TE KAUNIHERA-Ā-ROHE O TARATAHI
CARTERTON
DISTRICT COUNCIL

AGENDA

Audit and Risk Committee Meeting

Date: **Wednesday, 3 March 2021**

Time: **9:30am**

Location: **Carterton Events Centre**
50 Holloway Street
Carterton

Chair P Jones

Deputy Chair R Cherry-Campbell

Mayor G Lang

Deputy Mayor R Vergunst

Iwi Representative C Kawana

Iwi Representative M Sebire

Notice is hereby given that an Audit and Risk Committee Meeting of the Carterton District Council will be held in the Carterton Events Centre, 50 Holloway Street, Carterton on:

Wednesday, 3 March 2021 at 9:30am

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1 KARAKIA TIMATANGA

Mai i te pae maunga, raro ki te tai

Mai i te awa tonga, raro ki te awa raki

Tēnei te hapori awhi ai e Taratahi.

Whano whano, haramai te toki

Haumi ē, hui ē, tāiki ē!

2 APOLOGIES

3 CONFLICTS OF INTERESTS DECLARATION

4 PUBLIC FORUM

5 CONFIRMATION OF THE MINUTES

5.1 MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON 18 NOVEMBER 2020

1. RECOMMENDATION

1. That the Minutes of the Audit and Risk Committee Meeting held on 18 November 2020 are true and correct.

File Number: **124891**

Author: **Casey Spencer, Democratic Services Coordinator**

Attachments: **1. Minutes of the Audit and Risk Committee Meeting held on 18 November 2020**

MINUTES OF CARTERTON DISTRICT COUNCIL
AUDIT AND RISK COMMITTEE MEETING
HELD AT THE CARTERTON EVENTS CENTRE, 50 HOLLOWAY STREET, CARTERTON
ON WEDNESDAY, 18 NOVEMBER 2020 AT 9.30AM

PRESENT: Chair Philip Jones, Deputy Chair Robyn Cherry-Campbell, Mayor Greg Lang, Deputy Mayor Rebecca Vergunst, Cr Steffen Bertram, Iwi Representative Charmaine Kawana, Iwi Representative Marty Sebire

IN ATTENDANCE: Crs Steve Cretney, Brian Deller, Rob Stockley, Jane Davis (Chief Executive), Dave Gittings (Infrastructure, Services and Regulatory Manager), Paul Crimp (Corporate Services Manager), Gerry Brooking (People and Wellbeing Manager),Geoff Palmer (Accountant), Julie Wallace (Health and Safety Advisor), Casey Spencer (Democratic Services Coordinator).

1 KARAKIA TIMATANGA

The meeting was opened with a Karakia lead by Cr Robyn Cherry-Campbell.

2 APOLOGIES

There were no apologies received for this meeting.

3 CONFLICTS OF INTERESTS DECLARATION

There were no conflicts of interest declared.

4 PUBLIC FORUM

There was no public forum.

5 CONFIRMATION OF THE MINUTES

5.1 MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON 19 AUGUST 2020

MOVED

That the Minutes of the Audit and Risk Committee Meeting held on 19 August 2020 be received and the recommendations therein be adopted.

Deputy Chair Robyn Cherry-Campbell / Chair Philip Jones
CARRIED

DRAFT

6 REPORTS

6.1 SCOPE OF FINANCIAL REPORTING

PURPOSE

The purpose of this paper is to allow the Committee to consider the appropriateness of the regular financial reporting to Council.

MOVED

That the Committee:

Receives the report.

Notes that officers are working on additional changes to capital reporting methods.

Chair Philip Jones / Deputy Chair Robyn Cherry-Campbell
CARRIED

6.2 FINANCIAL REPORT FOR THE THREE MONTHS TO 30 SEPTEMBER 2020

1. PURPOSE

To present the financial results for the financial year to 30 September 2020.

RECOMMENDATION

That the Committee:

Receives the report.

Agrees to expenditure intended with funding received from Government for the 3 Waters Stimulus Package and to support recreational activity involving freedom camping.

Note: Item 6.2 is an attachment to the report in item 6.1.

The recommendations in item 6.2 will go to the Ordinary Council Meeting 9 December for adoption.

6.3 HEALTH, SAFETY AND WELLBEING REPORT

PURPOSE

To update the Audit and Risk Committee on recent health, safety and wellbeing (HS&W) activities.

MOVED

That the Committee:

Receives the report.

Notes the health, safety and wellbeing activities described in this report.

Deputy Mayor Rebecca Vergunst / Deputy Chair Robyn Cherry-Campbell
CARRIED

6.4 RISK REGISTER UPDATE

PURPOSE

To advise the Audit and Risk Committee on changes to the Carterton District Council Risk Register.

MOVED

That the Committee:

Receives the report.

Deputy Chair Robyn Cherry-Campbell / Cr Greg Lang
CARRIED

7 KARAKIA WHAKAMUTUNGA

The meeting was closed with a Karakia lead by Charmaine Kawana.

The Meeting closed at 10:31am.

Minutes confirmed: ……

Date: .....

DRAFT

6 REPORTS

6.1 FINANCIAL REPORT FOR THE 6 MONTHS ENDING 31 DECEMBER 2020

1. PURPOSE

To present the financial results for the financial year to 31 December 2020.

2. SIGNIFICANCE

The matters for decision in this report are not considered to be of significance under the Significance and Engagement Policy.

3. BACKGROUND

Detailed quarterly reports are provided to the Council at its Ordinary meetings that coincide with the end of the financial period and reflect the output of internal management reporting. This report covers the half year to 31 December 2020.

4. FINANCIAL STATEMENTS

A full set of financial statements for the year to 31 December 2020 are in **Attachment 1**.

They include:

- statement of financial performance by type of income and expenditure
- statement of financial performance by activity
- statement of financial position
- statement of cashflows

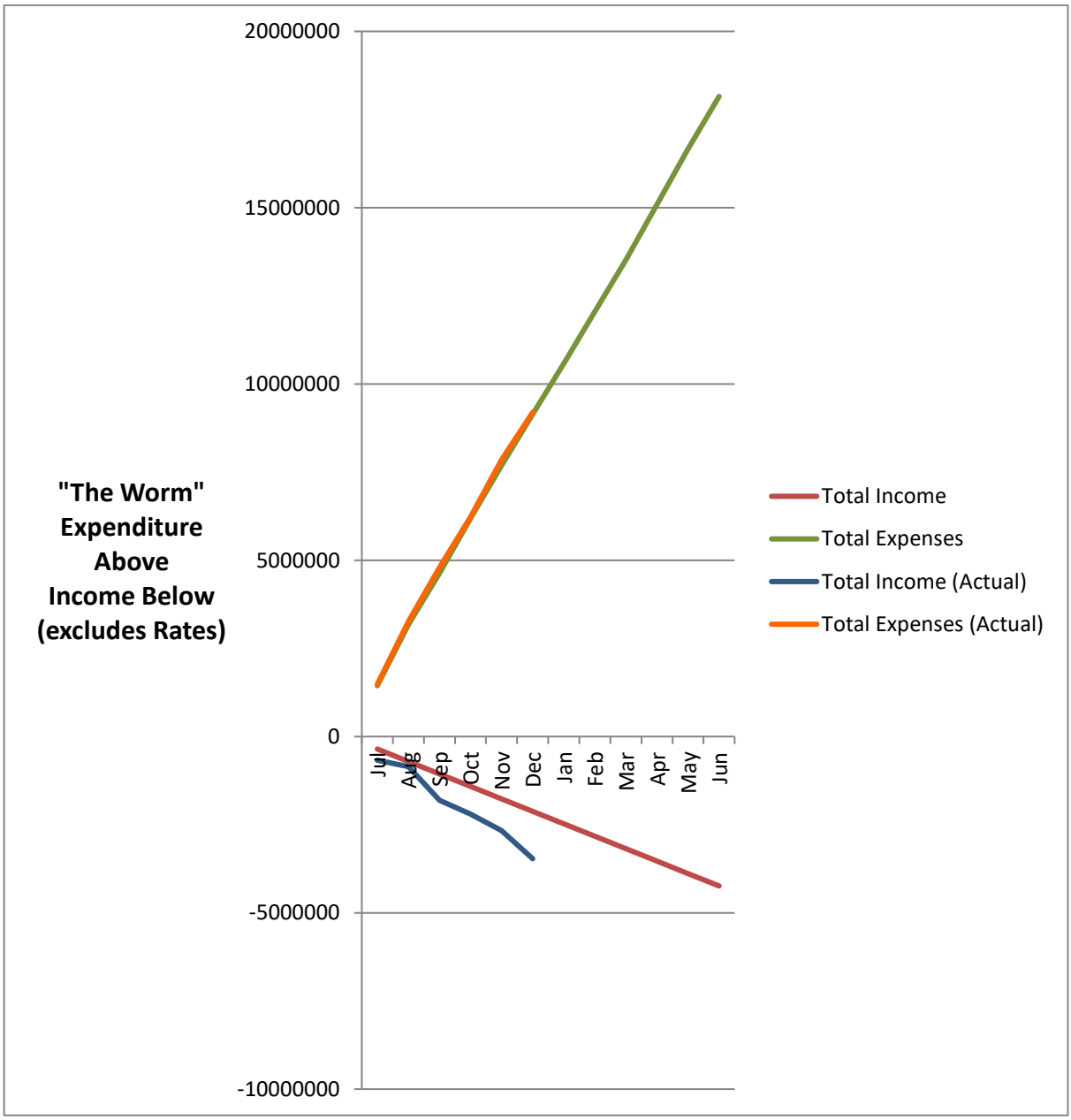
These statements include variances from budgets as approved in the Annual Plan and as amended by Council or by the Chief Executive under delegated authority. The audited financial statements published at year-end will show only the budgets from the Annual Plan, as required by statute.

Most budgets have been phased across months within the year by dividing by 12. The most significant exceptions are wages, which are based on payrolls per month, and grant expenditure, which is based on likely month of spend.

OVERALL RESULTS

Overall, the council has recorded an operating surplus of $1,955,000 for the six months to 31 December 2020. This compares with the budgeted deficit of $73,000 a favourable variance of $2,028,000.

As illustrated below, Council is tracking close to expectation in expenditure, and ahead of budget in income.



The Table on the following page sets out the detail of the expenditure and revenues for the period. To date operating expenditure is 52% of budget, whereas revenue is 103% of budget.

Expenditure	Spend Year to Date	% of Full Year Budget	*Nature of that spend* Direct Operating	Internal Support	Costs arising from past Capital Spend	Grants and Contributions
GOVERNANCE	308,282	41%	270,172	36,855	1,256	-
ROADS AND FOOTPATHS	2,436,528	57%	1,088,373	175,839	1,172,316	-
WATER SUPPLY	1,224,361	43%	579,548	331,286	313,527	-
SEWERAGE	1,217,370	45%	539,200	285,525	392,645	-
STORMWATER	125,693	45%	37,290	34,266	54,137	-
WASTE MANAGEMENT	563,468	50%	460,167	77,515	25,785	-
COMMUNITY SERVICES	1,654,768	63%	512,183	603,966	111,333	427,286
PARKS AND RESERVES	625,676	44%	263,510	231,615	130,551	-
COMMUNITY AMENITIES	310,032	46%	157,087	90,611	62,335	-
RESOURCE MANAGEMENT AND PLANNING	964,707	66%	738,292	219,332	7,083	-
GENERAL	420	1%	-	-	420	-
SUPPORT			1,793,815	(2,086,809)	292,995	-
Total Expennditure	**9,431,305**	**52%**	**6,439,636**	**-**	**2,564,382**	**427,286**
% of Full Year Budget			**52%**		**48%**	**140%**

Revenue	Received to Date	% of Full Year Budget	Direct Operating	Other Income	Contribution to Capital Spend and Reserves	Grants and Contributions
INTEREST	62,403	40%			62,403	
FEES & CHARGES	1,180,442	80%	1,180,442			
RECOVERIES	139,442	81%	139,442			
COMMISSIONS	28,352	56%	28,352			
NZTA SUBSIDY	990,980	54%				990,980
PETROL TAX	48,871	63%		48,871		
GRANTS & SUBSIDIES	1,262,586	5283%				1,262,586
RENTAL & HIREAGE	60,677	63%	60,677			
CONTRIBUTIONS	639,179	156%			639,179	
PROFIT ON ASSETS	2,999				2,999	
MISC INCOME	37,962	132%		37,962		
Total Revenue	**4,453,891**	**103%**	**1,408,912**	**86,832**	**704,581**	**2,253,566**

SIGNIFICANT ACTIVITY VARIANCES

As the table indicates, we are generally pleased with financial performance to date, with expenditure being generally on track, and revenues ahead of budget.

Roads and footpaths expenditure are a bit ahead of budget reflecting more activity than budgeted for this time of year, this is offset by the increased revenue for that activity. Community services expenditure is ahead of budget, this is due mainly to community grants paid out ahead of the budgeted six-month activity – driven mainly by the $250K MSD grant received.

Resource management and planning expenditure is also ahead of budget due to the volume of processing that need to be outsourced. This overspend is recovered and is included in the fee and charge revenue, which is also well ahead of budget.

The other expenditure variances are related to seasonal workflows.

Overall, our view based on the half year data, is that operationally we will meet budget. The impact of the government grants will result in a full year positive revenue variance (this will be offset by expenditure negative variance so the net result will be neutral).

5. OPERATING INCOME

Generally, revenue is well above budget. There are two overall reasons for this.

Firstly, unbudgeted Government grants have been received, and secondly economic activity is well ahead of (what everyone) forecast.

Fees and charges revenue are ahead of budget for building consenting, trade waste, general waste.

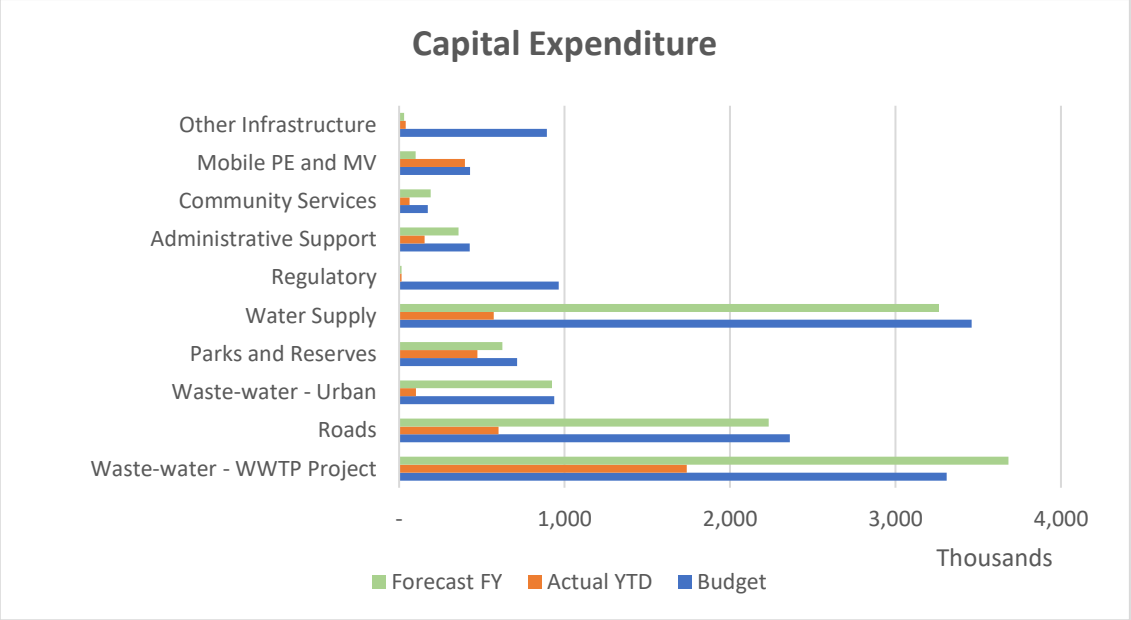
Recoveries income is made up of the on charged salary and other costs recovered from Masterton District Council and South Wairarapa District Council.

Grants and subsidies positive variance results from the unbudgeted DIA Grant ($920K); MSD Youth development grant ($250K); and Gladstone PGF grant ($67K).

Development contributions are also well ahead of budget, again reflecting the strong economic conditions currently enjoyed.

6. CAPITAL EXPENDITURE

Capital expenditure for the year-to-date was $4,156,000. The full-year budget in the Annual Plan for 2020/21 is $7,448,000 and Council approved $4,412,000 brought forward from 2019/20. Additionally, there has been a further $1,840,000 funding through DIA agreed by Government for three waters projects to be completed over the next 12-18 months. Therefore, total capital for the 20/21 year will be $13,700,000.



7. BALANCE SHETT AND CASH FLOWS

Working capital (current assets less current liabilities) of $8,220,000, a measure of liquidity, is improved by $341,000 from that held at the beginning of the financial year. Broken down, this reflects a 10 percent increase in cash and term deposits, a 39 percent decrease in creditors and an 82 percent decrease in debtors. Generally, we expect debtors to decrease after the year open because of the timing of invoices for dog registrations and water rates. Also, the GST receivable at year open has subsequently been received. In effect an anticipated result.

Generally, operating cash flows have mirrored the income and expenditure results, and the impact of significant increases or decreases in debtors or creditors.

Currently the council has thirteen term loans held with the Bank of New Zealand totalling $7,616,000 and five finance leases totalling $28,500.

UNBUDGETED EXPENDITURE

Additional expenditure beyond the budget can be approved by council. To date, Council has approved the following unbudgeted expenditure:

- the carry-forward of the 2019/20 unspent capital,
- co-funding up to $50,000 for the proposed aerial hydrogeology survey of all the Ruamāhanga groundwater zones.

Other than the above, no other unbudgeted expenditure this year-to-date has been submitted for approval by the council, or previously approved by the Chief Executive under delegated authority.

8. CONSIDERATIONS

8.1 Climate change

Nil.

8.2 Tāngata whenua

Nil.

8.3 Financial impact

This paper reports financial results for the six months ended 31 December 2020.

8.4 Community Engagement requirements

Nil.

8.5 Risks

Nil.

9. RECOMMENDATION

That the Committee:

1. **Receives** the report.
2. **Notes** the results for the half year to 31 December 2020.

File Number: **125041**

Author: **Paul Crimp, Corporate Services Manager**

Attachments: **1. Financial Statements for the year to 31 December 2020** ⇩

CARTERTON DISTRICT COUNCIL

Statement of Financial Performance
By Activity
for the period ended 31 December 2020

	YTD Actual 31 December 2020 $	YTD Budget 31 December 2020 $	Variance 31 December 2020 %	Variance 31 December 2020 $	FY Forecast 30 June 2021 $	FY Budget 30 June 2021 $	Variance 30 June 2021 %	Variance 30 June 2021 $
Income								
General	1,016,742	99,546	921% F	*917,196 F*	1,116,279	199,083	461% F	*917,196 F*
Governance	362,175	368,700	2% U	*6,525 U*	730,883	737,408	1% U	*6,525 U*
Roads and footpaths	2,417,319	2,108,346	15% F	*308,973 F*	4,525,659	4,216,686	7% F	*308,973 F*
Water supply	1,479,154	1,417,260	4% F	*61,894 F*	2,896,408	2,834,514	2% F	*61,894 F*
Sewerage	1,360,346	1,382,868	2% U	*22,522 U*	2,743,205	2,765,727	1% U	*22,522 U*
Stormwater	142,726	136,326	5% F	*6,400 F*	279,054	272,654	2% F	*6,400 F*
Waste management	591,919	520,374	14% F	*71,545 F*	1,112,302	1,040,757	7% F	*71,545 F*
Community support	3,023,339	2,386,650	27% F	*636,689 F*	5,410,496	4,773,807	13% F	*636,689 F*
Resource management and planning	992,835	666,042	49% F	*326,793 F*	1,658,863	1,332,070	25% F	*326,793 F*
Total income	**11,386,555**	**9,086,112**	**25% F**	***2,300,443 F***	**20,473,149**	**18,172,706**	**13% F**	***2,300,443 F***
Expenditure								
General	420	19,998	98% F	*19,578 F*	20,422	40,000	49% F	*19,578 F*
Governance	308,282	377,142	18% F	*68,860 F*	685,423	754,283	9% F	*68,860 F*
Roads and footpaths	2,436,528	2,054,983	19% U	*381,545 U*	4,621,849	4,240,304	9% U	*381,545 U*
Water supply	1,224,361	1,422,526	14% F	*198,165 F*	2,646,841	2,845,006	7% F	*198,165 F*
Sewerage	1,217,370	1,360,295	11% F	*142,925 F*	2,577,647	2,720,572	5% F	*142,925 F*
Stormwater	125,693	140,640	11% F	*14,947 F*	266,326	281,273	5% F	*14,947 F*
Waste management	563,468	566,765	1% F	*3,297 F*	1,130,253	1,133,550	0% F	*3,297 F*
Community support	2,590,476	2,481,088	4% U	*109,388 U*	4,815,857	4,706,469	2% U	*109,388 U*
Resource management and planning	964,707	735,332	31% U	*229,375 U*	1,699,486	1,470,111	16% U	*229,375 U*
Total expenditure	**9,431,305**	**9,158,769**	**3% U**	***272,536 U***	**18,464,104**	**18,191,568**	**1% U**	***272,536 U***
Operating surplus/(deficit)	**1,955,250**	**(72,657)**	**2791% F**	***2,027,907 F***	**2,009,045**	**(18,862)**	**10751% F**	***2,027,907 F***

Statement of Financial Performance
for the period ended 31 December 2020

	YTD Actual 31 December 2020 $	YTD Budget 31 December 2020 $	Variance 31 December 2020 %	Variance 31 December 2020 $	FY Forecast 30 June 2021 $	FY Budget 30 June 2021 $	Variance 30 June 2021 %	Variance 30 June 2021 $
Income								
Rates	6,919,398	6,919,398	-	-	13,838,759	13,838,759	-	-
Rates penalties	6,314	-	-	*6,314 F*	6,314	-	-	*6,314 F*
Interest	62,403	78,750	21% U	*16,347 U*	141,153	157,500	10% U	*16,347 U*
Fees and charges	1,180,442	733,350	61% F	*447,092 F*	1,913,792	1,466,700	30% F	*447,092 F*
Recoveries	139,442	86,322	62% F	*53,120 F*	225,764	172,644	31% F	*53,120 F*
Commissions	28,352	25,530	11% F	*2,822 F*	53,872	51,050	6% F	*2,822 F*
NZTA subsidy	990,980	925,002	7% F	*65,978 F*	1,915,978	1,850,000	4% F	*65,978 F*
Petrol tax	48,871	38,502	27% F	*10,369 F*	87,369	77,000	13% F	*10,369 F*
Grants subsidies and donations	1,262,586	11,700	10691% F	*1,250,886 F*	1,274,786	23,900	5234% F	*1,250,886 F*
Rental revenue	60,677	48,492	25% F	*12,185 F*	109,179	96,994	13% F	*12,185 F*
Infrastructure and development contributions	639,179	204,672	212% F	*434,507 F*	843,866	409,359	106% F	*434,507 F*
Profit on asset sales	2,999	-	-	*2,999 F*	2,999	-	-	*2,999 F*
Miscellaneous income	37,962	14,394	164% F	*23,568 F*	52,368	28,800	82% F	*23,568 F*
Total income	**11,379,603**	**9,086,112**	**25% F**	***2,293,491 F***	**20,466,197**	**18,172,706**	**13% F**	***2,293,491 F***
Expenditure								
Personnel	2,578,549	2,580,371	0% F	*1,822 F*	5,158,832	5,160,654	0% F	*1,822 F*
Operating	2,375,348	2,234,680	6% U	*140,668 U*	4,609,421	4,468,753	3% U	*140,668 U*
Contracts	498,780	534,594	7% F	*35,814 F*	1,033,386	1,069,200	3% F	*35,814 F*
Roading operations	971,525	780,728	24% U	*190,797 U*	1,882,597	1,691,800	11% U	*190,797 U*
Grants, subsidies, and donations	425,482	288,052	48% U	*137,430 U*	457,880	320,450	43% U	*137,430 U*
Depreciation	2,428,291	2,341,704	4% U	*86,587 U*	4,770,013	4,683,426	2% U	*86,587 U*
Interest	135,672	329,640	59% F	*193,968 F*	465,316	659,284	29% F	*193,968 F*
Audit	10,287	49,002	79% F	*38,715 F*	59,285	98,000	40% F	*38,715 F*
Losses on asset sales	420	-	-	*420 U*	420	-	-	*420 U*
Bad debts / doubtful debts	-	19,998	100% F	*19,998 F*	20,002	40,000	50% F	*19,998 F*
Total expenditure	**9,424,353**	**9,158,769**	**3% U**	***265,584 U***	**18,457,151**	**18,191,567**	**1% U**	***265,584 U***
Operating surplus/(deficit)	**1,955,250**	**(72,657)**	**2791% F**	***2,027,907 F***	**2,009,046**	**(18,861)**	**10752% F**	***2,027,907 F***

