

Mā tō tātou takiwā
For our District

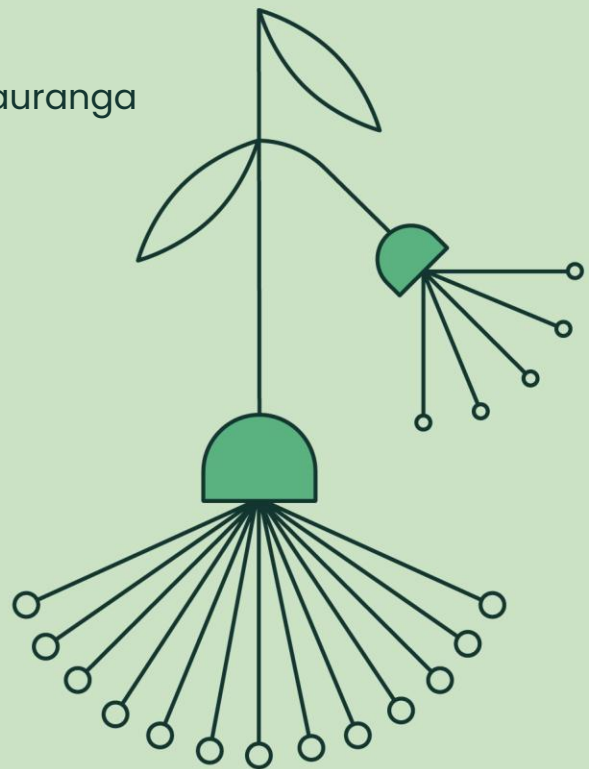
Audit, Risk and Finance Committee

Kōmiti Arotake Tūraru me Ahumoni

ARFC26-2

Tuesday, 26 May 2026, 9.30am

Council Chambers, 1484 Cameron Road, Tauranga



Audit, Risk and Finance Committee

Membership:

Chairperson	Councillor Tracey Coxhead
Deputy Chairperson	Councillor Rodney Joyce
Members	Councillor Shane Beech Councillor Grant Dally Mayor James Denyer Councillor Darlene Dinsdale Councillor Graeme Elvin Deputy Mayor Margaret Murray-Benge Councillor Laura Rae Councillor Allan Sole Ron Scott - Independent Member – non voting
Quorum	Six (6)
Frequency	Bi-Monthly

Role:

The main purpose of the Committee is to assist Council in providing oversight of matters relating to the quality and integrity of financial reporting, independence and performance of the external auditors, effectiveness and objectivity of the internal audit programme, and oversight of business risks and compliance activities.

Scope:

General Responsibilities:

- Assist Council in fulfilling its responsibilities for financial statements and external financial reporting.
- Monitor the Council's external and internal audit process and the resolution of any issues that are raised.
- Review key formal external accountability documents such as the Annual Report in order to provide advice and recommendation in respect to the integrity and appropriateness of the documents and the disclosures made.
- Provide a forum for communication between management, internal and external auditors and the governance level of Council.

- Ensure the independence and effectiveness of Council's internal audit processes, with oversight of the internal audit programme and findings.
- Oversee the development and management of financial policies and delegations.
- Monitor existing corporate policies and recommend new corporate policies to prohibit unethical, questionable or illegal activities.
- Support measures to improve management performance and internal controls.

Audit (internal and external):

- Ensure appropriate accounting policies and internal controls are established and maintained and assist Council in ensuring the effective and efficient management of all business risks.
- Ensure an appropriate framework is maintained for the management of strategic and operational risk (including risk appetite).
- Review risk including technical insurance matters and participation in national risk management practices, health and safety risk management and implementation of risk management processes.
- Review the effectiveness of the Long Term Plan audit or any audit relating to an amendment to the Long Term Plan.
- Review the effectiveness of the annual audit.
- Monitor management response to audit reports and the extent to which the external audit recommendations concerning internal accounting controls and other matters are implemented.
- Monitor the delivery of any internal audit work programme and implementation of any significant recommendations including control risk, accounting and disclosure practices.
- Engage with Council's external auditors regarding the external work programme and agree the terms and arrangements of the external audit in relation to the Annual Report.
- Engage with internal and external auditors on any specific one-off audit assignments.
- Review the effectiveness of the control environment established by management including information management systems and cyber security. This also includes a review/monitoring role for relevant policies, processes and procedures.

Risk management:

- Review the Risk Management Framework and associated procedures to ensure they are current, comprehensive and appropriate for the effective identification and management of Council's financial and business risks including fraud and cyber security.
- Review the effectiveness of the system for monitoring Council's financial compliance with relevant laws, regulations and associated government policies.
- Review whether a sound and effective approach has been followed in establishing Council's business continuity planning arrangements.
- Review Council's Fraud Policy to determine that Council has appropriate processes

and systems in place to capture and effectively investigate fraud-related information.

Financial:

- Monitor financial performance against any Council approved joint contracts with other local authorities.
- Report financial outcomes and recommend changes or variations to allocated budgets.
- Provide oversight of legal risks, claims or proceedings (excluding the approval of any legal settlements).
- Recommend the adoption of the Annual Report and the approval of the Summary Annual Report to Council.

Power to Act:

The Committee is delegated the authority to:

- Receive and consider external and internal audit reports.
- Receive and consider staff reports on audit, internal control and risk management policy and procedure matters as appropriate.
- Approve the Auditor's engagement and arrangement letters in relation to the Annual Report.
- Approve the draft Annual Report.
- Approve the internal risk and audit work programme.
- Confirm its own minutes.

Power to Recommend:

To make recommendations to Council and/or any Committee as it deems appropriate.

Power to sub-delegate:

The Committee may delegate any of its functions, duties or powers to a subcommittee, working group or any other subordinate decision-making body, subject to the restrictions on its delegations and provided any sub-delegation includes a statement of purpose and a specification of task.

Notice is hereby given that an Audit, Risk and Finance Committee Meeting will be held in the Council Chambers, 1484 Cameron Road, Tauranga on: Tuesday, 26 May 2026 at 9.30am

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1 KARAKIA

Whakatau mai te wairua	Settle the spirit
Whakawātea mai te hinengaro	Clear the mind
Whakarite mai te tinana	Prepare the body
Kia ea ai ngā mahi	To achieve what needs to be achieved.
Āe	Yes

2 PRESENT – NGĀ MEMA KEI KONEI**3 IN ATTENDANCE – I TAE AKE****4 APOLOGIES – NGĀ WHAKAPAHĀ****5 CONSIDERATION OF LATE ITEMS – NGĀ TAKE TŌMURI****6 DECLARATIONS OF INTEREST – NGĀ TUKITUKINGA**

Members are reminded of the need to be vigilant and to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest that they may have.

7 TRANSFER OF EXCLUDED ITEMS – TE WHITINGA O TE AO MĀRAMA KI NGĀ TAKE MUNA**8 PUBLIC FORUM – WĀHANGA TŪMATANUI**

A period of up to 30 minutes is set aside for a public forum. Members of the public may attend to address the Board for up to five minutes on items that fall within the delegations of the Board provided the matters are not subject to legal proceedings, or to a process providing for the hearing of submissions. Speakers may be questioned through the Chairperson by members, but questions must be confined to obtaining information or clarification on matters raised by the speaker. The Chairperson has discretion in regard to time extensions.

Such presentations do not form part of the formal business of the meeting, a brief record will be kept of matters raised during any public forum section of the meeting with matters for action to be referred through the customer relationship management system as a service request, while those requiring further investigation will be referred to the Chief Executive.

9 PRESENTATIONS – NGĀ WHAKATAIRANGA

10 MINUTES FOR CONFIRMATION – TE WHAKATAU I NGĀ MENETI**10.1 MINUTES OF THE AUDIT, RISK AND FINANCE COMMITTEE MEETING HELD ON 17 MARCH 2026**

File Number: A7239368

Author: Ella Logan, Governance Advisor

Authoriser: Robyn Garrett, Governance Manager

RECOMMENDATION

1. That the Minutes of the Audit, Risk and Finance Committee Meeting held on 17 March 2026 be confirmed as a true and correct record and the recommendations therein be adopted.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

ATTACHMENTS

1. Minutes of the Audit, Risk and Finance Committee Meeting held on 17 March 2026

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL
AUDIT, RISK AND FINANCE COMMITTEE MEETING NO. ARFC26-1
HELD IN THE COUNCIL CHAMBERS, 1484 CAMERON ROAD, TAURANGA
ON TUESDAY, 17 MARCH 2026 AT 9.30AM**

1 KARAKIA

Whakatau mai te wairua	Settle the spirit
Whakawātea mai te hinengaro	Clear the mind
Whakarite mai te tinana	Prepare the body
Kia ea ai ngā mahi	To achieve what needs to be achieved.
Āe	Yes

2 PRESENT – NGĀ MEMA KEI KONEI

Cr T Coxhead, Cr S Beech, Cr G Dally, Mayor J Denyer, Cr D Dinsdale, Cr G Elvin, Cr R Joyce, Deputy Mayor M Murray-Benge, Cr L Rae and Cr A Sole.

3 IN ATTENDANCE – I TAE AKE

M Potton (Acting General Manager Corporate Services), E Watton (Acting General Manager Strategy and Community), B Singh (General Manager Infrastructure), A Curtis (General Manager Regulatory Services), A Henderson (Programme Director – Water Services), J Fearn (Chief Financial Officer), S Riley (Risk and Assurance Manager), D Crowe (Head of People Experience), L McEwan (Executive Assistant and Privacy and Official Information Advisor), C Boyle (Health, Safety and Wellbeing Lead) R Garrett (Governance Manager), E Logan (Governance Advisor) and H Wi Repa (Governance Systems Advisor).

4 APOLOGIES – NGĀ WHAKAPAHĀ

4.1 APOLOGIES

RESOLUTION ARFC26-1.1

Moved: Mayor J Denyer

Seconded: Cr L Rae

That the apologies for lateness from Cr Elvin and Cr Joyce be accepted.

CARRIED

5 CONSIDERATION OF LATE ITEMS – NGĀ TAKE TŌMURI

Nil

6 DECLARATIONS OF INTEREST – NGĀ TUKITUKINGA

Nil

7 TRANSFER OF PUBLIC EXCLUDED ITEM – TE WHITINGA O TE AO MĀRAMA KI NGĀ TAKE MUNA

Nil

8 PUBLIC FORUM – WĀHANGA TŪMATANUI

Nil

CHANGE ORDER OF BUSINESS

The Chairperson requested that the next item of business be 10.1 People and Wellbeing Report, in order to provide additional time for external presenters to arrive.

RESOLUTION ARFC26-1.2

Moved: Cr A Sole

Seconded: Cr D Dinsdale

That in accordance with Standing Order 9.4 the order of business be changed and that item 10.1 be dealt with as the next item of business.

CARRIED

9 REPORTS – NGĀ PŪRONGO

9.1 PEOPLE AND WELLBEING REPORT

The Committee considered a report dated 17 March 2026 from the People and Capability Manager, supported by the Health, Safety and Wellbeing Lead, who spoke to key areas of the report.

9.33am Cr Joyce entered hui.

9.35am Cr Elvin entered hui.

Staff responded to pātai as below:

- Council had a flexible working policy in place and did not monitor the exact number of employees working from home on each day of the week.
-

- The approved Full Time Equivalent (FTE) level included temporary roles but did not include contingent contractors.
- Staff had taken steps towards more accurate reporting on contingent workers, specifically those working internally in roles that could otherwise be filled by permanent employees. This information was to be provided at the next meeting.
- Council had previously offered cadetship-type roles; however, due to increasing costs and headcount pressures within the organisation, these programmes had often been discontinued.
- Council had supported employees in continuing their professional education and building their qualifications. An internal programme for further learning had been in place and was considered on a case-by-case basis. Where staff sought professional qualifications that benefitted both the individual and the organisation, Council had provided support, including financial assistance and time off work where required.
- Council had a robust bullying and harassment policy in place, which clearly outlined how it would respond to any allegations of bullying.
- There had been approximately 13 to 14 different ethnicities represented within Council.
- Council had, at times, brought in cadets to support their development and create pathways into the organisation. However, this had often been contingent on an FTE or permanent position becoming vacant before a new role could be offered. Council's demographic profile, which skewed towards an older workforce, indicated relatively low staff turnover.
- It had been common for employees to begin in more junior roles and progress within the organisation, with resources in place to support their development.
- The overall design and approach for Te Arawai had been underpinned by leadership mindsets aligned with behaviours that supported a positive workplace culture and employee development. It had been informed by responses to questions such as "what makes a great day at work" and "what does great leadership look like." Te Arawai had begun to be rolled out to staff, with employees participating in core workshops that provided foundational learning, as well as targeted workshops for people leaders that equipped them with tools to create conditions for staff to thrive.

RESOLUTION ARFC26-1.3

Moved: Deputy Mayor M Murray-Benge

Seconded: Cr D Dinsdale

That the People and Capability Manager's report dated 25 February 2026 titled 'People and Wellbeing Report' be received.

CARRIED

10 PRESENTATIONS – NGĀ WHAKATAIRANGA

10.1 LOCAL GOVERNMENT FUNDING AGENCY PRESENTATION

Mr Michl was in attendance on behalf of the Local Government Funding Agency (LGFA) to provide an overview of the organisation and its role in support of local government borrowing in New Zealand.

The presenter responded to pātai as follows:

- It was noted that reporting could often come down to definitions. The Local Government Funding Agency (LGFA) had used definitions from Department of Internal Affairs (DIA), which had provided a sound starting point.
- LGFA's approach had been to review each Council's financial strategy and identify areas of concern. Where issues were identified, LGFA had engaged in discussions with the relevant Council, initially allowing the Council the opportunity to address those concerns. However, it was noted that rates capping had the potential to reduce flexibility that had previously existed.
- All Councils had been able to borrow from any source; however, many had chosen to borrow from LGFA due to lower costs and access to longer-term financing compared to banks. LGFA had been required to act prudently in its lending, and there could be circumstances where additional conditions were applied to Council borrowing. High-growth councils, such as Tauranga City Council and Waipā District Council, had been required to forecast a balanced budget or surplus, as LGFA had not supported lending for operating expenditure to ensure fairness across all Council guarantors.
- Where LGFA had concerns regarding a Council, it had worked alongside DIA to support improvements. LGFA had also retained the ability to decline lending to Councils that did not meet its requirements.
- It was noted that, going forward, LGFA would need to manage lending more tightly than in the past, particularly due to reduced flexibility arising from rates capping.
- In relation to credit ratings, LGFA had held an external credit rating of AA- from Standard & Poors, which had been comparable to the strongest banks in New Zealand and highly regarded internationally. In addition, LGFA had undertaken internal credit assessments of each Council to better understand risk. Where concerns had arisen regarding a Council's financial strategy, LGFA had engaged directly with that Council. Under its framework, councils with an external credit rating had been able to borrow up to 280%.
- LGFA had generally relied on Local Government New Zealand and Taituarā to undertake formal advocacy, with LGFA typically working behind the scenes rather than in public forums. However, LGFA had also met with Ministers to communicate its views.

CHANGE ORDER OF BUSINESS

The Chairperson requested that the next item of business be 10.6 Local Government Funding Agency Draft Statement of Intent 2026-2029 and Half Year Report as at 31 December 2025, in order to release external presenters from the meeting.

RESOLUTION ARFC26-1.4

Moved: Cr R Joyce

Seconded: Deputy Mayor M Murray-Benge

That in accordance with Standing Order 9.4 the order of business be changed and that item 10.6 be dealt with as the next item of business.

CARRIED

11 REPORTS CONTINUED – NGĀ PŪRONGO**11.1 LOCAL GOVERNMENT FUNDING AGENCY DRAFT STATEMENT OF INTENT 2026 – 2029 AND HALF YEAR REPORT AS AT 31 DECEMBER 2025**

The Committee considered a report dated 17 March 2026 from the Financial Analyst. The Chief Financial Officer introduced the report.

Staff responded to pātai as follows:

- Council's Financial Analyst -Treasury had supported the review of the relevant documents and had been comfortable with Council's current approach to Local Government Funding Agency (LGFA). It was noted that, as Council moved towards water reform, staff would have different discussions regarding how water assets and services would be incorporated into LGFA debt arrangements. At the time of reporting, staff had remained comfortable with the existing approach.
-

RESOLUTION ARFC26-1.5

Moved: Cr R Joyce

Seconded: Cr G Elvin

1. That the Financial Analyst's report dated 17 March 2026 titled 'Local Government Funding Agency Draft Statement of Intent 2026 – 2029 and Half Year Report as at 31 December 2025' be received.
 2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
-

3. That the Local Government Funding Agency's (LGFA) Half Year Report as at 31 December 2025 (**Attachment 1**) and accompanying cover letter (**Attachment 2**) be received.
4. That the Local Government Funding Agency's (LGFA) Draft Statement of Intent 2026-2029 (**Attachment 3**) and accompanying cover letter (**Attachment 4**) be received, noting that feedback, comments and recommended changes are to be provided to LGFA no later than 1 May 2026, so that this can be considered for inclusion in their final Statement of Intent due to Council by 30 June 2026.

CARRIED

11.2 AUDIT, RISK AND FINANCE COMMITTEE WORK PROGRAMME

The Committee considered a report dated 17 March 2026 from the Risk and Assurance Manager, who provided a overview of the report.

Staff responded to pātai as follows:

- It was noted that the new risk management software and framework would be fully operational by 1 July 2026.

RESOLUTION ARFC26-1.6

Moved: Cr A Sole

Seconded: Deputy Mayor M Murray-Benge

That the Risk and Assurance Manager's report dated 17 March 2026 titled 'Audit, Risk and Finance Committee Work Programme' be received.

CARRIED

11.3 INTERNAL AUDIT & OUTSTANDING RECOMMENDATIONS REGISTER (ORR)

The Committee considered a report dated 17 March 2026 from the Risk and Assurance Manager, who provided a overview of the report.

RESOLUTION ARFC26-1.7

Moved: Cr R Joyce

Seconded: Deputy Mayor M Murray-Benge

That the Risk and Assurance Manager's report dated 17 March 2026 titled 'Internal Audit & Outstanding Recommendations Register (ORR)' be received.

CARRIED

11.4 RISK MANAGEMENT FRAMEWORK (RMF)

The Committee considered a report dated 17 March 2026 from the Risk and Assurance Manager, who provided an overview of the report.

- It was noted that initial risk ratings had been established for all identified risks. Risks categorised as severe or extreme had been those brought to Council. The assessment had been based on the likelihood and pervasiveness of each risk in relation to Council performing its functions, as well as the potential impact should the risk eventuate. The framework had been intended to provide elected members with the information and tools required to assess these factors.
 - It had been planned to invite feedback on the risk register on an ongoing basis. Under the new risk management framework, a process had been established to enable two-way feedback to be incorporated into the risk register.
 - The risk register had been more than a tool for identifying risks; it had also outlined how risks were actively managed, with the aim of reducing residual risk to a tolerable level.
 - It was noted that further discussions would be required to ensure the risk register was fit for purpose, with the intention of making it easily accessible to elected members.
-

RESOLUTION ARFC26-1.8

Moved: Cr R Joyce

Seconded: Cr A Sole

That the Risk and Assurance Manager's report dated 17 March 2026 titled 'Risk Management Framework (RMF)' be received.

CARRIED

11.5 BUSINESS CONTINUITY MANAGEMENT SYSTEM (BCMS)

The Committee considered a report dated 17 March 2026 from the Risk and Assurance Manager, who provided a overview of the report.

- There had been a number of false starts in establishing a Business Continuity Management System (BCMS), with several root causes identified. These included a lack of continuity in the Risk and Assurance Manager role, which had disrupted progress made to date.
- A proposal had been put forward to implement an electronic toolkit that would provide continuity for Council and support succession planning. This would enable future Risk and Assurance Managers to quickly understand the BCMS and the processes surrounding it.
- The most significant risk facing Council in relation to the current oil and petrol situation had been rising cost implications. Staff had undertaken a review of all contracts to understand Council's escalation and variation clauses, especially within existing roading contracts. Typically, Council managed these risks within its contracts to protect its position and provide a buffer.

RESOLUTION ARFC26-1.9

Moved: Cr A Sole

Seconded: Cr D Dinsdale

That the Risk and Assurance Manager's report dated 17 March 2026 titled 'Business Continuity Management System (BCMS)' be received.

CARRIED

11.6 MONTHLY FINANCIAL REPORT - 31 JANUARY 2026

The Committee considered a report dated 17 March 2026 from the Chief Financial Officer, who provided an overview of the key points within the report.

- Each year Council undertook rates write-offs. A significant portion related to rates that could not be practically recovered, with penalties forming a large component. It was noted that, in reality, this revenue was likely to be written off after approximately six years, as Council had no ability to remove the rateable status.
 - Council offered rates payment plans, generally not for recidivist non-payers or habitual late payers, but for those with genuine need. Staff applied a compassionate approach while remaining mindful that any allowance represented a cost to all ratepayers. Efforts were typically made to establish payment plans in advance of penalties being applied.
 - There had been limited inclusion from the weather event reflected in this report due to timing of the event and the report. Staff noted that a fuller forecast would be provided at the end of March within the normal forecasting cycle.
 - An allocation in forecasts of \$5 million within the transportation activity had been made to address slip clearance and interim works arising from the weather event.
-

- Payments for the Boucher Avenue Transportation Project would not be reflected in the 2025/26 financial year and would instead be deferred to the 2026/27 financial year.
- In relation to the Boucher Avenue Transportation Project, Council had decided not to impose penalties on the contractor at this stage for slow delivery or performance issues. Discussions had been held regarding performance expectations, and Council would consider penalties if performance did not improve.
- The Boucher Avenue Upgrade, upon completion, was expected to be approximately one year behind schedule.
- Staff were comfortable with the rates and income forecast, while noting risks associated with potential flood events and the ongoing oil/fuel situation, which could impact contracts. The March forecast was expected to provide a clearer indication of the end-of-year position.
- Staff had continued to closely monitor interest rates. Council maintained a strong treasury policy, although it was noted that one hedging bucket sat slightly outside policy parameters for the 2030–2032 period. Despite market fluctuations, Council had placed orders with banks aiming to secure rates below 4%, with guidance provided by Bancorp.
- Staff would report to the Projects and Monitoring Committee on the close-out of completed projects, including comparisons against original budgets.
- Work was underway to ensure alignment between reporting levels, avoiding overlap with Projects and Monitoring Committee delegations, while ensuring consistency between financial reporting to the Audit, Risk and Finance Committee and Council.
- It was noted that Council was \$2.8 million under budget in financial contributions. If the trend continued, this shortfall could reach between \$5.5 million and \$6 million. This represented a real cash impact and would have downstream effects on interest costs, debt levels, and future financial contributions. While Council had no control over the timing of this revenue, the risk was being actively monitored.
- Consent holders generally had two years to give effect to their consent before triggering a transition to a new financial contributions level.
- Lawn mowing costs were not included within personnel costs. Personnel cost savings reflected organisational efforts to manage full-time equivalent (FTE) levels and expenditure, in line with Council's direction to identify operational savings.
- Larger capital projects were typically funded through loans or reserves. Where underspend occurred, borrowing requirements were reduced, providing future rate benefits. For smaller, rate-funded operational projects delivered under budget, any surplus was either reallocated, depending on the funding sources, to projects exceeding budget or returned to general rates surplus.
- A number of developers were seeking variations to their resource consents to enable staged development. This approach allowed partial release of properties

to the market, supporting both market supply management and developer cash flow.

- The construction market had not experienced a significant reduction in pricing; however, there had been reduced volatility. It was noted that market engagement did not necessarily result in lower costs, despite more stable pricing conditions.

RESOLUTION ARFC26-1.10

Moved: Cr R Joyce

Seconded: Cr S Beech

That the Chief Financial Officer's report dated 17 March 2026 titled 'Monthly Financial Report - 31 January 2026' be received.

CARRIED

11.7 MONTHLY TREASURY REPORT - 28 FEBRUARY 2026

The Committee considered a report dated 17 March 2026 from the Financial Analyst. The Chief Financial Officer provided an overview of the key points within the report.

Staff responded to pātai as follows:

- As at the end of February, Council's average weighted cost of funds was 3.99%.
- In relation to opportunities to secure lower interest rates, staff had worked closely with Bancorp to set target thresholds and engage with banks. Watch orders had been established to notify Council when interest rates fell below 4.00%, enabling consideration of locking in forward-start rates for the 2030-2034 period. This approach was intended to bring Council back within policy parameters over time, with staff seeking to implement hedging below 4.00% to cover the identified gap.

RESOLUTION ARFC26-1.11

Moved: Cr R Joyce

Seconded: Deputy Mayor M Murray-Benge

That the Financial Analyst's report dated 17 March 2026, titled 'Monthly Treasury Report - 28 February 2026', be received.

CARRIED

12 INFORMATION FOR RECEIPT - KŌRERO TE WHIWHIA

12.1 LOCAL GOVERNMENT OFFICIAL INFORMATION REQUEST (LGOIMA) AND PRIVACY REPORT

The Committee considered a report dated 17 March 2026 from the Executive Assistant and Privacy and Official Information Advisor. The report was taken as read.

Staff responded to pātai as below:

- It was noted that where multiple requests were received from the same individuals or groups seeking the same information, Council had the ability under section 17 of the Local Government Official Information and Meetings Act 1987 (LGOIMA) to refuse such requests.
- All LGOIMA requests had been reviewed by at least two General Managers to ensure appropriate oversight at the Executive Leadership level regarding the nature and subject matter of requests received. Any concerns identified through this process were escalated accordingly.
- Managing CCTV footage requests through the LGOIMA process had provided greater transparency regarding the nature and intent of requests. It was noted that many such requests related to individual or private disputes, and the footage was often unable to be released due to privacy considerations.
- Council had legislative responsibilities in relation to privacy and was bound by the Privacy Act 2020 when managing CCTV footage. Information could be released where it was required for Police investigations, with Police also bound by the same legislation in how they managed and held that information. Staff were not aware of any instance where a request from Police had been declined.
- The management of CCTV footage requests through Council's LGOIMA process ensured that risks and liabilities were appropriately managed, and that information collected was used only for the purposes for which it had been obtained.
- Council had a proactive release policy, which enabled the publication of LGOIMA responses on its website where there was significant public interest.

13 RESOLUTION TO EXCLUDE THE PUBLIC – WHAKATAU KI TE PORO I TE MAREA

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION ARFC26-1.12

Moved: Cr L Rae

Seconded: Deputy Mayor M Murray-Benge

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
13.1 - Insurance & Litigation Report	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

CARRIED

The Meeting closed at 12.16pm.

Confirmed as a true and correct record by the Audit, Risk and Finance Committee on 26 May 2026.

