainty in underground services * Operational impacts during site closure, including redistribution of demand to alternative RTS sites * Programme and delivery constraints, including dependencies on consents, procurement, and contractor performance * Environmental risks, including contamination and material handling during construction | <ul style="list-style-type: none"> * Contractor Health & Safety management, including approved H&S plans, site supervision, and toolbox meetings * Pre-construction investigations and planning, including service identification, site assessments, and methodology planning * Operational mitigation measures, including alternative site capacity, extended operating hours, and staged closure planning * Procurement and contract management, including defined scope, contractor engagement, and contract controls * Stakeholder communication, including public updates and coordination with internal teams * Environmental protection measures, including runoff control, material handling procedures, and monitoring during works |

Project Risk Changes

| Risk # | Risk | Risk Category | Inherent Rating | Residual Rating | Movement | Status |
|--------|--|-------------------|-----------------|-----------------|----------|-----------------|
| 3 | Unanticipated Costs | Project | Very High | High | ↓ | Active/On-going |
| 12 | Leachate | Environmental | Very High | High | ↓ | Closed |
| 18 | Underground services/Unknown services | Project | Very High | High | ↓ | Active/On-going |
| 19 | Construction | Safety & Wellness | Very High | High | ↓ | Monitored |
| 20 | Hazardous Substances | Safety & Wellness | High | High | = | Monitored |
| 21 | Dust | Safety & Wellness | Very High | High | ↓ | Monitored |
| 23 | Electrical | Safety & Wellness | Very High | High | ↓ | Monitored |
| 25 | Psychological Factors (verbal abuse, stress etc) | Safety & Wellness | Very High | High | ↓ | Active/On-going |
| 26 | Work at Heights | Safety & Wellness | Extreme | High | ↓ | Monitored |
| 29 | Confined Space | Safety & Wellness | Very High | High | ↓ | Monitored |

Residual Risk Heat Map



Filtered on High, Very High and Extreme

| Risk # | *Inh Rating | Likelihood | Consequence | *Res Rating | Res Likelihood | Res Consequence | Risk | Risk Description | Consequences | Controls |
|--------|-------------|------------|-------------|-------------|----------------|-----------------|---|---|--|--|
| 3 | Very High | Likely | High | High | Possible | High | Unanticipated Costs | Project cost overruns due to unforeseen structural issues or material price increases. | Budget overruns requiring additional funding approval Scope reduction or deferral of works Impact to delivery timelines Reputational impact due to perceived poor cost management | Include a contingency budget (10-15%); conduct pre-construction site investigations to identify risks early. |
| 12 | Very High | Possible | Very High | High | Unlikely | Very High | Leachate | Waste/sewer line into leachate drain | Lechite landfill testing contaminated | check where leachate testing is conducted along the drain lines |
| 18 | Very High | Likely | High | High | Possible | High | Underground services/ Unknown services | Failure to accurately identify and locate underground services prior to construction activities.(No as-built plans) | Damage to underground infrastructure Project delays and rework Increased repair costs Disruption to services | Confirm services through investigation prior to excavation where possible Update as-builts following construction |
| 19 | Very High | Unlikely | Extreme | High | Rare | Extreme | Construction | Failure to ensure health and safety of staff, contractors, and the public during construction activities. | Serious injury or fatality Work stoppage and delays Legal action or fines Reputational damage | Contractor to provide Health and Safety Plan, enforce PPE, barriers and signage. Daily/weekly safety briefings, notices to internal staff - bulletin, week in brief Site separation and exclusion zones Contractor H&S plan approved and monitored |
| 20 | High | Unlikely | Very High | High | Rare | Extreme | Hazardous Substances | Failure to identify and manage hazardous substances (including asbestos) during demolition and construction. | Long-term health impacts to workers Site closure and remediation Legal and regulatory action Programme delays | Ensure work is risk assessed, planned, and completed by appropriately trained workers. Avoid dry sweeping, shovelling, or other dry clean-up of dust and debris containing asbestos. Use drop sheets and barriers that are wet-wiped or vacuumed with a HEPA-f |
| 21 | Very High | Likely | High | High | Rare | Extreme | Dust | Failure to control airborne contaminants (dust, silica, debris) during construction activities. | Health impacts to workers Complaints from surrounding properties Temporary work stoppages Reputational impact | Use vacuum cleaners with HEPA filtration for dust cleanup. Wet down materials before demolition to reduce dust generation. Regularly clean and maintain tools to optimize dust collection efficiency. Regularly remove debris and dust from the work area. Provide workers with adequate PPE(respirator, goggles, clothing) |
| 23 | Very High | Possible | Extreme | High | Possible | High | Electrical | Electrical hazards | Serious injury or fatality Fire or infrastructure damage Work stoppage and delays Legal and regulatory consequences | Ensure employees are trained in safe work practices, including how to use electrical equipment safely. Look for damaged insulation, exposed live components, or improper installation. Perform visual inspections before use. Lock and tag out the electrical system or parts of the system. |
| 25 | Very High | Likely | High | High | Possible | High | Psychological Factors (verbal abuse, stress etc) | Psychological Factors (verbal abuse, stress etc) | Reduced staff wellbeing and productivity Increased stress and absenteeism Reduced team performance Potential staff turnover | Foster a supportive environment and build connections |
| 26 | Extreme | Likely | Very High | High | Unlikely | Very High | Work at Heights | Work at Height | Serious injury or fatality Work stoppages Legal action and investigations Project delays | using fall prevention devices like guardrails and scaffolding, ensuring proper equipment inspection and proficiency, providing appropriate personal protective equipment (PPE), implementing fall arrest systems, training workers on working at heights, and planning for emergencies Working at Height permit required |
| 29 | Very High | Possible | Extreme | High | Unlikely | Very High | Confined Space | Working in confined spaces | Serious injury or fatality Emergency response incidents Legal and regulatory consequences Project delays | Confined spaces permit, Pre entry risk assessment |

Project Overview

Start: Sept-24 Completion: Aug-26

Remediation of the RSA Wall in Morrinsville. The wall has been deemed unsafe and a Dangerous Building Notice issued against the RSA as the property owner as well as MPDC as part of the wall sits within Council land. At the meeting on the 17th December 2025, a Council resolution was passed to confirm the full replacement of the Morrinsville RSA retaining wall as the preferred remediation option as well as to identify and approve the funding source for unbudgeted expenditure, with consideration of available community reserves.

Risk Overview

The project risk profile remains elevated, with a concentration of High and Very High residual risks, reflecting the complexity of delivering critical remediation works on an unsafe retaining wall within an operational and constrained environment. While controls are in place and reducing several risks, including geotechnical investigations, construction methodologies and traffic management planning, a number of risks remain inherent to the nature of remediation and demolition works. Overall, the project is considered deliverable, success will be dependent on monitoring and maintaining controls

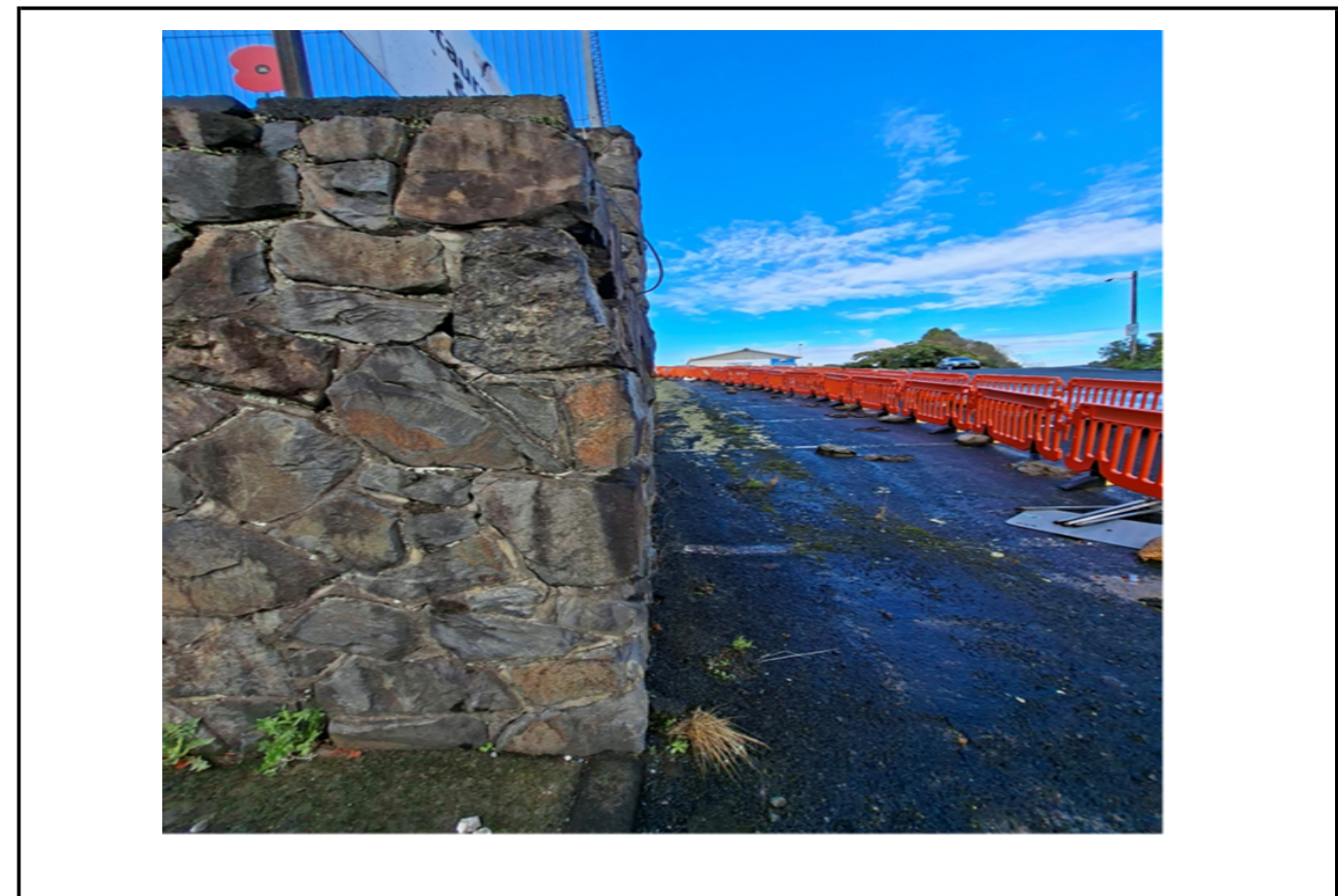
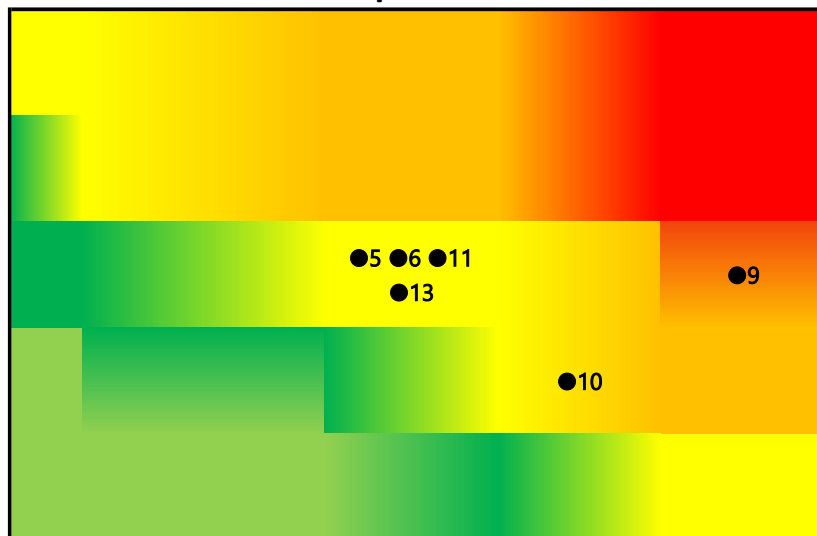
| Key drivers of residual risk include: | Key Controls |
|---|--|
| <ul style="list-style-type: none"> * Construction and ground condition uncertainty, particularly unforeseen subsurface conditions impacting design, methodology, cost, and programme * Technical design and geotechnical information risk, where incomplete or inaccurate data may require redesign, consent variation, and result in delays and cost escalation * High-risk demolition and construction activities, including potential partial or full collapse of the existing wall, presenting significant health and safety exposure * Traffic management risks, associated with works occurring on a busy road with ongoing public interface and potential safety consequences * Unanticipated costs and budget pressures, driven by unknown conditions and the absence of fully defined scope for all works at the outset | <ul style="list-style-type: none"> * Ongoing active management of construction and geotechnical risks * Strict health and safety controls and site management practices * Effective traffic management and public safety measures * Maintaining robust cost control and contingency management * Continued monitoring and adaptation of design and methodology as site conditions are confirmed |

