



Risk and Assurance Committee

*Te Komiti Whakahaere Tūraru me ngā
Tukanga*

Thursday, 18 September 2025

Tāite, 18 Mahuru 2025

Tōtara Room, Whakatāne District Council
14 Commerce Street, Whakatāne
Commencing at 9:00 am



Chief Executive: Steven Perdia | Publication Date: 12 September 2025

whakatane.govt.nz

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A Membership - *Mematanga*

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Mayor Dr Victor Luca

Independent Chairperson - Stuart Henderson

Deputy Mayor Lesley Immink - Deputy Chairperson

Councillor Wilson James

Councillor Tu O'Brien

Councillor John Pullar

Independent Member - Petra Lucoli

B Delegations to the Risk and Assurance Committee - *Tuku Mahi ki te Komiti*

The purpose of the Risk and Assurance Committee is to oversee the effectiveness of Council's risk management, internal control environment, legal responsibilities, statutory compliance, and external auditing process.

The Committee has the authority to appoint up to two independent persons who are not elected members, who can assist the Committee to meet its obligations and responsibilities.

The quorum for this Committee is 4 members.

Responsibilities and Functions

- a. Oversee the effectiveness and appropriateness of the Enterprise Risk Management framework, including but not limited to Council's Risk Policy and Corporate Risk Register.
- b. Advise the Council on matters of risk and risk appetite.
- c. Ensure that the Organisation has internal control systems in place.
- d. Monitor Council's compliance with applicable laws, regulations, standards and best practice guidelines for public entities.
- e. To monitor performance of the Council's treasury function.
- f. Maintain oversight of legal proceedings involving Council.
- g. Oversee the effectiveness and appropriateness of the internal control environment.
- h. Review the policies, systems, processes and controls to ensure that fraud is detected and effectively investigated.
- i. Ensure the adequacy, integrity and reliability of the external financial reporting of Council.
- j. Review the integrity and appropriateness of external reporting, and accountability arrangements.
- k. Review, and monitor progress against, the external auditors' recommendations.
- l. Recommend to the Office of the Auditor General the decision either to publicly tender the external audit or to continue with the existing provider for a further three-year term.
- m. Where required, request expert advice through the chief executive where necessary.

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1 Meeting Notices - *Ngā Pānui o te hui*

1 Meeting Notices - *Ngā Pānui o te hui*

1. Live Streaming

The Whakatāne District Council livestreams Council and Standing Committee meetings held in Tōtara Room, within the Council building. The webcast will live stream directly to Council's YouTube channel in real time. The purpose of streaming meetings live is to encourage transparency of Council meetings.

By remaining in the public gallery, it is understood your consent has been given if your presence is inadvertently broadcast.

Please be aware the microphones in Totara Room are sensitive to noise, so please remain quiet throughout the meeting unless asked to speak.

2. Health and Safety

In case of an emergency, please follow the building wardens or make your way to the nearest exit. The meeting point is located at Peace Park on Boon Street.

Bathroom facilities are located opposite the Chambers Foyer entrance (the entrance off Margaret Mahy Court).

3. Other

2 Apologies - *Te hunga kāore i tae*

No apologies have been received at the time of writing the agenda.

3 Acknowledgements / Tributes - *Ngā mihimihi*

An opportunity for members to recognise achievements, to notify of events, or to pay tribute to an occasion of importance.

4 Conflicts of Interest - *Ngākau kōnatunatu***4 Conflicts of Interest - *Ngākau kōnatunatu***

Members are reminded of the need to stand aside from decision making when a conflict arises between their role as an elected member and any private or other external interests they might have. Elected Members are also reminded to update their register of interests when changes occur.

The Elected Member's [register of interest](#) can be viewed on the Council website.

1. Financial Conflict

- Members present must declare any direct or indirect financial interest that they hold in any matter being discussed at the meeting, other than an interest that they hold in common with the public.
- Members cannot take part in the discussion, nor can they vote on any matter in which they have a direct or indirect financial interest, unless with an approved exception.
- Members with a financial interest should physically withdraw themselves from the table. If the meeting is public excluded, members should leave the room.

2. Non-Financial Conflict

- If a member considers that they have a non-financial conflict of interest in a matter they must not take part in the discussions about that matter or any subsequent vote.
- Members with a non-financial interest must leave the table when the matter is considered but are not required to leave the room.

5 Public Participation - *Wānanga Tūmatanui***5 Public Participation - *Wānanga Tūmatanui*****5.1 Public Forum - *Wānanga Tūmatanui***

The Committee has set aside time for members of the public to speak in the public forum at the commencement of each meeting. Each speaker during the forum may speak for five minutes. Permission of the Chairperson is required for any person wishing to speak during the public forum.

With the permission of the Chairperson, Elected members may ask questions of speakers. Questions are to be confined to obtaining information or clarification on matters raised by a speaker.

5.2 Deputations - *Nga Whakapuaki Whaitake*

A deputation enables a person, group or organisation to make a presentation to Committee on a matter or matters covered by their terms of reference. Deputations should be approved by the Chairperson, or an official with delegated authority, five working days before the meeting. Deputations may be heard at the commencement of the meeting or at the time that the relevant agenda item is being considered. No more than two speakers can speak on behalf of an organisation's deputation. Speakers can speak for up to 5 minutes, or with the permission of the Chairperson, a longer timeframe may be allocated.

With the permission of the Chairperson, Elected members may ask questions of speakers. Questions are to be confined to obtaining information or clarification on matters raised by the deputation.

6 Confirmation of Minutes - *Te whakaaetanga o ngā meneti o te hui*

The minutes from the Risk and Assurance Committee meeting held on Thursday, 12 June 2025 can be viewed via the Council website. Click on the link below in order to view the 'unconfirmed minutes'.

- [Unconfirmed Minutes - Risk and Assurance Committee 12 June 2025](#)

6.1 Risk and Assurance Committee – Action Sheet(Cont.)

6.1 Risk and Assurance Committee – Action Sheet

As at 9 September 2025

Task Name	Subject	Meeti... Date	Public/Public Excluded 🔒	Status 🔒	General Manager 🔒	Due Date	Comments
Further information was requested for the November 2023 meeting on Risk 6	Enterprise Risk 6	04/08/23	Public	In Progress	HP Hone Patrick	27/03/25	We have not been provided with any of the information in relation to the digital security audit to be able to respond to this request.
A report was requested for the next meeting; Airport Annual Report update	Airport Annual Report	13/11/23	Public	In Progress	HP Hone Patrick	27/03/25	The team are working through the amendments, and have had conversations with audit about the appropriate accounting treatment of equity in relation to the Joint Venture.
Civic Centre building certification status and impacts on insurance	Civic Centre Certification	19/08/24	Public	In Progress	DB David Bewley	27/03/25	This is in progress between the property team and building team
Emergency Management powers and funding to be incorporated into the planned risk briefing.	Internal Audit Report query	27/03/25	Public	In Progress	LW Leny Woolsey	12/06/25	Elected Members will be briefed on their emergency management responsibilities early in the new triennium.
Confirmation digital connectivity is covered within the Emergency Response Plan.	Internal Audit Report query	27/03/25	Public	In Progress	LW Leny Woolsey	12/06/25	Elected Members will be briefed on their emergency management responsibilities early in the new triennium.

7 Reports - Ngā Pūrongo

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7.1 Risk and Assurance Update – September 2025



To: Risk and Assurance Committee
Date: Thursday, 18 September 2025
Author: H Patrick/ Acting GM Commercial Services and Kaihautu – Strategic Māori Partnership
Reference: A2960893

1. Reason for the report - *Te Take mō tēnei rīpoata*

The report updates and informs the Risk and Assurance Committee on risk and assurance matters and includes the treasury activity for the quarter to 30 June 2025.

2. Recommendation - *Tohutohu akiaki*

THAT the Risk and Assurance Committee **receive** the Risk and Assurance Update – September 2025.

3. Discussion – Kōrerorero

3.1. 2025 Work Programme Plan

	March	June	Sept	TBC
Meeting Administration				
Location	Whakatāne DC	Whakatāne DC	Whakatāne DC	Whakatāne DC
Pre-Agenda Meeting (Wednesday)	12 March 2025	4 June 2025	10 September 2025	
Meeting Date (Thursday)	27 March 2025	12 June 2025	18 September 2025	
Public Forum – Items to Review, Approve or Note				
External Assurance		2023-24 Final Report to Governors 2024-25 Audit Plan	Management Action Update	

Risk and Assurance Committee - AGENDA

7.1 Risk and Assurance Update – September 2025(Cont.)

	March	June	Sept	TBC
Internal Assurance	IA update as needed	IA update as needed	IA update as needed	
External & Internal Assurance 2023 Key Learnings (Recommendations Tracker)	Yes	Yes	Yes	
Enterprise Risk Report	Yes	Yes	Yes	
Treasury Report	Yes – as part of the RAC Update Report	Yes – as part of the RAC Update Report	Yes – as part of the RAC Update Report	
Policy Review	Risk Management Framework		Treasury Policy – was adopted in August 2024. Next review is 30 June 2027.	
Other				
Public Excluded				
Legal Proceeding	Yes, including costs update	Yes	Yes	
Insurance	Renewals update			
Significant Projects and Work Programmes	Boat Harbour	Yes	Update from CE	
External Assurance PAX		Committee/External Auditor only time		

3.2. Risk Register

Attached as Appendix 1 – Risk Register incorporating management action status.

7.1 Risk and Assurance Update – September 2025(Cont.)**3.3. Enterprise Risk Update**

A full Risk Management induction programme will be developed for the new Council following elections, which will set the direction around how enterprise risk will be managed across the organisation.

3.4. Council Credit Ratings

WDC had the annual credit rating review with Fitch Ratings in June 2025. Fitch affirmed councils current rating as AA-.

3.5. Treasury Update

Every quarter, financial services reports on the loans and derivatives activity and key compliance criteria within the treasury function for the quarter.

The following gives a summary of that activity and compliance.

Treasury continues to meet on a monthly basis and monitor the liquidity needs for council to fund capital expenditure projects.

Council is currently engaged with LGFA to obtain supplementary short term on call funding.

Council has debt maturity and repayment requirements for April 2026 of \$32 million. Prefunding is currently being planned for at least part of this debt.

3.5.1. Treasury Management Summary as at 30 June 2025

The balance of the Interchangeable Facility Agreement (IFA) and LGFA funding issued on 30 June 2025 is \$177.8 million (\$193.5 million 31 March 2025).

The council borrowed \$10 million during the June quarter. This was in the form of a short-term drawdown on the ANZ facility to maintain liquidity requirements. Council repaid \$16 million of LGFA loans in April 2025.

A loan was uplifted from Community Finance in June 2025 for \$300,000 to fund solar panels, This is repayable over 10 years, with principal and interest being paid on a monthly basis.

The summary below provides the overview of key Treasury Management insights as at 30 June 2025.

7.1 Risk and Assurance Update – September 2025(Cont.)**Summary Highlights of Treasury****1 April 2025 - 30 June 2025****Movement of loans at a glance**

		April (NZD \$M)	May (NZD \$M)	June (NZD \$M)	Total (NZD \$M)
	Loans at beginning of period	193.50	177.50	187.50	193.50
plus	Loans drawn down	0.00	10.00	0.30	10.30
less	Loans repaid	16.00	0.00	10.00	26.00
	Loans end period	177.50	187.50	177.80	177.80

Net Loans for the Quarter**(15.70)****Debenture Trust Deed Compliance (Based on Actual Income Extrapolated)****LGFA Foundation limit****for credit rated councils****WDC Policy limit****April****May****June**Net debt as percentage of annual income **not to exceed 280%**Net debt as percentage of annual income **not to exceed 250%**

167%

177%

168%

✓

✓

✓

Net interest expense of external borrowing **not to exceed 30%** of annual rates income (budget)Net interest expense of external borrowing **not to exceed 15%** of annual rates income (budget)

15%

14%

14%

✓

✓

✓

Net interest expense of external borrowing **not to exceed 20%** of annual operating income (budget)Net interest expense of external borrowing **not to exceed 20%** of annual operating income (budget)

10.1%

9.5%

11.5%

✓

✓

✓

Council's funding maturity profile is compliant. Depending on Council's capital programme (size and timing), and borrowing requirements going forward, the overall funding strategy will be to maintain policy compliance and mitigate refinancing risk.

Attached to this report: Appendix 2 – PWC Treasury Report as at 30 June 2025.

Risk and Assurance Committee - AGENDA

7.1 Risk and Assurance Update – September 2025(Cont.)**3.5.2. Current Treasury Strategies****3.5.2.1. Liquidity**

Committed Facilities:

- ANZ \$20M Expiry 31 July 2028 (Margin 95 bps and line fee of 20bps)
- LGFA \$5M Pending (15 bps over BKBM for 30-181 days)
- (20bps over BKBM for 182-364 days)
- Commitment fee of 20bps paid quarterly in advance

Council has access to bespoke longer-term loans with LGFA also.

Council is currently negotiating longer term facilities for 5 years and may extend to this term if the facility price is acceptable.

3.5.2.2. Funding Terms

As at 30 June 2025, the average term of council loans was 2.84 years. Although long term internal loans are created to fund long term assets, council's average term is relatively short because:

- LGFA are extraordinarily liquid, and they are the best place to get funding. The reserve bank has given them a lot of credibility
- Shorter terms save council money (see LGFA Borrowing Update 8 Sept 2025 below). Currently 12-year debt has 127 bps margin, but 5-year debt has only 79 bps margin
- The uncertainty over the three waters reform

Floating rate long term	Base margin	Borrowing margin AA+/AA rated councils	Borrowing margin AA- rated councils	Borrowing margin A+ and A rated councils	Borrowing margin Unrated guarantors	Borrowing margin Non-guarantors
15/04/2026	9 bps	34 bps	39 bps	44 bps	54 bps	64 bps
15/04/2027	25 bps	50 bps	55 bps	60 bps	70 bps	80 bps
15/05/2028	37 bps	62 bps	67 bps	72 bps	82 bps	92 bps
20/04/2029	45 bps	70 bps	75 bps	80 bps	90 bps	100 bps
15/05/2030	49 bps	74 bps	79 bps	84 bps	94 bps	104 bps
15/05/2031	62 bps	87 bps	92 bps	97 bps	107 bps	117 bps
14/05/2032	67 bps	92 bps	97 bps	102 bps	112 bps	122 bps
14/04/2033	77 bps	102 bps	107 bps	112 bps	122 bps	132 bps
15/05/2035	84 bps	109 bps	114 bps	119 bps	129 bps	139 bps
15/04/2037	97 bps	122 bps	127 bps	132 bps	142 bps	152 bps

Note: All the above borrowing yields and spreads are fully inclusive of the applicable base lending and credit margins outlined below

3.5.2.3. Interest rate risk management

The interest rate risk strategy is to fix more debt when interest rates reach a target level.

During June, two swaps were transacted:

Effective 15 July 25 \$5,000,000 3.435%

Effective 15 Oct 25 \$10,000,000 3.8575%

The weighted average fixed rate of interest is currently 3.88%

7.1 Risk and Assurance Update – September 2025(Cont.)**3.6. Internal Audit Program Update*****Building Consent Authority Accreditation Assessment***

Between 2023 and 2025, Whakatāne District Council's Building Consent Authority (BCA) underwent a series of assessments to evaluate compliance and operational performance. The 2023 Routine Reassessment identified sixteen general and five serious non-compliances, prompting a Special Assessment in 2024. That assessment, though limited in scope, found ten general non-compliances and led to several improvements. By the 2025 Routine Reassessment, the BCA had largely maintained those improvements, though ten general and one serious non-compliance were still identified.

	Serious non-compliances	General non-compliances
June 2023	5	16
June 2024	-	10
June 2025	1	10

The BCA was well-prepared for the 2025 assessment, with effective IT systems and documentation in place. Staff were engaged and proactive, and tools such as Smartsheets were used effectively to manage training, audits, and reminders. Statutory timeframes were generally met, and where they were not, the BCA demonstrated sound analysis and corrective action. Audit scheduling and continuous improvement systems were well-structured and clearly documented.

Following the assessment, the BCA was classified as Low Risk. This reflects its overall operational stability and likelihood of remaining substantially compliant over the next two years. The BCA was found to be well-resourced, with contractual arrangements to manage capacity and capability needs. It also demonstrated strong internal audit and continuous improvement processes. While one serious non-compliance was identified—relating to contractor engagement—it was considered isolated. The BCA also cleared two non-compliances during the assessment and showed clear plans to address the remaining items.

See **Appendix 3** for the full report.

4. Options Analysis - Ngā Kōwhiringa

No options have been identified relating to the matters of this report.

5. Significance and Engagement Assessment - Aromatawai Pāhekoheko**5.1. Assessment of Significance**

The decisions and matters of this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy.

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status

6. Considerations - *Whai Whakaaro*

6.1. Strategic Alignment

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

6.2. Treasury Update

Council is required to remain compliant with all loan conditions attached to LGFA lending criteria

6.3. Financial/Budget Considerations

There is no budget considerations associated with the recommendations of this report.

6.4. Climate Change Assessment

There are no significant or notable impacts associated with the matters of this report.

6.5. Risks

Risk	Description and/or Mitigation
Treasury Update - That council will exceed the interest rate, funding and liquidity parameters as specified in the council Treasury policy	Constant review of the council position on compliance indicators and treasury actions as required to remain compliant including monthly reviews of the current and forecast positions.
Treasury Update - That council will exceed the compliance indicators that form part of the LGFA lending conditions	Constant review of the council position on compliance indicators and treasury actions as required to remain compliant including monthly reviews of the current and forecast positions.

Attached to this Report:

- Appendix 1 – Risk Register incorporating management action status
- Appendix 1A – ERP update report
- Appendix 2 – PWC Treasury Report as at 30 June 2025
- Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

Appendix 1 – Council Risk Management Report - Register incorporating Management Action Status
Report
as of August 2025

For items showing as an inherent risk of High or above within the risk management report

Key to Status	[T-E] Treatment - effective	[T-PE] Treatment – partly effective	[C-E] Control - effective	[C-PE] Control – partly effective
What’s the distinction between a Treatment and a Control? [shades of grey]				
<p>A Treatment is something that reduces the inherent risk either in consequence or likelihood to avoid it from occurring or reducing its consequence if it does occur [example: an alarm that sounds or alerts someone when a door is left unlocked reduces the likelihood of doors being unlocked for any length of time]</p> <p>A Control is something that improves the environment to reduce the residual risk of the consequence or likelihood [example: a policy that lets all staff know that doors are to be locked]</p> <p>Both Treatments and Controls require ongoing monitoring to be effective.</p>				

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 01. Not Achieving Effective Delivery			
Risk definition	<p>There is a risk that Council does not to meet its goals for the district including compliance with legislation, resulting from failure to implement change in strategic planning due to insufficient monitoring and decision-making processes (choosing the right projects, given financial constraints, and delivering them on time and on budget).</p> <p>The risk exists because there is a view the underpinning practices to support changes in strategic decision making are not as strong as they should be, specifically</p> <ul style="list-style-type: none"> Business processes including decision making, reporting, project management (including whole of project life financials, asset management and procurement). Staff capability and capacity to ensure consistent and focused delivery Improved financial and infrastructure strategies that guide decision making 	Potential Risk Impacts	<ul style="list-style-type: none"> Unanticipated costs \$1m+ Failure to achieve multiple community outcomes. Deterioration in multiple KPI 30% A range of assets, some critical are rendered unusable for more than a month
		Inherent Risk	Extreme ←
		Residual Risk	High ←
		Target Risk	Medium ←
		Risk Reduction General Approach	Establishing an effective LTP that commits to develop robust decision making, project management process, tools, and capability at council to strengthen Councils long term sustainability and delivery of outcomes

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
1.1 Strategy and Policy [L. Woolsey]			
2.01 - Corporate planning - long term plan, annual plan, annual business plan 2.03 - Review and develop council performance framework	<ul style="list-style-type: none"> WDC Long Term Plan 2024-2034 [Aug. 24] The Organisational Performance Report (OPR) is reported to Committee each quarter Annual Plan 25/26 adopted [Jun. 25] 	<ul style="list-style-type: none"> Key Project template under review by ELT for reporting to Council [Oct. 25] Business Plan 25/26 close to completion [Sept. 25] 	<ul style="list-style-type: none"> Annual Plan 26/27 project plan to commence [Oct. 25] Reporting framework review by Strategy and Policy team planned for 25/26 year [Oct. 25]
1.2 Strategy and Transformation [L. Woolsey]			
2.29 - Establish PMO and strengthen project discipline	<ul style="list-style-type: none"> EPMO Manager commenced appointment [July 24] EPMO 'Aratakina' project plan approved by ELT [Oct. 24] EPMO Staff training [Feb. 25 and ongoing] 	<ul style="list-style-type: none"> EPMO plan and key project reporting paper to Council [Oct. 25] 	<ul style="list-style-type: none"> Roll out of EPMO software and transition of business plan FY 25/26

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 02. Health and Safety			
Risk definition	<p>There is a risk that serious harm or death of Council staff or other people at Council's workplaces occurs.</p> <p>The risk exists because of the nature of work undertaken by our staff, and our contractors et al, in the delivery of services on behalf of the Council. Inherent Risk reflects the existing Health and Safety framework and treatments being assessed as effective.</p>	Potential Risk Impacts	○ Death of one or many staff/ Public
		Inherent Risk	High ←
		Residual Risk	Medium ←
		Target Risk	Low ←
		Risk Reduction General Approach	<p>Council must ensure all reasonable steps are taken to ensure the health and safety of Council staff and people at Council workplaces.</p> <p>Establishing an effective health and safety framework including multiple aspects such as strategy, policy and procedures, reporting, training, and resources to reduce the likely occurrence of such an event or the severity of impact if such an event occurs.</p>

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
2.1 People and Capability [E. Hatch]			
8.03 - Manage health and safety	<ul style="list-style-type: none"> Event management – system provided for reporting and managing accidents, incidents and near miss events. (Vault) Worker engagement – systems for including workers in health & safety decisions including an active Health & Safety Committee and Wellbeing Committee. Risk Management – Council-wide Risk Registers are currently being reviewed and updated to ensure they accurately reflect key risks across all areas. Critical risks are managed through Risk Control Groups, comprising cross-functional staff with relevant expertise. The overarching framework is being finalised and will be presented for discussion at this month's ELT meeting. Policy & process – policy and processes developed as required to support good health & safety practices. Ongoing 	<ul style="list-style-type: none"> New Health, Safety and Wellbeing Strategy has been developed by the Executive Team. The Project Team has been formally established, and the improvement programme is well underway. It is an ongoing initiative, with different targets being set and progressively achieved as part of a phased approach. A comprehensive review and update of all 25 council risk registers is currently underway. The information is being consolidated into a newly developed Risk Register, which will capture all previously identified risks from the old templates and Vault system. The updated register will be maintained on the Whooogle page. 	<ul style="list-style-type: none"> Revised Contractor Management Framework has been developed and engagement with key stakeholders and project managers will begin soon. Policy discussed with key stakeholders. The Risk Management Policy and Critical Risk Framework are currently in the final stages of preparation and are scheduled for presentation to the ELT. The Contractors Management Policy is in its final draft and is planned to be presented to the ELT later this month.