.....

Cr T Coxhead
CHAIRPERSON

11 REPORTS - NGĀ PŪRONGO

11.1 HEALTH, SAFETY AND WELLBEING REPORT

File Number: A7278049

Author: Darren Crowe, People and Capability Manager

Authoriser: Adele Henderson, Acting General Manager Corporate Services/Programme Director – Water Organisation Establishment

EXECUTIVE SUMMARY

1. The purpose of the Health, Safety and Wellbeing Report is to provide Western Bay's Executive Leadership and Governance with insights regarding the organisation's performance in health and safety.

The quarterly report provides an overview of key data, insights, performance metrics, and trends in health and safety performance.

The Health, Safety and Wellbeing report provides a snapshot of trends and performance for the period 1 January 2026 to 31 March 2026.

RECOMMENDATION

1. That the People and Capability Manager's report dated 26 May 2026 titled 'Health, Safety and Wellbeing Report' be received.

HEALTH, SAFETY AND WELLBEING REPORT

Summary of Performance

2. Key metrics for the quarter indicate the health and safety system is performing well and as expected. Our teams continue to conduct high numbers of proactive checks and inspections, and events relating to our critical risks, while remaining the primary cause of events experienced, the frequency of events remained low. The overall severity of events reported are minor in nature considering the risk profile. There were no loss time injuries recorded for the period. The wellbeing of our people was a key focus for the period following several significant weather events requiring the redeployment of resources to support the response and subsequent recovery efforts.

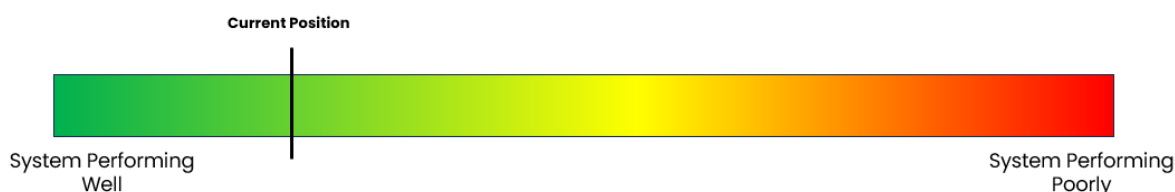
Key insights:

- No fatalities or life-altering injuries this quarter.
- No loss time injuries.
- Continued high trend of proactive checks and inspections – 209.

- Consistent number of incidents reported relating the Critical Risks. None of these events resulted in injury to staff.
- A variety of wellbeing initiatives were delivered to support staff wellbeing.

OVERALL SYSTEM PERFORMANCE

3. This rating considers all elements of the health, safety and wellbeing system. While there is room for improvement in some elements such as contractor management and overall system structure (i.e., reducing clutter), there is nothing to be materially concerned about regarding how Western Bay is managing health and safety for staff and contractors.



SIGNIFICANT WEATHER EVENTS

4. In January 2026 the district experienced a significant weather event associated with Tropical Depression 05F, resulting in widespread disruption across the district, impacting roading, greenspaces, rural communities, power supply, private property and wastewater networks. The event resulted in extensive slips and land instability, tragically including the loss of two lives in Welcome Bay.

Significant resource was redeployed to support the immediate response, and the Recovery Office was formally established and resourced to respond to the ongoing impact of this event.

Two further significant weather events occurred in March 2026 and in April 2026 (Tropical Cyclone Vaianu), compounding these impacts, exacerbating damage to infrastructure and ongoing effects on communities.

The events have significantly impacted staff workloads, and we continue to be mindful of the impacts these events have had on staff wellbeing. We know that organisational risk increasingly arises from how BAU is managed during prolonged or complex recovery operations. Throughout the last quarter, there has been considerable effort made by leadership and staff to manage the balance between timely progress against recovery efforts and progress against planned delivery and maintaining business as usual (BAU) continuity.

GOVERNANCE & LEGISLATIVE COMPLIANCE

Officer Due Diligence

5. A key element of a good health and safety system is ensuring that leaders have a good understanding of the work undertaken, the associated risks, verification of

controls, and an awareness of resources required to actively monitor health and safety. Good officer due diligence reduces legal and reputational risk, as well as leading a positive safety culture from the top down.

Management confirms:

- Critical risks are defined and monitored.
- Resources are adequate to support ongoing identification and management of our operational risk.
- Contractor monitoring remains an area of focus given the volume and scope of works performed by contracting partners.

No material unmanaged risks were identified.

Risk Management

6. *Risk Management Framework:* Council's Risk Management Framework, including policy, procedures, systems and guidelines continue to be subject to a process of continual improvement as per the ISO 31000 international standard.

The Risk and Assurance Manager has made good progress on implementing our Risk Management Toolkit (Pulse Enterprise Risk Management (ERM) module).

Pulse ERM will facilitate ongoing dynamic risk management at each phase (i.e. identification, analysis, evaluation, treatment, monitoring, review, recording and reporting) centrally, providing us with risk libraries and resilience in continuity and succession planning. The toolkit can (and should) be used throughout Council at every level whether strategic, operational, programme or project.

7. *Asbestos Management:* In response to a notifiable asbestos exposure incident at the end of last year, Property and Health and Safety continue to collaborate closely to implement the following improvements:

- Review and update current AMPs
- Implement effective controls to reduce risk of exposure
- Implement monitor and review processes

The improvements are due for review and closure by WorkSafe on 22 April 2026.

CRITICAL RISK PROFILE

8. Critical Risk can be defined as "a hazard presented by everyday business activities that, if not adequately controlled, has the potential to cause serious harm or a fatality". The table below provides a snapshot of the current critical control effectiveness based on the number and severity of relevant events reported.

Critical Risk	Current Rating	Trend	Control Effectiveness	Comments
Violence and Aggression	Moderate	→	Effective	Incident numbers remain steady from the previous quarter. Staff systems of work promote preventing these incidents, followed by deescalation.
Vehicles and Driving	Moderate	↑	Effective	A slight increase in incident numbers for the quarter. Low severity incidents, no injury or major damage.
Lone Working	Moderate	→	Effective	No incidents were reported relating to Lone Working.
Psychosocial	Moderate	↑	Effective	Utilisation of EAP services rose slightly over the last quarter.

Critical Risk Incident Trend

9. Once again, events relating to critical risks accounted for the majority of incidents for the quarter.

Despite contributing a high ratio of overall events, the raw number of events linked to one of our four Critical Risks remained low with 5 events relating to “abuse from a member of public” and 3 events relating to “vehicle incidents”. No events linked to critical risks resulted in an injury to staff.

In line with the 2025/26 Work Plan, we will continue to:

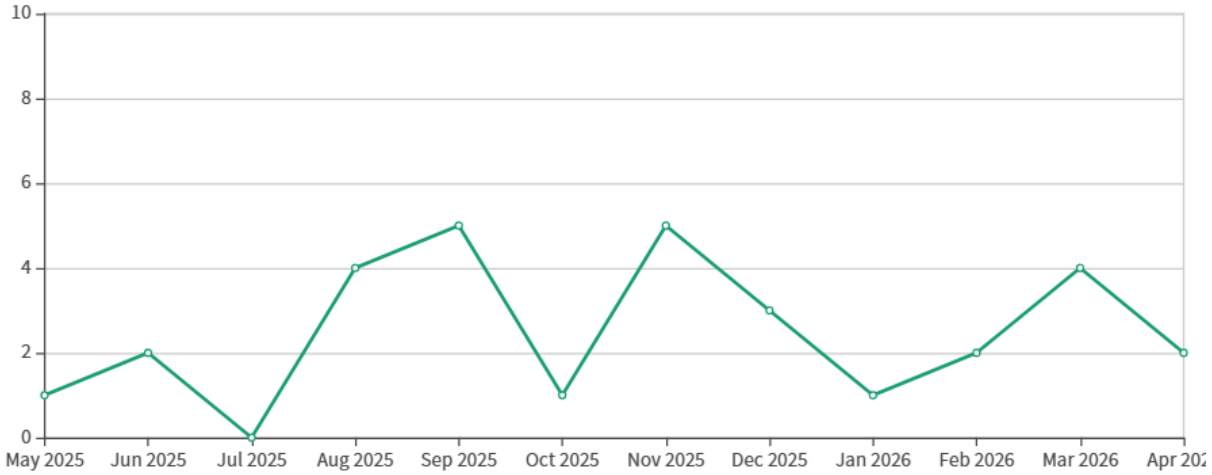
- Increase awareness of all Critical Risks, including psychosocial hazards.
- Review and test our Critical Risk control methods to ensure they remain effective.
- Encourage open reporting by reinforcing the value of early intervention and support.
- Ensure our group specific High Risk tasks are appropriately and regularly reviewed and controlled.

The goal remains to move beyond reactive incident management to proactive risk elimination wherever possible.

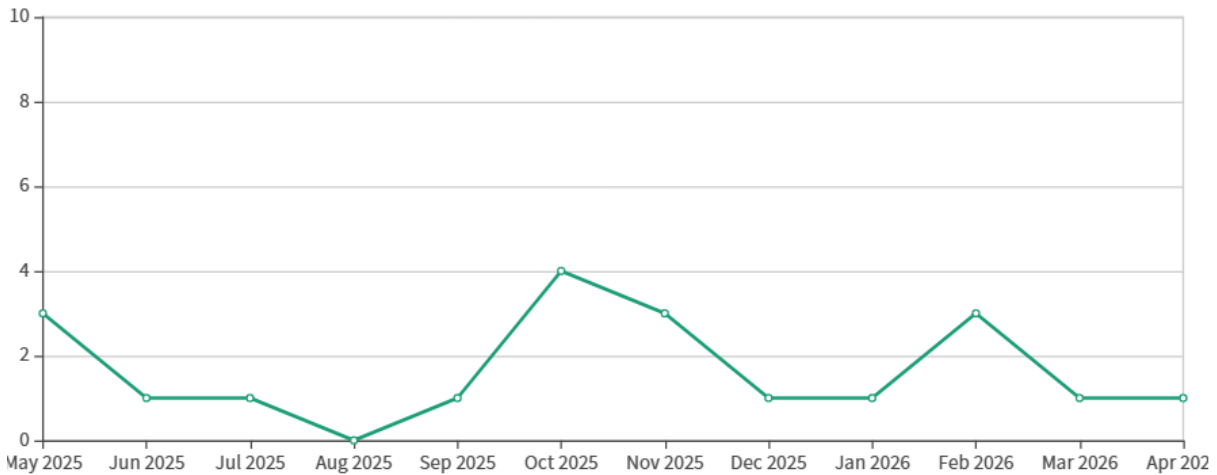
The graphs below provide a visual overview of raw incident numbers relating to the two identified critical risks, over the previous 12 months.

As you can see, raw numbers of events related to critical risks remain at low levels, with low severity outcomes. Two of the critical risks have not had any events reported during the 12-month period.

Critical Risk Graph: Violence and Aggression



Critical Risk Graph: Vehicles and Driving



PERFORMANCE OVERVIEW

Lag Indicators

Indicator	Current Quarter	Previous Quater	Trend
Total Events (staff)	21	27	↓
Total Recordable Injuries (TRI)	0	1	↓
Lost Time Injuries (LTI)	0	1	↓
Notifiable Events	0	2	↓
Contractor Incident	14	10	↑

10. Lag indicators reflect strong performance for the quarter with 21 events reported in Vault relating to staff (a decrease of 6 events from the previous quarter). Five of these events resulted in a low severity injury with one injury requiring basic first aid. There were no loss time injuries recorded for the period.

Our contracting partners reported 14 events through the quarter. The events came from works occurring across a variety of activities across Council. There is no obvious trend in terms of the causes of the events, with the majority of events relating to Transportation or Reserves contracts. All events were low severity with only one event requiring minor first aid.

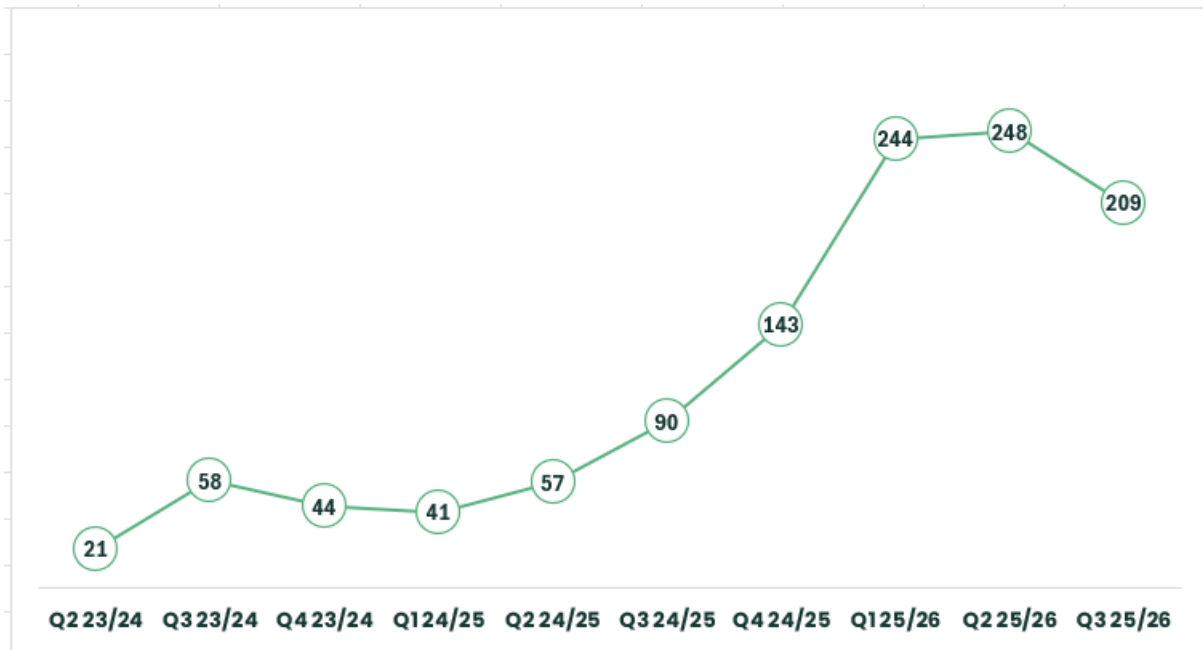
We will continue to monitor *Total Events* reported, as this is symbolic of an improved reporting culture, rather than an increase in unsafe work being undertaken. The general severity of the incidents support this, and it is a positive step that we are being more aware of the low-level incidents reported, as it can assist in identifying emerging risks, and preventing a more significant event occurring.

Lead Indicators

11. Although down on the previous quarter, our teams continued to complete a high number of checks and inspections throughout the quarter. Once again, the behaviours our teams are showing with these proactive checks is a positive indicator as we move to improved health and safety maturity. We will continue to promote and support staff to complete these proactive checks and inspections, and develop additional checks as required to support our teams.

Indicator	Current Quarter	Previous Quarter
Vehicle Inspections	125	186
Contractor Works Reviews	3	8
Take 5 / Transport JSEA	79	51
Site Inspection	2	3

Total Inspections Completed - Trend



WORKER ENGAGEMENT

12. Engagement and consultation remain a key focus area for our staff managing health and safety risks. Increasing on-site engagement, including spending more time alongside our teams and contracting partners is critical to support the safe and successful delivery of projects. Engagements of this nature provide the opportunity to ensure the controls and mitigants are designed to protect our people are being applied and working.

Using the Vault Check system, several project sites were visited and reviewed to assess safety performance, strengthen collaboration, and identify opportunities for continuous improvement.

This approach reinforces our commitment to visible safety leadership, partnership with contractors, and ensuring that health and safety is embedded in every stage of project delivery.

Summary of activities:

- Monthly Health and Safety Committee meetings held (3 in total).
- Regular site meetings throughout the district, connecting with staff and visiting our sites to support and ensure safe operations.
- Role specific training as required (including conflict deescalation training).

WELLBEING & PSYCHOLOGICAL HEALTH

13. The Wellbeing Group circulated a short survey to gather ideas to increase connection and promote staff wellbeing. There was high engagement with the survey with 221 responses received. The Wellbeing Group received several excellent

ideas to promote connection and wellbeing across the organisation. The Wellbeing Group plan to launch a series of connection activities over the coming months.

The first initiative launched was Wellbeing Bingo, a fun game recommending several simple activities to enhance connections throughout the organisation. Activities included such things as carpooling, having coffee with someone outside your working group, visiting or working from a district office, talking a walking break with a colleague etc.

NEXT QUARTER FOCUS

- Recruitment for the Health, Safety and Wellbeing Lead.
- Continuation of asbestos related WorkSafe Improvement Notice.
- Continued focus on staff wellbeing.
- Integration of health and safety risks into the Pulse Enterprise Risk Management module.
- Enhance the use of current systems to increase proactive inspections.
- Progress the development of the HSW Framework to simplify and declutter the health and safety management system.

11.2 IANZ ACCREDITATION – WESTERN BAY OF PLENTY DISTRICT COUNCIL BUILDING CONSENTING AUTHORITY

File Number: A7262967

Author: Nigel Mogford, Building Services Manager

Authoriser: Alison Curtis, General Manager Regulatory Services

EXECUTIVE SUMMARY

The purpose of this report is to provide an update to Elected Members on the independent report from International Accreditation New Zealand (IANZ) on the functions and activities performed by Council's regulatory building services team in its role as a Building Consenting Authority (BCA).

RECOMMENDATION

1. That the Building Services Manager's report dated 26 May 2026, titled 'IANZ Accreditation – Western Bay of Plenty District Council Building Consenting Authority' be received.

BACKGROUND

1. The Building Act 2004 and the Building (Accreditation of Building Consent Authorities) Regulations 2006 require all Councils to have policies and procedures in place for performing its building control functions, and have a quality system for assuring quality of its performance.
2. IANZ is the accreditation body that undertakes independent assessments of Building Consenting Authorities (BCA's), to ensure on behalf of MBIE that consenting authorities are delivering services and performing in accordance with the legislative requirements.
3. IANZ auditors undertake an onsite assessment of a BCA to review the processes, and systems recorded in the BCA's Quality Management System (QMS). The service delivery provided by the BCA is then measured against the documented QMS processes.
4. IANZ undertook an onsite assessment of the BCA performance and activities from 16 February to 19 February 2026. Council building services officers and team management engaged closely with the external assessment team over this period.
5. The assessment requires staff to provide information and demonstrate through its records, and staff knowledge how the BCA delivers its service. This information is also assessed as to alignment with documented QMS practices.
6. Council's QMS must meet all the statutory requirements under the Accreditation Regulations and supporting guidance and best practice documentation.

7. Feedback from IANZ on the BCA performance overall was positive, and the following general comments were detailed by IANZ in their report:
 - (a) *The assessment identified that the BCA was generally well prepared for this assessment and was observed to be actively involved in all aspects of its work, including the requirements for accreditation.*
 - (b) *There were several notable areas that stood out to the assessment team. In particular, the BCA's new Quality Policy was clear and focussed, with primary and secondary measures provided to ensure that the BCA was actively monitoring its performance. Issues previously identified with compliance with the statutory time frames were observed to have been appropriately addressed, with good compliance with all statutory requirements (including the new Regulation 7A) now observed. The BCA team was seen to actively engage with the assessment team during the assessment and to participate during general discussions and the daily summary meetings to ensure all identified issues were clearly understood and plans made to address the issues identified.*
 - (c) *The BCA had documented a clear, well defined Quality Policy with clearly focussed objectives and primary and secondary performance indicators. This was viewed as an example of good practice that the BCA is encouraged to share.*
8. The audit assessment report identified a number of areas that were required to be addressed as a result of the findings, these were identified as:
 - (a) General non-compliances- 12 identified
 - (b) Recommendations- 22 detailed
 - (c) Advisory notes- 5 detailed.
9. A copy of the IANZ findings report is provided as **Attachment 1** to this report. This outlines the General Non-Compliances, Recommendations, and Advisory Notes raised during the on-site assessment. Actions to address the findings are also detailed in the report.
10. There are identified steps that a BCA must follow to address the results identified in the audit assessment. These are as follows:
 - (a) BCA (Council) Prepare an action plan,
 - (b) IANZ review the action plan,
 - (c) The BCA submits evidence of actions taken,
 - (d) IANZ review of the evidence,
 - (e) Final date for submitting information/evidence is met,
 - (f) IANZ final clearance.

11. Council's action plan has been prepared and has been provided to IANZ and accepted.
12. Officers have the action plan well underway and have provided evidence of the actions taken to date and these are being assessed by IANZ. A number of areas of non-compliance have been cleared by IANZ already. All but 3 GNC areas of evidence have been submitted, at the time of writing this report.
13. The final close out date set by IANZ for the assessment is 08 June 2026, and Officers are confident that that all matters will be cleared by this date.
14. Further notice that the accreditation report and final close out has been achieved by Council's BCA will be provided to elected members, by way of update.

ATTACHMENTS

1. **IANZ BCA Assessment and Action report – May 2026** [↓](#)



The NZ mark of competence
Tohu Matatau Aotearoa

**BUILDING CONSENT AUTHORITY ACCREDITATION ASSESSMENT
REPORT WITH ALL ACTION PLANS ACCEPTED**

UPDATED 24/3/2026 V2

WESTERN BAY OF PLENTY DISTRICT COUNCIL

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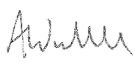

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BCA AND ASSESSMENT DETAILS

ORGANISATION DETAILS						
Organisation:		Western Bay of Plenty District Council				
Address for service:		Head Office, Barks Corner, 1484 Cameron Road, Greerton, Tauranga 3112				
Client Number:		7487	Accreditation Number:		69	
Chief Executive:		Miriam Taris				
Chief Executive Contact Details:		Miriam.taris@westernbay.govt.nz				
Responsible Manager:		Nigel Mogford				
Responsible Manager Contact Details:		Nigel.Mogford@westernbay.govt.nz				
Authorised Representative:		Nigel Mogford				
Authorised Representative Contact Details:		Nigel.Mogford@westernbay.govt.nz				
Quality Assurance Manager:		Jaqui Watkins				
Quality Assurance Manager Contact Details:		jaqui.watkins@westernbay.govt.nz				
Number of FTEs: <small>Total FTEs should = technical FTEs + admin FTEs + vacancies</small>	Technical	16	Support functions		6	
	Vacancies (Technical)	2	Vacancies (Support)		0	
Activity during the previous 12 months:						
Building Consents (excl. Amendments)						
R1		538	R2		134	R3
C1		116	C2		27	C3
National Multi-use Approvals		0				
Amendments		202				
Inspections undertaken		5118				
CCCs		766				
New compliance schedules		10				
BCA Notices to Fix		8				
ASSESSMENT TEAM						
Assessment Dates:		16 February 2026 to 19 February 2026				
Lead Assessor:		Adrienne Woollard				
Technical Expert:		Brendan Guyton				
Observer(s):		Mike Reedy (remotely)				
ASSESSMENT FINDINGS AND IMPORTANT DATES						
		This assessment (RR):	Feb 2024 (RR):	Feb 2022 (RR):		
Total # of "serious" non-compliances:		0	1	0		
Total # of "general" non-compliances:		12	14	17		
Total # of non-compliances outstanding:		10	13	12		
Recommendations:		22	12	2		
Advisory notes:		5	2	1		
Date all action plans must be accepted:			7 April 2026			
Final date clearance evidence can be accepted:			25 May 2026			
Date all non-compliances must be cleared:			8 June 2026			
NEXT ASSESSMENT						
Recommended next assessment type:			Routine Reassessment			
Recommended next assessment month:			February 2028			
IANZ REPORT PREPARATION						
Prepared by: Adrienne Woollard		Date: 23 February 2026		Signature: 		
Checked by: Lesley Chen		Date: 5 March 2026		Signature: 		

INTRODUCTION

This report relates to the routine accreditation assessment of the **Western Bay of Plenty District Council Building Consent Authority (BCA)** which took place on site during **February 2026** to determine compliance with the requirements of the *Building (Accreditation of Building Consent Authorities) Regulations 2006*.

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

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

ASSESSMENT SUMMARY

The BCA was generally well prepared for this assessment and was observed to be actively involved in all aspects of its work, including the requirements for accreditation however, the unexpected absence of the Quality Manager meant that the Quality Manager for Tauranga City Council (TCC) was needed to step into the role for to undertake the role of BCA Quality Manager for the period of the assessment. As the TCC Quality Manager had been assisting the incumbent the role for some time, this worked relatively well although there were a few times where information was difficult to locate due to a lack of familiarity with the document management system in current use.

It was observed that some of the quality systems had not been fully implemented since the last assessment however, recent work indicated a much-improved attitude towards quality systems, with previously incomplete work being addressed in more recent times. This new focus on continuous improvement appeared to be aligned with the relatively recent implementation of collaboration of Western Bay of Plenty District Council BCA with Tauranga City Council BCA.

There were several notable areas that stood out to the assessment team. In particular, the BCA's new Quality Policy was clear and focussed, with primary and secondary measures provided to ensure that the BCA was actively monitoring its performance. Issues previously identified with compliance with the statutory time frames were observed to have been appropriately addressed, with good compliance with all statutory requirements (including the new Regulation 7A) now observed.

Examples of other recent improvements include continuous improvement and strategic management review where recent examples demonstrated good compliance with accreditation requirements. However, there were a number of Continuous Improvement items identified in 2024/2025 that had not been addressed by the target date and planned clearance of these had been extended by many months. Many of these items were identified as non-compliances during this assessment, demonstrating that the continuous improvement process had not been effective.

The BCA team was seen to actively engage with the assessment team during the assessment and to participate during general discussions and the daily summary meetings to ensure all identified issues were clearly understood and plans made to address the issues identified. There were, however, some outstanding issues identified which are detailed below. The outstanding non-compliances must be addressed in order for accreditation to continue.

CONTINUING ACCREDITATION

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

IDENTIFYING AND NUMBERING OF NON-COMPLIANCES

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

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

STEPS TO ADDRESSING NON-COMPLIANCES IDENTIFIED

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

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

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

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

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

RISK ASSESSMENT

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

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

Consideration, as at the end of the on-site assessment phase of this assessment has determined that the BCA is considered to pose a **Low Risk**. The main reasons for considering this risk category were:

- There were 12 General Non-Compliances raised, 2 of which were satisfactorily resolved on-site during the assessment. No Serious Non-Compliances were raised.
- There were no serious concerns about the BCA's technical output.
- There were no repeated non-compliances from the previous accreditation assessments.
- While some of the GNCs raised were procedural related, the work produced by the BCA was seen to be adequate.
- The BCA was seen to be substantially compliant with statutory timeframes for the whole of the period since the last assessment, including the new Regulation 7A requirements.
- The BCA appeared to have a plan and sufficient resources to address the remaining findings and was actively discussing these with the assessment team on-site.
- However, the lack of availability of the BCA's Quality Manger for the assessment is considered to be a risk factor. Please ensure that the BCA provides a 6A Notification if there are any changes in the current Quality Management (an in-house Quality Manager supported by a contracted experienced Quality Assurance resource) so this risk can be further assessed.

