



Te Kaunihera-ā-Rohe o Taratahi

CARTERTON
DISTRICT COUNCIL

AGENDA

Risk and Assurance Committee Meeting

Date: Wednesday, 13 August 2025

Time: 9:30 am

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

CHAIR P Jones

Deputy Mayor S Cretney

Mayor R Mark

Cr S Laurence

Cr G Ayling

Cr L Newman

M Sebire - Hurunui-o-Rangi Marae

**Notice is hereby given that a Risk and Assurance Committee Meeting of the
 Carterton District Council will be held in the Carterton Events Centre, 50 Holloway
 St, Carterton on:**

Wednesday, 13 August 2025 at 9:30 am

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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 DISCUSSION OF THE PUBLIC FORUM

6 CONFIRMATION OF THE MINUTES



6.1 MINUTES OF THE RISK AND ASSURANCE COMMITTEE MEETING HELD ON 7 MAY 2025

1. RECOMMENDATION

1. That the Minutes of the Risk and Assurance Committee Meeting held on 7 May 2025 are true and correct.

File Number: 453250

Author: Robyn Blue, Democratic Services Officer

Attachments: 1. Minutes of the Risk and Assurance Committee Meeting held on 7 May 2025

**MINUTES OF CARTERTON DISTRICT COUNCIL
RISK AND ASSURANCE COMMITTEE MEETING
HELD AT THE CARTERTON EVENTS CENTRE, 50 HOLLOWAY ST, CARTERTON
ON WEDNESDAY, 7 MAY 2025 AT 9:30 AM**

PRESENT: Philip Jones (Chair), Deputy Mayor Steve Cretney (Deputy Chair), Mayor Ron Mark, Cr Steve Laurence, Cr Grace Ayling, Marty Sebire - Hurunui-o-Rangi Marae

IN ATTENDANCE: Staff

Geoff Hamilton (Chief Executive), Karon Ashforth (Corporate Services Manager), Geri Brooking (People and Wellbeing Manager), Glenda Seville (Community Services and Facilities Manager), Solitaire Robertson (Planning and Regulatory Services Manager), Johannes Ferreira (Infrastructure Services Manager), Marcus Anselm (Communications and Engagement Manager), Sara Renall (Senior Communications and Engagement Advisor), Katrina King (Democratic Services Officer), Robyn Blue (Democratic Services Officer).

Other

Audit NZ – Karen Young (Audit Director), Stephen Walker (Executive Director), Wikitoria Werohia (General Manager, Audit Services)

Simon Taylor, Wairarapa Recovery Office

1 KARAKIA TIMATANGA

The meeting opened with a karakia led by Marty Sebire.

2 APOLOGIES

MOVED

That an apology be received from Cr Dale Williams.

P Jones / M Sebire

CARRIED

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

6.1 MINUTES OF THE RISK AND ASSURANCE COMMITTEE MEETING HELD ON 26 FEBRUARY 2025

MOVED

1. That the Minutes of the Risk and Assurance Committee Meeting held on 26 February 2025 are true and correct.

P Jones / M Sebire

CARRIED

6 EXCLUSION OF THE PUBLIC

RESOLUTION TO EXCLUDE THE PUBLIC

MOVED

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
8.1 - Confirmation of the Public-excluded minutes of the Risk and Assurance Committee 26 February 2025	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
8.2 - Long-Term Plan Review	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

8.3 - Waste Water Reservoir Project Update	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
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Cr G Ayling / Deputy Mayor S Cretney

CARRIED

MOVED

That Council moves out of Closed Council into Open Council.

Deputy Mayor S Cretney / P Jones

CARRIED

The meeting adjourned at 10.54 am and reconvened at 11 am.

7 REPORTS

7.1 ANNUAL REPORT 2025 PLAN

1. PURPOSE

To update the Committee on the timeline for the preparation and adoption of the 2024/25 Annual Report and the associated audit process.

NOTED

- The Annual Report 2024/25 needs to be approved by 31 October 2025. The Inaugural Council meeting is currently set for 5 November 2025 and will need to be changed to accommodate this. This is likely to be Wednesday 29 October 2025.
- Stephen Walker, Executive Director of Audit NZ, acknowledged the pressure on councils with the water reforms and also the Resource Management Act reforms.

MOVED

That the Committee:

1. **Receives** the report.
2. **Notes** the proposed 2024/25 Annual Report timelines are yet to be confirmed.

P Jones / M Sebire

CARRIED**7.2 REPORT ON MAGIQ PLANNING MODEL REVIEW****1. PURPOSE**

To provide to the committee assurance on the recent review of the Council's financial modelling system, operated by the software provider 'Magiq'.

MOVED

That the Committee:

1. **Receives** the report.

Deputy Mayor S Cretney / Mayor R Mark

CARRIED**7.3 UPDATE ON DRAFT ANNUAL PLAN 2025/26****1. PURPOSE**

To provide the Risk and Assurance Committee with an update on the Draft Annual Plan 2025/26.

NOTED

- The average increase in rates in year 2 of the LTP was 13%. This has changed to 8.6% in the draft 2025/26 Annual Plan as a result of review.
- The average rates increase is across all rateable properties. The actual increase individual property owners receive will vary depending on their property. The most notable difference across property groups is the increase in the average urban rates when compared to average rural rates. This difference is due to an increase in funding for depreciation on waters assets from 50% to 75% in the 2025/26 fiscal year, which was agreed to as part of the 2024-34 Long-Term Plan. Depreciation on waters assets affect urban ratepayers, not rural ratepayers.

MOVED

That the Committee:

1. **Receives** the report.
2. **Notes** the risks identified regarding the Draft Annual Plan 2025/26.

M Sebire / Mayor R Mark

CARRIED**7.4 RISK MANAGEMENT UPDATE****1. PURPOSE**

For the Committee to be updated with a summary on Council's identified and emerging risks.

MOVED

That the Committee:

1. **Receives** the report.

Cr G Ayling / Deputy Mayor S Cretney

CARRIED**7.5 HEALTH, SAFETY AND WELLBEING UPDATE****1. PURPOSE**

This report updates the Risk and Assurance Committee on recent health, safety and wellbeing (HS&W) activities.

MOVED

That the Committee:

1. **Receives** the report.

Mayor R Mark / Cr G Ayling

CARRIED

7.6 TREASURY REPORT**1. PURPOSE**

To provide the Committee with an update on Council's current Treasury position.

MOVED

That the Committee:

1. **Receives** the report.
2. **Notes** the current Treasury position and compliance with policy limits.

Deputy Mayor S Cretney / Cr G Ayling

CARRIED**7.7 EMERGENCY MANAGEMENT UPDATE****1. PURPOSE**

For the Committee to be updated on Emergency Management (EM) activities.

MOVED

That the Committee:

1. **Receives** the report.

Mayor R Mark / P Jones

CARRIED**8 KARAKIA WHAKAMUTUNGA**

The meeting was closed with a karakia led by Marty Sebire.

The meeting closed at 12.10 pm

Minutes confirmed:

Date:

7 REPORTS



7.1 REVIEW OF THE RISK MANAGEMENT FRAMEWORK

1. PURPOSE

For the Committee to review the Risk Management Framework.

2. SIGNIFICANCE

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

3. BACKGROUND

Risk management is about improving our ability to deliver outcomes for the people of Carterton by managing our threats, enhancing our opportunities and creating an environment that adds value to ongoing service activities.

The intent of the Risk Management Framework (**Attachment 1**) is to ensure that sound risk management practices are incorporated into Council's planning and decision-making processes.

In June 2023, following a two-day workshop, the Council undertook an extensive review of the Framework making changes to the Consequence Assessment Criteria, Risk Likelihood, and the Risk Matrix.

4. DISCUSSION

In April 2025, a workshop refreshed the Council's understanding of risk, and its approach to managing risk. The Council reviewed its Risk Appetite and considered options for changes to the Framework, however no new amendments were recommended.

Management has also undertaken a review however feel confident the current Framework remains appropriate at this time. It is recommended that a further review be undertaken by the newly elected Council following the election in October as part of the Induction Programme. This will enable the establishment of the new Council's Risk Appetite and Consequence Assessment Criteria.

5. CONSIDERATIONS

5.1 Climate change

Climate change risks and mitigations are outlined in the Risk Register.

5.2 Tāngata whenua

There are no specific tāngata whenua considerations required in this report.

5.3 Financial impact

There are no budgetary implications required in this report.

5.4 Community Engagement requirements

There are no community engagement requirements required in this report.

5.5 Risks

Council risks and mitigations are outlined in the Risk Register. There are none associated with this report.

6. RECOMMENDATION

That the Committee:

1. **Receives** the report.
2. **Endorses** the Risk Management Framework in its current form.
3. **Notes** that the newly elected council will review the Risk Management Framework as part of its Induction Programme.

File Number: 477889

Author: Geri Brooking, Group Manager People and Corporate

Attachments: 1. Risk Management Framework [↓](#)



RISK MANAGEMENT FRAMEWORK

Reviewed 13 August 2025
DOC ID 39355

1. INTRODUCTION

Risk management is about improving our ability to deliver outcomes for the people of Carterton by managing our threats, enhancing our opportunities and creating an environment that adds value to ongoing service activities.

1.1 Definitions

Using common terminology will make understanding concepts around risk much easier. Below is a short list of key terms used in this Framework:

- **Risk:** Effect of uncertainty on objectives.
- **Risk Assessment:** Overall process of risk identification, risk analysis and risk evaluation.
- **Risk Management:** The culture, process and structures that are directed towards realising potential opportunities whilst managing adverse effects.
- **ERM:** Enterprise Risk Management. Whole of organisation risk management arrangements.
- **Risk Management Framework:** Set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.
- **Risk Management Process:** Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing and evaluating, treating and monitoring.
- **Risk Owner:** Manager or entity with the accountability and authority to manage a risk.
- **Risk Register:** Record of information about identified risks.
- **Control:** Anything that has the effect or purpose of managing a risk or achieving objectives.
- **Risk Appetite:** The amount and type of risk that the Council is prepared to pursue, retain or tolerate.
- **Risk Treatment:** Determining the appropriate action or option for a risk that was not considered acceptable or tolerable.

1.2 Purpose

The intent of this Framework is to ensure that sound risk management practices are incorporated into Council's planning and decision-making processes and are aligned with the *ISO31000:2009 Risk Management Standard*.

1.3 Objectives

The objectives of the Framework are to:

- Provide a **simple method** and balanced approach for all staff to **minimise exposure**, loss and damage whilst **realising opportunity** and delivering improvement.
- **Integrate** risk management with governance and management arrangements, embedded in major organisational and business processes, and to clearly specify

its **accountability**.

- **Align** the Council's risk management approach with *the ISO 31000 Risk Management Standard*
- Provide a **consistent language** in the consideration of risk across all Council activities.

1.4 Risk Appetite

Risk Appetite is the amount and type of risk that the Council is prepared to pursue, retain or tolerate. The appetite is reviewed and updated on an annual basis following the consideration of a range of factors including organisation and Council views, our strategies and the internal and external risk environment. Once implemented, the appetite is used to drive decision making about risk.

The *CDC Risk Matrix* in **Appendix 3**, which covers a number of critical risk categories, serves as a statement to the Council's appetite and the boundaries of acceptable risk taking. Responsibility to define the Risk Appetite rests with Council and will be done by approval of this Framework on an annual basis.

1.5 Policy Monitoring and Review

The Framework will be reviewed by the Risk and Assurance Committee on an annual basis to ensure its currency and reported back to Council.

2. GOVERNANCE

This framework is a key component of the Council's overall governance. The Council has overall responsibility to ensure there is good governance in the Council. The Chief Executive is responsible for operationalising the governance arrangements. Risk management governance is delegated from the Council across strategic, tactical and operational levels.

2.1 Types of Risk

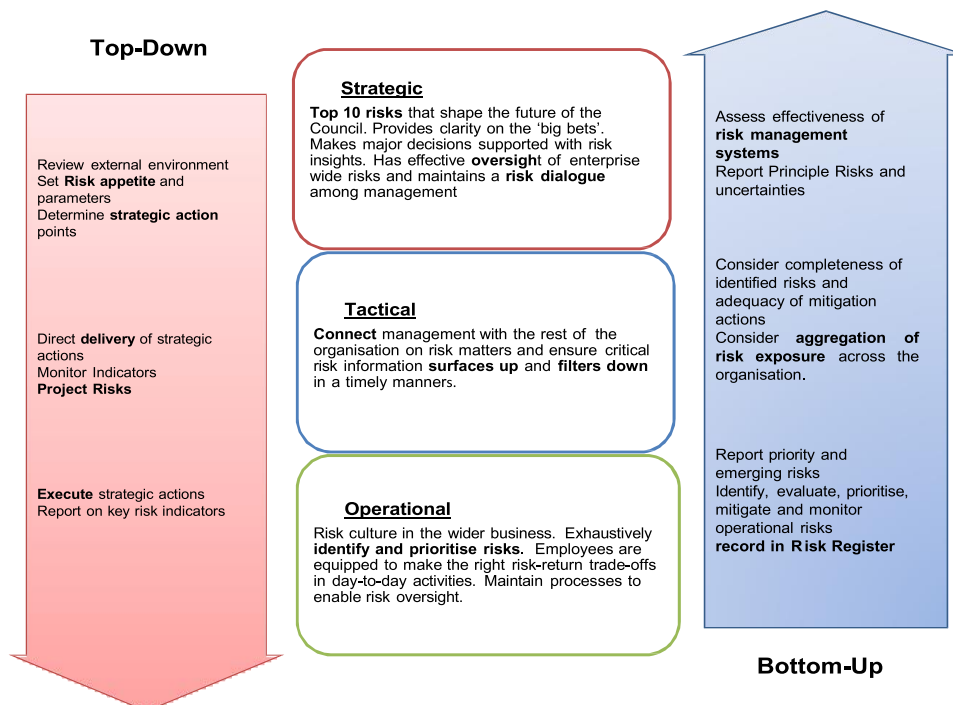
All risks must be identified and managed, however, due to limited resources, a prioritised approach has been adopted. Only key risks or material risks that will impact CDC's strategic and business objectives are recorded in the CDC Risk Register and administered by the Risk and Assurance Committee.

Each risk owner remains responsible for managing all assigned risks whether they are recorded and managed in the Council's register or independently. All risks that fall within the Council's risk reporting criteria or when a significant change in a risk that would cause it to breach the Council's risk appetite must be reported to the Chief Executive to report to the Risk and Assurance Committee.

2.2 Integrating Risk into Organisational Structure

Risk is present in all business activities and is not discrete, with a risk event in one Group having the potential to impact multiple areas or all of Council due to the inter-connected nature and cumulative effects of risk.

To implement an effective framework, risk management must be integrated and embedded into all of our key business activities, systems and processes and be considered ‘business as usual’.



A '**Top-Down**' system: The objectives are to provide the crucial leadership and guidance the Council needs, to balance risk and reward optimally and steer the Council in the right direction.

Example: Insights and clarity on the top 10 most important risks shaping the Council, support decisions at the management level, ensure the risk dialogue among the management team and enable risk oversight by Council.

A '**Bottom-Up**' system: The objectives are to ensure a comprehensive identification prioritisation of all important risks, define and implement risk policies and processes that control daily decision making throughout the company and ensure a robust risk culture companywide.

Example: Can help Council to spot a weak operational procedure, surface the issue at the managerial level and make the right return trade off to fix the problem.

Both Top-Down and Bottom-Up systems complement each other. They are symbiotic, providing insights and influencing each other. The combination of both, provide a 'line-of-sight' feedback from the Council, to operational business units and back again.

This organisational structure for risk is aligned with planning in Council.

3. ROLES AND RESPONSIBILITIES

Management and staff must be familiar with the application of the risk management process across their areas of responsibility. A description of roles and responsibilities is defined below.

3.1 Elected Members' Role

Council must facilitate resources and guidance in relation to the Risk Management Policy and Framework and associated Procedures. Council also set the tone and influences the culture of risk management within Carterton District.

Council's role includes:

- a. The approval of risk management framework and governance policies
- b. To ensure strategic risks are identified, assessed, monitored and reported
- c. Approve major (strategic) decisions affecting the Council's risk profile or exposure.

3.2 Chief Executive

The Chief Executive is responsible for ensuring that Council is not exposed to unnecessary or uncontrolled risks and that a suitable risk management process is established, implemented and maintained in accordance with the Risk Management Process. The Chief Executive will maintain and be responsible for the effective management of all types of risk across Council's operation.

The Chief Executive will ensure:

- a. An effective risk management framework is applied across Council functions.
- b. Adequate resources are made available for the planning and implementation of such a system.
- c. Managers have the necessary knowledge and skills to effectively fulfil their risk management responsibilities and are accountable for risks arising from the activities of their areas.
- d. Annual risk management planning is undertaken.

3.3 Managers

Managers will ensure that the Council's assets and operations together with public liability risks are adequately protected through appropriate risk management plans and programmes. They will ensure the provision of a safe and healthy work environment and the implementation of prudent work practices.

Managers will ensure and be responsible for:

- a. Implement policies on risk management and internal control;
- b. Identify and report on key risks associated with CDC's strategic planning environment.
- c. Identify and evaluate the key risks faced by CDC for consideration by the Council;

- d. Encourage good risk management practices amongst staff members.
- e. Appropriate training for staff to carry out their risk management responsibilities
- f. Annual risk management planning is undertaken and reviewed including developing and implementing action plans to mitigate and control risk
- g. To raise significant risks to the Chief Executive
- h. Applying Council's risk management process to risks associated with any planned new activity or proposal being presented to Council.

3.4 Staff

Staff will perform their duties and functions in a safe manner, adhering to safe work practices and ensuring that they are familiar with the Council's Risk Management Framework. All individuals will play a part in managing risk at Council, including having access to Council's risk management processes and risks from the risk register.

Staff are responsible for:

- a. Identifying and reporting risk in their areas of responsibility
- b. Assisting to identify ways of controlling those risks (as part of the established risk management process)
- c. Ensuring they remain alert to and report any risks to which the Council is exposed which they might identify while carrying out their normal duties.

3.5 The Risk and Assurance Committee

The Risk and Assurance Committee has been established to ensure that the Council has sound systems for statutory and financial reporting, management of controls and risk management arrangements.

The Risk and Assurance Committee are responsible for:

- a. Monitoring legislative and financial reporting requirements
- b. Providing commentary on the adequacy on internal control environment
- c. Recommending Council's approach to risk management and risk appetite
- d. Monitoring risk profile against risk appetite
- e. Reviewing risk policies and the risk management framework
- f. Satisfying itself that the less significant risks are being managed, appropriate controls are in place and working effectively.

4. RISK MANAGEMENT GUIDELINES

4.1 What is Risk?

Risk is described 'as the effect of uncertainty on objectives' and is expressed as a combination of the consequences of an event and the associated likelihood of the

risk occurrence.

Uncertainty is the deficiency or limited nature of information, knowledge or assumptions related to an event, its consequence or likelihood. Where there are high levels of uncertainty, it can be difficult to assess the likelihood and consequence of a risk.

It is important to note, even where there are high levels of certainty, the nature of risk means deviations from the expected do occur which can be either positive or negative. Emerging risks are generally considered issues or events with the potential to become defined risks in the future.

When assessing possible risk, the following questions need to be addressed:

- What could go wrong?
- How likely is it to happen?
- What would the impact be of it happening?
- What should be done to reduce the risk?
- Who owns the risk?
- What else do you need to do about it?

4.2 What is Risk Management?

Risk management is described as ‘the coordinated activities to direct and control an organisation with regard to risk’, the implementation of which is based on the following fundamentals:

- Mandate and commitment from the Council, CE and management team
- A positive risk culture
- Appropriate resources commensurate with CDC’s risk profile and organisational size
- A well-defined documented risk management framework
- Control management including assessment of effectiveness and monitoring activities
- Established reporting and escalation protocols and processes
- Benchmarking and assessment of risk management maturity, and
- Continual improvement initiatives.