Project Risk Changes

| Risk # | Risk | Risk Category | Inherent Rating | Residual Rating | Movement | Status |
|--------|-----------------------------|--------------------|-----------------|-----------------|----------|-----------------|
| 5 | Construction | Project | Very High | High | ↓ | Monitored |
| 6 | Technical information | Project | High | High | = | Monitored |
| 9 | Construction/Demolition | Safety & Wellness | Extreme | Very High | ↓ | Monitored |
| 10 | Traffic Management | Safety & Wellness | Very High | High | ↓ | Monitored |
| 11 | budgets | Financial Economic | High | High | = | Active/On-going |
| 13 | Programme / Delivery Timing | Project | Very High | High | ↓ | Active/On-going |

Residual Risk Heat Map

● Residual Risk



Filtered on High, Very High and Extreme

| Risk # | *Inh Rating | Likelihood | Consequence | *Res Rating | Res Likelihood | Res Consequence | Risk | Risk Description | Consequences | Controls |
|--------|-------------|------------|-------------|-------------|----------------|-----------------|-----------------------------|--|---|--|
| 5 | Very High | Likely | High | High | Possible | High | Construction | Unforeseen ground conditions during excavation | Variations, redesign, delays | Provisional sums, contingency, geotech monitoring during excavation |
| 6 | High | Possible | High | High | Possible | High | Technical information | Inadequate geotechnical information leading to incorrect wall design | redesign, consent variation, delays, cost escalation | Commission detailed Geotech investigation prior to work starting, Appoint Geotech engineer to monitor excavation, |
| 9 | Extreme | Likely | Extreme | Very High | Possible | Extreme | Construction/Demolition | Partial or full collapse of existing wall. New construction of wall | Serious injury or fatality | Temporary works methodology reviewed and approved by Council, exclusion zones, Temporary traffic management plan , construction methodology approved by Council. |
| 10 | Very High | Possible | Extreme | High | Unlikely | Very High | Traffic Management | Ineffective traffic management on very busy road | Serious injury or fatality | Temporary Traffic management plan reviewed and approved by third party/Council |
| 11 | High | Possible | High | High | Possible | High | Unanticipated Costs/ budget | Unplanned works not reasonably foreseen, there is no allocated budget | Overspends | clear scope, sufficient contingency, robust contract management |
| 13 | Very High | Likely | High | High | Possible | High | Programme / Delivery Time | Failure to deliver the project within required timeframes, including compliance deadlines associated with the Dangerous Building Notice. | Programme delays Non-compliance with Dangerous Building Notice Increased costs Extended disruption to site and stakeholders Reputational damage | Detailed project programme developed and maintained Key milestones aligned to compliance deadlines Early engagement with consenting and engineering teams Regular programme monitoring and reporting Escalation of delays through governance |

8 Ngā Pūrongo Whakamārama | Information Reports

8.9 Staff culture survey update

CM No.: 3176841

Te Kaupapa | Purpose

The purpose of this report is to present the results of the 2026 staff culture survey (Culture QuickSense), outlining key themes, what is working well, and areas for improvement, along with the current and planned responses.

Rāpopotonga Matua | Executive Summary

The 2026 survey used a new approach (Culture QuickSense) to capture real staff experiences.

A total of 104 staff stories were collected, providing insight into how culture is experienced across the organisation. The results indicate that MPDC has a strong and positive culture, supported by capable and committed staff.

The survey also highlights some areas of organisational risk and variability, particularly in leadership, change management, workforce capacity, and systems and processes.

These areas are being actively addressed through current and planned initiatives.

Pulse Surveys will be used to support ongoing monitoring, particularly during periods of change.

Tūtohunga | Recommendation

That:

1. The information be received.

Horopaki | Background

Survey Approach

MPDC undertakes a staff culture survey annually. From December 2025 to March 2026, a new tool - Culture QuickSense - was introduced in response to feedback that the previous survey was too long.

As part of managing one of Council's key risks; Workforce Capacity and Capability - the following additional mitigating actions were identified:

- A greater focus on survey response action planning at Group Manager level, to complement organisation-wide responses
- A review of the staff survey approach, including the use of shorter pulse surveys

Culture QuickSense

Culture QuickSense:

- Collects real stories from staff rather than relying on traditional survey questions
- Enables staff to interpret their own experiences

- Identifies patterns across these experiences to provide deeper insight into organisational culture

Why Culture Measurement is Important

Staff culture is a key organisational indicator because it:

- Identifies emerging risks (e.g. stress, poor leadership, low accountability)
- Supports organisational performance and delivery
- Provides insight into engagement and retention risks
- Informs organisational design, including the current structure review

Ngā Take/Kōrerorero | Issues/Discussion

Culture QuickSense Survey – Summary of Results

A total of 104 stories were received.

Overall, the results indicate a predominantly positive culture, supported by strong staff commitment and collegiality. However, there is notable variability across the organisation, particularly in leadership, communication, and empowerment.

Organisational change is a consistent underlying factor in staff experiences, contributing to uncertainty, workload pressures, and wellbeing impacts. These findings highlight areas of emerging and ongoing organisational risk that require active management and monitoring. Pulse surveys will be used to check in with staff during the rest of the year.

Key Themes Identified

CoPilot was used to theme the stories and identified the following:

Positive Themes

| Theme | Frequency | Summary Insight |
|----------------------------|-----------|--|
| Connection & Collaboration | High | Strong collaboration across teams, with opportunity to further reduce siloed working |
| Welcoming Culture | Medium | Inclusive and supportive environment, particularly for new staff |
| Staff Wellbeing | Medium | Flexible work and wellbeing support are valued |

Mixed Themes

| Theme | Frequency | Summary Insight |
|--------------------------|-----------|---|
| Leadership & Management | High | Executive leadership is viewed positively; variability exists in middle management capability and leadership approach |
| Communication | Medium | Effective within teams, but inconsistent across the organisation |
| Empowerment & Innovation | Medium | Mixed experience of empowerment; some staff feel constrained or unsupported in progressing ideas |

Negative Themes

| Theme | Frequency | Summary Insight |
|----------------------|-----------|--|
| Change & Uncertainty | High | Ongoing organisational change is creating uncertainty around direction, pace, and role impacts |

| Theme | Frequency | Summary Insight |
|-------------------------|-----------|---|
| Systems & Technology | Medium | Systems are perceived as inefficient and difficult to use, with reliance on workarounds |
| Workload & Pressure | Medium | High workload and competing priorities |
| Physical Workspace | Medium | Concerns regarding workspace capacity, facilities, and suitability |
| Accountability | Medium | Inconsistent application of accountability and performance management |
| Processes & Bureaucracy | Medium | Complex processes and multiple approvals |

What is Working Well (Positive Culture Indicators)

| Characteristic | Frequency | Summary Insight |
|---------------------------------|-----------|--|
| People / Capability | Very High | Staff are committed, capable, and motivated to deliver for the community |
| Supportive Environment | High | Strong sense of care, support, and collegiality |
| Executive Leadership | High | Leadership is visible, approachable, and provides direction |
| Teamwork & Collaboration | High | Strong focus on shared outcomes |
| Welcoming Culture | Medium | Positive and inclusive environment for staff |
| Flexibility & Work-Life Balance | Medium | Flexible working arrangements support wellbeing |

Areas for Improvement and Current/Planned Response

| Area | Frequency | Key Issues Raised | Current/Planned Response |
|-------------------------|-----------|--|---|
| Leadership & Management | High | Variable leadership capability; communication gaps | Leadership peer groups established; training delivered on leading through change and tricky conversations. Continuing to support leadership capability as an organisational priority. |
| Systems & Technology | High | Systems difficult to use; inefficiencies | M365 implemented (Sept 2025) with ongoing training and follow-up survey to identify further support needs |
| Physical Workspace | High | Workspace limitations and conditions | A ventilation issue was resolved; hot-desking system further developed, ongoing working group addressing broader workspace needs |
| Communication | Medium | Limited cross-team information flow | Increased use of M365 tools; continued focus on improving organisation-wide communication; this has also been considered as part of the proposed organisational structure review |
| Processes & Bureaucracy | Medium | Complex and inefficient processes | Proposed Business Excellence and Risk function to drive process improvement and efficiency |
| Accountability | Medium | Inconsistent | Ongoing focus on strengthening leadership |

| Area | Frequency | Key Issues Raised | Current/Planned Response |
|----------------------|-----------|--|---|
| | | performance management | capability; recognition that performance processes are not always visible to staff |
| Workload & Resources | Medium | High workload and resource constraints | Targeted resourcing for high-pressure areas (e.g. Waikato Waters transition); strengthened work planning and prioritisation |
| Strategic Direction | Medium | Lack of clarity on priorities | The organisation review and the setting of priorities for the next financial year are intended to provide greater clarity on strategic direction. The Te Ohu Takatū Anamata group continues to monitor ongoing legislative change and ensures the organisation responds appropriately. |
| Change management | High | Ongoing organisational change is creating uncertainty around direction, pace, and role impacts | A strong focus continues on supporting staff through organisational change. A formal change management process is being applied to the organisation review, including a clear review process, employee support initiatives and regular communication to staff through both in-person and online channels. Staff are actively involved in local government reform working parties, and all staff are kept regularly informed of progress. An internal waters transition group also supports the transfer of water services, with regular communications provided to directly affected staff. |

The 2026 Culture QuickSense survey indicates that MPDC has a strong and positive culture.

It also highlights some areas of organisational risk, particularly in relation to:

- Leadership consistency
- Change management
- Workforce capacity and wellbeing
- Systems and process efficiency

Work is already underway, or planned, to address these issues.

Ongoing monitoring through Pulse Surveys, particularly during periods of change, will help ensure MPDC continues to maintain a positive organisational culture.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |
|-----------|---|--|

| | | |
|-------------|---|--|
| Approved by | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |
|-------------|---|--|

8 Ngā Pūrongo Whakamārama | Information Reports

8.10 Mayoral Fund and Mayoral Disaster Relief Fund Policies for Review

CM No.: 3169980

Te Kaupapa | Purpose

The purpose of this report is to:

- provide the draft Mayoral Fund Policy and Mayoral Disaster Relief Fund Policy following review for Committee feedback
- provide the Committee with expenditure information surrounding the Mayoral Fund Policy and Mayoral Disaster Relief Fund Policy.