NEXT ACCREDITATION ASSESSMENT

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

Currently, if your BCA does not undergo a significant change, requiring some form of interim assessment, and the BCA is able to clear the identified non-compliances within the agreed timeframe, the next assessment of the BCA is planned as a **Routine Reassessment** for **February 2028**. However, as the BCA was planning an imminent change to Objective Build, along with some changes to the Quality Manaal, some interim assessment will very likely be required.

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

RISK AT THE END OF THE ASSESSMENT CLEARANCE PROCESS

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

ABBREVIATIONS

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

ASSESSMENT OBSERVATIONS AND RECORDS OF NON-COMPLIANCE

Regulation 6A(1) A system for notification

The BCA had appropriately documented its system for notifying the building consent accreditation body and the Ministry of any of the matters listed within Regulation 6A(1) within 20 working days of the matter taking place.

The BCA had appropriately notified IANZ and MBIE regarding its contracting out of its overflow work to Co-Lab. However, records of the notifications were difficult to locate in the system. It is recommended that the procedure documents where 6A Notifications are to be recorded so that the 6A Notification file is easier to locate and includes all relevant information.

See Recommendation R1

Regulation 7(2)(a) Providing consumer information

The BCA provided consumer information regarding how to apply for a consent, and how an application was processed, inspected and certified in accordance with Regulation 7(2)(a).

The BCA had provided IANZ with an audit of its consumer information, available on the Western Bay of Plenty website. Within the review of the provided audit and the live website the BCA was seen to have provided all required information except information to inform the public of the new Regulation 7A which requires the BCA to complete 80% of inspection within 3 working days.

This issue was raised as GNC 1 and resolved during the assessment by amending the website to add the required information.

Regulation 7(2)(b) Receiving building consent applications

The BCA had appropriately documented its procedure for receiving applications in accordance with Regulation 7(2)(b).

The BCA received the majority of its building consent applications via their ObjectiveBuild portal, with the option to submit hard copy applications if required. The BCA was seen to be appropriately receiving and accepting complete applications.

Regulation 7(2)(c) Checking building consent applications

The BCA had appropriately documented its procedure for checking applications in accordance with Regulation 7(2)(c).

Received applications were checked for completeness and further information requested as required.

Reviewed building consent application records were verified to be accepted within an appropriate timeframe.

Regulation 7(2)(d)(i) Recording building consent applications

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

Once a building consent application was received and considered to be complete, a record was created in GoGet, with the building consent clock started on the date of receipt of a complete application.

Regulation 7(2)(d)(ii) Assessing building consent applications

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

Applications were seen to have been assessed using the building categories documented within the NCAS.

While categorisation of work was generally seen to be appropriate, within two examples the BCA had documented reducing the category of the building due the scope of the proposed works. While a reason for decision had been recorded, it was not clear why the category had been reduced. The BCA is recommended to ensure that the record provides a clear and concise reason for making a change to assessed category of the building.

See Recommendation R2

Regulation 7(2)(d)(iii) Allocating building consent applications

The BCA had documented its procedure for allocating applications in accordance with Regulation 7(2)(d)(iii). The BCA was seen to “record” the allocation of all building consent applications via a spreadsheet contained within Objective ECM. The BCA is advised to consider providing access to this spreadsheet via a link in the procedure.

See Advisory Note A1

All reviewed applications were seen to have been appropriately allocated to competent staff or contractors as indicated on the Skills Matrix.

Regulation 7(2)(d)(iv) Processing building consent applications

The BCA had documented its procedure for processing building consent applications to establish whether the applications complied with the requirements of the Act, the Building Code, and any other applicable

regulations under the Act specified for buildings, in accordance with Regulation 7(2)(d)(iv). While the procedure was considered to be generally appropriate, the BCA is recommended to correct the link within the procedure “Processing Applications v63.0 – 2.0a” to link to the relevant building methods or product warnings or bans procedure.

See Recommendation R3

Building consent application and amendment application records reviewed were observed to include well considered reasons for compliance decisions. Where specified systems formed part of the application, the assessment of the performance standards against those specified systems was generally seen to be recorded with sufficient detail.

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

The BCA had documented its procedure for granting and issuing consents, in accordance with Regulation 7(2)(d)(v). The BCA’s procedures inappropriately referred to “Cancelling” of building consents and variously referred to cancelled, withdrawn, and approved consents. These statuses were not reflected in the statuses of a consent as described within the Act.

See GNC 2

Issued building consents for residential work were seen to meet the requirements for granting and issuing and to contain all required information as per the Forms Regulations however, a number of the reviewed commercial applications that contained specified systems did not include sufficiently specific technical referencing of the performance standards.

See GNC 2

One example was observed whereby the contractor had “granted” the consent within the GoGet system. The process requires Co-Lab to provide a “recommendation” to grant email in order for the BCA to “grant” the application within the GoGet system. The BCA is recommended to ensure the correct process is consistently implemented.

See Recommendation R4

The BCA appeared to be “cancelling” granted consents where the owner chose to not proceed with issue of the consent.

See GNC 2

General Non-compliance No. 2: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 7(2)(d)(v)						
Breach of requirement:	Regulation(s)	<input checked="" type="checkbox"/> 5(a)	<input checked="" type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>1.The BCA’s procedures inappropriately referred to “Cancelling” of building consents and variously referred to cancelled, withdrawn, and approved consents. These statuses were not reflected in the statuses of a consent as described within the Act.</p> <p>2.The BCA appeared to be “cancelling” granted consents where the owner chose to not proceed with issue of the consent.</p>							

3.A number of the reviewed building consents for commercial applications that contained specified systems did not include sufficiently specific technical referencing of the performance standards.





PLAN OF ACTION *(to be completed by BCA)*

1. The BCA will update the procedures to remove the web link to the Cancel Building Consents section.

5.0 Other Administration Functions

- -

Building Services - Quality Assurance and Building Administration Team
Leader

-  **WEB LINK** Cancel Building Consents
-  **WEB LINK** Project Information Memorandum
-  **WEB LINK** Compliance Schedule Assessment and Approval
-  **WEB LINK** Administer Issuing of Building Consent

NOTE WBOPDC BCA does not collect Development Contributions on Building Consents.

2. The BCA will ensure there is no option in Go Get to cancel a consent.
3. Training is to be conducted with the Processing team and contractors on specified systems including sufficiently specific technical referencing of the performance standards.

PROPOSED EVIDENCE OF IMPLEMENTATION *(to be completed by BCA)*

1. The BCA will provide a copy of the updated procedure.
2. An outline of the training that is to be run will be provided.
3. As part of the training, a clone of the consents reviewed is to be created and will be processed and provided as evidence that the noncompliance has been addressed.

EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS

24/03/2026	
IANZ (AW)	
Date	
ORG (Initials)	
Date	
ORG (Initials)	
NON-COMPLIANCE CLEARED	Signed:

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

The BCA had documented its procedure for lapsing of Building Consents, in accordance with Regulation 7(2)(d)(v). While this was brief it was accepted as adequate.

The BCA reported that they actively monitored consents approaching 12 months and sent reminders at 11 months to suggest a possible extension of time if required.

While most consents reviewed were seen to have been recorded as lapsed on or within an appropriate timeframe of the lapse date, with appropriate communications sent to applicants, one example was observed where it appeared that the consent had lapsed (more than 12 months from issue with no work recorded as being started) however a time extension was granted some time later. Another consent was observed to have been lapsed significantly late. Good reasons for extensions were generally being recorded, and recent examples appeared to be appropriately lapsed so no finding was raised however, it is recommended that the BCA consider documenting the process in more detail to ensure that the steps and timing is clearly understood.

See Recommendation R5

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

The BCA's compliance with the statutory timeframe for granting building consents within 20 working days was seen to be averaging around 98% over the last 12 months, which was considered to be substantially compliant.

The BCA had not received any applications for MultiProof consents, which need to be processed within 10 working days.

Regulation 7(2)(e) Planning, performing and managing inspections

The BCA had appropriately documented its procedure for planning, performing and managing inspections in accordance with Regulation 7(2)(e).

Inspections were adequately planned during consent processing.

On-site inspections were witnessed during the assessment, and a selection of inspection records were reviewed. Inspections were seen to be conducted in a thorough and methodical manner and to include good inspection records.

Regulation 7(2)(f)(i) Application for code compliance certificates

The BCA had documented its procedure for receiving and considering applications for a Code Compliance Certificate in accordance with Regulation 7(2)(f)(i). The procedure "Code Compliance Certificates,

Compliance Schedules, and Notices to Fix - Regulation 7(2)(f) v59.0 – 3.0a” discussed the acceptance of current manufacturers certificates, but this section of the procedure was documented in relation to section 94 of the Act. The BCA is recommended to revise section 1.0a of the procedure to capture this consideration as it relates to section 92 of the Act.

See Recommendation R6

Applications for Code Compliance Certificates were reviewed. Applications for residential CCCs were considered to be appropriate and accurately recorded within the BCA’s system.

Within the review of CCC applications with specified systems the specified system certification documentation (the BCA’s PS3), was noted to have the field where “product system” was to be recorded was left blank. The BCA is recommended to ensure this part of the form is completed as it will aid the Compliance Schedule development when recording the “make” of the system.

See Recommendation R7

Regulation 7(2)(f)(i) Preparing, issuing and refusing to issue code compliance certificates

The BCA had appropriately documented its procedure for preparing, issuing, or refusing to issue Code Compliance Certificates in accordance with Regulation 7(2)(f)(i).

Sighted examples of CCCs had been prepared and issued in accordance with the BCA’s documented procedures. However, within the review of Form 7s it was identified that the “position” listed on some Form 7s was not correct for the person signing the document. The BCA is recommended to ensure the correct “position” is included for the person signing the document and that they have an appropriate delegation to perform this task listed on the delegations register.

See Recommendation R8

The BCA was observed to be accepting a PS3 for installation certification for SS2 when NZS4512:2021 was quoted as the Performance Standard. However, the Standard prescribed that Appendix M and N must be completed in order for the system to be considered to be complying with the standard. As it is the BCA’s decision regarding what documentation they require to be satisfied on reasonable grounds, they are advised to consider recording a technical decision on the relevant certification required for the Standard.

See Advisory Note A2

Note that this matter has been referred to the Fire Protection Association (FPA) to provide a formal interpretation of the Standard (this role has recently been transferred from MBIE to the FPA).

Regulation 7(2)(f)(i) 24-month CCC decisions

The BCA had documented its procedure for making a 24-month decision on whether to issue or refuse to issue a Code Compliance Certificate where no application for Code Compliance Certificate had been received. Although the implemented process was well managed and appropriate, it did not reflect the documented procedure.

See GNC 3

The BCA did not provide pre-notification to its clients regarding upcoming 24-month CCC decisions. While this was not a requirement of the Act, and could be considered to be time consuming, the BCA could

consider whether an automatic notification would be appreciated by its clients and save them some time in responding to communications from surprised customers.

See Advisory Note A3

The system was automatically monitoring the BCA’s compliance with the statutory timeframe. There was observed to be a number of overdue 24-month CCC decisions because of reallocation of staff due to the recent weather event. However, the BCA was confident that this would be resolved in the next few days. It is recommended that the BCA clearly describes in its new procedure its process regarding what it would do if it was unable to meet the timeframes in section 93 of the Act.

See Recommendation R9

General Non-compliance No. 3: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 7(2)(f)(i)						
Breach of requirement:	Regulation(s)	<input checked="" type="checkbox"/> 5(a)	<input checked="" type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>The BCA had documented its procedure for making a 24-month decision on whether to issue or refuse to issue a Code Compliance Certificate where no application for Code Compliance Certificate had been received. Although the implemented process was well managed and appropriate, it did not reflect the documented procedure.</p>							
PLAN OF ACTION <i>(to be completed by BCA)</i>							
<ol style="list-style-type: none"> The BCA will review the documented procedure in Promapp to ensure alignment with implementation. The BCA will complete the 24-month process for CCC applications where no application was received. 							
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(to be completed by BCA)</i>							
<ol style="list-style-type: none"> The BCA will provide a copy of the documented procedure in Promapp. The BCA will provide examples of 24-month decisions made, that adhere to the documented procedure. 							
EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
NON-COMPLIANCE CLEARED					Signed:		

Regulation 7(2)(f)(i)

Compliance with statutory timeframes for issuing or refusing to issue code compliance certificates

The BCA’s compliance with the statutory timeframe for issuing or refusing Code Compliance Certificates within 20 working days was seen to be averaging around 98% over the last 12 months, which was considered to be substantially compliant.

Regulation 7(2)(f)(ii)

Compliance schedules

The BCA had documented its procedure for preparation and issuing of Compliance Schedules in accordance with Regulation 7(2)(f)(ii).

While Compliance Schedules were seen to generally meet an acceptable standard some exceptions were noted where the referencing was not sufficient or incorrect as follows:

- NZBC was being referenced as a Performance Standard, but no version or relevant performance clauses were indicated (e.g. NZBC F6 referenced).
- Specified Systems listed for SS14/2 that were not relevant (e.g. SS4 Ecoglo strips and SS7).
- Subclauses of C/AS2 were listed as Performance Standards for SS15/2 but some were not relevant to the building.
- Incorrectly referencing the Fire Report as a Performance Standard.

See GNC 4

After review of two samples of Compliance Schedules the following recommendations have been made:

- It is recommended that the BCA ensures that the “make” of the system is recorded when it is “known” by the BCA either via certification documentation or by inspection.
- It is recommended that the BCA considers making the Performance Standard and inspection wording of SS14/2 more specific to the systems listed, as it is currently generic and not always appropriate to the system.
- It is recommended that the BCA ensures that the Compliance Schedule is edited so templated wording that is not relevant to the building is removed from the document.
- It is recommended that the BCA ensures that the location of the specified system is indicated when relevant.

See Recommendation R10

General Non-compliance No. 4: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 7(2)(f)(ii)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>Some referencing of specified systems and performance standards in Compliance Schedules was not sufficient or incorrect as follows:</p> <ul style="list-style-type: none"> • NZBC was being referenced as a Performance Standard, but no version or relevant performance clauses were indicated (e.g. NZBC F6 referenced) • Specified Systems were listed for SS14/2 that were not relevant (e.g. SS4 Ecoglo strips and SS7) • Sub – clauses of C/AS2 were listed as Performance Standards for SS15/2 but some were not relevant to the building 							

<ul style="list-style-type: none"> Incorrectly referencing the Fire Report as a Performance Standard 	
PLAN OF ACTION <i>(to be completed by BCA)</i>	
Training is to be conducted with the Processing team and contractors on specified systems including sufficiently specific technical referencing of the performance standards.	
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(to be completed by BCA)</i>	
<ul style="list-style-type: none"> An outline of the training that is to be run will be provided. As part of the training, a clone of the consents reviewed is to be created and will be processed and provided as evidence that the noncompliance has been addressed. 	
EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS	
Date ORG (Initials)	
Date ORG (Initials)	
Date ORG (Initials)	
NON-COMPLIANCE CLEARED	Signed:

Regulation 7(2)(f)(iii) Notices to fix

The BCA had appropriately documented its procedure for issuing Notices to fix in accordance with Regulation 7(2)(f)(iii).

Two examples of Notices to Fix issued for BCA matters were reviewed. Both were considered to have been issued appropriately.

Regulation 7(2)(g) Receiving and managing inquiries about building control functions

The BCA had documented an appropriate procedure for receiving and managing customer inquiries about building control functions that described inquiries being received through the call centre, front of house, through the website or by email and then the BCA either responding immediately or entering the inquiry into CRM system.

While the procedure was considered to be appropriate it was not fully implemented as it was observed that some inquiries that were not responded to immediately resulted in a handwritten request for a response rather than being entered into the CRM system.

See GNC 5

The procedure stated that an inquiry would be acknowledged by the CRM system within 2 days and a response provided within 2 to 5 working days. While this was considered to be appropriate, there was no mechanism available to monitor these timeframes so no evidence of implementation of the procedure could be observed.

See GNC 5

The procedure also referred to timeframes allocated within the Datascape system however evidence of these could not be located.
See GNC 5

There was no evidence of recording of enquiries available for review and therefore the assessment team were unable to assess evidence of the BCA appropriately monitoring its inquiry response times.
See GNC 5

General Non-compliance No. 5: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 7(2)(g)						
Breach of requirement:	Regulation(s)	<input checked="" type="checkbox"/> 5(a)	<input checked="" type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>Some inquiries that were not responded to immediately were handwritten rather than being entered into the CRM system as described in the BCA's procedure.</p> <p>The procedure stated that an inquiry would be acknowledged by CRM system within 2 days and a response provided within 2 to 5 working days. There was no mechanism available to monitor these timeframes so no evidence of implementation of the procedure could be observed.</p> <p>The procedure referred to timeframes allocated within the Datascape system however evidence of these could not be located.</p> <p>There was no evidence of recording of enquiries available for review and therefore the assessment team were unable to assess evidence of the BCA appropriately monitoring its inquiry response times.</p>							
PLAN OF ACTION <i>(to be completed by BCA)</i>							
<ul style="list-style-type: none"> Staff will be reminded that inquiries are to be entered into the CRM system as per the documented procedure. Reporting is being developed that will monitor adherence to timeframes stipulated in the procedure and will also record the outcome as required by the Regulations. 							
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(to be completed by BCA)</i>							
<ul style="list-style-type: none"> A report of CRMs will be supplied that shows timeframes are monitored and outcomes are recorded. 							
EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
NON-COMPLIANCE CLEARED					Signed:		

Regulation 7(2)(h) Receiving and managing complaints about building control functions

The BCA had documented an appropriate procedure for receiving and managing customer complaints about building control functions in accordance with Regulation 7(2)(h).

While the complaints procedure was considered to be appropriate, it was not seen to be fully implemented. Two complaints had recorded for 2026 but one was recorded as being responded to in 23/9/2025 so it was unclear why it was included in the 2026 record. Of the 2026 complaints, details of the actual complaint were not clearly recorded but the outcome was clearly recorded along with the Complaint Number, date, name of person responding, recommended response timeframe, response date, and who the complaint was assessed by.

See GNC 6

Of the four complaints received in 2025, only one had a response date recorded (first response) and none had an outcome recorded

See GNC 6

The online complaint policy described two levels of complaint with level 1 being the first complaint, and level 2 triggered for the following possible reasons:

- A request for review of level one decision by customer, either explicit or implicit
- Significant risk or complexity
- Volume of complaints is significant
- Organisational reputation
- Difficult behaviour for the complainant.

The BCA did not appear to have implemented this process.

See GNC 6

In the examples reviewed a summary of the complaints laid in relation to the building and the BCA's response was not added to the building consent.

See GNC 6

General Non-compliance No. 6: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 7(2)(h)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>The details of the complaint were not clearly recorded for the two 2026 complaints.</p> <p>Of the four complaints received in 2025, only one had a response date recorded (first response) and none had an outcome recorded</p> <p>The online complaint policy described two levels of complaint management. The BCA did not appear to have implemented this process.</p> <p>In the examples reviewed a summary of the complaints laid in relation to the building and the BCA's response was not added to the building consent.</p>							

PLAN OF ACTION <i>(to be completed by BCA)</i>	
<ol style="list-style-type: none"> Staff will be reminded of the procedure when receiving complaints and to ensure the entry has sufficient detail for a clear understanding of the issue identified in the complaint. Staff will be reminded to enter the CRM number in the file note of the building consent. Staff will also be provided with a link to the documented procedure that outlines the levels of complaints to ensure this is recorded in the CRM. New reporting is being developed that will record the date received, the response date and the outcome of the complaint. 	
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(to be completed by BCA)</i>	
<ol style="list-style-type: none"> Examples of CRMs recorded will be supplied to demonstrate compliance with the procedures providing sufficient detail for a clear understanding of the issue identified in the complaint; the CRM number is recorded in the file note of the building consent, and the level of the complaints is recorded. A copy of the new report will be supplied. 	
EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS	
Date ORG (Initials)	
Date ORG (Initials)	
Date ORG (Initials)	
NON-COMPLIANCE CLEARED	Signed:

Regulation 7A	Policies and procedures for managing inspections must ensure specified performance requirement is met
<p>The BCA had implemented an appropriate procedure for monitoring inspections within 3 working days however, the BCA had not fully documented its process for recording inspection bookings to monitor whether they were undertaken within 3 working days of the requested inspection date. The BCA had documented a Continuous Improvement (CI) item with a clearance date of 30 March 2026 to document this process.</p> <p>As this time frame was within the MBIE agreed transition period for Reg 7A, a GNC was not raised. It is recommended that the BCA ensures that it monitors its continuous improvement entry to ensure it is completed within the documented timeframe.</p> <p>See Recommendation R11</p>	

Regulation 8(1)	Forecasting workflow
<p>The BCA had appropriately documented its procedure to forecast its workflow in accordance with Regulation 8(1).</p> <p>The BCA carried out an annual workflow analysis and annual forecasting exercise as part of their strategic management review. This considered the past year of consenting data and the number of Full Time Equivalent staff, together with contractor requirements and the BCA’s predicted future workload.</p>	

While completed, the annual forecasting in the Strategic Management Review was not specific regarding the volume of building control work the BCA has inspected and approved over the past two years. There was no specific record of identifying any obvious peaks and/or fluctuations, or any seasonal or other patterns. It is therefore recommended that the BCA ensures that its workforce forecasting specifically addresses all of the requirements on the MBIE checksheet.

See Recommendation R12

Regulation 8(2) Identifying and addressing capacity and capability needs

The BCA had appropriately documented its procedure for identifying and addressing capacity and capability needs on an ongoing basis, in accordance with Regulation 8(2).

The BCA had adequately identified and addressed its capacity needs for its building control functions. Capacity needs were seen to be monitored as part of the monthly BCA meetings and annual strategic management review, with processing contractors used to address any shortfall. There was however no specific comment made about the number of full-time equivalent staff needed at each level of competency (capability). It is therefore recommended that the BCA ensures that its workforce forecasting specifically addresses all of the requirements on the MBIE checksheet, including both its capacity and capability needs.

See Recommendation R13

Regulation 9 Allocating work to competent employees or contractors

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

All work sighted was seen to have been appropriately allocated to competent employees or contractors.

Regulation 10(1) Assessing prospective employees

The BCA had appropriately documented its procedure for establishing the competence of a person who applied to it for employment as an employee performing building control functions in accordance with Regulation 10(1). No new employees had been assessed.

Regulation 10(2) Assessing employees performing building control functions

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

All BCA technical staff had been competency assessed, and all assessments were seen to be current at the time of this assessment. Competency assessment outcomes were recorded in the BCA's Skills Matrix.

Regulation 10(3)(a)-(f) The competency assessment system

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

The competency assessment records reviewed were observed to record appropriate evidence for each of the performance indicators referenced. However, it was identified that the Appendix 2 provided for the Competency Assessor was not dated. It would be of benefit for the BCA to consider how long an Appendix 2 is relevant before further assessment is required and to apply this to existing Appendix 2s.

See Advisory Note A4

Regulation 11(1) The training system

The BCA had developed a training system in accordance with Regulation 11(1). Where omissions were detected, they are addressed under their relevant sub-Regulation below.

Regulation 11(2)(a) Making annual (or more frequent) training needs assessments

The BCA had documented its procedure for making annual (or more frequent) training needs assessments in accordance with Regulation 11(2)(a).

The procedure stated that annual training needs assessment would be undertaken considering a review of competence assessments, audits and performance appraisals. There was little evidence of this being undertaken but there was evidence of training needs being recorded in BCA staff's "My Performance Development Plans (PDP)". It is recommended that the procedure is clarified to identify that while competence assessments and audits may identify a training need, annual training needs assessments are documented in individual's PDPs.

See Recommendation R14

Regulation 11(2)(b) Preparing training plans that specify the training outcomes required

The BCA had appropriately documented its procedure for preparing training plans that specified the training outcomes required in accordance with Regulation 11(2)(b).

Training plans were seen to have been completed for all technical staff, with training needs recorded along with the planned timeframes for training to be undertaken, the desired outcomes, and how training was to be monitored and reviewed.

It was observed that while training needs for processors were recorded and monitored, there were significantly less records for inspectors. This could be due to a genuine lack of a need to provide training for inspectors; however, it is recommended that the BCA ensures that training needs for inspectors are identified, monitored and managed.

See Recommendation R15

Regulation 11(2)(c) Ensuring that employees receive the training agreed for them

The BCA had appropriately documented its procedure for ensuring that employees received the training agreed for them in accordance with Regulation 11(2)(c).

Training achievement against planned arrangements was monitored by the BCA Team Leaders on a training spreadsheet. Any missed training was recorded and then rescheduled as required.

Regulation 11(2)(d) Monitoring and reviewing employees’ application of the training they have received, including by observing relevant activities

The BCA had appropriately documented its procedure for monitoring and reviewing employees’ application of the training they had received, including by observing relevant activities, in accordance with Regulation 11(2)(d).

While the BCA was monitoring and reviewing employees’ application of the training they have received, including through internal audits, there was more focus on quizzes and certificates than on observing relevant activities. As it is a regulatory requirement to consider application of provided training the BCA is recommended to ensure that the requirement of the Regulation is met by considering not only the knowledge gained but also the trainees ability to apply that knowledge.

See Recommendation R16

Regulation 11(2)(e) Supervising employees doing a technical job under training

The BCA had appropriately documented its procedure to supervise its employees doing a technical job under training in accordance with Regulation 11(2)(e).

One example of supervision was reviewed during this assessment. Supervision and reasons for decision were seen to be recorded within the relevant location of the GoGet processing checklist, demonstrating effective implementation of the procedure.

Regulation 11(2)(f) Recording employees’ qualifications, experience and training

The BCA had appropriately documented its procedure for recording employees’ qualifications, experience, and training in accordance with Regulation 11(2)(f).

Employees’ qualifications were seen to have been recorded in the Skills Matrix. Relevant known experience was recorded in competence assessments, and training events were recorded in the training plan or on CPD records, depending on the nature of the training.

Regulation 11(2)(g) Recording continuing training information

The BCA had appropriately documented its procedure for recording continuing training information in accordance with Regulation 11(2)(g).

A selection of CPD records were reviewed. These records identified that BCA employees were maintaining a good record of their continuing training.