4.3 What are the Limitations of Risk Management?

Risk management is an effective business tool, but it will not make decisions.

- Adopting a structured approach to managing risk creates a very effective business tool and discipline to assist risk owners in making optimised decisions. However, risk management is not a substitute for thoughtful consideration of all relevant factors that could influence intended outcomes.
- Decisions can be influenced by the prevailing organisational culture, information available, levels of uncertainty, relevant experience of the person, analysis, assumptions, historical knowledge and any relevant external factors.

Risk management will not guarantee a 'risk free' environment.

- It is impossible to predict all risks or changes in circumstances that will impact the operating environment of the Council.
- All staff have a responsibility to prepare for and act when incidents and issues emerge to minimise the adverse consequence on CDC's intended objectives.

5. RISK MANAGEMENT PROCESS**5.1 STEP 1 – Establish the Context**

Establishing the context is a very important step and is a key component of setting the scope and planning the requirements for the risk assessment. The three key elements of establishing the context include internal, external and risk management.

Internal Context

As risk relates to the effect of uncertainty on objectives, it is important to understand the internal operating context. This means there should be some clarity and common understanding about the objective, goal, project or activity to ensure all material risks are understood and the risk decisions support the Council's strategic, tactical and operational objectives and plans. Consideration should also be given to:

- governance and management roles and accountabilities,
- internal policies, standards and guidelines,
- internal stakeholders,
- the prevailing culture and
- the current capabilities with respect to people, systems and processes.

External Context

The external context encompasses the overall or broader operating environment of the Council and should include an understanding of our community's perceptions and other external stakeholders. Key elements may include:

- The social and cultural, political, legal, regulatory, financial, economic, technological, natural and competitive environment, whether international, national, regional or local;
- Key drivers and trends having impact on the Council's objectives; and
- Relationships with and perceptions and values of external stakeholders.

Risk Management Context

The risk management context relates to the risk identification exercise, as it is important to define the parameters, limits and scope and boundaries to ensure there is a focus on objectives. Some of the key things to consider are timeframes, resources required, roles and responsibilities, stakeholders, subject matter experts, depth of analysis required and risk management tools and requirements. Record

keeping is important to ensure techniques, assumptions, limitations, controls, sources of risk and the risk process is clear.

5.2 STEP 2 – Identify the Risk

There are a number of ways in which risks are identified. Some of the common methods include use of historical information and past experience, brainstorming, structured interviews and workshops, modelling, incident/near miss reports, strategic and business planning, business activities, whistleblowers and checklists.

There are three key elements to identifying risk:

- What can happen?
- How can it happen?
- Why could it happen?

Risk identification is not always easy, and it is important that there is a robust discussion to ensure the 'real' risk has been properly identified and consideration is given to whether the risk will increase or decrease the effectiveness of objectives.

The risk identification should consider the source of the risk and include:

- The event,
- The cause/s; and
- The consequence/s.

It is important not to describe risks as the control failure or impact.

Example:

There is a risk *CDC cannot deliver its key services* (event), due to a *shortage of skilled staff and staff turnover*, (causes), resulting in *legislative breaches and reputational damage*.

5.3 STEP 3 – Risk Analysis

CDC's risk analysis makes a **risk rating** using the **likelihood** and **consequence** criteria and can be qualitative, semi-qualitative, or quantitative. This risk rating is considered in the context of existing controls.

Controls can be a policy, procedure, process, guideline, practice, plan, agreement, system, authority, delegation, standard or other action. It is a broad term, however, good controls are **documented** and **authorised**.

Current controls (if any) and their effectiveness (based on the control effectiveness rating) and the risk is analysed using the likelihood and consequence criteria to provide a risk rating. **Appendix 1: CDC's Assessment Criteria** provides a detailed description of the Consequence Criteria, Likelihood Criteria, Control Assessment and **Appendix 3: CDC's Risk Matrix** enables this step.

5.4 STEP 4 – Risk Evaluation

After the risk has been identified and analysed, the next step is to sort risks into their

categories and prioritise risks based on importance and severity. Sorting and prioritisation helps to provide clarity around key risks and is used to evaluate what action is required.

Risk acceptance should only occur when the risk falls within the defined risk appetite and the person accepting the risk on behalf of the Council is authorised to do so. A risk that is 'acceptable' means the Council chooses to accept any negative impacts if the risk eventuates.

The Managing and Reporting Risks Table at **Appendix 4** is the appropriate guide to be used in risk evaluation.

Considerations when determining whether to accept a risk include:

- The cost of treatment far exceeds the benefit, so acceptance is the only option (particularly for lower ranked risks)
- The risk level is so low that treatment is not viable with available resources
- The opportunity of taking the risk outweighs the threat and it is considered taking the risk is justifiable to achieve intended objectives
- Due to the type or nature of the risk there is no treatment available and there is no option other than to accept the risk, and
- The existing controls are considered 'optimal' for the current risk (where the cost of additional controls would have minimal effect on the risk rating).

5.5 STEP 5 – Risk Treatment

Risk treatment is determining the appropriate action or option for a risk that was not considered acceptable or tolerable. The concept of risk treatment is to further control risk in order to reduce or eliminate negative consequences and/or to reduce the likelihood of an adverse occurrence. It is often not feasible or cost-effective to implement all treatment strategies and there should be some clarity with respect to the aims of risk treatment and what monitoring and review will occur to determine if the treatment has achieved its objective.

It is important to choose and implement the most appropriate combination of risk treatments, and options include:

- **Avoid the risk** by not proceeding with the activity likely to trigger the risk. Avoidance is considered when there are no control measures or when controls do not reduce the risk to a sufficiently acceptable level. Risk avoidance must be balanced with the potential risk of missed opportunities or an increase in the significance of other risks.
- **Change the likelihood** of the occurrence by implementing additional controls, activities or actions that reduce the possibility or prevent the risk from occurring.
- **Change the consequences** if the risk occurs by implementing additional controls, plans, activities or actions that would minimise risk impacts.
- **Share the risk** with another party so they share the responsibility. Mechanisms to share the risk include contracts, insurance, partnerships, alliances and

outsourcing. It is important to note that even when sharing a risk, the risk is not transferred as the Council may retain a regulatory obligation or be exposed to impacts against its reputation by a third party's activities.

- **Retain the risk** after risks have been reduced or transferred, the residual risk may be retained if it is an acceptable level.

Once the appropriate treatment option has been determined for the identified risk, the treatment is documented in a plan which will include the agreed approach, timeframes for implementation, review and monitoring, resources required, and individuals responsible for ensuring the treatment is implemented as agreed. The Management Team documents and administers treatments for the Council's risks in the Risk Register.

5.6 STEP 6: Monitor, Review, Report and Test

Monitor, review and reporting are essential and integral elements in the risk management process, as change is a constant factor and very few risks remain static. To be really effective, risk management must be dynamic and iterative, which requires a formalised process to ensure there are 'monitor and review' activities.

Key elements include:

- At a minimum, annual reviewing the risk context, risk criteria and risk profile
- Periodically repeating the risk identification process to capture new or emerging risks
- Periodically reviewing current risks to ensure changing circumstances do not alter risk ratings or priorities
- Active control monitoring to ensure it remains effective
- Developing early warning systems and processes. E.g., key indicators, incidents and breach monitoring as a trigger to review risks and control effectiveness
- Reviewing progress against treatment plans and the residual risk rating
- Reporting all risks and issues to relevant committees and stakeholders
- Integrating feedback arising from incidents into risk assessments, and
- Risk owners reporting all corporate and key/material business risks to the Chief Executive.

On an annual basis, CDC will review its risk management framework. The results of all reviews are reported to through the Risk and Assurance Committee, and Council.

Controls that are in place need to be, from time to time, tested against assumptions. This should take place annually.

6. APPENDICES

APPENDIX 1: CDC'S ASSESSMENT CRITERIA

In identifying the consequences of a risk, there may be several categories which apply. The category with the highest rated impact shall be the governing category of consequence for the risk.

Consequence Table					
Category	Financial	Regulatory & Litigation	Services	Employees	Image & Reputation
Minor (1)	Direct loss or increased cost of ~ up to \$20K	Small, non-systematic and/or technical breaches occur. No impact to citizens.	Minimal disruption to service delivery. e.g. <2 hr (approx.) disruption for any business unit area	Negligible or isolated employee dissatisfaction. Health, Safety & Wellbeing (HS&W) = minor	Reference to community consultation group/forum. Public awareness may exist but no public concern.
Moderate (2)	Direct loss or increased cost of ~ \$20 to \$100K	Inconsequential breaches occur, first of its kind, one-off issues. Minimal loss to citizens.	Minor disruption to service delivery. e.g. 2-4 hr (approx.) disruption for any business unit	General employee morale and attitude problems. Increase in employee turnover. HS&W = medical treatment injury	Adverse news in local media. Concerns of performance raised by stakeholders or the community.
Significant (3)	Direct loss or increased cost of ~ \$100K to \$150K	Multiple related minor breaches and/or minor systemic issue. Possibility of some fines. Small financial impact to citizens. Reportable breach.	Disruption of service delivery. e.g. 1 day (approx.) disruption for any organisational area / 0.5 day for total organisation.	General employee morale or attitude problems in business area. Significant employee turnover in area. HS&W = Lost time injury	Adverse news in the local media (paper / newspaper / tv / social media / networking). Minor decrease in stakeholder or community support.
High (4)	Direct loss or increased cost of ~ \$150K to \$500K for operational expenditure ~ 500K-1.5M for capital expenditure	Significant breach or systemic minor breaches. Reportable breach and action is possible – significant fines, audits/inspections or undertakings. Possible action taken against management.	Serious disruption to service delivery. Impact to multiple and diverse areas of the Council. Adversely affects multiple key community groups. e.g. 1-5 day (approx.) disruption for any business unit / 1 day for total Council.	Increasing number of managers or experienced employees leave. Significant turnover of experienced employees. Widespread employee attitude problems. HS&W = permanent disability	Adverse news beyond local media. Serious decrease in stakeholder or community support.
Extreme (5)	Direct loss or increased cost of ~ over \$500K for operational expenditure ~ over \$1.5M for capital expenditure	Serious breach or multiple significant breaches resulting in regulatory scrutiny. Undertakings or restrictions on activity or responsibilities of Council. Legal action taken against management or councillors.	Total disruption to all Council service delivery. Significantly affects key community services. e.g. Total Business disruption for 5+ (approx.) days. Number of potential users affected?	A significant number of managers or experienced employees leave the Council. HS&W = fatality	Damage to reputation at national level, raised in national media. Major loss of stakeholder, political or community support. Council under, or potentially under, formal watch by central government or administration.

APPENDIX 2: RISK LIKELIHOOD

Likelihood	Likelihood description	Probability of occurrence	Scoring
Likely	<ul style="list-style-type: none"> The event will probably occur in most circumstances; or Within 6 months. 	85 – 100%	5
Possible	<ul style="list-style-type: none"> The event will possibly occur at some time; or Within 12 months. 	41 – 84%	4
Rare	<ul style="list-style-type: none"> The event could occur at some time; or Within 3 years. 	21 – 40%	3
Unlikely	<ul style="list-style-type: none"> The event may occur only in exceptional circumstances; or Not within 3 years but at least every 10 years. 	6 – 20%	2
Unanticipated	<ul style="list-style-type: none"> The event is not expected to occur. 	1 – 5%	1

Risk Score	Level of Risk
20-25	Extreme risk
10-16	Significant risk
5-9	Moderate risk
1-4	Low risk

APPENDIX 3: CDC'S RISK MATRIX

Likelihood	Likely (5)	5	10	15	20	25
	Possible (4)	4	8	12	16	20
	Rare (3)	3	6	9	12	15
	Unlikely (2)	2	4	6	8	10
	Unanticipated (1)	1	2	3	4	5
		Minor (1)	Moderate (2)	Significant (3)	High (4)	Extreme (5)
	Consequence					

APPENDIX 4: MANAGING AND REPORTING RISKS AT CDC

Criteria for Management of Risk	Rating
<ul style="list-style-type: none"> • Risk Acceptance: Council • Risk Ownership: Risk and Assurance Committee 	Extreme
<ul style="list-style-type: none"> • Extreme risks can exceed risk appetite and tolerance limits. • Extreme risks within CDC's control must, where feasible, have effective key controls. • Immediate escalation to the Council is required. • Immediate action is required. 	
<ul style="list-style-type: none"> • Risk Acceptance: Risk and Assurance Committee • Risk Ownership: CE and Management Team 	High
<ul style="list-style-type: none"> • High risks usually exceed risk appetite and tolerance limits. • All high risks must, where feasible, have effective key controls. • Immediate escalation to Executive Management Team member. • Action begins within 1 day. 	
<ul style="list-style-type: none"> • Risk Acceptance: Chief Executive • Risk Ownership: Management Team 	Considerable
<ul style="list-style-type: none"> • Considerable risks may exceed risk appetite and tolerance thresholds. • Considerable risks must have controls. • Escalate within 2 days to Executive Management Team member. • Action begins within 1 week. 	
<ul style="list-style-type: none"> • Risk Acceptance: Chief Executive • Risk Ownership: Relevant Manager 	Low
<ul style="list-style-type: none"> • Low risks are usually within risk appetite and tolerance limits. • Low risks should have adequate controls in place. • Escalate within 1 week to Relevant Manager. • Action by standard operating procedures. 	

APPENDIX 5: RISK MANAGEMENT PRINCIPLES

- a) ***Risk management creates and protects value:*** Risk management contributes to the demonstrable achievement of objectives and improvement of performance in Council activities.
- b) ***Risk management is an integral part of all organisational processes:*** Risk management is not a stand-alone activity that is separate from the main activities and processes of the organisation. Risk management is part of the responsibilities of management and an integral part of all organisational processes.
- c) ***Risk management is part of decision making:*** Risk management helps decision makers make informed choices, prioritise actions and distinguish among alternative courses of action.
- d) ***Risk management explicitly addresses uncertainty:*** Risk management explicitly takes account of uncertainty, the nature of that uncertainty, and how it can be addressed.
- e) ***Risk management is systematic, structured and timely:*** A systematic, timely and structured approach to risk management contributes to efficiency and to consistent, comparable and reliable results.
- f) ***Risk management is based on the best available information:*** The inputs to the process of managing risk are based on information sources such as historical data, experience, stakeholder feedback, observation, forecasts and expert judgment. Decision makers should inform themselves of, and take into account, any limitations of the data or modelling used or the possibility of divergence among experts.
- g) ***Risk management is tailored:*** Risk management is aligned with the organisation's external and internal context and profile.
- h) ***Risk management takes human and cultural factors into account:*** Risk management recognises the capabilities, perceptions and intentions of external and internal people that can facilitate or hinder achievement of the organisation's objectives.
- i) ***Risk management is transparent and inclusive:*** Appropriate and timely involvement of stakeholders and, in particular, decision makers at all levels of the organisation, ensures that risk management remains relevant and up-to-date. Involvement also allows stakeholders to be properly represented and to have their views taken into account in determining risk criteria.
- j) ***Risk management is dynamic, iterative and responsive to change:*** Risk management continually senses and responds to change. As external and internal events occur, context and knowledge change, monitoring and review of risks take place, new risks emerge, some change, and others disappear.
- k) ***Risk management facilitates continual improvement of the organisation:*** Council should develop and implement strategies to improve their risk management maturity alongside all other aspects of their organisation.



7.2 RISK MANAGEMENT UPDATE

1. PURPOSE

For the Committee to be updated with a summary on Council's identified and emerging risks.

2. SIGNIFICANCE

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

3. BACKGROUND

Council's Risk Management Framework ensures that sound risk management practices are incorporated into Council's planning and decision-making processes. The Framework is developed by the Risk and Assurance Committee, and adopted by Council, including the risk context, risk criteria, and risk profile.

The Framework also informs the ranking for the Risk Register (**Attachment 1**) which outlines Council's identified risk items. The Register is reviewed and reported to the Committee on a quarterly basis.

4. IDENTIFIED RISKS

The Risk Register currently contains 31 identified risk items, including Council's Top 5 Strategic Risks. Each risk has an associated unmitigated 'raw score', recorded in the first column, and a subsequent score, once mitigations have been applied, in the second column.

There have been no changes to the Risk Register since the last meeting in May therefore the overall categorisations remain as below:

Risk Score (unmitigated)	Risk Score (mitigated)	Level of Risk
13	Zero	Extreme risk
14	3	Significant risk
4	14	Moderate risk
Zero	14	Low risk

5. EMERGING RISKS

Council manages a number of emerging risks, typically short term, that may or may not already be captured within the Risk Register. These will be reported to Council in detail as they arise, however the following is a summary of the predominant risks:

5.1 Local Body Elections

An internal project team has been established to manage the risks and ensure the successful delivery of the election process.

Already outlined within Risk 7 of the Risk Register, staff are identifying and managing risks associated with the election period and process. These include protecting Council's integrity, transparency and reputation, ensuring compliance with legislative obligations, providing sufficient staff resourcing particularly across the Democratic Services Team and the Communications and Engagement Team, delivering engagement activities, and enabling council to complete its business within the decision-making time period requirements.

Nominations have now closed with 3 candidates standing for Mayor, and 18 candidates standing for the 8 At-Large Councillor positions. Staff now have a number of risks to manage throughout the campaign period including ensuring staff remain neutral while undertaking their roles, council election engagement activities comply with legislative requirements, and candidates comply with campaigning rules.

5.2 Local Water Done Well

Staff are currently working towards a meeting on 20 August when Council will consider the adoption of the Carterton District Water Services Delivery Plan (WSDP), and approval of the joint Wairarapa – Tararua Commitment Agreement.

There are significant risks both around the decision to adopt the WSDP, and in the establishment of the Wairarapa – Tararua joint Water Services Council Owned Organisation (WSCO):

- The decision is dependent on high quality engagement with other Councils and Iwi participants. Even after obtaining commitments, the risk remains that new information, or misinformation, comes to light which risks overturning a Council's decision to participate. This risk will be managed through frequent and professional communication and early intervention on issues, both real and perceived.
- The WSDP must be submitted to the DIA for approval before 3 September 2025. The risk is that the quality of information submitted is insufficient for the DIA to consider and approve the WSDP. We are mitigating this risk through the use of professional advisors who are quality checking our information and plans, and also by using standard DIA templates for the WSDP data.
- Establishment costs estimates may not be accurate. The high-level estimate of \$5m, shared equally amongst the four Councils may be insufficient to establish the entity appropriately. In this case further seed capital contributions would be required from the four participating Councils. The mitigating factor here is that additional funding would be loan funded and transfer to the WSCO at Go-Live, along with other waters related debt.
- Debt funding for the WSCO may be unavailable, or less than expected. We have engaged with the LGFA throughout this process and shared joint financial information and guiding principles (e.g. non-harmonisation) with them. The LGFA has indicated a grace period of up to 5 years for the new

WSCOO's to meet the financial covenants (Debt / Revenue / FFO to Revenue / Interest Cover). Additionally, the LGFA considers that the combined capital plans of the Wairarapa – Tararua WSCOO (including a revised SWDC capital plan) will remain within the 500% debt to revenue ratio, assuming some price increase to balance the FFO / Revenue ratio.

- Key personnel risks remain however managers are mitigating this with regular communication and updates on developments. To date, we have not lost any staff for this reason. Additionally, contractors and suppliers have some uncertainty and are seeking work - as we found with our Wastewater headworks tender – with some major capital projects on hold pending LWDW decisions. Finalising our Council's position on LWDW will help provide some security for key personnel.
- Other, less critical risks are present and will be encountered in the development and establishment of a joint Wairarapa - Tararua WSCOO. These risks are being managed accordingly by officers, and will be escalated to Governance as required.