CARTERTON DISTRICT COUNCIL

Statement of Financial Position
As at 31-December-2020

Actual 30 June 2020 $		Actual 31 December 2020 $	Annual Plan 30 June 2021 $
	Assets		
	Current assets		
3,382,531	Cash and cash equivalents	3,514,054	1,071,088
1,859,864	Debtors and other receivables	325,465	5,171,104
6,011,147	Investments	6,800,061	4,818,722
-	Inventory	-	-
-	Non-current assets held for sale	-	-
11,253,542	**Total current assets**	10,639,580	11,060,914
	Non-current assets		
219,151,737	Property, plant & equipment	220,473,006	231,857,946
1,013,800	Forestry assets	1,013,800	973,000
932,917	Intangible assets	932,917	993,570
19,793	Investment in CCOs and section 6(4) entities	19,793	19,793
3,228	Investment in other entities	3,228	1,003
221,121,475	**Total non-current assets**	222,442,744	233,845,312
232,375,017	**Total assets**	233,082,323	244,906,226
	Liabilities		
	Current liabilities		
2,104,538	Creditors and other payables	1,278,521	2,886,158
589,916	Employee entitlements	460,494	432,827
680,265	Borrowings	680,265	
3,374,719	**Total current liabilities**	2,419,280	3,318,985
	Non-current liabilities		
60,340	Employee entitlements	-	61,447
7,172,966	Borrowings	6,937,107	16,697,362
7,233,306	**Total non-current liabilities**	6,937,107	16,758,809
	Equity		
118,614,762	Public equity	118,245,444	124,049,743
4,406,534	Restricted reserves	4,779,546	4,818,721
92,250,566	Revaluation reserves	92,250,567	91,890,983
6,495,130	Other reserves	6,495,130	4,068,985
	Operating Result	1,955,250	
221,766,992	**Total equity**	223,725,937	224,828,432
232,375,017	**Total liabilities and equity**	233,082,323	244,906,226

CARTERTON DISTRICT COUNCIL

Statement Of Cashflows
For the Year to 31 December 2020

Actual 30 June 2020 $		Actual 31 December 2020 $	Annual Plan 30 June 2021 $
	Cash flows from operating activities		
	Cash was received from:		
14,028,345	Receipts from rates revenue	8,259,972	11,638,166
2,174,093	Grants, subsidies and donations	2,253,566	1,873,900
81,698	Petrol tax	48,871	77,000
3,024,358	Receipts from other revenue	2,089,051	1,994,547
272,919	Finance revenue	62,403	157,500
19,581,413		12,713,863	15,741,113
	Cash was applied to:		
12,791,450	Payments to suppliers and employees	7,676,031	13,213,592
352,977	Finance expenditure	135,672	659,283
13,144,427		7,811,702	13,872,875
6,436,986	**Net cash flow from operating activities**	4,902,161	1,868,238
	Cash flows from investing activities		
	Cash was received from:		
9,174	Sale of property, plant and equipment	-	-
8,279,742	Term investments, shares and advances	6,011,560	8,297,654
-	Forestry investment	-	-
8,288,916		6,011,560	8,297,654
	Cash was applied to:		
7,304,479	Purchase of property, plant and equipment	3,746,278	9,125,543
6,011,147	Term investments, shares and advances	6,800,061	4,818,722
10,505	Forestry capital expenditure	-	-
13,326,131		10,546,339	13,944,265
(5,037,215)	**Net cash flow from investing activities**	(4,534,778)	(5,646,611)
	Cash flows from financing activities		
	Cash was received from:		
1,245,065	Proceeds from borrowings	-	2,225,117
1,245,065		-	2,225,117
	Cash was applied to:		
1,686,715	Repayment of borrowings	235,859	(663,292)
1,686,715		235,859	(663,292)
(441,650)	**Net cash flow from financing activities**	(235,859)	2,888,409
958,120	Net increase/(decrease) in cash held	131,523	(889,964)
2,424,411	Add cash at start of year (1 July)	3,382,531	1,961,052
3,382,531	**Balance at end of year (30 June)**	3,514,054	1,071,088
	Represented by:		
3,382,531	Cash, cash equivalents and bank overdrafts	3,514,054	1,071,088
3,382,531		3,514,054	1,071,088

6.2 COVID-19 RESURGENCE READINESS

1. PURPOSE

For the committee to receive information on the readiness of the organisation for the consequences of a resurgence of the COVID-19 virus a community lockdown.

2. SIGNIFICANCE

The matters for decision in this report are not considered to be of significance under the Significance and Engagement Policy.

3. BACKGROUND

The global COVID-19 pandemic still poses a major threat to our community. While the government Is actively managing the county's borders, international experience shows that keeping the virus out of communities is virtually impossible. As new, more contagious strains of the virus emerge, and ahead of the national vaccine rollout, the threat of further lockdowns become more significant.

At just before midnight on Valentine's Day, Sunday 14th February, the country of was put back into levels 3 (Auckland) and 2 (rest of the country) following COVID being found in the community. The management team began refreshing the Level 2 protocols for the Council as soon as the Prime Minister announced the further lockdown and re-activated the COVID Business Continuity Plan as it applies to Level 2. In the end the lockdown applied for 3 days. However, most likely it will just be a matter of time before other community cases arise and further lockdowns are put in place.

4. DISCUSSION

The Management Team continues to monitor the COVID-19 situation and keep the Business Continuity Plan up to date. At staff meetings the possibility of a further lockdown and working from home and other arrangements have been discussed on an ongoing basis.

I am confident that, even with very short notice, the organisation is ready to operate under Alert Levels 3 and 4, should we be required to do so.

We have good supplies of PPE (including masks) and hand sanitizer. We have posters either printed or ready to print for the various scenarios, and everyone knows what will be expected of them under the different lockdown levels.

5. CONSIDERATIONS

5.1 Climate change

There are no specific climate change implications arising from this report.

5.1 Tāngata whenua

As this report relates to the Council's COVID-19 risks and readiness there are no considerations specifically relevant to tāngata whenua.

5.2 Financial impact

All COVID-19 preparations are being managed within existing budgets.

5.3 Community Engagement requirements

No community engagement is required. Community messaging and communications forms part of the Council's readiness and response plans.

5.4 Risks

Another COVID-19 lockdown is a risk to the Council's operations. Risks are addressed through the readiness of the organisation. There is a risk to the income of the Council should another lockdown occur, in particular income from the use of the Events Centre. There are no actions that can be taken to reduce that risk, although budget assumptions in the 2020/21 Annual Plan included lower than normal income from the Events Centre.

6. RECOMMENDATION

That the Committee:

1. **Receives** the report
2. **Notes** the actions taken to ensure the Council is prepared for another COVID-19 lockdown.

File Number: **124887**

Author: **Jane Davis, Chief Executive**

Attachments: **Nil**

6.3 KAIPAITANGATA AND LINCOLN ROAD POTABLE WATER

1. PURPOSE

For the committee to be informed of the two separate but single elevated E.coli readings form treated water.

2. SIGNIFICANCE

The matters for decision in this report are not considered to be of significance under the Significance and Engagement Policy.

3. BACKGROUND

Carterton District's reticulated potable network system is fed by two treatment plants. Both treatment plants maintain a high standard of water treatment and onerous levels of testing requirements for the potable water prior to, and once in the reticulation system.

The Kaipaitangata treatment plant uses plain sand filters as well as finer bag filters to remove sediment from the water. Chlorine gas is used for disinfection and pH corrections are added. For an additional barrier, UV irradiation is also used with the UV set to nullify any potential protozoa in the water.

Once treated, the water from the Kaipaitangata treatment plant is stored in two retaining reservoir tanks where additional monitoring of chlorine and automatic adjustments are made to the water to maintain a residual chlorine level to a minimum of twice the required safety limits.

The treatment plant for the bore fields in Frederick Street have the similar treatment levels as described for the Kaipaitangata Stream except for the sand and bag filters as the bore water does not pick up the surface sediment as an open stream does. Sodium hypochlorite is used (powder form chlorine) at the bore field treatment plant instead of chlorine gas but this has the same disinfectant properties.

Throughout treatment and distribution there is constant telemetry monitoring for flow, transmissivity, turbidity, pH, and residual chlorine levels. Water testing is undertaken 64 times per year (weekly plus an additional sample each month).

Sample points for the testing are located at the Kaipaitangata Stream prior to it being treated, pre-reservoir (treated), post-reservoir, at each of the Frederick street bores both pre and post treatment, and 7 urban sites. Sampling is undertaken to measure total coliforms, E.coli, residual chlorine, HPC (bacteria, moulds and yeasts), pH, and turbidity.

In addition, a yearly check for heavy metals is conducted on the bore water which includes testing for chloride, nitrogen, bromide, sulphate, bromate, arsenic, barium, boron, cadmium, chromium, copper, iron, lead, manganese, mercury, nickel, sodium and zinc.

To maintain the residual chlorine levels, within the network there is a weekly flushing at end points to ensure water does not sit in the pipes and freshly treated water is delivered to the ends of the reticulated system.

4. MEASUREMENTS

E. coli (*Escherichia coli*) counts are reported Most Probable Number (MPN) per 100 ml. The MPN method makes use of a statistical technique for estimating the most probable number of a bacterial species per specified unit of material under test. The results from a series can then be referred to tables from which the MPN of bacteria per unit sample can be calculated with a known degree of certainty.

The presence of free chlorine (also known as chlorine residual, free chlorine residual, residual chlorine) in drinking water indicates that a sufficient amount of chlorine was added initially to the water to inactivate the bacteria and some viruses that cause diarrheal disease and the water is protected from recontamination during storage. The presence of free chlorine in drinking water is correlated with the absence of most disease-causing organisms, and thus is a measure of the potability of water. The New Zealand Drinking Water standards require residual levels in potable water to be at a minimum level of 0.2 mg/L.

5. TRANSGRESSION- KAIPAITANGATA TREATMENT PLANT

There have been two recent transgressions for an elevated E.coli (*Escherichia coli*) readings, one at each plant within the last 4 months. The two are not related to each other.

On Friday 18 December 2020, a potable water sample taken post-treatment and prior to entry into the tank reservoir in Kaipaitangata returned an E.coli reading of 1 MPN/100ml. The Drinking Water Standard for New Zealand require levels to be <1 MPN/100ml.

Results were notified to Council staff at 5.00pm on Saturday 19 December from ELS Eurofins testing centre and the plant was immediately closed and potable water delivery was changed to the Frederick Street bore field. As per our operational requirements the Wairarapa DHB was notified as well as the five houses that feed off the Kaipaitangata main water line.

The plant operation was immediately checked, the UV reactors and automated chlorine dosing were found to be operating at above the Drinking Water Standard minimum requirements.

5.1 POST RESULT ACTIONS

Retesting was undertaken on the following Monday, Tuesday and Wednesday at all testing points including each of the households on the main line. All samples returned normal (<1 MPN/100ml) readings.

The U.V. reactors were subsequently serviced on the 22 December and on the 6 January the timber storage reservoir was isolated from the reticulated system and drained as a precaution measure and examined for any signs of foreign matter or breaks within the lining material. None were found.

As unlikely as it may have been as a point for contamination, the septic tank that is provided for officers while working at the plant was emptied and inspected for any potential leak points. None were found.

The checking of the reservoir tank and septic tank were a greater precautionary measure than required as the test result came from the immediate post-treatment *pre-tank* entry and therefore could not have been the source of any contamination. Further, water in the reservoir has an independent automated chlorine dosing unit and recirculating pump that maintains residual chlorine in the water.

The 7km of pipework leading into the reticulation system was also flushed ready for plant start up.

Following these actions and the further negative test results, Regional Public Health was comfortable with Carterton District Council's request to re-supply the wider reticulation from the Kaipaitangata treatment plant dependent on flows in the stream and as such the Kaipaitangata treatment plant resumed as normal.

6. TRANSGRESSION- FREDERICK STREET

A further unrelated transgression occurred at the Frederick Street bore site on the 27 January 2021. A potable water sample taken post-treatment after entry into the tank reservoir at the Frederick Street bores returned an E.coli reading of 1 MPN/100ml.

Supply was immediately moved to the Kaipaitangata treatment plant although the Kaipaitangata Stream levels were low at that time. Regional Public Health were notified, and plant checks were undertaken. At no time did the residual chlorine level, as measured at the constant monitoring station at the operations yard in Holloway Street (on the outer circle of delivery distance of the Frederick Street plant) drop below twice the minimum requirement of the Drinking Water Standards. The free available chlorine level was never below 0.44mg/L and was increased to 1.09mg/L following the reading.

The immediate question was if there had been contaminated water entering the reticulation system and if this was of any concern given the residual chlorine levels remained double that above the required levels.

The Regional Public Health drinking water assessor did not order a boiled water notice, although it was considered by both parties, the free available chlorine levels remained high and coliform bacteria and E. coli are rarely, if ever, found with residual chlorine levels above 0.2mg/L.

6.1 POST RESULT ACTIONS

Retesting was undertaken for the following three days and all samples returned normal (<1 MPN/100ml) readings. Individual bores were also tested with subsequent negative test results.

The retention water tank, chlorine and pH dosing pumps were inspected with no issues observed. The previous evening the UV reactor bulb had blown resulting in an automated shutdown of water delivery into the holding tank. The bulb was replaced and because there had been an automated shutdown pump shutdown and the residual chlorine, there was no risk of contaminated water entering the wider system from this incident.

7. CONSIDERATIONS

7.1 Climate change

There are no specific climate change implications arising from this report.

7.2 Tāngata whenua

There are no considerations specifically relevant to tāngata whenua.

7.3 Financial impact

All post-test actions were undertaken within the existing potable water budget.

7.4 Community Engagement requirements

No community engagement is required.

7.5 Risks

There are no risks in the decision that the committee is being asked for.

8. RECOMMENDATION

That the Committee:

1. **Receives** the report.
2. **Notes** the action taken in response to the elevated readings.

File Number: **124893**

Author: **Dave Gittings, Infrastructure, Planning and Regulatory Manager**

Attachments: **Nil**

6.4 2021-2031 LONG TERM PLAN PROCESS UPDATE

1. PURPOSE

For the committee to receive advice on the process for preparing the 2021-2031 Long Term Plan.

2. SIGNIFICANCE

The matters for decision in this report are not considered to be of significance under the Significance and Engagement Policy.

3. BACKGROUND

Every three years the Council is required to prepare a Long-Term Plan: Ten Year Plan. The process for preparing these plans is set out in the Local Government Act and includes the requirement to adopt a Consultation Document that sets out the new activities the Council plans to undertake. The Council must also adopt documents that support the Consultation Document, including a Draft Ten-Year Plan, various financial policies, and a Significance and Engagement Policy, Financial Strategy and Infrastructure Strategy.

The Council is required to consult with the community using the Consultation Document and adopt a final Ten-Year Plan by 30 June 2021.

At its meeting on 9th December 2020 the Council adopted a Draft Revenue and Financing Policy and related policies. These are included in the Draft Ten-Year Plan.

4. DISCUSSION

4.1 Process to date

The Council started its 2021-2031 Long Term Plan process in early 2020. At the outset officers identified the following eight process components and twelve content components that needed to be included in the process:

Process components:

1. Engagement
2. Communication
3. Environmental scan
4. Quality assurance
5. Audit of the LTP

6. Process management
7. Decision making processes
8. Stocktake of existing plans

Content components:

1. Forecasting assumptions
2. Strategic direction setting
3. Rationale and grouping activities
4. Activity Management Plans
5. Financial Strategy
6. Infrastructure Strategy
7. Funding and Financial Policies
8. Activity Statements
9. Performance Information
10. Forecast Financial Statements
11. Consultation Document
12. Sundry Documents.

An officer project team was established, led by the Chief Executive, with the Corporate Services Manager taking responsibility for overall project delivery. This team worked with elected members in the design of the process.

A dedicated project manager was assigned to the project and his role was to set up and monitor the numerous tasks involved with the process.

We used the SOLGM best practice guidance for the preparation of the project plan and throughout the process as we developed the content.

Elected members were engaged through a series of workshops that began with an environmental scan and a discussion on community outcomes in February 2020 and ending in a final workshop session on February 17th 2021 to consider the consolidated Draft Long Term Plan ahead of audit. Despite some disruption from the COVID-19 Level 4 lockdown the process has run very close to the planned programme.

As at the time of preparing this report a draft Consultation Document and Draft Ten Year Term Plan and other supporting documents have been completed and are being Audited by Audit NZ.

4.2 Process risks

A risk register for the planning process was maintained throughout the project. At regular team meetings risks were reviewed and actions taken as needed. A snapshot of the Risk Register is below.

Risk ID	Risk	Likelihood/ Impact	Mitigation	Post mitigation	Who	Status	Review
1	Issues with new financial model	M/H	Ensure QA early and test-run	L/H	CR & GP	Under action	By end of Sept
2	Timeframes do not allow financial forecasts by late 2020	M/H	Reissue updated timelines at increasingly regular points in coming months	L/H	MC	Under action	Every 3wks
3	Uncertainty of budget inputs	M/H	Ensure clear budget process opex & capex	L/H	CR, GP, TBL	Under action	
4	Unable to show improvements to Audit	L/M	Track against summary of previous comments Keep Audit informed throughout	L/L	TBL	Under action	Ongoing
5	Lack of strategic story to tie parts together	H/H	Consider following 2 Sept workshop	H/H	Team		3 Sept
6	Lack of connections across parts (e.g. FS & IS, AMPs & IS etc)	M/M	Sponsors meeting every 3wks to focus on connections across parts	L/L	Team		Mid Sept
7	Critical staff risk	L/H	Consider roles and ensure sufficient coverage	L/H	Team		
8	LTP does not meet legislative requirements	L/H	Regular check against requirements, use Audit checklist & SOLGM checklists	L/M	Team		Every 3wks
9	Audit late	M/M	Contact Audit to identify their timeframes so we can fit	L/M	TBL	Under action	First week of Sept
10	Reserves – need to ensure clear story told in LTP	H/H	Make early focus of Financial Strategy work	L/L	CR, GP, TBL		
11	Clearly set out percentages and thresholds for funding streams in R&F policy (2018 Audit)	M/M	Update R&F policy	L/L	TBL	Under action	End of Sept
12	Formally record significant discussions and decisions of Council (2018 Audit)	M/M	Record key outcomes of workshops Keep running file on Teams	L/L	Team	Under action	Start of Oct
13	Quality assurance and consistency reviews are in place (2018 Audit)	M/H	External peer review of MaqiQ model	L/M	CR	Under action	Mid Sept
14	Project management, clear and achievable timeframes (2018 Audit)	M/M	Role introduced Timeline updated regularly	L/L	MC	Under action	Every 3wks
15	Financial strategy addresses comment re underfunding roading depreciation (2018 Audit)	L/L	Clarify this point in Financial Strategy	L/L	TBL		Mid Sept
16	Update FC & DC	L/L	Being covered by District Plan review	L/L			
17	Review split between cash and investments – consider internal loans	L/L	Factor into financial strategy	L/L	TBL		Mid Sept

18	Improve asset data and AMPs	L/M	Clearly show in AMPs where improvement has been made	L/L	DG, TP	Under action	Mid Sept
19	Business case developed for all significant projects	L/M	Only if major projects coming through LTP	L/L			

4.3 Issues experienced

One of the risks for this type of project within a small Council is the loss of key personnel (risk 7 above). Unfortunately, this risk was realised with firstly the loss of the dedicated project manager who was reassigned fulltime to another Council project part way through the process. To offset that loss we contracted in *third bearing*, a consultancy company we have had previous experience of working with, to assist us. Shortly afterwards we lost our Corporate Services Manager when she left the Council. To fill that significant gap we extended the *third bearing* contract to cover the majority of the tasks previously lead by the Corporate Services Manager, and reassigned other tasks amongst the team. While this placed additional pressure on the team, everyone was able to step up to the challenges.

Another risk identified quite early related to the MagiQ financial model we were developing for the Ten-Year Plan (risk 1 above). To mitigate the risk, we started the model development early, trialling it with the 2020/2021 Annual Plan. We also maintained a parallel spreadsheet-based model which we developed for the current 2018-2028 Ten-Year Plan. Unfortunately, and outside our control, personnel issues meant that the MagiQ model, while significantly advanced, was not completed in time to produce the Draft Ten Year Plan documents. It will be used to produce the final Ten-Year Plan and has provided quality assurance for the financial information being used in the draft.

The draft Consultation Document and Ten Year Plan have been produced from the spreadsheets model. The financial information has been validated against the MagiQ model.

No other significant issues have arisen during the process to date.

5. TEN YEAR PLAN ASSUMPTIONS

A number of financial planning assumptions underpin the Draft Ten Year Plan. These assumptions were developed through a series of elected member workshops, with advice from the Management Team and using best practice guidance.

The assumptions will be reviewed by Audit NZ ahead of the Council adopting the draft documents. The assumptions are in **Attachment 1**.

It would be helpful for the Committee to review these assumptions, although noting that these underpin the financial statements in the Draft documents currently being audited. Any significant changes may delay the Audit process.

6. AUDIT PROCESS

For the Committee's information, in **Attachment 2** is the letter from Audit NZ outlining the audit process. It sets out the scope of the audit and areas the audit will specifically focus on. At the time of writing this report the Audit NZ team has been on site for 10 days. No significant issues have been raised.

The pressures on the team preparing the Ten Year Plan this year have been immense, and it is a credit to everyone involved that the Audit process has gone as smoothly as it has (to date).

7. PREVIOUS ISSUES IDENTIFIED BY AUDIT

Arising from audits we expect to have identified areas that either need improvement. The audit of the 2018-2028 Ten Year Plan resulted in a long list of necessary or desirable improvements. These have progressively been addressed through the last two Annual Plan processes.

There was only one outstanding matter to be addressed from the previous Long Term Plan audit. This was:

"Targets for non-financial performance measures
The District Council to consider the targets that will be included in the 2021-31 LTP. Targets should be relevant and indicate the levels of service the District Council is offering the rate payer. Targets set lower than actual results could indicate a decrease in level of service being offered."