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

	<ul style="list-style-type: none">• Contractor management - Policy is in its final draft and is planned to be presented to the ELT later this month.• Staff training – H&S training has been identified for all roles and loaded against the role in Vault. Training, including refresher training, is scheduled by the H&S team.• Health monitoring – roles where staff are exposed to health risks receive annual health monitoring through our provider Proactive.		
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7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 03. Inability to attract, sustain, engage, and develop our staff capability			
Risk definition	<p>There is a risk that we fail to maintain the necessary staff capacity and or capability to deliver the objectives of the organisation.</p> <p>The risk exists because the New Zealand labour market is extremely tight and furthermore WDC operates in a relatively small regional economy making it often challenging to attract high calibre candidates. Challenges can include ability to remunerate at levels, expected opportunity for personal development, jobs for partners, schooling, and housing availability.</p> <p>Additionally due to scale, succession planning is also challenging. Like many regions we have areas of the business (e.g., 3 waters) where our staff demographic is aged which increases our exposure.</p>	Potential Risk Impacts	<ul style="list-style-type: none"> Unanticipated costs \$1m+ Failure to achieve multiple community outcomes. Deterioration in multiple KPI 30% A range of assets, some critical are rendered unusable for more than a month
		Inherent Risk	High ←
		Residual Risk	High ←
		Target Risk	Medium ←
		Risk Reduction General Approach	<p>People and culture programme in place and monitored via Org Performance.</p> <p>Mitigation includes making a value proposition for Whakatāne being a great place to live and work along with effective staff engagement, an attractive and modern workplace, and a commitment to staff professional development.</p> <p>WDC has utilised contractor or consultants often where recruitment has not been successful or where the need is short term and highly skilled.</p>

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
3.1 People and Capability [E. Hatch]			
<p>8.02 - Enhance recruitment systems and processes</p> <p>8.04 - Develop and implement - people first project - organisation vision and values</p> <p>8.05 – Implement staff wellbeing strategies and policies</p> <p>8.07 - Develop workforce plan</p>	<ul style="list-style-type: none"> Our Vision & Values have contributed to the development of our Employee Value Proposition (EVP) which ensures we utilise the right language in all documentation to attract top talent (including adverts, positions descriptions, interview questions etc). Our recruitment processes allow increased flexibility in People Leaders thinking creatively about other benefits to attract great staff, including flexible workplaces and a focus on personal development. Council attained Accredited Employer status with Immigration NZ and can now attract and recruit technical skills from overseas, and support migrants into our communities. Council's wellbeing group regularly meet and actively coordinate wellbeing events and initiatives for all staff. Hybrid Working Guidelines developed and presented to staff to support people working in a combination of in the office and at home, as appropriate. 	<ul style="list-style-type: none"> The team is continually adapting recruitment approaches to ensure we remain competitive in the recruitment market. Plans in place to promote Council using The P&C team are continuing to work to the P&C Strategy which was developed in early 2025. 	<ul style="list-style-type: none"> Planning is underway for the 2025 Learning and Development approach. Remuneration project is in early stages, increased transparency and clarity around remuneration will contribute positively to our recruitment and retention approach.

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 04. Impaired Māori Relations			
Risk definition	There is a risk that failure to effectively engage with strong Iwi and Māori relationships impedes that ability to deliver the Councils goals for success across economic, cultural, environmental, and social outcomes. This risk also includes failure to meet both legislative and moral responsibilities to build, maintain and nurture sound and trusted relationships with Māori partners. The risk exists because strong Iwi and Māori relationships are a key pillar to the districts strategic plans reflecting that Whakatāne District has a substantial Māori population of nearly 50%. Impaired relationships have multiple negative outcomes associated with them and impacts on other relationships (e.g. central government) and our ability to ensure strong resilient, connected communities across the district.	Potential Risk Impacts	<ul style="list-style-type: none">○ Unanticipated costs \$1m+○ Failure to achieve multiple community outcomes○ Deterioration in multiple KPI 30%○ A range of assets, some critical are rendered unusable for more than a month
		Inherent Risk	High ←
		Residual Risk	High ←
		Target Risk	Low ←
		Risk Reduction General Approach	<p>Ensure an effective Māori Relationship and Engagement plan is in place, underpinned by the Māori Relationship Strategy. This strategy is directed towards strengthening WDC institutional capacity and capability to engage constructively and consistently with Māori. It provides a framework for shared business planning, introduces greater structure and coherence to engagement processes, and commits resources and time to the development of enduring and mutually beneficial relationships.</p> <p>Recognising the breadth of Council’s responsibilities, it is imperative to maintain and nurture strategic relationships across the full spectrum of Iwi/Māori partners. This includes iwi, hapū, and whānau, as well as land-holding entities, Māori education providers, health and social service organisations, Māori ratepayers, and other relevant stakeholders.</p>

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
4.1 Local Governance [E. Hatch]			
1.03 - Undertake representation review and establishment of Māori wards	<ul style="list-style-type: none">• 3 Māori Ward councillors added to governance structure from 2022 elections [Oct. 22]• As of 30 July 2024, legislation passed to repeal the current Māori wards representation legislation, requiring Councils to hold a poll if they established a Māori ward without holding a poll previously.• On 15 August 2024 WDC decided to retain Māori wards and hold a poll alongside the 2025 local elections.• Distribution of the pre-election report [June 2025]• Candidate briefings [June and July 2025] in line with the civic education programme set out	<p>The following controls are included in the planning and execution of the upcoming local elections 2025 and Maori Ward Referendum project [July 2025 – October 2025]:</p> <ul style="list-style-type: none">• Distribution of educational materials such as brochures and flyers explaining the voting process and its importance.• Engagement with local Iwi in support of effectively delivering the Local Elections 2025 by promoting and educating our Iwi, Hapu and Whanau, especially in the remote areas of the district.	<ul style="list-style-type: none">• The next Representation Review for Whakatane District Council is required to occur in 2026/7.• Ensuring that staff are across all requirements to successfully deliver on the next rep review.• Monitoring potential legislative changes and adapting plans accordingly as necessary• Engaging with stakeholders early and often to gather input and build consensus• Establishing clear timelines and milestones to ensure the review process stays on track

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

	within the local elections' communications strategy.	<ul style="list-style-type: none"> Development of a training and development plan for Elected Members over the 2025 triennium, including running a survey to understand the needs from, and support required by Māori Ward councillors as representatives across the district's three Māori ward areas. MOU in place with local Iwi and other organisations for ballot box placements to help create awareness on the upcoming maori wards poll, and to reach remote and underserved areas. Public education campaigns to allow for increased awareness and education to our communities in relation to the Māori Wards referendum in 2025 Partnerships with local influencers and community leaders to encourage voter participation, including consideration of accessibility access and opportunities for elderly to vote effectively (including retirement homes). Expansion of voter education programs to include interactive briefings and distribution of information related to the process of local elections, as well as the roles and responsibilities of elected members [Sept – Oct 2025]. 	
4.2 Strategic Māori Relationships [H. Patrick]			
<p>1.06 – Develop cultural responsiveness strategy</p> <p>1.07 - Implement cultural responsiveness strategy</p> <p>1.08 - Deliver cultural competency programme</p> <p>1.09 - Develop coordinated partnership work programme with iwi partners</p> <p>1.10 - Provide cultural advice and guidance to elected members and staff</p>	<ul style="list-style-type: none"> Te Kahupapa – Organisation's Cultural Competency framework: Core programme offering has been embedded into the training calendar this includes Tikanga, Te Tiriti o Waitangi, and Noho Marae, and is complemented by targeted modules Implemented bi-monthly <i>Mihi Whakatau</i> for new staff, further demonstrating Councils commitment to tikanga, te ao Māori, and Te Tiriti o Waitangi. Increased oversight of WDC BAU and accuracy of Engagement. Including shared learning opportunities between WDC and Iwi Entities Masterplans are in final stages and due for delivery to Iwi in late 2025. Policy Hub is due for completion in December 25. Iwi to determine continued use of service which will be independent of WDC funding. 	<ul style="list-style-type: none"> Re-scoping of Team Support position to pivot to Cultural Capability Lead to drive internal capability to improve staff cultural engagement with IHW in a BAU capacity. MRS year 3 Outcomes to further advance WDC delivery of our Relationship and Legislative responsibilities. Treaty Settlement and MACA Impacts; WDC including relationship protocols. Relationship and Engagement Advice continuous (BAU) across multiple Activities. Relationship Lead for Ngāti Rangitahi in place July 2025. Reo Rua ki Whakatāne and Murupara strategy and outcomes underway. <ul style="list-style-type: none"> Project implementation is built into the Ngāti Awa and Ngāti Manawa Relationship Leads core role. Ngāti Manawa/Murupara Reo Rua Strategy in place implementation due 	<ul style="list-style-type: none"> Partnerships: Matatā Wastewater, Murupara Wastewater, co-delivery of council services and support of Iwi settlement aspirations; Tarawera Awa Strategy group and Rangitāiki River Forum outcomes Review of Te Toi Waka Whakareī (Council's relationship workplan) to ensure fit-for-purpose. Year 3 MRS outcomes underway, which covers focus areas of Leadership, Identity, Empowered Organisation, relationships, Monitoring and design. Continued progress with IHW across all WDC business, with relationship workshops to better understand and support each other. Māori Policy intel to future inform WDC approach Te Reo Policy – Linked to Reo Rua and MRS outcomes due Y2 LTP - FY25/26 Oversight of Policy and Submissions WDC Māori lens.

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7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

	<ul style="list-style-type: none">• Iwi Chairs forum between Mayor, Councillors CE and Iwi• Increased Organisational Awareness of Govt Māori Policy and impacts.• Relationship Excellence – Relationship leads in place to coordinate and nurture relationships between Ngāti Awa, Ngāti Rangitahi, Ngāti Whare and Ngāti Manawa.• Toi Kotuia team resourced with 1x Manager, 3x Senior Advisors and 1x Team Support/Cultural Capability Lead. Team is currently at 6 FTE (including Kaihautu role)• LTP 2024-34- Further funding secured through LTP to resource team with further FTE into Yr 3 of LTP• LTP 2024-2034 funding secured to provide capacity and capability to Iwi to respond to the work of Council	<p>25/26. DIA funding secured for Ngāti Manawa.</p> <ul style="list-style-type: none">• Interim Guidelines / Policy developed for Internal guidance to staff.• Shared Iwi / WDC Business Planning, including iwi workplan.• Extending iwi engagement to include relevant hapū to ensure smoother project execution.• Independent Iwi Relationship Health Check (June 2025): Provided clear insights into the current state of Council–iwi relationships, highlighting both strengths and areas for improvement. The next step is a detailed analysis of the report findings, with identified opportunities to be incorporated into the work programme.	<ul style="list-style-type: none">• Workshops for Councillors and staff on impact of legislative changes on Māori.• Mana Whakahono ā Rohe – relationship agreements. Whist initiated by Iwi, WDC need to be ready to engage and collaborate.• Induction module for all staff to ensure consistent baseline competency and knowledge of local iwi and hapū and enrolment to Te Kahupapa programme• <i>Te Kahupapa WDC Cultural Competency Framework</i> under review to strengthen content, broaden reach, and extend availability to staff and elected members in FY25/26.
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7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 05. Lack of Infrastructure resilience (Community)			
Risk definition	<p>There is a risk that infrastructure used by the community fails to an extent that it has a significant impact on residents in our community, along with businesses who are unable to function, if council infrastructure fails.</p> <p>The risk exists due to the significant scale upon which the delivery of services of the Council is dependent on a diverse, distributed and complex infrastructure base, and due the to the underlaying age of much of the infrastructure.</p>	Potential Risk Impacts	<ul style="list-style-type: none"> Key services are not available to a large proportion of the community for more than a month.
		Inherent Risk	Extreme ←
		Residual Risk	Medium ←
		Target Risk	Medium ←
		Risk Reduction General Approach	<p>An excellent understanding of the state of our infrastructure, the demand on them along with appropriate maintenance and replacement plans will be critical in managing this risk.</p> <p>Risk reduction will also consider infrastructure readiness for planned growth and the potential impact of unplanned growth.</p>

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
5.1 Strategy and Policy [D. Bewley]			
<p>2.08 - Develop housing strategy</p> <p>2.10 - Spatial plan engagement and development</p> <p>2.11 - Future development strategy review (zoning)</p> <p>2.12 – Preparing resource consents for council key projects</p>	<ul style="list-style-type: none"> Housing Strategy redefined as Housing Needs assessment through District Plan review [commencing July 2025]. Spatial Plan – Adopted by Council in June 2025. Local Growth Strategy commenced to implement Spatial Plan outcomes Resource consents are prepared by internal planners and contractors with relevant expertise 	<ul style="list-style-type: none"> Housing Strategy redefined as Housing Needs assessment through District Plan review [commencing July 2025]. Project Plan for District plan review to be completed and approved by Council. Local Growth Strategy commenced. Governance Group to be established. District Plan Review to focus on Awakeri growth Area and Natural Hazards to mitigate risk of legislation making other changes/work unnecessary. Stop Plan legislation has prevented growth related projects from proceeding - application to Minister being explored. Contractors and Project Managers being appointed for roles in Reconsenting project – to mitigate time pressure. Wastewater consents have three years extended time period now granted through the LG (Water Services) Act 2025. 	<ul style="list-style-type: none"> District Plan review influenced by RMA Reforms. Council to continue to monitor c hanges in legislation.

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

5.2 Economic Development & Regeneration [L. Woolsey]			
2.21 - Develop investment strategy	<ul style="list-style-type: none"> Floodwall height increase Stage 1 complete [Feb 25] Floodwall BOPRC works Stage 2 nearing completion [Jul 25] 	<ul style="list-style-type: none"> Engagement with Fishing Club re: Floodwall realignment [ongoing] 	<ul style="list-style-type: none"> Developing a commercial property investment strategy and freeholding plan for Council signoff [Jun 26]
2.22 - Reset town centre riverfront project (Te Ara Hou)	<ul style="list-style-type: none"> Freeholding Plan project approved in principle by Council [Oct 24] Establishment of interim Strategic Property Advisory Group [May 25] 	<ul style="list-style-type: none"> Confirmation and subsequent agreement with Kanoa to reallocate portion of Te Ara Hou funding to Floodwall Integration [Aug. 25] 	<ul style="list-style-type: none"> Floodwall integration stages 2 and 3 WDC project plan for Council approval [Oct 25]
2.23 - Review town vision 2008	<ul style="list-style-type: none"> Town Vision Refresh project approach presentation to Councillors and Whakatane Futures forum [Apr 25] 	<ul style="list-style-type: none"> Legal agreement with Fishing Club re: new lease and relocation costs [expected Sept 25] 	
2.24 - Develop property strategy	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> 	
5.4 Three Waters [D.Bewley]			
4.02 - Maintain network and reticulation renewals	<ul style="list-style-type: none"> Infrastructure PMO, under EPMO, operating to program and manage infrastructure projects underway. 	<ul style="list-style-type: none"> Rephasing underway to ensure delivery of renewals programme planned for this year. 	<ul style="list-style-type: none"> Water Services Delivery Plan to be implemented, including ringfencing of current Three Waters Activities and discussion about a CCO with other Councils.
4.07 - Develop three waters strategy to meet increased standards and growth requirements	<ul style="list-style-type: none"> Spatial Plan and Local Growth Strategy will identify growth related infrastructure. 	<ul style="list-style-type: none"> A dedicated team for the consent renewals has been established. Progress underway, noting that Wastewater consents have been granted a three-year extension through the LG (Water Services) Act 2025. 	<ul style="list-style-type: none"> Discussion with Te Whatu Ora (MoH) and BOPRC to be held to secure external funding for Matatā wastewater project.
4.09 – Plan and develop new assets for growth	<ul style="list-style-type: none"> Matatā Wastewater Co-governance Group established with iwi/hapu and Council representation. 	<ul style="list-style-type: none"> Water Services Delivery Plan submitted to DIA for approval – met statutory requirement. 	
4.10 - Investigate and plan for new water source for Whakatāne-Ōhope scheme	<ul style="list-style-type: none"> Project plans have been developed for the renewal of all wastewater and water consents in 2026. Engagement on these renewals will start shortly. A timeline has been prepared with inputs from key projects such as the Spatial Plan identified. 	<ul style="list-style-type: none"> Council approved next steps for Matatā Wastewater project on 4 September 2025 – preferred option identified and resource consent strategy to be developed. 	
4.11 - Deliver Matatā wastewater project	<ul style="list-style-type: none"> Conversations underway with some iwi in relation to co-design of consent renewal plans. 		

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 06. Loss of organisational effective systems and infrastructure for council operation including cyber attack			
Risk definition	<p>There is a risk that infrastructure, both physical and digital, used by Council to support the delivery of services to the community fails as an event, or through being unfit for purpose, to an extent that it has a significant impact on continuity of services.</p> <p>The risk to physical infrastructure predominately exists mostly as being unfit for purpose due to the diverse, distributed and complex infrastructure base, and due to the underlying age of much of the infrastructure.</p> <p>The risk to digital exists partly from being unfit for purpose due to the to the increasingly diverse and complex nature of the organisational demands but also due to exposure to cyber-attack compromising or eliminating access to the infrastructure. Councils are increasingly the focus of cyber-attack as part of the global wide issue, and as a 'front door' to Central Government we face particular risk.</p>	Potential Risk Impacts	<ul style="list-style-type: none"> Loss of organisational effective systems and infrastructure for council operation including cyber-attack resulting in operational systems not being available for more than one month.
		Inherent Risk	High ←
		Residual Risk	High ←
		Target Risk	Medium ←
		Risk Reduction General Approach	Mitigation of the risk includes ensuring both our physical infrastructure and digital infrastructure are fit for purpose to meet the demands of the organisation and have appropriate levels of monitoring and security to protect them from substantial damage from physical or electronic attack. Risk management will include ensuring an effective Information Systems plan is developed and being delivered.

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
6.1 Corporate Information [E.Hatch]			
<p>8.24 - Develop IT governance and roadmap to prioritise organisation requirements</p> <p>8.25 - Refresh and implement cyber security plan</p> <p>8.27 - Investigate and replace enterprise resource planning (ERP) solution</p>	<ul style="list-style-type: none"> Executive Information Services Governance Group has been re-established and meets monthly in line with ToR [May 22] Microsoft 365 and Teams has been rolled out to all staff to allow them to work effectively from any location. [Nov. 21] Technology was decanted from Civic Centre with staff operating effectively from a mixed model [Nov. 21] Information Systems strategy has been presented and approved by Council. [May 23] Establishment of an effective operating model incorporating resourcing will provide clarity for the ERP replacement project and wider applications and systems roadmap. [May 23] Development of a project plan as part of the wider ERP project has commenced and will be reviewed by Council [Jun. 23] ERP project manager and change manager have been recruited, final stage of project team recruitment of BAs anticipated in November. [Nov. 23] ERP project team undertaken workshops and received over a dozen responses to RFI, now undertaking panel review prior to RFP [Apr. 23] 	<ul style="list-style-type: none"> Programme Enterprise rollout plan (phases) to be fully developed allowing organisational scheduling [Jun 25] Latest 'ERP Update' to Council's Finance & Performance Committee (28/8/25) attached as Appendix 1A. Build a stronger relationship with the National Cyber Security Centre (NCSC) [Aug 25] Develop a strategy for the ongoing cyber threat landscape based on the Security Assessment [Jul 25] 	<ul style="list-style-type: none"> Delivery of the ERP replacement project (Programme Enterprise) will significantly reduce risk in technology not being fit for purpose and create foundation for roadmap associated with other applications throughout the council. [Dec. 27] A review of Council's cyber security training programme to be presented to the ELT [Jun Sep 25]

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

	<ul style="list-style-type: none">• Development of an applications roadmap based on the ERP project plan will create a clear line of treatment of the wider application layer of the council being fit for purpose. [Dec. 24]• RFI/RFP Vendor selection complete to Gate 1 of ERP Replacement project and delivered to council for approval [Oct.24]• ERP (Programme Enterprise) Business Case developed and approved using Treasury’s Better Business case model [Dec 24]• Quarterly reporting to the ELT on key KPI’s for the Digital Services function [Nov 24]• Baseline Information Security assessment completed by SAM for compliance [Jul 24]		
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7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 07. Non-compliance with legal and regulatory requirements			
Risk definition	<p>There is a risk that changes to the rules and regulations we operate under occur to an extent or at a pace resulting in to keep up with these changes and ensuring ongoing compliance with existing legislation and frameworks exposes WDC to unplanned liability for non-compliance and cost.</p> <p>This risk exists and is ongoing in nature due to the continuity of change within the legislative and compliance environment.</p>	Potential Risk Impacts	<ul style="list-style-type: none"> ○ Breaches result in legal action being taken against officers of council. ○ Compliance failures result in substantial restrictions being placed on core council activities ○ Loss of confidence in council's capabilities lasting several months
		Inherent Risk	High ←
		Residual Risk	Medium ←
		Target Risk	Low ←
		Risk Reduction General Approach	Mitigation of the risk will be based on establishing champion of legal / internal audit / risk which will include independent oversight through regular connection through Chair of the Risk and Assurance. This role will then champion and support the implementation of stronger and more consistent tools, techniques and register of oversight on compliance.

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
7.1 Corporate Information [H. Patrick]			
8.18 – Develop legal regulatory compliance framework	<ul style="list-style-type: none"> • Risk reporting framework presented to Risk and Assurance Committee in September completed and will evolve with use. [Sep.21] • Taken insurance advice from AON in renewals 2023 [Nov.22] [on agenda] • Risk Framework training manual developed and workshopped with new Council and Committee in new Triennium [Jan.23] • BCA Accreditation maintained [December 2023] • Procurement and Risk Manager [Legal Champion] appointment [Oct. 23] • Risk Management Framework Training induction for tier 3 manager group developed and commenced presentation [Oct. 23] • Legal Issues Register developed based on current open issues with principle advisor, included in Risk and Assurance report [Nov. 23] • Continue improvements to Legal Issues Risk register incorporating legal costs / insurance / recovery expectations, as well as extension to 	<ul style="list-style-type: none"> • We have employed a Legal Services Advisor to assess the current legal requirements of Council, triage legal issues, and shape the long term legal needs of the organisation. [Dec 2025] 	<ul style="list-style-type: none"> • Development of a Register of Legal Opinions based on available historic opinions received [Jun. 26] • Delegations Register to be reviewed following the exec restructure. [Sep 2025]

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

	<div>include all open issues include other advisors [Mar. 24]</div> <ul style="list-style-type: none">Food Premises Quality Management System (QSM) audit [March 2024]We have adopted the new procurement policy, with the inclusion of broader outcomes/social procurement. [May 2025]		
7.2 People and Capability [E. Hatch]			
8.06 – Develop and implement leadership, learning and development programme	<ul style="list-style-type: none">Complete Leadership, Learning & Development programme in place.Annual Performance Development programme in place.	<ul style="list-style-type: none">Planning is underway for the 2025 Learning and development approach. This will include a strong focus on developing management capability also.	<ul style="list-style-type: none">2025 learning and development approach is well underway. The team are shifting their focus to a Leadership and Management Development Framework which will focus on a broader approach to what our leaders need.Internal DEI Policy development

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 08. Political changes impact council direction and delivery			
Risk definition	<p>There is a risk that changes in political direction from local or central government can occur to a scale or speed which has a significant impact on the ability of the Council to deliver upon it stated goals for the community.</p> <p>This risk exists generally due to the three-year political cycle impacting the environment in which Council operates. The potential risk is currently higher however, as of 2020, as there is currently substantial potential change in the local government space being led by Central Government. This includes:</p> <ul style="list-style-type: none"> • Three Waters Reform • Local Government Reform; and • RMA Reform 	Potential Risk Impacts	<ul style="list-style-type: none"> ○ Unanticipated losses of over \$5m. ○ Prolonged public dissatisfaction with policies or actions of Council.
		Inherent Risk	Extreme ←
		Residual Risk	High ←
		Target Risk	Medium ←
		Risk Reduction General Approach	WDC is staying well connected into the sector, ensuring we have the internal systems and capability to respond as best as possible and planning to be fit for purpose. By doing so Council reduces risk by staying connected, informed, or ready to adapt.