5.3 Annual Report

Management is focused on delivering a quality Annual Report (AR) having strengthened capability and capacity including increased oversight from management, separation of the document and project management aspects from the financial components, support from Pricewaterhouse Coopers (PWC) in the absence of a Chief Financial Officer (CFO), streamlined data collation, and the formation of an AR Project Team.

Early and ongoing engagement with the Audit NZ is also progressing well, ensuring an improved audit process.

The AR progress is presently on track with the proposed timeline including the review of the draft report at an extraordinary Committee meeting on 1 Oct, and consideration of its adoption by the new Council at the Inaugural Meeting on 29 Oct.

5.4 Combined District Plan

The review of the Plan is now complete and the statutory appeal period has commenced. The risk of legal challenge or dispute is traditionally very high during this process, however the exemplary experience and professionalism of the committee and council team managing the process has enabled transparent, robust and in parts, innovative outcomes.

5.5 Organisational Changes

Management continue the phased approach to reviewing its organisational structure and service delivery to ensure that we respond proactively to the challenges in delivering the Long Term Plan and Annual Report in 2024. This includes reviewing operations to ensure we are delivering as effectively and efficiently as possible, that council is well positioned to meet future potential impacts such as Local Water Done Well, legislative and regulatory change, and potential Wairarapa amalgamation developments.

One of the critical risks in organisational change is ensuring a fair and reasonable process including having genuine business reasons for the proposed change, and ensuring open consultation with employees.

To this end, we use professional advice from external consultants and follow a very prescribed process template when proposing organisational changes. Managers seek guidance from our internal HR team at the earliest opportunity, and are always

committed to leading an open, empathetic process that achieves the most effective outcomes for the Council.

We engage with Unions to talk through changes and review the Proposal Document prior to presenting to staff. We also invite Union representatives to be present at meetings to support teams and ensure the process is open, transparent, and that staff wellbeing is supported throughout. Staff are also encouraged to seek further support through our free advice and counselling providers, EAP Services.

With the likelihood of ongoing reviews at present, another key risk is that staff feel a level of uncertainty. Management are mitigating this through regular, transparent communication, and proactive engagement through newsletters, whole of council staff meetings, and team meetings. The Leaders Roopu is a key group of managers and team leaders that remain updated of organisational changes and are therefore able to communicate and support their staff through this period.

5.6 Legislative Changes

The pace of change continues through a range of legislation including the Local Government (Systems Improvement) Amendment Bill. This Bill continues the government's re-focus of the purpose of councils to provide for good-quality local infrastructure, public services, and regulatory functions in a way that is most cost-effective for households and businesses, while supporting local economic growth and development. This also includes the removal of the four Community Wellbeings. Taituarā will be submitting on behalf of member councils.

The other prominent legislative changes we are monitoring are to the Resource Management Act 1991, Building Act 2004, Emergency Management Act 2002 and the Employment Relations Act 2000.

6. CONSIDERATIONS

6.1 Climate change

Climate change risks and mitigations are outlined in the Risk Register.

6.2 Tāngata whenua

There are no specific tāngata whenua considerations required in this report.

6.3 Financial impact

There are no budgetary implications required in this report.

6.4 Community Engagement requirements

There are no community engagement requirements required in this report.

6.5 Risks

Council risks and mitigations are outlined in the Risk Register. There are none associated with this report.

6.6 Wellbeings

There are no community wellbeing considerations required in this report.

7. RECOMMENDATION

That the Committee:

1. **Receives** the report.

File Number: 477945

Author: Geri Brooking, Group Manager People and Corporate

Attachments: 1. Risk Register August 2025 [↓](#)

Carterton District Council Risk Register

TOP 5 STRATEGIC RISKS	POSSIBLE CAUSE	MITIGATION	RAW Risk Score	MITIGATED Risk Score
1) Strategic partnerships	<ul style="list-style-type: none"> Significant change in the local government sector at national and regional levels Poor relationships and communication with key stakeholders including iwi, hapū, Wairarapa councils, and central government agencies Changed and/or increased legislative obligations challenges available resource capacity Misalignment between government and Council's strategic goals and failure to adapt to changes may affect community wellbeing outcomes 	<ul style="list-style-type: none"> Achievement of statutory requirements and obligations are resourced appropriately Elected member and staff code of conduct requirements are followed Appointment of key staff roles to support relationships and deliver common objectives Cultural competence of elected members and staff Partnerships supported by Memorandum of Understandings, or similar documents, where relevant 		
2) Climate change	<ul style="list-style-type: none"> Water supply and water supply network area at risk against extreme weather events and droughts Wastewater and stormwater networks at risk against extreme weather events and inland flooding and inundation Wastewater Treatment Plant at risk against extreme weather events and inland flooding Land transport at risk against extreme weather events, erosion and inland flooding 	<ul style="list-style-type: none"> Climate Change strategy and action plan Risk and Resilience Strategy Wellington Regional Climate Change Impacts Assessment (WRCCIA) Wellington Regional Adaptation Plan (based on the WRCCIA, an adaptation plan will be developed in 2024) Underground reticulated networks renewal and upgrade capital programmes Two additional 2 million litre water storage tanks built and online adding to resilience Wastewater Treatment Plant headworks upgrades programmed (to be completed) 		

Carterton District Council Risk Register

TOP 5 STRATEGIC RISKS	POSSIBLE CAUSE	MITIGATION	RAW Risk Score	MITIGATED Risk Score
	<ul style="list-style-type: none"> Buildings at risk against extreme weather events and increased temperature Swimming pools at risk against droughts Parks, reserves and forestry at risk against extreme weather events, inland flooding, droughts, wildfire and increased temperature Solid waste collection at risk against extreme weather events, erosion and inland flooding Transfer station at risk against extreme weather events and wildfire Council's budget at risk against climate change (loss of income, increased cost of doing business, increased premiums, increased carbon price, etc) Civil defence at risk against climate change (more natural disasters) Employees and elected members at risk against climate change (H&S risks due to natural hazards, increased temperatures, etc) Governance at risk against climate change (maladaptation, 	<ul style="list-style-type: none"> Encourage and support community-based action and activities 		

Carterton District Council Risk Register

TOP 5 STRATEGIC RISKS	POSSIBLE CAUSE	MITIGATION	RAW Risk Score	MITIGATED Risk Score
	dropped level of service, litigation, reputation, etc)			
3) Delivery of critical services	<ul style="list-style-type: none"> Inconsistent and/or ineffective performance monitoring of service level targets Lack of investment in infrastructure to meet future needs Poor communication with ratepayers, customers and communities Insufficient resources and/or capability and capacity of staff Poor project management from inception through to post-implementation reviews Lack of capability in performing comprehensive cost benefit analysis Inadequate financial controls or a financial system which provide an up-to-date reporting ability Misalignment between delivery expectations and budgets 	<ul style="list-style-type: none"> Staff are appropriately qualified and trained in roles Robust strategic performance measurement and reporting framework in place Robust asset management plans in place, regularly reviewed as part of the LTP. Sufficient funding for planned capital works and necessary asset maintenance. Project management framework and processes are effective including appropriate monitoring and oversight Dedicated asset management plans and tools are in place Financial controls are well managed including governance oversight and audit processes 		
4) Financial management/sustainability	<ul style="list-style-type: none"> Non-compliance with legislative requirements and financial strategy Financial systems and processes secure, reliable, and real time 	<ul style="list-style-type: none"> Statutory deadlines and compliance reporting maintained. Financial policies updated. External audit is conducted efficiently and effectively. 		

Carterton District Council Risk Register

TOP 5 STRATEGIC RISKS	POSSIBLE CAUSE	MITIGATION	RAW Risk Score	MITIGATED Risk Score
	<ul style="list-style-type: none"> Fraud (misappropriation on Council funds) · Inability or difficulty securing funding Lack of internal control Inadequate forecasting and budgeting Poor project management and project budgets 	<ul style="list-style-type: none"> Budget holder review processes Debt Collection (Dunning) processes in place. Budget managers accountable and responsible for budget management System controls including unique logins, e-purchase orders, and delegation processes for budget management. Annual Leave balances reviewed frequently for high balances. 		
5) Health, safety, and wellbeing	<ul style="list-style-type: none"> 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 Staff mental wellbeing adversely affected by stress and fatigue 	<ul style="list-style-type: none"> Health and Safety Policy and requirements instigated across Council Sitewise platform to record and monitor contractor health and safety requirements Robust contracting procurement that includes health and safety requirements 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 and other high-risk roles Policy not to work alone where possible danger exists Use of Garmin In Reach devices for remote workers All council vehicles have GPS tracking 		

Carterton District Council Risk Register

TOP 5 STRATEGIC RISKS	POSSIBLE CAUSE	MITIGATION	RAW Risk Score	MITIGATED Risk Score
		<ul style="list-style-type: none">• Pandemic response plan• Wellbeing initiatives implemented• Monitoring of staff workloads including cover for extraordinary circumstances and staff vacancies		

Carterton District Council Risk Register

CORPORATE	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
6) Reputational damage	<ul style="list-style-type: none"> Poor communication Poor performance Misinformed public Poor media relationship Conflicts of interest or perception of conflicts not managed Inappropriate behaviour of staff or elected members Sector damage 	<ul style="list-style-type: none"> Code of Conduct and/or appropriate policies Leadership by example Media training Appointment of media liaison advisor 		
7) Local Body elections	<ul style="list-style-type: none"> Electoral fraud Errors in election process 	<ul style="list-style-type: none"> Employ appropriate elected service supplier Security measures around voting booths Elected officer declaration 		
8) Emergency Management	<ul style="list-style-type: none"> Council overwhelmed in a major incident Inappropriate decisions being made Lack of compliance with policies and processes Lack of capability, knowledge and ability Lack of well-defined or practiced processes Lack of community resilience Lack of staff capacity Lack of pandemic planning Poor business continuity planning 	<ul style="list-style-type: none"> Emergency Management planning and delivery across the four R's – Reduction, Readiness, Response and Recovery. Regular adequate training and competency assessment. Policies and procedures in place and followed. Good relationship with WREMO and other Councils, and WELA. Ensure staff are aware of what is required and what their role is. Asset Infrastructure resilience. Public information and education. Focus on potential earthquake prone buildings within the district. 		

Carterton District Council Risk Register

CORPORATE	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
		<ul style="list-style-type: none"> • EM and resilience factors are included in planning and regulatory considerations. • Staff have sufficient capacity to undertake training and EM duties. • Specific pandemic plan in place. • Emergency Response Plans and Business Continuity Plan regularly reviewed. 		
9) Information management Cyber and Cyber Security	<ul style="list-style-type: none"> • Required CDC Information not stored and managed correctly. (Across all departments). • Inability to retrieve Information as required. (For Audit, LOGIMA etc) • Information and data not restored after loss. • Cyber Attack on the Council's Information and Communications infrastructure • Loss of external network Connectivity (Internet Connectivity) • Loss of Internal network Connectivity (Council network) • Council data loss Either destroyed, or loss of control of data) • Failure to comply with the Privacy Act • Weak business continuity plan 	<ul style="list-style-type: none"> • Cyber security policies and practises in place • Business continuity plans updated to cover the changing technology environment. • Disaster recovery processes in place • Information management process in place • Enhanced remote management processes. • Multiple external network suppliers • Staff awareness and training with respect to cyber security issues • Establishment of working IT relationships across local governments • Use of NZ Archives policies for information management • Increased use of the DIA Privacy and NZ Archive frameworks. • Enhanced identity security processes 		

Carterton District Council Risk Register

CORPORATE	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
		<ul style="list-style-type: none"> Increased cross department awareness of information management and how it affects them. 		
10) Loss of key employees	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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 Business Continuity Plan Continuing evaluation of water services being handed to a regional body 		

Carterton District Council Risk Register

HUMAN RESOURCES	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
11) Industrial action	<ul style="list-style-type: none"> Unhealthy organisational culture Autocratic management style Workplace practices Poor employment practices Lack of communication Legal action against Council 	<ul style="list-style-type: none"> Education and awareness of rights Managing conflict and resolving disputes in the workplace Effective communication with staff Positive, solution focused relationship with Union bodies Bargaining parties effectively represented Organisational commitment to effective/peaceful bargaining Respectful relationships 		
12) Unethical/inappropriate behaviour	<ul style="list-style-type: none"> Inappropriate computer use Time misuse Harassment and/or bullying of staff Lack of policies or policies not enforced Poor workplace culture Lack of effective procedures and systems Theft and fraud and other illegal acts 	<ul style="list-style-type: none"> Code of Conduct and/or appropriate policies including health and safety Inspiring, capable and respected people leaders Focus on high performance outcomes Proactive performance coaching Robust checks and balances 		
13) Inability to retain and/or recruit workforce	<ul style="list-style-type: none"> Challenging labour market Border closures or restrictions Wage pressures Workplace changes (i.e. future of local Government, three waters reform) Poor treatment of staff 	<ul style="list-style-type: none"> Positive work environment and culture Regular performance review framework Performance development opportunities Fair remuneration Wellbeing benefits 		

Carterton District Council Risk Register

HUMAN RESOURCES	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
14) Unfair treatment of council staff	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Proactive staff engagement and open-door policy Policies and procedures in place and followed Checks and balances in place Collective agreements in place HR oversight and moderation of employment conditions 		
15) Hiring of unsuitable personnel	<ul style="list-style-type: none"> Discriminatory practices Poor interviewing practices Negligent reference checks Hiring staff who lack capability and or knowledge 	<ul style="list-style-type: none"> 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 		
16) Breach of employment legislation	<ul style="list-style-type: none"> Lack of knowledge/ awareness of employment law Applicable law not complied with Required records not kept 	<ul style="list-style-type: none"> Managers assisted by HR specialist staff understand basic employment law Managers briefed by HR staff when laws changes are made 		

Carterton District Council Risk Register

HUMAN RESOURCES	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
		<ul style="list-style-type: none">• Employment Agreements drafted that comply with all terms and conditions of employment required by law• Management non-compliance not tolerated• 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.		

Carterton District Council Risk Register

OPERATIONS	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
17) Water supply contamination	Multiple potential points of contamination: <ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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 		
18) Failure of asset/infrastructure (Three Waters)	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Renewal programmes • Staff knowledge of asset condition • Reporting of faulty plant/equipment • Updated and adhered to asset management plans • Increased monitoring • Back-up water supply • 4m litre water storage tanks • Back-up generators 		

Carterton District Council Risk Register

OPERATIONS	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
		<ul style="list-style-type: none"> • 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 		
19) Poor building/asset security	<ul style="list-style-type: none"> • Theft or damage to assets • Theft or damage to critical machinery 	<ul style="list-style-type: none"> • CCTV • Alarms fitted to vital buildings 		
20) Non-compliance with GRWC consents	<ul style="list-style-type: none"> • Significant loss of IT or stored data or data telemetry • Lack of trained personal • Lack of systematic monitoring 	<ul style="list-style-type: none"> • Regular monitoring as per consent requirements • Back up staff trained in sampling techniques • Back-up computer server • Back-up of telemetry data 		
21) Poorly run roading contracts and contracting process	<ul style="list-style-type: none"> • In document contractual errors • No oversight on contractual work • Poor contractual service (delays / poor work) • Cost overruns • No or poor asset condition monitoring 	<ul style="list-style-type: none"> • Employment of CDC roading manager for project oversight • Asset engineer /roading manager/ops manager closer working relationship • Best practice contractual arrangements 		

Carterton District Council Risk Register

OPERATIONS	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
	<ul style="list-style-type: none">Roads and footpaths not fit for purpose leading to accident/injury			

Carterton District Council Risk Register

RESERVES AND BUILDING	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
22) Unsafe Council buildings or grounds in use	<ul style="list-style-type: none"> Failure of specified systems (air conditioning system, fire detection, fire suppression etc.) Disturbance of asbestos in or on the building without appropriate safety procedures Failure of fire evacuation procedures Earthquake prone buildings in use Uncontrolled building access 	<ul style="list-style-type: none"> 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 CCTV in place and used Register of all access keys and fobs in development 		
23) Injuries/death at the swimming pool	<ul style="list-style-type: none"> Uneven /wet surfaces causing slips and falls Oversubscribed admission to the pool overtaxing lifeguards Incorrect dosing of chlorine pool water (poor water quality) Untrained or undertrained lifeguards 	<ul style="list-style-type: none"> 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 		
24) Injuries at council parks	<ul style="list-style-type: none"> Children play equipment becoming or installed as unsafe Incompatible activities on existing equipment Incorrect mower or power tool use around public 	<ul style="list-style-type: none"> Play equipment checked 6-monthly Clear signage of intended use Training and supervision of inexperienced staff 		
25) Incorrect or delayed cemetery interments	<ul style="list-style-type: none"> Interments in the wrong site Interment site unprepared on time 	<ul style="list-style-type: none"> Implementation of Plotbox platform cemetery software to streamline operations 		

Carterton District Council Risk Register

RESERVES AND BUILDING	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
	<ul style="list-style-type: none">Staff and public falling into prepared gravesHeavy machinery use in public area	<ul style="list-style-type: none">Burial warrants sent to four different staff to ensure actionTraining and supervision of inexperienced staff		
26) Improper chemical use	<ul style="list-style-type: none">Incorrect storage or use of chemical sprays	<ul style="list-style-type: none">GrowSafe handling certificate for staff		

Carterton District Council Risk Register

PLANNING AND REGULATORY	POSSIBLE CAUSE	MITIGATION	RAW RS	MITIGATED RS
27) Statutory non-compliance	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Close monitoring of time frames with contractual arrangements in place for overflow Regular in-house audits 		
28) Non-compliance of CDC animal facility	<ul style="list-style-type: none"> Animal facility below MPI minimum code of welfare standards 	<ul style="list-style-type: none"> Upgrade to existing facility and MOU with the other two Councils to utilise their facilities when built if required 		
29) Poor regulatory decision making	<ul style="list-style-type: none"> Inexperienced staff Lack of care and diligence 	<ul style="list-style-type: none"> New staff closely supervised by competent staff Annual competency assessments of BCOs Peer review of technical decisions for each BCO 		
30) Operational below standard food establishment	<ul style="list-style-type: none"> Lack of regular inspections by Environmental Health Officer (EHO) No competent EHO available in Council 	<ul style="list-style-type: none"> Qualified EHO employed 		
31) Disease spread by poor animal management practices	<ul style="list-style-type: none"> Placement of wandering diseased stock into areas that were disease free 	<ul style="list-style-type: none"> Stock not moved into private property without owners' approval or directed by Police 		



7.3 EMERGENCY MANAGEMENT UPDATE

1. PURPOSE

For the Committee to be updated on Emergency Management (EM) activities.

2. SIGNIFICANCE

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

3. BACKGROUND

Quarterly HS&W reporting provides assurance to the Committee that relevant risks identified in Council's Risk Register are being appropriately managed. This report updates the Committee on risks, mitigations, and activities undertaken as part of EM.

The focus of activities for the reporting period May - July has been the closure of the Wairarapa Recovery Office and the establishment of a shared EM Wairarapa Office.

4. EM WAIRARAPA OFFICE

As advised in previous reporting, the three councils of Masterton, Carterton and South Wairarapa (Wai3C) have agreed to expand the shared Emergency Operations Centre (EOC) model used during an EM response to establish a shared, enduring, and dedicated EM capability across Wairarapa. This development has been driven off the success of the Wairarapa Recovery Office (WRO) and its ability to deliver strong outcomes with a dedicated and focussed resource.

The EM Office commenced on 1 July 2025, picking up EM functions being handled by the Recovery Office. Since then, the new Manager has been working with the Wai3C GM's responsible for EM in council to document the Strategy, Risk & Policy guidelines for the EM Office.