Rāpopotonga Matua | Executive Summary

The Mayoral Fund Policy and Mayoral Disaster Relief Fund Policy are due for review. Drafts have been developed based on staff and Elected Member feedback and are attached for Committee feedback. Draft amendments include reformatting, addition of Te Reo headings, rewording for clarity, relevance and alignment and inclusion of a conflict of interest clause.

Expenditure information surrounding the Mayoral Fund Policy and Mayoral Disaster Relief Fund Policy is contained in this report.

Tūtohunga | Recommendation

That:

1. The information be received.
2. The Risk and Assurance Committee provide feedback / recommendation on the review of the draft Mayoral Fund Policy and the draft Mayoral Disaster Relief Fund [feedback to be specified].

Horopaki | Background

Mayoral Fund Policy

Council adopted the Mayoral Fund Policy on 27 September 2023, coming into effect on 1 January 2024 and it has a three-year review period.

The purpose of the Mayoral Fund Policy is to provide guidance on the management of the Mayoral Fund. The Mayor receives regular requests for grants, donations and financial assistance to support ad hoc projects and community initiatives. While many requests are dealt with through applications for other Council provided or administered grants, the Mayor has the discretion to allocate funding from the Mayoral Fund.

The total financial assistance provided to the community through the Mayoral Fund is set out in Council's Long Term Plan and Annual Plan budgets.

The current Mayoral Fund Policy can be found on the Matamata-Piako District Council (MPDC) website: [Te kaupapahere pūtea ā-Te Manuhua - Mayoral Fund Policy](#)

Mayoral Disaster Relief Fund Policy

Council adopted the Mayoral Disaster Relief Policy on 24 May 2023 and it has a three-year review period.

The aim of the Mayoral Disaster Relief Fund is to help towards alleviating the emotional and financial stress experienced by the community resulting from a disaster event.

The Mayoral Disaster Relief Fund can be set up by Council following a significant disaster event to provide financial support to those individuals, families, small businesses, community groups and marae adversely affected.

Contributions to the Fund may be made by Council, the public, or other community groups and organisations. The Government may provide a financial contribution per emergency event in a district. The funding provided by the Government needs to be ring-fenced specifically for those affected by the emergency event, after six months, any unspent funds need to be returned.

Ngā Take/Kōrerorero | Issues/Discussion

Total Fund Budgets

The total Mayoral Fund budget for 2026/27 is \$15,000, the Mayor has the discretion on use of the budget. Each applicant has a maximum fund amount of \$500 but the Mayor has the discretion to grant more if deemed appropriate.

Previous Expenditure of Policies

The attachment includes expenditure data for the period 2021–2026.

The total expenditure attributed to the Mayoral Fund over this period is \$15,673.42. Transactions relating to the Mayoral Fund are highlighted in **yellow**.

The total expenditure attributed to the Mayoral Disaster Relief Fund over this period is \$11,500. Transactions relating to the Mayoral Disaster Relief Fund are highlighted in **green**.

Note: It is important to note that there has only been one use of the Mayoral Disaster Relief Fund during this period. This occurred on 11 July 2023 for flood relief. The funds were provided by Waikato Regional Council and administered through MPDC to affected individuals.

Additionally, the blue highlighting in the extract indicates the Mayor's annual contributions toward ANZAC Day commemorations in each town.

Neighbouring Council Policies

Council has a different approach to Mayoral Fund policies compared to our neighbouring Councils. The primary difference in the Council's used for examples is that Matamata-Piako is the only Council to have two separate policies for these funds, with the policy for the Mayoral Fund Policy being available all the time. Rather, neighbouring Councils will either:

1. Have a 'merged' published policy document which accounts for Mayoral Funds as well as Mayoral Disaster Relief Funds. Some Council's merge the two funds, sometimes referred to as a 'Mayoral Discretionary Fund'.
2. Have information regarding the fund/s published on their website but no public policy document, with the policy only becoming 'live' when required, such as during a disaster event.
3. Have only one or neither.

Below is a table outlining what policies our neighbouring Council's utilise:

| Council | Mayoral Fund | Mayoral Disaster Relief Fund | Fund Title/s | Details |
|----------------------------|--------------|------------------------------|--|---|
| Matamata-Piako | YES | YES | Mayoral Fund Policy | Mayoral Fund Policy available for public access on MPDC website. Mayoral Disaster Relief Policy becomes available when necessary and/or requested. |
| Hauraki District | NO | YES | Mayoral Relief Fund Closes | Not a public facing policy document. This is a website article disclosing the usage of the Mayoral Relief Fund for a storm in January. |
| Thames-Coromandel | NO | YES | Mayoral Discretionary Fund and Mayoral Disaster Relief Fund Policy | Received directly from TCDC – not public facing documents. Merged policy document of two funds. |
| Waikato District | NO | YES | Mayoral Disaster Relief Fund | Application information rather than policy. |
| Waipa District | NO | YES | Mayoral Disaster Relief Fund | Application information but does include certain policy aspects. Refer information below on expenditure. |
| Ōtorohanga District | NO | YES | Mayoral Disaster Relief Fund Activated for Ōtorohanga District | Brief information about the fund and application details. |
| Hamilton City | NO | NO | | |
| South Waikato | NO | NO | | |
| Waitomo District | NO | NO | | |

Draft amendments made to the policies

- Reformatted to fit current MPDC policy templates and branding.
- Addition of Te Reo translation in headings.
- Rewording of the policy for clarity, relevance and alignment.
- Inclusion of conflict of interest clause in draft Mayoral Fund Policy.

Council Feedback

These policies were presented at a Council workshop on 3rd June 2026. The Council agreed the general premise of the policies were suitable, but it would be beneficial to include a 'Conflict of Interest' clause into the Mayoral Fund Policy. This would delegate authority to the Deputy Mayor if the Mayor has a direct conflict of interest with an applicant. This has been included in the attached Policy for the Committee feedback.

Mōrearea | Risk

Council is required to report to the Risk and Assurance Committee for both funds. While conducting the review of these policies, it also serves as an opportunity for the Committee to oversee previous expenditure and offer input to minimise risk surrounding these funds.

Ngā Whiringa | Options

| Option One – Status Quo | |
|---|---|
| Description of option | |
| The Committee recommend Council adopt the current Policies without reviewed amendments. | |
| Advantages | Disadvantages |
| Community are familiar with the Policy and processes. | Does not allow for improvements for clarity, relevance and alignment. |
| | Does not specify how conflicts of interest will be dealt with. |
| Option Two – Adoption of amended Policies (preferred option) | |
| Description of option | |
| The Committee recommend that Council adopt the amended Policies. | |
| Advantages | Disadvantages |
| Allows for improvements for clarity, relevance and alignment. | Community may need to familiarise themselves with amendments. |
| Option Three – Merging of the two Policies | |
| Description of option | |
| The Committee recommend that Council merge the amended Policies into a single policy. | |
| Advantages | Disadvantages |
| Aligns with a number of neighbouring Council's approaches. | Would require a number of changes in the policies. |
| Would provide one location for information regarding Mayoral fund distribution abilities through a merged policy. | |

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

If a government grant is provided, Council must meet the relevant reporting requirements. Where other funding is provided, reporting is required to Council's Risk and Assurance Committee under the attached Policy.

Local Government Act 2002 (LGA 2002) Decision-making requirements

Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is assessed as having a low level of significance.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

| Local Government Act 2002 decision making requirements | Staff/officer comment |
|--|--|
| Section 77 – Council needs to give consideration to the reasonable practicable options available. | Options are addressed above in this report. |
| Section 78 – requires consideration of the views of Interested/affected people | If there is significant change to the Policies, consultation may occur. |
| Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue | The Significance and Engagement Policy is considered above. This issue is assessed as having a low level of significance. |
| Section 82 – this sets out principles of consultation. | If there is significant change to the Policies, consultation may occur. |

Policy Considerations

- To the best of the writer's knowledge, this recommendation is not significantly inconsistent with nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

No communications or engagement has occurred so far, if staff are required to consult on these Policies a communications and engagement plan will be developed.





Timeframes

| Key Task | Dates |
|------------------|------------|
| Council workshop | 03/06/2026 |
| | 16/06/2026 |

| | |
|--|------------|
| | 24/06/2026 |
|--|------------|

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council’s Community Outcomes are set out below:




| | | | |
|--|---|---|---|
| MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE | | MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION | |
| TŌ MĀTOU WHAKAKITENGA OUR VISION | | | |
| Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. ‘The heart of our community is our people, and the people are the heart of our community.’ | | | |
| TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES) | | | |
|  |  |  |  |
| He wāhi kaingākau ki te manawa A place with people at its heart | He wāhi puawaitanga A place to thrive | He wāhi e poipoi ai tō tātou taiao A place that embraces our environment | He wāhi whakapapa, he wāhi hangahanga A place to belong and create |

All community outcomes are relevant to this report.

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

The review of this Policy falls within the Strategies and Plans budget.

Ngā Tāpiritanga | Attachments

- A.  Mayoral Expenditure 2021-26 - Policy Review 2026
- B.  PDF Draft Mayoral Fund Policy 2026 with Tracked Changes.DOCX
- C.  PDF Draft Mayoral Disaster Fund 2026 with Tracked Changes.DOCX

Ngā waitohu | Signatories

| | | |
|-----------|------------------|--|
| Author(s) | Charlotte Walker | |
|-----------|------------------|--|

| | | |
|-------------|---|--|
| | Kaitohu Kaupapahere Paetahi Graduate Policy Advisor | |
| Approved by | Niall Baker Kaiārahi Tīma Kaupapahere Policy Team Leader | |
| | Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager | |
| | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |

Item 8.10

Attachment A

| | |
|--|-----------|
| Total Mayoral Fund Expenditure 2021-2026 (\$) | 15,673.42 |
| Total Mayoral Disaster Relief Fund Expenditure 2021-2026 (\$) | 11,500 |
| Total Expenditure 2021-2026 (\$) | 27,173.42 |
| Blue highlight for regular, annual ANZAC contribution (per town) | |

| Mayoral Fund and Mayoral Disaster Relief Fund Expenditure for 2021-2026 | | |
|---|---|---------------|
| Date | Expenditure Reason | Amount \$ |
| 2025/26 | | |
| 5/4/2026 | Mayoral Fund Contributions - to support competing at Oceania Athletics Champtionship in Australia | 500 |
| 2/3/2026 | AR1351.01 - MM Historical Society - Hall hire for book fair | 434.78 |
| Total 2025/26 Expenditure | | 934.78 |

| | | |
|----------------------------------|--|-----------------|
| 2024/25 | | |
| 4/29/2025 | ANZAC Day 2025 - Contribution to catering | 275 |
| 4/29/2025 | ANZAC Day 2025 - Contribution to catering | 275 |
| 4/29/2025 | ANZAC Day 2025 - Contribution to catering | 275 |
| 2/14/2025 | AR1351.01 - MM Historical Society - Contribution towards book fair hall hire | 173.91 |
| 9/11/2024 | 2024 Mayoral Fund Discretionary Support Payment - towards competing at world cross fit games | 500 |
| 8/6/2024 | 2024 - Hall Hire Contribution for Fundraising Event Pohlen Hospital | 400 |
| Total 2024/25 Expenditure | | 1,898.91 |

| | | |
|----------------------------------|---|-----------------|
| 2023/24 | | |
| 4/23/2024 | ANZAC 2024 - Assistance with catering | 275 |
| 4/23/2024 | ANZAC 2024 - Assistance with catering | 275 |
| 4/23/2024 | ANZAC 2024 - Assistance with catering | 275 |
| 4/8/2024 | Hire of senior citizens hall for Hauora health dayu | 300 |
| 12/8/2023 | RC processing - 102.2023.12895 - Te Aroha A P & H 14172/2024 | 1,297.42 |
| 11/13/2023 | MV Rec Grounds - Tennis Club - Replace roof | 2,173.91 |
| 7/11/2023 | Mayoral Flood Relief - WRC DC Funds Money was received from Waikato Regional Council - and MPDC paid to the recipients | \$11,500 |
| Total 2023/24 Expenditure | | \$16,096 |

| | | |
|----------------|--|-----|
| 2022/23 | | |
| 5/26/2023 | MM - Coronation Planting Contribution | 200 |
| 5/26/2023 | TA - Coronation Planting Contribution | 100 |
| 5/26/2023 | TA - Coronation Planting Contribution | 100 |
| 5/26/2023 | MM & MV - Coronation Planting Contribution | 250 |

| | | |
|----------------------------------|--|-----------------|
| 2/28/2023 | ANZAC Day 2023 - Contribution towards costs | 275 |
| 2/28/2023 | ANZAC Day 2023 - Contribution towards costs | 275 |
| 2/28/2023 | ANZAC Day 2023 - Contribution towards costs | 275 |
| 12/13/2022 | SZ family passes for local event sponsorship | 95 |
| 12/13/2022 | SZ family passes for local event sponsorship | 95 |
| 7/29/2022 | Mayoral Contribution for competing at international event in Dubai (opera) | 1,000.00 |
| Total 2022/23 Expenditure | | 2,665.00 |

| 2021/22 | | |
|----------------------------------|---|-----------------|
| 6/30/2022 | Mayoral Funds towards upgrading Mens Toilet Block MV Bowling Club | 2,000.00 |
| 12/9/2021 | Kaitaiki Trap Donation to KT & TT Community Garden project | 1,000.00 |
| 10/19/2021 | Donation to Pohlen Foundation Trust for renovation fundraiser | 1,500.00 |
| 7/20/2021 | Waharoa Licence Team - Mayoral grant for driver licening scheme | 1,078.40 |
| Total 2021/22 Expenditure | | 5,578.40 |

Item 8.10

Attachment B



Te Reo Translation | Mayoral Fund Policy (Amended 2026)

Adopted by Council **TBC**

| | |
|-----------------------|---|
| Department | Policy, Partnerships and Governance |
| Policy Type | External |
| CM Reference | TBC |
| Resolution Date | TBC |
| Policy Effective From | TBC |
| Engagement Required | Special Consultative Procedure (Local Government Act 2002) |
| Review Frequency | Three-yearly or as required by Council or legislative changes |
| Review Date | TBC |
| Policy Supersedes | Mayoral Fund Policy |



Ko te pūtake o tōnei kaupapahere 1. Te Kaupapa | Policy Purpose

The purpose of this Policy is to provide guidance on the management of the Mayoral Fund (Fund).

The Mayor receives regular requests for grants, donations and financial assistance to support ad-hoc projects and community initiatives. While many requests are dealt with through applications for other Council provided or administered grants, the Mayor has the discretion to allocate funding from the Mayoral Fund.

The total financial assistance provided to the community through the Mayoral Fund is set out in Council's Long Term Plan and Annual Plan budgets.

2. Ngā pūrongo pūtea | Reporting on Ffunding

~~A schedule of grants made under this Policy will be reported to the Risk and Assurance Committee on an annual basis or as required. provided must be used for the purpose for which they were given.~~

Mayoral Fund grants are provided to applicants on the grounds that the recipient ~~where appropriate:~~

- ~~• is willing to acknowledge Council's contribution at the event/programme and/or in any written documentation associated with it using Council's logo; and,~~
- ~~• writes to Council at the conclusion of the event/programme to indicate the outcome, including any relevant photographs and press clippings; and-~~
- ~~• returns any unused funds to Council.~~

~~Kaupapahere Te Mātaitanga, me te Arotakenga | Policy monitoring and 3. Te Reo Translation | Rreview~~

~~The Strategic Partnership and Governance team are responsible for providing Council with a summary of expenditure and an evaluation of the implementation of the Policy on a bi-annual/annual basis (depending on volume of applications). The policy shall be reviewed at least once every three years, more frequently if required.~~

~~The Risk and Assurance Committee will review the Policy and expenditure from the Fund annually, providing feedback to gauge the effectiveness of the Policy.~~

~~This Policy is required to be reviewed every three years. Council may elect to review this Policy at any time.~~

4. Ngā kaupapa ka tautokona ā-pūtea | What we fund

Any grant provided will be at the discretion of the Mayor (or Deputy Mayor in the absence of the Mayor).

Applications will be considered if they meet one or more of the following criteria;

- assist an individual or group with the development and/or implementation of a project, scheme or initiative which will benefit the Matamata-Piako district,
- contributes towards the cost of an individual or group attending a sporting, cultural or other major event at which they are representing Matamata-Piako or New Zealand,
- provide assistance or donations to any cause that aligns with Council priorities and delivers a direct or indirect benefit to the Matamata-Piako district,
- contribute towards an unfunded project or event which benefits the Matamata-Piako district,
- the Mayor has discretion for funding as covered in Council's Sensitive Expenditure Policy.

~~• Returns any unused funds to Council.~~

Other considerations that will be made throughout the application process:

- ~~t~~The extent and level of community participation in the project/organisation,
- other sources of funding ~~which that~~ may be available,
- the amount of funding being sought in comparison to the~~from the~~ total cost, and how the remaining proportion will be funded,
- the likelihood of the project/organisation becoming self-sustaining.

All grants provided must be used for the purpose for which they were given.

5. Ngā kaupapa kāore e tautokona ā-pūtea | What we don't fund

The ~~Mayoral~~ Fund will not be granted for:

- funding for private gain, business initiatives and commercial enterprises,
- projects/programmes and related costs which have already occurred,
- any costs involved in preparing funding applications,
- projects or related costs already substantially funded by Council provided or administered grants,
- funding for any political purposes,
- repayment of debt, loan, repayments or investments of any kind.

~~Me pēwhea te tuku he~~6. Te Reo Translation ~~tononga~~ | How to make an application Application Process

Written applications in the form of a letter/email (info@mpdc.govt.nz) may be received at any time by the Mayor for the ~~Mayoral~~ Fund. The following details should be included:

- name and full contact details of applicant/group
- purpose and anticipated benefit to the Matamata-Piako district of the request
- amount requested and indication of total funds required for the project/activity as well as any other sources of funding applied for/received
- any other details that will aid the Mayor in making a decision

~~Alternatively written confirmation is required in the form of a letter/email of discretionary funding from the Mayor to authorise payment in accordance with this policy.~~

Whakataunga 7. Te Reo Translation | Decisions on Funding and Delegations

Any grant provided will be at the discretion of the Mayor within the parameters of this Policy (or Deputy Mayor in the absence of the Mayor).

The Mayor is responsible for exercising good judgment in applying the Policy, ensuring that expenditure is appropriate and transparent. Advice may be sought from Council officers or others where necessary.

Generally the maximum amount that will be allocated per application is \$500. However, applications for significant projects (above this amount) may be considered on their merit and availability of funds, discretion remains with the Mayor.

Generally, no funding assistance will be considered during the three month pre-election period of the local body elections. If an application is agreed to, the Chief Executive Officer is required to authorise any payment within this period.

The budget is not to be exceeded without a resolution of Council. Applicants will be advised in writing as soon as practicable of the decision relating to their application.

Recipients of the fund prior to their approval must agree to return any unused funds to Council.

8. Te Reo Translation | Conflict of Interest

If the Mayor has a direct conflict of interest in relation to any application to the Mayoral Fund, the Mayor must not participate in the consideration or decision-making process for that application. In such circumstances, all powers and responsibilities of the Mayor in respect of that application are automatically delegated to the Deputy Mayor, who shall exercise those powers independently and in accordance with this Policy.



Te Reo Translation | Mayoral Disaster Relief Fund 2023 (Amended 2026)

Adopted by Council **TBC**

| | |
|------------------------------|---|
| Department | Policy, Partnerships and Governance |
| Policy Type | External |
| CM Reference | TBC |
| Resolution Date | TBC |
| Policy Effective From | TBC |
| Engagement Required | Special Consultative Procedure (Local Government Act 2002) |
| Review Frequency | Three-yearly or as required by Council or legislative changes |
| Review Date | TBC |
| Policy Supersedes | Mayoral Disaster Relief Fund 2023 |



Purpose-1. Te Kaupapa | Purpose

The purpose of this Ppolicy is to provide guidance on the management of the Mayoral Disaster Relief Fund (Fund).

The aim of the Fund is to help towards alleviating the emotional and financial stress experienced by the community resulting from a significant disaster event.

-

Background/Purpose-

The Mayoral Disaster Relief Fund can be set up by Council following a significant disaster event to provide financial support to those individuals, families, small businesses, community groups and marae adversely affected.

Contributions to the Ffund may be made by Council, the public, -or other community groups and organisations. The Ggovernment (Minister of Emergency Management, together with the Prime Minister or Minister of Finance) may provide a financial contribution per emergency event in a district.

The funding provided by the Ggovernment needs to be ring-fenced specifically for those affected by the emergency event and must be used in accordance with their criteria. After six months, any unspent funds needs must be returned to the CrownGovernment.

2. Ngā pūrongo pūtea | Reporting on Funding Reporting

A schedule of grants made under this Ppolicy will be reported to the Risk and Assurance Committee on an annual basis or as required, any personal details related to the grants provided will be redacted to protect the privacy of recipients.

A high-level report on payments made from the Mayoral Disaster Relief Fund (if a Ggovernment grant has been provided), including the purpose of these payments will be provided to the National Emergency Management Agency (NEMA) within six months of receiving the contribution.

3. Te Reo Translation | Review

The Risk and Assurance Committee will review the Policy and expenditure from the funds annually, providing feedback alongside staff to gauge the effectiveness of the Policy. -
Measurement and review-

The effectiveness of the policy shall be measured through feedback from the Risk and Assurance Committee. -
The Ppolicy shall be reviewed at least once every three years, Council may elect to review this Policy at any time.

-

Criteria 4. Ngā kaupapa ka tautokona ā-pūtea | What we fund

Any grant provided will be at the discretion of the Mayor (or Deputy Mayor in the absence of the Mayor.)

The Mayoral Disaster Relief Fund provides one off financial assistance for circumstances where a real need can be shown. The Fund may be used to support and meet the needs of affected individuals, families, community organisations, small businesses and marae.

The aim of the Fund is ~~to~~ help towards alleviating the emotional and financial stress experienced by the community resulting from a disaster event, ~~through means such as helping with:-~~

- a. ~~with~~ basic needs, household goods and personal items (uninsured or underinsured),
- b. ~~with~~ clearing debris from properties that are not insured or are underinsured with replacement of structures that are not insured or are underinsured,
- c. by assisting with insurance excess payments.

~~Funds contributed~~ Financial assistance distributed from ~~to~~ the ~~Mayoral Disaster Relief~~ Fund must not be used for ~~by Council~~ ~~for~~s administrative or business costs ~~following a disaster~~.