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
8.1 Local Governance [E. Hatch]			
1.05 - Governance arrangements and induction for new triennium (includes ongoing programme of ensuring governance awareness and understanding of legislation and policy and other business impacts).	<ul style="list-style-type: none"> • All committees and council meetings have occurred as advertised. Regular workshops are held with Council to discuss matters, receive briefings and provide guidance to staff. • Council has successfully run hybrid council and committee meetings since May 2022 that allows people to attend meetings either on-line or in-person. This new way of working has evolved into a standard meeting practice that has proved a hugely successful way to keep people safe (as we experience a surge of COVID-19 and other winter illnesses) and maintain business continuity and decision making. • Ongoing programme of governance awareness and understanding of legislation and policy and other business impacts is underway. This included 2 x Council business away days and a workshop programme that is underway. • Training with Meeting and Governance Solutions Limited (Steve McDowell and Vern Walsh) has been scheduled (4 December 2023) to assist Elected Members in leading and participating in effective meetings. This is to create confidence within our Councillors as we focus on the Live Streaming of Council meetings (Project underway). • As part of the review into workshop practices conducted by the Chief Ombudsman Elected Members were briefed on the changes Council needs to make expected to see in this space. Council made changes to 	<ul style="list-style-type: none"> • Collaboration with LGNZ to leverage their services, ensuring a consistent and high-quality training experience for elected members across the country. Akona platform and opportunities for free training and webinars. • Public education campaign to allow for increased awareness and education to our communities in relation to the Māori Wards referendum in 2025 following the change in Local Government (Electoral Legislation and Māori wards and maori constituents) amendment act 2024 • Live streaming of councils inaugural meeting following the local elections in 2025, to allow for increased public awareness and participation [Oct 2025] 	<ul style="list-style-type: none"> • Ongoing programme of governance awareness will continue. • Development of a training and development plan for Elected Members in preparation for the 2025 local elections • Standing order training [Nov/Dec 2025] for newly elected members. • Mayoral school and councillor training following the 2025 local elections [Oct 2025] • Adjustments to Council's Elected Members Code of conduct and Standing order policies, in line with Central Government's advice in issuing a national standardised template as part of the Systems Improvement Bill [early 2026]

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

	<p>its briefing practices, in line with the recommendations from the ombudsman.</p> <ul style="list-style-type: none"> • Combined Community Board meetings are in place, providing our four community boards to collaborate, network, and receive relevant training/inductions (such as media training, LTP workshops, and strategic plan development) to enable a proactive approach to their involvement in their respective wards. • Adoption of Standing Orders document 2025 to allow for Council and conduct of meetings to operate within current legislation. [March 2025]. • Live streaming of Council and Standing Committee meetings for greater public transparency to the decision-making process of council and its members [Feb 2024]. 		
8.3 Resource Management Policy [D. Bewley]			
2.13 - Navigating reforms – Resource Management Act	<ul style="list-style-type: none"> • Spatial Planning Act and Natural and Built Environment Act repealed December 2023 • Monitoring change in Government and proposed amendments and review of RMA. Some guidance from Central Government on Three stage reform programme. 	<ul style="list-style-type: none"> • Council briefing on RMA Reforms [28 June 2025] • Plan Stop legislation will prevent further plan changes occurring. Mitigation is to explore exemption provisions from Minister. Discussion with MfE staff for Awakeri Structure Plan has occurred. 	<ul style="list-style-type: none"> • Continuing to monitor changes in legislation and Government statements. • Impact of RMA Reform on staff to be assessed.
8.4 Three Waters [D.Bewley]			
<p>4.01 - Navigating reforms - three waters</p> <p>4.01 - Navigating reforms - three waters</p>	<ul style="list-style-type: none"> • Internal steering group, Project Manager and technical support appointed. • Participation in regional CCO conversations with BOP CEO's. • Submissions on all legislative change and with regulators • Local Waters Done Well programme put forward by the National Government • Water Services Delivery Plan to be submitted by September 2025. Martin Jenkins supporting technical assessment. • Tonkin and Taylor reviewed capital works programme. Beca reviewed impact of proposed wastewater standards • Met with regulators to determine future requirements 	<ul style="list-style-type: none"> • Submitted on draft wastewater standards – awaiting final outcome • WSDP prepared by Martin Jenkins with staff assistance. • Water Services Delivery Plan submitted on 1 September 2025. – Acknowledged as being received by DIA. 	<ul style="list-style-type: none"> • Programme Manager to be appointed for transition phase. • Water Services Plan to be implemented with resourcing implications. • Continuation of Joint CCO discussion between CE' of four Councils – ToR agreement needing to be finalised.

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 09. Natural disaster management and mitigation including climate change			
Risk definition	<p>There is a risk that natural disasters, as one off or recurring events, along with ongoing continuous change in our natural environment, including but not limited to impacts of climate change, can have significant impact on Council business continuity, community infrastructure, and social and economic impacts.</p> <p>The risk exists due to the nature of change in the natural environment but is increased due to scale and speed of change noted at present.</p> <p>The Whakatāne District is particularly exposed to this risk due to its geography. It has a history of significant natural disasters including landslides, debris flows, volcanic eruptions, earthquakes, flooding, and coastal storms.</p>	Potential Risk Impacts	<ul style="list-style-type: none">○ Significant assets are destroyed or rendered useless for several months.○ Key services are not available to the community for several weeks.○ Long term severe health impact to a significant number of people.
		Inherent Risk	Extreme ←
		Residual Risk	High ←
		Target Risk	High ←
		Risk Reduction General Approach	Risk reduction is based on the 4R's of Emergency Management – Reduction, Readiness, Response and Recovery. This recognises that we can reduce the risk of impacts from natural hazard events (and climate change) through adaptation of our land use, informed land use planning into the future, and preparedness for events through building community resilience and coordination of emergency and other agencies.
Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
9.1 Climate Change and Resilience [L. Woolsey]			
2.06 - Develop climate change adaptation plan 2.07 - Coordinate implementation of climate change strategy incl. energy management programme	<ul style="list-style-type: none">• Climate Change implementation plan approved at EER [Nov24]• Climate Change and Resilience Manager appointed Feb 25 and CC / Emergency teams merged• Climate Change Risk Assessment (CCRA) project phase one internal complete [Aug 25]• Solar Panel project commenced (Council facilities) [Mar 25]• Climate Change policy developed [Mar 25]	<ul style="list-style-type: none">• Comms plan for CCRA 'roll-out' of data internally and to community underway [Oct 25]• EER Six monthly reporting at final meeting of the triennium [Aug 25]• Climate Community Fund launched and applicaitos reviewed [Sept 25]	<ul style="list-style-type: none">• Six monthly reporting in new committee structure• Community Fund to run second round of applications [Nov 25]• Solar panel projects for Council facilities and community assets to continue [Nov-Dec 25]
9.2 Resource Management Policy [L. Woolsey]			
2.09 - Natural hazard risk investigations (EQ, tsunami, landslide, coastal hazards)	<ul style="list-style-type: none">• Monitoring of BOPRC completion of technical work around flood mitigation underway [Sept 25]	<ul style="list-style-type: none">• Plan Changes to the District Plan, and other emergency management readiness activities underway but partially on hold with pause on DP review [2024/2025]	<ul style="list-style-type: none">• Further evidence-based investigation of local hazards risks is underway, including liquefaction, tsunami, coastal inundation and landslide risk, and in relation to EQPB. Investigations to be completed during 2025 financial years pending DP review decisions [Sept 25]

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

9.3 Waste Management & Minimisation [H. Patrick]			
<p>5.04 - Implement (new) waste management and minimisation plan (WMMP)</p> <p>5.10 - Implement resource recovery park model at Murupara refuse transfer station</p> <p>5.11 - Implement construction and demolition waste diversion project in collaboration with crew – dependant on funding (pending)</p> <p>5.12 - Work with whānau, hapū and iwi on waste minimisation initiatives</p> <p>5.13 - Consultation and implementation of regulatory changes – waste minimisation act, NZ waste strategy, litter act</p> <p>5.14 - Management of closed landfills</p> <p>5.15 - Regional Waste Strategy and Infrastructure Plan</p>	<ul style="list-style-type: none"> • Ongoing monitoring of WMMP actions • Waste audit and community education prior to fees implementation. Subsidised and promoted composting solutions. • MFE funded waste diversion project with CREW, commenced in 2021 and due to complete in July 2025. Ongoing monitoring and reporting to MFE. • Proposals to Ngati Manawa regarding management of greenwaste in Murupara. • Central Government released new waste strategy and waste resource and efficiency work programme in March 2025. • Ongoing monitoring and compliance with resource consents. • Working with Central North Island Waste Liaison Group on project, led by Waikato Regional Council. Funded by MFE. Consultant engaged. 	<ul style="list-style-type: none"> • Ongoing monitoring of fees/waste types/volumes/flytipping in Murupara. • Draft submission on new legislation to Infrastructure & Planning Committee on 29/05/2025 • Upgrade stormwater and leachate works at Burma Road Landfill. Recapping works at Te Teko Landfill. Weed control at Matata Landfill. • Funding obtained from MFE, Tonkin and Taylor consultants engaged. 	<ul style="list-style-type: none"> • Review current plan in 2026 • Review fees and charged in Murupara Feb 2026 • MFE funding and reporting completes in July 2025 • Ngāti Manawa made aware of Murupara Resource Recovery Centre operational contract renewal in 2031. • Further consultation expected when legislation goes to select committee (date unknown) • Planting and vegetation control at Matata Landfill.
9.4 Civic Defence Emergency Management [L. Woolsey]			
<p>6.08 - Manage programme for emergency management and EOC responsibilities</p> <p>6.09 - Support community readiness programmes</p>	<ul style="list-style-type: none"> • EOC rosters are maintained, and training needs are continually being assessed. Training is being provided along with EMBOP. • WDC is an active member of the Group at Joint Committee, CEG and Sub-Committee levels. Maintaining Annual Plan requirements across the Group. • Development of Community Response Plans, including Evacuation Planning, are progressing and on-going. • Emergency Management Activity combined with Resilience and Climate Change Activities – alignment of work programmes 	<ul style="list-style-type: none"> • Training for EOC staff to be reviewed across BOP as most Councils unable to meet training targets – KPI workshop at CEGLA [Aug 25]. • Recent successful EOC drill/simulation [May 25] • Submission on CDEM bill – alongside EMBOP [Jul 25] • Local Controller recruitment underway – Hone Patrick [Sept 25] • New EMO recruited John Eruera (to replace Justin Douglas) 	<ul style="list-style-type: none"> • New EMO recruitment to replace Justin Young [Oct 25] • EM induction for new Council [Dec 25] • Completion of alternate EOC build Waiewe Street [Nov 25]

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

	<ul style="list-style-type: none">• Appointment of Lou Hunt and Sarah Ellis as Local Recovery Managers.		
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7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 10. Lack of community support			
Risk definition	There is a risk that there is an insufficient level of support from our communities that has a significant impact on the ability of the Council to deliver upon it stated service levels and goals for the community.	Potential Risk Impacts	o Prolonged public dissatisfaction with the policies or actions of Council.
		High ←	High ←
		Medium ←	Medium ←
		Medium ←	Medium ←
		Effective communication to, and consultation with, our communities will be critical to managing this risk.	Effective communication to, and consultation with, our communities will be critical to managing this risk.

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
10.1 Local Governance [E. Hatch]			
1.05 Governance arrangements and induction for new triennium (includes ongoing programme of training, support, and development for elected members).	<ul style="list-style-type: none"> Pre-Election Report Issued Briefing for Incoming Council completed [Nov. 22] Governance Solutions delivered Councillor Training [Nov. 22]: <ul style="list-style-type: none"> LGS Wellbeing's Being an elected Member Decision Tree and Meeting Know how Standing Orders Fortnightly Council workshops being utilised in addition to BAU as methodology to provide induction to new councillors on specific issues [Nov. 22 – Sept. 23] 	<ul style="list-style-type: none"> Monthly Council workshops will continue to be utilised, in addition to covering BAU, as methodology to provide induction to councillors on specific issues, including particularly through Annual Plan and LTFP Distribution of available resources in support of candidate (and elected member) safety information during the election period and post elections [July 2025 – October 2025]. Candidate profile videos to create awareness about the candidates standing in the 2025 local elections to help increase public awareness and voter turnout [Aug-Sept 2025] 	<ul style="list-style-type: none"> Ongoing programme of governance awareness will continue. Development of a training and development plan for Elected Members in preparation for the 2025 local elections, including running a survey to understand the needs from, and support required by Elected Members to effectively represent their ward areas. Adoption of updated remuneration related Policy and associated guideline documents such as Standing Orders, Code of Conduct etc. in support of the education phase, and to allow for effective decision making, for newly elected members coming into office during the 2025 triennium.
10.2 Communications & Engagement [E. Hatch]			
1.11 - Manage media relationship and deliver external communications 1.12 - Support internal communications 1.13 - Manage digital and social media 1.14 - Provide corporate design and publications support	Media relations: <ul style="list-style-type: none"> Media releases distributed this period (51) Media responses completed this period (19) Newsletters: <ul style="list-style-type: none"> Kō Konei Murupara Community Board newsletter Rangitaiki Community Board newsletter Social Media: <ul style="list-style-type: none"> Facebook Followers 15,442 Instagram Followers 1,470 	WDC TikTok has been launched and is already sitting at 616 followers.	Three stakeholder relationship meetings were undertaken with Bay of Plenty Regional Council, Kawerau District Council, Ōpōtiki District Council, and Waka Kotahi NZTA. These meetings support risk mitigation by providing valuable opportunities to strengthen relationships, share insights on joint priorities, and reinforce a collaborative approach to addressing regional challenges and opportunities, while also ensuring trusted partnerships are in place for effective coordination during emergencies. Scoping is underway for the re-establishment of the Taneatua Community Board newsletter following the upcoming elections. Unlike the Whakatāne-Ōhope, Rangitāiki, and Murupara community boards, the Taneatua ward does not currently have an active newsletter in place. A refreshed newsletter will

7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

			<p>support more consistent communication, strengthen visibility of Council activity, and demonstrate a clear commitment to engaging with this particular community.</p> <p>The WDC Corporate Brand Toolkit has been updated and is being finalised ahead of being socialised across the organisation to ensure consistent application and reinforce brand integrity. This initiative provides guidance on the correct use of visual and messaging elements, supporting coherent, professional, and recognisable communications across all channels (internal and external). By embedding the toolkit within day-to-day practices, Council will strengthen its organisational identity and ensure that all external and internal communications uphold WDC's brand standards.</p> <p>A social media refresh has been implemented to enhance the Council's digital presence and improve community engagement. While a full social media strategy is currently in development, this refresh delivers interim improvements and quick wins, ensuring content is tailored to each platform; Facebook, Instagram, LinkedIn, and TikTok, rather than being applied uniformly. The initiative supports clear, consistent, and engaging communications, and aims to strengthen community trust, improves internal alignment, and highlights community achievements, fostering more effective connections with residents while the broader strategy is finalised.</p> <p>The development and implementation of a Creative Partnership Model is underway, positioning the design function as a strategic partner rather than a purely executional service. Integrating creative expertise into the communications and engagement process at the earliest stages, prior to finalising project scope, ensures design and communications operate as co-strategists, supporting more cohesive, effective, and outcomes-focused delivery. This approach also enables the graphic design team to apply their skills strategically and creatively, enhancing the overall quality and impact of Council communications.</p>
10.3 Community Development [E. Hatch]			
1.17 - Support development and implementation of community plans	<ul style="list-style-type: none"> Community planning activities have been taking place in Edgecumbe, Murupara, Matatā, Awatapu-Ōtamakaokao and Coastlands-Piripai. Pre-planning activities have been undertaken in partnership with the Community Board in Taneatua. The Edgecumbe Community Plan is heading into its second three-year update phase. 	<ul style="list-style-type: none"> Community-led hui, workshops, events and engagement activities are ongoing throughout 2025 linked to community planning processes. These include Amazing Race events held in Edgecumbe and Tāneatua. Edgecumbe, Matatā, Awatapu-Ōtamakaokao Community Plans are now 	<ul style="list-style-type: none"> Resources required to support existing and new community planning processes will continue to be monitored. Community plan delivery will continue. New plans could come on stream if, and when communities mobilise to deliver them.

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7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

	<ul style="list-style-type: none">• The Matatā Plan has been completed and presented to Council.• The Awatapu-Ōtamakaokao Community Plan has moved into delivery phase.• The Community Partnerships Team continues to support planning processes in each of these communities as required.	<ul style="list-style-type: none">• completed and are in, or moving to, delivery phase• Development of Coastlands-Piripai Plan is underway• Murupara CP is being progressed alongside the Murupara Masterplan.	
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7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

RISK 11. Major economic/ financial or social shock				
Risk definition	<p>There is a risk of unpredictable shifts in the global or domestic economies that would significantly impact on the ability of the Council to deliver upon it stated service levels and goals for the community.</p> <p>The risk exists and is ongoing due to the nature of market shifts and cycles, however, is higher at present due to increased volatility and speed of change within inflation / interest rate, labour cost and supply chain economics. The change is exacerbated by political drivers especially the Russian/Ukraine war.</p>	Potential Risk Impacts	<ul style="list-style-type: none"> Unanticipated costs of more than \$5m. Overspend of Annual Plan OPEX by 5%. 	
		Inherent Risk	Extreme ↖	
		Residual Risk	High ↖	
		Target Risk	Medium ←	
		Risk Reduction General Approach	<p>Maintenance of a strong financial reporting and planning framework to ensure the delivery of regular, business context informed, transparent insight to Council's financial performance to support effective executive management and decision making by Elected Members.</p> <p>WDC also reduces risk in this area by being relatively well positioned with lower debt levels compared to many councils giving us debt financing as a method to manage some shocks, though itself needs an effective treasury planning to itself be effective as a risk mitigation.</p>	

Control and Treatments by Focus Areas:			
	Existing Controls / Treatments Delivered	New Controls / Treatments Delivered	Future Controls / Treatments Planned
11.1 Finance [J. McGeough]			
<p>8.13 - Review treasury policy</p> <p>8.14 – Review financial management reporting</p> <p>8.15 - Review/develop financial strategy and policies (DCP and FCS) to fund infrastructure for growth</p> <p>Additional focus areas:</p> <p>Effective Accounts Receivable Management Practices impacting on collections and Councils Bad Debt</p>	<ul style="list-style-type: none"> Reporting framework redeveloped based on modified FIS to ensure it is effective for provide clear performance measurement, transparent insights on a quarterly basis to guide decision making across executive and council to demonstrate clear control of the risk [Dec. 22] Projects reforecast methodology implemented as a temporary placeholder to improve 2023-24 and ahead of systemic EPMO improvement for 2024-25; improving phasing identification and borrowing requirements. With 24-25 reforecast presented including basis of methodology to Finance and Performance Committee. [Dec. 23] Sensitivities on interest rate shifts - Finance team developed a quick sensitivities model that enables faster assessment of LCI (wage) / PPI (operating cost) / OCR (interest cost) sensitivity within the forecast framework and included in report to Risk and Assurance [Oct .23] 	<ul style="list-style-type: none"> Q4 2023-24 Indicative Financials completed demonstrating strong consistency of opex back to annual plan process and capex back to Q1 [Aug.24] FitchRating AA- rating secured for increases availability and optionality around borrowings capacity for the LTP2034 [July.24] Financial Strategy adopted within LTP2024-34 [Aug.24] Revenue and Financing Policy adopted as part of legislative requirement for LTP2024-34 incorporate desktop review finding for LG consultant and good practice identified in Taituara Guides and aligned with other councils including Funding Needs Analysis [Aug. 24] Treasury Policy covering Investment Policy and Liability Management Policy developed adoption [Aug.24] 	<ul style="list-style-type: none"> Sensitive Expenditure Policy to be reviewed and adopted [Feb 26] Investigate Planning and Reporting Systems that can support better financial oversight, and organisational empowerment of budget management. [2026] Commenced scoping for Account Receivable sundry debtor reporting, tracking, insights and management tool to ensure more effective and proactive management and response to debtor issues. This was put on hold to review functionality available in in new ERP. [Jul.26] Develop accounts receivable debt management policy. [Dec25]

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7.1.1 Appendix 1 – Risk Register incorporating Management Action Status(Cont.)

	<ul style="list-style-type: none">• Fraud Policy reviewed and adopted [Nov.23]• Completed invoicing of all share of Joint Venture losses to Ministry of Transport [Dec.23]	<ul style="list-style-type: none">• Quarterly Reporting for actuals combined with forecasting so that the impacts of actual results flow through to forecast budgets. [May 25]	
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7.1.2 Appendix 1A – ERP Update Report

7.1.2 Appendix 1A – ERP Update Report

7.1.2 Appendix 1A – ERP Update Report(Cont.)

Appendix 1A

ERP Replacement Project Update



To: **Finance and Performance Committee**
Date: **Thursday, 28 August 2025**
Author: **L Stewart, Programme Manager**
Authoriser: **E Hatch, GM People & Partnerships, Executive Sponsor**
Reference: **A2948679**

1 Reason for the report - *Te Take mō tēnei rīpoata*

The purpose of this report is to provide the Finance and Performance Committee with an update on Council's ERP replacement project.

2 Recommendation - *Tohutohu akiaki*

1. THAT the Finance and Performance Committee **receive** the 'ERP Replacement Project Update' report; and
2. THAT the Finance and Performance Committee **note** that re-phasing of Long Term Plan 2024-34 approved funding will be addressed through the Annual Plan 2026-27 budget process; and
3. THAT the Finance and Performance Committee **note** that the forecast shortfall in total implementation costs will be addressed through the Annual Plan 2026-27 budget process.

3 Background - *He tirohanga whakamuri*

On 12 December 2024, Council:

- Approved the ERP Replacement Business Case to replace Ozone as the existing ERP solution;
- Endorsed the commencement of contract negotiations with Datacom Solutions Ltd ('Datacom'), the vendor for the preferred Datascape solution;
- Approved the commencement of the project to implement Datascape;
- Endorsed investment of \$4.25 million of allocated funding in the Long Term Plan 2024-34 to fund project implementation by internal loan to be repaid over 10 years;
- Noted a \$517,000 shortfall in implementation costs to be reviewed during implementation planning, with any remaining shortfall addressed through the Annual Plan 2026-27 process; and
- Agreed updates to Council on the project would be provided via quarterly reporting to the Finance and Performance Committee.

7.1.2 Appendix 1A – ERP Update Report(Cont.)**4 Discussion – Kōrerorero**

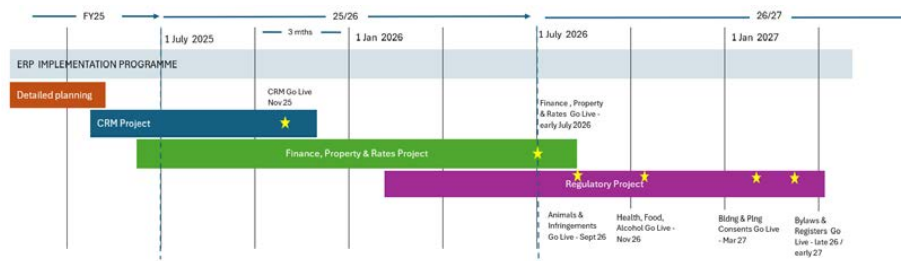
Following Business Case approval in December 2024, the first quarter of 2025 focused on:

- Establishing the ERP Replacement project;
- Appointing and inducting the project team;
- Establishing the project governance structure;
- Contract negotiation with Datacom; and
- Detailed planning with Datacom to refine the staged approach to implementation.

Timeline

The implementation timeline for the ERP Replacement Project – now called ‘Programme Enterprise’ to better reflect the multiple projects to be delivered during the 2-year implementation period – is detailed below.

Figure 1. Implementation timeline



The CRM ('Customer Relationship Management') Project is on track. This project will see implementation of:

- Datascape module for raising and managing Service Requests
- Datascape module for creating and editing Contacts information
- Antenno which will enable service requests to be submitted and send location-specific alerts and notifications to residents via a mobile app
- Enhancements to the current Online Portal for online submission of service requests
- FieldWork – a mobile app which enables staff in the field to receive and complete service requests

It is important to note that the CRM Project will facilitate technical implementation of Antenno and Online Portal changes. Discussion is currently underway with Councils Communication and Engagement Team to recommend an approach to communicating these changes to the community.

Progress

The CRM project is on track for an early November "go live". System design has been signed off and the system is nearing the end of the 'Build' phase. The team is preparing for a multi-layered approach to system testing (September) as well as a comprehensive training approach for impacted teams (October). Change management is progressing well with People Leader and All Staff information sessions as well as targeted stakeholder engagement with impacted teams.

Preparation for the commencement of the Finance, Property and Rates project is underway with design workshops to commence in September.

7.1.2 Appendix 1A – ERP Update Report(Cont.)

The Programme Team has established a network of other Datascape Councils to learn from past and current implementation experiences as well as a procuring independent advisory services to provide guidance on specific topics and/or issues.

Budget

Table 1 below provides a summary of implementation costs forecast through the Long Term Plan, Business Case and project planning phases.

	24/25	25/26	26/27	TOTAL	LTP Variance
LTP 24/34 budget	2,370,000	1,880,000	-	4,250,000	
Business case budget (includes contingency)	2,246,316	1,843,988	676,581	4,766,885	-\$516,885
Current forecast (includes contingency)	756,474 (Actuals)	-2,235,888	1,763,927	4,756,289	-\$506,289

The forecasted and estimated \$506,289 shortfall from the LTP24/34 budget will be addressed through the Annual Plan 26/27 budget. This approach was agreed by Council at a meeting of 12 December 2024. At the time of that meeting the estimated shortfall was \$517,000. That figure is now \$506,289, meaning the project has a \$10,596 variance (positive) on where we predicted we would be nine months ago.