Priority focus areas are:

1. Understanding EM risk, providing assurance and continual improvement

- Develop a consolidated risk landscape of EM across Wairarapa
- Implement a monitoring, assurance and continuous improvement programme to measure current capability and identify areas for improvement

2. Strategic Planning

- Develop a Workforce Strategy
- Establish a regional CIMS specialist to strengthen EM delivery
- Develop a regional Common Operating Picture to enhance situational awareness in an emergency
- Develop an ICT strategy to future proof interoperability with partners

3. Policy & Operational

- Redefine the role of WREMO's priorities for reduction and resilience
- Work with stakeholder groups to co-ordinate activities and planning
- Gain line of sight over council policies where EM is a factor and align with EM

Core EM Risk & Assurance reporting is now consistent across Wai3C. Additional information is included where it relates to a specific council only, and this is incorporated at the end of the report.

5. CYCLONE GABRIELLE AFTER ACTION REVIEW

In the previous report it was highlighted that of 37 recommendations made in the report, 2 remained outstanding:

1. Finalisation of the Concept of Operations (CoO) Agreement

The CoO between the three Wairarapa councils is expected to be finalised by 30 June 2025. This document will enable the incorporation of several further improvements into the Wairarapa Emergency Management framework.

Update as at 30 June 2025:

With the introduction of EMWaiO, this action was deferred until the new Strategy is agreed and the Concept of Operations could be updated. The existing document is sufficient to operate in the meantime and work has been completed over the past 18 months to strengthen communications between Mayors, CE's and the EM leadership to overcome the issues faced during Cyclone Gabrielle.

2. Alternative Communication Operations and User Training

This relates to ensuring that users are adequately trained to operate alternative communication systems. The Wairarapa continue to utilise VHF radios and relies on training community members to operate them during emergencies. WREMO has completed a regional communications review, which included trialling Starlink technology. NEMA is also investigating the resale and procurement of Starlink systems, as well as alternative options, to secure a cost-effective solution. While a decision on satellite communications capability is expected by 30 June 2025, VHF radio training continues within the community to maintain a reliable backup communication method, especially given the unreliability of mobile networks during extended power outages.

Update as at 30 June 2025:

Completed. VHF continues to be a viable alternative for the Wairarapa Emergency Operations Centre (WaiEOC). Training continues in the community to use VHF radio's and also within council. In addition to Starlink, both One and Spark have indicated enabling satellite texting via eligible mobile phones to help those in rural communities to keep in touch. In addition, further work has been undertaken by WREMO/GWRC to strengthen connectivity between Emergency Operations Centres (EOCs) by linking EOCs to the GWRC digital UHF network. This work continues via a WREMO lead project.

6. WELLINGTON REGION CDEM GROUP 10 YEAR STRATEGY

In June, the Wellington Region CDEM Group adopted a Ten-Year Strategy to set out the path for the communities of the Wellington Region to become better connected, capable and ready not just to survive disasters, but to face them together with confidence and thrive through adversity.

While the Group has already made significant progress and improvements over the last decade, it acknowledged that more must be done to prepare for what lies ahead.

The Strategy brings together the collective capacity of our local communities, councils, iwi, emergency services, and partner agencies, to answer a key question: How can we effectively work together to ensure we do everything we can to preserve life safety, wellbeing and the prosperity of our communities?



The full Strategy can be viewed on the WREMO website at <https://www.wremo.nz/assets/Library/Strategies-Plans/Wellington-Region-CDEM-Group-Strategy-2025-2035-web-high-res-1-1.pdf>

7. GOVERNMENT ROADMAP: STRENGTHENING EMERGENCY MANAGEMENT

The government has released a roadmap for Investment and Implementation into Emergency Management in June 2025 (**Attachment 1**).

The Roadmap aims to:

- Strengthen community leadership, ownership and preparedness
- Clarify roles, strengthen accountability, set standards, and provide assurance
- Make leaders accountable, and build a trained, exercised workforce
- Update warning systems and modernise antiquated technology and facilities.

It is recognised that this will require significant future investment and Cabinet has agreed to the Roadmap in principle. Further work is progressing on policy development, passage of enabling legislation, availability of new funding through future Budgets.

NEMA is running workshops and incorporating regional and local council feedback into the proposed changes. Initial workshops have covered:

- Expanded Resilience Fund (increased and broader access criteria)
- Increased public readiness, community develop and outreach programmes
- Increased national response and recovery capacity and capability supporting regions.

Wairarapa, through the EM Office, has contributed directly to these workshops to ensure the learnings of smaller councils who have come out of an active recovery phase is able to be presented and considered at these national forums.

8. GENERAL RISK MONITORING ACROSS THE FOUR R'S

Activities undertaken across the Four Rs of EM (Reduction, Readiness, Response & Recovery) support EM risk mitigations.

8.1 REDUCTION AND READINESS

Community Resilience Programme (Energy Efficiency and Conservation Authority "EECA")

EECA is providing funding to regional partners to purchase and install solar photovoltaic and battery systems in community structures, e.g. community halls, buildings or other public areas used by communities to gather during an extreme event, to enhance their energy resilience and in particular supporting communities to be better prepared for future severe weather events or emergencies. This fund has already installed solar systems into Whareama Hall (MDC), Gladstone Sports Complex (CDC) and Hau Ariki Marae (SWDC) between 2023 – 2025 and has been extended for a further year.

MDC, on behalf of Wai3C, will act as the regional partner with the EM Office providing co-ordination and initial reporting capability. When approved, the recipient will receive reimbursement of up to 75% of purchase and installation costs. Potential installations have been identified, and the EM Office will work with EECA to validate the list and commence the engagement with building owners. With co-funding of \$198,000 and the grant up to \$792,000, the potential investment into energy efficiency across Wairarapa will be at least \$990,000.

8.2 RESPONSE

Exercise Wai Riri – May 2025

In May and November, EM runs an EOC Exercise that is co-ordinated across the Wellington region by WREMO. In the May exercise, EM pivoted to run a significant weather event using the extreme weather that hit the Wellington Region on 1-2 May 2025. These exercises are resourced by Wai4C and community partners and enable staff to put their training into practice.

Objectives set prior to the exercise included the following, and while successful at 5 of 7, feedback indicates a new training path for onboarding council and technical resources into the EOC. The objectives are listed below:

✓	Embed a two shift roster, with handover at each shift
½	Induct new council employees into the EOC
✓	Engage Deputy Mayors into the EOC
✓	Work with our EM community partners (NZP, FENZ, WFA, Health)
✓	Expose new Local Controllers to leading an exercise, expanding the pool of available resource
✓	Include Recovery Managers at the beginning of the exercise to recognise learnings from Cyclone Gabrielle After Action Review.
½	Use new GIS tools to develop a common operating picture (COP) of the size and scope of the devastation.

Feedback on objectives not met:

- Workforce planning for all new council employees with deliberate training objectives prior to being exposed to exercises in the EOC will build more resilient engagement into EM.
- New tools need to be implemented in a structured way to get best results.

Both of these recommendations will be incorporated into the EM Office Strategy.

Each exercise is assessed using observation (WREMO) and self-assessment. Additional training and workforce planning over the past 12 months is seeing improvements and this is demonstrated in our baseline assessment of 'basic' improving slightly to border just under 'defined'. Realistically we should be aiming for 'managed' over a 3-5 year period. Our path and approach is consistent with the other councils in the Wellington region.

Ad Hoc: Coordination structures in place, may be fragmented or ad hoc. Reactive preparedness measures.	Ad Hoc
Basic: Established protocols for communication, resource allocation, and control structure are documented, repeatable and followed at a basic level.	Basic
Defined: Effectively coordinates resource allocation and response activities across all responding agencies. Established protocols for information sharing and decision-making are followed.	Defined
Managed: Proactively anticipates needs of the community and other agencies and optimizes resource utilization. Decision-making is informed by real-time information and collaborative analysis.	Managed
Adaptive: Adaptive and anticipatory systems and approaches are applied.	Adaptive

Controllers

The primary role of Controller is to lead teams during an event, providing the conduit for Mayors and CEs into what's happening and liaising with WREMO if the event is regionally significant. However, between events, the Controllers are also on call 24/7 assessing potential impact from a variety of extreme events, including earthquake, tsunami, floods, severe weather, pandemic, and lifelines failure.

In June 2025 the Joint Committee approved 2 new controllers, increasing our pool to 7 controllers available during an emergency event, bringing the total available for 24x7 on-call from 3 to 5. When on call, the controller is available 24 x 7 weekly roster. Controller duty is on top of a regular council role.

Wairarapa Engineering Lifelines Association (WELA)

WELA is a group of key utility, transport, emergency management and lifeline stakeholders who meet regularly to assess the interdependencies and threats to each infrastructure service. WELA engages with and provides regular updates on our lifeline partners, highlighting any potential risks we should be aware of.

As part of their role, WELA reviews key plans on a regular cycle to ensure relevancy before an event occurs. Recently we have reviewed the fuel contingency plan for Wairarapa which highlighted a number of changes required since last reviewed three years ago. This is an

ongoing piece of work but required to maintain accurate information we can draw on during an even

8.3 RECOVERY

Wairarapa Recovery Office Closed

Funding for WRO ceased 30 June 2025. A Final Summary Report has been published (**Attachment 2**), incorporating feedback from councils, WREMO, central government, stakeholders and community to help shape and guide the establishment of a future Recovery Office. All recommendations included into the report have been passed to the new EM Office to incorporate into the EM Strategy for Wairarapa.

The final reporting of government grants has been transferred to the new EM Office for completion by end of July and any final FOSAL activity accepted by the relevant team within MDC to administer.

Recovery as a defined activity is activated following a Response that impacts either one or more councils across Wairarapa. Learnings from the Summary Report will enable recovery to activate sooner, focus on the key areas initially, engage external stakeholders earlier and structure the recovery approach to improve outcomes for the community

8.4 RESILIENCE

WREMO Regional Campaign

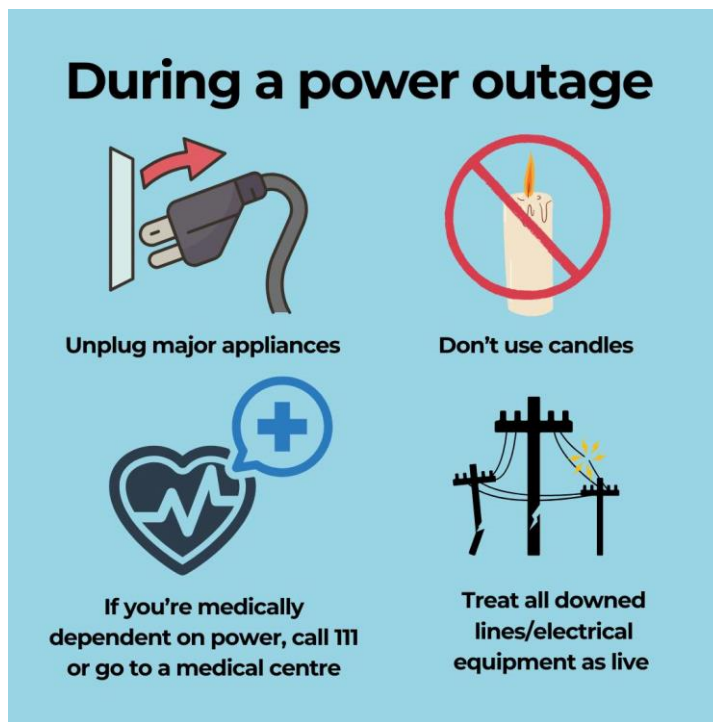
A regional campaign on 'Getting Weather Ready' (what to do before, during and after severe weather) was delivered in June and July, ahead of expected winter weather.

The campaign included 'Get Weather Ready With Me' Top Tips:

1. Know your hazards
2. Know how to stay informed
3. Reduce the impacts of severe weather
4. Make a household plan
5. Emergency supplies.

Know what to do **DURING** severe weather:

- Stay informed - Listen to the radio and follow WREMO and your local council on their social media and website
- Stay indoors and don't drive unless you need to evacuate
- Bring pets inside and move livestock to higher ground where possible
- If you see rising water:
 - GTFO (Get The Flood Out): Act quickly if you see rising water. Do not wait for official warnings. Move to higher ground
 - Never try to walk, swim or drive through flood water. Flood water is dangerous, it can contain sewage, toxic chemicals and hidden debris. Even water just 30cm deep can sweep you off your feet and pick up your vehicle.
- During a power outage:
 - If you lose power, unplug major appliances. This will reduce the power surge and possible damage when power is restored
 - Don't use candles due to the risk of fire
 - If you are medically dependent on power, in an emergency call 111 or go to your nearest medical centre
 - Treat all all downed lines/electrical equipment as live at all times.



Know what to do **AFTER severe weather**:

- Stay away from damaged areas until the all-clear is given
- Help others if you can
- Stay alert for extended rainfall, landslides, flooding and hazardous debris
- If your property is damaged, contact your insurance company as soon as possible and take photos of any damage before cleaning up
- Throw out any food and water that has been in contact with flood water as it may be contaminated
- Clean up carefully and take care around remaining flood water - you may need to wear protective gear

More information about severe weather and flooding is available on the WREMO website.

WREMO Wairarapa 2025/2026 work plan progress

Over the past three months the focus has been on:

- Regular audits of Community Hubs to support their readiness programme
- Supporting the hand over and ongoing inclusion of emergency containers
- Facilitating radio training sessions (Hub VHF to EOC)
- Delivering emergency planning workshops to Wairarapa schools
- Supporting the Kaumatua Grab-bag collaboration project

The next period will be continuing education workshops in EM, developing EM tools, continued support of connectivity between Community Hubs and EOC and developing emergency response plans with marae.

9. CONSIDERATIONS**9.1 Climate change**

The increasing frequency of severe weather events due to climate change means we are more likely to experience environmental events such as flooding. Many EM mitigations and activities seek to address or reduce anticipated climate impacts and support adaptation strategies.

9.2 Tāngata whenua

EM activities include engagement with tāngata whenua through the EOC Pou Māori roles, and CDC Māori Liaison Team. Mana whenua representatives participate in the Wellington CDEM Group governance.

9.3 Financial impact

There are no budgetary decisions required in this report.

9.4 Community Engagement requirements

There are no community engagement requirements required in this report.

9.5 Risks

The report updates the Committee on activities and mitigations outlined in the Council's Risk Register.

9.6 Community Wellbeings

Effective EM supports the following community wellbeing outcomes:

Social

- A strong and effective council providing trusted leadership
- A caring community that is safe, healthy, happy and connected
- Fit for purpose public facilities, spaces, parks and rural reserves

Cultural

- Te Āo Māori/Māori aspirations and partnerships are valued and supported

Environmental

- A safe and resilient water supply, and wastewater and stormwater systems
- Healthy, sustainable waterways
- An environmentally responsible community committed to reducing our carbon footprint and adapting to the impacts of climate change
- A resilient community capable of responding and recovering from environmental shocks

Economic

- Quality, fit-for-purpose infrastructure and services that are cost-effective and meet future needs

10. RECOMMENDATION

That the Committee:

1. **Receives** the report.

File Number: 477473

Author: Geri Brooking, People and Wellbeing Manager

Attachments: 1. **Strengthening EM A Roadmap for Investment and Implementation** [↓](#)

Strengthening Emergency Management:

**A Roadmap for Investment and
Implementation**

NEW ZEALAND GOVERNMENT • JUNE 2025



Te Kāwanatanga o Aotearoa
New Zealand Government

Strengthening Emergency Management: A Roadmap for Investment and Implementation

New Zealand Government. June 2025.

For more information on the work of the National Emergency Management Agency, please visit our website www.civildefence.govt.nz

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Strengthening Emergency Management

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8	Whole-of-society approach
12	Support and enable local government
14	Build capability and capacity
16	Enable the system
20	Focus on delivery
21	Implementation



Minister's foreword

New Zealand is one of the most exposed countries to natural hazard risk and the cost of emergencies is increasing. New Zealand's emergency management system is only capable of managing minor to moderate emergencies, leaving us vulnerable to emergencies that require greater community resilience, coordination, preparedness, and recovery support.

In September 2024 the Government committed to delivering change through our response to the Inquiry into the Response to the North Island Severe Weather Events. The Inquiry found there is an urgent need for improvement. New Zealand is facing more frequent and severe weather events, but the emergency management system lacks the capacity and capability to deal with significant, widespread emergencies like Cyclone Gabrielle.

This investment and implementation roadmap operationalises the Government's Response to the Inquiry. It sets out what we need to do to better prepare for, respond to, and recover from all types of emergencies. It lays out the initiatives and investments Cabinet has agreed are needed to change the emergency management system.

The roadmap will:

- strengthen community leadership, ownership and preparedness
- clarify roles, strengthen accountability, set standards, and provide assurance
- make leaders accountable, and build a trained, exercised workforce
- update warning systems and modernise antiquated technology and facilities.

This will require significant future investment. Cabinet has agreed to this Roadmap in principle, subject to further policy work, the passage of enabling legislation, and availability of new funding through future Budgets.

The National Emergency Management Agency will prioritise activity that can be delivered from its current baselines and go back to Government for proposed initiatives that will require new funding from future budgets.

This roadmap will transform the emergency management system so it can manage major to severe emergencies. Investments in modern technology and trained personnel, along with clear governance structures and assurance, will ensure faster, more effective emergency response and recovery, better coordination across agencies, and more resilient communities.

These initiatives will address critical gaps, improving our ability to prepare for, respond to, and recover from a range of emergencies.



Hon Mark Mitchell,

Minister for Emergency
Management and Recovery

Strengthening Emergency Management:

A Roadmap for Investment and Implementation

This Roadmap operationalises the Government's Response to the Inquiry into the Response to the North Island Severe Weather Events and will improve our ability to prepare for, respond to, and recover from all types of emergencies. It sets out the initiatives Cabinet has agreed to in-principle to transform the emergency management system so it can manage major to severe emergencies.

Focus areas

In September 2024 the Government agreed to the 14 headline recommendations from the Inquiry and also considered the findings from other events, reviews and inquiries. It approved 15 actions across five focus areas to improve the system, across all 4Rs – risk reduction, readiness, response and recovery.



Give effect to the whole of society approach to emergency management



Professionalise and build the capability and capacity of the emergency management workforce



Drive a strategic focus on investment and implementation



Support and enable local government to deliver a consistent minimum standard of emergency management across New Zealand



Enable the different parts of the system to work better together at the national level

Key initiatives 2026-2031

What will be different



Increased public readiness and priority community development programmes e.g. evidence-based community and national initiatives to build self-reliance

Each of us knows how to protect ourselves and others. We are deliberate about taking action. Businesses, communities and iwi/Māori are the champions, equipped, organised, funded and supported to prepare, respond and recover. At risk communities are strong “first responders” and have built resilience and the ability to protect themselves.



Resilience Fund increased and refreshed with broader access criteria e.g. resilience pods with equipment and supplies including water tanks and solar power, risk and resilience science operationalised locally



Increased national response and recovery capacity and capability supporting regions e.g. regional support teams and a national pool of specialist recovery experts

We have the emergency management workforce and capability required to support communities.



Improved capability and professionalism across the system e.g. new standards, assurance, exercises, integrated planning, education, training, guidance, tools

Leaders are accountable and people have the skills, knowledge, and expertise at all levels to manage the increasing frequency and severity of emergencies and recovery efforts.



Modernise antiquated technology for real-time information, warnings and emergency response and recovery decisions e.g. Common Operating Picture across NZ



National Crisis Management Centre (bunker) and alternative, guidance to improve regional and local coordination centres e.g. local centres beefed up with technology, standard operating procedures and training

Data, facilities, equipment and technology help us — we have and use these to protect lives and rapidly mobilise relief and expertise to where it is most needed.