Regulation 12(1) A system for choosing and using contractors to perform its building control functions

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

The BCA had engaged Co-Lab as a contractor since the last assessment however evidence of the process undertaken to appoint Co-Lab was not available to be reviewed as it was undertaken outside of the BCA. **See GNC 7 below.**

Regulation 12(2)(a) Establishing contractors’ competence

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

Contractor competency was established as part of the engagement process. Competence of a range of the Co-Lab subcontractors was reviewed. The Building Manager had appropriately established the contractor’s and subcontractor’s competence as per the BCA’s documented procedure.

Regulation 12(2)(b) Engaging contractors

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

The procedure stated that the BCA used the Western Bay of Plenty District Council’s Procurement Policy and the BCA’s Engaging Contractor checklist however, the BCA’s Engaging Contractor checklist for the Co-Lab contract could not be located during the assessment.

See GNC 7

General Non-compliance No. 7: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 12(2)(b)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
The BCA’s Engaging Contractor checklist for the Co-Lab contract could not be located during the assessment.							
PLAN OF ACTION <i>(to be completed by BCA)</i>							
<ol style="list-style-type: none"> The BCA will update its QMS to reflect the Council’s procurement approach for engaging the services of its CCOs. Two contractors performing BCA functions are currently being onboarded and the BCA will provide evidence that the documented procedure has been adhered to. 							
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(to be completed by BCA)</i>							
<ol style="list-style-type: none"> The BCA will provide the documented Council’s procurement approach for engaging the services of its CCO. The BCA will provide documentation of the onboarding of 2 contractors that demonstrates adherence to the documented procedure. 							
EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
NON-COMPLIANCE CLEARED				Signed:			

Regulation 12(2)(c) Making written or electronic arrangements with contractors

The BCA had appropriately documented its procedure for making written or electronic agreements with contractors in accordance with Regulation 12(2)(c).

Contracts for two suppliers were reviewed. These were seen to capture the tasks which the contractor was undertaking and included appropriate detail for the described scope of work.

Regulation 12(2)(d) Recording contractors' qualifications

The BCA had appropriately documented its procedure for recording contractors' qualifications in accordance with Regulation 12(2)(d).

Contractor's qualifications (including the Co-Lab subcontractors) were seen to be recorded on the Skills Matrix. All contracted staff held an appropriate qualification.

Regulation 12(2)(e) Monitoring and reviewing contractors' performance

The BCA had appropriately documented its procedure for monitoring and reviewing contractors' performance in accordance with Regulation 12(2)(e).

The BCA's procedure required it to annually monitor and review its contractors' performance against the defined standards documented in their contract. A record of this for one contractor could not be located.
See GNC 8

General Non-compliance No. 8: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 12(2)(e)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
The BCA's procedure required it to annually monitor and review its contractors' performance against the defined standards documented in their contract. A record of this for one contractor could not be located.							
PLAN OF ACTION <i>(to be completed by BCA)</i>							
<ul style="list-style-type: none"> The BCA will ensure the scheduling of performance reviews is completed on the contractor register, and are discussed at the monthly Quality meeting The BCA will supply copies of 2026 performance forms for contractors that will demonstrate a review has been conducted on its contractors' performance against the defined standards documented in their contract. 							
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(to be completed by BCA)</i>							
<ul style="list-style-type: none"> A copy of the contractors register that shows the scheduling of the performance reviews will also be supplied. The BCA will provide copies of the performance reviews completed. 							
EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
Date							

ORG (Initials)	
NON-COMPLIANCE CLEARED	Signed:

Regulation 12(2)(f) Annually (or more frequently) assessing contractors' competence
<p>The BCA had appropriately documented its procedure for annually (or more frequently) assessing contractors' competence in accordance with Regulation 12(2)(f).</p> <p>There was no record of the BCA undertaking an annual assessment of the competency of contractors performing building control functions. It was noted that the Co-Lab contract was less than a year old, so this review was not yet due however, the competence of the other contractor had not been assessed. See GNC 9</p> <p>With the number of Co-Lab subcontractors that will need to have their competency reviewed it is suggested that the BCA could consider spreading out this assessment work over a number of months. See Advisory Note A5</p>

General Non-compliance No. 9: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 12(2)(f)						
Breach of requirement:	Regulation(s)	<input type="checkbox"/> 5(a)	<input type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>There was no record of the BCA undertaking an annual assessment of the competency of contractors performing building control functions. It was noted that the Co-Lab contract was less than a year old, so this review was not yet due however, the competence of the other contractor had not been assessed.</p>							
PLAN OF ACTION <i>(to be completed by BCA)</i>							
<p>The BCA will complete the annual assessment of contractor competency as outlined in the Promapp procedure and required by the Regulations.</p> <p>There are 20 CoLab subcontractors so the BCA has commenced this process.</p>							
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(to be completed by BCA)</i>							
<p>The BCA will supply a copy of the competency assessment review.</p>							
EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
Date							
ORG (Initials)							
NON-COMPLIANCE CLEARED	Signed:						

Regulation 13(a)

Identifying employees and contractors who are competent to provide technical leadership

The BCA had appropriately documented its procedure for identifying employees and contractors who were competent to provide technical leadership in accordance with Regulation 13(a).

Technical leadership was assessed and recorded on a Technical Leader Specification and Evidence Form. Appropriate reasons for decisions for appointing the technical leaders were observed to be recorded.

Regulation 13(b)

Giving the employees and contractors the powers and authorities to enable them to provide the leadership

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

Formal confirmation of authority to act as a technical leader had been confirmed by email for nominated technical leaders.

Regulation 14

Ensuring necessary (technical) resources

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

Appropriate technical information and facilities were available and accessible to employees and contractors to perform building control functions appropriately.

Thermometers, moisture meters and levels were regularly checked to ensure they were appropriately calibrated. The BCA had checked their thermometers at least annually; however, they reported that they had not recorded one set of results as at the time the reference thermometer did not have a current calibration certificate. It is recommended that the BCA ensures that it records at least annual checks of its critical measuring equipment.

See Recommendation R17

Regulation 15(1)(a)

A building consent authority must record its organisational structure

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

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

The BCA had appropriately documented its organisational structure, including reporting lines and accountabilities, and the authority's relationships with external organisations in accordance with Regulation 15(1)(b).

Regulation 15(2)**A building consent authority must record roles, responsibilities, powers, authorities and any limitation on powers and authorities**

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

Roles and responsibilities for employees performing building control functions were documented in Job Descriptions. Roles and responsibilities for contractors performing building control functions were documented in their contracts.

Powers and authorities for employees were documented in the delegations register. This was initially very difficult to locate but, once located, it was found to appropriately document delegations of BCA functions.

Regulation 16(1)**A system for giving every application for a building consent its own uniquely identified file**

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

Building consents were given an application number with the arrangement BC12345. Any amendments would receive .2, .3 etc as a suffix.

Staged building work received individual building consent numbers for each stage with the Description of Work including the stage of work.

Regulation 16(2)(a)**System for ensuring that all information relevant to an application for a building consent is put on the application's file**

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

Required information relevant to the application was seen to be held within the GoGet or Objective ECM files with the exception of a summary of any complaints laid in relation to the building, and the BCA's response. This could not be located in the examples reviewed.

See GNC 6

The name and address for service were required to be recorded for each contractor. For one contractor this was located in their contract and for the other it was located in the Contractor Register. It is recommended that the BCA considers including the name and address for service in all of its contracts (and also in the Register if it chooses to do so).

See Recommendation R18

It is also recommended that the *Regulation 12 – Choosing and Using Contractors* procedure 3.0g is updated to record where the address for service will be recorded.

Also see Recommendation R18

Regulation 16(2)(b)

System for ensuring that all information relevant to an application for a building consent is kept in a way that makes it readily accessible and retrievable

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

Building Consent records were managed primarily through the BCA’s GoGet and Objective ECM systems. BCA information relevant to building consent applications were readily available and kept in a manner that was clearly identified for all building consent files reviewed, with the exception of information about complaints as referred to in **GNC 6**.

Regulation 16(2)(c)

System for ensuring that all information relevant to an application for a building consent is stored securely

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

Essentially, the BCA had four levels of protection for their data. The Council stored BCA's records using the Objective ECM document management system. These records were saved as files on a disk volume within the Council’s main on-premises data centre. The storage was managed by a Hyperconverged virtual SAN, with two copies kept on separate storage arrays. This disk volume, along with the associated application volume, was then backed up daily to a Data Domain RAID storage device at the council's secondary on-premises data centre. Subsequently, all content on that Data Domain was automatically transferred to a data domain in Auckland. Additionally, yearly legacy copies were maintained in Amazon Glacier.

In the event of a major disaster, the Objective ECM system would be reinstated on the Council Infrastructure as a service platform at BTG Merge.

Regulation 17(1)

A quality assurance system that covers management and operations and covers the policies, procedures and systems described in Regulations 5 to 16 and 18

The BCA had developed a quality assurance system that covered its management and operations. This system was documented in Promapp, with records retained in Objective ECM. The quality assurance system covered the policies, procedures, and systems described in regulations 5 to 16 and 18. Where omissions were identified, they have been addressed under their relevant Regulation in this report.

Regulation 17(2)(b) The policy on quality

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

The BCA had documented a clear, well defined Quality Policy with clearly focussed objectives and primary and secondary performance indicators. This was viewed as an example of good practice that the BCA is encouraged to share.

Regulation 17(2)(d) Regular management reporting and review, including of the quality system

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

The BCA conducted monthly quality meetings and annual strategic Management Review meetings to ensure that the BCA was meeting its expected performance standards. Meeting minutes were recorded and required actions were generally recorded in the CI system where necessary.

Regulation 17(2)(e) Supporting continuous improvement

The BCA had documented its procedure for supporting continuous improvement (CI) in accordance with Regulation 17(2)(e). The BCA had not recorded its procedure for assessing the seriousness of an issue or non-compliance. This was appropriately recorded on the CI form but the actual system for determining the seriousness (and the relevant categories) was not recorded. A system for categorising the serious of non-compliance was however recorded within the audit system so this was accepted. It is recommended that the system is more clearly described.

See Recommendation R19

The BCA had implemented its CI procedure. There were a number of CIs that were outstanding past their original targeted dates. In some cases, the target date had been extended for many months, even when the CI was considered to be of priority. As these CIs were often the same as the findings raised during this assessment it is noted that if these CIs had been addressed in a timely fashion it is likely that the assessment would have had a much more positive outcome. It is recommended that the BCA more actively monitors its CI system and ensures that identified items are addressed in a timely fashion.

See Recommendation R20

It was observed that some follow up to CIs was planned for Strategic Management reviews. This had not occurred. These meetings were relatively “high level” and not ideally suited to a detailed investigation of the effectiveness of actions implemented to address CIs. It is recommended that the BCA consider other methods for monitoring and evaluating actions implemented to address CIs.

See Recommendation R21

Regulation 17(2)(h) Undertaking annual audits

The BCA had documented its procedure for ensuring that an internal audit of every building control function occurred annually (or more frequently) in accordance with Regulation 17(2)(h). The procedure did not require each audit report to be submitted to the BCA’s quality manager and responsible manager. A number of audits had not been submitted to the BCA’s responsible manager (although they were reviewed as part of Quality Meetings).

See GNC 10

Quality system audits were scheduled to occur at least annually. The most recently scheduled audits had been conducted as scheduled, with appropriate records maintained in the form of audit reports. Each audit used a template that prompted the auditor to include details such as the audit scope and criteria along with the findings and any non-compliances or recommendations. The audits reviewed were observed to provide a thorough assessment of the quality systems.

Technical audits were also scheduled. Some had been undertaken as planned however, some had not been undertaken as per the schedule.

See GNC 10

The BCA had not planned or undertaken technical audits of Compliance Schedules (although it was recognised that each Compliance Schedule was peer reviewed before issue).

See GNC 10

The outcomes/follow up of technical audits were not being recorded as being followed up (cleared).

See GNC 10

General Non-compliance No. 10: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 17(2)(h)						
Breach of requirement:	Regulation(s)	<input checked="" type="checkbox"/> 5(a)	<input checked="" type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input checked="" type="checkbox"/> 6(d)
FINDING DETAILS							
<p>The BCA’s audit procedure did not require each audit report to be submitted to the BCA’s quality manager and responsible manager.</p> <p>A number of audits had not been submitted to the BCA’s responsible manager (although they were reviewed as part of Quality Meetings).</p> <p>Some technical audits had not been undertaken as per the schedule.</p>							

The BCA had not planned or undertaken technical audits of Compliance Schedules (although it was recognised that each Compliance Schedule was peer reviewed before issue).

The outcomes of technical audits were not being recorded as being followed up (cleared).

PLAN OF ACTION *(to be completed by BCA)*

1. The BCA will review the documented procedure to ensure it includes the requirement to submit an audit report to the BCA’s quality manager and responsible manager.
2. The BCA will review recent audits conducted to ensure they have been reviewed by the BCA’s responsible manager.
3. The outstanding technical audits will be completed and the technical audit schedule updated.
4. The BCA will develop a form to record audits conducted on compliance schedules.
5. The BCA will update the 2025 Audit findings PRO and INSP tab in the Technical Audit Schedule Processing and Inspections 2025 to record the action taken due to the outcome of the audit.

PROPOSED EVIDENCE OF IMPLEMENTATION *(to be completed by BCA)*

1. The BCA will provide a copy of the reviewed procedure.
2. The BCA will provide a copy of the audits confirming they have been reviewed by the BCA’s responsible manager
3. The BCA will provide a copy of the technical audit schedule.
4. The BCA will provide a copy of the compliance schedule audit form.
5. The BCA will provide a copy of the updated Technical Audit Schedule Processing and Inspections 2025 which has updated 2025 Audit findings PRO and INSP tabs.
6. The BCA will provide copies of technical audits with outcomes recorded.

EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS

24/03/2026 IANZ (AW)	Evidence proposed is accepted however, it is unclear how the BCA will provide evidence to IANZ of following up the outcomes of technical audits. Will you provide examples of technical audits with the outcomes recorded?
24/03/2026 BCA (NM)	Updated report with the extra action added for GNC 10. The BCA will provide copies of technical audits with outcomes recorded.
24/03/2026 IANZ (AW)	

NON-COMPLIANCE CLEARED **Signed:**

Regulation 17(2)(i) Managing conflicts of interest

The BCA had documented its procedure in its quality assurance system for identifying and managing conflicts of interest (Col) in accordance with 17(2)(i). However, other sources of information regarding Cols

were also available. The BCA had a published Conflict of Interest Policy, located in Objective ECM, but it was not referred to within the Promapp procedures, so staff were not aware of its existence.
See GNC 11

Any identified conflicts of interest were recorded on a Conflict of Interest Form and in the Conflicts of Interest Register. Conflict of Interest records appeared to identify appropriate actions relating to processing of affected consents but did not record any management of inspections that might be relevant (e.g. for Council owned buildings).
See GNC 11

The Col form being completed was not the one in the Promapp procedure. The Col form in the Promapp procedure appeared to be more suitable for making a declaration of Cols when employees join the BCA. There was no guidance provided as to when the forms should be completed (e.g. by everyone during induction or only if a Col was identified).
See GNC 11

General Non-compliance No. 11: Action Plan Accepted 24/03/2026 Cleared Pick date

Breach of requirement:	Regulation 17(2)(i)						
Breach of requirement:	Regulation(s)	<input checked="" type="checkbox"/> 5(a)	<input checked="" type="checkbox"/> 5(b)	<input checked="" type="checkbox"/> 5(c)	<input type="checkbox"/> 6(b)	<input type="checkbox"/> 6(c)	<input type="checkbox"/> 6(d)
FINDING DETAILS							
<p>The BCA’s documented procedure for identifying and managing conflicts of interest did not include all sources of information regarding Cols. Some of these were conflicting.</p> <p>The BCA had a published Conflict of Interest Policy, located in Objective ECM, but it was not referred to within the Promapp procedures, so staff were not aware of its existence.</p> <p>Conflict of Interest records appeared to identify appropriate actions relating to processing of affected consents but did not record any required management of inspections that might be relevant (e.g. for Council owned buildings).</p> <p>The Col form being completed was not the one in the Promapp procedure. The Col form in the Promapp procedure appeared to be more suitable for making a declaration of Cols when employees join the BCA. There was no guidance provided as to when the forms should be completed (e.g. by everyone during induction or only if a Col was identified).</p>							
PLAN OF ACTION <i>(to be completed by BCA)</i>							
<ol style="list-style-type: none"> 1. A review will be conducted of the BCAs documented procedure to ensure that all required information is captured. 2. The Conflict-of-Interest Policy, located in Objective ECM will be reviewed to ensure is still relevant. 3. The BCA will ensure that conflict of interest records completed will identify appropriate actions relating to processing, management of inspections and compliance that might be relevant. The BCA will develop a form to support COI declarations for Council owned buildings. 4. The BCA will review the Col form used and ensure it is correctly linked in Promapp. Guidance around when to declare Col’s will be included in the procedure review. 							
PROPOSED EVIDENCE OF IMPLEMENTATION <i>(to be completed by BCA)</i>							

1. The BCA will provide a copy of the reviewed procedure.
2. The BCA will provide confirmation on the status of the Conflicts of interest policy document.
3. The BCA will provide COI forms completed with details on all building control functions covered.
4. The BCA will supply a Conflict-of-Interest Form WBOP DC projects that covers all the required information when declaring a COI between the TA and BCA.
5. The BCA will provide a copy of the Conflict of Interest Form 2026 used to declare CoIs.

EVIDENCE OF IMPLEMENTATION REVIEW AND ANY DISCUSSIONS	
Date ORG (Initials)	
Date ORG (Initials)	
Date ORG (Initials)	
NON-COMPLIANCE CLEARED	Signed:

Regulation 17(2)(j)	Communicating with internal and external persons
<p>The BCA had appropriately documented its procedure for communicating with internal and external persons in its quality assurance system, in accordance with 17(2)(j).</p> <p>The BCA used many communication methods such as face-to-face, email, team and management meetings, strategic reviews, intranet, published notifications and the council’s website.</p> <p>Communications were seen to be provided as planned and generally to provide clear information to the required reader.</p>	

Regulation 17(3)	A quality assurance manager
<p>The BCA had appointed a Quality Assurance Manager, named as Jacqui Watkins, in its quality assurance system in accordance with Regulation 17(3). Jacqui was not available to meet with the assessment team during this assessment.</p> <p>Jacqui was assisted in this role by the Quality Assurance Manager from Tauranga City Council.</p>	

Regulation 17(3A)	Concerns and complaints about building practitioners
<p>The BCA had appropriately documented its procedure to ensure that the BCA considered concerns raised about practitioners and decided whether to make, and made complaints, to relevant occupational or</p>	

professional authorities about practitioners who were practitioners of or within an occupation or profession in accordance with Regulation 17(3A)(a).

While the procedure and evidence of recording of concerns about practitioners met the requirements, there was limited evidence available of recording of complaints about practitioners in the Register. This information was recorded in Objective ECM; however, this location was not referred to in the Promapp procedure.

This issue was raised as GNC 12 and resolved during the assessment by the BCA updating their procedure.

Regulation 17(4)(a) A system for ensuring that its employees comply with the authority’s quality assurance system

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

Information regarding the quality system was communicated to employees in a number of ways including during induction, regular meetings and as part of training.

Regulation 17(4)(b) A system for ensuring that its contractors comply with a nominated quality assurance system

The BCA had appropriately documented its procedure for ensuring that its contractors complied with either the authority’s quality assurance system or the contractor’s quality assurance system, in accordance with Regulation 17(4)(b).

The BCA had ensured that its contractors complied with the BCA’s quality assurance system through contractual agreements, induction of contractors, and communication of any changes to the quality system. Contractors’ compliance with the BCA’s quality system was assessed during peer reviews and internal audits.

Regulation 17(5)(a) Strategic management reporting and review

The BCA had appropriately documented its system for annually (or more frequently) reviewing its quality assurance system in accordance with Regulation 17(5)(a).

The BCA had conducted a strategic management review in December 2025 which was seen to have considered the appropriateness and effectiveness of each of the items for Regulation 17(5)(a). However, the December 2024 Strategic Management Review meeting minutes did not cover all requirements of the checklist. It is recommended that the BCA continues to use the current agenda template.

See Recommendation R22

Regulation 17(5)(b) Making appropriate changes in the quality assurance system

The BCA had appropriately documented its system for annually (or more frequently) making appropriate changes in the quality assurance system in accordance with Regulation 17(5)(b).

Changes in the quality assurance system were made utilising their continuous improvement process and considered annually as part of the BCA's Strategic Management Review.

Regulation 18(1) Technical qualifications

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

All employees and contractors conducting building control functions by doing a technical job were recorded as holding an appropriate qualification or to be working towards a qualification.

BCA staff and contractor qualifications were maintained in the BCA skills matrix.

Regulation 18(3) Technical qualifications

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

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

SUMMARY OF RECOMMENDATIONS

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

It is recommended that:

- R1 Regulation 6A** Records of the BCA's 6A notifications were difficult to locate in the system. It is recommended that the procedure documents where 6A Notifications are to be recorded and the 6A Notification file is made easier to locate and includes all relevant information.
- R2 Regulation 7(2)(d)(ii)** Within two examples the BCA had documented reducing the category of the building due the scope of the proposed works. While a reason for decision had been recorded, it was not clear why the category had been reduced. The BCA is recommended to ensure that the record provides a clear and concise reason for making a change to assessed category of the building.
- R3 Regulation 7(2)(d)(iv)** While the procedure was considered to be generally appropriate, the BCA is recommended to correct the link within the procedure "Processing Applications v63.0 – 2.0a" to link to the relevant building methods or product warnings or bans procedure.
- R4 Regulation 7(2)(d)(v)** One example was observed whereby the contractor had "granted" the consent within the GoGet system. The process requires Co-Lab to provide a "recommendation" to grant email in order for the BCA to "grant" the application within the GoGet system. The BCA is recommended to ensure the correct process is consistently implemented.
- R5 Regulation 7(2)(d)(v)** Good reasons for extensions to building consent lapse dates were generally being recorded, however, it is recommended that the BCA consider documenting their process in more detail to ensure that the steps and timing is clearly understood.
- R6 Regulation 7(2)(f)(i)** Within the procedure "Code Compliance Certificates, Compliance Schedules, and Notices to Fix - Regulation 7(2)(f) v59.0 – 3.0a" discussed the acceptance of current manufacturers certificates, but this section of the procedure was documented in relation to section 94 of the Act. The BCA is recommended to revise section 1.0a of the procedure to capture this consideration as it relates to section 92 of the Act.
- R7 Regulation 7(2)(f)(i)** Within the review of CCC applications with specified systems the specified system certification documentation (the BCA's PS3), was noted to have the field where "product system" was to be recorded was left blank. The BCA is recommended to ensure this part of the form is completed as it will aid the Compliance Schedule development when recording the "make" of the system.
- R8 Regulation 7(2)(f)(i)** Within the review of Form 7s it was identified that the "position" listed on some Form 7s was not correct for the person signing the document. The BCA is recommended to ensure the correct "position" is included for the person signing the document and that they have an appropriate delegation to perform this task listed on the delegations register.
- R9 Regulation 7(2)(f)(i)** There was observed to be a number of overdue CCC decisions because of the reallocation of staff due to the recent weather event however, the BCA was confident that this would be resolved in the next few days. It is recommended that the BCA clearly describes in its new procedure its process what it will do if it is unable to meet the timeframes in section 93 of the Act.

R10 Regulation 7(2)(f)(ii) After review of two samples of Compliance Schedules the following recommendations have been made:

- It is recommended that the BCA ensures that the “make” of the system is recorded when it is “known” by the BCA either via certification documentation or by inspection.
- It is recommended that the BCA considers making the Performance Standard and inspection wording of SS14/2 more specific to the systems listed, as it is currently generic and not always appropriate to the system.
- It is recommended that the BCA ensures that the Compliance Schedule is edited so templated wording that is not relevant to the building is removed from the document.
- It is recommended that the BCA ensures that the location of the specified system is indicated when relevant.

R11 Regulation 7A It is recommended that the BCA ensures that it monitors its continuous improvement entry to ensure it is completed within the documented timeframe.

R12 Regulation 8(1) The annual forecasting in the Strategic Management Review was not specific regarding the volume of building control work the BCA has inspected and approved over the past two years. There was no specific record of identifying any obvious peaks and/or fluctuations, or any seasonal or other patterns. It is therefore recommended that the BCA ensures that its workforce forecasting specifically addresses all of the requirements on the MBIE checksheet.

R13 Regulation 8(2) There was no specific comment made in the BCA’s forecasting documentation about the number of full-time equivalent staff needed at each level of competency (capability). It is therefore recommended that the BCA ensures that its workforce forecasting specifically addresses all of the requirements on the MBIE checksheet, including both its capacity and capability needs.

R14 Regulation 11(2)(a) The procedure stated that annual training needs assessment would be undertaken considering a review of competence assessments, audits and performance appraisals. There was little evidence of this being undertaken but there was evidence of training needs being recorded in BCA staff’s “My Performance Development Plans (PDP)”. It is recommended that the procedure is clarified to identify that while competence assessments and audits may identify a training need, annual training needs assessments are documented in individual’s PDPs (assuming this continues to be the BCA’s preferred method for determining training needs).

R15 Regulation 11(2)(b) It was observed that while training needs for processors were recorded and monitored, there were significantly less records for inspectors. This could be due to a genuine lack of a need to provide training for inspectors; however, it is recommended that the BCA ensures that training needs for inspectors are identified, monitored and managed.

R16 Regulation 11(2)(d) While the BCA was monitoring and reviewing employees’ application of the training they have received, including through internal audits, there was more focus on quizzes and certificates than on observing relevant activities. As it is a regulatory requirement to consider application of provided training the BCA is recommended to ensure that the requirement of the Regulation is met by considering not only the knowledge gained but also the trainees ability to apply that knowledge.

R17 Regulation 14 The BCA had checked their thermometers at least annually; however, they reported that they had not recorded one

set of results as at the time the reference thermometer did not have a current calibration certificate. It is recommended that the BCA ensures that it records at least annual checks of its critical measuring equipment.

R18 **Regulation 16(2)(a)** The name and address for service were required to be recorded for each contractor. For one contractor this was located in their contract and for the other it was located in the Contractor Register. It is recommended that the BCA considers including the name and address for service in all of its contracts (and also in the Register if it chooses to do so).

It is also recommended that the *Regulation 12 – Choosing and Using Contractors* procedure 3.0g is updated to record where the address for service will be recorded.

R19 **Regulation 17(2)(e)** The BCA had not recorded its procedure for assessing the seriousness of an issue or non-compliance. While a system for categorising findings is described in the audit system, it is recommended that the system is more clearly described within the Continuous Improvement procedure.