As part of the preparation of the 2021-2031 Ten Year Plan elected members have reviewed all the non-financial performance measures. This included reviewing the measures for relevancy and the targets for reasonableness, the latter assessed against previous years' achievements. Several the measures and targets were altered through the review.

8. NEXT STEPS

Subject to any audit issues, the Council will adopt the Consultation Document and supporting information at its meeting on 17 March 2021. An engagement process will then run. Council is scheduled to adopt the final Ten-Year Plan on 23rd June 2021.

9. CONSIDERATIONS

9.1 Climate change

Climate change has been a significant a consideration in the preparation of the Ten-Year Plan.

9.2 Tāngata whenua

The Council's relationships with Maori and participation in decision-making are provided for in the Draft Ten Year Plan.

9.3 Financial impact

The Ten-Year Plan preparation is provided for in the current financial year budgets.

9.4 Community Engagement requirements

The Council will follow a special consultative procedure with the Consultation Document and supporting documents, as required under the Local Government Act.

9.5 Risks

Risks are discussed above.

10. RECOMMENDATION

That the Committee:

1. **Receives** the report.
2. **Notes** the process followed to date to prepare the 2021-0231 Ten Year Plan.
3. **Agrees** that the 2021-0231 Ten Year Plan financial planning assumptions are reasonable.

File Number: **124956**

Author: **Jane Davis, Chief Executive**

Attachments:
1. **Key Assumptions 2021-2031 Draft Ten Year Plan** ⇩
2. **Audit NZ Engagement Letter 2021-2031 Ten Year Plan** ⇩

Key Assumptions 2021-2031 Ten Year Plan

	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
1	**External factors**			
	There will be no unexpected changes to legislation or other external factors that alter the nature or levels of service provided by the Council.	There is unexpected change to legislation that alters the nature or levels of service provided by Council.	Moderate	There is a high likelihood that the Resource Management Act will be reformed at some time during the next ten years. The scope and impact on the Council at this time is unknown. The Government is also reviewing the delivery of the three waters services (drinking, waste and storm) and drinking water standards and regulations. Again, the outcomes of those pieces of work are unknown. Finally, the Government has a current workstream that is reviewing the scope of services and activities provided by Councils, within the context of the four well-beings and the water services review. Again the outcome of that work is unknown.
2	**District population trends**			
	A district population growth assumption of an average 1.2 percent per annum from the 2018 Census . In 2021 the population will be 9,987 increasing to 11,358 in 2031. . This is a total increase of 1,371 people or 12. percent over the ten years.	Population growth across the District is at a significantly different rate (much faster or much slower) than assumed. The projections are highly sensitive to migration in and out of the District, and responses to external factors such as the neighbouring housing market and international migration, all of which is difficult to forecast. The age distribution of the population is significantly different from that assumed, e. g if there were a lesser increase in the younger age groups and an even greater increase in the older age groups. (and vice versa).	Moderate	The population growth assumption is based on a fairly low population growth. If population growth is higher than predicted then demand for services and facilities would increase and could mean that they might need to be replaced or introduced earlier than planned, and expenditure will be higher than forecast. Different age distributions place different demands on the kinds of services, and their quality and location. This is unlikely to be significant and would be managed by the Council reprioritising their spending.
3.	**Number of rateable properties**			
	The growth in rateable properties continues to be positive. The number of rateable properties is assumed to reach 5,666 by 2031, which is a growth of 12.5 percent over the ten years of the Plan. • 2021: 4,955 properties • 2022: 5,025 properties • 2023: 5,119 properties	Growth does not meet this assumption.	Moderate	The growth estimate reflects recent changes in rateable properties and takes into account ongoing development in the district. Should such growth not continue as forecast then some projects responding to demand will be deferred or not go ahead, and expenditure will be lower than forecast. If growth is greater than predicted, then some projects will go ahead earlier than forecast, and expenditure will be higher than forecast.

	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
	• 2024: 5,205 properties • 2025: 5,283 properties • 2026: 5,356 properties • 2027: 5,422 properties • 2028: 5,487 properties • 2029: 5,547 properties • 2030: 5,607 properties • 2031: 5,666 properties			
4	**Climate change**			
	The intensity and frequency of weather events will increase as a result of climate change, in line with projections made by NIWA based on the Internal Panel on Climate Change (IPCC) Fifth Assessment Report. The Greater Wellington Regional Council has adopted a Climate Change Strategy[1] for mitigation and adaptation in Wellington and Wairarapa. Carterton District Council in partnership with South Wairarapa District Council has also prepared a localised climate change response strategy – Ruamāhanga Strategy. Carterton District Council is prepared to respond to climate change effects over the life of the plan but impacts of climate change on Council activities will be more significant long term.	The effect of climate change occurs more rapidly than anticipated.	Low	There is uncertainty about how quickly the effects will be felt and where. Predictions are that weather extremes will be more common and of a greater scale.[2,3] In Carterton that will include hotter temperatures, more severe drought, wind, and storm events, and changing weather patterns.. Internationally, successive IPCC reports have under-estimated the rate and severity of change. The impacts of climate change have been considered in each of the infrastructure asset management plans and in the infrastructure strategy. The Council will keep this subject under review as it will continue to be relevant for future ten year plans. Council plans to continually reassess its risk and capability to deal with significant adverse weather events.

[1] Greater Wellington Regional Council, 2015. Climate Change Strategy: A strategy to guide the Wellington Regional Council's climate change response.
[2] NIWA's scenarios report, www.niwa.co.nz/our-science/climate/information-and-resources/clivar/scenarios
[3] NIWA, 2017. Climate change and variability–Wellington Region.

	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
5	**Asset condition**			
	Asset management plans have been prepared for major infrastructural assets, and include renewal and capital programmes. These plans include assessments of asset condition, lifecycle, and demand management. The Council considers that this planning information is reasonable and supportable. There are no unstated asset disposals that will impact significantly on the plan. There are no unstated asset acquisitions that will impact significantly on the plan.	Asset management plans are materially incomplete. Assumptions about condition and lifecycle are materially incorrect.	Low	Asset management plans are updated regularly following 'best practice' as prescribed by the New Zealand Infrastructure Asset Management Manual. The asset inventories and condition ratings for roading infrastructure, which are the Council's most significant assets by a considerable margin, are stored and maintained in the RAMM database. It was audited by NZTA in 2016 and found to be adequately maintained.
6	**NZTA subsidies**			
	Subsidies from the NZTA for maintaining and development of roads will be at the approved rates as follows: 52% in 2021 and 51% in 2022 - 2031.	Changes in subsidy rate, total subsidy dollars, and variation in criteria for inclusion in subsidised works programmes. The total subsidy dollars may not increase as assumed.	Low	In 2020, the Agency reviewed its subsidy and funding policies. As a result of this review the subsidy rate has been reduced from 53% in 2020 to 51% in 2022. Any further reductions are unlikely but possible If the rate or dollar level of subsidy decreases, roading projects may be reprioritised, or scaled down, or they may be funded through a different source such as increased borrowing or rates.
7	**Resource consents**			
	The Council operates its infrastructure under a number of resource consents. It has been assumed that applications for renewal of those expiring over the next ten years will be approved: • The Council's resource consent to take water from the Kaipaitangata Stream for the urban water supply expired in 2013. An application has been lodged to renew the consent. The consent for the supplementary bores expires in 2034. • The consent for the discharge to air, land, and water in relation to the sewage treatment plant expires in 2053.	Greater Wellington Regional Council will not approve the Council's application for new or renewed consents. Alternatively, it may place more restrictions on the activity sought, or require substantial monitoring or mitigation work. Consent conditions ~~may~~ are likely to be affected by the current review of the Regional Council's Natural Resources Plan.	Low	Some increased costs for securing a resource consent for stormwater and subsequent monitoring have already been included in the Plan. The total final costs of these may be insufficient. The future consent will likely place greater restrictions on water take from the Kaipaitangata Stream during low flow/high demand periods, placing increased demand on bore water source and storage. During this Ten Year Plan, storage capacity will be increased at the main water treatment plant and at the supplementary facility. Council is also planning to locate and construct an alternative water source before the end of the ten year period. The Council has worked closely with the Greater Wellington Regional Council to concurrently seek the renewal of resource consent and plan the development work at the sewage treatment facility and its associated irrigation. This has led to a strong, respectful relationship between the two councils. As a result, there is unlikely to any significant surprises.

	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
	• Consents to take water for the water race network and to discharge back into a range of natural water courses expire in 2023. • The district-wide comprehensive consent for discharges from the stormwater system expired in 2016. In agreement with Greater Wellington Regional Council there are no expectations in the short term that this consent will be renewed until the Natural Resources Plan is finalised. Once the plan is finalised Carterton District Council will include funding in budgets to cover the costs of consent renewal			
8	**Insurance**			
	Insurance costs have varied significantly over recent years. The Council's broker has advised that the underlying adjustment by reinsurers to risk has levelled off, and increases are likely continue through the ten years of the Ten Year Plan in line with asset price level adjustments. Currently the Council has full cover for above ground assets, while infrastructural assets have limited cover provided by the Local Authority Protection Programme Disaster Fund (LAPP).	Reinsurance costs escalate beyond forecast budgets. Cover may not be available for certain assets or risks. LAPP may not be able to secure cover for the 40% balance not assured by central government. The central government has been considering removing the 40% it now covers.	Moderate	Any further significant earthquake events in New Zealand in the next ten years would impact on renewal costs. The cost of insurance may be greater than forecast leading to unbudgeted expenditure. The cost of reinstating LAPP cover would be significant, funded by additional rates. The Council will need to consider the trade-off between self-insurance or paying higher insurance premiums, funded by additional rates.
9	**Economic Shocks**			
	The economy will recover from the impacts of the Covid-19 pandemic at a mid-scenario rate (i.e. a prolonged but healthy recovery) during the life of this Long-Term Plan.	Economic recovery does not occur at the mid-scenario rate that Council has planned for.	Significant	The full implications of the impact of Covid-19 are still unclear. Advice to Local Government from Business and Economic Research Limited (BERL) in line with economic forecasts published by the Reserve Bank of New Zealand, New Zealand Treasury and BERL suggests that recovery will most likely be a mid-scenario. Which includes: • Avoiding a widespread outbreak and remains at Alert Level 1 throughout 2021

	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
				• Stringent border restrictions remain in places until the end of 2021 • From the September quarter of 2020, New Zealand economy gradually recovers. Demand from trading partners economies also recover only gradually.
10	**Natural Disasters**			
	Council is prepared to respond to any natural hazards, including floods, storms and earthquakes that occur during the life of this Long Term Plan.	A natural disaster event occurs that is beyond the Council's ability to respond.	Moderate	A major natural disaster would impact n Council by requiring immediate funding. This would reduce Council's financial capacity to be able to meet other unforeseen costs. Council could borrow additional funds but this could potentially impact on rates.

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

11 February 2021

Level 1, 100 Molesworth Street
Thorndon
PO Box 99, Wellington 6140

Greg Lang
Mayor
Carterton District Council
PO Box 9
Carterton 5743

Copy:
Director Auditor Appointments
Office of the Auditor–General
PO Box 3928
Wellington 6140

Ref: EN/LCA/03-0004 P313CartDC

Dear Greg

Audit engagement letter: audit of the consultation document and Long-term Plan for the period commencing 1 July 2021

This audit engagement letter is sent to you on behalf of the Auditor-General, who is the auditor of all "public entities", including Carterton District Council (the Council), under section 14 of the Public Audit Act 2001. The Auditor-General has appointed me, John Whittal, using the staff and resources of Audit New Zealand, under sections 32 and 33 of the Public Audit Act 2001, to carry out the audit of the Council's consultation document and Long-term Plan (LTP).

This letter outlines:

- the terms of the audit engagement and the respective responsibilities of the Council and me as the Appointed Auditor;
- the audit scope and objectives;
- the approach taken to complete the audit;
- the areas of audit emphasis;
- the audit logistics; and
- the professional fees.

1 Specific responsibilities of the Council for preparing the consultation document and the LTP

Our audit will be carried out on the basis that the Council acknowledges that it has responsibility for preparing the consultation document and LTP, by applying the Council's own assumptions, in accordance with the Local Government Act 2002 (the Act) (in particular, the requirements of Part 6 and Schedule 10) and in accordance with generally accepted accounting practice in New Zealand. We assume that elected members are familiar with those responsibilities and, where necessary, have obtained advice about them.

For clarity, we note the following statutory responsibilities as set out in the Act:

- Section 93 of the Act requires the Council to have an LTP at all times, and Part 1 of Schedule 10 governs the content of the LTP.
- Section 111 aligns the financial information with generally accepted accounting practice.
- Section 83 (with reference to section 93A) sets out the special consultative procedure that the Council is required to follow to adopt the consultation document and LTP.
- Section 93C(4) requires an auditor's report on the consultation document, and section 94 requires a separate opinion on the LTP.

Please note that the audit does not relieve the Council of any of its responsibilities.

Other general terms are set out in the relevant sections of this letter and Appendix 1.

2 Our audit scope

The Act requires us to provide two separate reports, as follows:

- On the consultation document, a report on:
  - whether the consultation document gives effect to the purpose specified in section 93B; and
  - the quality of the information and assumptions underlying the information in the consultation document.
- On the LTP, a report on:
  - whether the LTP gives effect to the purpose in section 93(6); and
  - the quality of the information and assumptions underlying the forecast information provided in the LTP.

We expect our work to assess the quality of underlying information and assumptions to be a single, continuous process during the entire LTP preparation period.

Our focus for the first limb of each opinion will be to assess whether each document meets its statutory purpose. Given the different purposes of each document, we will assess the answers to different questions for each opinion.

Our focus for the second limb of each opinion will be to obtain evidence about the quality of the information and assumptions underlying the information contained in the consultation document and LTP. How we obtain this information depends on our judgement, including our assessment of the risks of material misstatement of the information and assumptions underlying the information contained in the consultation document and LTP, whether because of fraud or error.

Our audit opinions do not:

- provide a guarantee of absolute accuracy of the information in the relevant document;
- provide a guarantee that the Council has complied with all relevant legal obligations;
- express an opinion on the merits of any policy content; or
- include an opinion on whether the forecasts will be achieved.

3 Our approach to this audit

3.1 The content of the consultation document

The Act emphasises the discretion of the Council to decide what is appropriate to include in the consultation document and the associated consultation process. In deciding what to include in the consultation document, the Council must have regard to its significance and engagement policy, and the importance of other matters to the district and its communities.

We will need to understand how the Council has approached the task of applying its significance and engagement policy, and how it has considered the importance of other matters in deciding what to include in the consultation document. This will help inform our assessment of whether the consultation document achieves its statutory purpose.

3.2 Adopting and auditing the underlying information

Before adopting the consultation document, section 93G of the Act requires the Council to prepare and adopt the information that:

- is relied on by the content of the consultation document;
- is necessary to enable the Auditor-General to issue an audit report under section 93C(4); and
- provides the basis for the preparation of the LTP.

The information to be prepared and adopted needs to be enough to enable the Council to prepare the consultation document.

We consider that local authorities will need to have thought comprehensively about how best to meet the requirements of the Act. Consistent with the guidance of the Society of Local Government Managers (SOLGM), our view is that core building blocks of an LTP will be needed to support an effective consultation document. This will include, but not be limited to, draft financial and infrastructure strategies and the information that underlies them, including asset management information, assumptions, defined levels of service, funding and financial policies, and a complete set of financial forecasts.

We will work with management to understand the information proposed to be adopted and assess whether it will enable us to issue an audit report under section 93C(4).

In addition, the time frames to consider and adopt the LTP after the consultation process will be tight. From a practical perspective, it will be important that the Council is well advanced with the preparation of the full LTP when it issues the consultation document. Otherwise, you may find it difficult to complete the work and adopt the full LTP before the statutory deadline. The same is true for the audit work. The more audit work that is able to be completed at the first stage of the process, the less pressure there will be on you and the audit team at the end of the process.

3.3 Control environment

The Council is responsible for establishing and maintaining accounting and internal control systems (appropriate to the size of the Council), supported by written policies and procedures, designed to prepare the consultation document and LTP, and to provide reasonable quality information and assumptions underlying the information contained in these documents.

Our approach to the audit will be to identify, confirm, and assess the Council's key processes and controls over the underlying information and the production of both the consultation document and the LTP. The purpose of this assessment is to enable us to plan the most effective and efficient approach to the audit work needed to provide our two audit opinions. Our assessment is not for the purpose of expressing an opinion on the effectiveness of the Council's internal controls.

We will carry out a review of the control environment to help us understand the approach taken to develop the consultation document and LTP, develop expectations of what should be included in the consultation document and LTP, and identify areas of potential audit risk. This will involve discussions with elected representatives and selected staff throughout the Council, review of publicly available information about the Council, updating our knowledge of Council issues developed during recent years, and a review of Council minutes since the last audit review.

Our review of your self-assessment response (see below) and key controls relating to the underlying information and development of the LTP is useful to our initial assessment of audit risk and so the nature and extent of our overall audit work.

3.4 Project management, reporting deadlines, and audit progress

The development of the consultation document and LTP is a significant and complex project, and a comprehensive project plan is required for a successful LTP process. It is also essential that there is commitment throughout the organisation for the project, starting with the elected representatives. The involvement of senior management and elected representatives is important in deciding what to include in the consultation document.

The LTP has complex and inter-related information needs and draws together plans, policies, decisions, and information from throughout the Council and its community. We recognise that the Council will be doing its LTP preparation over an extended period. A

more efficient and cost-effective audit can be achieved when audit work and feedback is provided in "real time" or on an "auditing as you go" basis as the underlying information is developed.

Consequently, we will discuss with you and your staff the Council's approach to preparing and completing the LTP. We expect that the Council is approaching its preparation on a project basis and recognise that our audit work should "shadow" that project timetable. The success of this "auditing as you go" approach will depend on the Council's project management of the overall LTP process, which should include time for audit work at appropriate points in the process.

3.5 Self-assessment

To assist our audit planning, we intend to use a self-assessment process to assist with our risk assessment process. The self-assessment requires you to reflect on your most significant issues and risks, governance of the LTP project, and the systems and processes you have in place (particularly to meet the purposes in the Act for the consultation document and the LTP), asset management, performance management and reporting, and financial management.

We have sent the self-assessment to you, and have received the completed assessment back.

The self-assessment is similar to those used with our audit of previous LTPs. The information provided through the self-assessment will be confirmed with you through discussion.

4 Our particular areas of audit emphasis

4.1 Impact of the economic downturn caused by Covid-19 on the Council's forecasts

The response to manage Covid-19 has created significant uncertainty for businesses, local and central government organisations, as well as communities and families. The impact to the economy is likely to be negative, and share a number of impacts on the Council, including on the Council's revenue assumptions and the level of service the Council provides in the future. In addition, the Council will need to consider the impact on their financial and infrastructure strategies, and key underlying assumptions such as population growth, and revenue from investments, and tourism forecasts.

We will review the Council's approach to considering the impact of Covid-19 and how this has been factored into the underlying policies, strategies and assumptions used to prepare the LTP.

4.2 Financial strategy and infrastructure strategy

The Act requires a local authority to prepare two key strategies as part of the LTP: the financial strategy and the infrastructure strategy.

The purpose of the financial strategy is to:

- facilitate prudent financial management by the local authority by providing a guide for the local authority to consider proposals for funding and expenditure against; and
- provide a context for consultation on the local authority's proposals for funding and expenditure by making transparent the overall effects of those proposals on the local authority's services, rates, debt, and investments.

The purpose of the infrastructure strategy is to:

- identify significant infrastructure issues for the local authority during the period covered by the strategy; and
- identify the principal options for managing those issues and the implications of those options.

The Act expects close alignment between the two strategies, and section 101B(5) allows for them to be combined into a single document.

Although the Act clearly sets the minimum requirements for these strategies, it does not define the only things that can be in a strategy. A good strategy should include what is needed to be a good quality strategic planning document. In the case of the infrastructure strategy, the principles of ISO 55000 should be considered, particularly where the Council is seeking to prepare a best practice strategy.

Note the OAG has included sector-wide strengths and weaknesses in the publication Matters arising from the 2018-28 local authority LTPs, which is available from https://oag.parliament.nz/2019/ltps.

Our focus when reviewing both strategies is to assess whether the Council has met the purpose outlined in the Act and presented the strategies in a coherent and easily readable manner. Specifically, we will:

- confirm that the two strategies are appropriately aligned;
- understand the effect of the financial forecasts included in the infrastructure strategy on the prudence of the financial strategy; and
- assess the reasonableness of the prepared forecasts by:
    - understanding how the Council has applied the effect of its assumptions (for example, allowing for changing demographics, the implications of the changing climate, the condition and performance of critical assets) and levels of service on expenditure decisions and outlined the implications of these decisions in the strategies;
    - reviewing the Council's relationship between its renewal capital expenditure and depreciation expenditure forecasts; and

- checking that the infrastructure strategy is appropriately inflated.

The Council's financial modelling is a significant component of the underlying information that supports both the financial strategy and infrastructure strategy. We will place particular emphasis on the integrity and effectiveness of the financial modelling of all local authorities.

An additional role played by these strategies is to facilitate accountability to the community. It is critical that these strategies are presented in such a way that they are engaging and informative, and support the presentation of issues, options, and implications presented in the consultation document.

4.3 Assumptions

The quality of the Council's financial forecasts is significantly affected by whether the assumptions on which they are based are defined and reasonable. The Act recognises this by requiring all local authorities to clearly outline all significant forecasting assumptions and risks underlying the financial estimates in the LTP (Schedule 10, clause 17). *Prospective Financial Statements* (PBE FRS 42) also requires the disclosure of significant assumptions.

We will review the Council's list of significant forecasting assumptions and confirm that they are materially complete. We will also test the application of selected assumptions in the financial forecasts to check they have been reasonably applied. Finally, we will confirm that:

- all significant forecasting assumptions disclose the level of uncertainty associated with the assumption; and
- for all significant forecasting assumptions that involve a high level of uncertainty, the uncertainty and an estimate of the potential effects of the uncertainty on the financial forecasts are appropriately disclosed in the LTP.

We consider that the significant forecasting assumptions are crucial to the underlying information for the consultation document and will complete our review during our audit of the consultation document.

Management have indicated that most assumptions are relatively similar to those of the previous LTP.

Climate change assumption

We will be paying more attention to the assumptions that the Council has made about climate change and the adequacy of other information and disclosures relating to climate change.

We will review the Council's climate change assumptions to determine whether they are reasonable and supportable. We will assess the quality of the supporting information the Council is using in developing its assumptions and disclosures included in the LTP, the consultation document (if relevant), and the adopted underlying information.

4.4 Quality of asset-related forecasting information

A significant portion of the Council's operations relates to the management of its infrastructure: the roading network and the "three-waters" of water supply, sewerage, and stormwater drainage.

To prepare reasonable quality asset information, the Council needs to have a comprehensive understanding of its critical assets and the cost of adequately maintaining and renewing them. An important consideration is how well the Council understands the condition of its assets and how the assets are performing.

In reviewing the reasonableness of the Council's asset-related forecasting information, we will:

- assess the Council's type asset management planning systems and processes;
- understand what changes the Council proposes to its forecast levels of service;
- understand the Council 's assessment of the reliability of the asset-related information;
- consider how accurate recently prepared budgets have been; and
- assess how matters such as affordability have been incorporated into the asset-related forecasts prepared.

Depending on what we identify in completing the above, we may have to complete further detailed testing on the Council's asset-related information.

4.5 Delivering capital expenditure programmes

The ability of councils to deliver their capital expenditure forecasts is an area we will look at closely at in the 2021-31 LTP audit. The capital expenditure forecasts produced by a local authority are an assumption of what it can achieve over time. From 2012/13 to 2018/19, councils across New Zealand spent an average of only 77% of their capital expenditure budgets.