As this project is financed through a 10-year internal loan, assuming the funds are drawn in the 2026-27 financial year, the estimated impact on rates for that year is expected to be less than 0.1% and will be confirmed through the Annual Plan 2026-27 budget process.

Key Risks

Name	Description	Residual Likelihood	Residual Consequence	Residual Risk Assessment	Mitigation
Implementation Delays	There is a risk that the large and complex nature of ERP implementations leads to delays in implementation timeline.	2- Unlikely	3- Moderate	Medium	Contingency established and managed with appropriate governance approval. Programme budget reviewed post planning phase with minimal variance. Plan for a phased rollout with contingency plans to maintain essential services. Learnings gathered from established network of Datascape councils. Robust risk management process developed as part of project establishment and endorsed by governance.
Data Migration Issues	There is a risk data cleansing requirements to migrate quality data from Ozone and Datascape lead to delays in the overall implementation timeline.	3- Possible	3- Moderate	Medium	Proactive data quality assessment completed. WDC working closely with Datacom's Ozone and Datascape delivery teams to migrate Contacts data to support CRM implementation. Alignment with draft Data Strategy to lift maturity around data ownership.
Change Management	There is a risk that the multi-year nature of ERP implementations in parallel with concurrent LTP work programme delivery expectations lead to change fatigue amongst staff with potential loss of staff and therefore business continuity/knowledge retention.	3- Possible	3- Moderate	Medium	Backfilled SME resources. Change management workstream to monitor and support business readiness. Strong governance framework and consistent Executive engagement.

Integrations	There is a risk of challenges in integrating Datascape with other existing Council systems which could result in implementation delays, and reduced benefit realisation in relation to operational inefficiency gains and real-time visibility.	2- Unlikely	3- Moderate	Medium	System integrations made clear during procurement process with no significant issues identified.
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7.1.2 Appendix 1A – ERP Update Report(Cont.)**5 Options Analysis - *Ngā Kōwhiringa***

There are no options as this is an information report.

6 Significance and Engagement Assessment - Aromatawai Pāhekoheko**6.1 Assessment of Significance**

The decisions and matters of this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy.

6.2 Engagement and Community Views

On the basis of a low level of significance, and in line with the Significance and Engagement Policy, Section 6.1, specific engagement on this matter will not be sought based on:

- The matter is not of a nature of significance that requires public engagement (Section 6.1. a); and
- The matter has already been addressed by the Council's policies or plans, which have previously been consulted on (inclusion LTP21/31 and 24/34 (Section 6.1. e).

7 Considerations - *Whai Whakaaro***7.1 Strategic Alignment**

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

7.2 Financial/Budget Considerations

The LTP 24/34 includes \$4.25 million over two years to fund the ERP Replacement Project via an internal loan. The Business Case approved in December 2024 indicated a \$517,000 shortfall in project costs to be addressed through the Annual Plan 2026-27 process. Current budget forecasting has reduced this shortfall by \$10,000 to \$506,289. As the full implementation costs are funded via an internal loan, this shortfall is not required to be directly funded through 26/27 rates. The anticipated rates impact of the increase in internal loan amount is expected to be less than 0.1% and will be confirmed through the Annual Plan budget process. Re-phasing of the programme costs will also be addressed through the Annual Plan 2026-27 process.

7.3 Climate Change Assessment

There are no significant or notable impacts associated with the matters of this report.

7.4 Risks

Refer to 'Key Risks' under Section 4. Discussion.

7.1.2 Appendix 1A – ERP Update Report(Cont.)

8 Next Steps – E whai ake nei

1. Council will continue to progress 'Programme Enterprise' to implement Datascape to replace Ozone as Council's ERP system.
2. Address rephasing of programme spend through the Annual Plan 2026-27 budget process.
3. Address the shortfall in programme budget through the Annual Plan 2026-27 budget process.
4. Continue to provide progress updates via the Finance and Performance Committee.

7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025

7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025

7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025(Cont.)

Appendix 2

Whakatane District Council



Treasury Report

June 2025

7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025(Cont.)

Treasury summary - positions and compliance

Whakatane District Council

MonthEnd
June 2025

2. Modified 24/34 LTP

Interest rate risk

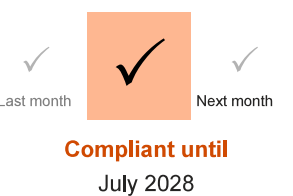


\$132,700,000
Total fixed rate instruments
75%
Current hedged (%)
3.88%
WA fixed rate

Funding risk



Liquidity risk



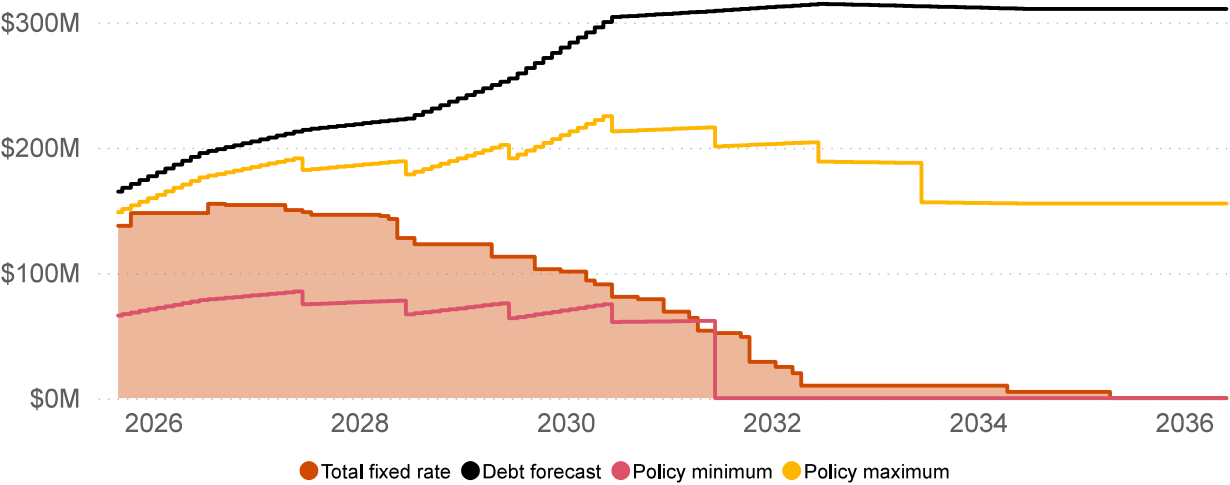
Counterparty credit limits

Counterparty	Compliant?
ANZ	✓
BNZ	✓

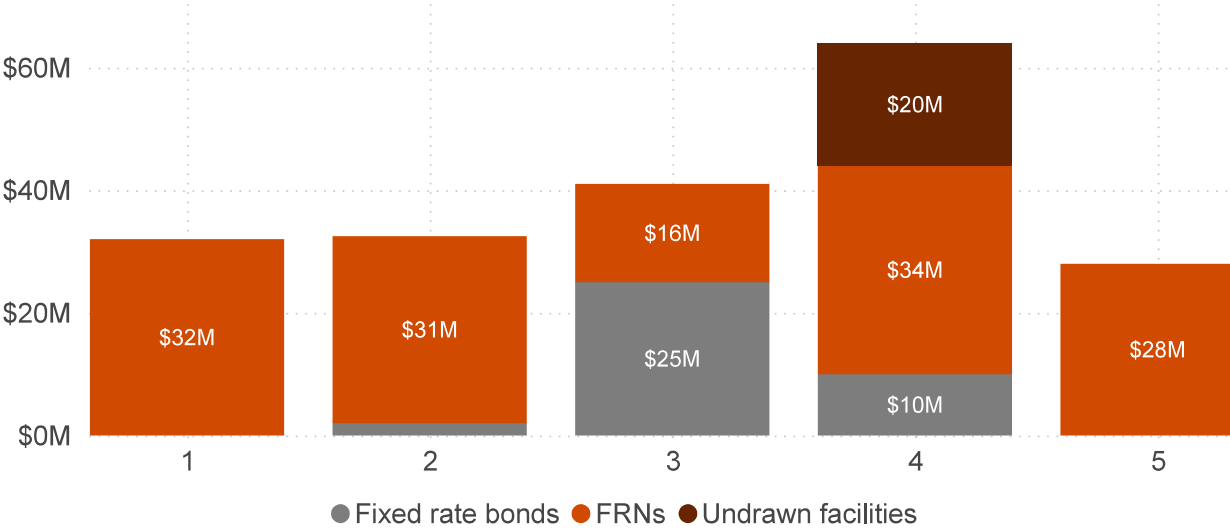
Liquidity ratio

116%
\$177,500,000
Gross debt less prefunding
\$169,080,000
Net debt
\$20,000,000
Undrawn and unlinked bank facilities
\$8,420,000
Liquid deposits

Interest rate risk profile - Management forecast



Funding and liquidity risk timeline

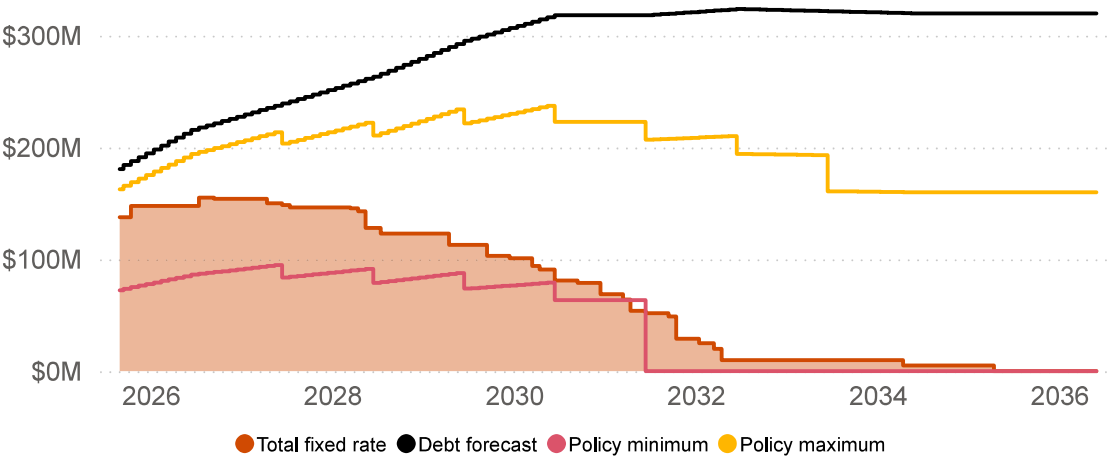


7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025(Cont.)

Treasury summary - interest rate risk positions

Whakatane District Council

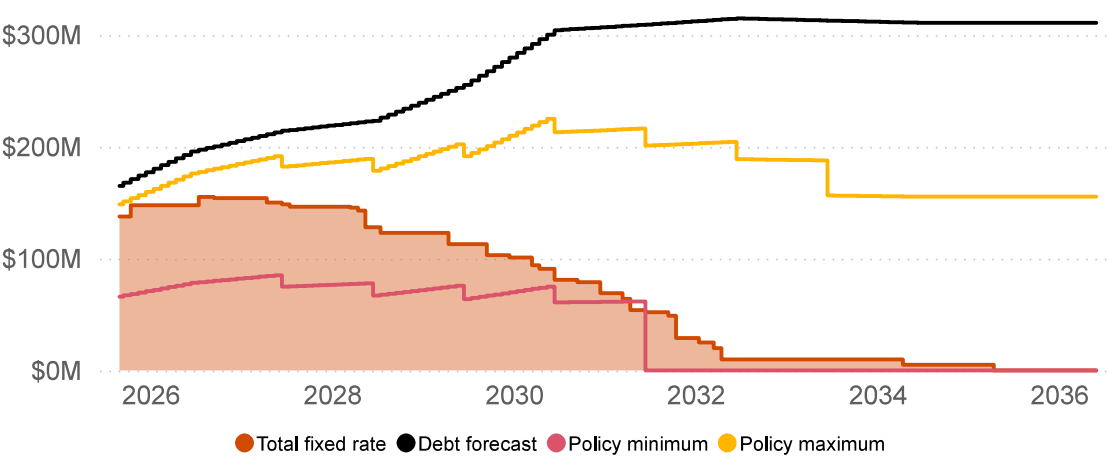
Interest rate risk profile - LTP 24/34



Interest rate summary

#	Bucket	Min	Max	Actual
1	0 - 12	40%	90%	75%
2	12 - 24	40%	90%	68%
3	24 - 36	35%	85%	58%
4	36 - 48	30%	80%	44%
5	48 - 60	25%	75%	33%
6	60 - 72	20%	70%	22%
7	72 - 84	0%	65%	10%
8	84 - 96	0%	60%	3%
9	96 - 108	0%	50%	3%
10	108 - 120	0%	50%	1%
11	120 - 132	0%	50%	0%

Interest rate risk profile - Management forecast



Interest rate summary

#	Bucket	Min	Max	Actual
1	0 - 12	40%	90%	82%
2	12 - 24	40%	90%	75%
3	24 - 36	35%	85%	66%
4	36 - 48	30%	80%	51%
5	48 - 60	25%	75%	37%
6	60 - 72	20%	70%	23%
7	72 - 84	0%	65%	10%
8	84 - 96	0%	60%	3%
9	96 - 108	0%	50%	3%
10	108 - 120	0%	50%	1%
11	120 - 132	0%	50%	0%

7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025(Cont.)

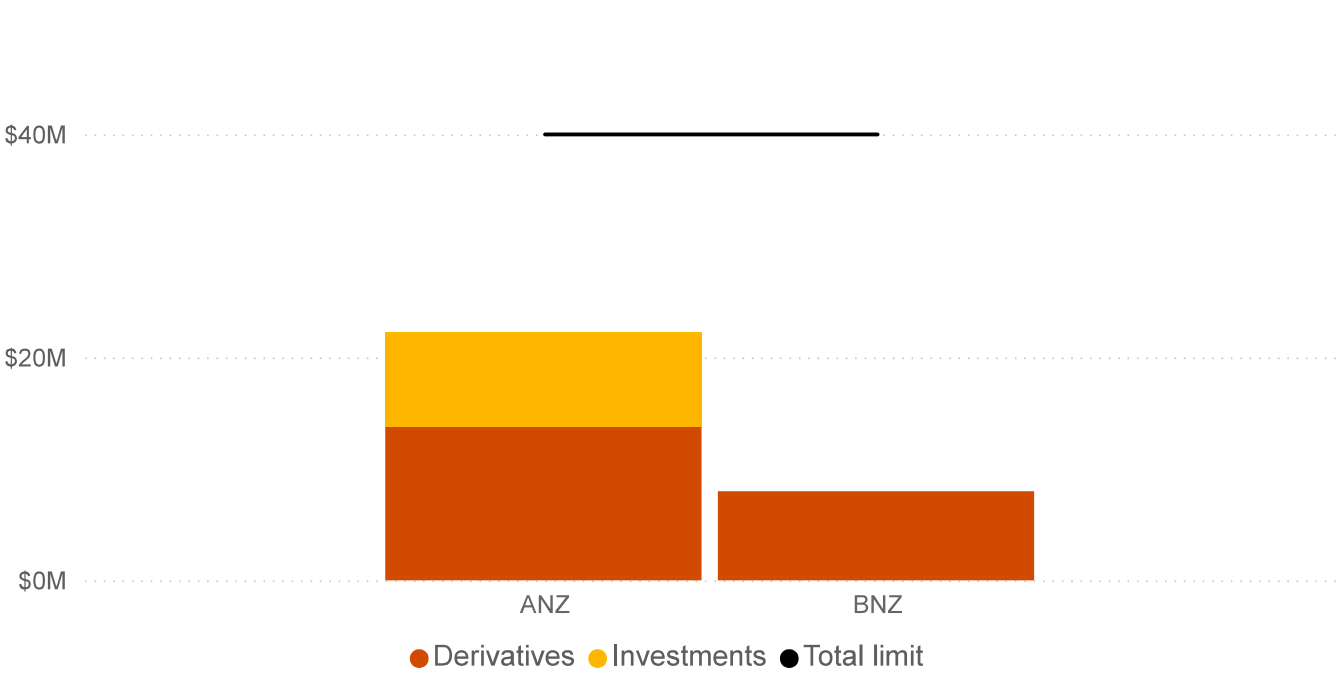
Counterparty credit overview

Whakatane District Council

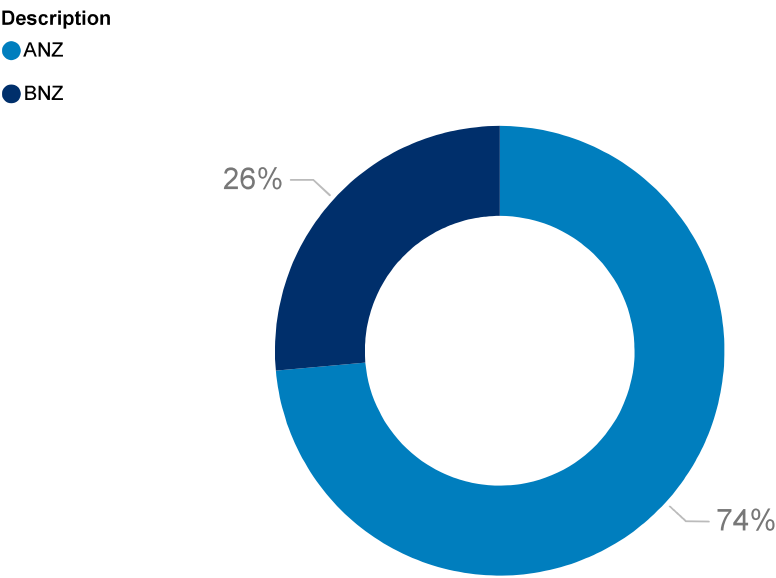
Counterparty credit limits

Counterparty	Investments exposure	MtM	Derivatives exposure	Total exposure	Total limit	Compliant?
ANZ	\$8,420,000	(\$1,029,686)	\$13,828,000	\$22,248,000	\$40,000,000	✓
BNZ	\$0	(\$247,980)	\$7,980,739	\$7,980,739	\$40,000,000	✓

Counterparty credit usage, by bank



Counterparty credit composition



7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025(Cont.)

Funding and liquidity risk position

Whakatane District Council

Liquidity summary

116%

Liquidity ratio (liquid deposits)

110%

Liquidity ratio policy

\$177,500,000

Gross external debt, less prefunding

\$20,000,000

Undrawn and unlinked bank facilities

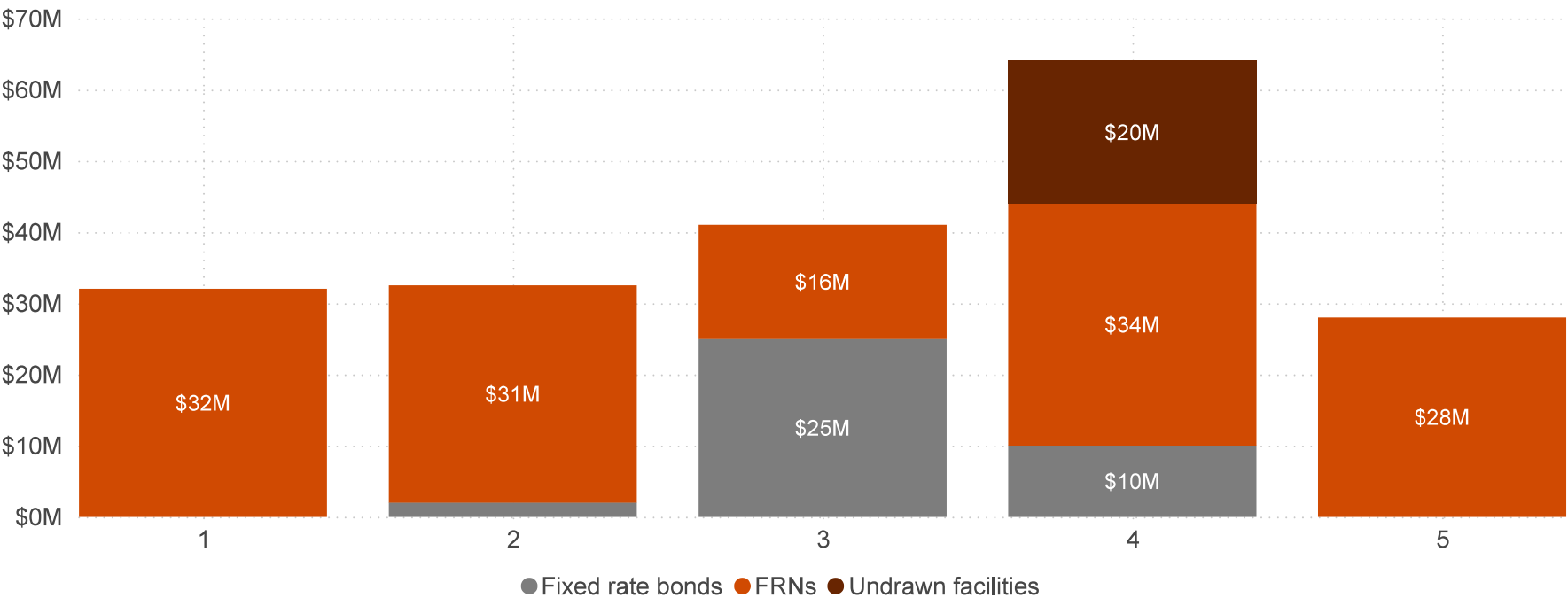
\$8,420,000

Liquid assets

\$0

Linked deposits

Funding and liquidity risk timeline



Funding summary

Bucket (years)	Maturing in period (\$)	Policy	Actual
0 - 3	\$105,500,000	15% - 60%	53%
3 - 7	\$92,000,000	25% - 85%	47%
7 - 15	\$0	0% - 60%	0%
Total	\$197,500,000		100%



7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025(Cont.)

List of interest rate swaps

Whakatane District Council

Instrument	Counterparty	Notional (\$)	Start date	Maturity date	Interest rate
Swap	ANZ	3,000,000	22 September 2016	22 September 2025	4.80%
Swap	BNZ	2,500,000	22 January 2021	22 July 2026	3.19%
Swap	BNZ	1,000,000	23 June 2021	23 September 2026	3.24%
Swap	ANZ	2,000,000	20 July 2023	20 April 2027	3.76%
Swap	ANZ	1,700,000	22 March 2023	22 June 2027	3.75%
Swap	ANZ	2,000,000	20 July 2023	20 July 2027	1.86%
Swap	ANZ	4,000,000	24 January 2023	25 January 2028	1.84%
Swap	ANZ	1,000,000	22 March 2024	22 March 2028	3.70%
Swap	ANZ	2,500,000	22 April 2024	20 April 2028	3.71%
Swap	ANZ	5,000,000	15 July 2025	15 July 2028	3.44%
Swap	BNZ	10,000,000	31 August 2024	31 August 2029	3.65%
Swap	BNZ	2,000,000	20 December 2024	20 December 2029	3.57%
Swap	ANZ	2,000,000	17 March 2025	15 March 2030	3.19%
Swap	ANZ	5,000,000	15 March 2024	15 March 2030	5.06%
Swap	BNZ	3,000,000	17 April 2024	15 April 2030	3.69%
Swap	BNZ	10,000,000	16 June 2025	15 June 2030	4.02%
Swap	ANZ	2,000,000	16 December 2024	16 September 2030	3.19%
Swap	BNZ	10,000,000	16 December 2024	15 December 2030	4.08%
Swap	ANZ	5,000,000	15 March 2024	15 March 2031	5.05%
Swap	ANZ	10,000,000	18 July 2024	17 April 2031	4.04%
Swap	ANZ	2,000,000	17 June 2024	16 June 2031	3.20%
Swap	ANZ	3,000,000	15 September 2025	15 September 2031	3.19%
Swap	ANZ	10,000,000	15 July 2026	15 October 2031	3.67%
Swap	ANZ	10,000,000	15 October 2025	15 October 2031	3.86%
Swap	ANZ	4,000,000	17 January 2028	15 January 2032	3.18%
Swap	ANZ	5,000,000	15 March 2024	15 March 2032	5.05%
Swap	ANZ	10,000,000	18 July 2024	17 April 2032	4.08%
Swap	BNZ	5,000,000	17 April 2028	17 April 2034	3.78%
Swap	BNZ	5,000,000	17 April 2028	16 April 2035	3.78%



7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025(Cont.)