R20 **Regulation 17(2)(e)** There were a number of CIs that were outstanding past their original targeted dates. In some cases, the target date had been extended for many months, even when the CI was considered to be of priority. As these CIs were often the same as the findings raised during this assessment it is noted that if these CIs had been addressed in a timely fashion it is likely that the assessment would have had a much more positive outcome. It is recommended that the BCA more actively monitors its CI system and ensures that identified items are addressed in a timely fashion.

R21 **Regulation 17(2)(e)** It was observed that some follow up to CIs was planned for Strategic Management reviews. This had not occurred. These meetings were relatively “high level” and not ideally suited to a detailed investigation of the effectiveness of actions implemented to address CIs. It is recommended that the BCA consider other methods for monitoring and evaluating actions implemented to address CIs.

R22 **Regulation 17(5)(a)** The BCA had conducted a strategic management review in December 2025 which was seen to have considered the appropriateness and effectiveness of each of the items for Regulation 17(5)(a). However, the December 2024 Strategic Management Review meeting minutes did not cover all requirements of the checklist. It is recommended that the BCA continues to use the current agenda template.

SUMMARY OF ADVISORY NOTES

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

IANZ advises that:

- A1 Regulation 7(2)(d)(iii)** The BCA was seen to "record" the allocation of all building consent applications via a spreadsheet contained within Objective ECM. The BCA is advised to consider providing access to this spreadsheet via a link in the procedure.
- A2 Regulation 7(2)(f)(i)** The BCA was observed to be accepting a PS3 for installation certification for SS2 when NZS4512:2021 was quoted as the Performance Standard. However, the Standard prescribed that Appendix M and N must be completed in order for the system to be considered to be complying with the standard. As it is the BCA's decision regarding what documentation they require to be satisfied on reasonable grounds, they are advised to consider recording a technical decision on the relevant certification required for the Standard.
- A3 Regulation 7(2)(f)(i)** The BCA did not provide pre-notification to its clients regarding upcoming 24-month CCC decisions. While this was not a requirement of the Act, and could be considered to be time consuming, the BCA could consider whether an automatic notification would be appreciated by its clients and save them some time in responding to communications from surprised customers.
- A4 Regulation 10(3)** The Appendix 2 provided for the Competency Assessor was not dated. As it would be of benefit for the BCA to consider how long an Appendix 2 is relevant before further assessment is required the BCA is advised to consider recording a date on the Appendix 2s and deciding (and recording) an appropriate timeframe.
- A5 Regulation 12(2)(f)** With the number of Co-Lab subcontractors that will need to have their competency reviewed it is suggested that the BCA could consider spreading out this assessment work over a number of months.

SUMMARY TABLE OF NON-COMPLIANCES

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

Regulatory requirement	Non-compliance (Serious / General)	Non-compliance number (e.g. GNC 1)	Breach of Regulation 5/6? Enter “Y” where applicable						Resolved On-site? Yes/No	Date Non-compliance to be cleared by (DD/MM/YYYY)	Date Non-compliance cleared (DD/MM/YYYY)	Number(s) of		Brief comment (where applicable)
			5(a)	5(b)	5(c)	6(b)	6(c)	6(d)				Recommendations	Advisory Notes	
Regulation 6A														
6(A)(1)	NC Type											R1		
6(A)(2)	NC Type													
Regulation 7														
7(1)	NC Type													
7(2)(a)	General	GNC 1			Y			Yes		19/02/2026				
7(2)(b)	NC Type													
7(2)(c)	NC Type													
7(2)(d)(i)	NC Type													
7(2)(d)(ii)	NC Type											R2		
7(2)(d)(iii)	NC Type												A1	
7(2)(d)(iv)	NC Type											R3		
7(2)(d)(v)	General	GNC 2	Y	Y	Y			No	08/06/2026			R4, R5		
7(2)(e)	NC Type													
7(2)(f)(i)	General	GNC 3	Y	Y	Y			No	08/06/2026			R6, R7, R8, R9	A2, A3	
7(2)(f)(ii)	General	GNC 4			Y							R10		
7(2)(f)(iii)	NC Type													
7(2)(g)	General	GNC 5	Y	Y	Y			No	08/06/2026					
7(2)(h)	General	GNC 6			Y			No	08/06/2026					
Regulation 7A														
7A	NC Type											R11		
Regulation 8														
8(1)	NC Type											R12		
8(2)	NC Type											R13		
Regulation 9														
9	NC Type													
Regulation 10														
10(1)	NC Type													
10(2)	NC Type													
10(3)	NC Type												A4	
Regulation 11														
11(1)	NC Type													
11(2)(a)	NC Type											R14		
11(2)(b)	NC Type											R15		
11(2)(c)	NC Type													
11(2)(d)	NC Type											R16		
11(2)(e)	NC Type													
11(2)(f)	NC Type													
11(2)(g)	NC Type													

Regulatory requirement	Non-compliance (Serious / General)	Non-compliance number (e.g. GNC 1)	Breach of Regulation 5/6? Enter "Y" where applicable						Resolved On-site? Yes/No	Date Non-compliance to be cleared by (DD/MM/YYYY)	Date Non-compliance cleared (DD/MM/YYYY)	Number(s) of		Brief comment (where applicable)
			5(a)	5(b)	5(c)	6(b)	6(c)	6(d)				Recommendations	Advisory Notes	
Regulation 12														
12(1)	NC Type													
12(2)(a)	NC Type													
12(2)(b)	General	GNC 7			Y			No	08/06/2026					
12(2)(c)	NC Type													
12(2)(d)	NC Type													
12(2)(e)	General	GNC 8			Y			No	08/06/2026					
12(2)(f)	General	GNC 9			Y			No	08/06/2026		A5			
Regulation 13														
13(a)	NC Type													
13(b)	NC Type													
Regulation 14														
14	NC Type										R17			
Regulation 15														
15(1)(a)	NC Type													
15(1)(b)	NC Type													
15(2)	NC Type													
Regulation 16														
16(1)	NC Type													
16(2)(a)	NC Type										R18			
16(2)(b)	NC Type													
16(2)(c)	NC Type													
Regulation 17														
17(1)	NC Type													
17(2)(a)	NC Type													
17(2)(b)	NC Type													
17(2)(c)	NC Type													
17(2)(d)	NC Type													
17(2)(e)	NC Type										R19, R20, R21			
17(2)(h)	General	GNC 10	Y	Y	Y			No	08/06/2026					
17(2)(i)	General	GNC 11	Y	Y	Y			No	08/06/2026					
17(2)(j)	NC Type													
17(3)	NC Type													
17(3A)	General	GNC 12	Y	Y				Yes		19/02/2026				
17(4)(a)	NC Type													
17(4)(b)	NC Type													
17(5)(a)	NC Type										R22			
17(5)(b)	NC Type													
Regulation 18														
18(1)	NC Type													
18(3)	NC Type													

11.3 MONTHLY FINANCIAL REPORT – 31 MARCH 2026**File Number:** A7272372**Author:** Jonathan Fearn, Chief Financial Officer**Authoriser:** Adele Henderson, Acting General Manager Corporate Services/Programme Director – Water Organisation Establishment**EXECUTIVE SUMMARY**

The purpose of this report is to provide an update on the financial results and treasury position to Elected Members for the 9 months ended 31 March 2026.

This report also provides the Council with any current Treasury Policy breaches in relation to interest rate hedging, as identified in previous financial reports.

RECOMMENDATION

That the Chief Financial Officer's report dated 26 May 2026 titled 'Monthly Financial Report – 31 March 2026' be received.

SUMMARY

Attached is a summary of the financial performance for the period ended 31 March 2026 along with associated financial statements and analysis in **Attachment 1**.

The current budgets per the adopted 2025/26 annual plan, adjusted for Council approved carry forwards and have been phased monthly or where possible to best reflect forecasted timings by budget managers.

The format of this reporting has a strong focus on capital expenditure and to provide detailed explanations of variances and forecast commentary. This is intended to give clear insight into the Council's financial performance and position, and to ensure Elected Members have the information necessary to meet their governance responsibilities and support informed decision-making.

ATTACHMENTS**1. Monthly Finance Report – 31 March 2026 [↓](#)**



March 2026

Executive Summary

This report covers the nine-month period to 31 March 2026. The Revised Budget is the adopted Annual Plan 2025/26, adjusted for Council-approved carry forwards from the 2025 financial year and brought forwards from the draft 2027 Annual Plan. The forecasted full year (FY) has been developed from regular programme control group forecasting, with a focus on Council capital projects. Revenue and expenditure forecasts are based on the year to date (YTD) actuals against budget with assumptions analysed in detail alongside budget owners and changed for expected positions and for planned timing of expenditure where possible.

Forecasts, and actuals, include both known and estimated impacts of the 2026 weather events. These remain indicative at this stage, with a more comprehensive assessment being undertaken for inclusion in the Annual Plan 2027. Similarly, the ongoing impacts of global fuel pricing continue to be reviewed and will be incorporated into future Council reporting and planning assumptions. Fuel costs may impact the year end results.

Key Financial Metrics

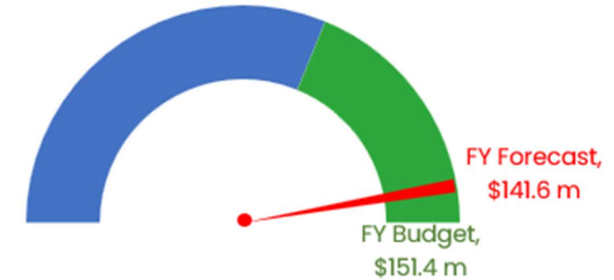
The key financial metrics for March year to date includes total revenue at \$145.6m is higher than budget by \$4.8m. Total expenditure of \$113.2m is lower than budget by \$7.6m. These trends are forecast to continue through to year end. Capital expenditure of \$94.40m year to date is lower than budget by \$9.9m, this is forecast to continue to be lower than budget by \$9.9m at year end. Total borrowings is currently at \$235m with a year end forecast for borrowings of \$265m against the Annual Plan full-year debt position of \$278.6m.

For the period ended 31 March 2026	Actual YTD (\$000)	Revised Budget YTD (\$000)	Variance		As % of FY Budget %	Forecast FY Actuals (\$000)	Revised FY Budget (\$000)	Variance Forecast v Budget FY	
			Actual	Budget				(\$000)	%
Total revenue	145,569	140,811	4,758	3%	75%	203,392	194,009	9,383	13%
Total expenditure	(113,181)	(120,817)	7,637	6%	70%	(156,475)	(161,271)	4,797	3%
Total Surplus / (Deficit)	32,388	19,994	12,394	62%	99%	46,917	32,738	14,179	92%
Capital expenditure	94,364	104,299	9,936	10%	62%	141,556	151,433	9,877	7%
Total borrowings	235,000	278,571	43,571	16%	n/a	265,000	278,571	13,571	5%

March 2026

Capital Expenditure: \$94.5m spent year to date vs. \$104.3m budget and full year forecast of \$141.6m below full year budget by \$9.9m. Overall, Council has spent 62% of the annual capital budget with 75% of the year elapsed, and forecasting a full year spend of 93%.

March YTD Actual, \$94.5 m

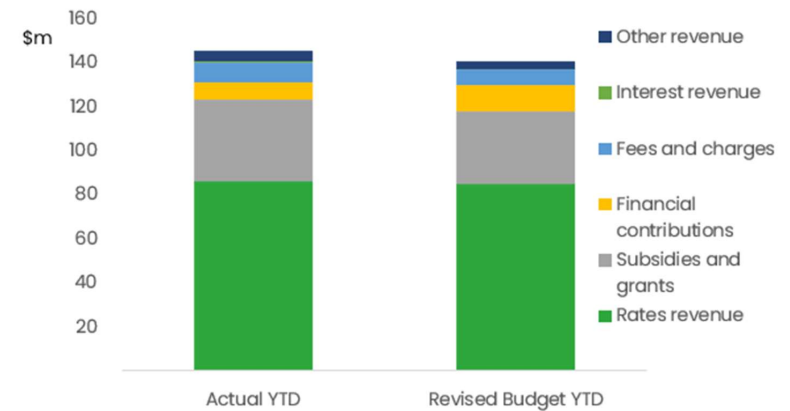


- Structure Plan projects remain on track, with a forecast net saving of approximately \$10.0m. This programme is largely Crown funded and these savings are non-cash for Council. Key projects, including the Ōmokoroa Roundabout and Stage 1, remain on schedule for completion in mid-2026. Ōmokoroa Urbanisation Stage 2 is forecast to be \$2.5m over budget, with completion now expected in July 2026. Cost mitigation is underway, and no additional funding is currently sought from Council.
- Transportation year to date expenditure is under budget by \$5.4m. The programme work is increasing as planned. No.1 Road concrete is complete, stage 2 will be undertaken in 2027. Wilson Road North & Oropi Gorge Road are underway, which will reduce the previously reported underspend. The Rangiuru Business Park Roothing project driven by Quayside is now under construction with a majority of Council's \$1.0m budgeted expected to be in June.
- Water Supply is \$2.9m below budget year to date. Pongakawa Water Treatment Plant has been delayed with contract negotiations and landowner issues, likely to result in a carry forward at year end. Athenree and Wharawhara fluoridation project completed under budget. The forecast for Water Supply is revised to be \$4.2m under budget at year end.
- Wastewater is \$5.3m over budget year to date due to Gordon Street Wastewater Treatment Plant proceeding ahead of time as approved and funding brought forward by council. Forecast is \$6.6m over budget at year end, as an early spend of the overall project.
- Storm Water is \$1.6m below budget year to date due to increased time in planning of projects and prioritisation on delivering quality plans. Network infrastructure is not at risk, planning resources are covering higher priority work. Forecast is \$728k below budget at year end with a carryforward request to be sought in July.
- In the Communities activity, the Waihi Beach Library and Service Centre is \$567k under budget year to date, due to the bulk of the project being completed early, in the 2025 financial year. Minimal further spend is expected and this will remain under budget for the full year and within overall planned budget.

March 2026

Total Revenue: \$145m year to date is \$4.2m above budget and forecast to be \$9.4m above budget at year end.

- Subsidies and grants were year to date \$4.6m above budget. Full year forecast is 10.1m above budget. Transportation subsidy revenue are \$4.6m above budget mainly due to the carry forward of last years underspend of the Ōmokoroa Roundabout. Utilities subsidies are \$2.9m under budget year to date, however Quayside subsidy claims by 30 June 2026 will result in this being \$5.1m above budget. Communities revenue is \$2.3m above budget, primarily driven by the recognition of Heron Crescent subsidies and subsidies received relating to the January weather event. Also subsidies of \$695k have been received for the funding of the Dave Hume Pool in Katikati.

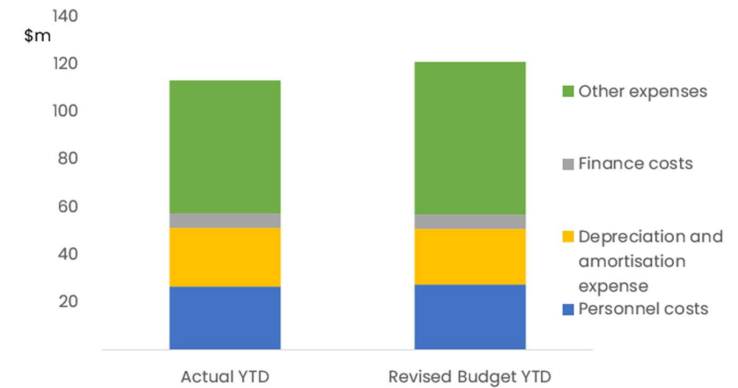


- Rates revenue is \$1.2m (1%) above budget and is forecast to be \$2m (2%) above budget at year end. Rating penalties are \$401k above budget year to date and are forecast to be \$851k above budget at year end. Although this is additional revenue, penalties are typically remitted or written off when the related debt is considered uncollectable. General rates are \$306k above budget year to date and forecast to be \$399k above budget at year end due to growth. Metered water charges are \$393k above budget, water consumption volumes remain consistent with prior-year trends. Metered water is forecast to be \$524k above budget at year end.
- Fees & Charges are \$1.14m above budget and forecast to be \$1.4m above budget at year end. This is driven by the Regulatory activity which is \$1.17m above budget, driven by higher consent applications, inspections and non-notified fees.
- Other Revenue is \$1.4m above budget and forecast to be \$1.1m above at year end. This results from Rental income being \$437k above budget, forestry harvesting proceeds being \$372k above budget. Vested assets are \$351k above budget and there will be significant vested assets added prior to year end these are not yet include in forecast figures.

March 2026

- Financial Contribution (FINCO) revenue is \$4.4m below budget year to date and is forecast to be \$5.9m below budget at year end. A table detailing the position of the FINCO schemes is below and associated commentary and discussion.

- Total Expenditure:** \$113m year to date is \$7.6m under budget and forecast to be \$4.8m under budget at year end.



- The Datascape project is \$1.9m under budget as this project is planned to be delivered over two financial years. It is anticipated that a carry forward of \$1.4m into financial year 2027 will be requested.
- The Water Organisation setup costs are \$2.7m under budget year to date, with the bulk of these costs due to be incurred next financial year with a 1 July 2027 start date. The budget for the financial year of \$3.8m is currently forecast to be underspent at year end by \$1.4m, and this will be requested to be carried forward into 2027.

- Maintenance and operations are \$1.9m under budget year to date and is forecast to be \$1.8m under budget at year end. Utilities maintenance is under budget year to date \$3.2m, with no significant issues requiring expenditure in the wastewater or water supply network. The Katikati outfall continues to pose issues year to date breaks have cost \$430k. however Full year forecast is \$4.4m under budget.

In transport street trees/berms are \$760k over budget, while NZTA Pavement Maintenance is under by \$2.8m. Transfer of the storm recovery costs from capital to opex accounting for \$3.8m, and \$1.5m has been included in the FY forecast for these events.

- Depreciation and Amortisation is over budget by \$990k year to date and forecast to be \$1.7m at year end. This is a combination of opening assets values and useful lives compared to budgeted assumptions.
- Grants & contributions are \$379k under budget year to date but forecast to be over budget by \$469k at year end due to unbudgeted grants to be paid for solar panels on community buildings through the Community Energy Resilience Programme.

March 2026

- Personnel and related costs are \$480k under budget year to date. Salary costs are \$743k below budget, however, lower salary recoveries from projects of \$578k and higher consultant expenditure of \$591k above budget year to date, with a portion of this spend reflecting the use of consultants in place of full-time equivalent roles. All personnel vacancies continue to be tightly managed by the Executive Leadership Team.

Total revenue less total expenditure is in surplus of \$32.4m, this is \$12.4m above budget, increasing to a forecasted \$14.3m above budget at year end.

Borrowings:

Total borrowings at the end of March were \$235m with an average cost of funds of 4.10%. Net borrowings are \$203.7m after \$31.3m of cash holdings. Based on the updated forecasts of capital and operating expenditure the forecasted borrowings position at year end is expected to be \$265m compared to a budget of \$278.6m.

Report Tables Key

The financial tables in this report use colour coding to highlight the significance of variances to budget. Variances are presented in both dollar and percentage terms, with the assigned colour determined by whichever threshold is reached first. Dollar thresholds vary between capital and operational expenditure tables and are outlined beneath each table in the report.

The colour coding is broadly defined as follows:

Green	Variance is within acceptable limits and considered in line with budget.
Amber	Variance is moderate and warrants further explanation or monitoring.
Red	Variance is significant and requires detailed commentary and investigation.

March 2026

Detailed Analysis

Capital Expenditure

Capital expenditure by activity as at 31 March 2026

	Note	Actual	Revised	Variance Actual v Budget		Actual YTD as a % of FY Budget	Forecast FY Actuals (\$000)	Revised FY Budget (\$000)	Variance Forecast v Budget FY	
		Year to date (\$000)	Budget YTD (\$000)	(\$000)	%				(\$000)	%
Corporate Services	1	2,404	2,128	(276)	(13%)	85%	3,099	2,842	(257)	(9%)
Communities	2	1,620	2,179	559	26%	65%	1,968	2,482	514	21%
Economic		1	83	82	99%	1%	11	110	99	90%
Recreation and Leisure	3	11,597	12,116	519	4%	65%	15,214	17,711	2,497	14%
Regulatory		-	77	77	100%	0%	20	77	58	75%
Structure Plan	4	33,018	37,090	4,072	11%	58%	47,146	57,148	10,002	18%
Transportation	5	16,034	21,517	5,483	25%	58%	24,286	27,523	3,237	12%
Stormwater	6	1,805	3,423	1,618	47%	39%	3,859	4,587	728	16%
Waste Management	7	15,819	10,652	(5,167)	(49%)	73%	28,205	21,655	(6,550)	(30%)
Water Supply	8	12,162	15,035	2,873	19%	70%	13,877	17,297	3,420	20%
TOTAL		94,461	104,299	9,839	9%	62%	137,685	151,433	13,748	9%

green +/- 5% or \$250k (smaller amount)
 amber +/- 6%-10% or \$250k to \$750k (smaller amount)
 red +/- >10% or over \$750k (smaller amount)

March 2026

Capital expenditure commentary

- 1. Corporate Services** – is year to date \$276k over budget. Full year forecast \$257k over budget.
 - Strategic Property: The 109 Clark Road Strategic Property project has year to date expenditure of \$942k against a nil budget for the financial year. The land was purchased in 2021 for reserve purposes. It has now been subdivided into four lots, with all lots now under sales contracts. Three of these are expected to settle in May and the fourth in August. This has resulted in an overall project net cost to date of \$9k, providing Council with a 10Ha reserve. Noting that this project has put the overall Corporate Services over budget, this is netted off against the current account prior purchase and sales contracts.
 - Strategic Property: Ōmokoroa Development is \$315k under budget. This project relates to the investigation and negotiation of strategic property acquisitions and/or developments, as required. There has been no requirement to use this budget, and none is anticipated during the year. The forecast year-end position is \$315k under budget.
 - Utilities Building: Barks Corner is \$144k under budget YTD. Spend to date solely related to the Kopurererua building which is now complete. Minor costs anticipated for the remainder of the year, bringing the year end forecast to \$144k under budget.
 - Vehicle purchases are \$92k under budget due to changes in the timing of renewal of council fleet. This position is expected to remain the same until year end.

- 2. Communities** – is year to date \$559k under budget. Full year forecast is to be \$514k under budget.
 - Katikati arts junction project is \$77k over budget year to date due to unexpected increase in weathertightness remediation costs. The full year budget for this project is \$373k with a current forecast of \$429k, bringing the potential year end variance to \$56k over budget.
 - Waihi beach library and service centre is \$567k under budget year to date, this is due to the bulk of the project being completed in financial year 2025. Minimal expenditure is forecast for the remainder of the year. The forecast year end position for the project is \$567k under budget.
 - Te Puke Natural Burials is \$158k under budget year to date as the project is expected to commence during the third quarter of the financial year. The forecast year-end position is to be \$10k under budget.
 - The remaining budget variances from other projects in this activity total \$89k over budget year to date.

- 3. Recreation and Leisure** – is year to date \$519k under budget. The full year forecast is \$2.5m under budget.
 - The Coastal Renewals project is \$49k under budget year to date. This project had a delayed start due to issues uncovered during planning and an additional tendering process resulted. The project will not be completed this financial year and will require a carry forward of approximately \$1.3m into 2027.

March 2026

- The Dave Hume Pool Liner and Bulkhead project is \$267k over budget year to date but will not be completed this financial year due to the pool not closing until 3 July. Some additional work is needed due to unexpected issues discovered during the construction of the changing rooms. Budget phasing indicates \$1m in June but this will not all be spent, so forecasting that a carry forward of approximately \$340k will be requested.
 - The Ōmokoroa Boat Ramp construction project is \$150k under budget year to date due to a delay in the project with the concept plan having a detailed review undertaken. The forecast year end position is \$367k under budget and a carry forward will be requested.
 - The Parks Renewals projects are \$312k under budget year to date and are forecast to come in around \$500k under budget. A carry forward will be requested.
 - The Wilson Park project is \$340k under budget with building starting in this quarter. The forecast year end position is \$40k under budget and no carry forward is anticipated.
- 4. Structure Plan** – is year to date \$4.0m under budget. The full year forecast is \$10.0m under budget.
- The structure plan projects remain on track forecasting an overall non-cash saving on the project of approximately \$10.0m. This portion of the structure plan is largely Crown funded, and the savings are driven by lower contractor expenditure from the original NZTA projection. Negotiations continue with the Crown to determine if the savings achieved will be shared with the Council to enable use of the funding on other projects. Project completions for the Ōmokoroa Roundabout and Stage 1 are on track for mid-2026. The 130 Prole Road Wetland project has been delayed by design reports and land acquisition, \$2.0m under budget. Ōmokoroa Urbanisation Stage 2, Prole Road to railway corridor, is still tracking an overspend with the project team working to reduce costs and where possible will re-allocate funds between projects, there is no request at this stage for an increase in the project budget.
- 5. Transportation** – is year to date \$5.5m under budget. Full year forecasted to be \$3.2m under budget.
- Programmed works have increased in line with the summer programme plan. No1 Road concrete stage 1 is now complete, the next stage will be undertaken in 2027. Wilson Road North & Oropi Gorge Road are all underway, which will reduce this under spend, this work has been forecasted to be completed by June 2026.
 - The Rangiuru Business Park roading project is \$800k under budget, our contribution to this project in this financial year is \$1m. Quayside have this project under construction, and our expenditure is due in June.

March 2026

- 6. Stormwater** – is year to date \$1.6m under budget. Full year forecast \$728k under budget.
- Combined timing of projects is behind budget phasing:
 - Waihi Beach earth dam upgrade is in the design and consenting phase, with upgrade options being refined for approval. Year to date the project is under by \$203k.
 - Waihi Beach Wallnut Ave pipe renewals are in the design and consenting phase, with upgrade options being refined for approval. Year to date the project is under budget \$314k.
 - Beach Road boardwalk renewal is at the procurement stage and is under budget year to date \$261k.
 - Athenree improvements are at the procurement stage and is \$180k under budget year to date. Collectively these projects are below budget by \$959k year to date. The projects combined are forecast to be under budget by \$487k at year end.
 - Waihi Beach Wilson Park/The Crescent is behind schedule year to date resulting in investment being \$243k below budget; and is forecast to be under budget \$180k at year end.
 - Te Puke upgrades at Oxford and Boucher Streets are nearly completed, this is a change in status from January 2026 report, additional costs are still to be expensed and is forecast to be \$205k over budget at year end.
- 7. Waste management** (including wastewater and solid waste) – is \$5.2m over budget. The full year is forecast to be \$6.6m over budget.
- The Te Puke treatment plant is ahead of schedule and as a result is \$5.9m over budget year to date. McConnell Dowell, the contractor, has submitted five claims, with earthworks having started in January. Projected expenditure in the current year is forecast to exceed budget by \$11.3m due to earlier completion of stages compared to budget timings. The total project is expected to come in as per budget. Regular updates will be provided and approvals to bring forward any budget will be sought as the project budget is rephased.
 - Waihi Beach treatment plant upgrade is in the procurement stage and is behind budget \$455k year to date. Current forecast has the project budget under \$4.4m but noting that this project was over budget by \$3.1m last year.
 - Maketu treatment plant renewals are under budget \$194k year to date. A delayed final design has impacted project progression, it is forecast to be \$140k below budget at year end.
 - Te Puke infrastructure rehabilitation is \$220k under budget. The project is for replacement of a bridge containing pipe infrastructure. Construction was planned to start in March but is now planned to start in April. Project expenditure is still forecasted to be on budget at year end.