5. Ngā Kaupapa kāore e tautokona ā-pūtea | What we don't fund

~~The Fund is a last resort measure when other appropriate sources of funding have been exhausted. Disaster relief funds are~~ This Fund is not intended to replace other existing funding sources, such as:

| | |
|----------------------|---|
| Welfare | Eligible costs are funded separately by the Government. |
| Infrastructure | The Government will meet some costs of essential infrastructure. |
| Insurances | Costs covered by other funding sources. |
| Other response costs | 60% funded by the Government (above the local authority's threshold) and 40% funded by the local authority. |

~~Delegations and Responsibilities~~ 6. Te Reo Translation | Decisions on Funding

The Mayor will assess applications ~~based on the criteria~~ and make a decision on whether to allocate funds. Advice may be sought from Council staff.

The Mayor may choose to determine the level of funding per application when setting up a ~~Mayoral Disaster Relief~~ Fund after a specific natural disaster event.

The Mayor may elect to form a panel to assist with the decision making on the distribution of funds from the ~~Mayoral Disaster Relief~~ Fund. Members of the panel will be appointed at the Mayor's discretion. Meetings to determine the allocation of funding will be minuted.

Applicants will be advised in writing of the decision relating to their application. Council contribution to the Funds in excess of the annual budget is unbudgeted expenditure and requires Council approval.

7. Te Reo Translation | Application Process

~~Applications must be on the prescribed form available on Councils website, or from one of our Council Offices. Applications may be received via Council's website, emailed to info@mpdc.govt.nz or posted/delivered to one of our Council Offices.~~

Applications will remain open for a set period of time after a significant event as determined by the Mayor.

-

8. Te Reo Translation | Conditions of Receiving a Mayoral Fund Grant

All grants provided must be used for the purpose for which they were given.

Receivers of a ~~Mayoral Disaster Relief Fund~~ grant ~~from the Fund~~ may be required to meet certain conditions and provide supporting documentation to substantiate their claim, ~~conditions for approval criteria will be highlighted on the application form.~~

9. Te Reo Translation | Delegations and Responsibilities

The Mayor (and the Deputy Mayor in the absence of the Mayor) has delegated authority to approve applications to the ~~Mayoral Disaster Relief Fund~~ ~~for grants and financial assistance~~, within the parameters of the Fund Criteria.

The Mayor is responsible for exercising good judgment in applying the ~~Mayoral Disaster Relief Fund~~, ensuring that expenditure is appropriate, transparent and appropriate monitoring processes are in place.

~~The Emergency Management Officer or Group Manager Community Development is responsible for providing the Risk and Assurance Committee with a summary of expenditure on the Mayoral Disaster Relief Fund. The Emergency Management Officer or Group Manager Community Development is responsible for reporting to the National Emergency Management Agency on the use of the Mayoral Disaster Relief Fund (if funds have been provided by the government).~~

8 Ngā Pūrongo Whakamārama | Information Reports

8.11 Draft Internal Policy: Gift Policy

CM No.: 3176191

Te Kaupapa | Purpose

The purpose of this report is to provide the committee with the draft internal Gift Policy, for review and feedback.

Rāpopotonga Matua | Executive Summary

A draft internal Gift Policy is provided for the Committee's review. The policy has been considered by the Executive Team.

Kate Stevens, People, Safety & Wellness Manager, will attend the meeting to present the policy, in line with the Risk and Assurance Committee Work Programme, and to seek feedback prior to commencing staff consultation.

Tūtohunga | Recommendation

That:

1. The draft policy be received.
2. The Risk and Assurance Committee provide feedback / recommendation on the review of the draft Gift Policy [*feedback to be specified*].

Ngā Tāpiritanga | Attachments

[A↓](#). Proposed Gift Policy June 2026 for RAC review



Ngā waitohu | Signatories

| | | |
|-----------|--|--|
| Author(s) | Kate Stevens Pou Tāngata, Haumarū me te Oranga People, Safety & Wellness Manager | |
|-----------|--|--|

| | | |
|-------------|---|--|
| Approved by | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |
|-------------|---|--|



Matamata-Piako District Council

**Gift Policy
2026**

| | |
|--|---------------------------|
| Department | People, Safety & Wellness |
| Policy Type | Internal |
| Approved by Exec Team | DD/MM/YYYY |
| Endorsed by Risk and Assurance Committee | Date* |
| Adopted by Council | N/A |
| Review Frequency | Three-yearly |
| Next Review Date | DD/YY/YYYY |
| Policy Supersedes | Gift Policy 2023 |

35 Kenrick Street - PO Box 266 - Te Aroha 3342 - www.mpd.c.govt.nz
Morrinsville & Te Aroha 07 884 0060 - Matamata 07 881 90 50

Gift Policy

Purpose

At Matamata-Piako District Council (MPDC) we are committed to ensuring there is a high level of public confidence in the integrity of the organisation and preventing bribery and corruption. [This policy sets out what you must do if you are offered a gift or other benefit, or you win a prize, because of your position at MPDC.](#)

'We do it right' is one of our values. You are expected to undertake your duties with integrity which means 'doing the right thing at all times and in all circumstances, whether or not anyone is watching'.

You may occasionally be offered gifts or prizes from individuals or organisations that undertake business with MPDC e.g. suppliers, consent applicants, tenderers. Gifts provided to recognise excellent service or effort is not uncommon in business relationships, however, it is important that receiving a gift or prize does not alter your decision making – this is considered corrupt and dishonest behaviour.

The community must have confidence that we act and are seen to act with integrity and impartially.

Coverage

This policy applies to all MPDC employees.

Policy

You must work, and be seen to work, in accordance with our vision, values and expected behaviours, including 'we do it right'. These behaviours are reviewed with you annually as part of the performance review process.

Gifts and prizes usually take the form of some tangible object, but may also be in another form e.g. free use of a corporate box at a sporting event, privileged access to goods or services, being hosted for dinner or travel.

You must consider the following if offered a gift or prize:

- the value or nature of a gift or prize is not inappropriate or excessive to the occasion or the reason for it being given;
- there is no explicit or implicit expectation of favour in return; and
- the gift or prize does not substitute a legitimate payment or remuneration.

You should reflect on how the gifting transaction may be viewed by an independent party (e.g. Office of the Controller and Auditor General), or how it could be perceived by the public (the 'front page of the newspaper' test). If there is any doubt or concern, the matter must be referred to [a member of](#) the Executive Team.

Deleted: This policy reinforces the expectations of you if you are offered a gift or win a prize due to your position at MPDC.†

It is expected that gifts and prizes to you from an external party due to your position will be given infrequently (i.e. no more than once per financial year). [More frequent offers may indicate a real or perceived conflict of interest.](#)

Gifts and prizes \$100 and over must be recorded in the gifts [and prize](#) register and the process of notification and approval [by a Group Manager](#) needs to be followed. See the procedure section of this policy for more details.

You may keep infrequent and inexpensive gifts and prizes (i.e. \$99 or less in value) [with approval from a third tier manager](#). It is not compulsory to record them in the gift [and prize](#) register, however you may choose to do this on a voluntary basis.

Effects and Risks

This policy provides assurance that MPDC has measures in place to prevent bribery and corruption from occurring at MPDC.

Failure to follow this policy could result in financial loss, damage to MPDC's reputation, legal action and employees may face disciplinary action.

Monitoring, Measurement and Review

The review period will be three years unless there is a need to change the policy. The People, Safety and Wellness Manager will be responsible for the review.

The Executive Team will review the gift register on a six monthly basis.

Relevant Information

- Local Government Act 2002
- Employment Relations Act 2000
- Privacy Act 2020
- Protected Disclosures (Protection of Whistleblowers) Act 2022
- [Office of the Auditor-General guidance: Managing offers to public officials and organisations](#)
- [Te Kawa Mataaho Public Service Commission guidance: Gifts, benefits and hospitality](#)
- Protected Disclosures - [Whistleblower](#) Policy
- Sensitive Expenditure Policy
- [Fraud and Corruption Policy](#)
- Fraud and Corruption, Conflicts of Interest and Protected Disclosures brochure
- Managing Conflicts of Interest Policy
- Substandard Performance, Misconduct and Disciplinary Policy

Definitions

- **Gift:** Anything of value offered to you by an external party because of your position at MPDC (for example, goods, vouchers, discounts, services, hospitality, entertainment, travel or accommodation).
- **Prize:** Anything of value you win or receive that is connected to your position at MPDC (for example, while attending an event paid for by MPDC, or from a purchase made on behalf of MPDC).
- **External party:** Any person or organisation outside MPDC, including suppliers, contractors, consultants, consent applicants, tenderers and community organisations.
- **Gift and prize register:** MPDC's record of gifts and prizes, including their estimated value, the donor, the recipient, any decision made about ownership/retention, and approvals.

Procedures or Processes

Gifts and prizes \$99 and under

If you receive a gift or prize, that is valued \$99 or under you must notify your [third tier manager](#) or Group Manager. It is not compulsory, but you may choose to record this in the gift and prize register on a voluntary basis.

Deleted: direct manager

Gifts and prizes \$100 and over

If you receive a gift due to your position at MPDC, that is valued \$100 or over you must notify your Group Manager.

Deleted: Gifts \$100 and over
If you receive a gift, that is valued \$100 or over you must notify your direct manager or Group Manager. ¶
¶
If it is agreed that the gift will be accepted, and given to the intended recipient, it needs to be recorded in the gift register by a third tier manager or member of the E-Team. Executive Team. ¶
¶
It must also be declared in the gift register whether any other people will also benefit from the gift or prize e.g. if your partner has been invited to join you at dinner or in a corporate box at a sporting event. ¶
¶

If you win a prize that is valued \$100 or over due to your position at MPDC i.e. while at a conference where your attendance was paid by MPDC or due to a purchase made on behalf of MPDC, you must notify your Group Manager.

The Group Manager will decide whether the gift or prize will be accepted. [Guidance to support this decision can be found here: Office of the Auditor-General guidance: Managing offers to public officials and organisations.](#)

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If it is agreed that the gift or prize will be accepted, the gift or prize will remain the property of MPDC. The Group Manager will then determine if the gift or prize can be allocated to the intended recipient(s). The gift or prize then needs to be recorded in the gift and prize register by a third tier manager or member of the [Executive Team](#).

It must also be declared in the gift and prize register whether any other people will also benefit from the gift or prize e.g. if your partner has been invited to join you at dinner or in a corporate box at a sporting event.

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If you win a prize that is valued \$100 or over due to your position at MPDC i.e. while at a conference where your attendance was paid by MPDC or due to a purchase made on behalf of MPDC you must notify your Group Manager. ¶
¶
The prize is the property of MPDC and it is at the relevant Group Manager's discretion to determine if the prize can be allocated to you. ¶
¶
The prize also needs to be recorded in the gifts register by a third tier manager or member of the Executive Team. ¶
¶

Gift and Prize register

The gift and prize register is held in CM 1895160. Only third tier managers and the [Executive Team](#) have access to view and edit the gift and prize register. All entries must be complete and accurate, and recorded as soon as practicable after the gift or prize is offered or received.

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8 Ngā Pūrongo Whakamārama | Information Reports

8.12 Safety and Wellness Reports

CM No.: 3176172

Te Kaupapa | Purpose

The purpose of this report is to provide the Committee with safety and wellness reporting.