List of loans and deposits

Whakatane District Council

Instrument	Counterparty	Maturity	Drawn	Limit	Interest rate	Margin	Comm. fee
Call Account	ANZ	1 December 2025	8,420,000	8,420,000			
Floating Rate Note	LGFA	15 April 2026	32,000,000	32,000,000		0.68%	
LGFA Borrower Note	LGFA	15 April 2026	-728,000	-728,000		0.32%	
Fixed Rate Bond	LGFA	15 April 2027	2,000,000	2,000,000	1.56%		
Floating Rate Note	LGFA	15 April 2027	30,500,000	30,500,000		0.75%	
LGFA Borrower Note	LGFA	15 April 2027	-731,500	-731,500	1.73%	0.39%	
Fixed Rate Bond	LGFA	15 April 2028	10,000,000	10,000,000	1.41%		
LGFA Borrower Note	LGFA	15 April 2028	-205,000	-205,000	1.30%		
Fixed Rate Bond	LGFA	15 May 2028	15,000,000	15,000,000	3.87%		
Floating Rate Note	LGFA	15 May 2028	16,000,000	16,000,000		0.83%	
LGFA Borrower Note	LGFA	15 May 2028	-775,000	-775,000	3.53%	0.44%	
Standby Facility	ANZ	31 July 2028	0	20,000,000		0.95%	0.20%
Fixed Rate Bond	LGFA	15 April 2029	10,000,000	10,000,000	5.58%		
LGFA Borrower Note	LGFA	15 April 2029	-75,000	-75,000		0.39%	
Floating Rate Note	LGFA	20 April 2029	34,000,000	34,000,000		0.81%	
LGFA Borrower Note	LGFA	20 April 2029	-1,430,000	-1,430,000	5.26%	0.52%	
Floating Rate Note	LGFA	15 May 2030	28,000,000	28,000,000		0.93%	
LGFA Borrower Note	LGFA	15 May 2030	-1,400,000	-1,400,000		0.70%	



7.1.3 Appendix 2 – PWC Treasury Report as at 30 June 2025(Cont.)



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7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

APPENDIX 3

Whakatāne District Council

Initial Report – Action plans not yet fully accepted – Updated 22/07/2025

23 - 26 June 2025



The NZ mark of competence
Tohu Matatau Aotearoa

**BUILDING CONSENT AUTHORITY ACCREDITATION
INITIAL ASSESSMENT REPORT**

ACTION PLANS NOT YET ACCEPTED

Whakatāne District Council

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)**CONTENTS**

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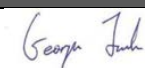

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

Whakatāne District Council

Initial Report – Action plans not yet fully accepted – Updated 22/07/2025

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BCA AND ASSESSMENT DETAILS

ORGANISATION DETAILS											
Organisation: Whakatāne District Council											
Address for service: 14 Commerce Street, Whakatāne 3120											
Client Number:		7474		Accreditation Number: 25							
Chief Executive:		Steven Perdia									
Chief Executive Contact Details:		Steven.Perdia@whakatane.govt.nz									
Responsible Manager:		Liisa Tioke									
Responsible Manager Contact Details:		Liisa.Tioke@whakatane.govt.nz									
Authorised Representative:		David Bewley									
Authorised Representative Contact Details:		David.Bewley@whakatane.govt.nz									
Quality Assurance Manager:		Liisa Tioke									
Quality Assurance Manager Contact Details:		Liisa.Tioke@whakatane.govt.nz									
Number of FTEs Total FTEs should = technical FTEs + admin FTEs + vacancies	Technical	7.5		Support functions	4						
	Vacancies (Technical)	1.5		Vacancies (Support)	0						
Activity during the previous 12 months											
						Building Consents (excl. Amendments)					
						R1	254	R2	28	R3	11
						C1	40	C2	9	C3	1
						National Multi-use Approvals				0	
						Amendments (Total)				43	
						CCCs				411	
						New compliance schedules				7	
BCA Notices to Fix				1							
ASSESSMENT TEAM											
Assessment Dates:		23 June 2025 to 26 June 2025									
Lead Assessor:		Georgina Jackson									
Technical Expert:		Phil Judge									
Observer:		N/A									
ASSESSMENT FINDINGS											
		This assessment (RR):		Last assessment (SA):							
Total # of "serious" non-compliances:		1		0							
Total # of "general" non-compliances:		10		10							
Total # of non-compliances outstanding:		9		10							
Recommendations:		10		7							
Advisory notes:		1		3							
Date all action plans must be accepted:		7 August 2025									
Date all non-compliances must be cleared:		10 October 2025									
NEXT ASSESSMENT											
Recommended next assessment type:		Routine Reassessment									
Recommended next assessment month:		June 2027									
IANZ REPORT PREPARATION											
Prepared by: Georgina Jackson	Date: 8 July 2025	Signature: 									
Checked by: Adrienne Woollard	Date: 10 July 2025	Signature: 									

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)**INTRODUCTION**

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

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

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

ASSESSMENT SUMMARY

In 2023, during Whakatāne District Council BCA's last Routine Reassessment, 16 general non-compliances and 5 serious non-compliances were identified. Due to concerns raised, a Special Assessment was planned for 2024. During the Special Assessment in 2024 (which had a limited scope), 10 general non-compliances were raised. During this 2025 Routine Reassessment, the BCA was seen to have largely maintained the improvements made following the 2024 assessment, and during this assessment, 10 general non-compliances and 1 serious non-compliance were identified.

It should be noted that the BCA was very well prepared for the assessment, with IT systems set up and documents prepared in advance to ensure the assessment ran efficiently. In addition, staff were consistently approachable and enthusiastic towards assisting the assessment team with navigating the BCA's systems and answering questions. The BCA team was seen to be engaged with the accreditation process, with discussion time being used to its full extent to ask questions and ensure findings raised were understood.

Across numerous key systems, such as training, forecasting, calibrations, and internal audits, the BCA had made good use of 'Smartsheets', which allowed for the BCA's internal forms to be linked into spreadsheets and for automatic reminders to be sent to relevant personnel for monitoring and any upcoming due dates.

The BCA were also managing their statutory time frame compliance requirements well. In specific examples where statutory timeframes had not been met, the BCA had conducted good analysis of the causes of timeframes being exceeded and had taken actions to address these.

While a specific finding was raised under Regulation 17(2)(h), it was noted that the BCA was seen to have well-managed audit scheduling systems, with very regular sampling across the relevant personnel. In addition, the continuous improvement system was seen to have a particularly streamlined process, with an easy to navigate system and good recording of steps taken against set timelines.

There were, however, some outstanding issues, including a serious non-compliance relating to the BCA not following their own process for engaging contractors, which was a repeated issue from the 2024 assessment. However, while this was raised as a serious non-compliance, the isolated nature of this finding has been taken into account when assessing the likely risk posed by the BCA, as well as the BCA's success at clearing almost all procedural findings during the assessment. The remaining issues are detailed below.

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)**CONTINUING ACCREDITATION**

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

IDENTIFYING AND NUMBERING OF NON-COMPLIANCES

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

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

STEPS TO ADDRESSING NON-COMPLIANCES IDENTIFIED

Step 1	Action plans Non-compliances raised during the assessment have been summarised and recorded in detail in this report. BCA to analyse the root cause of the finding within the finding tables nested under the relevant regulation and then develop and document an action plan to address each finding (including documenting the evidence that will be submitted to address the finding).	Required to be submitted within 10 working days of the receipt of this report.
Step 2	IANZ Reviews the action plans provided IANZ will analyse the submitted action plans with the proposed evidence of implementation indicated and will respond to the BCA accordingly with required improvements and/or acceptance of the plan.	IANZ has a KPI of 10 working days to review and respond. Action plans and proposed evidence required to be accepted within 20 working days of the receipt of this report.
Step 3	Submitting clearance evidence Upon the acceptance of all action plans, the BCA can proceed to provide clearance evidence to IANZ.	BCA to submit a separate email to address each GNC, ideally containing all listed proposed evidence.
Step 4	Review of clearance evidence Upon receiving clearance evidence, IANZ will review the appropriateness of the evidence to clear the identified non-compliance(s). Note that where the evidence provided does not provide sufficient assurance that the non-compliance has been addressed then IANZ may request further information to be satisfied, even if supply of that information was not detailed in the original action plan.	IANZ has a KPI of 10 working days to review and respond to each piece of clearance evidence provided.

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

Whakatāne District Council

Initial Report – Action plans not yet fully accepted – Updated 22/07/2025

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Step 5	Last date for information submission The BCA must provide its final clearance information in sufficient time to allow for review, revision and resubmission of the information before the last date for final information submission provided.	If insufficient or incomplete information is received by the last date for information submission, the BCA must apply for an extension of time (if relevant). Alternatively, an initial notice of possible revocation of accreditation may be issued.
Step 6	Final clearance The BCA must clear all identified non-compliances.	Within 3 months of the issuing of this report (unless an extension is granted or a finding is conditionally cleared waiting for future information).

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

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

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

RISK ASSESSMENT

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

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

Consideration, as at the end of the on-site assessment phase of this assessment has determined that the

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

BCA is considered to pose a **Low Risk**. The main reasons for considering this risk category were:

- The BCA was seen to be well resourced, with several contractual arrangements to manage capacity or capability needs as they arose.
- The BCA was seen to have good continuous improvement and internal audit processes to manage issues as they were identified.
- One serious non-compliance and ten general non-compliances were raised; however, it was acknowledged that the serious non-compliance was seen to be relatively isolated.
- The BCA fully cleared two non-compliances and several parts of other non-compliances during the assessment and discussed plans to clear other items throughout the assessment.

NEXT ACCREDITATION ASSESSMENT

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

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

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

RISK AT THE END OF THE ASSESSMENT CLEARANCE PROCESS

The risk level will be reassessed at the end of the assessment clearance process and any change notified at the time of accreditation continuation.

ABBREVIATIONS

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

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

Whakatāne District Council

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ASSESSMENT OBSERVATIONS AND RECORDS OF NON-COMPLIANCE

Regulation 6A(1)	A system for notification
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its system for notifying the building consent accreditation body and the Ministry of any of the matters listed within Regulation 6A(1) within 20 working days of the matter taking place.</p> <p>Since the BCA's last assessment, the BCA had not been required to make any notifications and so there were no examples to sight. However, discussions with BCA staff indicated that they were aware of circumstances that could lead to a requirement to make a 6A notification.</p>	

Regulation 7(2)(a)	Providing consumer information
Observations and comments, including good practice and performance	
<p>The BCA provided consumer information regarding how to apply for a consent, and how an application was processed, inspected and certified. However, the following points were not considered to be appropriate:</p> <ol style="list-style-type: none"> 1. The information in relation to Schedule 1 required updating to align with current legislation. 2. The Form 2 linked from the online guidance document (Building Consent Information – Form 11.01 – version 3 – June 2021) did not align with the current Form 2 within the Building (Forms) Regulations 2004. 3. The Building Levy stated within the online guidance document (Building Consent Information – Form 11.01 – version 3 – June 2021) did not align with the current fees stated in the Building (Levy) Regulations 2019. 4. The Current Fees and Charges 2025/26 document on the website did not include the Building Levy or Building Research Levy, which forms part of the cost of a Building Consent. 5. The consumer information did not provide detail as to what applications are required to undergo a review by Fire Emergency NZ. 6. The consumer information indicated that the BCA inspects the building work to ensure compliance with the Building Act and the Building Code, whereas section 90 of the Building Act is to ensure compliance with the Building Consent. 7. The consumer information relating to issuing a Notice to Fix (NTF) indicated that a NTF is only applicable if works are not in accordance with the Building Code, whereas section 164 to 166 refers to the Building Act or Regulations. 8. The consumer information relating to the requirement to apply for a Code Compliance Certificate stated that an application for CCC should be made within 24 months of the consent being granted, or before the expiry of any extension granted, which doesn't align with the requirements of section 92, where the application must be made once the building works covered by the Building Consent are complete. 9. The Form 6 template linked from the website did not align with the Building (Forms) Regulations 2004 Form 6, as it did not include reference to Current Manufacturers Certificate(s). 10. The online guidance document (Building Consent Information – Form 11.01 – version 3 – June 2021, page 16) incorrectly indicated that the 24-month decision is from the issue date. This should be the granted date, as per s93(2)(b). <p>GNC 1 – To be resolved.</p>	

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

Whakatāne District Council

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General Non-compliance No. 1: Action Plan accepted ✓ Cleared select date.

Breach of requirement:	Regulation 7(2)(a)						
Breach of requirement:	Regulation(s)	<input checked="" type="checkbox"/> 5(a)	<input checked="" type="checkbox"/> 5(b)	<input type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>The BCA's consumer information was not considered to be appropriate for the following reasons:</p> <ol style="list-style-type: none"> 1. The information in relation to Schedule 1 required updating to align with current legislation. 2. The Form 2 linked from the online guidance document (Building Consent Information – Form 11.01 – version 3 – June 2021) did not align with the current Form 2 within the Building (Forms) Regulations 2004. 3. The Building Levy stated within the online guidance document (Building Consent Information – Form 11.01 – version 3 – June 2021) did not align with the current fees stated in the Building (Levy) Regulations 2019. 4. The Current Fees and Charges 2025/26 document on the website did not include the Building Levy or Building Research Levy, which forms part of the cost of a Building Consent. 5. The consumer information did not provide detail as to what applications are required to undergo a review by Fire Emergency NZ. 6. The consumer information indicated that the BCA inspects the building work to ensure compliance with the Building Act and the Building Code, whereas section 90 of the Building Act is to ensure compliance with the Building Consent. 7. The consumer information relating to issuing a Notice to Fix (NTF) indicated that a NTF is only applicable if works are not in accordance with the Building Code, whereas section 164 to 166 refers to the Building Act or Regulations. 8. The consumer information relating to the requirement to apply for a Code Compliance Certificate stated that an application for CCC should be made within 24 months of the consent being granted, or before the expiry of any extension granted, which doesn't align with the requirements of section 92, where the application must be made once the building works covered by the Building Consent are complete. 9. The Form 6 template linked from the website did not align with the Building (Forms) Regulations 2004 Form 6, as it did not include reference to Current Manufacturers Certificate(s). 10. The online guidance document (Building Consent Information – Form 11.01 – version 3 – June 2021, page 16) incorrectly indicated that the 24-month decision is from the Issue date. This should be the granted date, as per s93(2)(b). 							
IMPORTANT DATES							
Date this action plan was accepted by IANZ:					22 July 2025		
Final date evidence of implementation can be accepted from BCA:					26 September 2025		
PLAN OF ACTION <i>(To be provided by BCA)</i>							
<ol style="list-style-type: none"> 1. Review and update consumer information, as outlined in audit findings and in accordance with legislative requirements including weblinks where relevant 							
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(To be provided by BCA)</i>							
<ol style="list-style-type: none"> 1. Copy of updated consumer information 2. Associated continuous improvement form 							
EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS							
22/07/2025 IANZ (GJ)	This action plan is accepted, however please ensure that copies of updated consumer information include weblinks to the online source (where relevant).						

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

Whakatāne District Council

Initial Report – Action plans not yet fully accepted – Updated 22/07/2025

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Date ORG (Initials)	
Date ORG (Initials)	
Date ORG (Initials)	
NON COMPLIANCE CLEARED	
Signed:	Date: Select a date

Regulation 7(2)(b)	Receiving building consent applications
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for receiving applications in accordance with Regulation 7(2)(b).</p> <p>Applications were generally received electronically through the BCA's AlphaOne portal. If received, hard copies or email applications were able to be entered into the AlphaOne portal on behalf of customers by BCA employees.</p>	

Regulation 7(2)(c)	Checking building consent applications
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for checking applications in accordance with Regulation 7(2)(c).</p> <p>Received applications were checked for completeness, and further information was requested if required. If the application was significantly deficient, it would be refused. Examples of building consent application records were sighted and considered to be appropriately accepted.</p>	

Regulation 7(2)(d)(i)	Recording building consent applications
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for recording applications in accordance with Regulation 7(2)(d)(i).</p> <p>Once a building consent application was received and considered to be complete, a record would be created in the BCA's AlphaOne system. An acknowledgment of the receipt and acceptance for processing of the application was then generated to the applicant/owner through the AlphaOne system.</p>	

Regulation 7(2)(d)(ii)	Assessing building consent applications
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7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

Whakatāne District Council

Initial Report – Action plans not yet fully accepted – Updated 22/07/2025

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Observations and comments, including good practice and performance

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

Applications were seen to have been appropriately assessed using the building categories documented within the NCAS and examples of were generally observed to be appropriate, however the BCA is recommended to ensure the building work is consistently categorized in accordance with the documented procedure within the Quality Manual. One application was observed where the building work had been miscategorised as R1, whereas R2 would be more appropriate according to the BCA's categorisation system (NCAS).

Recommendation R1.**Regulation 7(2)(d)(iii) Allocating building consent applications****Observations and comments, including good practice and performance**

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

Reviewed applications were seen to have been appropriately allocated to competent staff, contractors or staff working under appropriate supervision.

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

The BCA had appropriately documented its procedure for processing building consent applications to establish whether the applications complied with the requirements of the Act, the Building Code, and any other applicable regulations under the Act specified for buildings, in accordance with Regulation 7(2)(d)(iv).

The BCA had not always effectively implemented its procedure for considering section 112 of the Building Act. Three applications were reviewed which included the alteration to existing buildings, however the section 112(1) prompt was indicated as 'N/A'.

GNC 2 – To be resolved.

The BCA is recommended to provide refresher training to the relevant staff of the process for processing building consent application, to ensure all relevant Building Act sections and Building Code clauses are appropriately considered for the scope of the application. One application was observed where this was not effectively implemented.

Recommendation R2.

The BCA is recommended to ensure the recorded reasons for decision are at an appropriate level of detail to support the decisions made. One application was observed where most of the recorded reasons to support the decisions used the generic AlphaOne reasons, without additional notes to ensure the reasons were specific to the application. It should be noted that MBIE guidance indicates that 'A decision record should contain a level of detail that suits the significance of the decision made. It should include enough information, for example, for a peer reviewer, future building control official (BCO), or assessor to

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understand the decision-making process without requiring access to, or explanation from, the person who made the record. The information recorded should have a direct link to the decision made.'

Recommendation R3.

General Non-compliance No. 2: Action Plan accepted ☐ **Cleared** select date.

Breach of requirement:	Regulation 7(2)(d)(iv)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input checked="" type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
The BCA had not always effectively implemented its procedure for considering of section 112 of the Building Act. Three applications were reviewed that included the alteration to existing buildings, however the section 112(1) prompt was indicated as 'N/A'.							
IMPORTANT DATES							
Date this action plan was accepted by IANZ:					Select a date		
Final date evidence of implementation can be accepted from BCA:					26 September 2025		
PLAN OF ACTION (To be provided by BCA)							
<ol style="list-style-type: none"> Provide training to processing team to ensure they understand when section 112 applies and can document appropriately Monitor effectiveness of training (by way of audits of actual records/examples) 							
PROPOSED EVIDENCE OF IMPLEMENTATION (To be provided by BCA)							
<ol style="list-style-type: none"> Evidence of training; training logs Evidence of effectiveness of training; satisfactory system and or technical audits (no less than three to be provided) Associated continuous improvement form 							
EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS							
22/07/2025 IANZ (GJ)	This plan of action is mostly appropriate, however could you please outline how many examples are intended to be provided within the evidence of effectiveness of training/within the technical audits? Please provide at least three. Please also ensure that any audits provided (to demonstrate effectiveness of training) also include the actual examples considered, to be reviewed.						
Date ORG (Initials)							
Date ORG (Initials)							
Date ORG (Initials)							
NON COMPLIANCE CLEARED							
Signed:					Date: Select a date		

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

Observations and comments, including good practice and performance

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

The BCA's quality manual did not include an appropriate procedure for granting Building Consents that contractors processed.

GNC 3 – Resolved on site. The BCA provided an updated procedure during the assessment, which was reviewed and considered to be appropriate.

On site, a recommendation was made to the BCA to update the guidance document G0012, to align with the BCA's current procedure for issuing Building Consents that include specified systems, as the BCA included the specified system and the performance standard on the Form 5 as required by section 51(1)(c)&(d), but the guidance document indicated that a draft compliance schedule would be generated and attached to the Form 5. During the assessment the BCA provided an updated guidance document which addressed this point.

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

Observations and comments, including good practice and performance

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

Sighted examples of reminder letters and lapsing notification letters were seen to be appropriate, with lapse dates correctly recorded in the BCA's AlphaOne system. The BCA was seen to have a good workload planning process in place to manage upcoming lapsing consents. In addition, the BCA had implemented a new Smartsheet system since the last assessment, which was seen to be a good automated system to manage extensions of time.

The BCA's documented procedure stated that "An appropriate period of extension is accepted to be between three to 12 months" and later that "A greater period may be considered but will be decided by the Manager Building, Team Lead or Senior BCO. AlphaOne is updated with the result of each decision." Discussions with BCA staff indicated that longer extensions would include consideration of the technical appropriateness of the extension, such as any changes to the building code to be considered. However, in one example, the BCA's reason for agreeing to a second extension (i.e. a greater period) stated "Completion delayed due to Various reasons, e.g. builder delays", which appeared to be related to the customer's reason for requesting an extension. It is recommended that the BCA ensures their reasons for decisions in relation to extensions of time accurately reflect the BCA's reasons for decisions, rather than their customers.

Recommendation R4.

Regulation 7(2)(d)(v) Compliance with statutory timeframes for granting building consents

Observations and comments, including good practice and performance

The BCA's compliance with the statutory timeframe for granting building consents within 20 working days was seen to be averaging around 96% on average for the last 6 months, which was considered to be substantially compliant.

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Regulation 7(2)(e)	Planning, performing and managing inspections
Observations and comments, including good practice and performance	
<p>The BCA had documented its procedure for planning, performing and managing inspections in accordance with Regulation 7(2)(e). However, while the BCA indicated that they had carried out remote inspections on the odd occasion, the BCA did not have a documented policy or procedure to carry out the function.</p> <p>GNC 4 – Resolved on site. The BCA provided an updated procedure during the assessment, which was reviewed and considered to be appropriate.</p> <p>Inspections were adequately planned during consent processing. At the time of the assessment, inspections were generally conducted within 1 day of the requested booking date.</p> <p>On-site inspections were witnessed during the assessment and a selection of inspection records were reviewed. These were seen to have been conducted appropriately.</p>	

Regulation 7(2)(f)(i)	Application for code compliance certificates
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for receiving and considering applications for a Code Compliance Certificate in accordance with Regulation 7(2)(f)(i).</p> <p>Applications were checked for completeness and if complete, the date of receipt would be entered, and the statutory clock started on the day the complete application was received.</p>	

Regulation 7(2)(f)(i)	Preparing, issuing and refusing to issue code compliance certificates
Observations and comments, including good practice and performance	
<p>The BCA had documented its procedure for the preparation and issuing of Code Compliance Certificates, however, the BCA's procedure did not discuss the consideration of accepting current manufacturers certificates for modular components (as establishing that the building work to which the certificate applies complies with the building consent).</p> <p>GNC 5A – Resolved on site. The BCA provided an updated procedure during the assessment, which was reviewed and considered to be appropriate.</p> <p>Sighted examples of CCCs had been prepared and issued in accordance with the BCA's documented procedures.</p>	

Regulation 7(2)(f)(i)	24-month CCC decisions
Observations and comments, including good practice and performance	

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

Upcoming 24 months decisions regarding whether to issue or refuse to issue a CCC were monitored through reporting in AlphaOne. In sighted examples, the BCA had recorded appropriate reasons for their decision whether to issue or refuse to issue CCCs. In addition, the BCA had implemented a new Smartsheet system since the last assessment, which was seen to be a good automated system to manage records of applications for extensions of time to decide whether to issue/refuse a CCC where no application for CCC had been received.

In some cases where the customer had requested an extension to the building consent lapse date, the BCA had also applied an extension to the timeframe to make a 24-month decision whether to issue or refuse to issue CCC, without a recording of the applicant requesting this extension. As per section 93(1)(b) of the Act, this extension must be agreed upon between the owner and the BCA, so the BCA cannot decide this without the owner agreeing, even if the owner requested an extension to the lapse date.

GNC 5B – To be resolved.

In one example, the BCA had not provided reasons for their decision to extend the 24-month CCC decision date. It is recommended that the BCA ensures they consistently record reasons for decisions with relation to extensions to the 24-month CCC decision date.

Recommendation R5.**General Non-compliance No. 5B: Action Plan accepted ✓ Cleared** select date.