March 2026

- 8. Water supply** – is \$2.9m under budget. The full year forecast is \$3.4m under budget – (revised to \$4.2m under budget re Pongakawa TP revised forecast)
- Pongakawa treatment plant upgrade is \$2.2m under budget year to date. The project was delayed with landowner negotiations taking longer than expected. The construction contract is currently in negotiation, updated costings are indicating that this will be under budget at year end by \$2.4m, with the scope focus on delivery of the UV reactor, and probable deferment of the reservoir part of the project.
 - Athenree and Wharawhara treatment plant upgrades were completed across financial year 2025 and financial year 2026 at \$1.5m under budget, additionally the remaining budget for January to June 2026 of \$0.5m will not be spent.
 - The water mains upgrade at Boucher Ave is over budget by \$384k year to date, however the project is nearing completion earlier than expected, and forecast to be under budget by \$10k at year end.
 - Central zone reticulation improvements are \$6k under budget year to date with no more planned work to be done, year end forecast is \$358k under budget.
 - The Youngson Road bore project was not completed in financial year 2025 due to an accident on site delaying progress, this resulted in costs of \$208k being expensed in financial year 2026. No further work is forecasted, and this will stay over budget by this amount for the year.

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Financial Statements

Whole of Council – Statement of Comprehensive Revenue and Expense

	Note	Actual YTD (\$000)	Revised Budget YTD (\$000)	Variance Actual v Budget YTD (\$000)	%	Actual YTD as a % of FY Budget	Forecast FY Actuals (\$000)	Revised FY Budget (\$000)	Variance Forecast v Budget FY (\$000)	%
Revenue										
Rates revenue	1	86,296	85,087	1,209	1%	76%	115,086	113,003	2,083	2%
Subsidies and grants	2	37,090	32,488	4,603	14%	74%	60,340	50,185	10,155	20%
Financial contributions	3	7,546	11,932	(4,386)	(37%)	47%	10,312	15,910	(5,598)	(35%)
Fees and charges	4	8,712	7,570	1,142	15%	90%	11,118	9,725	1,393	14%
Interest revenue	5	473	213	259	122%	166%	570	284	286	101%
Other revenue	6	4,959	3,521	1,438	41%	101%	5,966	4,903	1,063	22%
Total revenue		145,076	140,811	4,265	3%	75%	203,392	194,009	9,383	5%
Expenses										
Personnel costs	7	26,544	27,235	692	3%	73%	35,781	36,268	487	1%
Depreciation and amortisation expense	8	24,581	23,591	(990)	(4%)	78%	33,157	31,455	(1,702)	(5%)
Finance costs		6,121	5,911	(210)	(4%)	78%	8,042	7,881	(161)	(2%)
Other expenses	9	55,443	64,080	8,637	13%	65%	79,494	85,667	6,173	7%
Total expenses		112,688	120,817	8,129	7%	70%	156,475	161,271	4,797	3%
Surplus / (deficit) before tax		32,388	19,994	12,394	62%	99%	46,917	32,738	14,179	43%

green +/- 5% or \$250k (smaller amount)
 amber +/- 6%-10% or \$250k to \$500k (smaller amount)
 red +/- >10% or over \$500k (smaller amount)

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Financial performance commentary

Revenue

1. **Rates revenue** – year to date \$1.2m above budget. Full year forecast \$2.0m above budget.
 - Rating penalties are \$401k above budget year to date and forecast to be \$851k above budget at year end. Penalties include \$523k of P1 penalties, being 10% on late/unpaid 2025/26 instalment one rates, \$939k of P2 penalties which are 10% on the 2024/25 unpaid rates as at 1 July 2025, and \$386k of P3 penalties being 10% on 2024/25 rates remaining unpaid at 1 January 2026. A further \$450k penalties on late/unpaid instalment two 2025/26 rates is forecast to be applied in April 2026. As noted above although this is additional revenue, penalties are typically remitted or written off when the related debt is considered uncollectable.
 - General rates are \$306k above budget year to date and forecast to be \$399k above budget at year end due to higher than budgeted growth.
 - Metered water charges are \$393k above budget, with three quarters of the water billing cycle complete, water consumption volumes remain consistent with prior-year trends. A total of 2.9 million cubic metres of water has been invoiced to date, this compares closely with 3.0 million cubic metres for the same period in 2025. This indicates stable demand patterns and no material variance in consumption behaviour across the district. Forecasted metered water charges at year end are expected to be \$524k above budget.

2. **Subsidies & Grants** – year to date \$4.6m above budget. Full year forecast \$10.1m above budget.
 - Transportation subsidies are \$4.6m above budget mainly due to the Ōmokoroa Roundabout, this is due to the carry forward of the under spend last financial year and not carried forward for the recovery of this in this financial year.
 - The NZTA subsidies associated with pavement renewals are now in line with the budgeted programme of works.
 - Utilities subsidies are \$2.9m under budget year to date. Quayside subsidy claims are nearly complete and are factored into year end forecast, resulting in \$5.1m above budget.
 - Communities' subsidies are \$2.3m above budget. \$1.8m is related to subsidies received for the Heron Crescent (Elder Housing) build, which has now been recognised. \$262k has been received from the Energy Efficiency and Conservation Authority (EECA), Tauranga Energy Consumer Trust and Bay Trust for Community Energy Resilience work – installing solar power for community buildings; \$200k from the National Emergency Management Agency for the January weather event which will be distributed via the Mayoral Relief Fund and the remaining \$96k is made up of multiple grants for small projects. A further \$422k is also expected to be received from EECA for the Community Energy Resilience Programme.
 - Recreation and Open Spaces has received subsidies of \$695k to help fund the Dave Hume Pool build in Katikati, only \$71k was budgeted.

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The subsidies were received from the Lotteries Commission, TECT, Katikati Lions and Dave Hume Pool Trust.

3. Financial contributions – year to date \$4.4m below budget. Full year forecast is to be \$5.9m below budget.

See detailed table for analysis and discussion below.

4. Fees and charges – year to date \$1.1m above budget. Full year forecast \$1.4m above budget.

- Resource consents, building consent applications and inspections continue to track above budget year to date \$1.17m. While this increase continues to be positive year to date, staff remain cautious around sustainability for the last three months of the year as it remains a volatile market. Forecast for the full year is \$1.38m above budget.

5. Interest revenue – year to date \$259k above budget. Full year forecast \$286k above budget.

6. Other revenue – year to date \$1.4m above budget. Full year forecast \$1m above budget.

- Forestry harvesting proceeds are \$372k above budget but are offset by harvest expenditure of \$202k. Both are unbudgeted, therefore year-end forecast is \$170k above budget, and these funds are ringfenced to this TECT Park activity.
- Rental income is \$437k above budget for the year, driven by Reserves & Facilities. Contributing factors are annual rental received for lease of the Te Puke domain to the Te Puke high school (budget phasing), new monthly lease of the Ōmokoroa storage facility, which is due to end on 31 March 2026 and higher than budgeted rental for camping. Full year forecast is \$541k above budget.
- Dividends Received of \$155k were unbudgeted.
- Vested assets are \$351k above budget and are expected to remain above budget for the remainder of the year. No additional vested assets are forecasted resulting in \$108k under budget at year end.

Expenses

7. Personnel costs – year to date \$692k under budget. Full year forecast \$487k under budget.

Salary cost is \$743k under budget. Regulatory wages are under budget by \$580k but this has been offset by an increase in consultants spend. Timing of the employment of backfill positions for the Datascape project has resulted in salaries being under budget and this is reflected in the cost recovery against the projects being under budget.

Community Board remuneration is over budget by \$24k year to date and Health insurance expense over budget by \$23k year to date.

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8. Depreciation and Amortisation – year to date \$990k over budget. Full year forecast \$1.7m over budget.

This is a combination of opening assets values and useful lives compared to budgeted assumptions.

9. Other expenses – year to date \$8.6m under budget. Full year forecast \$6.1m under budget.

The Datascope project is \$1.9m under budget. This project is planned to be delivered over two financial years, and loan funded over five years. It is expected that costs will increase as the project completes the build phase and begins delivery and testing phases. While costs are being incurred it is anticipated that a carry forward of \$1.4m into financial year 2027 will be required.

The water Services CCO setup costs are \$2.7m under budget year to date, with the bulk of these costs due to be incurred next financial year due to the 1 July 2027 start date of the CCO. This date was initially 1 July 2026 when the original budget was set. At 31 March the due diligence phase was completed, and subsequently on 02 April Council agreed to progress the joint Water Service Organisation. The CCO establishment expenditure is managed by Tauranga City Council as the administrative agent. The shared costs will be invoiced to our Council for our agreed share. The budget for the financial year of \$3.8m is currently forecast to be underspent at year end by \$1.4m, this will likely be requested to be carried forward into the next financial year and is split between the digital costs of the Watercare replacement and establishment costs

Maintenance and operations are \$1.9m under budget year to date and is forecast to be \$1.8m under budget at year end.

- Utilities maintenance is under budget year to date \$3.2m. There have been no significant issues year to date in the wastewater or water supply network. Katikati outfall continues to pose issues with a few breaks costing around \$430k year to date. Full year forecast is \$4.4m under budget.
- Transportation maintenance & operations is over budget by \$1.6m. Maintenance relating to Street Trees/Berms is \$760k over budget, while NZTA Pavement Maintenance is under budget by \$2.8m.
Transfer of actual storm recovery costs of \$3.8m from Capital to Operational maintenance. \$1.5m has been added into the full year forecast for this.

- Council has a unrealised mark-to-market asset/positive position on its interest rate swaps of \$999k, this is unbudgeted and noncash

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in nature. This is a \$861k favourable movement year to date. The change results from movements in market interest rates relative to Council's average hedged interest rate position. Council's current average cost of funds remains at 4.10%, below the budgeted 4.16%.

Financial Contributions Revenue

Revenue Activity	Financial Contribution Scheme	Note	Actual YTD	Budget YTD	Variance Actual v Budget YTD (\$000)		Full year Forecast (\$000)	Full Year Budget (\$000)	Full Year Forecast v Budget	
			(\$000)	(\$000)	(\$000)	%			(\$000)	%
Transport	Rural	1	1,017	248	769	310%	1,183	330	852	258%
Transport	Urban Waihi Beach		8	15	(7)	(48%)	15	20	(5)	(25%)
Transport	Urban Katikati		132	81	51	63%	176	109	67	62%
Transport	Urban Omokoroa	2	543	1,885	(1,342)	(71%)	977	2,514	(1,536)	(61%)
Transport	Urban Te Puke		198	255	(56)	(22%)	233	339	(106)	(31%)
Transport	Strategic		500	607	(106)	(18%)	628	809	(181)	(22%)
Total Transport			2,399	3,091	(692)	(22%)	3,212	4,121	(909)	(22%)
Water Supply	Western Water		113	148	(36)	(24%)	171	198	(27)	(14%)
Water Supply	Central Water	2	209	726	(516)	(71%)	339	968	(628)	(65%)
Water Supply	Eastern Water		1,004	900	104	12%	1,216	1,200	16	1%
Total Water Supply			1,326	1,774	(448)	(25%)	1,726	2,366	(640)	(27%)
Total Reserves and Leisure			1,258	1,458	(200)	(14%)	1,598	1,944	(346)	(18%)
Wastewater	Waihi Beach		207	224	(18)	(8%)	277	299	(22)	(7%)
Wastewater	Katikati		318	425	(107)	(25%)	407	567	(160)	(28%)
Wastewater	Omokoroa	2	366	1,404	(1,039)	(74%)	638	1,872	(1,234)	(66%)
Wastewater	Te Puke		951	951	1	0%	1,117	1,267	(150)	(12%)
Wastewater	Maketu/Little Waihi		6	94	(88)	(94%)	6	125	(120)	(96%)
Total Wastewater			1,847	3,098	(1,251)	(40%)	2,445	4,131	(1,686)	(41%)
Stormwater	Waihi Beach		115	229	(114)	(50%)	158	305	(147)	(48%)
Stormwater	Katikati		28	279	(251)	(90%)	54	373	(318)	(85%)
Stormwater	Omokoroa	2	91	1,336	(1,244)	(93%)	227	1,781	(1,555)	(87%)
Stormwater	Te Puke		375	667	(292)	(44%)	448	889	(441)	(50%)
Total Stormwater			609	2,511	(1,902)	(76%)	887	3,348	(2,461)	(74%)
Total Natural Environment - Ecological			107	-	107	100%	136	-	136	100%
Total Development and financial contributions			7,546	11,932	(4,386)	(37%)	10,004	15,910	(5,905)	(37%)

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The Transport Rural scheme is \$769k over budget year to date. \$220k of this relates to capacity and consumption charges that are not included in the budget, as FINCO models are residential models only. A further \$549k of this over budget relates to higher development levels at a higher FINCO charge than was originally planned. In the period to March 2026 51.6 household equivalents (HHEs) units have been progressed against a budgeted 28.5 HHEs.

Impacting the activities of transport, wastewater, and stormwater is the Ōmokoroa development FINCOs which are \$5.4m under budget year to date. Ōmokoroa development continues to be slower than what was budgeted. Only 21 HHE's have been progressed this year to date against a budgeted 42 HHE's. As highlighted in the table above (red variances) this slower development has impacted Central water, the Ōmokoroa wastewater, stormwater and urban transport schemes.

The budget variance has continued to deteriorate due to sustained slower-than-anticipated development activity. Forecast financial contribution (FINCO) revenue is primarily driven by the pace of development in Ōmokoroa and reflects both confirmed and estimated household equivalent units (HHEs) at the reporting date. As a result, FINCO revenue is projected to be \$5.9m below budget at year end.

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Activity – Statement of Comprehensive Revenue and Expense

Corporate Service	Actual YTD (\$000)	Revised Budget YTD (\$000)	Variance Actual v Budget YTD (\$000)	Actual v Budget YTD %	Actual YTD as a % of FY Budget	Forecast FY Actuals (\$000)	Revised FY Budget (\$000)	Variance Forecast v Budget FY (\$000)	%
Corporate Services Revenue	5,414	4,480	933	21%	98%	6,859	5,527	1,332	24%
Corporate Services Expenses	903	9,175	8,272	90%	7%	3,113	12,496	9,383	75%
Corporate Services Surplus/(Deficit)	4,511	(4,694)	9,205	196%	(65%)	3,746	(6,968)	10,715	(154%)

Revenue - is \$933k above budget. Full year forecast \$1.3m above budget.

- General rates are \$305k above budget and forecast to be \$400k above budget due to growth being higher than budgeted. Offsetting this is the increase in rates remissions which is \$153k above budgeted. Actuals and forecast are in line with last year.
- Rating penalties are \$401k above budget year to date and forecast to be \$851k above budget at year end.
- Dividends Received of \$155k were unbudgeted.
- Interest revenue for corporate services is above budget \$113k and forecast to be \$100k above budget at year end.

Expenses - are \$8.3m under budget. Full year forecast \$9.4m under budget.

- As noted above the Datascape project is \$2.4m under budget due to timing of project costs. Full year forecast \$1.4m under budget.
- As noted above the three waters CCO setup costs are \$2.7m under budget due to timing of the project. The project is anticipated to be under budget by \$1.4m at year end but the full year forecast for this project has been moved to Wastewater, however the budget of \$3.8m remains in Corporate Service.
- Finance costs are \$3.5m under budget year to date. Full year forecast \$3.5m under budget. Internal interest charged to other Council activities is more than budgeted. This is due to debt held in these activities being higher than budgeted for the 2025 financial year. Internal interest includes interest on internal loans, reserves, current accounts and financial contribution reserves. As noted above, unrealised hedging movements, which are unbudgeted and noncash in nature, have a \$861k favourable movement year to date.
- Consultants and Legal costs are \$118k under budget year to date. Full year forecast \$146k under budget.

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- Rating Discounts of \$736k are \$315k over budget year to date with forecast of \$315k over budget at year end. More ratepayers than anticipated have taken the opportunity to pay their rates in full at the first rates instalment due date and have received the 3% discount offered, no further discounts are offered.

Communities	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%		(\$000)	(\$000)	(\$000)	%
Communities Revenue	12,348	9,871	2,476	25%	91%	14,672	13,578	1,095	8%
Communities Expenses	10,140	10,277	136	1%	76%	14,291	13,382	(909)	(7%)
Communities Surplus/(Deficit)	2,207	(405)	2,613	645%	1126%	381	196	185	94%

Revenue - is \$2.4m above budget and forecast to be \$1m above budget at year end

- This is mainly driven by Subsidies and Grants of \$2.3m which are unbudgeted. \$1.8m of this is related to subsidies received for the Heron Crescent (Elder Housing) build. \$262k has been received from the Energy Efficiency and Conservation Authority (EECA), Tauranga Energy Consumer Trust and Bay Trust for Community Energy Resilience work – installing solar power for community buildings; \$200k from the National Emergency Management Agency for the January weather event which will be distributed via the Mayoral Relief Fund and the remaining \$96k is made up of multiple grants for small projects.
- A further \$422k is expected to be received this year from EECA for the Community Energy Resilience Programme

Expenses - are \$136k under budget and forecast to be \$900k over budget at year end

- Emergency Management is \$224k over budget year to date and forecast to be \$888k over budget at year end. This is mainly due to anticipated costs related to the recent weather events and grants to be paid out for the Community Energy Resilience Programme, which is funded by subsidies received.
- Hall improvements are under budget \$223k year to date with the majority of this being due to Te Puke Hall improvements behind under budget by \$109k. A lot of maintenance work was completed last year, funded by loans. The underspend will go towards servicing the loans. Halls are forecast to be \$226k under budget at year end.

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- Maintenance expenditure is under budget \$181k year to date, mainly driven by less spend in Elder Housing given that Heron Crescent is a new build with little maintenance required.
- Grants are on budget year to date but anticipating to be over budget by \$525k at year end due to unbudgeted grants paid out from subsidies for solar power on community buildings (Community Energy Resilience Programme).

Economic	Actual YTD (\$000)	Revised Budget YTD (\$000)	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals (\$000)	Revised FY Budget (\$000)	Variance Forecast v Budget FY	
			(\$000)	%				(\$000)	%
Economic Revenue	1,025	1,003	22	2%	77%	1,366	1,337	29	2%
Economic Expenses	903	1,160	257	22%	74%	1,195	1,225	30	2%
Economic Surplus/(Deficit)	121	(157)	279	177%	108%	171	112	59	53%

Expenses - are \$257k under budget but forecast to be on budget at year end due to the timing of payment of grants.

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Natural Environment	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%		(\$000)	(\$000)	(\$000)	%
Natural Environment Revenue	1,065	988	77	8%	81%	1,429	1,317	112	9%
Natural Environment Expenses	1,133	1,250	117	9%	62%	1,769	1,825	56	3%
Natural Environment Surplus/(Deficit)	(67)	(262)	195	74%	13%	(339)	(508)	168	(33%)

Revenue – is \$77k above budget year to date and forecast to be \$112k at year end. This is mainly due to ecological development and financial contributions which were unbudgeted.

Expenses - are \$117k under budget year to date and forecast to be on budget year to date.

Planning for the future	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%		(\$000)	(\$000)	(\$000)	%
Planning for the Future Revenue	3,242	3,229	12	0%	75%	4,323	4,306	17	0%
Planning for the Future Expenses	2,991	3,237	246	8%	69%	4,100	4,341	242	6%
Planning for the Future Surplus/(Deficit)	251	(7)	258	3622%	(709%)	223	(35)	259	(731%)

Revenue – Actuals are accepted as being in line compared to budget year to date.

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Expenses - are \$246k under budget year to date and is forecast to be \$242k at year end.

- Operational project spend is under budget year to date by \$110k. Eight projects make up this difference with the majority due to timing of spend.
- Consultants and Legal fees are under budget by \$105k due to timing of projects and requirements year to date. Forecast is \$89k under budget at year end.
- Personnel costs are under budget \$13k. This is largely due to the time taken to fill vacancy and maternity leave.

Recreation and Open Spaces	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%	%	(\$000)	(\$000)	(\$000)	%
Recreation and Open Spaces Revenue	12,524	11,589	935	8%	79%	16,442	15,767	675	4%
Recreation and Open Spaces Expenses	10,523	10,588	65	1%	75%	13,792	14,116	324	2%
Rec & Open Spaces Surplus/(Deficit)	2,001	1,001	1,001	100%	121%	2,650	1,651	999	61%

Revenue - is \$935k above budget year to date and forecast to be \$675k above budget at year end

- Subsidies and Grants are \$120k above budget mainly due to grants of \$695k being received for the Katikati Pool which were unbudgeted. These were received from the Lotteries Commission, TECT, Katikati Lions and Dave Hume Pool Trust.
- Forestry harvesting proceeds are \$372k above budget but these are offset by harvest expenditure of \$202k.
- Rental income is \$409k above budget for the year, mainly due to annual rental received for lease of the Te Puke domain to the Te Puke high school (budget phasing), a new monthly lease of the Ōmokoroa storage facility, which is due to end on 31 March and higher than budgeted rental from camping. Forecast year end is \$464k above budget.

Expenses - are \$65k under budget year to date and forecast to be \$324k under budget at year end, mainly due to maintenance forecast to be under budget by \$300k at year end

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Regulatory	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%	%	(\$000)	(\$000)	(\$000)	%
Regulatory Revenue	13,396	12,221	1,175	10%	84%	17,438	15,960	1,478	9%
Regulatory Expenses	12,009	12,019	10	0%	75%	16,212	16,021	(191)	(1%)
Regulatory Surplus/(Deficit)	1,387	202	1,185	+100%	+100%	1,226	(61)	1,287	+100%

Revenue – is \$1.1m above budget year to date and forecast to be \$1.4m above budget at year end

- Consent applications and inspections continue to track above budget, providing extra \$645k of revenue.
- Land Information Memorandum \$127k, and Non-Notified Fees are \$308k above budget.
- Dog Registration Fees and Swimming Pool Audits are both \$43k above budget.
- While this is positive year to date staff remain cautious around sustainability of this as it remains a very volatile market.

Expenses – Actuals are accepted as being in line compared to budget year to date and forecast to be \$191k over budget at year end

- Personnel costs are under budget by \$580k and Legal fees by \$210k, offset with overspends on consultants of \$623k, and professional services of \$147k.

Representation	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%	%	(\$000)	(\$000)	(\$000)	%
Representation Revenue	3,622	3,623	(1)	(0%)	75%	4,829	4,830	(1)	(0%)
Representation Expenses	3,515	3,469	(46)	(1%)	76%	4,656	4,624	(32)	(1%)
Representation Surplus/(Deficit)	107	153	(47)	(30%)	52%	174	207	(33)	(16%)

Actuals are accepted as being in line compared to budget year to date.

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Solid Waste	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%		(\$000)	(\$000)	(\$000)	%
Solid Waste Revenue	5,250	4,866	384	8%	81%	6,521	6,488	33	1%
Solid Waste Expenses	4,266	4,443	177	4%	72%	5,759	5,923	165	3%
Solid Waste Surplus/(Deficit)	984	423	561	133%	174%	762	564	198	35%

Revenue – is \$384k above budget year to date and forecast to be \$33k above budget at year end

- Mainly due to the Waste Minimisation Levy which is received quarterly and budget not aligned. \$601k received so far against a year to date budget of \$243k. Forecast on budget as surplus income should move to the balance sheet at year end.

Expenses – Actuals are accepted as being in line compared to budget year to date and at year end

Stormwater	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%		(\$000)	(\$000)	(\$000)	%
Stormwater Revenue	6,742	7,843	(1,102)	(14%)	64%	8,705	10,458	(1,753)	(17%)
Stormwater Expenses	5,348	4,687	(662)	(14%)	86%	7,121	6,249	(873)	(14%)
Stormwater Surplus/(Deficit)	1,393	3,157	(1,764)	(56%)	33%	1,584	4,209	(2,626)	(62%)

Revenue – is \$1.1m below budget year to date and \$1.8m below budget at year end.

March 2026

- Developer financial contributions are \$1.9m below budget. Council has little influence on when developments are completed or when developers choose to pay their financial contributions to continue their developments. We have forecasted \$278k more financial contributions over April to June based on HHE¹ forecast for full year revenue of \$887k which is down \$2.5m on year end budget but comparable to previous years actuals.
- Vested asset revenue is above budget \$886k in recognition of assets vested from developer’s year to date, this is non-cash revenue. No further vested assets are forecasted, resulting in full year forecast \$825k above budget.

Expenses – are \$662k over budget year to date and \$873k over budget at year end.

- Internal interest cost on reserves is \$1.0m more than budget year to date; increasing to \$1.4m at year end. This is a charge from Council Treasury to the activity and is more accurately charged in actuals than in the budget calculations.
- Maintenance cost and utilities and rates costs are under budget year to date by \$246k and \$108k respectively, increasing to \$339k and \$144k under budget by year end.

Transportation	Actual YTD (\$000)	Revised Budget YTD (\$000)	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals (\$000)	Revised FY Budget (\$000)	Variance Forecast v Budget FY	
			(\$000)	%				(\$000)	%
Transportation Revenue	51,970	48,683	3,287	7%	74%	73,614	70,602	3,013	4%
Transportation Expenses	30,925	28,520	(2,404)	(8%)	80%	42,953	38,416	(4,537)	(12%)
Transportation Surplus/(Deficit)	21,046	20,163	883	4%	65%	30,662	32,186	(1,524)	(5%)

Revenue – is \$3.2m above budget year to date and forecast to be \$1.5m above budget at year end

- Subsidies and grants are above budget due mainly to the Ōmokoroa Structure Plan roading projects (\$4.6m).
- Vested assets are \$862k below budget due to minimal transportation vested assets processed year to date. There will be significant vested assets added prior to year end these are not yet include in forecast figures.