The forecast capital expenditure programme should be subject to robust scrutiny as part of preparing the LTP. Under-delivery of capital expenditure budgets can have significant implications for the council and the community. Ratepayers pay for work that is not completed, and levels of service are likely to be below those forecast in the LTP. Under-delivery also increases the risk that the priority assigned to each project is overlooked when determining which are actually undertaken.

4.6 District Council identified projects

The District Council will decide on the key projects to consult on. It is likely that key projects will represent a significant cost for the District Council, therefore accurate and reliable budget information and assumptions are required.

We will review information to support costs and the reliability of assumptions.

5 Other matters

5.1 Our independence

It is essential that the audit team and Audit New Zealand remain both economically and attitudinally independent of the Council (including being independent of management personnel and the Council). This involves being, and appearing to be, free of any interest that might be regarded, whatever its actual effect, as being incompatible with integrity, objectivity, and independence.

5.2 Publication of the consultation document and adopted LTP on the Council's website

The Council is responsible for the electronic presentation of the consultation document and LTP on its website. This includes ensuring that there are enough security and controls over information on the website to maintain the integrity of the presented data. Please ensure that your project plan allows time for us to examine the final electronic file version of the respective documents, including our audit report, before their inclusion on the website.

We need to do this to ensure consistency with the paper-based documents that have been subject to audit.

6 Audit logistics

6.1 Audit timing

The key dates in the audit timetable are as follows:

Interim audit visit	15 February 2021
Proposed consultation document available	22 February 2021
Audit opinion on consultation document required	17 March 2021
Draft Report to the Council on consultation document engagement	17 March 2021
Finalised Report to the Council on consultation document engagement	26 March 2021
Proposed LTP for adoption available	31 May 2021
LTP audit visit	31 May 2021
Audit opinion on adopted LTP required	23 June 2021
Draft Report to the Council on LTP engagement	30 June 2021
Finalised Report to Governors on LTP engagement	7 July 2021

Should we encounter any significant problems or delays during the audit, we will inform you immediately.

We have an electronic audit management system. This means that our auditors will complete most of their work on their laptops. Therefore, we would appreciate it if the following could be made available during our audit:

- A suitable workspace for computer use (in keeping with the health and safety requirements discussed in Appendix 1).
- Electronic copies of key documents.

As noted in section 3.4, our audit work needs to be done as you develop your underlying information and prepare your consultation document and LTP, to ensure the timely completion of our audit.

To ensure that we meet agreed deadlines, it is essential that the dates agreed are adhered to.

7 Professional fees

Our audit fee, covering both the consultation document and the LTP for the period commencing 1 July 2021, is $60,400 (excluding GST and disbursements), as outlined in Appendix 2.

The proposed fee is based on the following assumptions:

- Information required to conduct the audit is complete and provided in accordance with the agreed timelines. This includes the draft consultation document and the full draft financial strategy, draft infrastructure strategy and key underlying assumptions and information that supports the draft consultation document.
- There will be an appropriate level of assistance from your staff.
- All documentation (consultation document, LTP, and all other underlying documentation) provided will be subject to appropriate levels of quality review before submission for audit.
- The consultation document and LTP will include all relevant disclosures.
- We will review, at most, two drafts of each of the consultation document and LTP during our audit.
- We will also review one printer's proof copy of the consultation document and LTP and one copy of the electronic version of the consultation document and LTP (for publication on your website).
- There are no significant changes in the structure or level of operations of the Council impacting on the audit, such as the establishment of a council control organisation (CCO) to deliver core functions or a major restructuring of groups of activities.

- The local authority is preparing forecast financial statements for the "Council parent" only, rather than including consolidated forecast financial statements for the Council and any controlled entities in the adopted LTP.

If the scope and/or amount of work changes significantly (such as a change in direction during the development of the consultation document or between the development of the consultation document and the LTP), we will discuss the issues with you at the time.

If information is not available for the visits as agreed, or the systems and controls the Council use to prepare the underlying information and assumptions cannot be relied on, we will seek to recover all additional costs incurred as a result. We will endeavour to inform you as soon as possible should such a situation arise.

This fee is exclusive of any subsequent amendments the Council might make to the adopted LTP under section 93D.

We wish to interim bill as work progresses. We propose the following billing arrangements:

	$
February	15,100
March	15,100
May	15,100
June	15,100
Total	**60,400**

8 Personnel

Our personnel involved in the management of the audit are:

John Whittal	Appointed Auditor
Nicol Stevens	Specialist Audit and Assurances Services
TBA	Audit Manager

We have endeavoured to maintain staff continuity as far as possible.

9 Agreement

Please sign and return the attached copy of this letter to indicate that:

- it is in accordance with your understanding of the arrangements for this audit of the consultation document and LTP for the period commencing 1 July 2021; and
- you accept the terms of the engagement set out in this letter that apply specifically to the audit of the consultation document and LTP and supplement the existing audit engagement letter dated 5 May 2020.

If there are any matters requiring further clarification, please do not hesitate to contact me.

Yours sincerely

John Whittal
Appointed Auditor

cc Jane Davis, Chief Executive

I acknowledge that this letter is in accordance with my understanding of the arrangements of the audit engagement. I also acknowledge the terms of the engagement that apply specifically to the audit of the consultation document and LTP, and that supplement the existing audit engagement letter dated 5 May 2020.

Signed: _____ Date: 18/2/21

Greg Lang
Mayor

Appendix 1: Terms of the engagement that apply specifically to the audit of the consultation document and LTP

Objectives

The objectives of the audit of the consultation document and LTP are:

- to provide independent opinions on the consultation document (under section 93C(4) of the Act) and on the LTP (under section 94(1) of the Act) about:
  - whether each document gives effect to the relevant statutory purpose; and
  - the quality of the information and assumptions underlying the information included in each document; and
- to report on matters relevant to the Council's planning systems that come to our attention.

Our audit involves performing procedures that examine, on a test basis, evidence supporting assumptions, amounts, and other disclosures in the consultation document and LTP, and evaluating the overall adequacy of the presentation of information.

We also review other information associated with the consultation document and LTP to identify whether there are material inconsistencies with the audited consultation document and LTP.

Provision of a Report to the Council

At a minimum, we will report to the Council at the conclusion of the engagement. The Report to the Council communicates matters that come to our attention during the engagement and that we think are relevant to the Council. For example, we will report:

- any weaknesses in the Council's systems; and
- uncorrected misstatements noted during the audit.

Please note that the Auditor-General may refer to matters that are identified in the audit of consultation documents and LTPs in a report to Parliament if it is in the public interest, in keeping with section 20 of the Public Audit Act 2001.

Materiality

Consistent with the annual audit, the audit engagement for the consultation document and LTP adheres to the principles and concepts of materiality during the 10-year period of the LTP and beyond (where relevant).

Materiality is one of the main factors affecting our judgement on the areas to be tested and the nature and extent of our tests and procedures performed during the audit. In planning and

performing the audit, we aim to obtain assurance that the consultation document and LTP, and the information and assumptions underlying the information contained in these documents, do not have material misstatements caused by either fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence a reader's overall understanding of the consultation document and LTP.

Consequently, if we find material misstatements that are not corrected, we will refer to them in the audit opinion. Our preference is for any material misstatement to be corrected, avoiding the need to refer to misstatements in our opinion.

The standards applied when conducting the audit of the consultation document and adopted LTP

Our audit is carried out in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information that were consistent with those requirements.

Responsibilities

General responsibilities

The general responsibilities of the Council for preparing and completing the consultation document and LTP are consistent with those for the annual report, as set out in the audit engagement letter dated 4 May 2020 – but noting that the consultation document and LTP include forecast information.

These responsibilities include those set out in Appendix 1 of that audit engagement letter as detailed below:

Appendix 1: Respective specific responsibilities of the Council and the Appointed Auditor:

- responsibilities for compliance with laws and regulations; and
- responsibilities to establish and maintain appropriate standards of conduct and personal integrity.

Specific responsibilities

The Council is responsible for:

- maintaining accounting and other records that:
    - correctly record and explain the forecast transactions of the Council;

- enable the Council to monitor the resources, activities, and entities under its control;
- enable the Council's forecast financial position to be determined with reasonable accuracy at any time; and
- enable the Council to prepare forecast financial statements and performance information that comply with legislation; and

- providing us with:
  - access to all information and assumptions relevant to preparing the consultation document and LTP, such as records, documentation, and other matters;
  - additional information that we may request from the Council for the purpose of the audit;
  - unrestricted access to Council members and employees that we consider necessary; and
  - written confirmation of representations made to us in connection with the audit.

Health and safety of audit staff

The Auditor-General and Audit New Zealand take seriously their responsibility to provide a safe working environment for audit staff. Under the Health and Safety at Work Act 2015, we need to make arrangements with you to keep our audit staff safe while they are working at your premises.

We expect you to provide a safe work environment for our audit staff. This includes providing adequate lighting and ventilation, suitable desks and chairs, and safety equipment, where required. We also expect you to provide them with all information or training necessary to protect them from any risks they may be exposed to at your premises. This includes advising them of emergency evacuation procedures and how to report any health and safety issues.

Appendix 2: Team mix and hours for the audit of the consultation document and LTP for the 10-year period commencing on 1 July 2021

	Total hours
Appointed Auditor	62
Sector Specialists	1
Audit Manager	80
Other CA staff	150
Staff not yet CA qualified	180
Other Expert or Specialist Assistance: • SAAS	8
Total	481

Fee calculations

	$
Net fee	60,400
OAG overhead contribution*	**NIL**
Total fee (including overhead contribution)	60,400
GST	6,060
Audit fee for the LTP for the period commencing 1 July 2021	69,460

* No OAG overhead is charged in relation to the audit of the LTP.

We will charge disbursements, including travel, on an actual and reasonable basis.

6.5 THREE WATER REFORM UPDATE

1. PURPOSE

For the committee to be updated on the three waters reform programme.

2. SIGNIFICANCE

The matters for decision in this report are not considered to be of significance under the Significance and Engagement Policy.

3. BACKGROUND

According to the Minister of Local Government, the Hon. Nanaia Mahuta, New Zealand's three waters system is facing a number of significant challenges, and will continue to do so without major, transformational reform. Latest estimates indicate that the size of the infrastructure deficit facing local government water service providers is in the order of $30 billion to $50 billion, against an annual spend of around $1.5 billion. Eliminating this deficit could take 30 years and will be beyond the funding and operational capacity of most councils and communities operating under current arrangements.

The Hon. Nanaia Mahuta is leading the reform of the three waters service delivery arrangements, to create a small number of large-scale water entities, with sufficient balance sheet capacity to raise debt to fund these investment requirements. This would deliver the necessary infrastructure upgrades at a lower, more efficient cost to households than under current delivery and funding arrangement.

To maintain momentum with the reforms, Government have decided that it is imperative to continue to work to an ambitious timeframe. With substantive policy decisions made in April/May 2021 and legislation introduced to create the new service delivery system in late 2021 and enacted by mid-2022 (prior to the local government elections).

Further is the entity establishment, transitional arrangements for the movement of assets and control to the entity to occur in 2022 well in advance of the central Government elections in 2023.

4. KEY ASPECTS OF THE CABINET DECISIONS DECEMBER 2020

In December 2020 cabinet made some further decisions regarding progression of the three waters reform programme and proactively released the cabinet paper to Councils. The paper made some key decisions regarding the reform programme wish are raised below.

In mid-2020 the three waters reform process accentuated an 'opt-in' reform programme. In December this option had altered to an 'opt-out' approach. Cabinet noted that continuing with a voluntary approach had benefits, risks and challenges while also signalling that future consideration may be given to an alternative approach in which council participation in the reforms and asset transfer is mandated by legislation. Cabinet stated that, at this stage, they wished to continue with the voluntary approach.

To support Councils Central Government will provide detailed proposals and a package of supporting information ahead of the decision-making window, including details on entity design proposals, such as ownership, governance, control, and accountability arrangements. Further to be provided, are the financial and other implications of participating in the proposed new service delivery system, including any applicable incentives. At that time the entity boundaries would be formalised and details as to which water services entity each council would be part of would also be promoted.

Key to achieving the Government's objectives for water services reform is unlocking the potential for significant economic efficiencies. Realisation of these efficiencies is necessary to ensure the investment required to 'catch up' on the historic infrastructure deficit that is affordable for current and future generations of New Zealanders. Aggregation of water service delivery into a small number of large, multi-regional entities, together with clear policy objectives and an appropriate economic regulatory regime, is a key means by which these efficiencies can be achieved.

Cabinet agreed to a centrally-led process for identifying the number of entities and their boundaries, in which a shortlist of options is to be identified, based on analysis of key factors such as achieving scale benefits, equity of pricing and equity of access to services, communities of interest, and relationship with other boundaries, including catchments.

The entities are to be independently overseen by competency-based governance with balance sheet separation from councils to provide entities with the financial capacity to meet the infrastructure deficit and future investment needs.

Entity options will be presented to local government and iwi/Maori in March 2021.

5. WORKSHOPS

The Department of Internal Affairs, in partnership with the Joint Steering Committee, have organised workshops for the Three Waters Reform Programme to explain current thinking on critical elements of the reforms and test a range of potential options for the proposed new water-service delivery arrangements with the local government sector, and iwi/Māori, and to receive feedback on these options.

The workshops are organised throughout the country throughout the month of March 2021.

6. ENTITIY MODELLLING

Stage One analysis of the scale of investment required to meet drinking water quality and environmental standards, and the implications for average household bills under various aggregation scenarios has been completed by the Water Industry Commission for Scotland (WICS).

WICS conservatively estimates a minimum of $27 billion of additional investment (over and above that required to maintain and replace existing assets) will be required over the next 30 years to upgrade existing three waters assets to meet environmental and drinking water standards. Its upper estimate is around $46 billion.

These estimates make no allowance for investment required to meet population growth or to address seismic resilience. This almost certainly means the $27 billion estimate is too low.

WICS estimated the impact on average household bills in 2030 and 2050 (expressed in current prices) associated with the additional investment required to upgrade infrastructure to meet the water quality and environmental standards. Three scenarios were applied to test the sensitivity of results, including an extreme sensitivity scenario that assumed half the enhancement investment in the other scenarios.

For rural councils, average household bills in 2019 ranged from a minimum of $460 per annum to $1,610 per annum across the 67 councils, with a median of $1,060. To meet the enhancement investment required, these prices would need to increase by between 1.8 and 3.3 times in real terms depending on the amount of investment required. For some councils, prices in 2050 could be as high as $5,000 in today's dollars, which would likely be unaffordable for many households.

The situation is not much better for larger provincial and metropolitan councils. Average household bills (in 2019) for provincial councils ranged from $380 to 2,410, with a median of $820. By 2050, these bills would need to increase by between 1.5 and 2.5 times to meet the required investment. Similarly, average household bills across metropolitan councils would need to increase by between 1.4 and 1.8 times. In some metropolitan councils, bills could reach between $3,000 and $4,000 per annum in today's dollars.

Without service delivery reform, and the associated efficiency gains, the real cost increases to households of meeting the required investment would be significant and likely unaffordable for many smaller communities and low-income customers. WICS considers its modelling is likely to understate the full impact on household bills associated with the increase in investment. Local authorities are unlikely to be able to access and manage borrowing required to deliver this investment at current costs. Further, WICS made no allowance for increased operating costs (e.g., asset management and procurement costs) associated with managing a much larger programme of investment.

The WICS modelling indicates that ratepayers in each council area, including Auckland, could potentially be better off by 2050 as a result of aggregation, provided the new entities are able to realise the potential for efficiency savings.

Having more than one entity in the South Island appears likely to lead to higher costs for all South Island customers relative to scenarios that involve only one entity. Further, whoever has Auckland within their amalgamated territory is likely to be significantly advantaged.

Scenarios involving eight or 13 entities appear likely to result in customers facing higher bills and larger differentials in charges than scenarios that establish a fewer number of larger entities and under a two-entity scenario, customers would experience much smaller rises in average costs per household, and variation in average household bills between entities would also be smaller.

7. DEPARTMENT OF INTERNAL AFFAIRS REQUEST FOR INFORMATION

As part of the Memorandum of Understanding that local authorities signed in August 2020, councils committed to providing information on the state of their system for delivering three waters services.

A comprehensive Request for Information (RFI) was issued on 23 October 2020 to collect consistent data about the current state of the three waters asset base and condition of the assets, the operating environment for three waters service delivery, commercial and financial arrangements, and forecast investment plans.

The RFI data was to enable WICS to undertake detailed commercial, financial and economic analysis of potential reform options, including providing the data set for stage two of the WICS analysis. It will also help to identify the potential impacts of reform on the local government sector, relative to the status quo. This analysis will help to fill gaps in the existing evidence base regarding the size of the infrastructure deficit and the scale of investment required. It will also illustrate how the package of reforms proposed can help to meet this investment challenge in an efficient and affordable way.

The RFI represents a significant demand on resources within each local authority and a support programme with an email helpdesk, written guidance and video tutorials, account management team, and weekly webinars and drop-in clinics to answer questions was provided.

The RFI comprised 40 varying aspects of the Councils three waters, predominantly financial, operations as listed below.

- Commercial Arrangements
- Land Assets, Water, Wastewater and Stormwater Assets & Liabilities
- Water Volumes
- Properties & Population – Water
- Properties & Population – Wastewater
- Properties & Population – Stormwater
- Wastewater Volumes & Loading
- Water Availability
- Levels of service

- Water Quality Outputs – Compliance
- Water Quality Outputs – Asset Performance
- Activity Based Costing – Water Service
- Activity Based Costing – Wastewater Service
- Activity Based Costing – Stormwater Service
- Operating Characteristics
- Revenue and Expenditure
- Balance Sheet
- Working capital by asset type
- Analysis of Borrowing (Three Waters)
- Analysis of Borrowing by Interest Rate and Date of Maturity
- Analysis of Receivables and Payables
- Cash Flow Parameters
- Cash Flow Statement
- Cash Flow Statement – Water
- Cash Flow Statement – Wastewater
- Cash Flow Statement – Stormwater
- Reconciliation of Operating Surplus (Deficit) to Net Cash Flow from Operating Activities
- Reconciliation of Operating Surplus (Deficit) to Net Cash Flow from Operating Activities – Water
- Reconciliation of Operating Surplus (Deficit) to Net Cash Flow from Operating Activities – Wastewater
- Reconciliation of Operating Surplus (Deficit) to Net Cash Flow from Operating Activities – Stormwater
- Analysis of Fixed Assets by Asset Type (for Report Year)
- Analysis of Revenue
- Summary – Water, Wastewater and Stormwater Services
- Summary – Asset Replacement

Council have had follow up clarifying questions post submission of the RFI data and internal resourcing pressure had delayed the response to those questions.

8. TIMELINE

Informed by the latest data and information, the Government is expected to release its draft proposals in Mid-2021. Following this there will be further engagement with the sector. This is likely to include guidance on community consultation, and detailed information for councils and communities on which to

base decisions on whether to remain within the reform programme or to opt-out. These decisions will need to be made towards the latter part of the year.

Detailed policy, design work and communications initiatives are yet to be completed in line with the current timeline (**Attachment 1**).

9. CONSIDERATIONS

9.1 Climate change

There are no matters in the report that relate to climate change mitigation or adaption issues.

9.2 Tāngata whenua

The Three Waters Review includes engagement with Iwi/Maori however, there are no matters arising from this report specific to t58āngata whenua.

9.3 Financial impact

There are no operational and capital expenditure requirements or other budget or cost implications resulting from this report.

9.4 Community Engagement requirements

There are no matters arising from this report requiring community engagement.

9.5 Risks

No further risks have been identified rising from this report.

10. RECOMMENDATION

That the Committee:

1. **Receives** the report.

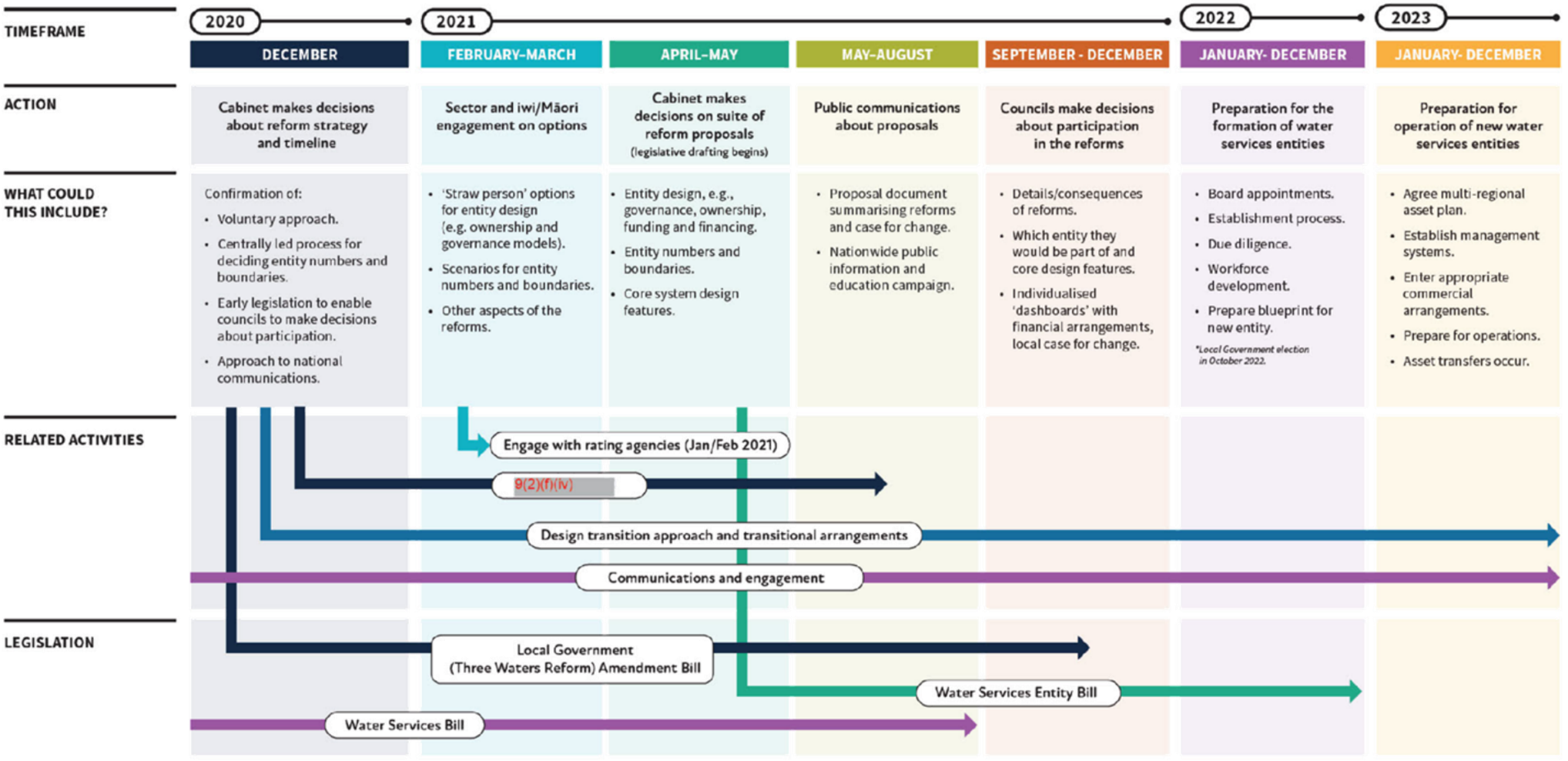
File Number: **124957**

Author: **Dave Gittings, Infrastructure, Planning and Regulatory Manager**

Attachments: **1. Revised Timeline & Milestones for 2021** ⇩

Three waters services delivery reform programme

Proposed reform strategy and timeline



IN CONFIDENCE – NOT GOVERNMENT POLICY

6.6 HEALTH, SAFETY AND WELLBEING REPORT

1. PURPOSE

For the committee to receive an update on recent health, safety and wellbeing (HS&W) activities.