Rāpopotonga Matua | Executive Summary

The January to March 2026 Quarterly Safety & Wellness Report, and the February and April 2026 Safety & Wellness Updates are provided. Kate Stevens, People, Safety & Wellness Manager and Monique Cullinane, Safety and Wellness Advisor, in attendance to discuss the reports with the committee.

Tūtohunga | Recommendation

That:

1. The information be received.

Ngā Tāpiritanga | Attachments

A.  Jan - March 2026 Quarterly Safety and Wellness Report



B.  February 2026 Safety and Wellness Update



C.  April 2026 Safety and Wellness Update

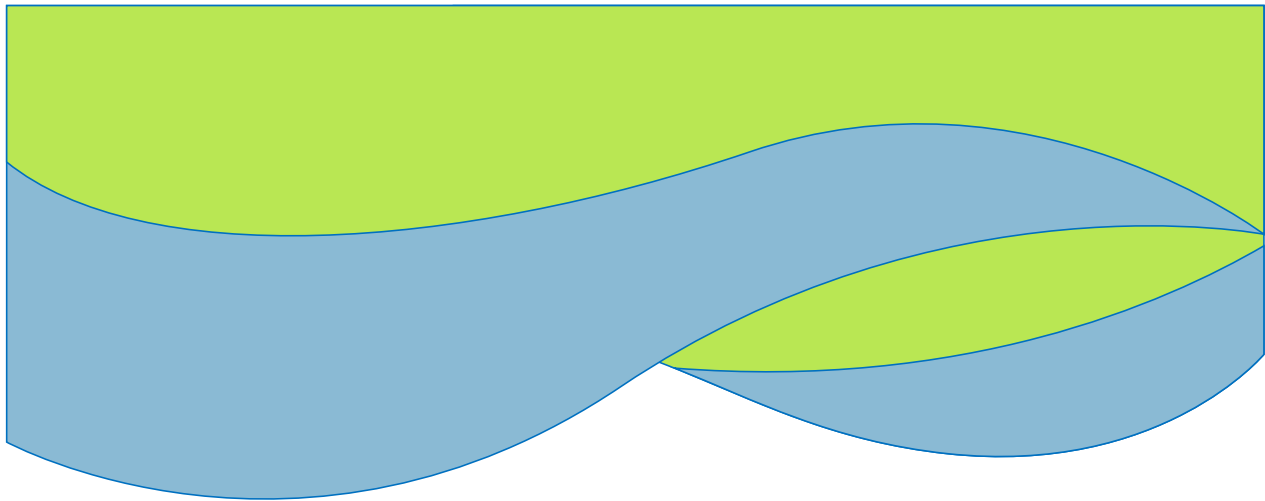


Ngā waitohu | Signatories

| | | |
|-----------|--|--|
| Author(s) | Kate Stevens Pou Tāngata, Haumarū me te Oranga People, Safety & Wellness Manager | |
|-----------|--|--|

| | | |
|-------------|---|--|
| Approved by | Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships | |
|-------------|---|--|

Item 8.12



Attachment A

Safety & Wellness

Quarterly report:

January - March 2026

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

Executive summary

This report provides elected members with an overview of Council’s safety and wellness performance for the period January to March 2026, including key indicators, significant events, and the organisation’s focus areas for risk management and assurance.

The Safety and Wellness Team Leader commenced maternity leave in February and a new Safety and Wellness Advisor started the same month. This quarter we focused on supporting managers to reduce overdue investigations and update corrective actions; however, a significant number of risk reviews are overdue. Improving completion rates for risk reviews and increasing the number of critical risk audits is a priority for the coming quarter.

On a national level, the [Health and Safety at Work Amendment Bill](#) is being considered by Parliament. The Bill aims to focus the system on critical risk, placing reduced duties on smaller businesses and clarifying areas of confusion. The [submission](#) from the NZ Institute of Safety Management has raised concerns about the proposed changes. We will continue to monitor progress of this legislative change.

Performance

Strategic priorities

We identified three safety and wellness strategic priorities for the 2025/2026 year: focus on critical risk, strengthen safety and wellness leadership, and support for waters transition. Further detail and progress on the planned tasks for these priorities is provided at the end of this report.

Events

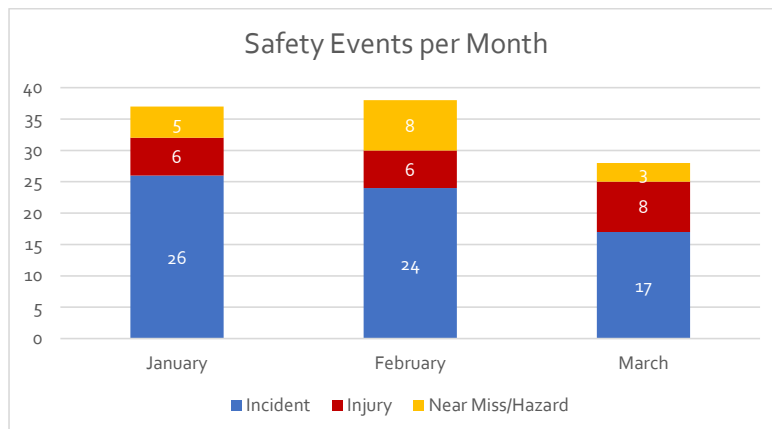
There were two lost time injuries this quarter: a back injury and a shoulder injury when doing manual handling.

The graphs and tables below provide summary data from Ideagen (Damstra) reports logged by staff.

| Number of events and observations: | | | | | |
|------------------------------------|-----------|------------------|------------------|-------------------|---------------------|
| | Incidents | Injuries/illness | Near Miss/Hazard | Notifiable Events | Lost Time Injuries* |
| July-Sept 25 | 72 | 12 | 16 | 1 | 2 |
| Oct-Dec 25 | 70 | 34 | 25 | 1 | 5 |
| Jan-Mar 26 | 67 | 20 | 16 | 1 | 2 |

*Lost time injury: staff injury resulting in more than one shift away from work

There was one notifiable event ([notifiable](#) to WorkSafe): a near miss involving underground services. Further information is provided in the critical risk section below.



This quarter, three of the above reported events involved contractors. Two of the events related to driving (resulted in vehicle damage but no injury) and were followed up by the contracting company. The third one was a contractor not wearing appropriate PPE for the task, this was addressed at the time.



Further details on higher risk events are provided under the critical risk section below.

| Ideagen (Damstra) tasks* | Completed this quarter | Overdue end of this quarter | Trend for overdue actions |
|--------------------------|------------------------|-----------------------------|---------------------------|
| Corrective actions | 43 | 24 | ↓ from 55 last quarter |
| Risk reviews | 117 | 179 | ↑ from 67 last quarter |
| Event Investigations | 94 | 3 | ↓ from 30 last quarter |

*As of 14/4/2026







The S&W Team focused on supporting staff to update investigations and corrective actions this quarter. The focus for the coming quarter will be risk reviews, as there are a significant number of these overdue.





Risks

Review of our list of top critical safety and wellness risks:

This quarter we began the process of raising staff awareness of the new top twelve critical risks and four contributing factors.

The table below provides an update on some of our critical risks and contributing factors.

| Critical Risk Updates | |
|--|---|
|  | <p>Aggressive Behavior Several staff attended a meeting with Police and Kāinga Ora in Matamata in March. We hold these meetings on a regular basis to share any relevant problems and problem-solve any local issues.</p> |
|  | <p>Collapse of structures or excavations Heavy rainfall in February heightened awareness of the risk of ground instability and landslide. Priority sites have been identified and further investigation is underway where required.</p> |
|   | <p>Mobile plant and machinery; Work at height Waihou Refuse Transfer Station are currently progressing safety enhancements to improve the telehandler's operating environment. As part of this work, the pit area is being reconfigured to ensure safer and more efficient manoeuvring while transferring waste into the bin located below. This redesign will also reduce damage to equipment.</p> <p>In addition, the team are reviewing the residual risk of exposure to fall from height to reduce the possibility of the telehandler travelling over the pit edge during loading activities.</p> |
|  | <p>Psychosocial Risks Our People, Safety and Wellness theme for March was 'Navigating Change Together'. We acknowledge that the waters transition and resulting organisation changes may be stressful for some staff, and at the Managers and Team Leader's Day in March we had an external speaker talk about leadership through change.</p> |
|  | <p>Working in the road reserve (traffic) Ashley Green from Corridor Solutions led a workshop with key staff from across council to discuss the transition from the Code of Practice for Temporary Traffic Management (CoPTTM) to the risk-based approach of the NZ Guide to Temporary Traffic Management (NZGTTM). This change impacts a range of MPDC responsibilities, from traffic management coordination to project management, contract management and in house delivery teams such as KVS.</p> <p>KVS teams are currently reviewing their processes and provision of training to ensure they are aligned with new requirements.</p> |

| | |
|--|---|
|  | <p>Working with Electricity There was one notifiable event: a near miss involving underground services. During the removal of a tree stump, a mains power cable was identified running through the tree roots. Under the direction of a PowerCo (Downer Group) technician, KVS used a reciprocating saw to cut a root and directed the cut away from the visible section of the cable. The saw subsequently contacted an unseen section of the cable, resulting in a short circuit. No injuries occurred. The KVS teams involved and Downer are both investigating the incident to identify learnings and implement appropriate preventative measures.</p> |
|  | <p>Working with Water The facilities team undertook a risk review of stationary breath-holding activities occurring within MPDC swimming pools, due to concerns about the associated risk of drowning. Following discussion with the Executive Team, it was agreed that breath-holding activities will ordinarily no longer be permitted in any MPDC swimming pools due to the unacceptable level of risk to patrons and staff.</p> |
| Contributing Factors | |
|  | <p>Drugs and Alcohol: Reasonable cause testing Online training on reasonable cause drug testing was attended by 49 managers and team leaders. This brief session outlined our processes for performing drug and alcohol testing if there are changes in behaviour or appearance that indicate that someone may be under the influence of drugs or alcohol.</p> |
|  | <p>Complacency The Managers and Team Leaders' workshop in March included a session on combatting complacency. The session included discussion about how leaders can use incident investigations and risk reviews to monitor controls are ensure they are working effectively, and how leadership walkthroughs provide the opportunity to show curiosity and understand work as done rather than work as imagined.</p> |