¹ House-hold Equivalent – the unit of account for charging financial contributions

March 2026

Expenses – are \$2.4m over budget year to date and forecast to be \$4.5m over budget at year end

- Transfer of the storm recovery costs from Capital to Opex accounting for \$3.8m, \$1.5m also added into FY forecast. Depreciation & Amortisation \$1.1m over budget \$600k also added into FY forecast. Maintenance & Operations relating to Street Trees/Berms \$760k over budget, while Pavement Maintenance is under \$2.8m and savings on Consultant & Legal fees \$374k.

Wastewater	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%		(\$000)	(\$000)	(\$000)	%
Wastewater Revenue	16,577	20,206	(3,629)	(18%)	60%	27,510	27,739	(229)	(1%)
Wastewater Expenses	15,585	16,537	952	6%	71%	21,911	22,048	137	1%
Wastewater Surplus/(Deficit)	993	3,669	(2,676)	(73%)	17%	5,599	5,691	(92)	(2%)

Revenue – is \$3.6m below budget year to date; improving to \$229k below budget at year end.

- Developer financial contributions are below budget year to date by \$1.3m. We are forecasting an additional \$598k of financial contributions over April to June to be \$1.7m below budget at year end. Council does not have the ability to drive the timing of developer activity.
- Subsidies are below budget year to date by \$2.4m with subsidy claims for the Te Puke Gordon Street plant upgrade in progress and reclassification of Better Off Funding we are forecasting Subsidies & Grants to be \$1.56m above budget at year end.
- Vested asset revenue is above budget \$203k, reflecting developer vested assets year to date. No further vested assets are currently forecasted, resulting in full year forecast \$134k above budget.

Expenses – are \$952k under budget year to date and \$137k under budget at year end.

- Maintenance costs are \$2.1m under budget year to date. We are forecasting \$1.4m maintenance expenditure over April to June to be \$3.0m under budget at year end. The budget has a contingency for Katikati outfall breaks, at a budgeted average of \$200k per break. This year to date there have been four breaks at the cost of \$426k for average cost per break of \$106k.
- Internal interest cost on reserves is \$1.5m over budget year to date, increasing to \$2.0m over budget at year end. This is a charge from Council Treasury to the activity and is more accurately charged in actuals than in the budget calculations.

March 2026

- Depreciation and amortisation are \$356k under budget year to date, increasing to \$475k over at year end.

Water Supply	Actual YTD	Revised Budget YTD	Variance Actual v Budget YTD		Actual YTD as a % of FY Budget	Forecast FY Actuals	Revised FY Budget	Variance Forecast v Budget FY	
	(\$000)	(\$000)	(\$000)	%		(\$000)	(\$000)	(\$000)	%
Water Supply Revenue	11,902	12,208	(306)	(3%)	74%	19,683	16,101	3,582	22%
Water Supply Expenses	14,448	15,455	1,008	7%	70%	19,604	20,606	1,002	5%
Water Supply Surplus/(Deficit)	(2,546)	(3,247)	702	(22%)	57%	78	(4,505)	4,584	(102%)

Revenue – is \$306k below budget year to date, improving to be \$3.6m above budget at year end.

- Developer financial contributions are below budget year to date by \$448k and the forecast has \$400k over April to June to be \$640k below budget at year end.
- Subsidy & grants are \$531k below budget year to date. Good progress is being made on subsidy claim for Pongakawa water supply project which is factored into the forecast resulting in year end subsidy & grants above budget \$3.4m.
- Metered water charges are above budget year to date by \$393k. The forecasted billed water volume is 400,000 cubic meters above budget resulting in \$524k above budget at year end.
- Vested asset revenue is above budget \$124k, reflecting developer vested assets year to date. No further vested assets are forecasted, resulting in full year forecast \$83k above budget.

Expenses – are \$1m under budget year to date and is forecasted to remain \$1m under budget at year end.

- Maintenance expenditure is under budget \$815k year to date. The forecast has an additional \$1.2m maintenance expenditure over the April to June period, but retaining the \$1m under budget position at year end.

March 2026

Balance Sheet

	Note	Actual YTD (\$000)	Revised Budget YTD (\$000)	30 June 2025 FY Actuals (\$000)
Current assets				
Cash and cash equivalents	1	31,310	10,974	17,337
Receivables	2	56,807	23,328	30,821
Prepayments		3,475	2,224	1,662
Non-current assets held for resale		-	-	228
Derivative financial instruments	3	-	54	-
Total current assets		91,592	36,580	50,048
Non-current assets				
Derivative financial instruments	3	1,221	1,965	607
Other financial assets		14,320	13,731	14,529
Investment in associates		18,872	16,029	16,122
Property, plant and equipment		2,049,576	2,211,298	1,979,641
Intangible assets		3,426	3,598	3,602
Forestry assets		4,644	4,243	4,644
Total non-current assets		2,092,058	2,250,865	2,019,145
Total assets		2,183,650	2,287,445	2,069,193
Current liabilities				
Payables and deferred revenue	4	72,518	35,756	48,474
Derivative financial instruments	3	111	-	-
Borrowings and other financial liabilities	5	45,000	35,000	41,337
Employee entitlements		3,523	3,967	3,704
Provisions		32	1,903	32
Total current liabilities		121,184	76,626	93,547
Non-current liabilities				
Derivative financial instruments	3	111	-	469
Borrowings and other financial liabilities	5	190,000	243,571	135,000
Employee entitlements		6	14	6
Provisions		2	62	211
Total non-current liabilities		190,119	243,647	135,686
Total liabilities		311,302	320,273	229,233
Net assets		1,872,348	1,967,172	1,839,960
Equity				
Accumulated Funds		1,064,661	1,148,575	1,032,194
Reserves		807,687	818,597	807,766
Total equity		1,872,348	1,967,172	1,839,960

March 2026

Financial position commentary

- Cash and cash equivalents is \$31.3m. This is due to receiving cash from the second rates installment that was due in late March.
- Receivables is \$56.8m. The large balance also related to the second rates installment of \$60.9m being invoiced in February 2026. As of end of March \$17.2m is outstanding.
- Net derivative financial instruments on 31 March 2026 are an asset of \$999k compared to an asset of \$138k on 30 June 2025.
- Payables is \$72.5m, this is also larger than budget due to the second installment of rates being invoiced with \$26.5m of these rates being in advance, treated as liabilities until they are recognised each month. This balance will decrease by approximately \$8.8m each month until the end of the year.
- Total borrowings are \$235m with an average cost of funds of 4.10%. Actual borrowings are monitored weekly but are only budgeted at the year end position. The forecast for borrowings at year end is \$265m compared to a revised budget of \$278.6m. This is due to forecasted lower spend in capital projects (\$10m) and lower total expenditure.

Treasury

Debt Position

- Total borrowings were \$235m as at 31 March 2026, all held with the Local Government Funding Agency (LGFA). Net debt, gross debt less cash balances, was \$203.6m.
- The year end forecast for borrowings is \$265m compared to the Annual Plan full-year debt of \$278.6m.

Borrowing Outlook

- Council has committed to refinancing \$40m of maturing loans in April 2026. These borrowings are to be refinanced on a floating rate, with \$15m maturing in 2031 and \$25m maturing in 2032.
- There are no additional new borrowings anticipated until May 2026.

Cost of Funds and Facilities

- The weighted average cost of funds (including margin) was 4.10% as at 31 March, compared with the Annual Plan assumption of 4.16% and the LTP 2024–2034 assumption of 5.06%.
- The weighted average term of debt facilities (drawn and standby) was 2.25 years.
- Council maintains \$30m in working capital facilities, comprising \$20m with ANZ and \$10m with the LGFA. These facilities remained undrawn as at 31 March.

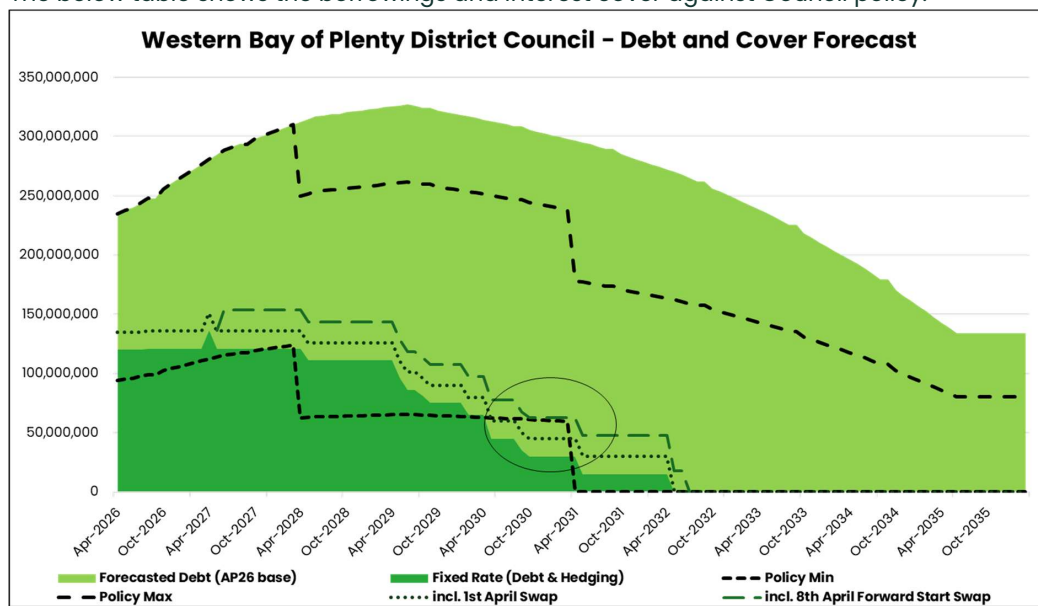
Interest Rate Risk Management

- \$15m of interest rate swap cover was added on 4 March at a fixed rate of 4.09%, however as at 31 March, Council remained outside policy limits for the 2–5 year interest rate risk bucket.
- On the 1 April (shortly after month close), \$15m of additional swap cover was transacted at a fixed rate of 3.96% with a 6-year tenor. The effect of this transaction is shown in the debt and cover graph below.

March 2026

- On 8 April, a \$15m future start swap, from June 2027 to June 2032 was transacted at 4.2225%. This swap has brought Council back within policy for its interest rate risk limits.
The effect of this swap, albeit outside of the reporting month, is also shown in the debt and cover graph below.
- Market pricing now implies 50 basis point OCR increase during the 2026 calendar year, with the current OCR of 2.25% broadly viewed as the bottom of the cycle. Short-term interest rates remain volatile, driven by geopolitical tensions in the Middle East, near-term inflation pressures, and strong market activity, while also being weighed against a weakening economic outlook.

The below table shows the borrowings and interest cover against Council policy:



The table below shows the interest rate hedging and policy settings:

Interest Rate Risk Limits			
	Year 0 - 2	Year 2 - 5	Year 5 - 10
Minimum Policy Limit	40%	20%	0%
Maximum Policy Limit	100%	80%	60%
Minimum Hedge	39%	10%	0%
Maximum Hedge	52%	39%	10%
Compliant?	√*	X	√

**The Year 0-2 bucket was brought back into compliance on 1 April, following month end. This is within the 90-day correction period permitted under section 6.1.2 of Council's Treasury Policy.*

March 2026

The table below is the current borrowing position:

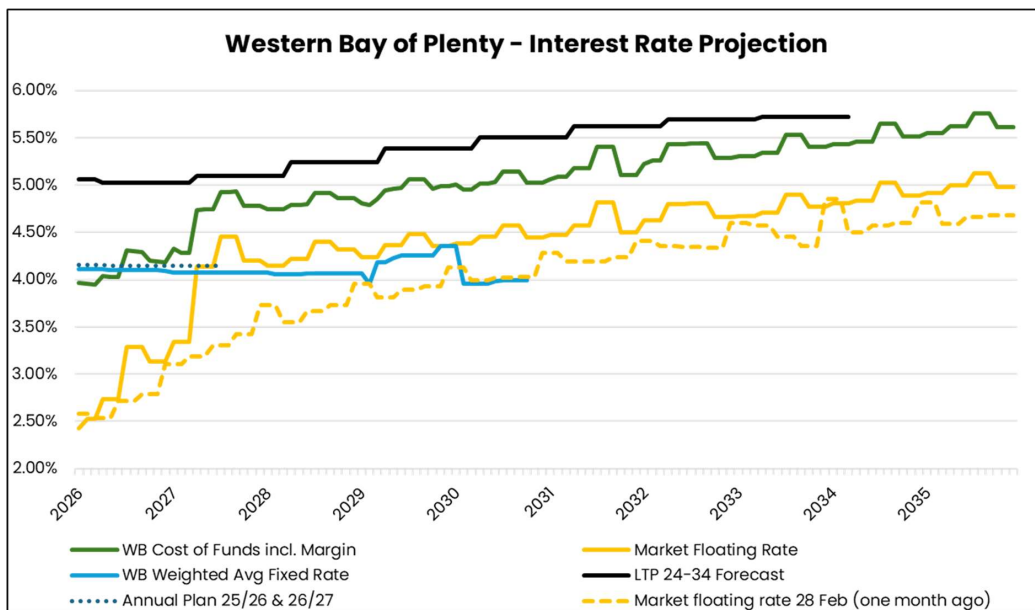
Current year borrowings - movement		Funding Risk				
Opening Balance as at 1 July 2025	\$175m	Years	Minimum	Maximum	Actual	Policy
New borrowing/refinancing (floating)	\$55m	0-3	15%	60%	51%	✓
New borrowing/refinancing (fixed)	\$20m	3-7	20%	85%	49%	✓
Total new borrowing for FY	\$75m	7-15	0%	60%	0%	✓
Repayment/refinancing of maturing debt	\$15m					
Gross Debt as at 31 March 2026	\$235m					

The below table shows the counterparty limits that Council has with our four commercial banking partners:

Counterparty limits			
Counterparty	Actual	Total Limit	Compliant?
ANZ	33,452,070	35,000,000	✓
BNZ	6,190,274	35,000,000	✓
ASB	2,985,616	35,000,000	✓
Westpac	-	35,000,000	✓

*Counterparty balances take into account all Cash, Term Deposits and Swaps. All drawn debt is with the LGFA

This graph shows how Council compared to the market floating interest rates:



11.4 LOCAL GOVERNMENT FUNDING AGENCY – CASH ADVANCE FACILITY**File Number:** A7212899**Author:** Jackson Jury, Financial Analyst**Authoriser:** Adele Henderson, Acting General Manager Corporate Services/Programme Director – Water Organisation Establishment**EXECUTIVE SUMMARY**

The Local Government Funding Agency (LGFA) has introduced a new Cash Advance Facility providing same-day access to short-term funding. This report provides a brief overview of this new product offering. This report is for information purposes and no approval for utilisation of this new facility is being sought from Council at this stage.

RECOMMENDATION

That the Financial Analyst's report dated 26 May 2026, titled "Local Government Funding Agency – Cash Advance Facility" be received.

BACKGROUND

The Local Government Funding Agency (LGFA) has recently introduced a new "Cash Advance Facility" to support short-term liquidity management of Councils. The facility provides same-day access to funds, with pricing based on the OCR plus a 50-basis point margin. The product is intended to assist Councils in managing short-term cash flow fluctuations without locking in longer term borrowings.

This tool will be considered by staff to provide greater flexibility for short term funding needs in minimising the amount of cash in bank that Council retains for regular cashflow requirements.

Details on this new product is provided in **Attachment 1**.

ATTACHMENTS

- 1. LGFA Short Term Funding Products – March 2026** [↓](#)



Short-Term Funding Products

Category	Cash Advance Facility	Standby Facility	Short Term Loans
Product Purpose	To offer same-day access to working capital, giving borrowers flexibility to manage cash flow and short-term funding requirements.	To offer a source of liquidity for contingency funding needs, rather than for regular overdraft or cash advance purposes.	To provide short-term funding for periods between 30 and 364 days through the issuance of zero-coupon securities, with principal and implied interest repaid in full at maturity.
Documentation	Cash Advance Facility Agreement	Standby Facility Agreement	Multi Issuer Deed and Borrower Term Sheet

Key Commercial Terms

Facility Term	3 years	Evergreen (rolling 15-month term)	<i>Not Applicable</i>
Base Interest Rate	Official Cash Rate (OCR)	Bank Bill Reference Rate (BKBM)	Bank Bill Reference Rate (BKBM)
Borrowing Margin <i>(added to Base Rate)</i>	50 basis points	90 basis points	15-25 basis points – Dependant on term, borrower’s credit rating
Commitment Fee	20 basis points per annum, paid quarterly in advance	20 basis points per annum, paid quarterly in advance	Nil
Pricing Change Notice	Not Applicable	3 months (for commitment fee or margin changes)	<i>Not Applicable</i>
Maturity/Drawdown Period	One Day / Overnight	1, 2, 3, 4, 5, or 6 months	Between 30 and 364 days
Minimum Drawdown	\$250k (in \$50k multiples thereafter)	\$1 million (in \$500k multiples thereafter)	\$1 million (in \$100k multiples thereafter)
Minimum Prepayment	\$250k (in \$50k multiples thereafter)	\$500k (in \$100k multiples thereafter)	<i>Not Applicable</i>

Termination – LGFA	5 business days’ notice (upon event of borrower default)	15 months’ notice	<i>Not Applicable</i>
Termination – Council/CCO	5 business days’ notice	3 months’ notice	<i>Not Applicable</i>
Early Repayment of Drawdown	Yes	Yes	No
Minimum Notice Required (Drawdown/Repayment)	Same day	One business day	Two business days
Interest Payment Timing	Repaid at maturity or if principal + accrued interest outstanding exceeds Facility Limit	< 3 months: paid on repayment > 3 months: quarterly in arrears + at repayment	At maturity as issued at a discount
Interest Basis	Daily accrual (compounding)	Daily accrual	Daily accrual

11.5 INTERNAL AUDIT FRAMEWORK & WORK PLAN 2026-29**File Number:** A7216537**Author:** Simon Riley, Risk and Assurance Manager**Authoriser:** Matt Potton, Chief Executive**EXECUTIVE SUMMARY**

The Internal Audit Work Plan, Framework, Charter and Protocol for the three years ending 30 June 2029 are presented to the Audit, Risk and Finance Committee (the Committee) for review and approval.

RECOMMENDATION

1. That the Risk and Assurance Manager's report dated 26 May 2026, titled 'Internal Audit Framework & Work Plan 2026-29', be received and approved.

BACKGROUND

1. The material accompanying this report, intended to be reasonably self-explanatory, describes how the proposed Internal Audit Work Plan was developed in collaboration with Council's Internal Audit partners from the Bay of Plenty Regional Council (BOPRC).
2. A comprehensive list of potential audit reviews was identified on a risk basis for the triennium and prioritised by timing and available budget. Meetings were held in April 2026 with the Executive Leadership Team and Internal Audit partners to refine scope and prioritisation.

REQUEST FOR REVIEW & APPROVAL OF INTERNAL AUDIT CHARTER AND WORK PLAN

3. The Committee is requested to review and approve the Internal Audit Charter and Work Plan for the three years ending 30 June 2029.

ATTACHMENTS

1. **DRAFT Western Bay of Plenty District Council IA Work Plan 2026-29-15 Apr 2026** [↓](#)

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29

Purpose

This document sets out a **three-year rolling, risk-based Internal Audit Work Plan for 2026–29**, aligned to the **five AON risk themes** and informed by key sources of risk information. It clearly sets out:

- What assurance activity is planned each year
- Why those areas are prioritised
- That the plan remains flexible and risk-responsive
- Detailed audit scopes for each year (Appendices A–C)
- The Internal Audit Framework, Charter and Protocol (Appendices D–F)

How the plan was constructed

The Internal Audit Work Plan 2026–29 was built by deliberately combining four sources of risk information:

- **External benchmark:** AON risk themes for New Zealand local government
- **Council-specific risks:** WBOPDC’s Developing Risk Register
- **Independent foresight:** IIA Global Emerging Issues for 2026
- **Strategic delivery risk:** WBOPDC Annual Plan 2025/26

Only risks that appeared across **multiple sources or had high potential impact** were elevated into the three-year Internal Audit Work Plan 2026–29.

Why the approach is risk-based

- Risks are grouped by **AON themes**, providing consistency with sector benchmarks
- Audit timing reflects how **soon the risk could occur**, where **major changes are underway**, and how serious the **potential impact** could be
- High-risk areas (cyber, climate resilience, capital delivery, affordability) are **revisited over multiple years** using different assurance techniques

Why the Work Plan is balanced

- Mix of **deep-dive audits**, maturity assessments, post-implementation reviews, and stress-testing
- Covers **delivery, resilience, compliance, and culture**, not just financial controls
- Explicit capacity for annual reprioritisation if risk settings change

Western Bay of Plenty District Council - Internal Audit Work Plan 2026-29

What ARFC should expect

- Clear annual assurance coverage of Council's **most material risks**
- Increasing focus on **value-for-money and benefits realisation**, not just compliance
- A plan that remains **current, adaptable, and defensible** in a changing risk environment

DRAFT

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29

3-Year Rolling Audit Work Plan (2026–29)

Year 1: 2026/27 – High-Exposure and System Change Risk

Focus: Immediately material risks, large system-change projects, and issues with material consequences if controls fail early.

Digital and Technology

- IT cyber-security specialist audit (access controls, threat readiness, third-party exposure)

Environmental and Climate

- Asset Management Maturity Assessment (climate and hazard alignment)
- Emergency Response and Preparedness (governance, plans, readiness – excluding operations)

Economic and Financial

- Treasury audit (interest-rate, compliance, and hedge effectiveness)
- Procurement, variations, DFAs, Conflicts of Interest, sensitive expenditure

Public Sector, Governance and Regulatory

- Legislative compliance self-assessment (Legal Team) – reliance and quality review

Health, Social and Community Wellbeing

- None

Why 2026/27: This year addresses the **most urgent risks:** Cyber threats, climate-related disruption readiness, asset management, and procurement.

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29

Year 2: 2027/28 – Delivering Benefits, Value for Money, and Resilience

Focus: Whether major changes are delivering expected benefits and value, and whether systems are resilient under stress.

Digital and Technology

- Information and Communications Technology (ICT) disaster recovery and cyber resilience testing - Outsourced
- AI acceptable-use, governance, and controls review

Environmental and Climate

- Climate adaptation programme effectiveness
- Critical infrastructure resilience (Transportation network focus)

Economic and Financial

- Capital project deep dive reviews (delivery and benefits realisation)
- Payroll procedures

Public Sector, Governance and Regulatory

- None

Health, Social and Community Wellbeing

- None

Why 2027/28: This year tests whether **controls and investments made earlier are working**, and whether Council remains affordable, resilient, and value-focused under economic and climate pressure.

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29

Year 3: 2028/29 – Strategic Readiness, Culture and Future Risk

Focus: Strategic maturity, cultural effectiveness, and preparedness for emerging or reform-driven change.

Digital and Technology

- Technology vendor dependency and exit-risk assurance

Environmental and Climate

- Asset Management Plans – fit-for-purpose review
- Insurance coverage, self-insurance, and risk-financing review

Economic and Financial

- New Holidays Act implementation review

Public Sector, Governance and Regulatory

- None

Health, Social and Community Wellbeing

- Mana Whenua, Iwi and Hapū partnerships effectiveness review
- Community engagement effectiveness and trust feedback loops

Why 2028/29: This year continues to test ICT risks, confirms improvements in asset management planning, considers risk appetite versus affordability of insurance, and ensures governance, culture and controls remain fit for purpose.

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29**Appendix A – Audit Scopes: Year 1 (2026/27)****Items in Green are included in the Year 1 Plan****(3) IT Cyber–Security Specialist Audit**

Outsourced expert review to assess the design and operating effectiveness of cyber security controls, including identity and access management, vulnerability management, and third-party exposure. Includes an independent view of Council's preparedness for current cyber threats.

(21) Procurement

Review the use of the new procurement tools, sensitive expenditure, DFAs, Conflicts of Interest, and variation procedures.

(5) Asset Management Maturity Assessment (Climate Alignment)

Assess the maturity of asset management practices, with emphasis on integration of climate and hazard risk into planning and investment decisions. Identifies gaps against good practice and sector benchmarks.

(6) Emergency Response and Preparedness (Governance)

Review governance, plans, roles, and readiness for emergency response, excluding operational response activities. Confirms clarity of accountability and adequacy of preparedness frameworks.

(8) Treasury Audit

Evaluate the adequacy of the controls and compliance with Council established policies and procedures relating to borrowing (including derivatives) and investments.

(11) Legislative Compliance Self-Assessment – Reliance Review

Evaluate the robustness and completeness of management's legislative compliance through a self-assessment survey. Assesses whether assurance can be relied upon by Council and ARFC.

Items in Black were considered but did not make the Year 1 Plan**(2) ERP Replacement – Project Governance and Early Controls**

Review programme governance, decision points to progress to the next stage, data migration, access controls, and go-live readiness for the ERP implementation. Focuses on whether risks to service continuity, security and financial control are managed prior to stabilisation.

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29

Note this assurance is provided under a separate project budget using non-internal audit resources

(4) Protection of the Public's Private Information

Evaluate privacy governance, data handling practices, and breach response arrangements. Confirms compliance with privacy obligations and mitigation of reputational risk.

(7) Emergency Procurement Controls

Examine procurement controls and delegations used during emergency situations. Assesses whether cost, probity and value-for-money considerations remain effective under pressure.

(9) Development Contributions Model Testing

Assess the accuracy, governance and assumptions underpinning the development contributions model. Focuses on financial sustainability and fairness of cost recovery.

(10) Capital Project Governance Framework Review

Review the design and application of the project governance framework for major capital works. Confirms consistency, risk management, and escalation arrangements.

(12) Representation and Governance Change Readiness

Review whether Council is adequately prepared for consultation on potential governance and representation changes signalled in the Annual Plan 2026/27. Focuses on process planning, integrity, documentation, and proposed decision transparency.

(14) Health and Safety Management System Maturity Review

Assess the design and effectiveness of the health and safety framework, including leadership, reporting, and continuous improvement. Identifies areas requiring uplift to meet good practice expectations.

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29**Appendix B – Audit Scopes: Year 2 (2027/28)****Items in Orange are included in the Year 2 Plan****(16) Information and Communications Technology (ICT) Disaster Recovery and Cyber Resilience Testing**

Outsourced expert review of disaster recovery arrangements, backup capability, and cyber incident response readiness. Confirms Council's ability to restore critical systems within acceptable times.

(17) AI Acceptable-Use, Governance and Controls Review

Assess governance arrangements for the use of AI, including acceptable-use policies, oversight, and risk management. Focuses on ethical use, data protection, and decision-making transparency.

(18) Climate Adaptation Programme Effectiveness

Review how climate adaptation initiatives are prioritised, funded, and monitored. Assesses whether programmes are delivering intended resilience outcomes.