2. SIGNIFICANCE

The matters for decision in this report are not considered to be of significance under the Significance and Engagement Policy.

3. NEW SINCE THE LAST REPORT

The main focus since the last report has been increasing the reporting of incidents and near miss incidents, the recruitment of new staff, and the development of our Wellbeing Strategy. We also continue to monitor emerging and ongoing issues.

Incident Reporting

We continue to encourage our staff to report all incidents, and in particular, near miss incidents. A focus of the coming months is to increase reporting through a number of approaches:

- the development of a monthly Managers and Team Leaders Forum to engage our people leaders and encourage ownership and leadership of staff HS&W;
- the reinvigoration of the 'Sh!t That Was Close' Campaign that successfully engaged staff and increased the number of reports in 2019;
- increasing the visibility and profile of the H&S Committee

New Staff

We continue a focus on the recruitment and induction of new staff with 4 staff members joining council since 9 November 2020. Robust processes are being implemented to ensure new staff are appropriately welcomed, inducted, and feel and act safely in their new roles.

Emerging Risks

With summer temperatures reaching a peak at the end of January, working in heat, both indoors in buildings without air conditioning, and outdoors in the

maximum working temperatures, we have encouraged managers and team leaders to monitor and consult with staff. Alternative duties should be considered if conditions are deemed unsafe, for example, undertaking work that can be completed out of the sun, reorganising tasks for the day, commencing work earlier in the day.

Ongoing Issues

COVID-19

With the return to work after the holiday period, we reminded staff of the need to remain vigilant in the monitoring and prevention of COVID-19. This included encouraging hand washing and sanitising, regular desk cleans, using public counter screens, maintaining physical distancing where required, and encouraging staff to work from home or take sick leave if they are unwell.

Following the move to Alert Level 2 on 15th Feb, our COVID-19 response team re-assembled and initiated our Level 2 protocols as detailed in **Attachment 1**. Communications from the Chief Executive reassured and guided our teams in re-implementing these protocols. We continue to receive advice and support from the Local Government Response Unit.

4. RESOURCING

Our People and Wellbeing Team is now fully staffed with the recruitment of Jody Dalziel as the Health, Safety & Wellbeing Advisor.

5. HEALTH AND SAFETY STATISTICS

Incidents

From 9 November 2020 to 22 February 2021:

- 2 near miss's have been reported
- 4 non-injury accidents/incidents have been reported
- 3 accidents resulting in minor injury have been reported

We are satisfied that the H&S Committee, and the responsible managers and team leaders, are taking appropriate actions in each case. None of the accidents have highlighted major systemic failings.

Staffing

For the period 9 November 2020 to 22 February 2021:

- 4 staff members have left the organisation
- 4 permanent staff have joined the organisation
- 3 positions are currently open for recruitment.

6. ENGAGING WITH OUR PEOPLE

Training

With a number of new staff joining council, we will again seek to partner with Masterton District Council and South Wairarapa District Council to provide further training with Duncan Holland of Total Risk to ensure all staff receive Personal safety, Conflict Resolution, Cash Handling and Robbery Preparedness training.

In March, frontline and library staff will undergo customer service training to enhance their knowledge, understanding, and services for disabled and older persons. This will ensure our staff can identify and respond to any particular needs including providing safe accessibility to council facilities and services.

Health and Safety Committee

The Committee remain well engaged and committed to leading HS&W across the Council. While one member has recently left due to her resignation, we are seeking two new members to increase representation across all teams.

The H&S Committee have resumed monthly meetings and continue to report on issues or matters needing resolution, considering incidents, near misses and hazards. They are also reviewing the H&S Strategy and Hazard Register and developing the Wellbeing Strategy and Action Plan.

7. WORKING WITH OUR CONTRACTORS

We continue to work with our contractors to ensure that we have all the necessary H&S information to satisfy ourselves that they understand their obligations, they know what they are doing, and have competent employees doing it. We are also ensuring contractors' COVID 19 safety plans and protocols are aligned with council protocols and MOH guidelines.

8. FIVE BIGGEST HEALTH AND SAFETY RISKS

The five biggest Health and Safety risks are listed with details about how they will be reduced, and when reduction measures will take place. Currently the five biggest risks are:

1. Contractors
2. Working alone and remotely
3. Behaviour
4. Under reporting
5. Chemicals

Reduction in the use of chemicals, and an ongoing process to review what we are using and making alternative practices such as the steam machine, means that we are now able to close reporting on Chemicals. We will work with the H&S Committee to identify and report on the next biggest risk for the next Audit & Risk Committee meeting.

Health and Safety Risks

Risk	Description of Risk	Controls and reduction measures	Actions
Contractors	Council hires contractors because it doesn't always have the expertise or capacity to undertake the activities. Contractors pose a risk principally because we have little control over their staff and their work standards while they are on the job. It is not possible for us to supervise them at a micro level. We are reliant on them to employ staff who are trained and competent to undertake the work assigned while at all times observing safe practices and their obligations under the Health and Safety at Work Act.	All contractors used by the council will have satisfied us that they have robust health and safety systems in place and that they understand their health and safety obligations to us and their staff. Discussions will be held with contractors before they commence any tasks and staff are expected to have had and recorded health and safety conversations.	Contractors have been asked to provide details of their health and safety systems. Information provided is being checked and accredited by council. Approved providers will be required to sign a contractor agreement. **ONGOING** Briefing and induction processes including hazards and present controls are developed and are provided to appropriate council staff. **COMPLETE** Site safety Checklists have been developed and are provided to appropriate council staff. Checklists modified to include what meets expectations and doesn't meet expectations. **COMPLETE** The sessions we were developing for our contractors with South Wairarapa District Council are on hold until our staff have attended contractor management training and we have reviewed how we engage with contractors. Staff have attended the contractor management training and we are

			working with them on improvements to our system. We are currently trialling a simple app on phones which will help in recording health and safety interactions, conversations and monitoring of contactors. **ONGOING** Contractor COVID 19 safety plans and protocols are reviewed to ensure alignment with council protocols and MOH guidelines. **ONGOING**

Risk	Description of Risk	Controls and reduction measures	Actions
Working Alone and Remotely	Being such a small organisation, it is often impossible for staff to work in teams or even in pairs. Often staff are required to work alone and remotely where in some cases poor cell phone coverage is an additional factor.	All staff who work remotely or alone will be provided with in car radio transmitters and/or cell phones. They will be required to sign out before they leave, including their intended location and expected time of return. This will be monitored, and action taken in line with an emergency response plan if help is summoned or they fail to return by the expected time. They will be required to sign in when they return. They will be provided with a device to summon assistance which does not require cell phone coverage.	All staff who work remotely or alone have a car radio transmitter and/or cell phones. **COMPLETE** Sign out/in system in place but usage needs addressing. **ONGOING** Monitoring of sign out/in system to be assigned. **ONGOING** Remote contact devices have been distributed to teams who have people who work alone or remotely. We will continue to work with the teams on monitoring team members when they are out and about and using the information from the Garmin device. **ONGOING** Guardian Angel offer lone worker protection services to Councils including monitoring and the ability to regularly test our Garmin device SOS function and response. After due consideration we have decided not to use their services because much of this we can do in house. **COMPLETE**

Risk	Description of Risk	Controls and reduction measures	Actions
Under Reporting	While accident reporting has significantly increased in the last year or so there are still issues with reporting of near misses. We suspect that it is a combination of staff thinking "nothing happened so why report it" and an issue with having to write out information where writing is not their preferred method of communication.	We need to take actions to remind staff of the importance of notifying us of any near miss so that we are able to both consider patterns and to take pre-emptive action to put in place safety measures where necessary. Wherever possible we need to make it easier for staff to report near misses.	We have provided all Operations staff with a pocket-sized notebook to instantly record near misses. **COMPLETE** The "Sh!t That Was Close" initiative is a descriptor of a near miss that is relevant to our staff who are the most likely to observe such things. We have a designated email address stwc@cdc.govt.nz and text number set up to make it easy for staff to communicate health and safety matters. We are currently re-invigorating this campaign to increase the reporting of accidents, incidents and near misses. **ONGOING** Managers and Team Leaders are backing the reporting message at team meetings through a formal agenda item, talking about near misses and reminding staff to report those that they see. **ONGOING** We are working with the Health and Safety Committee on how we can promote STWC and reporting. **ONGOING**

Risk	Description of Risk	Controls and reduction measures	Actions
Chemicals	Exposure to chemicals in the workplace can cause acute or long-term detrimental health effects. There are many types of hazardous chemicals, including neurotoxins, immune agents, dermatologic agents, carcinogens, etc. These hazards can cause physical and/or health risks.	Depending on chemical, the hazards involved may be varied, thus it is important to know about the individual chemicals that we use, how and where we store them, how much we need to hold on site, how and where we use them, for what purpose we use them and what PPE is required.	We currently have an inventory of all the chemicals that we use including Herbicides, Fungicides, Pesticides, Additives, Cleansers, Detergents, Lubricants and Water Treatment Chemicals for both potable water and swimming pool water. We are satisfied that we are following the correct recording procedure in terms of current legislation. **ONGOING.** We have looked at all the chemicals that we store and determine whether we need each chemical and if so, the quantity that we need to have available. **ONGOING.** We are actively considering what more environmentally friendly alternatives there are to the chemicals that we currently use and are determined to find such alternatives wherever possible. This is an important but longer-term project. Our Parks and Reserves Manager is in contact with other councils and suppliers, looking at less toxic products. We have been able to significantly reduce the use of Glyphosate by using an alternative. **ONGOING.**

			Our Parks and Reserves team have taken delivery of the new hot steam machine and are switching to that method of weed control. They continue to replace chemicals with less toxic plant-based alternatives and we will work with them to look at what other chemicals we can phase out. **ONGOING** The steam cleaner is proving an effective method to manage weed control. We are reducing our use of chemicals and the risk they present to our staff and the public. It is also assisting us in meeting the needs of community members who do not want spray of chemicals outside of their properties. **Reduction in the use of chemicals and an ongoing process to review what we are using and making alternative practices such as the steam machine means that we are closing reporting on Chemicals.**

Risk	Description of Risk	Controls and reduction measures	Actions
Behaviour	An unintended consequence of changes in our environment has seen Carterton district council having to manage situations where people's behaviours pose a risk of somebody threatening or assaulting them, possibly with a weapon. With potential of a fatality. Introduction of a range of services and experiences such as Wi-Fi, together with external environmental factors such as transition of mental health patients into the community, troublesome youth, drug and alcohol abuse have potential to result in an increase in problematic individuals frequenting CDC premises and dealing with CDC staff in the community. Cash held on premises also presents potential for robbery.	It is important all our staff know how to keep themselves and others safe when dealing with each other and members of the public. Skilled staff are able to deal with interactions with difficult customers, before they escalate to situational violence. We need to provide all staff with training to give them the skills to deal with situations before they escalate to harm. We need to ensure there are appropriate security measures in place to protect staff from persons entering premises with the intent of causing harm. This includes equipping people working in our community with cameras and communication devices. We need to continue migration of customers to payment mechanisms that do not rely on cash. Concern for underreporting of near misses involving people's behaviour, is being addressed separately. The risk of threats or violence to staff	Staff continue to encourage payment of accounts online or by direct debit. We are seeing a good uptake with 50% of ratepayers now paying rates by direct debit. **ONGOING** Restrict public access to secure staff only areas. Ensure staff escorts visitors to non-public areas in all three council sites. **ONGOING** Undertake regular engagement with Police, community patrol groups and community groups supporting youth and mental health to ensure an awareness of what is happening in the community with potential to impact Council staff and others. **ONGOING** After a recent behavioural incident, we have reviewed physical security in council office, staff ability, guidelines and tools to assist staff in managing difficult behaviour. Our front-line staff area happy with the results. **COMPLETE** All our staff have attended a seminar by Total Risk Limited covering

		working alone or in remote areas is also being addressed separately.	Personal safety, Conflict Resolution, Cash Handling and Robbery Preparedness. We are working to incorporate the messaging and tips into our guidelines and tools. We have now rolled out guidelines and tools to assist staff when dealing with difficult people. **COMPLETE** We have partnered with MDC and SWDC to run additional sessions by Duncan Holland of Total Risk to ensure all staff have received this training. With the number of new staff, we will run another session mid-2021. **ONGOING** We have seen continued uptake of payment of accounts online or by direct debit with over 50% of ratepayers now paying rates by direct debit, with others paying through online banking and automatic payment. We are currently setting up an online payment portal and we will continue to encourage people to pay online. **ONGOING** We are fostering a healthy and safe team culture through gender balance, more robust onboarding process and the implementation of the COC Wellbeing Strategy. We are

			promoting a culture where staff feel safe raising any concerns and know their concerns will be addressed appropriately. **ONGOING**

9. CONSIDERATIONS

9.1 Climate change

None of the issues reported in this paper are considered to have climate change implications.

9.2 Tāngata whenua

No impact.

9.3 Financial impact

All work undertaken is within planned budgets.

9.4 Community Engagement requirements

No community engagement is required.

9.5 Risks

There are no identifiable risks associated with the decisions required in this report.

10. RECOMMENDATION

That the Committee:

1. **Receives** the report.
2. **Notes** the health, safety and wellbeing activities described in this report.

File Number: **125042**

Author: **Geri Brooking, People and Wellbeing Manager**

Attachments: **1. COVID-19 Level Protocols for Local Government ⇩**

This guidance has been developed with the local government sector based on the decisions for COVID-19 Alert Levels from the Government. It is intended to support consistency across New Zealand in the delivery of council services.
This is a living document and may be updated to reflect future decisions and guidance from other sectors.

GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT

Function	ALERT LEVEL 4 Eliminate	ALERT LEVEL 3 Restrict	ALERT LEVEL 2 Reduce
Alert Level overview	Strong restrictions to limit all people movement and contact to contain community transmission and outbreaks. Stay at home, other than for essential personal movement and doing essential work. Stay in immediate household bubble. People should keep 2 metres apart at all times outside home, including at workplaces. This requirement does not apply to emergency and frontline public services (e.g. healthcare). **People must wear masks when using public transport and on all flights.**	Further restrictions on activities, including at workplaces and socially, to address a high risk of transmission within New Zealand. Stay at home, other than for essential personal movement, and going to work/school. Stay in extended bubble, which can now include close family or caregivers. People should keep 2 metres apart outside home where possible (apart from with people within their extended bubble). This requirement does not apply to emergency and frontline public services (e.g. healthcare). In a controlled environment such as a workplace, 1 metre distancing is required For more information on operating safely in workplaces, further guidance is available at: https://www.business.govt.nz/covid-19 **People must wear masks when using public transport and on all flights.**	Physical distancing and restrictions on leisure and social activities to address sporadic cases or a cluster in New Zealand. Businesses open, but physical distancing requirements apply. You can travel, but do so in a safe way. People should keep their distance from people they don't know (ideally two metres) when out and about, with one metre physical distancing in other environments unless other mitigating measures are in place. **People must wear masks when using public transport and on all flights.**
Gatherings	*All gatherings cancelled (essential work and going to supermarket are not considered gatherings).*	*Gatherings of up to 10 people at a time only for wedding services, funerals and tangihanga. Wedding receptions and other celebrations are not allowed. Consumption of food/drink not permitted. Workplaces, education facilities, public transport and supermarkets are not considered gatherings.*	*Please see https://covid19.govt.nz/alert-system/alert-level-2/ for current conditions on gatherings.* *Additional conditions on gatherings:*

Guidance as at 14 September 2020

GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
		Additional conditions on gatherings: • *Physical distancing and infection prevention and control requirements must be met.* • *All gatherings must record attendees to ensure contact tracing can be conducted if necessary.* • *No participants allowed who have COVID-19 symptoms or who need to be in isolation/quarantine for any reason.*	• *Physical distancing and infection prevention and control requirements must be met.* • *All gatherings must record attendees to ensure contact tracing may be conducted if necessary.* • *Hospitality guidelines to be strictly adhered to* • *All venues can open for the purposes of dining.* • *Venues have a capacity limit of 100 where people are there for the same event such as cinemas, restaurants/cafes and sports venues.* *No participants allowed who have COVID-19 symptoms or who need to be in isolation/quarantine for any reason.*
Public venues	*Public venues closed (e.g. libraries, museums, cinemas, food courts, gyms, pools, amusement parks).*	*All public venues closed (e.g. museums, cinemas, food courts, gyms, pools, amusement parks, playgrounds, farmers' markets).* *Public open spaces (e.g. parks) may be used, but people need to maintain physical distancing outside their bubbles.*	*Public venues such as libraries and pools can open if they comply with public health measures and ensure 1 metre physical distancing and contact tracing.* *Venues have a capacity limit of 100 where people are there for the same event such as cinemas, restaurants/cafes and sports venues.* *Gatherings rules do not apply to public venues, such as, museums, cinemas, food courts, gyms, pools, amusement parks, playgrounds, farmers' markets, as long as there are no large groups and people are not intermingling.* *See worksafe guidance on public venues here https://worksafe.govt.nz/managing-health-and-*

Guidance as at 14 September 2020

GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			safety/novel-coronavirus-covid/public-venues-during-alert-level-2/
Workplaces	*People required to work from home unless that is not possible.* *Workplaces can only open if:* • *Workers cannot work from home, and* • *They are operating safely, and* • *They are essential services.* *"Operating safely" means:* • *Complying with Alert Level 4 settings in this table, and* • *Meeting appropriate public health requirements for their workplace (e.g. putting up physical barriers), and* • *Fulfilling all other health and safety obligations.* *This means if a business providing an essential service cannot operate safely, workers must not go to work, and premises should remain closed.* *Only supermarkets, dairies and petrol/service stations can open their retail premises to the public.* *Essential services must also comply with any specific restrictions on how they operate.* ***All businesses must display a government issued QR code for use with the NZ COVID Tracer App***	*People required to work from home unless that is not possible.* *Workplaces can only open if:* • *Workers cannot work from home, and* • *Workplaces are operating safely, and* • *Customers are not allowed on premises, and* • *Businesses can trade without physical contact with customers (e.g. through phone/online orders, delivery, pick-up and drive-through).* *Businesses cannot offer services that involve close personal contact, unless it is an essential service, emergency or critical situation.* *Supermarkets, dairies and petrol stations can have customers on premises.* *If businesses cannot operate safely, workers must not go to work, and premises should remain closed.* *"Operating safely" means:* • *Complying with Alert Level 3 settings in this table, and* • *Meeting appropriate public health requirements for their workplace, including for workers (e.g. putting up physical barriers), and* *Fulfilling all other health and safety obligations.* ***All businesses must display a government issued QR code for use with the NZ COVID Tracer App***	*Businesses must operate safely. This means:* • *Complying with Alert Level 2 settings in this table, and* • *Meeting appropriate public health requirements for their workplace (e.g. having contact tracing systems), and* • *Fulfilling all other health and safety obligations.* *All businesses are encouraged to use alternative ways of working if possible. Business premises can open for staff and customers. Services can also be provided on customers' premises (e.g. in homes).* *If a workplace cannot meet these measures it cannot open its physical premises.* ***All businesses must display a government issued QR code for use with the NZ COVID Tracer App*** *to enable contact tracing.*
Mask use	***Masks/facial coverings are most useful when Covid-19 is present in***	***During Alert level 3, masks are required when using public transport and on all flights . The use of masks***	***During Alert level 2, masks are required when using public transport and on all flights. The use***

Guidance as at 14 September 2020

GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
	the community and people are in close contact with each other. A mask helps stop droplets spreading when someone speaks, laughs, coughs or sneezes. This includes someone who has COVID-19 but feels well or has no obvious symptoms. ***Face coverings can be homemade. There are online tutorials on how to make face coverings or a bandana or scarf can be used.*** ***During Alert level 4, masks are required for any person using public transport and on all flights.*** ***The use of masks is recommended for other situations when outside your home. For example, when getting groceries, undertaking essential work, or exercising.***	***is recommended for other situations when outside your home. For example, when getting groceries, undertaking essential work, or exercising.***	***of masks is recommended for other situations where physical distancing is not possible.***
Health and safety obligations	• At all Alert Levels, councils are reminded of their duties toward employees and contractors as PCBUs under the Health and Safety at Work Act 2015, and their broader duty of care to the public. Health and safety plans which take all reasonably practicable steps to reduce or eliminate COVID-19 transmission risks are essential in order to protect officers and the members of the public with whom they interact. *For most up to date guidance please refer to https://worksafe.govt.nz/ and https://www.business.govt.nz/covid-19/workplace-operations-covid-19-alert-levels/* • Staff and customers should not participate in council services/operations if they have COVID-19 symptoms or who need to be in isolation/quarantine for any reason. Staff should be reminded to stay home if they are sick. • Businesses are obliged to eliminate transmission risks where possible, and where not, to substitute work practices or provide as higher level of control as possible. We expect that businesses maintain, or create new, practices that meet or exceed the MoH guidelines as they are updated. • Health and safety plans must incorporate protocols for, at a minimum*: 1. Appropriate physical distancing – minimise, or eliminate where practical, physical interactions among staff and with the public		

Guidance as at 14 September 2020

GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
	2. Promoting cashless systems and avoid cash payment systems wherever possible 3. Where staff must work together in teams or pairs, create a consistent 'work group' as appropriate** **4. Businesses must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing of all who enter the workplace or carry out work for the business or service** 5. PPE where appropriate *See here also for endorsed industry guidance: https://worksafe.govt.nz/managing-health-and-safety/novel-coronavirus-covid/endorsed-industry-guidance/?stage=Live* *note engagement with workers when creating and implementing COVID-19 Health and Safety Plans and mental health support is a key step ** 'work groups' are intended to ensure staff are exposed to a *consistent and exclusive* set of their colleagues. The groups must be able to operate safely and are not exempt from the above requirements.		
Council offices	Remote working **Call centre** • Open remotely **Counter services** • Closed	• Everyone should work remotely unless it is not possible • Council offices can only open for staff if: ○ Workers cannot work from home, and ○ Workplaces are operating safely, and ○ Customers are not allowed on premises, and ○ Council staff can work without physical contact with public/customers ○ **Recommend staff wear a mask in situations where physical distancing is not possible** • "Operating safely" means: ○ Complying with Alert Level 3 settings, and ○ Meeting appropriate public health requirements for their workplace, including for workers (e.g. putting up physical barriers), and ○ Fulfilling all other health and safety obligations	• Council offices can open to the public if they can operate safely, meaning: ○ **Must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing of all who enter the workplace or carry out work for the business or service** ○ Complying with Alert Level 2 settings; ○ Meeting appropriate public health requirements for their workplace (e.g. having contact tracing systems), and ○ Fulfilling all COVID-19 health and safety obligations in addition to normal health and safety obligations • We encourage councils to use alternative ways of working if possible, including some staff to be working remotely where practicable