Breach of requirement:	Regulation 7(2)(f)(i)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input checked="" type="checkbox"/> 6(b)	<input checked="" type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>In some cases where the customer had requested an extension to the building consent lapse date, the BCA had also applied an extension to the timeframe to make a 24-month decision whether to issue or refuse to issue CCC, without a recording of the applicant requesting this extension. As per section 93(1)(b) of the Act, this extension must be agreed upon between the owner and the BCA, so the BCA cannot decide this without the owner agreeing, even if the owner requested an extension to the lapse date.</p>							
IMPORTANT DATES							
Date this action plan was accepted by IANZ:				22 July 2025			
Final date evidence of implementation can be accepted from BCA:				26 September 2025			
PLAN OF ACTION (To be provided by BCA)							
<ol style="list-style-type: none"> Review, and if necessary, update procedure and guidance document Provide training around requirements of s93(1)(b) Monitor effectiveness of training (by way of audits of actual examples) Review lapse and CCC extension customer communications and, if necessary, update 							
PROPOSED EVIDENCE OF IMPLEMENTATION (To be provided by BCA)							
<ol style="list-style-type: none"> If amended, copy of procedure and guidance document Evidence of training; training logs 							

Risk and Assurance Committee - AGENDA

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3.	Evidence of effectiveness of training; satisfactory system audits that include evidence of the customer's request (no less than three to be provided)
4.	If amended, copy of customer communications; lapse and CCC extension notifications
5.	Associated continuous improvement form
EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS	
22/07/2025 IANZ (GJ)	This action plan is accepted, however please also ensure that any audits provided (to demonstrate effectiveness of training) also include the actual examples considered, to be reviewed.
Date ORG (Initials)	
Date ORG (Initials)	
Date ORG (Initials)	
NON COMPLIANCE CLEARED	
Signed:	Date: Select a date

Regulation 7(2)(f)(i)	Compliance with statutory timeframes for code compliance certificates
Observations and comments, including good practice and performance	
<p>The BCA's compliance with the statutory timeframe for issuing or refusing Code Compliance Certificates within 20 working days was calculated to be averaging around 97%, which was considered to be substantially compliant.</p> <p>However, it should be noted that the reporting of this statistic required the BCA to conduct manual calculation processes, as a result of two issues that were skewing the reporting in their system. Firstly, the BCA had identified a system error where if a second CCC decision was made (e.g. where the BCA had refused to issue a CCC and then upon a second application being made they had decided to issue the CCC), the working days being counted in their system was from when the first application was made. The CCC clock not being calculated correctly would ordinarily be raised as a GNC, however as the BCA's monthly reporting acknowledged this issue and the BCA was able to provide reporting with manual work-around to demonstrate what the actual statutory timeframe compliance statistic was, this was accepted.</p> <p>Secondly, it was found that most instances where statutory timeframes had not been met were from historical consents. These consents had been suspended in the past when compliance with the statutory timeframe was low, but RFI information was not received within the expected timeframes, and so the applications had remained on hold. When the statutory clock on these applications was restarted, the calculated working day timeframes were already over 20 working days. Where these applications were included within the monthly statistics for the BCA's overall compliance with the statutory timeframe, these skewed the results, regardless of how quickly the BCA could grant and issue these consents.</p> <p>When these two issues were accounted for and statutory timeframes were manually calculated, it was found that the BCA was averaging 97% of CCC decisions being made within 20 working days, which was considered to be substantially compliant.</p>	

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Regulation 7(2)(f)(ii)	Compliance schedules
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for preparation and issuing of Compliance Schedules in accordance with Regulation 7(2)(f)(ii).</p> <p>On site, a recommendation was made for the BCA to amend their guidance document for issuing compliance schedules, to include the requirement for a Certificate of Acceptance for any works carried out without a consent (as the document had indicated that if systems installed differed from those noted in the draft Compliance Schedule the owner must apply for an Amendment (or Minor Variation) to the consent). The BCA addressed this on site, with an updated guidance procedure which addressed this point.</p> <p>It was noted that the level of the quality of the Compliance Schedules had improved since the BCA's last accreditation assessment, however, the following is recommended to the BCA when issuing Compliance Schedules:</p> <ol style="list-style-type: none"> 1. Include the maximum occupancy load within the building information. 2. Include the reference to any specific part of a standard or acceptable solution when used as a performance standard or inspection/maintenance procedure. 3. Ensure systems included on the Compliance Schedule are relevant to the building. 4. Ensure the frequency of the inspections align with the standard referenced. 5. Ensure the inspection/maintenance document referenced includes a relevant procedure. 6. Ensure the performance standard referenced is appropriate to the system. 7. Include the relevant version of the referenced standard when used for a performance standard or inspection/maintenance standard. <p>Recommendation R6.</p>	

Regulation 7(2)(f)(iii)	Notices to fix
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for issuing Notices to fix in accordance with Regulation 7(2)(f)(iii).</p> <p>Only one example of a Notice to Fix had been issued since the last assessment. This was reviewed and was considered to have been issued appropriately.</p>	

Regulation 7(2)(g)	Customer inquiries
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for receiving and managing customer inquiries about building control functions in accordance with Regulation 7(2)(g).</p> <p>Inquiries were seen to generally be directed to the 'Duty BCO inbox', and sighted examples were generally resolved on the same day they were received. Emails were marked with the name of the BCO managing the</p>	

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enquiry and later marked as resolved when completed. Where inquiries related to specific consents, the correspondence had been filed against the building consent in the BCA's Objective system.

Regulation 7(2)(h)	Customer complaints
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for receiving and managing customer complaints about building control functions in accordance with Regulation 7(2)(h).</p> <p>Complaints were recorded and managed through the BCA's 'Building Team Complaints' Smartsheet. Sighted examples of received complaints were seen to have been acknowledged and responded to within set timeframes. Where complaints related to a building consent, copies of the correspondence and evidence was recorded in the BCA's Objective system against the building consent file.</p>	

Regulation 8(1)	Forecasting workflow
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure to forecast its workflow in accordance with Regulation 8(1).</p> <p>The BCA had conducted an annual forecasting exercise as part of their annual strategic management review. This considered the BCA's volume of building control work it had processed, inspected and approved over the past three years. The BCA had used this information, in combination with internal and external factors, to forecast the workload for the upcoming year. Discussions included capacity and capability needs, economic growth, legislative and regulatory changes, climate-related factors, seasonal trends and the district's spatial planning as considerations.</p>	

Regulation 8(2)	Identifying and addressing capacity and capability needs
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for identifying and addressing capacity and capability needs on an ongoing basis, in accordance with Regulation 8(2).</p> <p>Capacity and capability needs were monitored as part of the monthly BCA meetings and the BCA's annual strategic management review. Where gaps were identified, the BCA used contractors to meet capacity and capability requirements.</p>	

Regulation 9	Allocating work to competent employees or contractors
Observations and comments, including good practice and performance	

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

Examples of reviewed work were seen to have been appropriately allocated to competent staff and contractors, or staff working under appropriate supervision.

Regulation 10(1) Assessing prospective employees
Observations and comments, including good practice and performance

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

Regulation 10(2) Assessing employees performing building control functions
Observations and comments, including good practice and performance

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

Due to the update of the Regulation within 2024, the BCA had updated its documented procedure to undertake competency assessments every two years. The updated competency assessment schedule was sighted and was considered appropriate. BCA technical staff were seen to have been competency assessed, with the outcomes recorded in the BCA's competency matrix.

Regulation 10(3)(a) to (f) Competence assessment system
Observations and comments, including good practice and performance

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

Regulation 11(1) The training system
Observations and comments, including good practice and performance

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

Where omissions were detected, they are addressed under their relevant sub-Regulation below.

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Regulation 11(2)(a)	Making annual (or more frequent) training needs assessments
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for making annual (or more frequent) training needs assessments in accordance with Regulation 11(2)(a).</p> <p>The BCA conducted training (and organisational) needs assessments for employees conducting building control functions. Records of these had been appropriately captured in individual training plans and on the BCA's 'Training Schedule' Smartsheet. Sighted individual training needs had been identified through inductions, as part of competence assessments, and internal audits.</p>	
Regulation 11(2)(b)	Preparing training plans that specify the training outcomes required
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for preparing training plans that specified the training outcomes required in accordance with Regulation 11(2)(b).</p> <p>The BCA was seen to have a good training system, including individual training plans, as well as a separate training schedule, which was seen to improve the monitoring of identified training needs. It is a requirement for training plans to identify what the training to be undertaken is; however, the individual training plans and training schedule did not have a specific prompt for this item. Despite this, the BCA was generally seen to have described what the training would be, either by outlining this under the training need in the individual training plans or else within the 'additional comments' or 'training requirement' columns in the training schedule. Therefore, it is recommended that the BCA consider how they can consistently prompt themselves for this required item, to ensure this will not be missed.</p> <p>Recommendation R7.</p>	
Regulation 11(2)(c)	Ensuring that employees receive the training agreed for them
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for ensuring that employees received the training agreed for them in accordance with Regulation 11(2)(c).</p> <p>Training achievement against planned arrangements was monitored by the BCA, with automatic notifications for monitoring being set up as part of the BCA's 'Training Schedule' Smartsheet. Any missed training was recorded with reasons for the training being missed and then rescheduled appropriately.</p>	
Regulation 11(2)(d)	Monitoring and reviewing employees' application of the training they have received, including by observing relevant activities

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Observations and comments, including good practice and performance
<p>The BCA had appropriately documented its procedure for monitoring and reviewing employees' application of the training they had received, including by observing relevant activities, in accordance with Regulation 11(2)(d).</p> <p>Examples of evidence of the monitoring and review of the application of training were sighted and were considered to be appropriate. The review was recorded in the BCA's 'Training Schedule' Smartsheets, while sighted monitoring records included evidence such as technical audits, course completion certificates, and supervision records.</p>

Regulation 11(2)(e) Supervising employees doing a technical job under training
Observations and comments, including good practice and performance
<p>The BCA had documented its procedure to supervise its employees doing a technical job under training; however, the BCA's documented procedure did not provide adequate detail of supervision requirements. The procedure did not indicate that supervision was required for inspections or CCC certification, nor did it stipulate how the supervision was undertaken (e.g. Direct or indirect).</p> <p>GNC 6 – This part was resolved on site. The BCA provided an updated procedure during the assessment, which was reviewed and considered to be appropriate.</p> <p>The BCA had not appropriately recorded the supervision of inspectors who did not hold the appropriate competency to carry out the inspection.</p> <p>GNC 6 – This part is to be resolved.</p>

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

Breach of requirement:	Regulation 11(2)(e)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input checked="" type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
The BCA had not appropriately recorded the supervision of inspectors who did not hold the appropriate competency to carry out the inspection.							
IMPORTANT DATES							
Date this action plan was accepted by IANZ:						Select a date	
Final date evidence of implementation can be accepted from BCA:						26 September 2025	
PLAN OF ACTION <i>(To be provided by BCA)</i>							
<ul style="list-style-type: none">Review and, if necessary, update procedure and/or guidance documentProvide training around requirements of providing and satisfactorily recorded provision of supervisionMonitor effectiveness of training, by way of audits of actual examples							
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(To be provided by BCA)</i>							
<ul style="list-style-type: none">If updated, copy of procedure and/or guidance documentEvidence of provision of training: training logs							

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<ul style="list-style-type: none"> Evidence of effectiveness of training; satisfactory system audits (no less than five to be provided) Associated continuous improvement form 	
EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS	
22/07/2025 IANZ (GJ)	This plan of action is mostly appropriate, however could you please outline how many examples are intended to be provided within the evidence of effectiveness of training/within the audits? Please provide at least five examples. Please also ensure that any audits provided (to demonstrate effectiveness of training) also include the actual examples considered, to be reviewed.
Date ORG (Initials)	
Date ORG (Initials)	
Date ORG (Initials)	
NON COMPLIANCE CLEARED	
Signed:	Date: Select a date

Regulation 11(2)(f)	Recording employees' qualifications, experience and training
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for recording employees' qualifications, experience, and training in accordance with Regulation 11(2)(f).</p> <p>BCO's qualifications, experience, and training were recorded within individual competency assessments, which were filed in the BCA's Objective system. Training was also recorded in the BCA's 'Training Logs—Building' Smartsheet.</p>	

Regulation 11(2)(g)	Recording continuing training information
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for recording continuing training information in accordance with Regulation 11(2)(g).</p> <p>The BCA ensured that professional development logs for technical staff were maintained in the BCA's 'Training Logs—Building' Smartsheet. Logs against individuals included information such as the training subject, means of training, source of training, and outcome.</p>	

Regulation 12(1)	A system for choosing and using contractors to perform its building control functions
Observations and comments, including good practice and performance	

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

The BCA had several contractors conducting building control functions, including two new contractors engaged since the last assessment.

Regulation 12(2)(a) Establishing contractors' competence**Observations and comments, including good practice and performance**

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

The BCA had appropriately established contractors' competence by obtaining copies of competency assessments and qualifications from potential contractors for consideration. These were also recorded in the BCA's 'Contractor Competency and Qualifications' Smartsheet, with copies maintained in the BCA's Objective system.

Regulation 12(2)(b) Engaging contractors**Observations and comments, including good practice and performance**

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

The BCA had outlined that as part of the BCA's process for engaging contractors to perform building control functions, a 'Contractor engagement checklist' document would be filled out, to outline key information such as the BCA's needs and the potential scope of work. However, the BCA had not appropriately undertaken their engagement of both Ōpōtiki District Council and Hardy Compliance and Consulting Limited as per their process, as below:

- Regarding Ōpōtiki District Council, the contractor engagement checklist had been completed by the contractor without evidence of a review by the BCA prior to the contractual arrangement being signed.
- Regarding Hardy Compliance and Consulting Limited, the contractor engagement checklist had not been completed.

As this non-compliance is similar to one raised under Regulation 12(2)(b) during the BCA's previous assessment in 2024 (regarding the BCA not following their procedure for engaging contractors), this has been raised as a SNC.

SNC 1 – To be resolved.

Serious Non-compliance No. 1: Action Plan accepted ✓ Cleared select date.

Breach of requirement:	Regulation 12(2)(b)					
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input checked="" type="checkbox"/> 6(b)	<input checked="" type="checkbox"/> 6(c)
FINDING DETAILS						
The BCA had not appropriately undertaken their engagement of Ōpōtiki District Council or Hardy Compliance and Consulting Limited as per their process, as below:						

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<ul style="list-style-type: none"> - Regarding the contractual arrangement with Ōpōtiki District Council, the contractor engagement checklist had been completed by the contractor, without evidence of a review by the BCA prior to a contractual arrangement being signed. - Regarding Hardy Compliance and Consulting Limited, the contractor engagement checklist had not been completed by Whakatāne District Council BCA. 	
IMPORTANT DATES	
Date this action plan was accepted by IANZ:	22 July 2025
Final date evidence of implementation can be accepted from BCA:	26 September 2025
PLAN OF ACTION <i>(To be provided by BCA)</i>	
<ol style="list-style-type: none"> 1. Review all contracts and ensure engagement procedure has been followed, where non-compliant, appropriate person to complete necessary documentation 2. Refresher training for BCA staff involved in the contractor engagement process 3. Consider implementation of a peer review process, in addition to the annual system audit of Regulation 12 	
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(To be provided by BCA)</i>	
<ol style="list-style-type: none"> 1. Copies of completed contractor engagement documentation 2. Evidence of provision of refresher training; training logs 3. If implemented and applicable during audit close out period, details and evidence of peer review(s) 4. Associated continuous improvement form 	
EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS	
22/07/2025 IANZ (GJ)	This action plan is accepted but please be aware that within the provided evidence of implementation, the BCA will need to demonstrate steps taken to prevent recurrence of this issue (with consideration of this finding having been raised as the previous assessment as well). This appears to be met the BCA's proposed implementation of a 'peer review process'. However, if the BCA does not implement their peer review process, it is likely that IANZ will require alternative evidence of the BCA's steps taken to prevent recurrence, in order to fully clear this finding.
26/06/2025 WDC (LT)	Noted
Date ORG (Initials)	
Date ORG (Initials)	
NON COMPLIANCE CLEARED	
Signed:	Date: Select a date

Regulation 12(2)(c)	Making written or electronic agreements with contractors
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for making written or electronic agreements with contractors in accordance with Regulation 12(2)(c).</p> <p>The BCA was found to have new contracts in place with Ōpōtiki District Council and Hardy Compliance and Consulting Limited. Upon discussion with the BCA, it was found that they had not followed the BCA's processes regarding the information to be included within the contractual arrangement and the contracts</p>	

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did not meet the requirements of 12(2)(c). E.g. Contractors' performance standards, and how they will be monitored and reviewed.

GNC 7 – To be resolved.

One of Whakatāne District Council BCA's contractual arrangements (with Solutions Team Limited) stated that "The BCA grants the powers and authorities to the contractor as described in Whakatāne District Council QMS sub-delegations, relevant to their scope of services described in this contract". However, the BCA's delegations register did not outline the delegations that had been made to their contractors (and no alternative evidence to demonstrate this was provided). It was also unclear whether the BCA had provided an appropriate warrant for inspections to be conducted. However, as the BCA provided evidence to demonstrate that this contractor had not conducted any inspections on their behalf, this was only raised as a recommendation that the BCA ensures that appropriate powers and authorities are delegated to contractors, as applicable for their scope of work.

Recommendation R8.**General Non-compliance No. 7: Action Plan accepted ☐ Cleared ☐ select date.**

Breach of requirement:	Regulation 12(2)(c)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input checked="" type="checkbox"/> 6(b)	<input checked="" type="checkbox"/> 6(c)	<input checked="" type="checkbox"/> 6(d)
FINDING DETAILS							
<p>The BCA was found to have current contracts in place with Ōpōtiki District Council and Hardy Compliance and Consulting Limited. Upon discussion with the BCA, it was found that they had not followed the BCA's processes regarding the information to be included within the contractual arrangement and the contracts did not meet the requirements of 12(2)(c).</p>							
IMPORTANT DATES							
Date this action plan was accepted by IANZ:					Select a date		
Final date evidence of implementation can be accepted from BCA:					26 September 2025		
PLAN OF ACTION (To be provided by BCA)							
<ol style="list-style-type: none"> Review all contracts and ensure engagement procedure has been followed, where non-compliant, appropriate person to complete necessary documentation Refresher training for BCA staff involved in the contractor engagement process Consider implementation of a peer review process, in addition to the annual system audit of Regulation 12 							
PROPOSED EVIDENCE OF IMPLEMENTATION (To be provided by BCA)							
<ol style="list-style-type: none"> Copies of completed contractor engagement documentation Evidence of provision of refresher training; training logs If implemented and applicable during audit close out period, details and evidence of peer review(s) Associated continuous improvement form 							
EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS							
22/07/2025 IANZ (GJ)		This action plan appears to be specific to the engagement procedure. While the engagement process is related, the BCA will need to address the inappropriate content of their contractual arrangement agreements. This plan of action does not appear to					

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	<p>specifically outline what the BCA will do regarding their existing agreements which do not meet the requirements of Regulation 12(2)(c). Please address this.</p> <p>Relating to this, please note that appropriate contractual arrangements (or alternatives such as variations to agreements or other evidence the BCA may choose to propose to demonstrate this) will be required as part of the evidence of implementation, in order to clear this finding.</p>
26/06/2025 WDC (LT)	<p>Our contractor engagement process includes verifying that all contracts contain the required provisions. We propose to review each of the non-compliant contracts against this process to ensure all necessary requirements have been addressed and are fully met.</p> <p>Where non-compliance was identified within our contractor process, it was due to insufficient implementation of the engagement procedure, resulting in key steps being overlooked.</p> <p>Noted.</p>
Date ORG (Initials)	
Date ORG (Initials)	
NON COMPLIANCE CLEARED	
Signed:	Date: Select a date

Regulation 12(2)(d) Recording contractors' qualifications
Observations and comments, including good practice and performance
<p>The BCA had appropriately documented its procedure for recording contractors' qualifications in accordance with Regulation 12(2)(d).</p> <p>Contractor's qualifications were recorded in the BCA's 'Contractor Competency and qualifications' Smartsheet, with copies of these files maintained in the BCA's Objective system. All contracted staff held an appropriate qualification.</p>

Regulation 12(2)(e) Monitoring and reviewing contractors' performance
Observations and comments, including good practice and performance
<p>The BCA had appropriately documented its procedure for monitoring and reviewing contractors' performance in accordance with Regulation 12(2)(e).</p> <p>The BCA reviewed contractor performance at least annually for each of its contractors performing building control work against the KPIs outlined within their contractual agreements.</p>

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Regulation 12(2)(f)	Annually (or more frequently) assessing contractors' competence
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for annually (or more frequently) assessing contractors' competence in accordance with Regulation 12(2)(f).</p> <p>The BCA had conducted an annual check to confirm that Regulation 10(3)(f) was met by contractors working in the BCA's systems, with references made to either completed QMS inductions or within the Regulation 10(3)(f) section of provided competency assessments. The BCA had maintained records of provided contractor competency assessments and ensured that the latest competency assessments of contractors had been provided annually. However, it was found that some of the provided contractors' competency assessments were over one year old.</p> <p>As the BCA's consideration of contractor's competence was specific to Regulation 10(3)(f) and some of the referenced evidence was over a year old (as the provided competency assessments were over a year old), the BCA was not considered to have sufficient evidence to demonstrate that they had annually (or more frequently) assessed their contractor's competency for all contractors conducting building control work. Specifically, while the BCA had confirmed that their Solutions Team contractors had provided competency assessments annually (some of which were older than a year old), the BCA had not clearly recorded their annual decision and reason for decisions regarding the contractor's competency (including when working in the BCA's system). For example, whether the BCA had considered the competence of the person who performed the assessment, whether the provided competency assessments aligned with the BCA's competency framework, the results of any internal audits or peer reviews, or whether the work being conducted within the BCA's system within the last year had complied with technical requirements and the BCA's QAS.</p> <p>GNC 8 – To be resolved.</p> <p>This GNC is similar to a GNC raised in 2024 under 12(2)(f). However, the BCA was seen to have conducted its processes, which were implemented to clear the GNC in 2024. This GNC appeared to have resulted from a misunderstanding of the changes to Regulation 10(2) that occurred in June 2024, as opposed to the BCA failing to implement their procedures. Based on these specific circumstances, this was not raised as an SNC.</p>	

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

Breach of requirement:	Regulation 12(2)(f)					
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)
FINDING DETAILS						
<p>As the BCA's consideration of contractor's competence was specific to Regulation 10(3)(f) and some of the referenced evidence was over a year old (as the provided competency assessments were over a year old), the BCA was not considered to have sufficient evidence to demonstrate that they had annually (or more frequently) assessed their contractor's competency for all contractors conducting building control work.</p> <p>Specifically, while the BCA had confirmed that their Solutions Team contractors had provided competency assessments annually (some of which were older than a year old), the BCA had not clearly recorded their annual decision and reason for decisions regarding the contractor's competency (including when working in the BCA's system).</p>						
IMPORTANT DATES						
Date this action plan was accepted by IANZ:				22 July 2025		

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Final date evidence of implementation can be accepted from BCA:		26 September 2025
PLAN OF ACTION <i>(To be provided by BCA)</i>		
<ol style="list-style-type: none"> 1. Update contractor review template to prompt annual review of contractor competency, including our reasons for decision. (Contractor reviews are undertaken no less than quarterly) 2. Implement back-up process to ensure individual contractor competency evidence is requested and provided, no less than annually 3. Amend annual Regulation 12 system audit template to include a section to record that a review of contractor competency evidence has been undertaken for each contractor 		
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(To be provided by BCA)</i>		
<ol style="list-style-type: none"> 1. Copy of updated contractor review templates 2. Completed contractor reviews, including evidence of annual competency assessment (each individual contractor) 3. Copy up updated Regulation 12 system audit template 4. Copy of associated continuous improvement 		
EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS		
22/07/2025 IANZ (GJ)	The plan of action appears to be appropriate, however please be aware that I have accepted this on the understanding that the review of contractor competency will address each individual, as this appears to be implied rather than specifically stated in the plan of action (e.g. if the BCA utilises 3 people from Solutions Team Limited to conduct building control work, it is expected that the BCA's contractor reviews will make specific consideration of each <u>individual's</u> competency). Please let me know if this was not your intention.	
26/06/2025 WDC (LT)	Yes that was our intention, have added detail in proposed plan and evidence sections.	
Date ORG (Initials)		
Date ORG (Initials)		
NON COMPLIANCE CLEARED		
Signed:		Date: Select a date

Regulation 13(a)	Identifying employees and contractors who are competent to provide technical leadership
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for identifying employees and contractors who were competent to provide technical leadership in accordance with Regulation 13(a).</p> <p>Documentation for technical leadership assessments were reviewed and seen to be appropriate. Technical leaders had been identified on the BCA's Competency and Technical Leadership Register.</p>	

Regulation 13(b)	Giving the employees and contractors the powers and authorities to enable them to provide the leadership
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Observations and comments, including good practice and performance

The BCA had appropriately documented its procedure for giving its employees and contractors powers and authorities to enable them to provide technical leadership in accordance with Regulation 13(b).