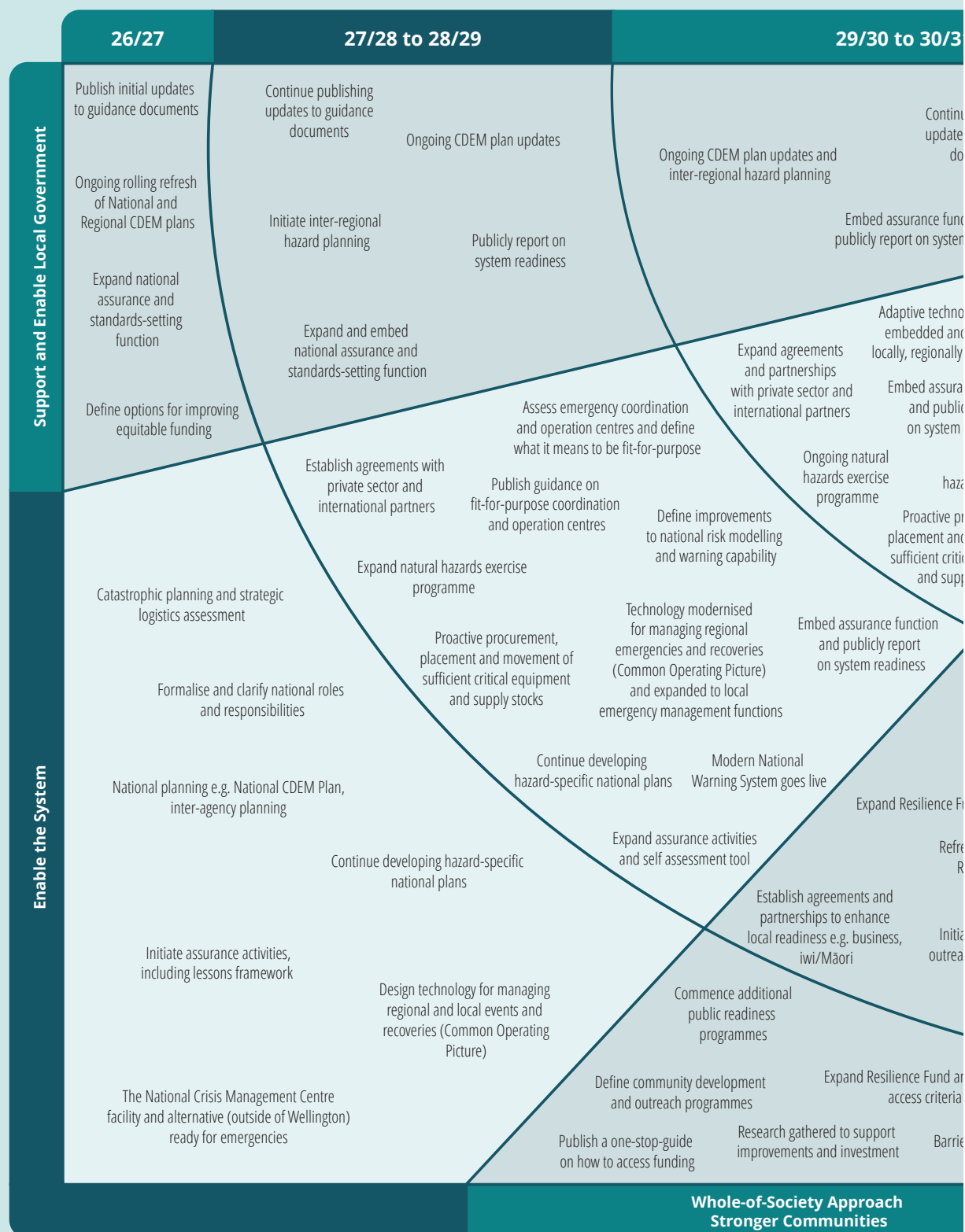
Increased stockpiles and access to nationally critical equipment and supplies e.g. generators, food, petrol, bridges, medical and road supplies stockpiled

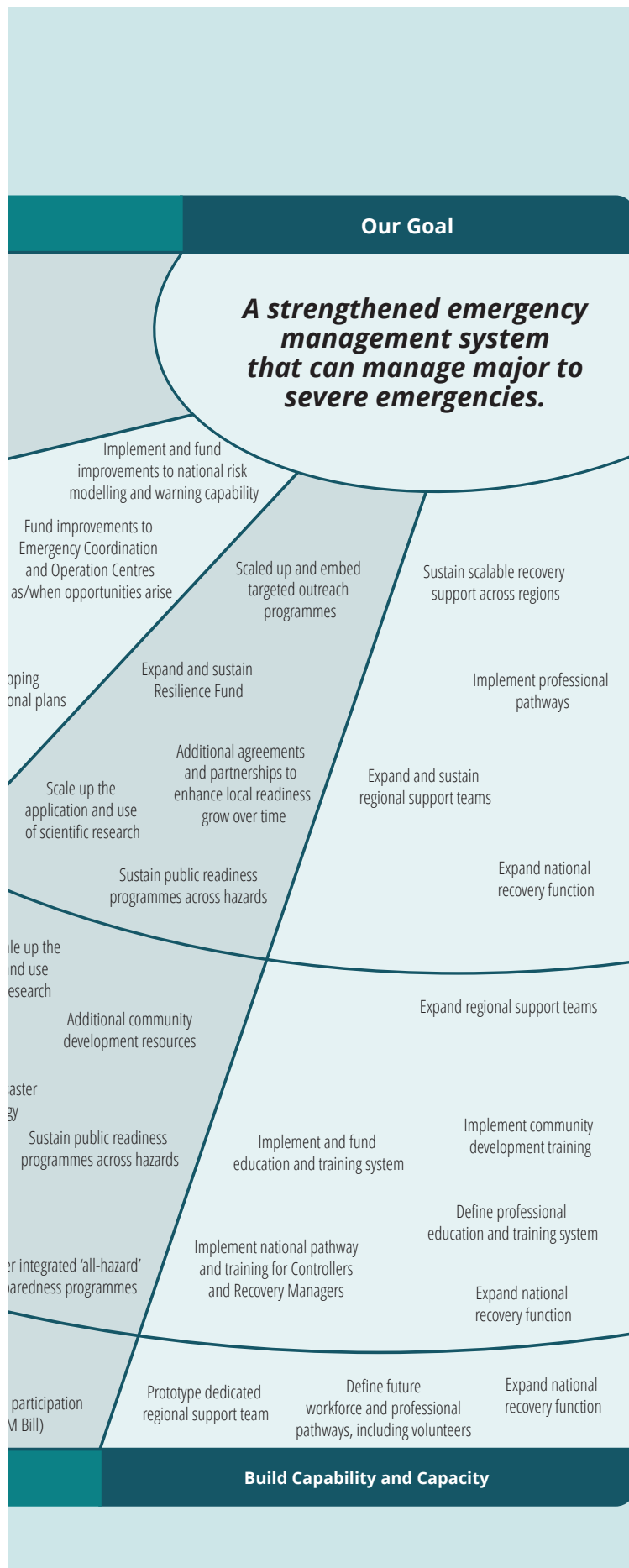
Implementation

Cabinet has agreed to this Roadmap in principle, subject to further policy work, the passage of enabling legislation, and availability of new funding through future Budgets.

The National Emergency Management Agency will prioritise activity that can be delivered from its current baselines and go back to Government for proposed initiatives that will require new funding from future budgets.

Proposed initiatives





Cabinet has agreed to this Roadmap in principle, subject to further policy work, the passage of enabling legislation, and availability of new funding through future Budgets.

The National Emergency Management Agency will prioritise activity that can be delivered from its current baselines and go back to Government for proposed initiatives that will require new funding from future budgets.

Operationalising the Government Response

This Roadmap operationalises the Government's Response to the Inquiry into the Response to the North Island Severe Weather Events. The Government's Response outlined the direction of travel for a five-year work programme to strengthen the emergency management system. Cabinet accepted all of the high-level recommendations in the North Island Severe Weather Events Inquiry, and also considered the findings from other events, reviews and inquiries. It set five focus areas and 15 actions to improve the system, across all 4Rs – risk reduction, readiness, response and recovery.

The focus areas and actions are listed below. The rest of this document covers the key deliverables to address these focus areas and actions over the next five years.

FOCUS AREA 1: Give effect to the whole-of-society approach to emergency management

1.1 Develop and invest in a comprehensive and ongoing national public readiness programme to protect lives, prevent injuries and other trauma, and reduce the burden on response efforts.

1.2 Recognise and enable the significant contribution of iwi and Māori in emergency management to the benefit of all people in New Zealand.

1.3 Direct a greater share of emergency management investment in community resilience initiatives.

1.4 Improve how communities access funding after an emergency.

1.5 Expand the number and quality of formal agreements with businesses, community organisations, iwi and Māori to deliver assistance in times of emergencies.

FOCUS AREA 2: Support and enable local government to deliver a consistent minimum standard of emergency management across New Zealand

2.1 NEMA will increase its focus on the provision of resources that local authorities need.

2.2 NEMA will set standards for the delivery of emergency management and assure these standards are being met.

2.3 Clarify operational roles and responsibilities in an emergency response.

2.4 Strengthen the regional tier of emergency management.

FOCUS AREA 3: Professionalise and build the capability and capacity of the emergency management workforce

3.1 NEMA will build on existing work to deliver a significant uplift in capability development efforts.

3.2 Develop and invest in a model for a full time deployable incident management surge support.

FOCUS AREA 4: Enable the different parts of the system to work better together at the national level

4.1 Clarify national level roles and responsibilities and strengthen leadership in risk reduction, readiness, response, and recovery.

4.2 Progress work to enable interoperability.

FOCUS AREA 5: Drive a strategic focus on investment and implementation

5.1 Ensure a well-governed approach to delivery of Strengthening disaster resilience and emergency management.

5.2 Deliver a detailed investment and implementation roadmap to deliver the work programme set out in Strengthening disaster resilience and emergency management and to drive delivery.

■ Whole-of-society approach

We will give effect to the whole-of-society approach to emergency management by strengthening community leadership, ownership and preparedness. Communities and groups including iwi/Māori will have a clearer, more active role and be better equipped, organised and ready to mobilise in a crisis.

What will be delivered 2026-2031

Expanded Resilience Fund

Addresses actions 1.3, 2.4

What it is: Refresh of the Civil Defence Emergency Management Resilience Fund with broader criteria to empower more communities to prepare for and respond to emergencies. A larger Fund for more initiatives that build direct community resilience, and capability and capacity for response and recovery.

Why it is important: The costs of emergencies to New Zealand are high and projected to continue to grow. Investing in community resilience before emergencies will reduce the costs of response and recovery below what they would have otherwise been.

Community development and outreach programmes

Addresses action 1.1

What it is: A targeted outreach programme to embed emergency management into everyday thinking. Activity will be tailored based on needs and delivered in partnership and co-ordination with communities, local and central government, private sector, not for profit sector, community groups, local businesses, iwi/Māori and schools. Local leadership will be strengthened so communities are equipped to act for themselves (e.g. expanding the community emergency hub model).

Why it is important: The Inquiry into the Response to the North Island Severe Weather Events found a major gap between how communities see their role, and the role emergency management sector organisations are mandated and resourced to take. We need to bridge this difference in expectations. Communities and individuals need to know what they will need to do in an emergency, and be self-sufficient and equipped to do it.

Public readiness programmes

Addresses action 1.1

What it is: Development of evidence-based public readiness programmes. NEMA will work with other parts of the system to deliver an integrated all-hazards approach and ensure programmes are tailored to and with different communities.

Why it is important: Investing in a comprehensive and ongoing national public readiness programme will increase individual and community awareness of life-safety actions and empower them to take readiness steps. This will protect lives, prevent injuries and trauma, and reduce the burden on response efforts.

Improved participation for business, communities, and iwi/Māori

One-stop-guide on how communities can access funding

Addresses action 1.4

What it is: Policy changes to improve emergency management funding access after an emergency. Information on how communities can access government funding after an emergency will be brought together in a single one-stop-shop guide. This will be promoted and provided through multiple channels.

Why it is important: Addressing gaps in the current funding settings will help ensure communities get the support they need in an efficient

manner. Providing greater visibility and transparency of the current cross-agency funding system will support communities to access funds in times of emergency.

Research gathered to support improvements and investment

Addresses action 1.3

What it is: Development of an evidence base on the avoidable costs of disaster recovery to support better decision-making and increased investment in community resilience initiatives.

Why it is important: There is a poor understanding of the time and cost of emergencies (response and recovery). Developing an evidence base will support shifting some proportion of this spending from the response and recovery phases to the risk reduction phase, in particular to community resilience initiatives.

Practical application of scientific research

Addresses action 1.3

What it is: The refreshed Resilience Fund will support the practical application of science and research towards emergency management, for example interdisciplinary programmes similar to AF8.

Why it is important: Investment is needed to ensure the emergency management sector can leverage advances in science, emerging technologies, and disaster resilience research.

Barriers to iwi/Māori participation considered**Addresses action 1.2**

What it is: Options to strengthen and enable iwi Māori participation in emergency management will be considered, including via a new Emergency Management Bill and policy changes. NEMA will work with iwi/Māori to understand what is working for them in the emergency management system and how it can better enable iwi/Māori to participate and contribute.

Why it is important: Many inquiries and reviews have highlighted that iwi and other Māori organisations bring relevant and necessary expertise to emergency management, for the benefit of both Māori and non-Māori. Better integration of iwi and other Māori organisations is part of the whole of society approach to emergency management.

Agreements and partnerships to enhance local readiness e.g. business, iwi/Māori**Addresses actions 1.5, 2.4**

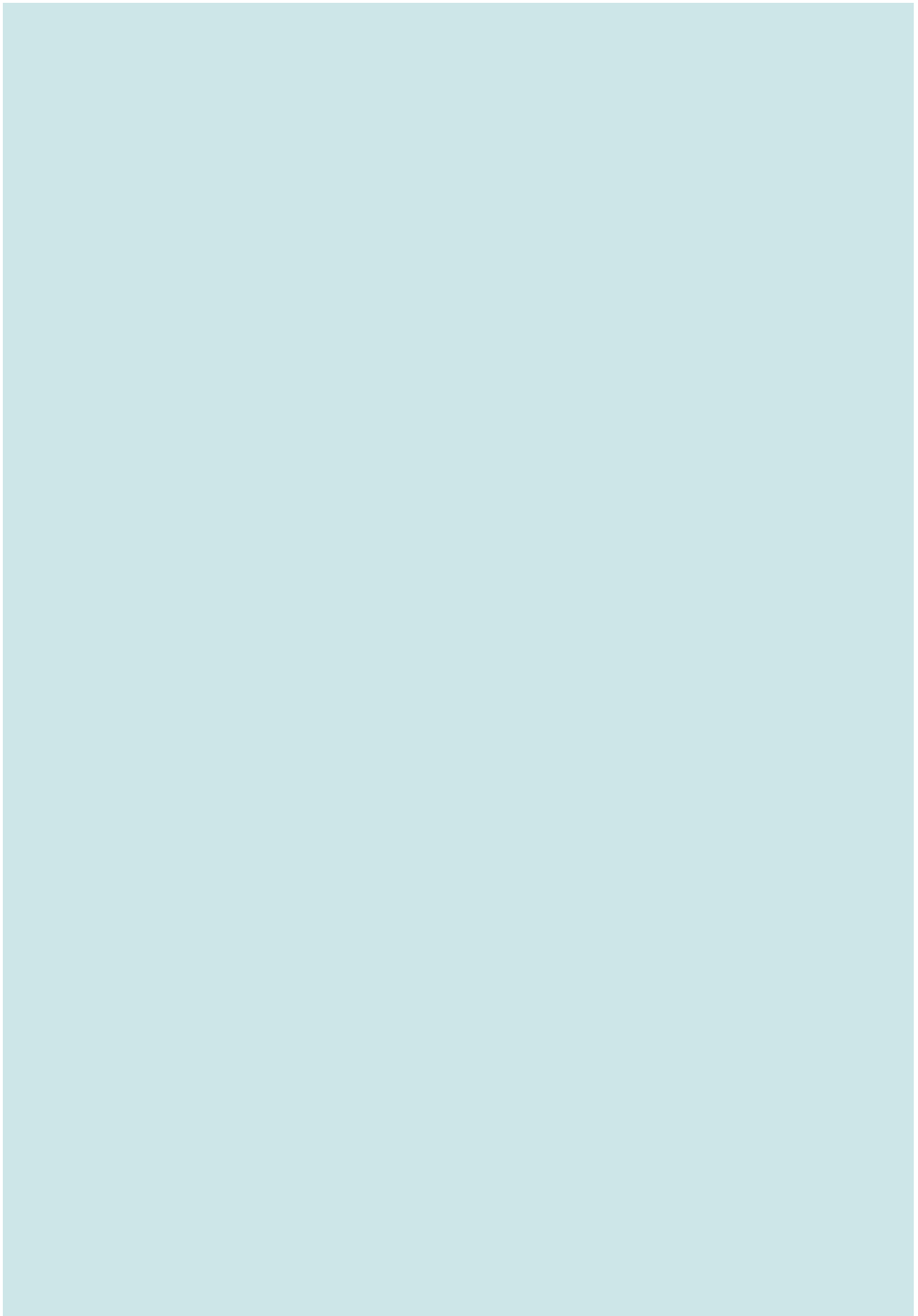
What it is: Development of agreements and partnerships with businesses, iwi/Māori and community organisations. National coordination, where relevant, will complement regional and local arrangements. MoU and agreement templates, for example, will be developed to support and enable regional and local readiness.

Why it is important: Businesses, iwi/Māori and community organisations want to contribute to emergency management. They can bring new resources, expertise, and connections to communities that the Government does not have. Right now it is difficult for them to contribute.

Refreshed National Disaster Resilience Strategy**Addresses action 1.1**

What it is: Update of the National Disaster Resilience Strategy to embed the 'whole-of-society' approach.

Why it is important: The National Disaster Resilience Strategy outlines the vision and long-term goals for emergency management in New Zealand, and the objectives to be pursued to meet those goals. The National CDEM Plan, CDEM Group Plans, and the Strategy must be consistent — setting the direction for the emergency management system.



Support and enable local government

We will support and enable local government to deliver a consistent minimum standard of emergency management by clarifying roles, strengthening accountability, setting standards, and providing assurance. Agencies and communities will have greater clarity in a crisis, enabling faster, more coordinated decision making.

What will be delivered 2026-2031

Better leadership and clearer accountability

Expanded national assurance and standard-setting

Addresses actions 2.2, 2.4, 4.1

What it is: NEMA has commenced building its national assurance function and support will be targeted first to areas with the highest need and risk. Developing and implementing national mandatory standards and monitoring against these standards will provide assurance and improve consistency.

Why it is important: The quality of emergency management provided, and the way it is delivered, varies across the country. Standards for delivery are not always clear, or they are outdated and optional. Setting mandatory standards will ensure that all New Zealanders and visitors can expect a consistent standard of care regardless of where they are when an emergency happens. Consistency also promotes interoperability between agencies, across regions and between levels of the system, particularly when emergencies cross local, regional, and national levels of management and control.

Updated guidance documents**Addresses actions 2.1, 2.4**

What it is: User-friendly material to improve consistency of understanding, skills and practice. E.g., handbooks, guidance documents and doctrine.

Why it is important: The current standard of emergency management across New Zealand is inconsistent. Developing practical guidance at the centre will support greater consistency and efficiency, allowing CDEM Groups more time to focus on their communities.

Rolling refresh of National and Regional CDEM Plans**Addresses actions 2.3, 2.4**

What it is: Review and revisions of the National Civil Defence Emergency Management Plan. This includes a rolling refresh of Regional Civil Defence Emergency Management Plans to improve their clarity, consistency and coordination across the emergency management system.