Guidance as at 14 September 2020

GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
		• If these measures cannot be taken, staff must not go to work, and premises should remain closed **Call centre** • Operates remotely **Counter services** • Remain closed	• **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing** **Call centre** • Can open (staff working remotely where practical) **Counter services** • Open to public if they can operate safely with physical distancing • Promote cashless systems and avoid cash payment systems wherever possible. Manual disinfection of EFTPOS machines required • Limit entry to maintain physical distancing as required • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask**
Territorial authority functions			
Operation and maintenance of drinking water and wastewater services	• Essential service • Workstream to ensure continuity of service and supply of key chemicals; focus on keeping networks operational • **Recommend staff wear a mask**	• Most staff continue to work remotely • **Recommend staff wear a mask in situations where physical distancing is not possible** **Operational sites** • Site separation continues with physical distancing of staff on sites **Operations activities reinstated** • Maintenance practices on linear assets (pipes etc)	**Operations activities fully reinstated** • Consider what capital programmes would be allowed to start • More people working on site • Some people continue to work remotely • **Must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for**

Guidance as at 14 September 2020

GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
		• Planned maintenance and connections work on the retail network • Pump station cleaning where required • Maintenance of valves and equipment • All non-essential work continues to be deferred • Avoid activities that interrupt domestic supplies where possible • Reactive maintenance extended **Developer Services Reinstated** • Compliance and inspections – including subdivision connection works, subject to restoration of housing construction works • Connections of water and meters to address outstanding connection applications – subject to wastewater being connected and drainlayers etc. services also restored **Meter Reading** (where relevant and with safety measures in place including precautions taken to prevent spread of disease between dwellings) • Reading cycles start again **Active Construction Sites** • Active construction sites reopen where safe work practices and physical distancing can be maintained • Safe work practice guidance can be found here: https://www.building.govt.nz/covid-19/ • Continue design work and project development work where possible	**those without the app) to enable contact tracing of all who enter the workplace or carry out work for the business or service** • Construction health and safety protocols for COVID 19 are available here: https://www.chasnz.org/covid19 . Additional guidance is available here: https://www.sitesafe.org.nz/guides--resources/covid-19-protocols/new-zealand-construction-covid-19-protocols/ • **Recommend staff wear a mask in situations where physical distancing is not possible**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
Solid waste including transfer stations	• Solid waste considered an essential service • **Recommend staff wear a mask** • Residential kerbside solid waste, recycling and organics collections to continue as normal wherever practicable with safe working practices for level 4 • Commercial collections only for waste and recycling that supports other essential service activities • In support of essential services, collection of recycling to continue in all cities/districts (this may still end up in the waste stream after collections and depending on the local Materials Recovery Facilities operations and market demand for materials) Materials Recovery Facilities operational in some cities/districts **Transfer stations** • **Recommend staff wear a mask** • Transfer stations/ solid waste disposal facilities open to essential service waste operators only. Safe operating procedures	• Solid waste considered a vital service • Waste exempted for access through alert level border restrictions (https://gazette.govt.nz/notice/id/2020-go3791) • Residential kerbside solid waste, recycling and organics collections to continue as normal with safe working practices for level 3 (https://covid19.govt.nz/covid-19/alert-system/alert-level-3/#workplaces) Commercial service-related commercial solid waste collection continues (commercial level 3 volumes increase from level 4, decrease from level 2) • Recycling collected may end up in the waste stream after collection depending on local Materials Recovery Facilities operations and market demand for materials • MRFs operational in some cities/districts where physical distancing protocols can be maintained, and manual processing risks can be managed • **Recommend staff wear a mask in situations where physical distancing is not possible** • Other waste collection services such as inorganic or green waste collections can continue if physical distancing, contact tracing	• Residential kerbside solid waste, recycling and organics services to continue as normal and in accordance with safe working practices for level 2 (https://covid19.govt.nz/covid-19/alert-system/alert-level-2/#workplaces-and-businesses) • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask in situations where physical distancing is not possible** **Transfer stations** • Transfer stations, solid waste disposal facilities and green rubbish transfer stations/facilities can open (to avoid fly tipping, vermin control) if access can be controlled (COVID compliant - https://www.business.govt.nz/covid-19/operating-at-alert-levels/#e-22813) • Promote cashless systems and avoid cash payment systems wherever possible, include manual disinfectant of EFTPOS machines • **Must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing of all who enter**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
	are able to be implemented and access including traffic management, physical distancing and contactless payment to be implemented (customers should be reminded that they should not travel outside their local areas to access these facilities unless authorised to do so). • Transfer stations and green rubbish transfer stations/facilities closed to the general public and non-essential services. • Must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing of all who enter the workplace or carry out work for the business or service **Resource recovery centres** • Residents advised to check their local council website for details. • Bin drop for separated collections of bottles, paper, cardboard permitted only in	and contactless payment requirements can be maintained. **Transfer stations** • Transfer stations, solid waste disposal facilities and green rubbish transfer stations/facilities permitted (to avoid fly tipping, vermin control) if safe operating procedures are able to be implemented and access including traffic management can be adequately controlled (customers should be reminded that they should not travel outside their local areas to access these facilities) • **Must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing of all who enter the workplace or carry out work for the business or service** • Transfer stations and green rubbish transfer stations/facilities can open to the general public if physical distancing and contact tracing requirements can be maintained (COVID compliant - https://www.business.govt.nz/covid-19/operating-at-alert-levels/#e-22810)	**the workplace or carry out work for the business or service** • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask where physical distancing is not possible** • Promote cashless systems and avoid cash payment systems wherever possible, include manual disinfectant of EFTPOS machines **Resource recovery centres** • Bin drop for bottles, paper, cardboard can open • Eco shops can open if they can operate safely • Physical distancing requirements • **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask in**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
	areas where no kerbside collection service is provided. Access to be controlled including physical distancing and contactless payment in use. • Must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing of all who enter the workplace or carry out work for the business or service • Processing of the materials is available within the district/region and operations must be safe (COVID compliant) • **Recommend staff wear a mask** • Eco shops closed	• Contactless payment is required to ensure cash is not handled. Manual disinfection of EFTPOS machines required • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask in situations where physical distancing is not possible** **Resource recovery centres** • Residents advised to check their local council website for details. • Bin drop for separated collections of bottles, paper, cardboard permitted if access can be controlled including contact tracing. **Must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing of all who enter the workplace or carry out work for the business or service** • Commercial collections and processing of the materials is available within the district/region and operations must be safe (COVID compliant) • **Recommend staff wear a mask in situations where physical distancing is not possible** • Household item drop offs are not permitted • Eco shops closed	**situations where physical distancing is not possible** • Promote cashless systems and avoid cash payment systems wherever possible, include manual disinfectant of EFTPOS machines ** See ShopCare retail protocol for COVID-19 (PDF)(external link) for guidance on handling of second hand goods – see returned goods

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
Cemeteries and crematoria	• Essential service • Cemeteries remain open with restrictions on operation of cemeteries; COVID19 risk management practices. Only family bubble can attend funerals • See Ministry of Health guidelines for more information • **Recommend staff wear a mask**	• Cemetery grounds can remain open with restrictions on operation of cemeteries • Open to funerals and tangi only of up to 10 people if they can operate safely, and: ○ Physical distancing and infection prevention and control requirements must be met ○ **Buildings for funeral services must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing** • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask** See detailed guidance here: https://www.nzrecreation.org.nz/includes/download.ashx?ID=157232	• Cemetery grounds can remain open with restrictions on operation of cemeteries • Open to funerals and tangihanga as per restrictions on: *https://covid19.govt.nz/alert-system/alert-level-2/* • **Buildings for funeral services must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing** • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask** Updated guidance on the process for funerals and tangihanga will be available on https://www.nzrecreation.org.nz/includes/download.ashx?ID=157232
Animal services ○ caring for impounded dogs ○ investigating dog attacks and seizures for police ○ welfare of animals recovering	• Essential service • Good physical distancing and COVID19 risk management practices • Animal shelters closed to public, Staff caring for animals currently housed. Good	• Flexible working practices – working remotely. Only responding to urgent requests for service, e.g. dog attacks, wandering stock, with good physical distancing and COVID19 risk management practices • Animal shelters closed to public • Staff caring for animals currently housed. Good physical distancing and COVID19 risk management practices applied	• Normal operation resumes provided it can operate safely • Controlled public access to animal shelters if they can operate safely, and: ○ Physical distancing and infection prevention and control requirements must be met ○ **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
	physical distancing and COVID19 risk management practices • Some Animal Management Officers responding to priority complaints. Good physical distancing and COVID19 risk management practices • Some stock control • **Recommend staff wear a mask**	• Animal Management Officers responding to priority complaints, with physical distancing and COVID19 risk management practices applied • Restart registration processes where these can be undertaken in a contactless way • **Recommend staff wear a mask in situations where physical distancing is not possible**	**alternative method to sign in for those without the app) to enable contact tracing** • Staff caring for animals currently housed. • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask where physical distancing is not possible**
Maintenance of public toilets	• Toilets only on main freight routes open (and where requested by essential services) • Increased cleaning frequency • **Recommend staff wear a mask**	• Toilets only on main freight routes open (and where requested by essential services) • Increased cleaning frequency • **Recommend staff wear a mask in situations where physical distancing is not possible**	• Most public toilets open • Increased cleaning frequency • **Recommend staff wear a mask in situations where physical distancing is not possible**
Social housing	• Essential service • COVID19 risk management practices • Essential /emergency maintenance only with COVID19 risk management practices • **Recommend staff wear a mask**	• COVID19 risk management practices in place to operate safely **Capital programme (new builds or empty units)** • Stand up planned capital programme dependent on: ○ Supply chain (availability) ○ Contractor availability ○ H&S plan (ability to maintain distance and hygiene, tracking) ○ Limited work group on sites provided they strictly limit person to person contact and allow contact tracing **Maintenance** • Priority maintenance with COVID19 risk management practices to operate safely	• Normal service resumed if they can operate safely, and: ○ Physical distancing and infection prevention and control requirements must be met ○ Should record attendees to ensure contact tracing may be conducted if necessary **Tenant management** • Regular contact with tenants done virtually • Some physical engagement with tenants reinstated where this can operate safely • **Recommend staff wear a mask in situations where physical distancing is not possible**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
		• **Recommend staff wear a mask in situations where physical distancing is not possible** **Tenant management** • Regular contact with tenants done virtually	
Roading/highways	• Essential service: roading maintenance and repairs to keep the roads safe • Procurement continuing remotely • **Recommend staff wear a mask**	• All freight can be distributed • Personal and interregional travel remains restricted • Essential works will continue. • Works that can be performed following the COVID19 risk management practices re physical distancing may also be viable depending on advice/guidance and procedures. • e.g. Road rehabs; road maintenance, small capital projects. • **Recommend staff wear a mask in situations where physical distancing is not possible** ** Please refer to Ministry of Transport for up to date guidance as issues evolve	• Normal operations, with COVID19 risk management practices in place • **Recommend staff wear a mask in situations where physical distancing is not possible**
Noise Control	• Councils should accept and triage noise complaints via their call centre or other normal means that are operating remotely. Information should	• At Alert Level 3 and below any councils which suspended noise control services during Alert Level 4 should resume them. The service level should be close to that provided during business as usual, though attempts should be made to	• At Alert Level 2, Councils must deliver noise control services at a level consistent with their business-as-usual arrangements provided they can operate safely

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
	be made publicly available on council websites to enable people to direct queries relating to noise control to council in the first instance • Where possible, councils should aim to resolve noise complaints remotely. Noise officers should only attend sites where this is already part of the service level being provided under level 4, e.g. where security firms are already supporting and are taking all of the following measures: ○ minimise, or eliminate if possible, physical interactions among staff and with and between the public ○ ensure appropriate health, hygiene and safety measures are in place ○ restrict activity to only what is 'essential' during the Alert Level 4 period • Council officers should contact police for assistance as they normally would following	resolve noise issues remotely before attending a site (for example, via a phone call if contact information is available), or there may be a modified threshold for deciding to undertake a site attendance • **Recommend staff wear a mask in situations where physical distancing is not possible** • Police will not attend noise calls unless there is a breach of an Excessive Noise Direction, an escalated incident (such as threatening behaviour), or the noise is associated with a suspected breach of requirements relating to gatherings of people • At all Alert Levels, Councils are reminded of their duties toward employees and contractors as PCBUs under the Health and Safety at Work Act 2015, and their broader duty of care to the public. Health and safety plans which take all reasonably practicable steps to reduce or eliminate COVID-19 transmission risks are essential in order to protect noise control officers and the members of the public with whom they interact • Health and safety plans must incorporate protocols for, at a minimum: ○ Physical distancing – minimise, or eliminate where practical, physical interactions among staff and with the public ○ One officer per vehicle	• **Recommend staff wear a mask in situations where physical distancing is not possible**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
	triaging. Police can issue excessive noise directions where they are attending a complaint at the request of a noise officer (s327(1) and s328(3) of the Resource Management Act). Councils should provide remote support for these assessments and any notices to be issued	○ Appropriate PPE (if required)	
Council governance and decision making	• Meetings and public engagement to be held remotely	• Meetings and public engagement to be held remotely	• Physical meetings resumed where they can operate safely, and: ○ Physical distancing of 2 meters is maintained between members of the public and with councillors and staff * ○ Infection prevention and control requirements must be met ○ **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** ○ Arrangements will still be needed for councillors, staff and public who are at risk of severe illness should they contract COVID-19 to participate remotely, if required (e.g. people aged 70 and over)

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			• If public meetings cannot be held safely they may be held remotely • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public attendees wear a mask** *where physical distancing is maintained restrictions on gatherings do not apply
Pools	• Closed	• Closed to the public **Scheduled maintenance and capital programme** • Stand up planned capital programme dependent on: ○ Supply chain (availability) ○ Contractor availability ○ H&S plan (ability to maintain distance and hygiene, tracking) ○ Limited work group on sites provided they strictly limit person to person contact and allow contact tracing • **Recommend these staff wear a mask**	• Generally pool facilities can open to the public if they can operate safely, and: ○ Physical distancing and infection prevention and control requirements must be met ○ **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** • Some facilities shut, such as spa pools, hydro slides, steam rooms, saunas and hot pools • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing** • Consider ability to provide programmes depending on ability to apply COVID19 risk management practices, for example:

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			○ programme groups are no larger than the maximum allowed under restrictions on gatherings; ○ there are adequate measures to provide for physical distancing between a group and the public/other groups; ○ contact tracing measures are in place; and ○ there is no intermingling between groups • Limit entry according to site size/ability to practice physical distancing – there is no maximum capacity for swimming pools within building/structures
Libraries	• Closed • Mobile and outreach services closed • All public programmes and venue bookings cancelled • All return bins closed **Online services** • Some service continues online • Digital content available 24/7 • Sign up for a library membership online to allow you to access our digital online services. • Finger-tip (Phone) Library Service operating 7 days	• Closed to the public • Limited access to staff to enable priority work that cannot be done at home, such as digitisation projects, if adequate measures in place re physical distancing and contact tracing - **recommend these staff wear a mask in situations where physical distancing is not possible** • Mobile and outreach services closed • All public programmes and venue bookings cancelled • All return bins closed **Online services** • Some service continues online • Digital content available 24/7	• Generally can open to the public with COVID19 risk management practices in place • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask** • Consider ability to provide programmes depending on ability to apply COVID19 risk management practices, for example: ○ programme groups are no larger than the maximum allowed under restrictions on gatherings; ○ there are adequate measures to provide for physical distancing

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
	Loans • Loan period extended, unlimited renewals and holds suspended	• Free Wi-Fi available outside some libraries to be resumed where appropriate measures are in place re physical distancing (to help with digital dive & visitors trapped in country with border controls) • Take steps to avoid Wi-Fi users clustering in an unsafe way, e.g. messaging around distancing • Finger-tip (Phone) Library Service operating 7 days **Loans** • Loan period extended, unlimited renewals and holds suspended • All return bins closed • No pick up and drop off	between a group and the public/other groups; ○ contact tracing measures are in place; and ○ there is no intermingling between groups • Limit entry according to ability to practice physical distancing – there is no maximum capacity for libraries • **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** • Promote self-service kiosks where practical **Library staff should be advised to:** • Regularly wash and dry their hands or use an alcohol based hand sanitiser • Avoid touching their face, particularly while handling returned items • Cough or sneeze into their elbow and wash and dry hands or use hand sanitiser after blowing their nose • Stay home if they are sick • With good hand hygiene, shared staff equipment does not need to be wiped between use, but equipment and high

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Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			touch surfaces in the library should be regularly cleaned throughout the day **Library Users should be advised to (consider signage as appropriate):** • Not enter the facility if they are unwell • Use hand sanitiser on entering the library • Wash and dry their hands/use hand sanitiser when using library items at home for the first couple of days after issue, if they are concerned • Cough or sneeze into their elbow and wash and dry hands or use hand sanitiser after blowing their nose • **Recommend public wear a mask** *If the above precautions are followed, there should be no need for library users to disinfect items (risking damage) before returning them to the library, and no need to quarantine returned items
Galleries and Museums	Closed • Online	• Closed to the public • Limited access to staff to enable priority work that cannot be done at home, such as digitisation projects, if adequate measures in place re physical distancing and contact tracing online service **- recommend these staff wear a mask in situations where physical distancing is not possible**	• Generally can open to the public with COVID19 risk management practices in place for appropriate physical distancing – minimise, or eliminate where practical, physical interactions among staff and with the public • Limit entry according to site ability to practice physical distancing – there is no

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			maximum capacity for museums and galleries • **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** • Promote cashless systems and avoid cash payment systems wherever possible, include manual disinfectant of EFTPOS machines • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public attendees wear a mask**
Rec Centres, Gyms, Stadia	Closed • Online services available e.g. workouts, stretch classes etc • Construction sites closed • Capital programme planning, design and procurement and tendering continuing remotely	Closed ○ Online service available, workouts, stretch classes etc **Scheduled maintenance and capital programme** • Stand up capital programme dependent on: ○ Supply chain (availability) ○ Contractor availability ○ H&S plan (ability to maintain distance and hygiene, tracking)	• Generally gym facilities can open with additional cleaning regimes in place • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend customers wear a mask where physical distancing is not possible** • Consider ability to provide programmes depending on ability to apply COVID19 risk management practices, for example:

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Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
		○ Limited work groups on sites provided they strictly limit person to person contact and allow contact tracing • **Recommend these staff wear a mask**	○ programme groups are no larger than the maximum allowed under restrictions on gatherings; ○ there are adequate measures to provide for physical distancing between a group and the public/other groups; ○ contact tracing measures are in place; and ○ there is no intermingling between groups • Limit entry according to site size/ability to practice physical distancing – there is no maximum capacity facilities where customers/clients are members of the business or service, such as gyms • Promote contactless entry systems where possible • **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** • Stadia closed to gatherings over the number specified here https://covid19.govt.nz/alert-system/alert-level-2/

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Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			• Organised sport activities will be allowed in accordance with Sport and Recreation guidance in this table
Community Halls	Closed • Capital programme planning, design and procurement continuing remotely	Closed **Scheduled maintenance and capital programme** • Stand up capital programme dependent on: ○ Supply chain (availability) ○ Contractor availability ○ H&S plan (ability to maintain distance and hygiene, tracking) ○ Limited work groups on sites provided they strictly limit person to person contact and allow contact tracing	• Can re-open if they can operate safely and meet requirements for gatherings • Capital works can continue subject to COVID19 practices • Limit entry according to site size/ability to practice physical distancing • Should record attendees to ensure contact tracing may be conducted if necessary • Consider ability to provide programmes depending on ability to apply COVID19 risk management practices, for example: ○ groups are no larger than the maximum allowed under restrictions on gatherings; ○ there are adequate measures to provide for physical distancing between a group and the public/other groups; ○ contact tracing measures are in place; and ○ there is no intermingling between groups • **Recommend public attendees wear a mask**
Playgrounds, Parks*, Cycle Parks, and Skate Parks	• Parks open. With Messaging re social distancing • **Recommend public attendees wear a mask**	• **Recommend public attendees wear a mask** • Playgrounds, skate parks, cycle parks & exercise equipment closed • Signs and tape where possible advising closure advised	• **Recommend public attendees wear a mask where physical distancing is not possible** • Council-owned sports facilities e.g. clubrooms open if they can operate safely, and councils have adequate assurances of

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Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
***note regional parks discussed below**	• Carparks within parks closed for vehicle access, pedestrian access open • Playgrounds & exercise equipment closed • Public toilets closed • Dog waste must be taken home and disposed of in bin for normal kerbside collection • Facilities within parks closed including the visitor/information centres • Skeleton crew of essential workers checking parks daily, vermin control, fly dumping, fire hazard, bin emptying • Wharfs and jetties closed	• Public toilets closed • Below facilities open subject to council being satisfied sufficient measures are in place to re messages about physical distancing and cleaning of touchpoints (e.g. gates, latches): ○ Parks can open with messaging re physical distancing ○ Associated carparks can open • All council-owned sports facilities e.g. clubrooms are closed • Full urban and regional park ranger service operating – with COVID19 risk management practices in place **Scheduled maintenance and capital programme** • Stand up planned capital programme dependent on: ○ Supply chain (availability) ○ Contractor availability ○ H&S plan (ability to maintain distance and hygiene, tracking) ○ Limited work groups on sites provided they strictly limit person to person contact and allow contact tracing • Maintenance of facilities deemed as permitted exceptions **recommend these staff wear a mask**	COVID-19 best practice messaging to public re physical distancing • Below facilities may open subject to council satisfaction they can operate safely, with messages about physical distancing and safe use as appropriate, and hygiene measures in place for touchpoints ○ Parks can open. With messaging re physical distancing as appropriate ○ Associated carparks can open with messaging re physical distancing as appropriate ○ Playgrounds & exercise equipment open with safe practice messages in place* ○ Associated public toilets can open with extra cleaning ○ Dog parks can open with safe practices guidelines Full urban and regional park ranger service operating – with COVID19 risk management practices in place **Scheduled maintenance and capital programme** • Stand up planned capital programme dependent on: ○ Supply chain (availability) ○ Contractor availability

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Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			○ H&S plan (ability to maintain distance and hygiene, tracking) • **Recommend these staff wear a mask** *Users should be advised: • To wash and dry their hands or use hand sanitiser before and afterwards (you may wish to consider supplying hand sanitizer as appropriate) • not to touch their face, cough and sneeze into elbow • if they have cold or flu symptoms to stay off the equipment
Sports Fields and Athletics Facilities	Closed • All council-owned sports facilities e.g. clubrooms are closed	Closed • All council-owned sports facilities e.g. clubrooms are closed	Limited access • **Recommend public attendees wear a mask where physical distancing is not possible** • Can open to organised sport as permitted by Sport and Recreation guidance in this table • Council-owned sports facilities e.g. clubrooms open if they can operate safely and councils have adequate assurances of COVID-19 best practice messaging to public re physical distancing • **Where indoor facilities are available - must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an**