Appropriate powers and authorities had been delegated to the Technical Leaders through the BCA's Delegations Manual.

Regulation 14 Ensuring necessary (technical) resources**Observations and comments, including good practice and performance**

The BCA had appropriately documented its procedure for ensuring it had a system for providing and ensuring the continuing availability and appropriateness of the technical information, facilities, and equipment that its employees and contractors needed to perform building control functions.

Technical information and facilities were available and accessible to employees and contractors so they could perform building control functions appropriately.

The BCA maintained an Equipment Calibration Records Smartsheet, which was seen as an effective method of managing upcoming calibration requirements. It made good use of automatic reminders of upcoming tests to be completed. Test records and calibration certificates were stored in the BCA's Objective system.

The BCA's most recent calibration certificate for the BCA's master thermometer indicated that there was an error of about 0.3 degrees from what was displayed on the thermometer. It was found that this had not impacted the BCA's recent pass/fail results for calibrated thermometers, so this has only been raised as a recommendation that the BCA ensures any error in the calibration of their master thermometer is corrected when conducting internal calibrations.

Recommendation R9.

The BCA's most recent thermometer calibration certificate showed that the master thermometer had been tested at both 0 and 80 degrees. The BCA is advised to consider testing their master thermometer at the temperatures they actually use their thermometers for.

Advisory Note A1.**Regulation 15(1)(a) A building consent authority must record its organisational structure****Observations and comments, including good practice and performance**

The BCA had appropriately documented its organisational structure in accordance with Regulation 15(1)(a).

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

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Observations and comments, including good practice and performance
<p>The BCA had documented in its organisational structure the reporting lines and accountabilities. However, while the BCA had clearly specified their contractors on their organisational chart within the BCA's quality manual, the BCA had not clearly recorded other relationships the authority had with external organisations. For example, IANZ, their cluster/MOU group, MBIE, or FENZ.</p> <p>GNC 9 – To be resolved.</p>

General Non-compliance No. 9: Action Plan accepted ✓ Cleared select date.

Breach of requirement:	Regulation 15(1)(b)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>The BCA had not clearly recorded relationships the authority had with external organisations. For example, IANZ, their cluster/MOU group, MBIE, or FENZ.</p>							
IMPORTANT DATES							
Date this action plan was accepted by IANZ:					22 July 2025		
Final date evidence of implementation can be accepted from BCA:					26 September 2025		
PLAN OF ACTION <i>(To be provided by BCA)</i>							
<p>1. Update to add additional organisational chart that shows our BCA's relationships with external organisations.</p>							
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(To be provided by BCA)</i>							
<p>1. Copy of application section of Quality Manual that contains updated or new organisational chart</p> <p>2. Copy of associated continuous improvement form</p>							
EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
NON COMPLIANCE CLEARED							
Signed:				Date: Select a date			

Regulation 15(2)	A building consent authority must record roles, responsibilities, powers, authorities and any limitation on powers and authorities
Observations and comments, including good practice and performance	

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

Powers and authorities had generally been appropriately delegated within the BCA's delegations register; however, the BCA had not outlined any delegations that had been made to the BCA's contractors (or provided alternative evidence to demonstrate this). See **Recommendation R6** under Regulation 12(2)(c) for further details.

Roles and responsibilities for employees performing building control functions were documented in Job Descriptions, while roles and responsibilities for contractors performing building control functions were documented within contractual agreements.

Regulation 16(1)**A system for giving every application for a building consent its own uniquely identified file****Observations and comments, including good practice and performance**

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

The BCA's AlphaOne System automatically generated a six-digit unique building consent number when an application was submitted via the online portal. Any amendments would receive '.Ax' added to the end of the number, such as '123456.A1' for the first amendment of a building consent and '123456.A2' for the second amendment of the building consent.

Regulation 16(2)(a)**System for ensuring that all information relevant to an application for a building consent is put on the application's file****Observations and comments, including good practice and performance**

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

All required information relevant to the application was able to be located across the BCA's Objective and AlphaOne systems. The BCA's processes included three stages in their system where information stored in AlphaOne would be transferred to Objective for long-term storage.

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

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

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

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BCA information relevant to building consent applications were readily available and kept in a manner that was clearly identified for all building consent files reviewed. The BCA had three stages in their system during their building consent management processes, where information stored in AlphaOne was transferred to Objective for long-term storage.

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

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

Data was protected with authentication requirements and delegated user access. Items could not be accidentally deleted, and where a file deletion was requested, it would be reviewed prior to any permanent deletion. Staff were trained on IT security requirements on an ongoing basis. As a security measure, the council's IT systems were also externally audited annually.

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

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

Regulation 17(2)(b)	The policy on quality
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Observations and comments, including good practice and performance

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

The BCA's quality policy outlined several quality objectives, with clear descriptions of primary and secondary performance indicators, as well as where these would be measured and reported.

Regulation 17(2)(d)	Regular management reporting and review, including of the quality system
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Observations and comments, including good practice and performance

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

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

The BCA conducted monthly management reviews against its quality policy objectives. Sighted minutes demonstrated that the BCA had recorded considerations such as statutory timeframe compliance, training scheduling, continuous improvements, internal auditing, capacity and capability requirements, and general information updates. The analysis and actions related to KPIs such as statutory timeframes had been recorded, and these were followed up as appropriate.

Regulation 17(2)(e) Supporting continuous improvement**Observations and comments, including good practice and performance**

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

The BCA maintained a continuous improvement (CI) register on Smartsheets. CIs were raised with a corresponding form, and workflow stages were set within Smartsheets to notify parties when actions were required. The forms that corresponded with each CI entry were seen to be particularly thorough, with good recording of steps taken, monitoring of actions, and timelines for these.

Regulation 17(2)(h) Undertaking annual audits**Observations and comments, including good practice and performance**

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

The BCA had maintained three audit schedules across several Smartsheets, which covered technical audits, overall system audits across the required regulations and also Regulation 7 specific system audits. Regulation 7 system audits and Technical audits were both seen to be conducted every two months, with good representative sampling conducted.

However, in sighted examples of internal audits there was inadequate documented technical consideration of the content of Compliance Schedules. Comments within audits were specific to the formatting of the Compliance Schedule but had not clearly provided a decision or reasons for a decision regarding the appropriateness of the technical outcome.

GNC 10 – To be resolved.

General Non-compliance No. 10: Action Plan accepted ✓ Cleared select date.

Breach of requirement:	Regulation 17(2)(h)					
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input checked="" type="checkbox"/> 6(b)	<input checked="" type="checkbox"/> 6(c) <input type="checkbox"/> 6(d)
FINDING DETAILS						

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In sighted examples, there was inadequate documented technical consideration of the content of the Compliance Schedules. Comments within audits were specific to the formatting of the Compliance Schedule but had not clearly provided a decision or reasons for a decision regarding the appropriateness of the technical outcome.	
IMPORTANT DATES	
Date this action plan was accepted by IANZ:	22 July 2025
Final date evidence of implementation can be accepted from BCA:	26 September 2025
PLAN OF ACTION <i>(To be provided by BCA)</i>	
1. Update certification technical audit form template to include a section to check the technical requirements of any applicable compliance schedule and allow comment for reasons for decision	
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(To be provided by BCA)</i>	
1. Copy of updated certification technical audit form template 2. If available during the audit closure period, copies of completed certification audit forms that includes review of additional compliance schedule information. (If no live records available, mock examples). 3. Copy of associated continuous improvement form.	
EVIDENCE OF IMPLEMENTATION AND ANY DISCUSSIONS	
Date ORG (Initials)	
Date ORG (Initials)	
Date ORG (Initials)	
Date ORG (Initials)	
NON COMPLIANCE CLEARED	
Signed:	Date: Select a date

Regulation 17(2)(i) Identifying and managing conflicts of interest**Observations and comments, including good practice and performance**

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

The BCA managed a Conflict of Interest Register on a Smartsheet. Entries had a corresponding conflict of interest form to fill out, which linked directly into the register upon submission. Recorded conflicts were seen to have been appropriately managed. Sighted examples included declarations for council-owned buildings, council staff being applicants, or employees being relatives of building consent applicants.

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

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Observations and comments, including good practice and performance

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

The BCA used several communication methods such as face-to-face, email, team and management meetings, strategic reviews and the council's website.

Regulation 17(3) A quality assurance manager**Observations and comments, including good practice and performance**

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

Regulation 17(3A) Concerns and complaints about building practitioners**Observations and comments, including good practice and performance**

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

Concerns about practitioners were recorded in a Complaints Register Smartsheet. New entries had been added by completing a form which linked directly into the register upon submission.

The BCA must evaluate the seriousness of the concerns and determine whether or not to make a complaint. In one example, it was unclear whether the seriousness of a concern had been considered or if a decision had been made regarding whether or not to make a complaint. The BCA is recommended to ensure they consistently record their evaluation of the seriousness of the concern and determination whether or not to make a complaint.

Recommendation R10.

Regulation 17(4)(a) A system for ensuring that its employees comply with the authority's quality assurance system**Observations and comments, including good practice and performance**

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

Sighted staff inductions, training, competence assessments, internal audits and continuous improvement records demonstrated that the BCA had ensured its employees complied with the BCA's quality assurance system.

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

Regulation 17(4)(b)	A system for ensuring that its contractors comply with a nominated quality assurance system
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its procedure for ensuring that its contractors complied with either the authority's quality assurance system or the contractor's quality assurance system, in accordance with Regulation 17(4)(b).</p> <p>The BCA had ensured that its contractors complied with the BCA's quality assurance system through contractual agreements and inducting the contractor into its quality system. On an annual basis, the BCA had conducted checks that each of their contractors working within the BCA's quality assurance system had complied with Regulation 10(3)(f).</p>	

Regulation 17(5)(a)	Strategic management reporting and review
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its system for annually (or more frequently) reviewing its quality assurance system in accordance with Regulation 17(5)(a).</p> <p>The BCA had conducted annual strategic management reviews which were seen to have considered the appropriateness and effectiveness of each of the items for Regulation 17(5)(a), with reasons for decisions and conclusions made regarding these.</p>	

Regulation 17(5)(b)	Making appropriate changes in the quality assurance system
Observations and comments, including good practice and performance	
<p>The BCA had appropriately documented its system for annually (or more frequently) making appropriate changes in the quality assurance system in accordance with Regulation 17(5)(b).</p> <p>The BCA was seen to have appropriately considered the appropriateness and effectiveness of its process to review and make changes in its quality assurance system through discussions which had been outlined as part of the annual strategic management review meeting. Where shortfalls had been identified, these had been discussed with reasons described. Where appropriate, further actions had been defined.</p>	

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

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

All employees (and contractors) conducting building control functions by doing a technical job were recorded as holding or be working towards an appropriate qualification. Qualifications were listed in competency assessments and copies of these were stored in the BCA's Objective system.

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

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

All BCA technical staff and contractors were either working towards or held an appropriate qualification and therefore no BCA staff required exemption from holding an appropriate qualification.

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)**SUMMARY OF RECOMMENDATIONS**

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

It is recommended that:

- R1 Regulation 7(2)(d)(ii)** - The BCA is recommended to ensure that building work is consistently categorised in accordance with the documented procedure within the Quality Manual. One application was observed where the building work had been miscategorised as R1, whereas R2 would be more appropriate according to the BCA's categorisation system (NCAS).
- R2 Regulation 7(2)(d)(iv)** - The BCA is recommended to provide refresher training to the relevant staff of the process for processing building consent applications, to ensure all relevant Building Act sections and Building Code clauses are appropriately considered for the scope of the application. One application was observed where this was not effectively implemented.
- R3 Regulation 7(2)(d)(iv)** - The BCA is recommended to ensure the recorded reasons for decision are at an appropriate level of detail to support the decisions made. One application was observed where most of the recorded reasons to support the decisions used the generic AlphaOne reasons, without additional notes to ensure the reasons were specific to the application.
- R4 Regulation 7(2)(d)(v)** - In one example of an extension to a building consent lapse date, the BCA's reason for agreeing to a second extension had stated "Completion delayed due to Various reasons e.g. builder delays", which appeared to be related to the customers reason for requesting an extension. It is recommended that the BCA ensures their reasons for decisions with relation to extensions of time accurately reflect the BCA's reasons for decisions, rather than those of their customers.
- R5 Regulation 7(2)(f)(i)** - In one example, the BCA had not provided reasons for their decision to extend the 24-month CCC decision date. It is recommended that the BCA ensures they consistently record reasons for decisions concerning extensions to the 24-month CCC decision date.
- R6 Regulation 7(2)(f)(ii)** - the following is recommended to the BCA when issuing compliance schedules:
- Include the maximum occupancy load within the building information.
 - Include the reference to any specific part of a standard or acceptable solution when used as a performance standard or inspection/maintenance procedure.
 - Ensure systems included on the Compliance Schedule are relevant to the building.
 - Ensure the frequency of the inspections align with the standard referenced.
 - Ensure the inspection/maintenance document referenced includes a relevant procedure.
 - Ensure the performance standard referenced is appropriate to the system.
 - Include the relevant version of the referenced standard when used for a performance standard or inspection/maintenance standard.
- R7 Regulation 11(2)(b)** - It is a requirement for training plans to identify what the training to be undertaken is; however, the individual training plans and training schedule did not have a specific prompt for this item. Despite this, the BCA was generally seen to have described what the training would be, either by outlining this under the training need in the individual training plans or else within the 'additional comments' or 'training requirement' columns in the training schedule. Therefore, it is recommended that the BCA consider how they can consistently prompt themselves for this required item to ensure this will not be missed.

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

- R8 Regulation 12(2)(c)** - The BCA's delegations register did not outline the delegations that had been made to their contractors (or alternative evidence to demonstrate this). It was also unclear whether the BCA had provided an appropriate warrant for conducting inspections, where necessary. However, as the BCA provided evidence to demonstrate that the relevant contractor had not conducted any inspections on their behalf, it is recommended that the BCA ensures that appropriate powers and authorities are delegated to contractors, as applicable for their scope of work.
- R9 Regulation 14** - The BCA's most recent calibration certificate for the BCA's master thermometer indicated that there was an error of about 0.3 degrees from what was displayed on the thermometer. While it was found that this had not impacted the BCA's recent pass/fail results for calibrated thermometers, it is recommended that the BCA ensures any error in the calibration of their master thermometer is corrected when conducting internal calibrations.
- R10 Regulation 17(3A)** - The BCA is required to evaluate the seriousness of the concerns about practitioners and determine whether to make a complaint. In one example, it was unclear whether the seriousness of a concern had been considered or if a decision had been made regarding whether or not to make a complaint. The BCA is recommended to ensure they consistently record their evaluation of the seriousness of a concern and determination whether or not to make a complaint.

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)**SUMMARY OF ADVISORY NOTES**

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

IANZ advises that:

- A1 Regulation 14** - The BCA's most recent thermometer calibration certificate showed that the master thermometer had been tested at both 0 and 80 degrees. The BCA is advised to consider testing their master thermometer at the temperatures they actually use their thermometers for (e.g. 40 to 50°C).

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

SUMMARY TABLE OF NON-COMPLIANCE

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

Regulatory requirement	Non-compliance (Serious / General)	Non-compliance number (e.g. GNC 1)	Breach of Regulation 5/6? Enter “Y” where applicable						Resolved On-site? Yes/No	Date Non-compliance to be cleared by (DD/MM/YYYY)	Date Non-compliance cleared (DD/MM/YYYY)	Number(s) of		Brief comment (where applicable)
			5(a)	5(b)	5(c)	6(b)	6(c)	6(d)				Recommendations	Advisory Notes	
Regulation 6A														
6(A)(1)	NC Type													
6(A)(2)	NC Type													
Regulation 7														
7(1)	NC Type													
7(2)(a)	General	GNC 1	Y	Y					No	10/10/2025				
7(2)(b)	NC Type													
7(2)(c)	NC Type													
7(2)(d)(i)	NC Type													
7(2)(d)(ii)	NC Type											R1		
7(2)(d)(iii)	NC Type													
7(2)(d)(iv)	General	GNC 2			Y		Y		No	10/10/2025		R2, R3		
7(2)(d)(v)	General	GNC 3	Y	Y					Yes	10/10/2025	26/07/2025	R4		
7(2)(e)	General	GNC 4	Y	Y					Yes	10/10/2025	26/07/2025			
7(2)(f)(i)	General	GNC 5	Y	Y	Y	Y	Y		No	10/10/2025		R5		Part of this GNC was resolved on-site.
7(2)(f)(ii)	NC Type											R6		
7(2)(f)(iii)	NC Type													
7(2)(g)	NC Type													
7(2)(h)	NC Type													
Regulation 8														
8(1)	NC Type													
8(2)	NC Type													
Regulation 9														
9	NC Type													
Regulation 10														
10(1)	NC Type													
10(2)	NC Type													
10(3)	NC Type													
Regulation 11														
11(1)	NC Type													
11(2)(a)	NC Type													
11(2)(b)	NC Type											R7		
11(2)(c)	NC Type													
11(2)(d)	NC Type													
11(2)(e)	General	GNC 6	Y	Y	Y		Y		No	10/10/2025				Part of this GNC was resolved on-site.
11(2)(f)	NC Type													
11(2)(g)	NC Type													

7.1.4 Appendix 3 - Audit Report 2025 WDC BCA Assessment Report Initial(Cont.)

Whakatāne District Council

Initial Report – Action plans not yet fully accepted – Updated 22/07/2025

23 - 26 June 2025

Regulatory requirement	Non-compliance (Serious / General)	Non-compliance number (e.g. GNC 1)	Breach of Regulation 5/6? Enter “Y” where applicable						Resolved On-site? Yes/No	Date Non-compliance to be cleared by (DD/MM/YYYY)	Date Non-compliance cleared (DD/MM/YYYY)	Number(s) of		Brief comment (where applicable)
			5(a)	5(b)	5(c)	6(b)	6(c)	6(d)				Recommendations	Advisory Notes	
Regulation 12														
12(1)	NC Type													
12(2)(a)	NC Type													
12(2)(b)	Serious	SNC 1			Y	Y	Y	Y	No	10/10/2025				
12(2)(c)	General	GNC 7			Y	Y	Y	Y	No	10/10/2025		R8		
12(2)(d)	NC Type													
12(2)(e)	NC Type													
12(2)(f)	General	GNC 8			Y	Y	Y	Y	No	10/10/2025				
Regulation 13														
13(a)	NC Type													
13(b)	NC Type													
Regulation 14														
14	NC Type											R9	A1	
Regulation 15														
15(1)(a)	NC Type													
15(1)(b)	General	GNC 9			Y				No	10/10/2025				
15(2)	NC Type													
Regulation 16														
16(1)	NC Type													
16(2)(a)	NC Type													
16(2)(b)	NC Type													
16(2)(c)	NC Type													
Regulation 17														
17(1)	NC Type													
17(2)(a)	NC Type													
17(2)(b)	NC Type													
17(2)(c)	NC Type													
17(2)(d)	NC Type													
17(2)(e)	NC Type													
17(2)(h)	General	GNC 10			Y	Y	Y		No	10/10/2025				
17(2)(i)	NC Type													
17(2)(j)	NC Type													
17(3)	NC Type													
17(3A)	NC Type											R10		
17(4)(a)	NC Type													
17(4)(b)	NC Type													
17(5)(a)	NC Type													
17(5)(b)	NC Type													
Regulation 18														
18(1)	NC Type													
18(3)	NC Type													

7.2 Internal and External Audit Recommendations Update(Cont.)

7.2 Internal and External Audit Recommendations Update



To:	Risk and Assurance Committee
Date:	Thursday, 18 September 2025
Author:	I McNiven / Procurement & Risk Manager
Authoriser:	H Patrick/ Acting GM Commercial Services and Kaihautu – Strategic Māori Partnership
Reference:	A2960886

1. Reason for the report - *Te Take mō tēnei rīpoata*

This report provides an update to the Risk and Assurance Committee on the status of internal and external audit recommendations; summarising progress made to date and outlining the ongoing work to address and complete the remaining actions.

2. Recommendations - *Tohutohu akiaki*

1. THAT the Risk and Assurance Committee **receive** the Internal Audit Recommendations Update report; and
2. THAT the Risk and Assurance Committee **approve** the “completed” actions outlined in this report; and
3. THAT the Risk and Assurance Committee **note** the progress towards addressing the audit recommendations; and
4. THAT the Risk and Assurance Committee **note** the actions that are “on hold” and the reasoning behind that status.

3. Background - *He tirohanga whakamuri*

As part of Council’s ongoing commitment to good governance and continuous improvement, internal audits are conducted to assess key processes, risks, and controls across Council operations. Council is also engaged in regular external audit processes. Each audit generates recommendations aimed at strengthening systems and mitigating risk.

This report provides a status update for each recommendation. The summary dashboard below presents the total number of recommendations for improvement and their current status.

The register now records 92 recommendations, with 13 marked as completed, 20 formally accepted, 30 in progress, 21 not started, and 8 on hold. In total, 59 actions remain active, and importantly, there are currently no overdue items.

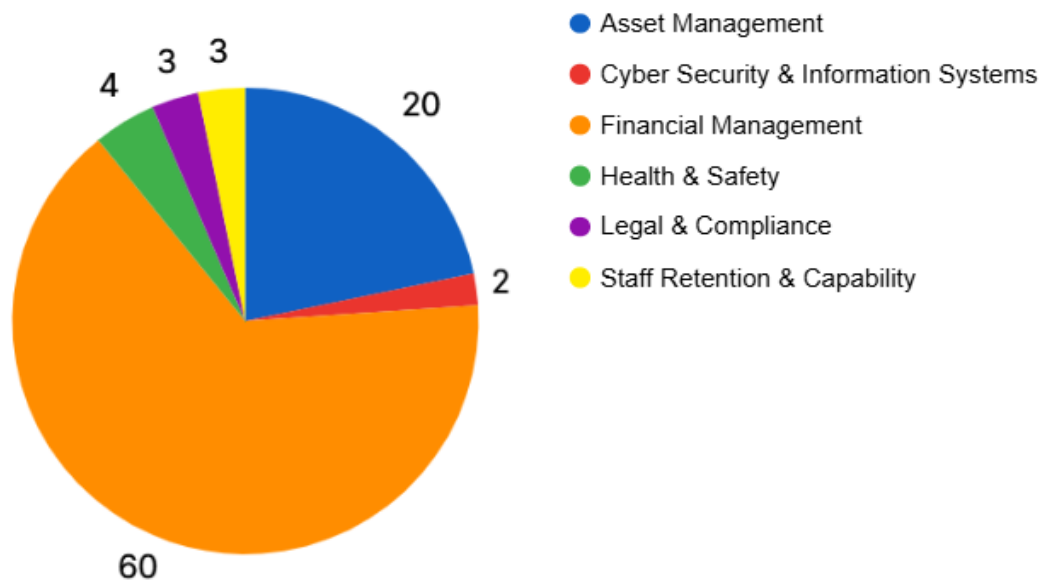
7.2 Internal and External Audit Recommendations Update(Cont.)