Why it is important: The NISWE Inquiry identified confusion about who is doing what in an emergency response at the local, regional, and national level. It is critical that operational roles and responsibilities are clearly codified in plans and operational documents and well-understood.

Inter-regional hazard planning**Addresses actions 2.3, 2.4**

What it is: Inter-regional hazard planning. This will support shared capacity and capability inter-regionally.

Why it is important: Significant emergencies can stretch a region's capacity and capability and impact more than one region at once. Inter-regional plans support faster mobilisation of system resources to meet the highest needs across the event.

Equitable funding**Addresses action 2.4**

What it is: Options to improve funding of emergency management requirements at local and regional levels.

Why it is important: The emergency management system is under-resourced and needs vary across the country. Some of the most at-risk regions have the least resourcing. Local government needs more investment to deliver emergency management at the standard that New Zealanders deserve.

■ Build capability and capacity

We will professionalise and strengthen the emergency management workforce. Accountable leaders and a trained, exercised workforce will be ready to respond to an emergency resulting from any hazard or threat.

What will be delivered 2026-2031

Regional support teams

Addresses actions 3.2, 2.4

What it is: Regional support teams will be based around New Zealand to provide surge support during emergencies and uplift regional workforce capability with expert advice, planning, and exercise support. The model will be prototyped before growing, with support targeted to areas of highest need.

Why it is important: The current Emergency Management Assistance Team has provided valuable incident management support in recent events but its members are volunteers, with roles elsewhere that they need to be released from. The model is not secure or reliable enough for current needs, let alone our future needs. Guaranteed availability (within set resource limits) of professional resources for regions in an emergency bolsters local government's delivery of response and recovery. Ultimately this means the community get a higher quality service, saving lives and livelihoods.

Expanded national recovery function

Addresses actions 4.1, 2.4

What it is: Expanded national recovery function to increase capability for rapid and integrated support to speed up recovery from small to medium events.

Why it is important: New Zealand needs to be ready with a consistent, sustainable, and robust model for managing recoveries and supporting communities. NEMA currently has a very small team unable to scale up at pace to support medium or larger scale events. Following an event, NEMA's scaled-up capacity will enable a seamless transition from response to recovery. It will support, monitor, and coordinate recovery from medium to larger-scale emergencies.

Professionalised workforce

Emergency management workforce with professional pathways

Addresses actions 3.1, 2.4, 2.2

What it is: New Zealand needs a larger and professionalised emergency management workforce. What it needs to look like and the pathway to join the workforce and develop capability will be defined as the first step.

The education and training system required to deliver the professional pathway, building from existing systems (education, training delivery and assurance) will then be implemented.

Why it is important: As the scale, severity and frequency of emergencies increases, emergency management has become much more complex and requires a high level of professionalism, capability and capacity.

A comprehensive education and training system is needed to ensure the emergency management workforce has the necessary skills and capability to deliver results in a severe event.

National pathway and training for Controllers and Recovery Managers

Addresses action 3.1

What it is: National pathway and training for Controllers and Recovery Managers to improve capability and consistency. This includes a response and recovery leadership training and exercise programme, expanding to all leadership roles.

Why it is important: Emergency management demands highly professional and capable leadership. Controllers and Recovery Managers are critical leadership roles and must be filled by qualified, experienced individuals.

Community development training

Addresses action 3.1

What it is: A work programme to increase community development capability within the emergency management workforce.

Why it is important: Emergency management professionals are often experts in the top-down command and control leadership required in emergency response. Far fewer are skilled in the bottom-up work of community development. Implementing a whole of society approach to emergency management requires a deep understanding of community resilience and how to build it.

■ Enable the system

We will enable the different parts of the system to work better together by updating warning systems and modernising antiquated technology and facilities. The public will receive timely warnings and responders will have a clearer picture of what is happening on the ground.

What will be delivered 2026-2031

Better leadership and clearer accountability

Clear national roles and responsibilities

Addresses action 4.1

What it is: Clarified national roles and responsibilities including in the Emergency Management Bill, National CDEM Plan, emergency management handbook and in alignment with the National Risk and Resilience Framework.

Why it is important: The Emergency Management System responsibilities are complex and not always clearly understood, and terms have varying definitions depending on the context. At the national level, emergency management-related roles and responsibilities need to be fit for purpose, well-understood, enabled, integrated and operate in support of the emergency management system.

Agreements with private sector and international partners

Addresses actions 4.1, 1.5

What it is: National agreements with private sector and international partners, to establish rapid access to expertise, sector coordination, critical equipment, supply stocks and infrastructure. Increased integration of private sector involvement in Emergency Management and increased agreements domestically and internationally.

Why it is important: Formalising agreements with the private sector and international partners creates resilience for New Zealand during an emergency and leads to faster recovery. During an emergency, resources will be mobilised faster to meet the highest needs and the role of each organisation will be already known.

National planning**Addresses action 4.1**

What it is: Review and revision of the National Civil Defence Emergency Management Plan and inter-agency planning.

Why it is important: The National Civil Defence Emergency Management Plan sets out the roles and responsibilities of everyone involved in reducing risks and preparing for, responding to and recovering from emergencies. The current Plan needs to be revised to ensure roles and responsibilities are fit-for-purpose and well-understood. Inter-agency planning will improve readiness and coordination, especially for very large events.

Hazard specific national plans**Addresses action 4.1**

What it is: NEMA will continue to lead the development of detailed operational plans and arrangements specific to individual hazards (e.g. tsunami, volcanic activity, space weather).

Why it is important: The Catastrophic Event Handbook published in February 2025 forms the umbrella for hazard specific plans that meet the catastrophic threshold. Together, the Catastrophic Event Handbook and hazard-specific plans will detail the national operational readiness and response arrangements for significant events.

Natural hazards exercise programme**Addresses actions 4.1, 2.1, 3.1**

What it is: Increase the natural hazards exercise programme to uplift capability and consistency across the system, with a clear focus on consequence management as well as response. Additional 'discussion/table-top' exercises delivered.

Why it is important: Exercising is a core part of readiness and helps identify gaps and issues. The identified lessons are integrated into plans and procedures. They improve our ability to respond to and recover from emergencies.

Critical equipment and supply stocks**Addresses action 4.1**

What it is: The first step is an understanding of the logistics and supplies needed to keep New Zealand functioning during and after a catastrophic event. Subsequently agreements, procurement, placement and movement of critical equipment and supplies to close the gap between what is in place and what is required (national and international) will be required.

Proactive procurement, placement and movement of sufficient critical equipment and supply stocks for moderate events might include bridges, health and hospital supplies, water purification systems, generators, satellite and communications equipment.

Why it is important: Having critical equipment and supply stocks in place ahead of emergencies will increase resilience and support faster, more effective response and recovery saving lives and reducing trauma.

Assurance activities include lessons framework and self-assessment

Addresses actions 2.2, 2.4, 4.1

What it is: NEMA's national assurance capacity will include a self-assessment tool and national lessons framework.

Why it is important: The self-assessment tool will allow CDEM groups to proactively self-assess themselves. A national lessons framework will provide decision makers with the confidence that the emergency management system is working and adapting.

Facilities, equipment and technology

Common Operating Picture (COP)

Addresses actions 4.2, 2.4

What it is: The technology and systems needed to support shared situational awareness and decision-making in response and recovery (a Common Operating Picture). A Common Operating Picture will support the management of national and regional emergencies and subsequently be expanded to local level.

Why it is important: A Common Operating Picture is a critical enabler of shared situational awareness in an emergency. It enables Controllers and others to make decisions based on high-quality information. New Zealand does not have access to the interoperable software tools routinely used in other sectors and other countries and investment in a Common Operating Picture has been called for consistently in reviews and inquiries for at least the past ten years.

National Emergency Management Facility and alternative facility

Addresses action 4.2

What it is: A facility to replace the existing National Crisis Management Centre (NCMC) and a backup alternative facility located outside Wellington.

Why it is important: It is critical that we have the physical spaces in which people can come together to effectively coordinate emergency responses. The current NCMC is not fit-for-purpose. A new facility is needed to improve interoperability and to meet current and future needs. System redundancy through a backup facility is needed for the case of a significant event in Wellington rendering the NCMC unable to be used or accessed.

Coordination centre guidance**Addresses action 4.2**

What it is: Review of regional Emergency Coordination Centres (ECC) and local Emergency Operation Centres (EOC) facilities to identify opportunities for improvement and critical gaps across New Zealand. Guidance on fit-for-purpose ECCs and EOCs published from the findings of this review.

Why it is important: Regional EOCs and local ECCs vary significantly across the country. We are committed to a minimum standard of emergency management and improved interoperability across the country. Having fit for purpose facilities with commonality will support that.

Modernised National Warning System**Addresses action 4.2**

What it is: Upgrade of the technology that supports New Zealand's National Warning System.

Why it is important: The National Warning System is an online tool used by NEMA to issue hazard alerts and warnings (e.g. tsunami warnings) to the public via NEMA's website and social media channels, broadcast media, CDEM Groups and other agencies. This is a critical tool for disseminating life-safety messages to the public during significant events. It must remain fit for purpose.

National risk modelling and warning capability**Addresses action 4.1**

What it is: An integrated natural hazard warning system and capability, and a multi-hazard risk engine (data, models, and capability) — underpinning impact-based warnings, insurance, land-use, and a national risk and resilience strategy.

Why it is important: The North Island Severe Weather Events Inquiry found that warnings were insufficient and ad hoc in places. It recommended the development of a comprehensive warning system. This work will support the development of a connected system across all hazards.

■ Focus on delivery

We will drive a strategic focus on investment and implementation. NEMA will report to the National Hazards Board and provide public progress reports every six months.

What will be delivered 2026-2031

Well-governed delivery

Addresses action 5.1

What it is: Effective and coordinated delivery of the 15 actions in the Government Response. The National Hazards Board (NHB) will provide governance across the programme of work.

NEMA will provide six-monthly progress reports to the NHB, and publicly report on progress every six months.

Why it is important: Many of the recommendations made in the NISWE Inquiry had been made many times before. Too often, the sector has been let down by a failure of implementation. Implementation will require a concerted effort sustained over time and supported across government.

Ensuring a well-governed approach to delivery is part of the Government's Response to the Inquiry. The actions are delivering system change, they intersect with each other and have overlapping stakeholders. A programmatic approach will ensure activities are integrated and coordinated so as not to overwhelm those involved.

■ Implementation

Cabinet has agreed to this Roadmap in principle, subject to further policy work, the passage of enabling legislation, and availability of new funding through future Budgets.

Some initiatives in this Roadmap are currently underway or can be progressed within NEMA's baseline, including a new National Crisis Management Centre facility; refocusing public readiness; community outreach programmes; the current Resilience Fund; improving policy and funding settings; updating guidance and plans; and developing priority standards.



Te Kāwanatanga o Aotearoa
New Zealand Government

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7.4 HEALTH, SAFETY AND WELLBEING UPDATE

1. PURPOSE

This report updates the Risk and Assurance Committee 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. BACKGROUND

Quarterly HS&W reporting provides assurance to the Committee that relevant risks identified in Council's Risk Register are being appropriately managed.

The People and Wellbeing (P&W) Team is responsible for reporting on risks, mitigations, and activities undertaken across People Management, Health and Safety (H&S), and Staff Wellbeing.

4. FOCUS OF ACTIVITIES

The main focus of activities for the reporting period July - August has been filling vacant positions, the implementation of our new H&S platform, continued organisational reviews, and maintaining staff wellbeing.

5. RECRUITMENT

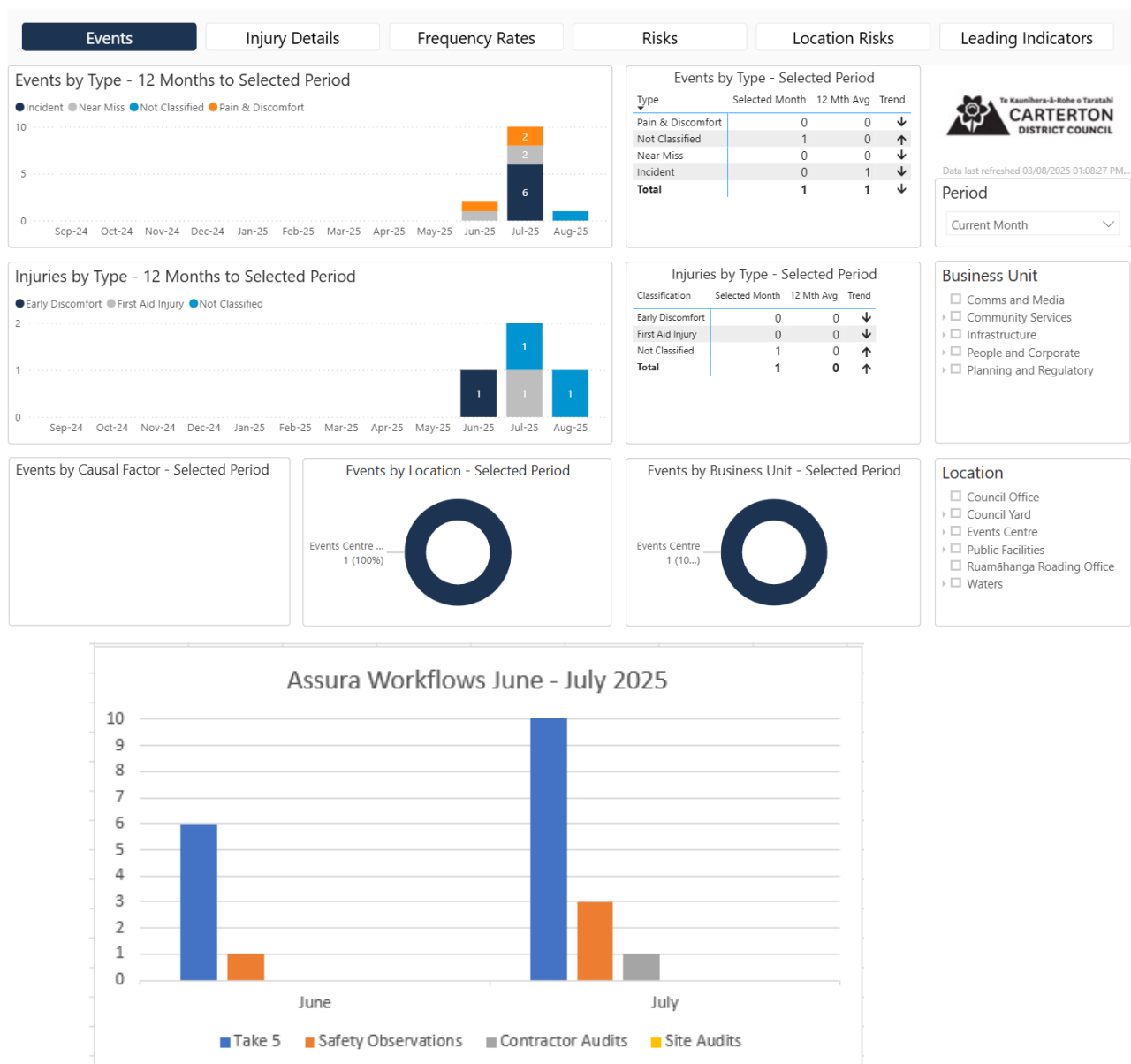
Our current staffing level is at 82 people (74FTE).

We have had no permanent staff members join or leave the council, and have no permanent vacancies that we are recruiting for at present.

We are very pleased to have recently appointed three key roles - Chief Financial Officer, People & Wellbeing Manager, and Water Races Overseer Assistant 2IC. With the addition of the Mayor's Taskforce for Jobs contract being delivered in-house, we have also employed one new fixed term employee and will be advertising for a second.

6. H&S PLATFORM

Our digital platform, Assura went live on 23 June. Take 5, safety observations and audits help us work proactively, and capture unsafe conditions and do something about them immediately to reduce, minimise or eliminate potential harms. Staff are becoming more confident with using Assura, and the next focus will be using the Audit workflows. The uptake in use of the Take 5 and Safety Observation workflows displays the culture of the staff of CDC and their commitment to work proactively in H&S to prevent incidents before people are harmed.



6.1 ORGANISATIONAL REVIEWS

Management continue with a phased approach to review how the council is organised in order to meet future challenges and opportunities such as ongoing affordability constraints, legislative and regulatory responsibilities, and Local Water Done Well.

Following the completion of functional reviews across the Executive Leadership Team, Finance Team, People & Wellbeing Team, and Cleaning Services Team, in July we confirmed a change in the Community Development Team, now renamed as the Community and Partnerships Team. Three positions were disestablished and three new positions created including two for the new in-house delivery of the MTFJ contract.

6.2 STAFF WELLBEING

Some of our teams have been affected by winter illnesses which is a seasonal hazard for the organisation. Staff have done well to continue to maintain levels of service while managing absences, working conditions in adverse weather, and weather-related service requests.

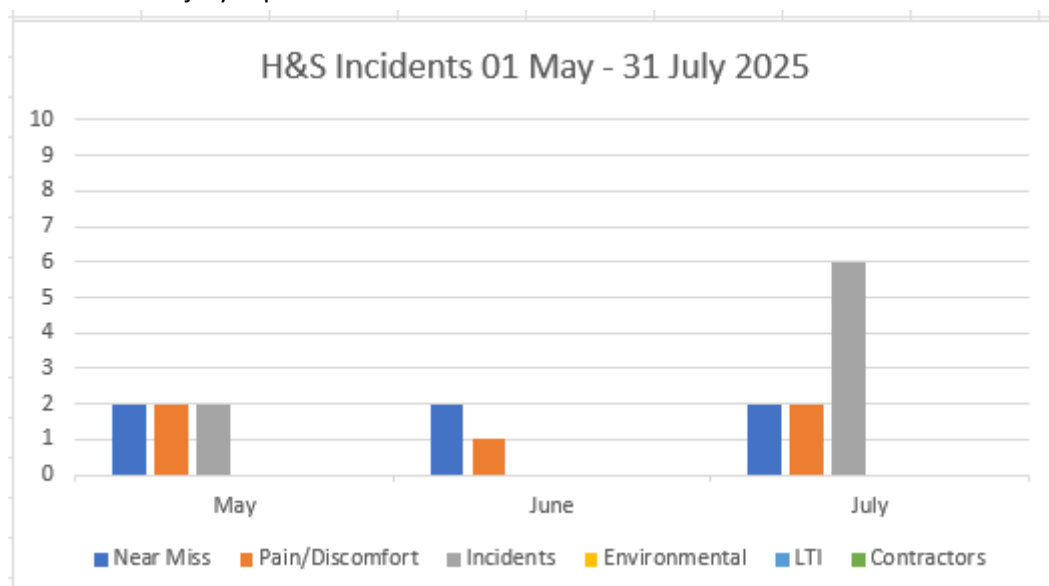
7. GENERAL RISK MONITORING

7.1 HEALTH & SAFETY INCIDENTS

Reporting of incidents by staff, including near miss reporting, continues to be consistent across all departments. Staff are reminded regularly of our various ways to report incidents and near misses through our staff newsletter, toolbox/team meetings and posters in staff lunchrooms. The HS&W Committee continues to work actively and be leaders in HS&W for the Council.

For the period 1 May – 31 July we received 19 incident reports:

- 6 x near miss reports
- 5 x reports of damage
- 5 x injury reports



The HS&W Committee and HS&W Advisor have reviewed all incidents and are satisfied that the responsible managers and team leaders are taking appropriate actions in each case. None of the accidents have highlighted major systemic failings. The HS&W Committee supports a no-blame culture so we can continue to be working proactively in health and safety.

Near miss reports

1. A child from Carterton School was walking to school and a CDC employee was driving out from the Operations yard, creating a near miss. Following the incident report a mirror was placed on the pole so anyone driving out from the yard can see if pedestrians are approaching the driveway. Yellow lines were also painted to highlight to pedestrians that vehicles could be coming in and out.