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Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			alternative method to sign in for those without the app) to enable contact tracing
Walking/mountain bike tracks and horse trails		• Tracks may open if they can operate safely and in accordance with Alert Level 3 restrictions e.g. physical distancing • **Recommend public users wear a mask**	• Open • Tracks and associated facilities may open if they can operate safely in accordance with Alert Level 2 restrictions • **Recommend public attendees wear a mask in situations where physical distancing is not possible**
Camping Grounds and Holiday Parks	• Public camp sites closed • Some holiday parks limited bookings for self-contained vehicles only • **Recommend users wear a mask when outside their vehicle** • Some emergency provision for freedom campers – separate facilities. No communal facilities open e.g. showers, toilets, kitchen or laundry etc • Temporary accommodation for self-isolation **Freedom camping facilities** • Closed	• Public camp sites closed • Some holiday parks limited bookings for self-contained vehicles only • **Recommend users wear a mask when outside their vehicle** • Some emergency provision for freedom campers – separate facilities. No communal facilities open e.g. showers, toilets, kitchen or laundry etc • Note that restrictions on travel outside local area (with exceptions) mean freedom campers and others should not be moving or travelling - See https://www.transport.govt.nz/about/covid-19/transport-and-travel-by-alert-level/ for up to date guidance on movement at Alert Levels • Temporary accommodation for self-isolation **Freedom camping facilities** • Closed	• **Recommend users wear a mask in situations where physical distancing is not possible** • Can choose to open with increased cleaning frequency • Consider appropriate capacity and number of sites to ensure these can operate safely and maintain physical distancing • **Serviced, bookable campsites and those with a camp manager present must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** **Freedom camping facilities** • Dependent on local circumstances, can choose to open provided they can operate

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			safely including direct management or oversight of their use • Communal facilities (e.g. showers, toilets, kitchen or laundry etc.) can open if they can operate safely within the COVID-19 Alert Level 2 restrictions and with increased cleaning frequency • Consider appropriate capacity and number of sites to ensure these can operate safely • Appropriate signage about COVID-19 safe practices on site and appropriate use of facilities • Associated dumping stations may reopen
Regulatory and licensing	• Staff working remotely	• Staff continue to work remotely **As other businesses resume requiring inspections:** • Inspections and site visits to be arranged with limited interaction with the public, appropriate physical distancing and contact tracing measures in place • **Recommend staff wear a mask in situations where physical distancing is not possible**	• Flexible working practices as appropriate (staff working remotely where practicable, split shift) • Inspections and site visits to be arranged to limit interaction with the public • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**
Consenting functions (building and resource consents)	• Continuation of all consenting services which can be provided by staff working remotely at home • Virtual hearings for resource consents with remote appearances	• Continuation of all consenting services which can be provided by staff working remotely at home • Virtual hearings for resource consents • Site inspections permitted provided arrangements made remotely with COVID19 risk management practices applied Guidance	• Flexible working practices as appropriate (working remotely where practicable, split shift) • Inspections and site visits to be arranged so physical distancing can be maintained with the public and good hygiene practices in place

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
	• Virtual inspections where feasible. Where council employees are entering buildings and other sites to complete inspections for essential services, COVID19 risk management practices applied	on practices for construction site visits is available at https://www.chasnz.org/covid19 • **Recommend staff wear a mask in situations where physical distancing is not possible** • Additional information for Councils on building and construction related activities is available at https://www.building.govt.nz/covid-19/	• Physical meetings resumed where they can operate safely, and: ○ Physical distancing of 2 meters is maintained between members of the public and with councillors and staff * ○ Infection prevention and control requirements must be met ○ **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** ○ Arrangements will still be needed for councillors, staff and public who are at risk of severe illness should they contract COVID-19 to participate remotely, if required (e.g. people aged 70 and over) • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public attendees wear a mask** • If public meetings cannot be held safely they may be held remotely *where physical distancing is maintained restrictions on gatherings do not apply • Protocols for construction site visits are available at

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			https://www.chasnz.org/covid19, with additional guidance available at https://www.sitesafe.org.nz/guides--resources/covid-19-protocols/new-zealand-construction-covid-19-protocols/ • Additional information for Councils on building and construction related activities is available at https://www.building.govt.nz/covid-19/
RMA plan making	• Continuation of all plan making which can be provided by staff working remotely at home • Virtual hearings for hearings with remote appearances	• Continuation of all RMA plan making which can be provided by staff working remotely at home • Virtual hearings for plan changes	• Flexible working practices as appropriate (working remotely, split shift) • Physical meetings resumed where they can operate safely, and: ○ Physical distancing of 2 meters is maintained between members of the public and with councillors and staff * ○ Infection prevention and control requirements must be met ○ **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** ○ Arrangements will still be needed for councillors, staff and public who are at risk of severe illness should they contract COVID-19 to participate remotely, if required (e.g. people aged 70 and over)

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			• **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public attendees wear a mask** • If public meetings cannot be held safely they may be held remotely *where physical distancing is maintained restrictions on gatherings do not apply
Property & Corporate Facilities Management	• All staff working remotely • Working with lessees remotely • Many tenants eligible for relief package	• All staff working remotely	• Staff can return to office with appropriate COVID19 measures re physical distancing and contact tracing • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**
Events	• Cancelled	• Cancelled	• Some events may be possible provided they meet COVID19 risk management practices and requirements for gatherings
Community Development	• All staff working remotely • Community Development team supporting groups virtually	• All staff working remotely • Community Development team supporting groups virtually	• Staff can return to office with appropriate COVID19 risk management practices and contact tracing • Community and school programmes operating in accordance with educational guidelines • Community Development team supporting groups virtually or in person where appropriate physical distancing and contact tracing can be maintained

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			• Engagement work – can resume with appropriate physical distancing • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public attendees wear a mask**
Environmental Health	• All staff working remotely	• Normal operation with staff working remotely • Limited inspections with COVID19 risk management practices applied	• Normal operations can resume with COVID19 risk management practices applied • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**
Parking Services	• All staff working remotely • Council-owned carpark buildings open and free • On street parking free • Parking compliance team only reacting to blocked vehicle entrances and serious road hazards/safety issues	• Normal operation with 'stay home if unwell' and hygiene measures in place • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**	• Normal operation with 'stay home if unwell' and hygiene messaging • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**
Jetties and boat ramps	• Closed	**Boat ramps** • Closed **Jetties** • Open (to support passive recreation)	**Boat ramps** • Open **Jetties** • Open
Volunteer programmes	• Not operational	• Not operational	• May resume normal operation if they can operate safely • Must comply with guidance on workplaces – within this, consider appropriate size of groups to ensure they can operate safely

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			• **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public attendees wear a mask in situations where physical distancing is not possible**
Regional Council functions			
Public Transport	• For the use of: ○ essential and emergency workers ○ members of the public accessing essential services, specifically food, non-COVID-19 related medical care and vets ○ couples with shared custody moving children between homes • **Staff and customers must wear masks when using public transport** • Public transport and small passenger services such as taxis need to display a government issued QR code for use with the NZ COVID Tracer App. The QR codes are not required on aeroplanes or intercity buses.	• Service levels increased with appropriate measures to ensure COVID19 risk management practices re physical distancing, and hygiene • Refer to Ministry of Transport: Travel and Transport Guidance here: https://www.transport.govt.nz/about/covid-19 • Travel is allowed for the following essential personal movement in your local area: ○ Accessing local services and businesses, ○ Going to work and school (only for those that have to) ○ Low-risk recreation in local area ○ To support extended bubble arrangements ○ Travelling to permitted gatherings • Travel between regions is allowed for some essential personal movement: ○ Workers travelling to do essential work, ○ Going to work or school (only in neighbouring region), ○ Shared bubble arrangements, ○ Relocating a home or business, ○ Those travelling for medical reasons, ○ Emergencies and giving effect to court orders	• Normal operations can resume with COVID19 risk management practices - Refer to Ministry of Transport: Travel and Transport Guidance here: https://www.transport.govt.nz/about/covid-19 * • Bus exchanges and transfers can re-open with appropriate measures in place re hygiene and physical distancing. Special attention should be given to providing safe queuing • **Staff and customers must wear a mask when using public transport** • Public transport and small passenger services such as taxis need to display a government issued QR code for use with the NZ COVID Tracer App. The QR codes are not required on aeroplanes or intercity buses. * From 14 September 2020, public transport operators including airlines do not need to maintain seating restrictions or passenger capacity limits.

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
		○ Those who have an exemption to travel because of compassionate reasons, ○ Foreign nationals leaving New Zealand (except Cook Strait ferries), ○ New Zealanders resident in the Realm returning home, and ○ People arriving in New Zealand from overseas and returning home after 14 days' isolation/quarantine at port of arrival (except air and marine crew) • **Staff and customers must wear a mask when using public transport** • Public transport and small passenger services such as taxis need to display a government issued QR code for use with the NZ COVID Tracer App. The QR codes are not required on aeroplanes or intercity buses.	
Biosecurity/biodiversity programmes - including predator control programmes	• Essential service: • Biosecurity incursion response and eradication • **Recommend staff wear a mask**	• Normal operation with staff working remotely • **Recommend staff wear a mask**	• Normal operations resume with appropriate COVID-19 measures in place • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**
Maritime navigational safety	• Essential service: • Ensuring maritime navigational safety • **Recommend staff wear a mask**	• Normal operation with staff working remotely • **Recommend staff wear a mask**	• Normal operations resume with appropriate COVID-19 measures in place • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**
Flood and drought management, flood	• Essential service:	• Normal operation with staff working remotely • **Recommend staff wear a mask**	• Normal operations resume with appropriate COVID-19 measures in place

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
protection and land drainage	• Flood and drought management, flood protection and land drainage • **Recommend staff wear a mask**		• **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**
Natural hazard event monitoring, response and recovery	• Essential service: • Natural hazard event monitoring, response and recovery (including 24/7 flood monitoring programme) • **Recommend staff wear a mask**	• Normal operation with staff working remotely • **Recommend staff wear a mask**	• Normal operations resume with appropriate COVID-19 measures in place. • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**
Incident/pollution response	• Essential service: Incident/pollution response including related enforcement • **Recommend staff wear a mask**	• Normal operation with staff working remotely • **Recommend staff wear a mask**	• Normal operations resume with appropriate COVID-19 measures in place • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**
Compliance monitoring programmes	• Essential service: • Compliance monitoring programmes for high risk activities as they relate to human, aquatic and animal health • **Recommend staff wear a mask and disinfect any equipment used**	• Normal operation with staff working remotely • **Recommend staff wear a mask and disinfect any equipment used**	• Normal operations resume with appropriate COVID-19 measures in place • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing and disinfect any equipment used**
Environmental science and monitoring	• Essential service: • Sampling and analysing water quality for safe human activities including drinking water • **Recommend staff wear a mask**	• Normal operation with staff working remotely • **Recommend staff wear a mask**	• Normal operations resume with appropriate COVID-19 measures in place • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
Consenting functions (resource consents)	• Continuation of all consenting services which can be provided by staff working remotely at home • Virtual hearings for resource consents with remote appearances • Virtual inspections where feasible. Where council employees are entering buildings and other sites to complete inspections for essential services, COVID19 risk management practices applied	• Continuation of all consenting services which can be provided by staff working remotely at home • Virtual hearings for resource consents • Site inspections permitted provided arrangements made remotely with COVID19 risk management practices applied • **Recommend staff wear a mask**	• Flexible working practices as appropriate (working remotely, split shift) • Inspections and site visits to be arranged so physical distancing achieved with the public and good hygiene practices in place • Physical meetings resumed where they can operate safely, and: ○ Physical distancing of 2 meters is maintained between members of the public and with councillors and staff * ○ Infection prevention and control requirements must be met ○ **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** ○ Arrangements will still be needed for councillors, staff and public who are at risk of severe illness should they contract COVID-19 to participate remotely, if required (e.g. people aged 70 and over) • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public attendees wear a mask in situations where physical distancing is not possible**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			• If public meetings cannot be held safely they may be held remotely *where physical distancing is maintained restrictions on gatherings do not apply
RMA plan making	• Continuation of all plan making which can be provided by staff working remotely at home • Virtual hearings for hearings with remote appearances	• Continuation of all RMA plan making which can be provided by staff working remotely at home • Virtual hearings for plan changes	• Flexible working practices as appropriate (working remotely, split shift) • Physical meetings resumed where they can operate safely, and: ○ Physical distancing of 2 meters is maintained between members of the public and with councillors and staff * ○ Infection prevention and control requirements must be met ○ **Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing** ○ Arrangements will still be needed for councillors, staff and public who are at risk of severe illness should they contract COVID-19 to participate remotely, if required (e.g. people aged 70 and over) • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public attendees wear a**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT			
Function	**ALERT LEVEL 4** **Eliminate**	**ALERT LEVEL 3** **Restrict**	**ALERT LEVEL 2** **Reduce**
			mask in situations where physical distancing is not possible • If public meetings cannot be held safely they may be held remotely *where physical distancing is maintained restrictions on gatherings do not apply
Sustainable land and water management programmes	• All staff working remotely – no field work undertaken	• Normal operation with staff working remotely	• Normal operations resume with appropriate COVID-19 measures in place • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing.**
Regional parks/ botanical gardens	• Closed • Essential park/garden maintenance occurring • **Recommend staff working on essential maintenance wear a mask**	• May open if they can operate safely with regard to physical distancing • Guidelines for safe practices e.g. physical distancing may be placed at entry points • Car parks and vehicle gates are only to operate if they can do so in a contactless manner and can maintain physical distancing measures • Facilities and some on-park access will remain closed, e.g. camping and accommodation areas, motor sport area use, hunting permits, ranger stations, attractions and community buildings • Essential park maintenance • Staff practising good physical distancing and COVID19 risk management practices • **Recommend staff working on essential maintenance wear a mask**	• Normal operations resume with appropriate COVID-19 measures in place • Can open with safe practice guidelines • Wider park maintenance can resume • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public users wear a mask in situations where physical distancing is not possible**

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GUIDANCE FOR TRANSITIONING THROUGH ALERT LEVELS FOR LOCAL GOVERNMENT

Function	ALERT LEVEL 4 Eliminate	ALERT LEVEL 3 Restrict	ALERT LEVEL 2 Reduce
Education programmes	• All staff working remotely – no school visits, virtual delivery of programmes	• All staff working remotely – no school visits, virtual delivery of programmes	• Normal operations resume with appropriate COVID-19 measures in place – see Ministry of Education for up-to date guidance • **Recommend staff wear a mask in situations where physical distancing is not possible, or they are public facing. Recommend public users wear a mask in situations where physical distancing is not possible**

ADVICE RE TRANSITIONING THROUGH ALERT LEVELS FOR CDEM

Function	ALERT LEVEL 4 Eliminate	ALERT LEVEL 3 Restrict	ALERT LEVEL 2 Reduce
Alert Level overview: ***Outcome and Summary from:*** *https://covid19.govt.nz/assets/resources/tables/COVID-19-alert-levels-detailed.pdf*	Strong restrictions to limit all people movement and contact to contain community transmission and outbreaks. Stay at home, other than for essential personal movement and doing essential work. Stay in immediate household bubble. People should keep 2 metres apart at all times outside home, including at workplaces. This requirement does not apply to emergency and frontline public services (e.g. healthcare)	Further restrictions on activities, including at workplaces and socially, to address a high risk of transmission within New Zealand Stay at home, other than for essential personal movement, and going to work/school. Stay in extended bubble, which can now include close family or caregivers. People required to keep 2 metres apart outside home where possible (apart from with people within their extended bubble). This requirement does not apply to emergency and frontline public services (e.g. healthcare). In a	Physical distancing and restrictions on gatherings to address sporadic cases or a cluster in New Zealand. Businesses open, but physical distancing requirements apply. Gatherings limited. People should keep 2 metres from people they don't know, in public and retail stores. Keep 1 metre in other environments like workplaces, gyms, libraries and cinemas where practicable. Groups of friends and whānau should be limited to 100 people when socialising.

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		controlled environment such as a workplace, 1 metre distancing is required.	

Health and Safety	This section repeats the general guidance at the top of this table. It is referenced here for ease of use within the CDEM section.
	
	At all Alert Levels, councils are reminded of their duties toward employees and contractors as PCBUs under the Health and Safety at Work Act 2015, and their broader duty of care to the public. Health and safety plans which take all reasonably practicable steps to reduce or eliminate COVID-19 transmission risks are essential in order to protect officers and the members of the public with whom they interact.
	For most up to date guidance please refer to https://worksafe.govt.nz/ and https://www.business.govt.nz/covid-19/workplace-operations-covid-19-alert-levels/
	• Staff and customers should not participate in council services/operations if they have COVID-19 symptoms or who need to be in isolation/quarantine for any reason. Staff should be reminded to stay home if they are sick.
	• Businesses are obliged to eliminate transmission risks where possible, and where not, to substitute work practices or provide as higher level of control as possible. We expect that businesses maintain, or create new, practices that meet or exceed the MoH guidelines as they are updated.
	• Health and safety plans must incorporate protocols for, at a minimum*:
	  • Appropriate physical distancing – minimise, or eliminate where practical, physical interactions among staff and with the public
	  • Promoting cashless systems and avoid cash payment systems wherever possible
	  • Where staff must work together in teams or pairs, create a consistent 'work group' as appropriate**
	  • Must display a government issued QR code for use with the NZ COVID Tracer App (and provide an alternative method to sign in for those without the app) to enable contact tracing of all who enter the workplace or carry out work for the business or service
	  • PPE where appropriate
	See here also for endorsed industry guidance: https://worksafe.govt.nz/managing-health-and-safety/novel-coronavirus-covid/endorsed-industry-guidance/?stage=Live
	*note engagement with workers when creating and implementing COVID-19 Health and Safety Plans and mental health support is a key step
	** 'work groups' are intended to ensure staff are exposed to a *consistent and exclusive* set of their colleagues. The groups must be able to operate safely and are not exempt from the above requirements.		

Response coordination.	The CDEM Group Controller is appointed by the CDEM Group and will undertake their legislative role to coordinate regional responses to emergencies (declared or undeclared). CDEM Group Controllers will establish appropriate coordination structures and facilities as required. Agencies such as Police	The CDEM Group Controller is appointed by the CDEM Group and will undertake their legislative role to coordinate regional responses to emergencies (declared or undeclared). CDEM Group Controllers will establish appropriate coordination structures and facilities as required. Agencies such as Police	The CDEM Group Controller is appointed by the CDEM Group and will undertake their legislative role to coordinate regional responses to emergencies (declared or undeclared). CDEM Group Controllers will establish appropriate coordination structures and facilities as required. Agencies such as Police

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	or Health will remain responsible for their own activity and may also choose to establish local agency EOC or Emergency Coordination Centres where required. CDEM Group Controllers are expected to engage with and coordinate their activity through the CDEM Group structures. Where a State of National Emergency is in place, this includes implementing any directives from the National Controller **CDEM Coordination Centres will likely need to operate at Activation Status 3 or 4 (see detail below), with resourcing (remote and on-site) that reflects the operational tempo and deliverables.** Coordination Centres will need to be established with enhanced infection prevention control protocols in place. This should include: • remote working wherever possible, • health declaration and messaging to ensure staff do not attend coordination centre if ill, • increased physical distancing between workstations and meeting room spaces (2m gap), • allocated workstation/IT hardware • increased surface cleaning, • promotion/requirement for Seasonal Influenza vaccine to reduce likelihood of staff stand-down due to Influenza Like Illness. • a government issued QR code for use with the NZ COVID Tracer App at each	or Health will remain responsible for their own activity and may also choose to establish local agency EOC or Emergency Coordination Centres where required. CDEM Group Controllers are expected to engage with and coordinate their activity through the CDEM Group structures. Where a State of National Emergency is in place, this includes implementing any directives from the National Controller **CDEM Coordination Centres will likely need to operate at Activation Status 2 or 3 (see detail below), with resourcing (remote and on-site) that reflects the operational tempo and deliverables**. • Groups should be implementing planning that has taken place in lower Alert Levels, and be undertaking. Action Planning and reporting processes as required. • Groups should engage in national planning and coordination activities including Group Manager and Group Controller Teleconferences as well as Intelligence Manager Teleconferences • Groups should engage with adjacent CDEM Groups particularly those who are operating at differing Alert Levels to ensure cross border issues are appropriately managed. Coordination Centres will need to be operated with enhanced infection prevention control protocols in place. This should include:	or Health will remain responsible for their own activity and may also choose to establish local agency EOC or Emergency Coordination Centers where required. CDEM Group Controllers are expected to engage with and coordinate their activity through the CDEM Group structures. Where a State of National Emergency is in place, this includes implementing any directives from the National Controller **Duty arrangements and CDEM Coordination Centres will likely need to operate at Activation Status 1 or 2 (see detail below), with resourcing (remote and on-site) that reflects the operational tempo and deliverables.** CDEM Group manager and/or Controller should place emphasis on strengthening relationships with regionally-represented agencies, communities and stakeholder groups, and Regional Leadership Group (RLG). Preparatory actions and planning should be undertaken for a resurgence of COVID-19. • This preparation for resurgence should also include engagement in national planning and coordination activities including Group Manager and Group Controller Teleconferences as well as Intelligence Manager Teleconferences In the event that a CDEM Group is at Alert Level 2 while an adjacent CDEM Group is at

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	facility (and provide an alternative method to sign in for those without the app) to enable contact tracing	• remote working wherever possible, • health declaration and messaging to ensure staff do not attend coordination centre if ill, • increased physical distancing between workstations and meeting room spaces (2m gap), • allocated workstation/IT hardware • increased surface cleaning, • promotion/requirement for Seasonal Influenza vaccine to reduce likelihood of staff stand-down due to Influenza Like Illness. • a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing	Alert Level 3, there are likely to be ongoing requirements to coordinate between Groups, Groups should maintain the capacity to respond to concurrent emergencies. EOCs, ECCs and CDEM Group offices should display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact tracing
Emergency Welfare Services	Lead multi-agency regional (via CDEM Group) and local coordination for emergency welfare services. Provide those emergency welfare services that CDEM is a responsible agency for, in partnership with support agencies, to people whose lives and livelihoods have been affected by COVID-19 where these needs cannot be met by other sources of support. If the Āwhina COVID-19 Welfare Needs Assessment system is being used, provide support to users where possible. Implement integrated plans with Welfare Coordination Group/Local Welfare Committee member agencies, iwi, and community groups	Lead multi-agency regional (via CDEM Group) and local coordination for emergency welfare services. Provide those emergency welfare services that CDEM is a responsible agency for, in partnership with support agencies, to people whose lives and livelihoods have been affected by COVID-19 where these needs cannot be met by other sources of support. If the Āwhina COVID-19 Welfare Needs Assessment system is being used, provide support to users where possible. Implement integrated plans with Welfare Coordination Group/Local Welfare Committee member agencies, iwi, and community groups	CDEM Groups may provide some CDEM emergency welfare services where there are no other means of support available from social service and community-based agencies, and may consider whether provision of these services meet eligibility criteria in Section 33 of The Guide to the National CDEM Plan.

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	to identify and meet community needs where there are no other means of support.	to identify and meet community needs where there are no other means of support.	
Managed Quarantine and Isolation	Support the operation of Managed Quarantine and Isolation Facilities where required.	Support the operation of Managed Quarantine and Isolation Facilities where required	Support the operation of Managed Quarantine and Isolation Facilities where required
Checkpoints / roadblocks	Support NZ Police to implement movement restrictions within and between the impacted regions. • Coordination will likely be required with adjacent regions, particularly where an adjacent region remains at a lower Alert Level. Consideration should be given to communities in the border region with a view to minimising impacts through pragmatic and enabling measures. • This may include enhanced PIM as well as intelligence-led checkpoints led by New Zealand Police.	Support NZ Police to implement movement restrictions within and between the impacted regions. • Coordination will likely be required with adjacent regions, particularly where an adjacent region remains at a lower Alert Level, Consideration should be given to communities in the border region with a view to minimising impacts through pragmatic and enabling measures. • This may include enhanced PIM as well as intelligence-led checkpoints led by New Zealand Police. CDEM Groups may need to work with partners such as Police and Iwi to provide additional assurance to any community who seek to implement or maintain community-led checkpoints.	Inter-regional travel is permitted. CDEM Groups may need to work with partners such as Police and Iwi to provide additional assurance to any community who seek to implement or maintain community-led checkpoints. CDEM Groups to maintain, or refresh, contingency plans under normal readiness processes with partners including Police to re-escalate upon any resurgence of COVID-19. Where one region may be at Alert Level 2, there may be an adjacent region at a higher Alert Level. As a regional border control issue, it will therefore be important that the need for cross-border coordination and management of consequences in the lower Alert Level area are considered and, where required, acted upon.
Recovery	Engagement with local and regional recovery leadership, using RLG structures applicable to the region and C4C arrangements, on economic and social recovery.	Engagement with local and regional recovery leadership, using RLG structures applicable to the region and C4C arrangements, on economic and social recovery. Ensure iwi partners and key stakeholders are engaged and connected as part of recovery planning.	The CDEM Group to work together with agencies, organisations, member local councils, their communities and, as necessary, adjacent CDEM Groups to establish and achieve shared goals, priorities, and deliver community development activities and services.