Health Monitoring

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

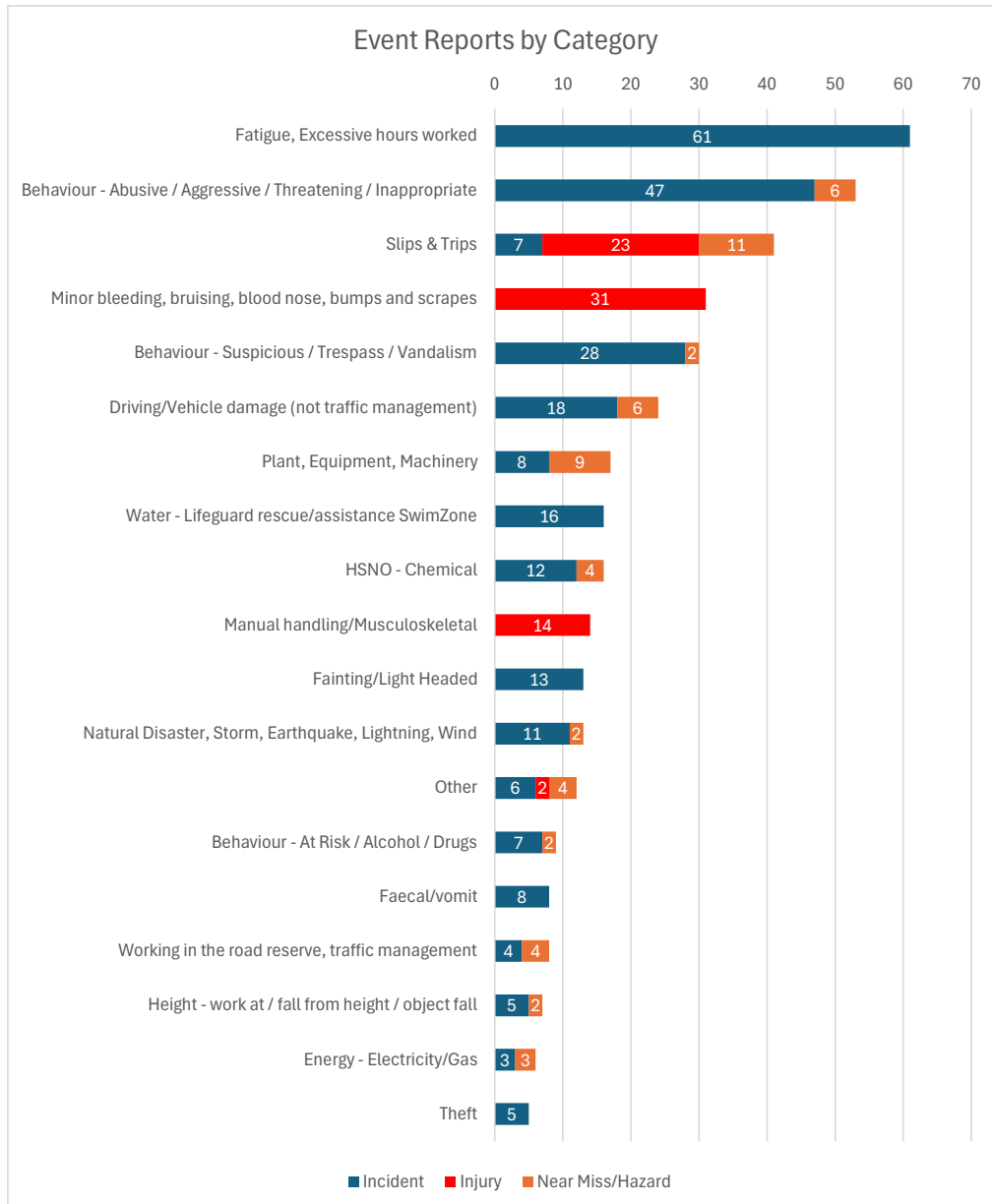
| | | | |
|------------------------------------|----|-----------------------------------|----|
| Annual health monitoring completed | 35 | Exit health monitoring completed* | 1 |
| Overdue health monitoring | 7 | Respirator Fit Testing completed | 25 |
| Pre-employment health monitoring | 15 | Respirator Fit Testing Overdue | 5 |

*Many exiting staff decline health monitoring.

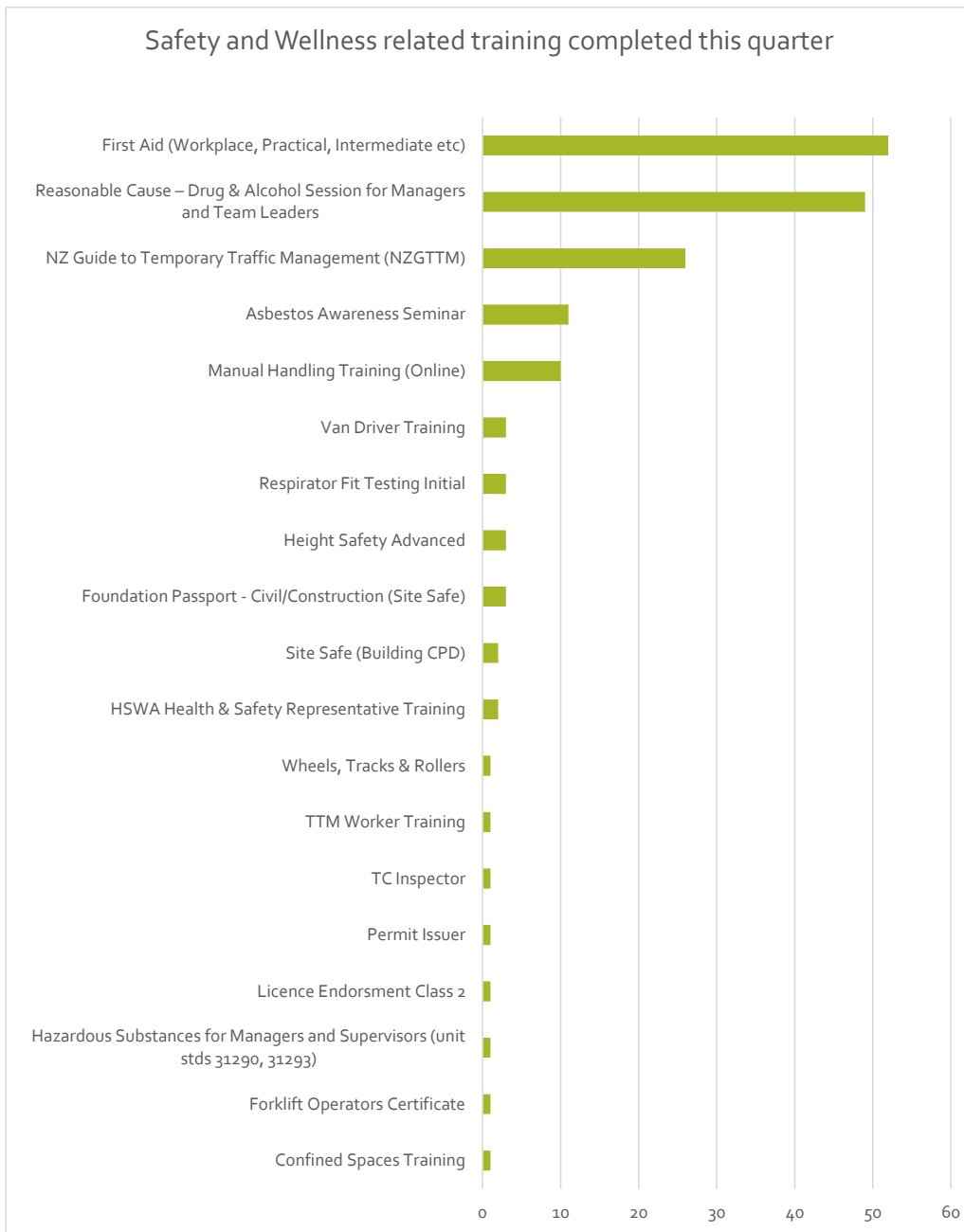
Overdue health monitoring and fit testing is mainly due to staff being away on leave. We will schedule these in the next quarter.

Events

The graph shows the 12-month rolling trend for event categories. Fatigue events and aggressive behaviour remain the most common types of events reported. Our People, Safety and Wellness focus for April is managing aggressive behaviour, with a range of training planned for staff on this topic.



Learning and Development



Relationships

Engagement and Participation

The March Health and Safety Committee Meeting was attended by 13 participants. Representatives discussed a range of issues including accessibility of first aid kits and fire extinguishers in vehicles, traffic management changes, wellbeing impacts of waters transition, ground movement as a result of weather events, and emergency planning for the Te Aroha office reception area.

The representatives suggested that fire blankets would be a cost-effective option for fire suppression in vehicles and this was taken to the Exec Team for further discussion. They approved for MPDC vehicles to be equipped with fire blankets and confirmed that fire extinguishers are provided on a risk-based basis.

Overlapping duties

The Events Team worked with the Safety and Wellness Team on the safety aspects of opening the Matamata Open Country Community Stadium, confirming with Matamata College as to how overlapping duties will be managed and ensuring that emergency planning is in place.

Resources

Our Safety and Wellness Team Leader, Lucy, went on maternity leave in February. We appointed Monique Cullinane as our new Safety & Wellness Advisor (replacing Mibin's role), and she started in February.

The People Safety and Wellness Manager is providing cover for Lucy's role and the team will consider whether additional resources are needed this year to provide additional support.

Due Diligence

The due diligence workshop for Council on contractor management was postponed to April due to staff availability.

Assurance

Critical risk audits and reviews

Two audits and two safety reviews were completed this quarter. Further audits are planned for the coming quarter.

| Risk | Activity | Work site |
|---|---------------|---|
| Lifting equipment | Audit | Matamata Waste Water Treatment Plant: construction of new plant. MPDC staff and a contractor project manager undertook a joint audit, with a focus on ensuring that lifting equipment was being used safely and maintained appropriately. All equipment inspected (e.g. shackles, chains, and certified lifting attachments) was in serviceable condition, with clear identification tags and certification dates visible. |
| Aggressive Behaviour (people and animals) | Audit | An audit completed at the Dog Pound found that current measures for managing aggressive or violent behaviour are generally effective, with several strong controls such as lone worker devices and security cameras in place to support staff safety. |
| Helicopter work | Safety Review | The S&W Advisor attended a safety pre-start briefing for helicopter material delivery for Tui Domain track renewal work. The briefing was completed prior to operations, incorporating a review of helicopter-specific hazards, communication protocols, and safe operating procedures for lifting activities. Public access risks were specifically identified, with controls established to ensure members of the public were excluded from the operational work area for the duration of helicopter activities. |
| New facility and overlapping duties | Safety Review | The S&W team visited the new Matamata Open Country Community Stadium and reviewed the safety and wellness controls with our Events Team. The Events Team have done significant work to ensure that risks on site are identified and well managed, and continue to liaise with the school to finalise evacuation plans and with KVS to ensure that there are clear processes for contractor work, including work at height. |

Safety and Wellness Objectives: summary of progress

| 1. Focus on critical risk | | | |
|--|--|---------------|-------------------------|
| Action | Update | Status | Target timeframe |
| Review the list of top 10 critical safety and wellness risks across the organisation and re-prioritised as required. | The top 10 has been reviewed. The amended list of 12 critical risks and four contributing factors were launched in early 2026. We are working through the process of updating our processes to align with these changes and raise staff awareness. | Underway | Aug 2025 - June 2026 |
| Critical risk review of aggressive behaviour, including risks related to lone work | Not yet started. It is unlikely the S&W team will have capacity to complete this in the target timeframe. | Not started | Nov 2025 - June 2026 |
| Review controls used to prevent eye injuries to confirm these are effective | Meetings have been had with key stakeholders, further action required. | Underway | July - December 2025 |
| 2. Strengthen S&W leadership | | | |
| Trial a process for leaders to celebrate good S&W practice. There is a way for good practice to be acknowledged and shared with others. | The Safety and Wellness Awards were presented at the all staff meeting in November. We received good feedback on this and will continue with the awards in 2026. | Completed | July-October 2025 |
| Review induction pathway for leaders to ensure they have the skills to deliver on S&W accountabilities. | This is underway. Workshops have been held with staff to review MPDC's induction processes and work is now underway to develop a more structured pathway for leaders to gain the S&W skills needed for their role. The Safety and Wellness accountabilities have also been reviewed. | Underway | July-October 2025 |
| 3. Transition support | | | |
| Support waters transition. Accurate data provided as required to support the transition. Input and assistance into transfer to new H&S Management processes. | Information is provided to Waikato Waters Ltd when requested. An initial meeting with the WWL Safety Advisor was held in March. | Underway | Aug 2025 - Oct 2026 |

Safety & Wellness Update February 2026

Critical Risk Spotlight: Electricity (including overhead and underground services)

Electricity is a high-consequence risk and can cause serious injury or death within seconds. Harm can occur even when individuals are not directly undertaking electrical work; many incidents occur when work is carried out in proximity to overhead lines or underground services.