2. A safety concern was raised as a Near Miss with the yard tractor. The hydraulics were no longer coping with loads of gravel in the bucket, causing the motor to cut out. When staff had a load of gravel in the bucket, it felt as if the tractor could tip over on its side as weight distribution was an issue. An investigation into the tractor and possible solutions was undertaken. The hydraulic system was checked, and a small fault was identified and repaired. The Operations team contacted the supplier to investigate whether we have the correct sized bucket to counterbalance. The result is the bucket was identified to be too large, and we are working with the supplier to find the correct size bucket or modify the existing bucket.

Damage reports

1. Two incidents resulted in minor damage to vehicles. In alignment with our Substance and Alcohol Policy staff were taken for a drug and alcohol tests immediately following the incidents. All tests returned negative results.

7.2 CONTRACTORS

Contractors are one of our 'Five Biggest Risks'.

Contractor Management

We are pleased to see that by continuing to work with our lower scoring contractors, the number of contractors in red (scores of 0-50%) and orange (scores of 51-74%) are both now 0. This is a fantastic result with our average score well above the national average. This reflects the excellent work of the HS&W Advisor and managers in their positive working relationships with contractors.



We have one new contractor that has registered with SiteWise, and have completed their first assessment, which we are waiting on results for.

One contractor is overdue for their renewal assessment. This contractor is exempt in SiteWise as they are prequalified with an alternative company. Even though they are exempt, we still require copies of their current insurances, certification and some policies. We have requested copies so we can update their record. Four contractors are due to renew their accounts and three are to update their current insurance documents.

Contractor Audits

Two contractor audits were conducted.

Contractor 1 is pre-qualified with an alternative company and meets the minimum score requirement of 75%.

- Insurance documents and health and safety policies are current.
- All contractor employees on site hold current first aid certificates.
- All correct PPE was being worn and used at time of audit.
- Fencing and barriers were visible and in place to keep the public out of the worksite.



Contractor 2 is pre-qualified in SiteWise with a score of 100%.

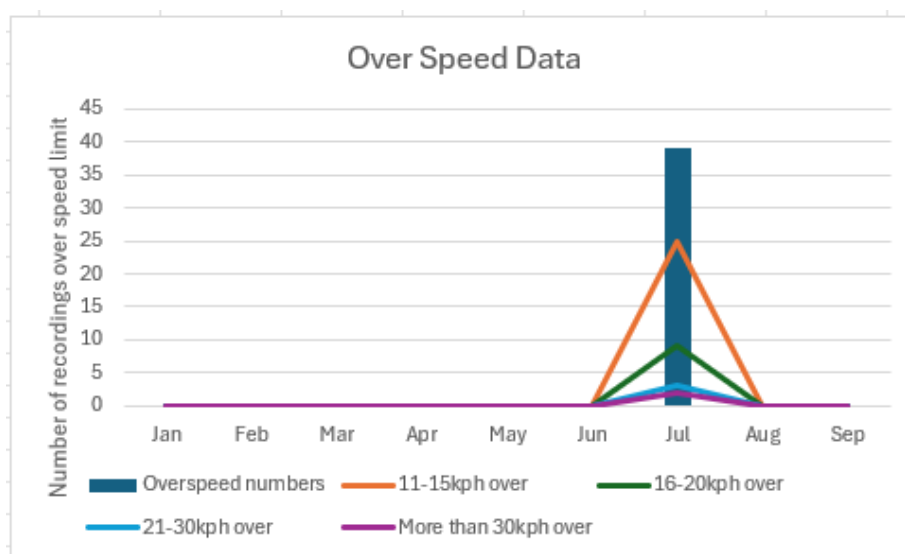
- All contractor employees were wearing correct PPE at time of audit.
- The contractor was not working in a public space, but CDC staff were in the vicinity of the work being undertaken.
- The work area did not need to have barriers or cones. All tools and equipment were kept tidy so other staff could easily move about.

Vehicle and Driver Safety

Managers and team leaders regularly monitor speed and safe driving behaviour through regular reporting from the HS&W Advisor.

Vehicle pre-start checks have been made easier for our staff to complete with the introduction of Assura. Employees that have a vehicle assigned to their role are required to complete vehicle pre-start checks weekly. All other vehicles are to have a pre-start check completed by the driver prior to use.

Our speeding data recording restarted in July following the recent changes to road speeds.



**Data is taken from the Cartrack Monitoring System installed in all Carterton District Council vehicles. Multiple over speed recordings may be generated by one vehicle on a single journey.*

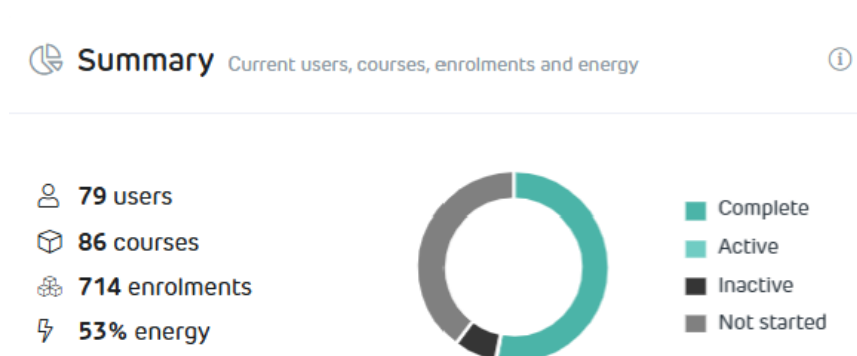
7.3 TRAINING AND DEVELOPMENT

Red Seed Learning Management System

Ensuring staff are appropriately trained and qualified in their roles is a key mitigating factor across almost all council risk areas. Our online training platform provides effective, accessible, and cost-effective training support for staff and people leaders.

Learning is based across six development pathways covering skills and knowledge that are generic to all staff - Induction, Health & Safety, Customer Service, Personal Development, Wellbeing, and Leadership. Each pathway consists of 5-6 courses, typically taking between 5 – 30 minutes for easy completion, with skills tests and mentor coaching, ensuring learning is practiced and embedded. This is the most effective way of learning and retaining knowledge, and courses are then available for future reference on an individual's training dashboard.

Our latest dashboard summary shows that staff have completed 50% of the development courses they are enrolled in.



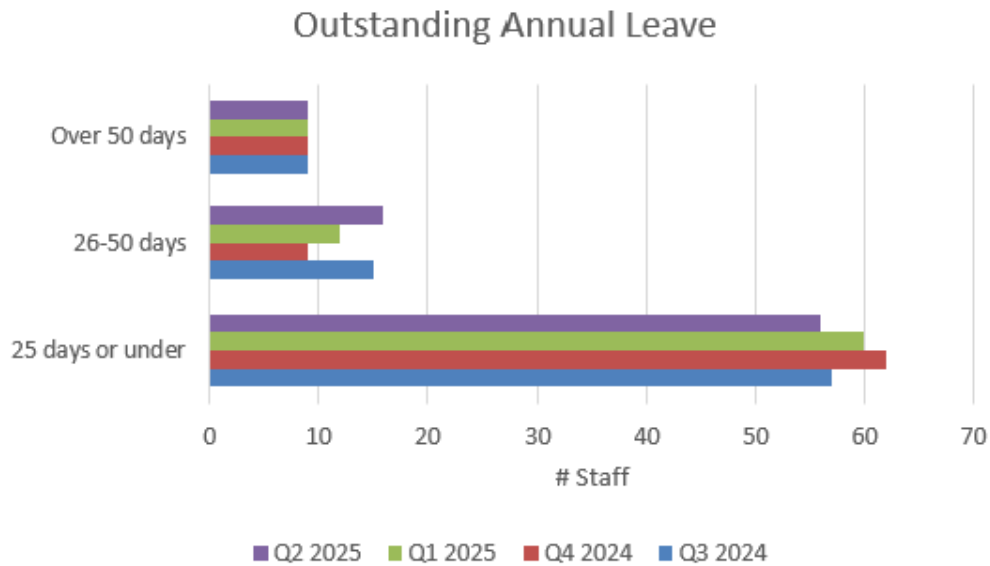
7.4 LEAVE BALANCES

Managers are required to monitor leave levels to ensure staff are taking leave appropriately including monitoring sick leave, enabling sufficient rest from work, and managing the council's leave financial liability.

Annual Leave

Current outstanding annual leave balances (based on a 5 week/25-day entitlement, pro-rated accordingly):

- 69% of staff have balances within one year's leave entitlement of 25 days
- 20% of staff have balances one year and two year's leave entitlement
- 11% of staff have balances over two year's leave entitlement of 50 days, noting that two staff members only work 3-hour days.

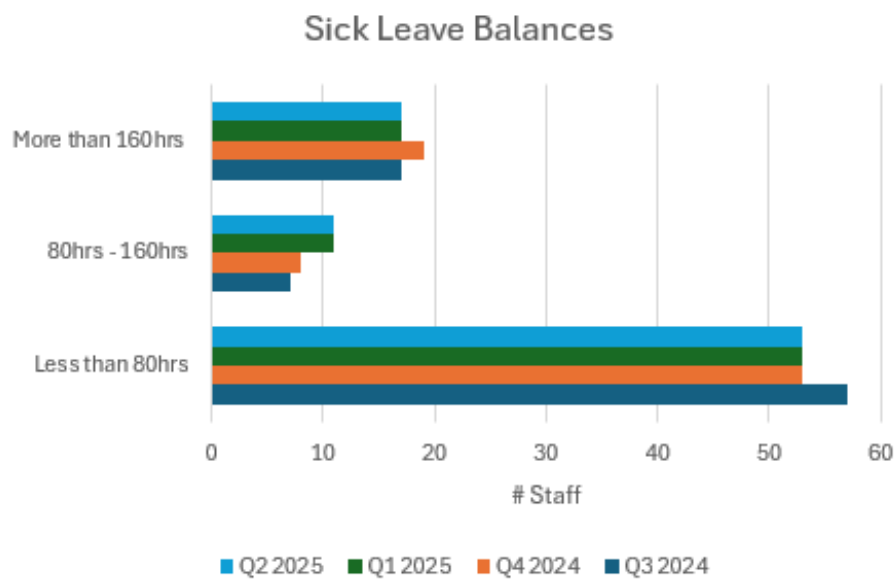


Note: Recorded as 'calendar year quarters'; the number of hours in a 'day' varies from 3hrs to 9hrs.

Sick Leave

Current sick leave balances (based on a 10 day/8 hour per day entitlement):

- 65% of staff have balances less than one year's leave entitlement of 80 hrs
- 14% of staff have balances between one and two year's leave entitlement
- 21% of staff have balances over two year's leave entitlement of 160 hrs



Note: Recorded as 'calendar year quarters'.

8. ENGAGING WITH OUR PEOPLE

8.1 HEALTH, SAFETY AND WELLBEING (HS&W) COMMITTEE

The Committee meets bi-monthly to report on HS&W issues and review incidents, near misses and hazards. The Committee remains well engaged and committed to leading HS&W across the Council. There are 9 members representing all teams across the council and supported by the HS&W Advisor.

This year the Committee will also be focusing on the implementation of the Assura Health and Safety platform, review of the council Hazard Register and review of the Health and Safety Strategy.

8.2 STAFF WELLBEING

The council has obligations under the Health and Safety at Work Act 2015 (HSWA) to manage hazards that may impact employees H&S. This also includes personal risks such as fatigue, illness, injury, stress and emotional wellbeing.

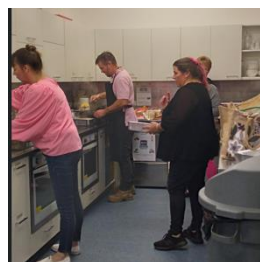
Staff Wellbeing has been identified as one of our 'Five Biggest Risks'.

The Wellbeing Strategy details objectives and outcomes that are important to our staff and their wellbeing. Initiatives and activities undertaken directly contribute to the four segments of the Staff Wellbeing Strategy: 'Healthy Lifestyle', 'Good Working Relationships', 'Job Satisfaction' and 'Positive Culture'. Staff engagement in wellbeing and development initiatives continues to be strong, reflecting a growing culture of proactive learning and support.

Wellbeing Initiatives and Activities

Activities were:

- Weekly karakia and waiata classes
- Staff newsletter posts
- New staff induction tour
- Pink Ribbon Breakfast fundraiser
- Harold the Giraffe fundraiser
- Celebrate Ya Mate
- 5 ways to improve your mood webinar
- Celebrating staff anniversaries, and acknowledgement of a staff members service of 5 years to CDC



Pink Ribbon Breakfast Fundraiser



Staff induction tour



Harold the Giraffe fundraiser visit

My Everyday Wellbeing Platform

My Everyday Wellbeing provides a wide range of information and activities to increase the wellbeing of staff and their whānau. It provides both an interactive website and direct weekly emails to offer support and advice across wellbeing topics such as healthy eating, exercise, illness information, mental health, and financial wellbeing. This month *My Everyday Wellbeing* has been focusing on managing emotions effectively and how to recognise when to seek support. This was further supported with a free webinar available to staff.

My Mood Meter

All emotions are a natural part of being human – whether they feel pleasant, unpleasant or neutral. This tool helps you quickly reflect on your emotional state, empowering you to manage your emotions effectively and recognise when it's time to seek support. Please remember, this process is intended as guidance and does not replace professional advice.

Using this is completely anonymous. No individual data is collected or stored.

How are you feeling?

The interface shows a large yellow circle with a neutral face (two dots for eyes and a straight line for a mouth). Below the face is a horizontal slider bar. The bar has a blue dot in the middle. The left end of the bar is labeled 'Unpleasant' and the right end is labeled 'Pleasant'.

9. EMPLOYEE ASSISTANCE PROGRAMME

The Employee Assistance Programme (EAP) is a workplace wellness programme designed to boost staff performance by proactively helping them resolve personal and work issues. The programme offers confidential and short-term support that assists with a variety of issues, including financial, legal, physical and mental health. EAPs are an essential part of supporting the health and wellbeing of Council staff, increasing productivity and encouraging a positive work environment.

EAP services have been accessed three times between May to July 2025.

At a Glance



Period End

June 2025

Customer

Carterton District C... ▾

Total Programmes

Attending	Jul-24 to Jun-25	Jul-23 to Jun-24
Employees	9	13
Total	9	13

New Programmes

Referral	Jul-24 to Jun-25	Jul-23 to Jun-24
Self	9	13
Total	9	13

Total Sessions

Attendance	Jul-24 to Jun-25	Jul-23 to Jun-24
Attended	19	21
Did Not Attend	1	3
Total	20	24

Utilisation

	Jul-24 to Jun-25	Jul-23 to Jun-24
Customer	10.5%	15.1%
All of EAP	5.5%	5.4%
Customer Industry	12.7%	11.9%

Status

	Jul-24 to Jun-25	Jul-23 to Jun-24
Ongoing	1	3
Completed	6	7
Referred On	1	2
Data Not Available	1	1
Total	9	13

Completion Efficiency

	Jul-24 to Jun-25	Jul-23 to Jun-24
Customer	90.9%	100.0%
All of EAP	76.0%	78.4%

40%
Work Issues

60%
Personal Issues

Period End
June 2025

42%
Work Issues

58%
Personal Issues

Period End
July 2025

At a Glance



Period End

July 2025

Customer

Carterton District C... ▼

Total Programmes

Attending	Aug-24 to Jul-25	Aug-23 to Jul-24
Employees	8	15
Total	8	15

New Programmes

Referral	Aug-24 to Jul-25	Aug-23 to Jul-24
Self	7	14
Total	7	14

Total Sessions

Attendance	Aug-24 to Jul-25	Aug-23 to Jul-24
Attended	18	21
Did Not Attend	1	3
Total	19	24

Utilisation

	Aug-24 to Jul-25	Aug-23 to Jul-24
Customer	9.3%	17.4%
All of EAP	5.6%	5.5%
Customer Industry	12.6%	12.4%

Status

	Aug-24 to Jul-25	Aug-23 to Jul-24
Ongoing	1	2
Completed	4	9
Referred On	1	2
Data Not Available	1	1
Total	7	14

Completion Efficiency

	Aug-24 to Jul-25	Aug-23 to Jul-24
Customer	87.5%	100.0%
All of EAP	76.3%	77.8%

10. FIVE BIGGEST HEALTH AND SAFETY RISKS

The Five Biggest H&S Risks are identified and actively monitored to ensure control and reduction measures are in place.

Currently the Five Biggest Risks we are focusing on are:

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

Risk	Controls and reduction measures	Actions
<p>Contractors</p> <p>Council hires contractors because it doesn't always have the expertise or capacity to undertake the activities.</p> <p>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.</p>	<ul style="list-style-type: none"> • SiteWise contractor management system • Contractor briefing and induction processes • Site safety checklists • H&S plans included in procurement process • Regular contractor audits 	<ul style="list-style-type: none"> • All CDC contractors are being moved to SiteWise, an online contractor management platform. H&S information is provided and assessed. An assessment score of 75% or over indicates competency. At present 94% of CDC contractors are at competency level. We are working with contractors that have not yet achieved the 75% assessment mark. ONGOING. • Managers and team leaders will be receiving training on the reviewed contractor processes for Sitewise. COMPLETE.
<p>Working Alone and Remotely</p> <p>Being such a small organisation, it is often impossible for staff to work in teams or even in pairs. Staff are often required to work alone and remotely, where in some cases poor cell phone coverage is an additional factor.</p> <p>With the introduction of flexible working arrangements due to COVID-19, we have staff working from home more than we have had in the past.</p>	<ul style="list-style-type: none"> • Staff policies: <ul style="list-style-type: none"> ○ Working From Home Policy ○ Remote Working Guidelines • Appropriate communication devices and body cameras • Sign in/sign out systems 	<ul style="list-style-type: none"> • Lone worker app has been trialled. Information to be collated for recommendation to the ELT for purchase of lone App and to engage with a monitoring service. IN PROGRESS.

	<ul style="list-style-type: none"> • Leadership support 	<ul style="list-style-type: none"> • Working Alone policies and associated Standard Operating Procedures (SOPs) reviewed. COMPLETE. • Hazard Register category – Working alone and working remotely updated. COMPLETE.
<p>Under Reporting</p> <p>While there is a good level of reporting any physical accidents, the risk of under-reporting of near misses needs to be constantly monitored.</p> <p>This is due to a combination of staff thinking “nothing happened so why report it,” and the perceived amount of time required to make a report.</p>	<ul style="list-style-type: none"> • Introduction of a digital H&S platform. • Staff policies: <ul style="list-style-type: none"> ○ H&S Policy • Employment Agreement and Job Description obligations • H&S induction process • H&S communications through posters, T.V. screen notices, and staff newsletters • H&S Committee • Staff meeting, and Leaders Roopu, agenda item • ELT reporting • Site inspections 	<ul style="list-style-type: none"> • Train and encourage staff to use the digital platform for reporting, audits, observations. • Encouragement of reporting. ONGOING. • Site inspections. ONGOING.
<p>Behaviour</p> <p>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.</p> <p>Introduction of a range of services and experiences such as social media engagement and public Wi-Fi, together with external environmental factors such as mental health issues, anti-establishment sentiment, conspiracy theories, economic pressures, 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.</p>	<ul style="list-style-type: none"> • Staff policies: <ul style="list-style-type: none"> ○ Robbery Policy ○ H&S Policy • Staff training: <ul style="list-style-type: none"> ○ De-escalation ○ Personal safety ○ Customer service ○ Cash handling and robbery • Appropriate physical office design and security measures including cameras and communication devices • Electronic payment mechanisms • Community engagement and risk awareness 	<ul style="list-style-type: none"> • Refresher customer service and de-escalation training delivered (Feb 2024) COMPLETE. • Signs displayed in public offices. COMPLETE. • Online training available for staff and people leaders COMPLETE.