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		If necessary, review, build on and share detailed intelligence picture of regional impacts with a focus on community (especially those at risk of severe illness should they contract COVID-19) and economic recovery. If appropriate, support and engage on any discussions to review key regional recovery priorities in consultation with partners and stakeholders.	Supporting and enabling New Zealand to regenerate from the effects of COVID-19 needs to be in partnership with Iwi and Māori. Community rebuilding activities should consider all aspects of the local community (social, economic, natural and built environments). Culture, cultural practices and tikanga need to be considered and factored into all aspects of community regeneration and enhancement. Activity needs to be flexible and scalable to meet the needs of all communities. CDEM Groups should work with member local councils and should encourage innovative thinking and solutions and approaches. Activity should consider if individuals, communities and sectors will need support for a longer period of time than would normally be expected following an emergency to enable these communities to adapt to the new normal. The CDEM Group and member local councils should ensure their plans, arrangements and activities are flexible and agile to enable them to respond to change and uncertainty.
CEG and Joint Committee	Changes made under modification orders linked to the Epidemic Notice allow for Joint Committee meetings to be conducted remotely. (The order enabling this runs until 24 September 2020, at that point the Government may choose to extend the order)	Changes made under modification orders linked to the Epidemic Notice allow for Joint Committee meetings to be conducted remotely. (The order enabling this runs until 24 September 2020, at that point the Government may choose to extend the order)	Physical meetings resumed where they can operate safely, and: • Physical distancing of 2 meters is maintained between members of the public and with councillors and staff * • Infection prevention and control requirements must be met

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			• Must keep records to enable contact tracing of all workers who enter the workplace or carry out work for the business or service. • With effect 11:59am on Wednesday 19 August, all businesses must display a NZ COVID-19 Tracer QR code for each business location. This includes locations where CEGs and Joint Committees may meet. • Arrangements will still be needed for councillors, staff and public who are at risk of severe illness should they contract COVID-19 to participate remotely, if required (e.g. people aged 70 and over) If public meetings cannot be held safely they may be held remotely *where physical distancing is maintained restrictions on gatherings do not apply. 1m separation applies within CDEM workplaces.
National meetings and working groups	Not meeting. Staff allocated to response.	Not meeting. Staff allocated to response.	All CDEM Group and NEMA Readiness meetings at AL2 to be conducted virtually unless authorised by Director CDEM.
Local and regional meetings, working groups, training and exercising	Not meeting. Staff allocated to response.	Not meeting. Staff allocated to response.	Physical meetings resumed where they can operate safely, and: • Physical distancing of 2 meters is maintained between members of the public and with councillors and staff * • Infection prevention and control requirements must be met. • Must display a government issued QR code for use with the NZ COVID Tracer App at each facility (and provide an alternative method to sign in for those without the app) to enable contact

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			tracing This includes CDEM locations such as ECCs and EOCs. • Arrangements will be needed for councillors, staff and public who are at risk of severe illness, should they contract COVID-19, to participate remotely if required (e.g. people aged 70 and over). If public meetings cannot be held safely they may be held remotely. *where physical distancing is maintained restrictions on gatherings do not apply. 1m separation applies within CDEM workplaces. • Complying with Alert Level 2 settings. • Meeting appropriate public health requirements for their workplace (e.g. having contact tracing systems and physical distancing). • Fulfilling all other health and safety obligations.

Descriptions of EOC (ECC) Activation Status adapted from DGL06 Response Management, Table 6. Available at:
https://www.civildefence.govt.nz/assets/Uploads/publications/Response-management-DGL06-08-Oct14-Revisions.pdf

The Group Controller should determine the most appropriate coordination mechanism and structures to respond to an escalation of alert levels within their region. Coordination may be achieved through a variety of mechanisms and will be supported by governance functions. A clear trigger for escalation to a coordination centre function should be identified.

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ECC/EOC Activation Status 1 • EOC monitors incidents/events that may lead to an emergency or that may require support. • Controller informed. • Limited staffing. • Other CDEM stakeholders informed.* • Public may be informed (consider public information needs).^ *Other CDEM stakeholders are the agencies that have roles and responsibilities under the response plan that applies, and include the members of the particular CDEM Group and MCDEM. ^ Consider whether the response is likely to move to a higher status – it will be easier to work with the public and media if their awareness has been raised early.	***ECC/EOC Activation Status 2*** • EOC supports the response. • Controller involved. • Increased staffing. • Other CDEM stakeholders informed and may be involved. • Political stakeholders informed. • Public informed.
ECC/EOC Activation Status 3 • EOC coordinates the response. • Controller coordinates. • Full staffing. • Other CDEM stakeholders informed and involved. • Political stakeholders involved. • Public informed.	***ECC/EOC Activation Status 4*** • EOC directs the response. • Controller directs. • Full staffing. • Other CDEM stakeholders informed and involved. • Political stakeholders involved. • Public informed.

Guidance as at 14 September 2020

6.7 RISK REGISTER UPDATE

1. PURPOSE

To advise the Audit and Risk Committee on changes to the Carterton District Council Risk Register.

2. SIGNIFICANCE

The matters for decision in this report are not considered to be of significance under the Significance and Engagement Policy.

3. RISK MANAGEMENT FRAMEWORK

On the 23 November 2017 the Audit and Risk Committee was presented with the Council's Risk Management Framework. The risk management framework outlines Council's risk appetite and informs the ranking for the risk register.

4. RISK REGISTER

Since its development the Carterton District Council risk register has been regularly reviewed and updated when necessary **(Attachment 1)**.

The Register contains 30 identified risk items each with a risk colour associated with a risk score as per the approved Risk Management Framework. The number of unmitigated items is recorded in the first column where the second identifies risk scores once mitigated.

The changes identified from the previous presentation of the risk register are:

Item 6: Poor building security – is a copy of item 15 and been removed

Total number and categorisation of risks are as below.

Risk Score (unmitigated)	Risk Score (mitigated)	Level of Risk
11	Zero	**Extreme risk**
13	1	**Significant risk**
6	13	**Moderate risk**
Zero	16	**Low risk**

5. EMERGING RISKS

Legislative change – Taumata Arowai

The Water Services Bill (Bill) received its first reading on Tuesday 8 December 2020 and has been referred to the Health Select Committee for consideration. It proposes to repeal Part 2A of the Health Act 1956 and replace it with a standalone Act to regulate drinking water.

The Bill is a companion to the Taumata Arowai - the Water Services Regulator Act 2020 and provides the new drinking water regulator Taumata Arowai with significant new powers.

The Bill will replace the existing regime set out in Part 2A of the Health Act 1956 and will replace it with a new regulatory regime that applies to all drinking water suppliers (except individual household suppliers).

As currently drafted the Bill requires all drinking water suppliers to:

- provide safe drinking water and meet drinking water standards, along with clear obligations to act when drinking water is not safe or fails to meet standards;
- ensure that there is a sufficient quantity of drinking water to support the ordinary needs of consumers, with clear obligations to act where supply is interrupted or restricted for any reason;
- have a drinking water safety plan that contains a multi-barrier approach to drinking water safety; and
- notify Taumata Arowai and take action where there are risks to public health arising from drinking water, breaches of drinking water standards, or other significant risk events.

The Bill also proposes new arrangements regarding sources of drinking water:

- drinking water suppliers must have a source water risk management plan, which identifies and manages any risks to a source of drinking water;
- local authorities must contribute to source water risk management plans; and
- drinking water suppliers must monitor source water quality, and regional councils must assess the effectiveness of regulatory and non-regulatory interventions relating to source water every 3 years.

Taumata Arowai is also responsible for approving & monitoring compliance with drinking water safety plans and source water risk management plans.

Cabinet Papers make it clear that Taumata Arowai is expected to take an active role in compliance and enforcement, including by providing support, assistance and guidance, and taking appropriate action to address non-compliance.

The Government has acknowledged it will be challenging for smaller drinking water suppliers to comply with the new regulatory framework. However, the Government is also clear that it is determined that rural communities are not “second-class citizens” when it comes to drinking water quality.

Legislative change – Resource Management Act

On 10 February 2021 the Government confirmed its intent to repeal and replace the RMA and set out a work programme for the initial stages of the review. The Reform package broadly accepts the recommendations of the Resource Management Review Panel1 in its June 2020 report on "new directions for resource management in New Zealand".

The key elements of reform are the repeal and replacement of the RMA with three new acts.

- National and Built Environments Act (NBA)
- Strategic Planning Act (SPA)
- Climate Change Adaption Act (CCA).

The review proposes repealing the Resource Management Act and amending the Local Government Act (LGA), Land Transport Management Act (LTMA), and Climate Change Response Act (CCRA).

The Panel recommends that regional policy statements, and regional and district plans are replaced with a single plan for each region (Combined Plans). These Combined Plans would be consistent with spatial plans made under the SPA. Combined Plans would be created by a joint committee comprising representatives of central government, the regional council, all constituent territorial authorities in the region, mana whenua and a representative of the Minister of Conservation (Joint Committee).

The Panel also proposes streamlining the plan preparation and change process. It recommends that the Joint Committees have the authority to prepare and notify the Combined Plan using a process similar to that used for preparing the Auckland Unitary Plan (AUP).

Combined Plans could be easier for users of the resource management system, such as developers and other applicants for resource consent, than the current multiplicity of regional policy statements, regional and district plans. However, the upfront costs of developing these Combined Plans will be significant, and Joint Committees inevitably mean that regional councils and territorial authorities will lose some of their autonomy for setting the resource management direction for their region or district.

More dramatically, especially when seen alongside other developments such as three waters reform, the consolidation of resource management planning functions through Joint Committees and Combined Plans may increase the pressure for local authority amalgamation (i.e. unitary authorities in place of numerous territorial authorities within a single region), a matter outside the scope of the Panel's review but one that it commented on nevertheless.

The Panel recommends that the NBEA should require the setting of mandatory environmental limits for biophysical aspects of the environment. Mandatory national direction would guide how these matters must be reflected in Combined Plans, including through the use of targets which local authorities would set and

which would seek to achieve the positive environmental outcomes specified in the NBEA. Local authorities would also have greater ability to modify or extinguish resource consents to ensure compliance with environmental limits.

While environmental limits will likely improve environmental outcomes, increased national direction under the NBEA calls into question the extent to which regional councils and territorial authorities can continue to set their own desired environmental outcomes through resource management plans. The scope for local policy choices will be even less, if national direction under the NBEA prioritises potentially competing values in particular areas, for example ecological values over economic ones in relation to freshwater.

The Panel proposes that the Parliamentary Commissioner for the Environment should have a greater role in overseeing and auditing the resource management system, and that local authorities are required to report regularly to the Ministry for the Environment on environmental outcomes in their districts and regions. While these proposals do not signal a reduction in local powers and functions, they do suggest and increasing oversight of current local government responsibilities by central government.

While outside the scope of its review, the Panel noted that much could be achieved by rationalising local authorities along regional lines.

The likely outcome of the Government's three waters reform is the creation of three to five multi-regional, publicly owned water providers that deliver water services across multiple regions. For territorial authorities, the loss of responsibility for water supply and wastewater services, combined with the loss of resource management plan making capacity under the Panel's proposals for resource management reform, would leave them with significantly reduced responsibilities.

6. CONSIDERATIONS

6.1 Climate change

None for the Risk Register.

6.2 Tāngata whenua

None for the Risk Register.

6.3 Financial impact

There are no budgetary implications for the Risk Register.

6.4 Community Engagement requirements

None for the Risk Register.

6.5 Risks

None for the Risk Register at this time.

7. RECOMMENDATION

That the Committee:

1. **Receives** the report.

File Number: 124890

Author: **Dave Gittings, Infrastructure, Planning and Regulatory Manager**

Attachments: **1. CDC RISK REGISTER.docx ⇩**

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
1) Reputational damage	• Poor communication • Poor performance • Misinformed public • Poor media relationship • Conflicts of interest or perception of conflicts not managed • Inappropriate behaviour of staff	• Code of Conduct and/or appropriate policies • Leadership by example • Media training • Appointment of media liaison advisor		
2) Lapses of health and safety	• Contractors carrying out work on Council's behalf without correct health and safety plans • Event Centre venue hirers without health and safety plans • Staff working alone in remote working areas • Staff interacting with troubled or difficult people who may react badly • Equipment misuse/failure • COVID 19 outbreak through Council Staff or from a Council run venue	• Health and Safety requirements instigated across Council • Create evacuation guide to be given to hirers and placed in main areas of high visibility • Adequate training for staff in high risk areas • Equipment is maintained and regularly serviced • Personal camera for animal control • Policy not to work alone where possible danger exists • Use of Garmin In Reach devices for remote workers • All council vehicles have GPS tracking • Pandemic response plan		
3) Poor natural disaster response (Lack of preparation)	• Council overwhelmed in a major incident • Inappropriate decisions being made • Lack of compliance with policies and processes • Lack of capability, knowledge and ability	• Emergency Management planning and practices • Regular adequate training • Policies and procedures in place and followed • Good relationship with WREMO and other Councils • Ensure staff are aware of what is required and what their role is		

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
	• Lack of well-defined or practiced processes • Lack of community resilience	• Asset Infrastructure resilience (e.g. purchasing of pipe work, joints and introduction of practices that have shown to be more resilient in the Christchurch earthquakes) • On-going relationship with 'Resilient Carterton' • Public information and education • Focus on potential earthquake prone buildings within the district		
4) Data management system loss	• Sole source of information coming from data management system • Information not captured • Information and data not restored after loss	• Firewalls, passwords, and other security measures • Back up processes • Disaster recovery processes in place and working • Use of MagiQ Documents • Use of authorised systems only		
5) Loss of key employees	• Small Council with limited human resources resulting in a single staff member in key Council areas • Serious accident • Prolonged illness (non-accident) • Retirement • Disaffected staff resigning • Pandemic affecting staff or their families or pandemic response preventing staff from being at work • Water Services Bill - as per its first reading placing personal strict liability on Council officers	• Cross training for some work items with the wider team. • Contract availability from outside agencies • Operations manuals/Desk Files • Job Descriptions • Document extraordinary tasks • Duplicate training across staff • Succession plans where appropriate • Availability of Contractors and/or Consultants • Investment in our people • Regular communication with staff • Engaged staff • Keeping jobs interesting • Upskilling • Pandemic Policy		

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
		• Business Continuity Plan • Continuing evaluation of water services being handed to a regional body		
~~6) Poor building security~~ ***copy of 15***	• ~~Break-ins~~	• ~~Secure locking systems of all buildings and CCTV~~ • ~~Alarms installed in key buildings~~		
Human Resources				
7) Industrial action	• Unhealthy organisational culture • Autocratic management style • Workplace practices • Poor employment practices • Lack of communication • Legal action against Council	• Education and awareness of rights • Managing conflict and resolving disputes in the workplace • Effective communication with staff • Bargaining parties effectively represented • Organisational commitment to effective/peaceful bargaining • Demonstrating respect • Good communication with staff		
8) Unethical/inappropriate behaviour	• Inappropriate computer use • Time misuse • Harassment and/or bullying of staff • Lack of policies or policies not enforced • Poor work place culture • Lack of effective procedures and systems • Theft and fraud and other illegal acts	• Create Code of Conduct and/or appropriate policies • Lead by example • Reinforce consequences • Show appreciate to employees • Create checks and balances • Hire for values		

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
9) Unfair treatment of council staff	• No framework in place to support pay, leave, overtime activities and transactions and benefits and/or bonuses • No formalised hiring processes in place • Unequal compensation and benefits	• Training • Policies and procedures in place and followed • Checks and balances in place • Documented delegated authorities/signing authority • Multiple signatures required • Collective agreements in place • Council Drive for a positive culture		
10) Hiring of unsuitable/ unsafe personnel	• Discriminatory practices • Poor interviewing practices • Negligent reference checks • Hiring staff who lack capability and or knowledge	• Staff training in interviewing or accompanied by experienced interviewer • Employment Agreements comply with all employment law • Induction process in place and used • Employees required to sign off on important policies and procedures • Set paperwork as required by law completed • Dedicated HR manager position • Hiring procedure in place • Collective Employment Agreements • Proactive culture that allows people to speak up		
11) Breach of employment legislation	• Lack of knowledge/ awareness of employment law • Applicable law not complied with • Required records not kept	• Managers assisted by human resource understand basic employment law • Managers briefed by HR staff when laws changes are made • Employment Agreements drafted that comply with all terms and conditions of employment required by law • Management non-compliance not tolerated		

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
		• Managers are aware of the records that need to be kept • -Managers and human resources monitor all staff to ensure working conditions are appropriate and are not exploitative.		
Operations				
12) Water supply contamination	Multiple potential points of contamination: • Failure of chlorine dosing and pH adjustment • Failure of UV disinfection • Contamination of treated water storage • Contamination of ground water bores • Frederick Street reticulation pressure pump contamination • Failure of any of the distribution system connections allowing contaminant ingress • Untrained/unsupervised or poorly trained staff • Lack of monitoring • Response delays	• Sand filtration • Bag filtration • UV disinfection (x2) • pH adjustment • Chlorination • Daily monitoring • Weekly cleaning of filters • Drinking-water supply - Water Safety Plan • Supplementary supply • Ability to isolate sections of supply (contain contaminants) • External auditing		
13) Failure of asset/infrastructure		• Renewal programmes		

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
(three waters)	• Lack of investment in maintenance and renewal of assets • Lack of knowledge of asset state • Natural disaster (flood / earthquake) causing equipment breakage • Significant loss of IT or stored data not triggering warning alert • Loss of Power PLC / Telemetry	• Staff knowledge of asset condition • Reporting of faulty plant/equipment • Updated and adhered to asset management plans • Increased monitoring • Back-up water supply • Back-up generators • Use of more resilient materials and procedures in replacement and new pipework • Council investment in wastewater plant upgrade • Back-up computer server • Back-up of telemetry data • Regular updating of telemetry & PLCs • Staff capable and trained to carry out repairs • Supplementary supply stocked up with chemical for a prolonged event. • Material in stock to carry out any foreseeable repairs		
14) Wastewater plant failure	• Lack of trained staff leading to asset break or environmental damage • pipe failure leading to environmental contamination	• Staff knowledge of asset condition • Reporting of faulty plant/equipment		
15) Poor building/asset security	• Theft or damage to assets • Theft or damage to critical machinery	• CCTV • Alarms fitted to vital buildings		
16) Non-compliance with GWRC consents				

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
	• Significant loss of IT or stored data or data telemetry • Lack of trained personal • Lack of systematic monitoring	• Regular monitoring as per consent requirements • Back up staff trained in sampling techniques • Back-up computer server • Back-up of telemetry data		
17) Poorly run roading contracts and contracting process	• In document contractual errors • No oversight on contractual work • Poor contractual service (delays / poor work) • Cost overruns • No or poor asset condition monitoring • Roads and footpaths not fit for purpose leading to accident/injury	• Employment of CDC roading manager for project oversight • Asset engineer /roading manager/ops manager closer working relationship • Best practice contractual arrangements		
18) Wastewater treatment plant upgrade cost overrun or non-performance	• Lack of a detailed project plan • Incorrect design • Lack of Governance and project management oversight • Project specific risks not identified and addressed	• Project has Governance Group, project management, design detail, and risk register.		
Reserves and Buildings				
19) Unsafe Council buildings or grounds in use	• Failure of specified systems (air conditioning system, fire detection, fire suppression etc.) • Disturbance of asbestos in or on the building without appropriate safety procedures	• Building warrant of Fitness closely monitored • All suspected asbestos material identified and tested • Regular fire evacuation procedures practised for events centre and administration building • Any EQP buildings operated under Legislative requirements		

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
	• Failure of fire evacuation procedures • Earthquake prone buildings in use • Uncontrolled building access	• CCTV in place and used • Register of all access keys and fobs in development		
20) Injuries/death at the swimming pool	• Uneven /wet surfaces causing slips and falls • Oversubscribed admission to the pool overtaxing life guards • Incorrect dosing of chlorine pool water (poor water quality) • Untrained or undertrained lifeguards	• Safety matting provided • Manhole covers flush with surrounding paths • Chemical handling certificates and training in pool dosing for all staff undertaking the work • Contracted trained lifeguards		
21) Injuries at council parks	• Children play equipment becoming or installed as unsafe • Incompatible activities on existing equipment • Incorrect mower or power tool use around public	• Play equipment checked 6-monthly • Clear signage of intended use • Training and supervision of inexperienced staff		
22) Incorrect or delayed cemetery internments	• Internments in the wrong site • Internment site unprepared on time • staff and public falling into prepared graves • Heavy machinery use in public area	• Burial warrants sent to four different staff to ensure action • Training and supervision of inexperienced staff		
23) Improper chemical use	• Incorrect storage or use of chemical sprays	• GroSafe handling certificate for staff		
Planning and Regulatory				

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
24) Statutory non-compliance	• IT system providing false time keeping information • Unable to complete all required statutory tasks • Lack of resources to follow regulations • Procedures inadequate or not followed	• Close monitoring of time frames with contractual arrangements in place for overflow • Regular in-house audits		
25) Non-compliance of CDC animal facility	• Animal facility below MPI minimum code of welfare standards	• Funding for new pound in Annual plan 2019/20 for approval		
26) Poor regulatory decision making	• Inexperienced staff • Lack of care and diligence	• New staff closely supervised by competent staff • Annual competency assessments of BCOs • Peer review of technical decisions for each BCO		
27) Operational below standard food establishment	• Lack of regular inspections by Environmental Health Officer (EHO) • No competent EHO available in Council	• Qualified EHO employed		
28) Disease spread by poor animal management practices	• Placement of wandering diseased stock into areas that were disease free			
Corporate services				
29) Inadequate financial controls				

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
	• Not following legislative or policy financial systems and processes	• Separate passwords required for each approval stage • Segregation of duties • Source documentation retained • Delegations policy • Procurement policy • Audit trails • Budget holder review processes • Dunning processes • All receipts through Debtors • Receipts given to all customers • Subsidiary systems reconciled • POs pre-numbered, sequential, and signed for • System controls • Invoices require manager approval • Mileage claims through payroll • Only 2 credit cards (CE, CSM) • Approval required before use • Clear policy and guidelines • Small number on payroll – everyone known to staff • All changes reviewed and checked • Manager approves timesheets • Electronic timesheet approves annual leave in advance • Overtime authorised in advance		
30) Unable to obtain loan funding	• Loss of bank confidence	• strong financial management • relationship with account manager • funding through LGFA		

COUNCIL RISK	POSSIBLE CAUSE	MITIGATION	Raw RS	Mitigated RS
31) Local Body elections	• Electoral fraud • Errors in election process	• Employ appropriate elected service supplier • Security measures around voting booths • Elected officer declaration		

7 KARAKIA WHAKAMUTUNGA