WorkSafe issued a [safety alert](#) following the sentencing of three companies in relation to incidents that resulted in a worker being killed and others being injured.

In the most serious case, a labourer was electrocuted while working on a farm near Whakapapa Village (photo below) in February 2023. After his mower became bogged down, a digger used to extract it contacted an overhead line carrying 33,000 volts. As he steadied the mower, electricity travelled through the digger's arm and into the 25-year-old man, resulting in his death.

WorkSafe's guidance is clear: contact with, or proximity to, live electrical lines or cables can be fatal—even where a line appears insulated or the task may seem routine.



KVS Near Miss

The KVS Reticulation and Works teams reported a near miss this month involving underground services. During the removal of a tree stump, a mains power cable was identified running through the tree roots. Under the direction of a PowerCo (Downer Group) technician, KVS used a reciprocating saw to cut a root and directed the cut away from the visible section of the cable. The saw subsequently contacted an unseen section of the cable, resulting in a short circuit. No injury occurred.

WorkSafe was notified due to the potential for serious harm and has advised that no further action will be taken. The KVS teams involved and Downer are both investigating the incident to identify learnings and implement appropriate preventative measures.

Safety & Wellness Update February 2026

Complacency— one of the four critical risk contributing factors

Complacency is one of the four factors we identified as potential contributors to critical risk.

Complacency is when familiarity with a task or environment leads us to underestimate risk or slip into autopilot. When work feels routine and nothing has gone wrong for a while, hazards can be missed, controls may not be applied as intended, and small shortcuts can start to feel acceptable—despite good intentions.

In safety-critical work, complacency is dangerous because it quietly reduces vigilance and weakens the layers of protection that prevent serious injury.

Complacency is not laziness or a lack of care. It can develop when work becomes familiar and nothing has gone wrong for a while. When tasks feel “routine”, there is a risk that hazards are underestimated or controls are only partially applied. It is reinforced by routine and “we’ve always done it this way”.

Simple ways to reset attention (especially around critical risks):

- Pause for a quick “what’s changed?” check before starting (people, plant, site conditions, weather, time pressures).
- Use a short pre-task brief and confirm the critical controls—not just that they exist, but that they are in place and working.
- Encourage and provide opportunities to challenge or pause work
- Ask “what are we assuming?” and “what would make us stop?”

Here are some of the ways that we combat complacency:



Incident / near-miss investigations → learning from weak signals



Risk reviews → checking assumptions as work, people or conditions change



Leaders show curiosity → making real work visible



Listen to new staff → a fresh pair of eyes

Leadership walkthroughs

As part of their Due Diligence Plan, our Exec Team are carrying out regular leadership walkthroughs in critical risk areas. This is an opportunity to talk to staff who do the work and observe how it is done in reality (rather than referring to procedures). These walkthroughs can be a powerful tool to reduce complacency. Benefits include:

- Enhanced communication and engagement
- Proactive risk management rather than reactive
- Encouraging a culture of learning rather than blame
- Promoting a psychologically safe culture
- Bridging the gap between work as imagined and work as done

Contributing factors:

Complacency



Drugs & alcohol



Fatigue



Lone work



These are not standalone critical risks, but they can significantly increase the likelihood or severity of harm if not well managed.

Safety & Wellness Update April 2026

Critical Risk Spotlight: Aggressive Behaviour

Aggressive behaviour is one of our top 12 critical risks. This includes threatening, aggressive or violent behaviour by people, or aggressive behaviour from animals (e.g. dog bites). Whether this behaviour is deliberate or unintentional, it creates health and safety risks for workers.



Aggressive behaviour

This risk is relevant for all council staff. Key risk areas include:

- Customer-facing staff (office/public spaces and facilities e.g. Customer Services, Libraries, Lifeguards, Firth Tower)
- In the field e.g. Animal control, Building control, Compliance team, KVS refuse transfer station workers, public toilet cleaners, gardeners
- Online e.g. Communications team
- Contractors e.g. security, noise control, Armorguard, kerbside collection

Contributing factors:

Drugs and alcohol can increase the likelihood of aggressive behaviour.



Where there is a risk of aggressive behaviour, that risk is higher when staff are working alone. We put additional controls in place for higher risk situations, for example using a lone work device, having two staff or police assistance where required.



Keeping our people safe: using a range of control measures

This update focusses on our customer-facing teams and draws on some of the elements in the guide *Managing workplace violence and aggression in NZ retail*, published by Shopcare in 2025, and endorsed by WorkSafe.



Morrinsville Office

Physical measures: some examples

Our customer service areas have a range of controls, including raised counters, secure zones and safe spaces for lockdown, ability to lock doors remotely, cameras, duress alarm and security systems. Matamata and Morrinsville offices also have shutters. When work is done to refurbish existing or plan new offices and facilities, we incorporate safety by design principles to protect our staff.

Safe work systems

Our teams use a range of safe work systems, including procedures for dealing with aggressive customers, property visits, opening and closing offices, libraries and facilities, and cash handling procedures. A reliable means of communication is important and this can include duress alarm or mobile phone.

Organisational policies

Some operational policies and changes are more likely to trigger aggression or verbal abuse. Aggression can disproportionately target frontline workers who have no or limited authority to modify policies. Providing clear communication to customers, planning any changes well in advance and ensuring that customer-facing teams are well-prepared are all ways to manage this risk. Regular check-ins with staff and senior management support are important ways to ensure that staff feel supported.



Safety & Wellness Update April 2026

Aggressive Behaviour cont.

Learning and development

We use a range of delivery methods for learning and development relating to this risk, from induction and internal training, to external training and emergency scenario exercises.

This month 28 staff completed customer conflict training and 19 staff attended personal safety training for field staff.

We also arranged some additional training for managers and team leaders about how to ensure that staff are supported through and after an event relating to aggressive behaviour. This training will take place in May.

Follow up after events

We encourage staff to report events relating to aggressive behaviour as this helps us to:

- capture any learning opportunities relating to the event
- check that our controls worked effectively
- follow up through a warning letter or trespass notice where appropriate
- offer support e.g. workplace support or regular check-ins
- ensure that it has been reported to the Police where applicable
- share information with other teams where there is a significant threat



**NEW ZEALAND
POLICE**
Ngā Pirihimana o Aotearoa

Use **105** (Ten-Five) 24/7 phone number to report things that don't need urgent Police assistance, or log it online at www.police.govt.nz/105support

External agencies

We continue to build good relationships with our local police force, including regular meetings with the community officer.

Whilst 111 is used for emergencies, we encourage staff to use the 105 online reporting function. This ensures that incidents, theft and vandalism are logged in the Police system, assisting them to identify local trends.

Legislative changes

From 26 May 2026, [stalking and harassment](#) become a stand-alone criminal offence under the Crimes Act.

- The law now recognises a 'pattern of behaviour' to be as few as two incidents within two years.
- The offence explicitly includes unwanted contact (including digital), monitoring or following, reputational harm, doxxing (publicly revealing someone's private, identifying information—such as their home address, phone number, or workplace, without their consent), and the use of third parties or organisations to continue harassment.
- The law provides for strong penalties and protective powers including up to 5 years' imprisonment, restraining orders and digital harm orders.

These changes reinforce the need for us to take a proactive, early approach to recognising and responding to harassment as a workplace risk.

8 Ngā Pūrongo Whakamārama | Information Reports

8.13 Risk and Assurance Committee Work Programme - Update June 2026

CM No.: 3176108

Te Kaupapa | Purpose

The purpose of this report is to provide an update to the Committee on the work programme.

Rāpopotonga Matua | Executive Summary

An update on scheduled reports and standing items for June 2026 is included.

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 Work Programme - Update June 2026](#)



Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Stephanie Hutchins Kaitohu Mātāmua Kāwana Senior Governance Advisor | |
|-----------|---|--|

| | | |
|-------------|---|--|
| Approved by | Tamara Kingi Kaiārahi Kāwana Governance Team Leader | |
|-------------|---|--|

| Item | Team | 24 Feb 2026 | | 16 June 2026 | | 23 October 2026 | | 8 December 2026 | |
|---|----------------|-------------|--|--------------|--|-----------------|--|-----------------|---|
| | | Status | Comment | Status | Comment | Status | Comment | Status | Comment |
| Key | | | = complete | | = scheduled | | = incomplete | | |
| Standing items | | | | | | | | | |
| Chairs update | PPG | | | | | | | | |
| CEO update | PPG | | Future Ready Update is now included in the CEO Update report and has been removed as a Standing Item from the work programme | | | | | | |
| Quarterly Risk Report | CPR | | | | | | | | |
| Top risks | Group Managers | | *Top Risks Deep Dive: Risk #5 Legislative Non-Compliance *Risk #2 Disruption to Essential Service Delivery | | No Top Risks Deep dives scheduled - workshop session scheduled to set top risks | | *Approval of 2026/27 Top Risks document *Top Risks Deep Dive: Risk #3 Information Security *Risk #7 Response to Climate Change Impacts | | *Top Risks Deep Dive: Risk #1 Emergency Response *Recovery and Risk #11 Health, Safety and Wellbeing |
| Safety and Wellness update | PSW | | | | | | | | |
| Review of significant projects, including an update on risk of compliance with consents | Assets | | | | No update included on risk compliance with consents | | | | |
| Project Management Report | Assets | | | | | | | | |
| Waikato Waters Ltd | Operations | | This report has been included as part of the CEO Update report | | This report has been included as part of the CEO Update report | | | | |
| Update on Work Programme | PPG | | | | | | | | |
| Annual Reports | | | | | | | | | |
| IT/web security audit | IT | | | | | | | | |
| Insurance Programme | Property | | | | | | | | |
| LGOIMA Requests | Legal | | | | | | | | |
| Delegations | Legal | | | | | | | | |
| Legislative compliance assessment | Legal | | | | | | | | |
| Risk Management Framework | CPR | | | | Will be a separate Risk Appetite report, the Quarterly Risk Report will also reference this and an update on the broader Risk Management Framework | | | | |
| Setting Work Programme/Schedule of Meetings | PPG | | | | | | | | |
| Policy, Planning and Reporting Stocktake | PPG | | | | | | Complete overview | | |
| Scheduled Reports | | | | | | | | | |
| Self assessment / Review of Charter | PPG | | Review of Charter post-election for new committee | | | | | | |
| Long Term Plan / Annual Plan | PPG | | | | *LTP 27-37 Risks and Issues, QA, Timeline and update *Annual Plan 26/27 | | *LTP Financial Strategy *LTP Infrastructure Strategy *LTP Revenue and Financing Policy *LTP Remission and Postponement of Rates | | |
| Annual Report | PPG | | | | *Annual Report 2025/26 - Project update | | | | |
| Progress tracking on audit recommendations | PPG | | Audit Management Recommendations update - Annual Report 2024/25 | | | | | | |
| Policy Review | Various | | | | *Gift Policy *Mayoral Fund *Mayoral Disaster Relief Fund *Stock Control Strategy *Asset Management Policy | | *Development Contributions Policy | | |
| Procurement Report | Finance | | Biannual Report FY 2025/2026 | | | | | | |
| Business Continuity Plans | Risk | | | | Covered in Quarterly Risk Report | | | | |