Risk & Assurance Actions

Risk Categories Report

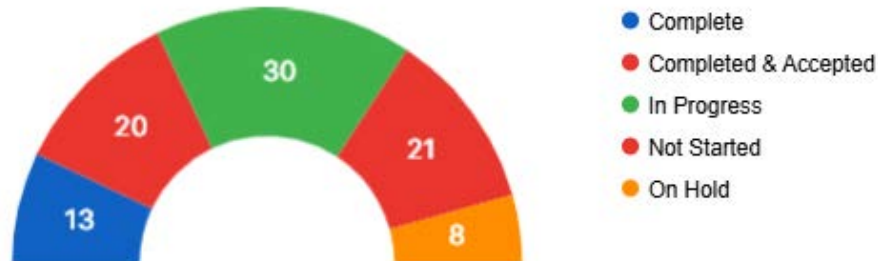


Risk & Assurance Actions by Risk Category



7.2 Internal and External Audit Recommendations Update(Cont.)

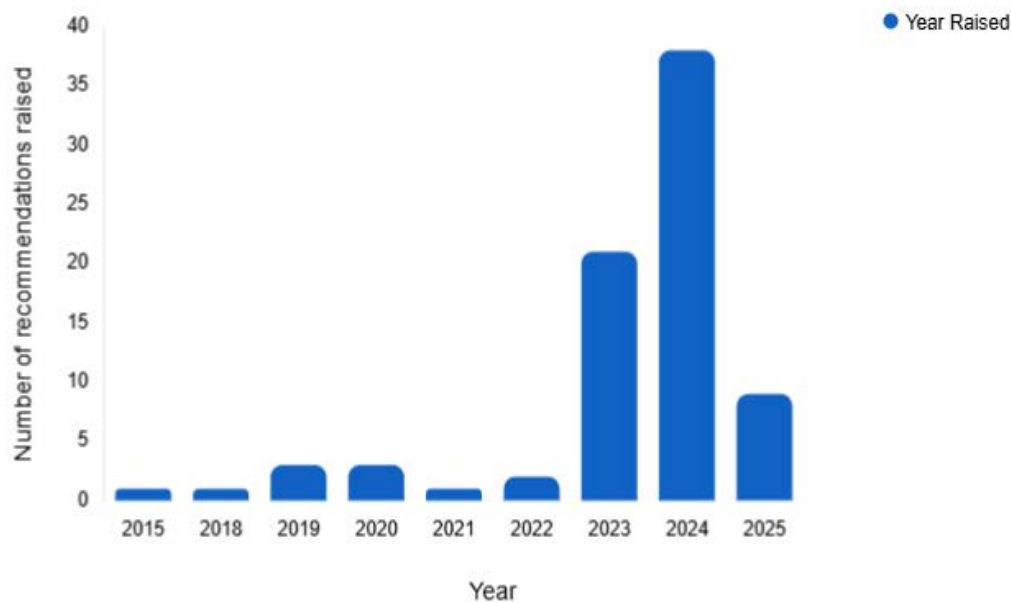
Actions By Status



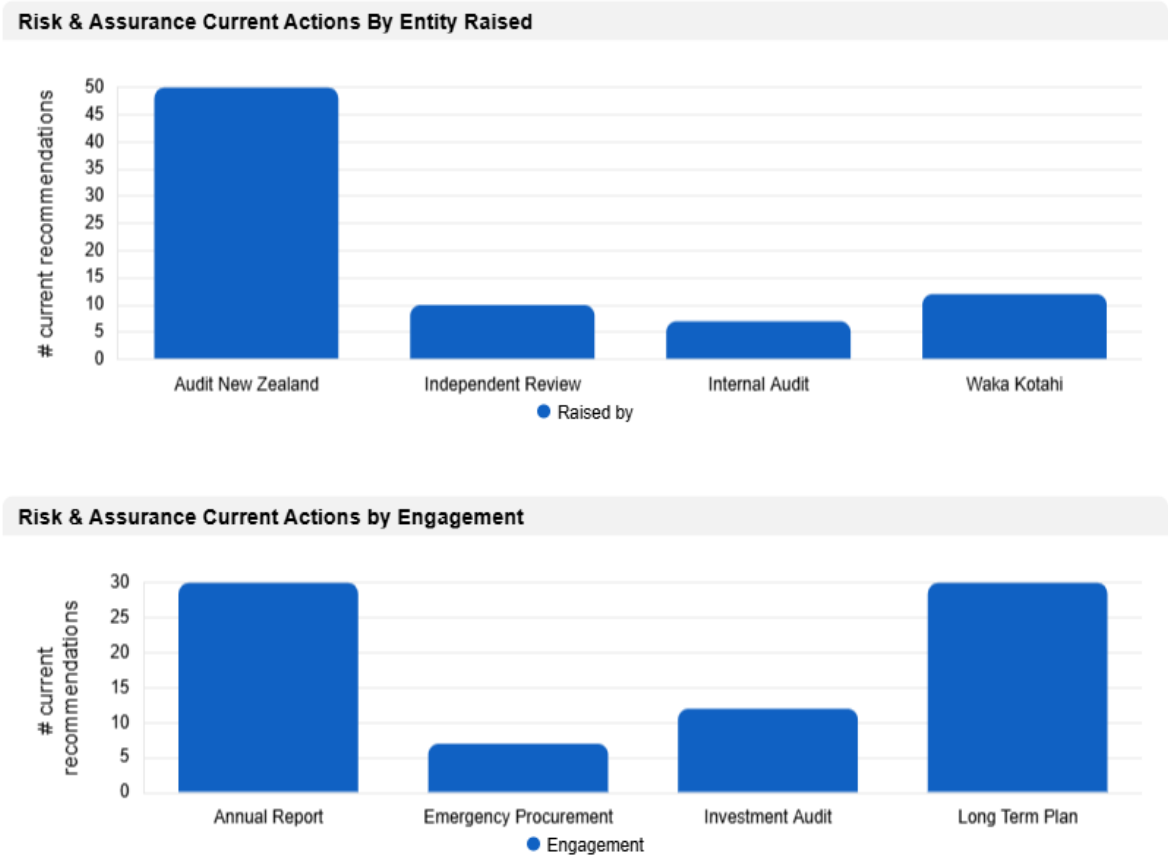
Current/Overdue Actions



Outstanding Actions by Year



7.2 Internal and External Audit Recommendations Update(Cont.)



4. Discussion – Kōrerorero

4.1. Completed Recommendations

The summary table below provides an overview of the recommendations that have been completed/actioned by staff.

Risk & Assurance Completed Actions			
Year Raised	Primary	Description	Actions taken
2017	Network and Ozone Users	Network and Ozone user accounts to be reviewed to ensure they are current and being used.	Digital Services and People and Capability have a robust process for new and exiting staff. There are also robust processes between Digital Services and Procurement for contractor access. Contractors and staff on fixed term contracts are managed through expiry dates being added at the inception of their tenure. The Digital Services team also now run a weekly task to ensure users are current.
2017	Asset Revaluations	Improve revaluation procedures.	The team are developing an early plan and approach to the 2025 revaluations for transport assets. This year we brought the valuation forward to April and the team delivered it with in-house capability as a result of the request for additional resource in the LTP. This has resulted in time and cost savings as well as delivering a better and more up to date revaluation. WSP provided peer review.
2021	Funding Impact Statements	We recommend Council review their allocation rules and ensure the result of their allocations represent the funding sources and operating applications of each activity fairly and using the correct functionality of the financial component	The overhead allocations were reviewed through the Long Term Plan process, not all of the recommended amendments were implemented. We have reviewed again through the 2025/26 Annual Plan process, and will look to finalise implementation when we are likely to need to consult, either through the next Annual Plan, or LTP. This should also be reviewed to include the ring-fencing requirements of LWDDW, and ideally would be developed into the new Planning and Reporting System for consistency across all organisation reporting. This is on hold.
2022	Roading Assets	<p>The valuer for roading made several recommendations. In section 6 of the valuation report, the valuer recommendations included:</p> <ul style="list-style-type: none"> • Continue to maintain, develop, and improve the asset component register; this includes: <ol style="list-style-type: none"> a) Discuss and investigate with WDC other assets that may exist in other registers, or be recorded in RAMM, that would benefit from inclusion in the valuation. b) The confidence grading for the quantity of assets has been assigned based on historical records and the quality of data for calculating lengths, areas, and volumes of assets in the asset register. WDC should continue to validate the accuracy of these ratings, an independent field validation exercise should continue to be completed to compare the data stored in the asset register against assets in the field for the network. • Recently certain bridges have seen a significant increase in construction costs and overhead factors. A full review of the bridges captured in this valuation should be undertaken to determine accuracy 	<p>a) A comprehensive review was undertaken as part of the Three Waters Reform, Local Water Done Well, around the interface between Rooding assets and Stormwater assets. All duplicate and/or missing assets were addressed through this review. The next valuation cycle will pick these up. Overall this is immaterial as both roading and three waters infrastructure are revalued, so any misalignment will only result in a timing difference.</p> <p>b1) Continuous review and validation of RAMM data is undertaken.</p> <p>b2) Review of bridges is undertaken as part of our activity management plan 3yearly updates.</p> <p>b3) Analysis of surface data and their theoretical useful lives has been and continues to be reviewed.</p> <p>b4) As part of the migration to AMDS (Asset Management Data Standard) the headwalls and wingwalls have been separated into their our asset field, along with a series of other changes.</p>

Risk & Assurance Completed Actions			
Year Raised	Primary	Description	Actions taken
		<p>and currency of existing data.</p> <ul style="list-style-type: none"> • Undertake pavement surface analysis to validate the TUL for different top surface categories and pavement uses. This analysis would compare actual lives with those expected to validate/update existing assumptions. • Assess the value of splitting out and separating headwalls and wingwalls from the drainage table. Before doing so, it would need to be checked the inclusion of these have not been considered as part of the standard unit rate cost for the asset they are attached to, predominantly culverts. 	
2022	Capitalisation of Assets	<p>We recommend Council regularly monitors projects sitting in WIP and capitalise those in a timely manner when they are complete. From our testing of PPE additions, we noted that several projects were not capitalised in a timely manner. Depreciation was appropriately backdated to the date when assets were brought into service (approximating the date projects were completed. Project status should be monitored regularly so that assets can be capitalised in a timely manner. Capitalisations should not be left to year end, but rather capitalised when they are brought in to use as required by the accounting standards (PBE IPSAS 17).</p>	<p>There are a number of points here to work through. These are outlined below;</p> <ul style="list-style-type: none"> - Council to implement regular reviews of all posting codes that sit as WIP in the Balance Sheet. This can be actioned by the management accounting team with conversations with project owners. - Project status will be provided by the EPMD and Infrastructure PMO functions. These will be the one source of the truth for project information, and will have appropriate workflows to trigger capitalisation processes once projects have been completed.
2022	Related Parties	<p>We recommend that all interest declarations are kept up to date with all interests disclosed. Council could consider undertaking its own search of public records to ensure all related parties are identified and appropriately managed.</p>	<p>Governance manage the interests register for elected members. It would make sense that procurement manages the register of interests for staff.</p>

Risk & Assurance Completed Actions			
Year Raised	Primary	Description	Actions taken
2023	Audit Process	We encourage management to make use of the client substantiation file mentioned in Section 8 below, for the audit of the next Annual Report. This will ensure that all/most supporting documentation is available at the start of the audit. We recommend that the Council implements internal quality review processes to ensure that a complete and consistent documentation is presented for audit purposes. This will reduce/minimise Audit New Zealand time overruns and enable the District Council to more effectively complete the audit process.	The collection of workpapers for 2025 is underway. Council now use the same file reference as that listed on the audit dashboard so that it directly ties in with Audit NZ references. We continue to be guided by the references used and requests made in the Audit dashboard. Council has implemented an internal quality review process effective August 2025.
2023	Capitalisation of Assets	From our testing of PPE additions, we identified a few instances where the council was not able to provide sufficient documentation for fixed asset additions selected for testing. This was mitigated by the audit team through obtaining project manager confirmations of the same. We recommend management to strictly maintain all supporting documentation for fixed asset additions with evidence of approvals.	We are now taking more care to ensure all of the authorisations for capitalisations are captured appropriately. Asset management practices are also under review and the introduction of the procurement assessment panel helping to enforce best practice across organisation.
2023	Customer Deposit Tracking	Our recommendation is to implement a system that can track all deposits made at a disaggregated level and put in place processes to maintain the appropriate amounts within this account. Who paid the deposit, date of receipt, and for what purpose. We also recommend that the Council reviews this account and clears out all irrelevant amounts. Background Arising from our audit we concluded that the Council did not have an efficient system/process to monitor and record customer deposits received at an individual level. This means that each deposit made by a customer is not being tracked separately. This could lead to issues arising in accounting and customer services. Furthermore, we have noted a consistent year-on-year increase in the deposits account. Upon reviewing this account and following discussions with the Council staff, we understand that this account relates to funds that the Council has received but has yet to allocate to the appropriate recipient or account. Some of these transactions date back to 2011. There is a risk	Cashiers Holding account holds deposits where the details received do not allow for the allocation of these deposits. It is reviewed and investigated on a monthly basis. Each deposit is allocated a receipt number, which can be tracked back to the source document. Details supplied on deposits into bank account are not always accurate or enough to allocate the funds. If a payment can be identified and allocated correctly then past matching receipts are also altered or transferred depending on the age of the deposit. This is a regular process which we continue to focus on.

Risk & Assurance Completed Actions			
Year Raised	Primary	Description	Actions taken
		that the Council is not appropriately recognizing these funds, which are currently sitting within these accounts.	
2024	2024 Health Check	We recommend the Council to use the checklist to help manage the LTP process early on during the planning stage. The health check is a checklist that deals with readiness and includes: <ul style="list-style-type: none"> • project initiation; • project scope; • community engagement; and • timeline. 	Noted. We intend to use the checklist and best practice for the development of the next LTP.
2025	Transparency of Procurement	Consider where appropriate publishing an Award Notice within 30 days of emergency procurement on Government Electronic Tenders Service (GETS). Establish a panel or a list of contractors available for emergency unplanned work and agree rates in advance by running a public Request for Information process for the emergency procurement.	Formalise and implement a policy to publish Award Notices within 30 days.
2025	Operating Expenditure Capitalisation	As part of our testing of additions to Work in Progress (WIP), we identified instances where administrative and catering costs associated with the project were capitalised. These costs, typically considered operational expenses, were included as part of the project's capital expenditure. We recommend that management scrutinise all additions to WIP to ensure they comply with the requirements of PBE IPSAS 17	Finance are currently scrutinising all transactions in the capital projects with the view to writing back any expenses that do not appear capital in nature. last year a significant number of transactions were written back to operational expenses. We acknowledge that occasionally a transaction may be missed but in the main, capital projects will only have capital related expenses. This is a regular process which we continue to focus on.

Staff recommend that the Risk and Assurance Committee review these actions and accept them as closed.

4.2. Urgent Recommendations:

The summary table below provides an overview of the recommendations that been identified as urgent by the entity that raised them. These are still in progress.

Primary	Description	Status	Actions taken
Property, Plant, and Equipment	<p>An in-field condition grading system should be developed and training of staff, so that opportunistically assets can be assessed by the network operators.</p> <p>We identified that the District Council's Three Water asset details are not accurately recorded and updated in the Xivic System (3 Waters AMS) on a timely manner, resulting in an issue with the completeness of the data provided to the valuers.</p> <p>We encourage the District Council to evaluate and execute the valuer's improvement recommendations on Three Water assets and we recommend that management formalize a process of recording all data in a timely manner into the Three Water Asset management system (Xivic System) along with the relevant approvals from the designated personnel to ensure accuracy of data input.</p>	In Progress	Have trialed the use of the mobile app ADAPT. Discussions underway with internal departments to ensure proposed cloud-based system integrates with Council's other digital systems
Property, Plant, and Equipment	<p>The District Council does not maintain a fixed asset register in their FMIS . As a result, finance does not have controls over asset additions, disposals, WIP and are reliant on the relevant asset management teams to provide all the information related to infrastructure assets to prepare the Annual Report. As the asset teams are not qualified accountants, there is risk that with minimal understanding of the implications of PBE IPSAS 17, the District Council will not be apply the standards correctly when preparing financial statements.</p> <p>We also note that the district council has not updated the FAR register in a timely manner for all year-end adjustments provided by the audit team, resulting a variance in the opening NBV as per FAR and audited financial statements.</p> <p>Due to the lack of a shared fixed asset register, currently the finance team calculates depreciation based on an average rate on the total carrying value of the individual asset class. However, per PBE IPSAS 17, assets should be depreciated individually considering their useful lives.</p> <p>We recommend management establish an infrastructure asset register. We also recommend management ensure all fixed asset registers are updated in a timely manner to ensure all year-end adjustments are accurately reflected and depreciation can be more accurately calculated.</p>	In Progress	Council maintains numerous fixed asset registers across various activities which has made the centralisation and standardisation of financial asset information complex and challenging. The finance module of our new ERP system, due for implementation on 1 July 2026, has a 'financial asset register' that provides a comprehensive solution for managing the financial position of council's assets. It integrates with a range of Asset Management systems and stores essential financial information on operational assets such as movement in financial values, asset characteristics, operational and balance sheet cost centres, depreciation calculations, revaluations and locations. In addition to storing key asset information, the system streamlines standard processes to support financial reporting and long-term planning requirements. The ADAPT platform will be cloud-based by November 2025 and will place AMS in a good position for when ERP goes live 2026. The AMS is considered the most accurate source of asset data and attributes, with the FMIS replicating the AMS data as a base for financial reporting.

4.3. Recommendations that are on hold

The summary table below outlines the recommendations that staff have placed on hold and the reasons for doing so.

Risk & Assurance Actions on Hold			
Raised by	Primary	Description	Actions taken
Audit New Zealand	Airport	As part of our review over the Whakatāne Airport, we noted that despite being a separate entity it does not have a separate financial system and is currently utilising the Council's financial system. That is, the general ledger is combined with the Council's. The combined ledger creates difficulties for the finance team when trying to extract the Airport from the Whakatāne general ledger for reporting purposes. For clear separation between the two entities, we recommend management utilise a separate accounting system to account for the Whakatāne Airport. If the Airport is to be continued in the Council's general ledger, then it should be properly set-up to separately identify each entity's transactions.	We will leave this recommendation until the new ERP has been implemented. Datascope can run multiple entities within the one instance.
Audit New Zealand	MiBi Financial planning tool	Many figures received as part of the excel worksheets were hard coded and did not include any interlinking or explanations on how these were derived. Manual follow-up was required to understand the composition of financial statement account balances. This resulted in additional audit time to understand the composition of balances and to understand the financial statements and associated calculations. We recommend that the Council improves and automates the process where possible to ensure a more efficient preparation of the forecast financial statements.	The LTP planning model needs to be reviewed and improved. We are currently assessing what options are available to us. Project has been put on hold until after the ERP upgrade by CEO.
Audit New Zealand	MiBi Financial planning tool	The process to prepare both the forecast financial statements and FISs should be streamlined so all supporting information flow from the MiBi to the financial reports and all balances are verifiable and supportable.	The LTP planning model needs to be reviewed and improved. We are currently assessing what options are available to us. Project has been put on hold until after the ERP upgrade by CEO.
Audit New Zealand	MiBi Financial planning tool	All versions of financial report should include standard reports in order to track changes between versions.	The LTP planning model needs to be reviewed and improved. We are currently assessing what options are available to us. Project has been put on hold until after the ERP upgrade by CEO.
Audit New Zealand	MiBi Financial planning tool	Preparation of a reconciling worksheet on any changes made to the financial statements to ensure they correctly flow through to the FIS.	The LTP planning model needs to be reviewed and improved. We are currently assessing what options are available to us. Project has been put on hold until after the ERP upgrade by CEO.
Audit New Zealand	MiBi Financial planning tool	Control checks should be included in the forecast financial statements and FISs to ensure the flow-on of adjustments and the completeness of information.	The LTP planning model needs to be reviewed and improved. We are currently assessing what options are available to us. Project has been put on hold until after the ERP upgrade by CEO.
Audit New Zealand	MiBi Financial planning tool	An internal quality assurance (QA) process should be implemented, particularly for changes to the financial model.	The LTP planning model needs to be reviewed and improved. We are currently assessing what options are available to us. Project has been put on hold until after the ERP upgrade by CEO.

Risk & Assurance Actions on Hold			
Raised by	Primary	Description	Actions taken
Audit New Zealand	Management of Receivables	<p>Our recommendation is for the Council to perform regular reviews of debtor balances (on a periodic basis) and implement a system whereby long outstanding debtor balances are regularly assessed and written off once they have been identified as bad debts. This practice will ensure the accuracy of the Council's financial records and prevent the accumulation of uncollectible receivables.</p> <p>We recommend that the Council reviews their policy of providing for and collecting bad debts.</p> <p>Background</p> <p>During the audit, we came across a receivable dating back to FY14 that has remained in the accounts for an extended period of time. Despite being outstanding for 10 years, this debtor has not been written off.</p> <p>Upon inquiry, it was confirmed that there is not a regular robust review over these debtors. It appears to be a common occurrence for some debtors to remain in the accounts for years, with little to no likelihood of payments being received.</p> <p>Through our review of the implementation and transition of the Council from PBE IPSAS 29 to PBE IPSAS 41 we note that the Council also needs to establish a clear policy for the provision of bad debts. This will help guide the Council with its collection from debtors.</p>	<p>More measures are in place to write off bad debts. With the implementation of a new ERP system, it is understood that it has a debt management system to assist with debt recovery. AR meet with departments to discuss current debtors and if accounts need to be written off as bad debts, this has happened in the 24-25 year when there has been staff doing receipting to allow more time for AR function. New functionality will be explored during the Datascape Financial implementation during the 25/26 year, with a go live date on 1 July 2026.</p>

5. Options Analysis - *Ngā Kōwhiringa*

No options have been identified relating to the matters of this report.

6. Significance and Engagement Assessment - Aromatawai Pāhekoheko

6.1. Assessment of Significance

The decisions and matters of this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy.

6.2. Engagement and Community Views

Engagement on this matter is not being undertaken in accordance with Section 6.0 of the Council's Significance and Engagement Policy.

7. Considerations - *Whai Whakaaro*

7.1. Strategic Alignment

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

7.2. Financial/Budget Considerations

There are no budget considerations associated with the recommendations of this report.

7.3. Climate Change Assessment

There are no significant or notable impacts associated with the matters of this report.

7.4. Risks

There are no significant or notable risks associated with the matters of this report.

8. Next Steps – E whai ake nei

Council staff will continue to address the remaining actions and will regularly report progress to the Risk and Assurance Committee. This will provide governance with assurance that staff are implementing the recommendations for improvement outlined through the internal and external audit processes.

8 Resolution to Exclude the Public - *Whakataunga kia awere te marea***8 Resolution to Exclude the Public - *Whakataunga kia awere te marea*****8.1 Resolution to Exclude the Public****RECOMMENDATION**

THAT the Risk and Assurance Committee **agree** to exclude the public from the following part(s) of the proceedings of this meeting, namely:

1. Public Excluded minutes of the Risk and Assurance Committee meeting 12 June 2025
2. Chief Executive Update – September 2025
3. Legal Proceedings Update Report – September 2025

This resolution is made in accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act (or sections 6, 7 or 9 of the Official Information Act 1982, as the case may be).

Item number and General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for excluding the public	Plain English reason for passing this resolution
Item 1: Public Excluded minutes Risk and Assurance Committee meeting 12 June 2025	s7(2)(a) To protect the privacy of natural persons, including that of deceased natural persons s7(2)(g) Maintain legal professional privilege s7(2)(i) To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a) The public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7	As per the explanations given in the public agenda for the 20 May 2025 Chief Executive Support and Performance Committee meeting.
Item 2: Chief Executive Update – September 2025	S7(2)(a) To protect the privacy of natural persons, including that of deceased natural persons s7(2)(i))	s48(1)(a) The public conduct of the relevant part of the proceedings of the meeting would be likely to result in the	It is necessary to exclude the public to protect privacy of persons named, and the report contains details about projects

8.1 Resolution to Exclude the Public(Cont.)

Item number and General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for excluding the public	Plain English reason for passing this resolution
	To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	disclosure of information for which good reason for withholding would exist under section 6 or section 7	where there is commercial sensitivity and legal information included.
Item 3: Legal Proceedings Update Report – September 2025	S7(2)(a) To protect the privacy of natural persons, including that of deceased natural persons s7(2)(g) Maintain legal professional privilege	s48(1)(a) The public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7	It is necessary to exclude the public to protect individuals referred to within the report. This report contains legal advice that should remain confidential between the Council and its legal advisors.

1 Confirmation of Minutes - *Te whakaaetanga o ngā meneti o te hui*

1 Confirmation of Minutes - *Te whakaaetanga o ngā meneti o te hui*

1.1 PX Minutes of the Risk and Assurance Committee Meeting 12 June 2025

2 Reports - *Ngā Pūrongo*

2.1 Chief Executive Update – September 2025

2.2 Legal Proceedings Update report

2.2.1 Appendix 1 – 11.1 Legal Spend Analysis