Cash held on premises also presents potential for robbery.	<ul style="list-style-type: none"> • Leadership support 	
<p>Staff Wellbeing</p> <p>Being a small organisation and having departments under-staffed is placing some teams under pressure and the need to work long hours. Staff under pressure pose a risk to themselves, the organisation, and customers. Staff under pressure can lead to burnout, stress, fatigue, all leading to both mental/physical and social affects, contributing to lower performance levels.</p> <p>Working long hours under pressure can lead to poorer mental health including stressful feelings, an increase in anxiety, depression and lower quality sleep patterns. This will contribute to a higher number of accidents occurring, bad decisions being made, irritability and concentration/memory issues.</p> <p>Employees physical health can be compromised with the increased risk of a stroke, heart problems, high cholesterol and high blood pressure.</p> <p>Combined stressors of busy workloads, staff vacancies and absences, local government reforms, and COVID-19 can impact staff wellbeing.</p> <p>Negative social media comments can cause stress and anxiety for staff. While we have communications specialists that can mitigate and manage these issues on the council page, many comments are made on private and community pages.</p>	<ul style="list-style-type: none"> • Staff policies: <ul style="list-style-type: none"> ○ Staff Wellbeing Strategy ○ Hours of Work and Fatigue Policy ○ Leave Policy • Wellbeing communications through posters, T.V. screen notices, and staff newsletters • Early recognition of stress, fatigue and burnout symptoms • Managers support a safe environment to talk • EAP Services available • Clearly defined position descriptions and resourcing • Relieving staff available from councils • Staff training to manage negative social media impacts 	<ul style="list-style-type: none"> • Filling of vacant roles. ONGOING. • Address lack of work-space issues through physical relocation, working from home flexibility where appropriate. ONGOING. • Undertake office accommodation assessment. COMPLETE. • Support staff uncertainty caused by Three Waters, RMA, and local government reforms. ONGOING. • Provide change management training for staff. COMPLETE. • People leaders to highlight the issue of negative social media behaviour at Team meetings and provide helpful tips and resources including ensuring staff raise specific issues to managers when they occur. ONGOING.

11. CONSIDERATIONS**11.1 Climate change**

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

11.2 Tāngata whenua

There are no decision implications for tāngata whenua.

11.3 Financial impact

All work undertaken is within planned budgets.

11.4 Community Engagement requirements

No community engagement is required.

11.5 Risks

There are no risk considerations related to decisions required in this report.

11.6 Community Wellbeing

There are no community wellbeing considerations related to decisions required in this report.

12. RECOMMENDATION

That the Council:

1. **Receives** the report.

File Number: 478197

Author: Geri Brooking, Group Manager People and Corporate

Attachments: Nil



7.5 TREASURY REPORT

1. PURPOSE

To provide the Committee with an update on Council's current Treasury position.

2. SIGNIFICANCE

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

3. BACKGROUND

CDC's Treasury position and management are reported at each Risk and Assurance Committee meeting. This covers the current debt position, forecast debt position, compliance with policy and covenants, and risks.

This report incorporates analysis undertaken by PWC who are engaged to advise on Council's Treasury management.

This report sets out the Treasury position on 30 June 2025 advising the current status of debt and compliance against the parameters outlined in the Council's Liability Management Policy.

An update on the position of investments is reported to the Investment Committee.

4. CURRENT DEBT POSITION

The council's debt position as at 30 June 2025 is:

LGFA	\$27,100,000
Internal borrowings	\$ 6,732,000
TOTAL	\$33,832,000

As well as external borrowing through LGFA, we also have internal borrowings of approximately \$6.7m. Internal borrowing can be a prudent way to manage debt as we effectively spend Council cash holdings on capital expenditure and reflect this use of equity as internal loans.

Internal borrowings are not always visible in financial reporting, as only external debt is shown in the Statement of Financial Position. Our internal debt is shown in our Annual Report as part of our borrowings note disclosure. The weighted average interest rate on our borrowings with LGFA is currently 2.21%.

Interest rates have responded to economic conditions arising from the pandemic, global supply issues, and the movement in the OCR over the last couple of years. LGFA funding continues to be competitive compared to other lenders. Council is in a good position with a low average interest rate. Currently, internal borrowings have mitigated the external interest expense. Should we choose to refinance these internal borrowings, it will increase the external interest expense.

The current interest rate has been achieved through borrowing from several different bonds, ranging from 1 to 10 years. In selecting the bonds, we along with our advisors PWC, have considered interest rates and the timing of bonds to meet the requirements of the Council's funding policy.

Any new borrowings required to fund elements of the 2025/26 capital works programme are likely to increase the weighted average borrowing rate.

5. LIABILITY MANAGEMENT COMPLIANCE

Council's Treasury Management Policy (which includes Liability Management Policy and Investment Policy) stipulates parameters relating to the prudent management of debt. For the purposes of this report, the key policies are each addressed separately, as relevant.

Borrowing limits

The policy specifies the following borrowing limits, and Council is currently within all limits:

Limit	Council Limit	LGFA Lending Policy Limit	Position on 30 June 2025
Net external interest expense as a percentage of annual rates income	<15%	<25%	4.3%
Net interest expense as a percentage of total revenue	<15%	<20%	2.7%
Net external debt as a percentage of total revenue	<150%	<175%	88%
External debt plus available committed facilities plus liquid assets over existing external debt	Are maintained at or above 110%	Are maintained at or above 110%	137%

Liquidity Risk

Liquidity refers to the availability of financial resources to meet all obligations as they arise, without incurring penalty costs. This anticipates that Council has a minimum level of surplus liquidity to meet unexpected cash expenditure or revenue shortfall. The Policy calls for Council to maintain at least \$2m in the bank, call and term deposits with a maturity date of no greater than 30 days.

On 30 June 2025, liquid assets amounted to \$9.2m with the liquidity ratio being 137%, compared to the minimum limit of 110%. Term deposits longer than 30 days or linked to debt prefunding activity are excluded from the liquidity calculations, whereas uncommitted bank facilities are included in liquidity and current ratio calculations.

Debt Funding Risk

The maturity profile of the total committed funding in respect to all external debt and committed bank facilities is to be controlled by the following system.

Period	Minimum	Maximum
0 to 3 years	15%	60%
3 to 7 years	25%	85%
7 years plus	0%	60%

The current profile on 30 June 2025 was:

Funding summary

Bucket (years)	Maturing in period (\$)	Policy	Actual
0 - 3	\$14,700,000	15% - 60%	59%
3 - 7	\$10,400,000	25% - 85%	41%
7 - 15	\$0	0% - 60%	0%
Total	\$25,100,000		100%

As shown above, as at 30 June 2025 we remain compliant with the policy.

Interest rate risk

Interest rate exposure refers to the impact that movements in interest rates have on the Council's financial performance. Council's objective in managing interest risk is to minimise debt servicing cost and to maintain stability of debt servicing costs.

Factors that influence interest rates for long and short-term securities are beyond the control of the Council. When deciding the type of borrowing to be undertaken and what arrangements might need to be entered into to manage the interest on borrowing it is prudent to be aware of where the interest rate cycles are.

Exposure to interest rate risk is managed and mitigated through fixed/floating interest rate risk control limits based on the period to maturity and a suitable fixed/floating mix for individual periods. A 10-year period would set a fixed/floating mix of 25:75.

However, currently we are not reflecting that mix as the 3 Waters funding approach using short-term bonds on fixed low interest rates has given an interest rate profile as follows:

Interest rate summary

#	Bucket	Min	Max	Actual
1	0 - 1	40%	90%	68%
2	1 - 12	40%	90%	69%
3	12 - 24	35%	85%	73%
4	24 - 36	30%	80%	72%
5	36 - 48	25%	75%	62%
6	48 - 60	20%	70%	42%
7	60 - 72	0%	65%	15%
8	72 - 84	0%	60%	0%
9	84 - 96	0%	50%	0%
10	96 - 108	0%	50%	0%
11	108 - 120	0%	50%	0%

As shown above, as at 30 June 2025 we remain compliant with the policy.

We have considered our interest rate exposure when drawing down borrowings and have structured our borrowings across bonds that end at different dates.

Council has \$12.5m in interest rate swaps to help manage interest rate risk. Swaps may be used to hedge against adverse interest rate movements. Interest rate swaps allow both counterparties to benefit from the interest payment exchange by obtaining better borrowing rates. This was done to mitigate the possible interest rate increase when term bonds are required to be repaid and drawn down as they become due.

Interest rates are starting to fall. We will continue to monitor interest rates and consider ways to manage our interest expense.

6. FORECAST POSITION

We have now completed Year 1 of the Long-Term Plan (2024/34). We had forecast that debt would be \$28.8m on 30 June 2025. As at year end 2025, our debt was \$25.1m. This reflects \$27.1m gross debt less \$2m invested to cover pre-funded debt and excludes \$6.7 million of internal borrowing.

We have capital expenditure carried forward from 2023/24 of \$1.1m, so any loan funding of these items will increase this number. In line with spend forecasts and the funding environment we will continue to assess the best time to drawdown these borrowings.

This level of borrowing is well within policy limits, as shown in the Borrowing Limits table above.

Currently we are still holding internal debt and will continue to assess whether it is more prudent to continue to hold this internally or transfer to external debt through the LGFA. There are a few considerations here, including interest expense, and the fact that all the internal borrowings relate to 3 waters assets.

Counterparty Credit exposure

Credit risk is the risk that a party to a transaction will default on its contractual obligation. Council is exposed to credit risk when there is a deterioration of the credit rating:

- of an entity with which the Council places its investments.
- of a counterparty with whom the Council may transact financial derivative contracts.

To avoid such risk, investment is made in instruments that are issued by entities that fit within the following:

Counterparty / Issuer	Minimum S&P long term / short term credit rating	Investments maximum per counterparty (\$m)	Interest rate risk management instrument maximum per counterparty (\$m)	Total maximum per counterparty (\$m)
NZ Government	N/A	Unlimited	None	Unlimited
Local Government Funding Agency (LGFA)	AA- / A-1	20.0	None	20.0
NZ Registered Bank	A- / A-1	10.0(1)	10.0	20.0

Currently counterparty relationships are established with BNZ, ANZ and Westpac. Involving others will be based on our requirements, and their credit rating.

7. NEXT STEPS

Staff will continue to monitor and report on the Treasury position and compliance to the Risk and Assurance Committee. As new borrowings are drawn down, compliance with policy requirements will be considered, as well as advice from PwC.

8. CONSIDERATIONS

8.1 Climate change

There are no specific climate change considerations.

8.2 Tāngata whenua

There are no specific tāngata whenua considerations.

8.3 Financial impact

There are no financial impacts resulting from the decisions in this report.

8.4 Community Engagement requirements

There are no community engagement requirements.

8.5 Risks

Key risks relate to Treasury management areas outlined above. As demonstrated, we comply with policy and have significant headroom in terms of our borrowing capacity.

As borrowings increase, risk becomes higher. For example, changes in interest rates can have a significant impact. We continue to manage these risks and meet monthly with our external advisor PwC to assist in this.

Risks related to investments, and in particular managed funds, and the management of these risks, has been discussed in the report above.

9. RECOMMENDATION

That the Committee:

1. **Receives** the report.
2. **Notes** the current Treasury position and compliance with policy limits.

File Number: 478074

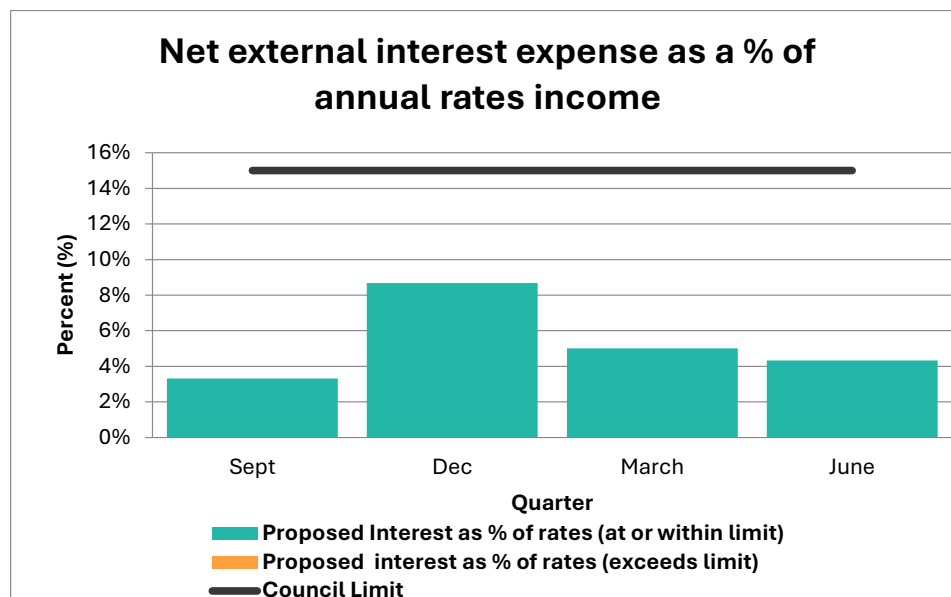
Author: Natascha Anderson, Financial Services Officer

Attachments: 1. Treasury Report Graphs [↓](#)

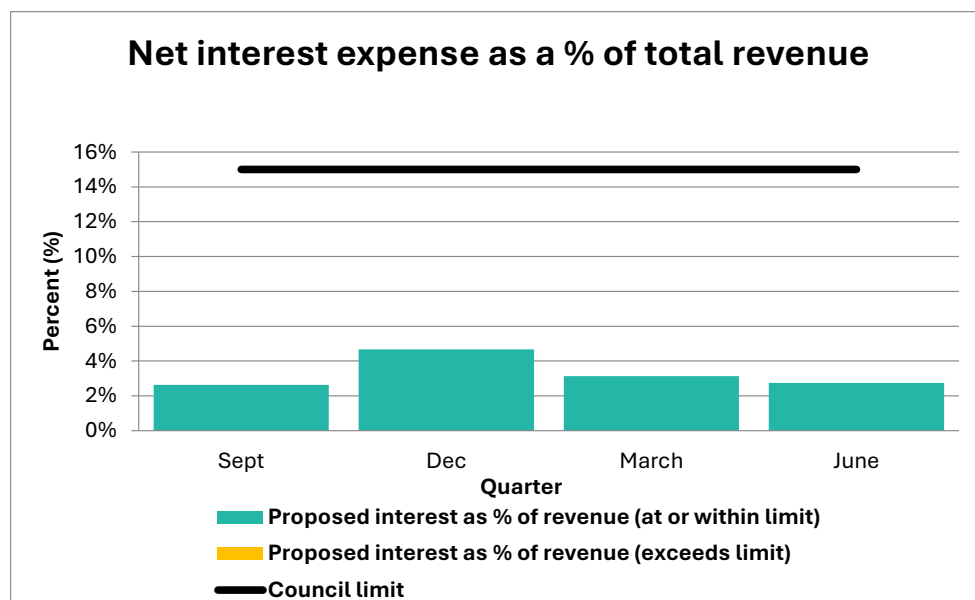
Borrowing limits

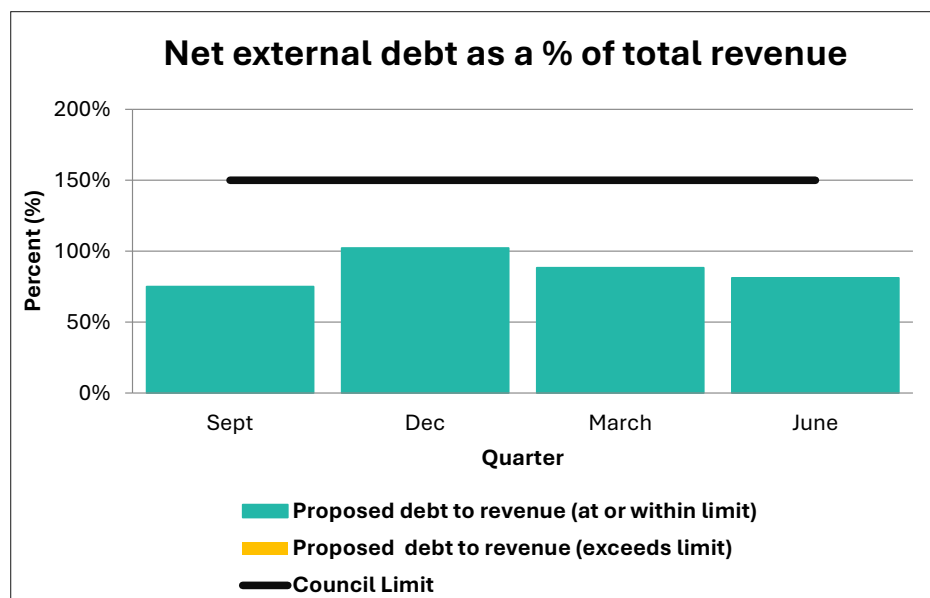
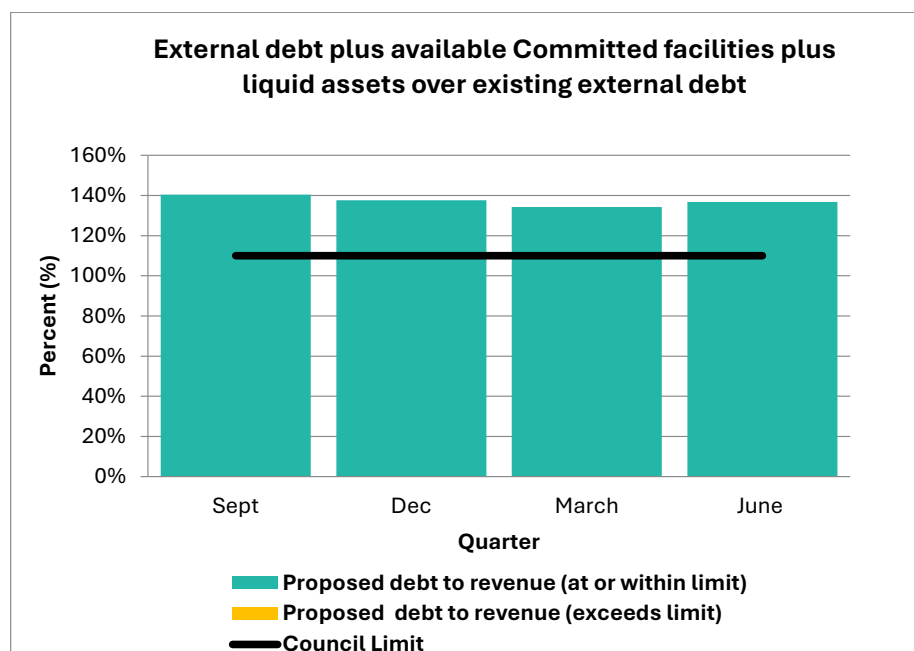
As addition to the table on page 2 of the main document below is graphical representation.

Net external interest expense as a percentage of annual rates income



Net interest expense as a percentage of total revenue



Net external debt as a percentage of total revenue**External debt plus available committed facilities plus liquid assets over existing external debt**

This measure is achieved with a percentage over 110%

8 EXCLUSION OF THE PUBLIC

RESOLUTION TO EXCLUDE THE PUBLIC

RECOMMENDATION

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
8.1 - Confirmation of the minutes of the Public-Excluded Risk and Assurance Committee meeting 7 May 2025	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
8.2 - IT Security Update	s7(2)(e) - the withholding of the information is necessary to avoid prejudice to measures that prevent or mitigate material loss to members of the public s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

8.3 - Reputational Risks - Legal Claims	<p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
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Kia whakairia te tapu

Kia wātea ai te ara

Kia turuki whakataha ai

Kia turuki whakataha ai

Haumi ē, hui ē, taiki ē