(19) Critical Infrastructure Resilience Review

Assess the resilience of key infrastructure assets (stormwater, wastewater and coastal). Focuses on vulnerability identification and mitigation planning.

(22) Capital Project Deep-Dive Reviews

Conduct targeted reviews of selected major capital projects. Focuses on delivery performance, cost control, and benefits realisation.

(39) Payroll Processes

Review basic payroll processes for good practice

Items in Black were considered but did not make the Year 2 Plan**(15) ERP Post-Implementation Review**

Assess whether the ERP system is delivering intended benefits, stable operations, and effective controls following implementation. Includes access management, controls over changes to the system post go-live, and benefits realisation.

Note this assurance is provided under a separate project budget using non-internal audit resources

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29**(20) Financial Sustainability Stress-Testing**

Evaluate Council's financial position under multiple downside scenarios. Assesses resilience against affordability, interest-rate, inflation, and revenue shocks.

(23) ERM Framework Maturity Review

Assess the maturity and practical use of the Enterprise Risk Management framework. Examines whether risk information is meaningfully informing decisions.

(24) Compliance Monitoring Framework Review

Review systems for monitoring and reporting compliance obligations. Assesses consistency, escalation, and reporting effectiveness.

(25) Workforce Strategy and Critical-Role Resilience Assessment

Assess workforce planning, succession, and capability for critical roles. Focuses on operational resilience and service continuity risk.

DRAFT

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29**Appendix C – Audit Scopes: Year 3 (2028/29)****Items in Red are included in the Year 3 Plan****(26) Asset Management Plans – Fit-for-Purpose Review**

Evaluate whether Asset Management Plans are current, coherent, and aligned to service levels, risk, and funding assumptions. Focuses on deliverability and long-term sustainability.

(28) Technology Vendor Dependency and Exit-Risk Assurance

Review reliance on key technology providers and the adequacy of exit and contingency arrangements. Focuses on continuity and using contracts, commercial terms, and vendor relationships to reduce Council's exposure to service disruption if something goes wrong.

(30) Insurance and Risk Financing Review

Review adequacy of insurance arrangements, self-insurance, and how Council plans to pay for things when risks occur. Assesses whether Council clearly understands which risks it retains, how those risks will be funded if they occur, and whether those settings remain affordable and appropriate given its evolving risk environment.

(36) Mana Whenua, Iwi and Hapū Partnership Effectiveness Review

Assess the effectiveness of partnership frameworks, commitments, and engagement practices. Focuses on trust, delivery outcomes, and mutual risk management.

(37) Community Engagement Effectiveness Review

Review how community feedback is received, analysed, and fed back into decision-making. Assesses whether engagement processes are building trust and confidence.

(38) New Holidays Act review

Post implementation review of the new Holidays Act once it is legislated and implemented, including brought forward balances and processes to ensure compliance with the new Act.

Items in Black were considered but did not make the Year 3 Plan**(27) Information Security and Privacy Management Maturity Assessment**

Assess Council-wide maturity of information security and privacy management arrangements. Benchmarked against good practice and sector expectations.

Western Bay of Plenty District Council – Internal Audit Work Plan 2026–29**(29) Climate Risk Integration into LTP and Capital Prioritisation**

Assess how climate risk impacts long-term planning and capital investment decisions. Focuses on consistency, traceability, and transparency.

(31) Fraud Risk Assessment and Prevention Framework

Assess fraud risk exposures, prevention controls, and detection mechanisms. Focuses on governance, culture and new or evolving ways of fraud against Council.

(32) Financial Controls over Programme Re-prioritisation

Review controls supporting re-prioritisation or deferral of programmes under funding pressure. Focuses on decision quality and financial integrity.

(33) Governance Reporting Quality and Decision Transparency Review

Assess clarity, completeness, and usefulness of governance reporting to elected members. Focuses on transparency, traceability, and auditability of decisions.

(34) Benefits Realisation Governance Review

Review whether benefits from major programmes are defined, tracked, and reported. Assesses ownership and accountability for outcomes.

Appendix D: Internal Control Framework

This Internal Control Framework forms a core component of Council's governance, assurance, and risk management environment. It provides a clear and comprehensive overview of how internal control operates across the organisation, consistent with the Global Internal Audit Standards (updated January 2024, effective January 2025). The Framework sets the foundation for demonstrating sound stewardship, robust management practices, and effective oversight mechanisms.

1. Definition of Internal Control

Internal control is defined as "the set of processes, activities, and structures established by Council, management, and staff to manage risks and provide reasonable assurance that the organisation will achieve its objectives." Controls support the reliability and integrity of information, compliance with laws and policies, safeguarding of assets, and the economical and efficient use of resources.

2. Components of Internal Control

The Internal Control Framework consists of five key components:

- **Control Environment:** Sets the tone at the top and establishes integrity, ethical values, competence, and a culture of accountability.
- **Risk Assessment:** Identifies and analyses internal and external risks that may affect the achievement of Council objectives.
- **Control Activities:** Includes policies, procedures, approvals, authorisations, verifications, reconciliations, and segregation of duties.
- **Information and Communication:** Ensures that relevant information is communicated and understood by those responsible for managing risks.
- **Monitoring:** Involves ongoing and separate evaluations to assess whether controls are operating as intended.

3. Internal Control Objectives

- Reliability and integrity of financial and operational information.
- Compliance with applicable laws, regulations, and internal policies.
- Safeguarding of Council assets.
- Efficient, effective, and economical use of resources.
- Achievement of Council's strategic and operational objectives.

Appendix E: Internal Audit Charter

1. Purpose

The purpose of Internal Audit is to provide independent, objective assurance and advisory services designed to add value and improve Council operations. Internal Audit helps Council achieve its objectives by evaluating and improving the effectiveness of governance, risk management, and internal control processes in accordance with the *Global Internal Audit Standards™* and the *IIA Code of Ethics*.

2. Mandate

Internal Audit is authorised by the Audit, Risk & Finance Committee (ARFC) to examine all functions, programmes, systems, processes, records, property, and personnel relevant to its work. This mandate includes full, free, and unrestricted access to information necessary to fulfill its responsibilities.

3. Authority, Independence & Objectivity

Internal Audit reports functionally to the ARFC and administratively to the Chief Executive. The Risk and Assurance Manager is responsible for internal audit and has direct and unrestricted access to the ARFC Chair. Internal Audit must remain independent of operational activities. The Risk and Assurance Manager will annually confirm Internal Audit's organisational independence to the ARFC and disclose any impairment to independence or objectivity.

4. Organisational Position

The Risk and Assurance Manager is responsible for establishing the Internal Audit function, developing the Internal Audit Strategy, and ensuring the function has sufficient resources, competencies, and technology to fulfil its mandate. Parts of the internal audit function may be subcontracted to third parties.

5. Scope of Work

Internal Audit provides:

- Assurance services evaluating governance, risk management, internal controls, and performance.
- Advisory/consulting services that support improvement but do not impair independence.

- Internal Audit may review any area of Council operations, including financial, operational, compliance, ICT, project and asset management, and fraud risk.

6. Responsibilities

The Risk and Assurance Manager will:

- Develop a risk-based Internal Audit Plan.
- Coordinate with assurance providers.
- Report to ARFC.
- Maintain a Quality Assurance and Improvement Programme (QAIP).

Management will:

- Ensure timely access to information, systems, and staff.
- Respond promptly to audit findings and implement agreed actions.

Audit, Risk & Assurance Committee will:

- Approve the Charter and Internal Audit Plan.
- Oversee Internal Audit independence, performance, resources, and results.
- Review the results of the Quality Assurance and Improvement Programme.

7. Quality Assurance and Improvement Programme

Internal Audit will maintain a QAIP that includes ongoing internal assessments and periodic external assessments (at least every five years), with results reported to the ARFC.

8. Reporting

Internal Audit will report to each ARFC meeting and the Chief Executive, on:

- Completed audits.
- Significant findings.
- Progress against the audit plan.
- Implementation status of recommendations.

9. Review of Charter

This Charter is reviewed by Internal Audit at least every three years, or sooner if required. Any changes require approval by the ARFC.

Appendix F: Internal Audit Protocol

1. Introduction

This protocol outlines the respective roles and responsibilities of Internal Audit and management during an audit and the opportunities for consultation during the audit process.

The purpose, responsibilities and authority of the Internal Audit function are set out in the Internal Audit Charter.

2. Planning and Consultation

Internal Audit prepares an Internal Audit Work Plan based on risks and business needs. ARFC reviews and approves the plan.

Internal Audit prepares an Internal Audit Work Plan in consultation with the Chief Executive, Executive Leadership Team, and senior management. The Internal Audit Work Plan is based on:

- Council's objectives per the Annual Plan and the risks in meeting those objectives.
- NZ Council risk themes identified by Council's insurers.
- Council's Risk Register.
- Risks identified in other Councils.
- Institute of Internal Auditors' hot topics in Internal Audit.

The Risk and Assurance Committee review and approve the Internal Audit Work Plan.

In addition, internal audits not on the Work Plan can be commissioned by the Chief Executive on an as-needs-basis.

3. Audit Process

The various stages in the audit process are outlined below, which include preliminary consultation, opening meeting, fieldwork, close-out interview, draft report, management responses, final report, and follow-up.

4. Preliminary Consultation

Prior to commencing the audit, Internal Audit will consult with the relevant General Manager (or the Chief Executive where applicable) on the:

- Objectives and scope of the audit.
- Commencement date, duration and resources required.

- Locations to be visited.
- Nomination of a responsible manager from the area audited.
- Legal compliance requirements including the Privacy Act 1993.

Internal Audit will consult the Privacy Officer prior to accessing records containing personal information of staff.

The relevant General Manager (or the Chief Executive where applicable) will sign off on each internal audit scope and the resources required to support the audit process.

Any significant changes from the objectives documented in the approved Internal Audit Work Plan will be subject to approval by the Chief Executive.

5. Opening Interview

Internal audit will conduct an opening interview with management shortly before the start of an audit. The purpose of the opening interview is to:

- Enable the audit team to meet key staff of the area audited.
- Clarify the objectives, scope, and timing of the audit.
- Provide an opportunity for staff to present their views and perspectives on matters subject to audit.
- Finalise the plan for conducting the audit in terms of timing, duration, and staff involvement.
- Arrange access to buildings, personnel, files, systems, and data to commence fieldwork.

6. Fieldwork

Internal Audit is committed to a “no surprises” approach and will hold ongoing discussions with management as findings emerge, and conclusions developed. At the mid-point of the audit, Internal Audit will meet with the auditees to discuss the progress of the internal audit and any emerging issues.

If necessary, Internal Audit will communicate significant matters of concern to the Chief Executive prior to the completion of the final report.

At the conclusion of the fieldwork, Internal Audit will hold discussions with nominees of the audited area. The aim of the discussions is to explain the issues identified by Internal Audit and to develop practical responses in cooperation with the area under review.

7. Close-out Interview

Following the discussions, Internal Audit will prepare and present the first draft report at a close out interview.

The purpose of the close out interview is to:

- Advise management about the provisional findings, conclusions, and recommendations.
- Afford management the opportunity to correct any misunderstandings or misinterpretations.
- Discuss findings and conclusions and obtain management's views.
- Discuss the practicality of recommendations and times.

8. Draft Report

Internal Audit will issue a final draft audit report to management of the work area under review, promptly following the close out interview.

9. Management Comments

On receipt of the final draft report, management of the work area under review will:

- Consider the findings and recommendations in the draft report.
- Formally advise Internal Audit whether management agrees or disagrees with the recommendations in the draft report.

Where management agrees with a recommendation, management will:

- Prepare an action plan to address the recommendation.
- Set a time limit for implementing the action plan.
- Nominate the position responsible for implementation.

Management will provide reasons for disagreeing with any recommendations.

If any residual errors of fact remain, management must notify Internal Audit promptly.

Management will submit comments as soon as possible after receiving the draft report.

10. Final Report

Following receipt of management comments, Internal Audit will issue a final report to:

- The Chief Executive.
- The Risk and Assurance Manager.

- Management of the audited area, including the relevant General Manager.

Internal audit reports will be issued internally as confidential management reports, subject to the Local Government Official Information and Meetings Act. Council staff can access the internal audit reports via management of the audited area.

Lessons learned and examples of good practice will be circulated as appropriate.

A client satisfaction questionnaire will accompany the final report. The manager of the audited area should complete the client satisfaction questionnaire and return it to Internal Audit. Internal Audit will follow up on any feedback indicating shortcomings in Internal Audit performance.

11. Monitoring Implementation

The relevant General Manager (or Chief Executive where applicable) is responsible for examining all internal audit reports for their areas of responsibility and implementing agreed recommendations.

Internal Audit assists the Chief Executive and the relevant General Manager in monitoring progress in implementing agreed recommendations. Internal Audit will, therefore, periodically seek advice from management regarding progress in implementing agreed recommendations.

With the endorsement of the Chief Executive, Internal Audit may conduct further investigations to determine whether agreed action is complete, and the reported issue satisfactorily addressed.

Any unresolved disagreements with management, along with Internal Audit's response, will be included in the final audit report.

12. Related Policies and Guidance

Office of the Auditor General - Audit Committees in the Public Sector.

Western Bay of Plenty District Council - Fraud Policy; Corporate Assurance Framework, Internal Control Framework; Internal Audit Charter; Risk Management Framework.

12 INFORMATION FOR RECEIPT – KŌRERO TE WHIWHIA

12.1 RISKPOOL UPDATE

File Number: A7281630

Author: Simon Riley, Risk and Assurance Manager

Authoriser: Adele Henderson, Acting General Manager Corporate Services/Programme Director – Water Organisation Establishment

EXECUTIVE SUMMARY

Riskpool is a legacy mutual liability fund originally established to provide liability insurance cover for councils during periods when commercial cover was unavailable. Western Bay of Plenty District Council was a participating member.

Council's Riskpool participation means it is co-owning and funding a shared insurance scheme with other councils, spreading the cost of disasters and liability risks across the sector instead of relying fully on private insurers.

Riskpool has recently provided Council with an update on their current position, status of litigation and other relevant matters. No decision is required on this information.

BACKGROUND

1. Riskpool has been in wind-down mode since 2017, with outstanding obligations related to historical claims remaining. While many have been settled or reinsured, the Supreme Court's 2023 ruling on mixed claims has reopened exposure for all councils, including WBOPDC.
2. In August 2025 a call to members was made to fund operational costs and legal representation for two trials scheduled in September 2025. Council approved payment of \$8,760 excl. GST to this call.
3. The attached Riskpool correspondence dated 5 May 2026 is provided to the Committee for information purposes.
4. The Riskpool Board has indicated that it does not have sufficient information to determine whether a further funding call will be required in the 2026–2027 financial year. As indicated in their previous correspondence, this will depend primarily on the outcome of ongoing domestic litigation and the position taken by reinsurers in relation to coverage and timing of recoveries.
5. Should developments in either area indicate that a further call is likely in future, Riskpool will provide members with as much advance notice as possible to support budget planning.
6. Riskpool's Annual Members' Meeting will be held on Friday 19 June 2026 at the offices of Civic Financial Services, Wellington Chambers.

ATTACHMENTS

1. **Riskpool Update to Western Bay of Plenty District Council - 5 May 2026** [↓](#)



5 May 2026

Miriam Taris
Western Bay of Plenty District Council
Private Bag 12 803
TAURANGA 3143

Miriam.Taris@westernbay.govt.nz

Dear Miriam

RISKPOOL: UPDATE TO MEMBERS

We write to provide a further update on Riskpool's current position, including the status of domestic litigation, engagement with reinsurers, and matters relevant to Members' financial planning and reporting.

Domestic Litigation

As indicated in our correspondence in December, Riskpool is currently managing significant domestic litigation arising from the Supreme Court's 2023 decision in *Local Government Mutual Funds Trustee Ltd v Napier City Council [2023] NZSC 97*, which addressed claims involving both weathertight and non-weathertight issues.

Two of these claims went to trial in the Wellington High Court in September last year, concluding in early October. The key issue to be determined by the High Court is the consequence of these claims having been late notified pursuant to the terms of the Scheme documents (which includes the Trust Deed, Scheme Rules and the Protection Wording).

We await the Court's decision, which is expected to provide meaningful clarity for both Riskpool and its reinsurers, allowing us to move forward with the resolution of the remaining legacy claims.

We will provide a further update to Members once the judgment has been released and its implications are understood.

Reinsurance

Reinsurance remains Riskpool's principal source of funding for settled or accepted claims, and recovery from reinsurers is central to limiting any financial impact on Members.

The Board is prioritising this work and continues to engage proactively and constructively with reinsurers. While the recovery process is complex, involving multi-layered reinsurance structures governed by English law, we are hopeful that this engagement will result in recoveries on accepted claims in the near term. We will continue to keep Members updated as this progresses.

Funding Position and Potential Future Calls

The Board remains committed to prudent financial management and to limiting any financial pressure on Members wherever possible.

At this stage, the Board does not have sufficient information to determine whether a further funding call will be required in the 2026–2027 financial year. As indicated in our previous correspondence, this will depend primarily on:

- i. the outcome of ongoing domestic litigation; and
- ii. the position taken by reinsurers in relation to coverage and timing of recoveries.

Should developments in either area indicate that a further call is likely in future, we will provide Members with as much advance notice as possible to support budget planning.

Annual Reports – Suggested Disclosure

We are aware that Members will soon be preparing Annual Reports and may need to include disclosure regarding Riskpool.

To assist, we set out below a suggested form of wording which Members may wish to use or adapt as appropriate:

"[Council name] was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind-down; however, the Council has an ongoing obligation to contribute to the Scheme should a funding call be made in respect of historical claims (to the extent those claims are not covered by reinsurance or where reinsurance recovery is delayed), and to fund the ongoing operation of the Scheme.

The likelihood of any call in respect of historical claims diminishes over time as limitation periods expire. However, following the Supreme Court's decision in August 2023 concerning mixed defect claims, a number of proceedings against Riskpool have progressed.

Several Member Councils have brought proceedings against Riskpool in relation to such claims. Two of these proceedings have been heard by the High Court, with judgment currently awaited. These cases are expected to provide clarity on the scope of Riskpool's historical obligations and the interpretation of Scheme documentation.

At this stage, the total potential liability associated with these matters cannot be reliably quantified."

Annual Members Meeting – 19 June 2026

Riskpool's Annual Members' Meeting will be held on Friday 19 June 2026 at the offices of Civic Financial Services, Wellington Chambers, Level 6, 154 Featherston Street, Wellington 6011. The meeting time will be confirmed in a formal notice to follow.

All Members are welcome to attend, either remotely or in person, and meet the Board of Directors who will be happy to answer any questions raised.

If your Council has any questions or would like further detail on any of the matters outlined above, please do not hesitate to contact me.

Thank you for your continued engagement and support.

Ngā mihi nui,



Stephen Ferson
General Counsel
Local Government Mutual Funds Trustee Ltd (Riskpool)

12.2 RISK UPDATE FOR INFORMATION & DISCUSSION

File Number: A7285280

Author: Simon Riley, Risk and Assurance Manager

Authoriser: Darren Crowe, People and Capability Manager

EXECUTIVE SUMMARY

The attached material received from our insurer, AON, is referred to the Committee for information and discussion.

BACKGROUND

1. AON recently launched their monthly series, "NZ Local Government Emerging Risk Horizon Scan", in which Councils are provided with updates that:
 - * highlight emerging (short to medium term) risks relevant to Councils
 - * ground those risks in what they could imply for Council services, and community
 - * set out key questions and considerations to help us think about impacts, controls, and responses
2. The attached material is shared with the Committee for information purposes and also as a catalyst for discussing current and emerging strategic risks faced by Council.
3. In response to AON's invitation, we may revert to them to clarify any points in the report, or in designing and facilitating workshops using the questions and themes they have provided as may be considered relevant. The Committee's feedback in this regard is welcomed.
4. Following from my report earlier this year, we are making progress in implementing our (Pulse) Risk Management Module; enhancing the nature and scope of Risk Management reporting we would expect to provide to the Committee going forward; implementing the continual improvement approach to our Risk Management Framework; enhancing our internal communications on Risk-related matters; and setting up a library of reference materials for the Committee in the Stellar portal.

ATTACHMENTS

1. **Aon Risk Horizon Report - May 2026** [↓](#)
2. **NZ Local Government May 2026 Emerging Risk Horizon Scan** [↓](#)

Simon Riley

From: [REDACTED]
Sent: Wednesday, 13 May 2026 5:06 pm
Subject: Aon Risk Horizon Report - May 2026
Attachments: NZ Local Government May 2026 Emerging Risk Hoizon Scan.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Objective: -1

Hi,

Further to the Risk Horizon Report that we launched specifically for Councils in April, please find attached the report for May.

Risk Horizon Updates (short to medium term risks)

Each month, we will be sending you concise Risk Horizon updates that:

- highlight emerging risks relevant to councils
- ground those risks in what they could mean for your organisation, services, and community
- set out key questions and considerations to help you think about impacts, controls, and responses

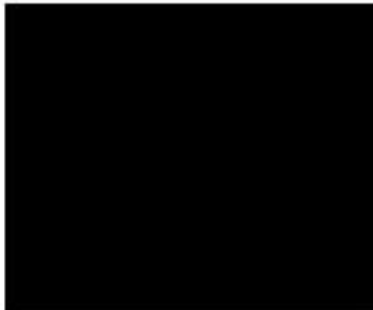
You can use these directly in the emerging risk section of your risk reports, briefings for ELT, elected members, and risk/assurance committees, and to inform your risk registers, work programmes, and decision papers.

Sharing with your Council

We encourage you to share these resources with anyone involved in risk, planning, finance, infrastructure, resilience, or governance support, including:

- your executive/leadership team
- risk, audit and finance committees
- strategy, planning, resilience, and risk management teams

We're here to help and are available to support you – whether that's clarifying any points in the reports, tailoring insights to your council's context, or designing and facilitating workshops using the questions and themes we've provided.



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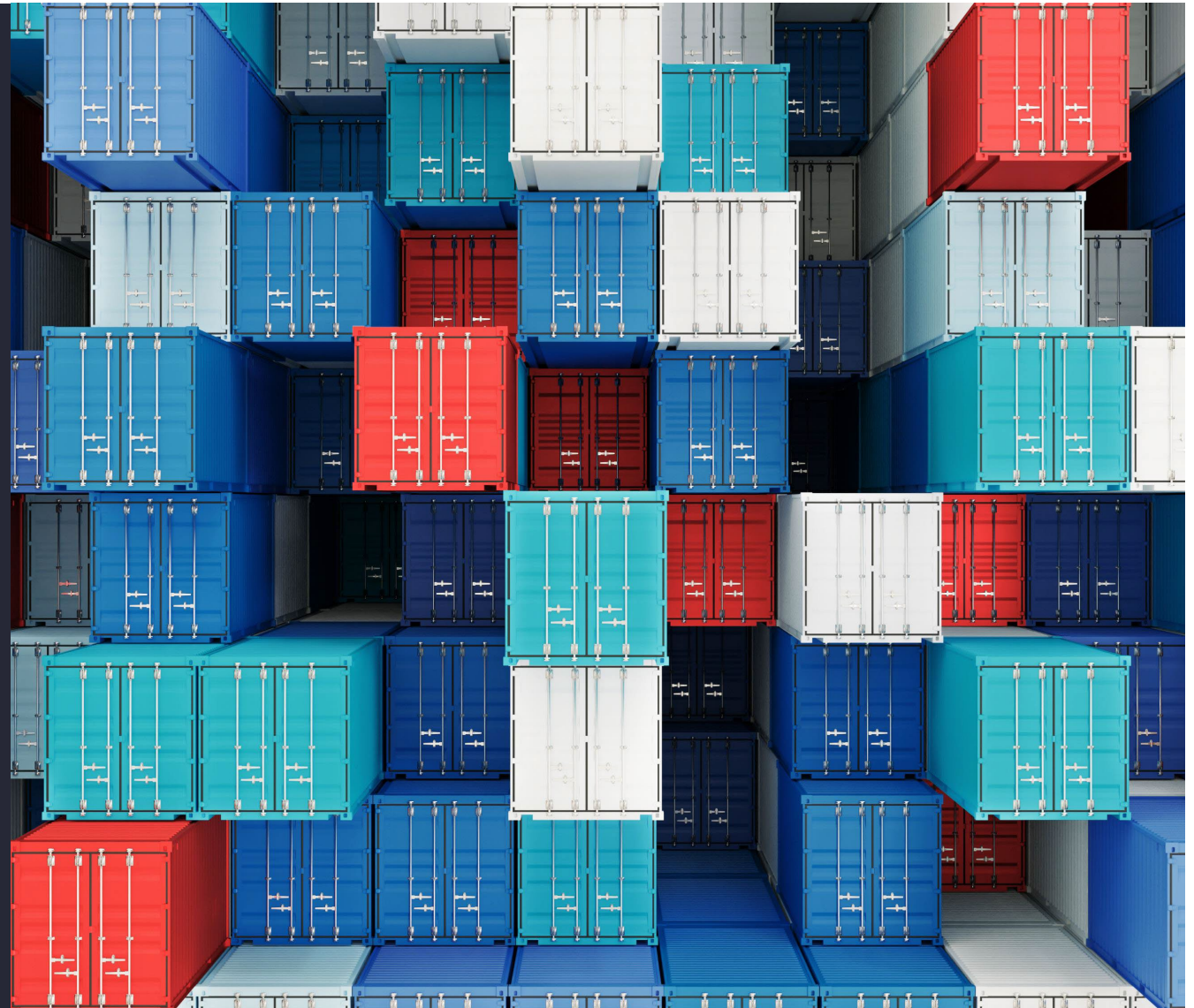
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NZ Local Government Emerging Risk Horizon Scan

May 2026

May 2026



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Context

Starting Point: April 2026

Anchor: Follows the April 2026 report

Scope: Core domestic risks:

- Climate
- Water
- Cyber
- Workforce
- Financial sustainability
- Misinformation
- Governance complexity

New Geopolitical Driver:

Iran / fuel added as a cross-cutting external shock

Current Assumptions

Global context (unchanged):

- No fundamental resolution of geopolitical tensions
- Ongoing fuel market volatility

Domestic context (adapting):

- Early budget responses
- Contract adjustments
- Scenario and contingency planning

Changes vs. Continuity

Continuity

- Same core risk set retained across the sector
- Relative 3-point rating scale maintained: High/Medium/Low
- Ratings designed to be adjusted for your council's specifics

Updates

- **Narratives refreshed for:**
 - Another month of developments
 - Early council responses and adaptation signals
- **Inherent & residual ratings updated** where:
 - Conditions have shifted
 - Preparedness has improved or weakened
 - New information has emerged

1

Geopolitical Tension, Iran Situation & Fuel/Energy Cost Pressure

AON



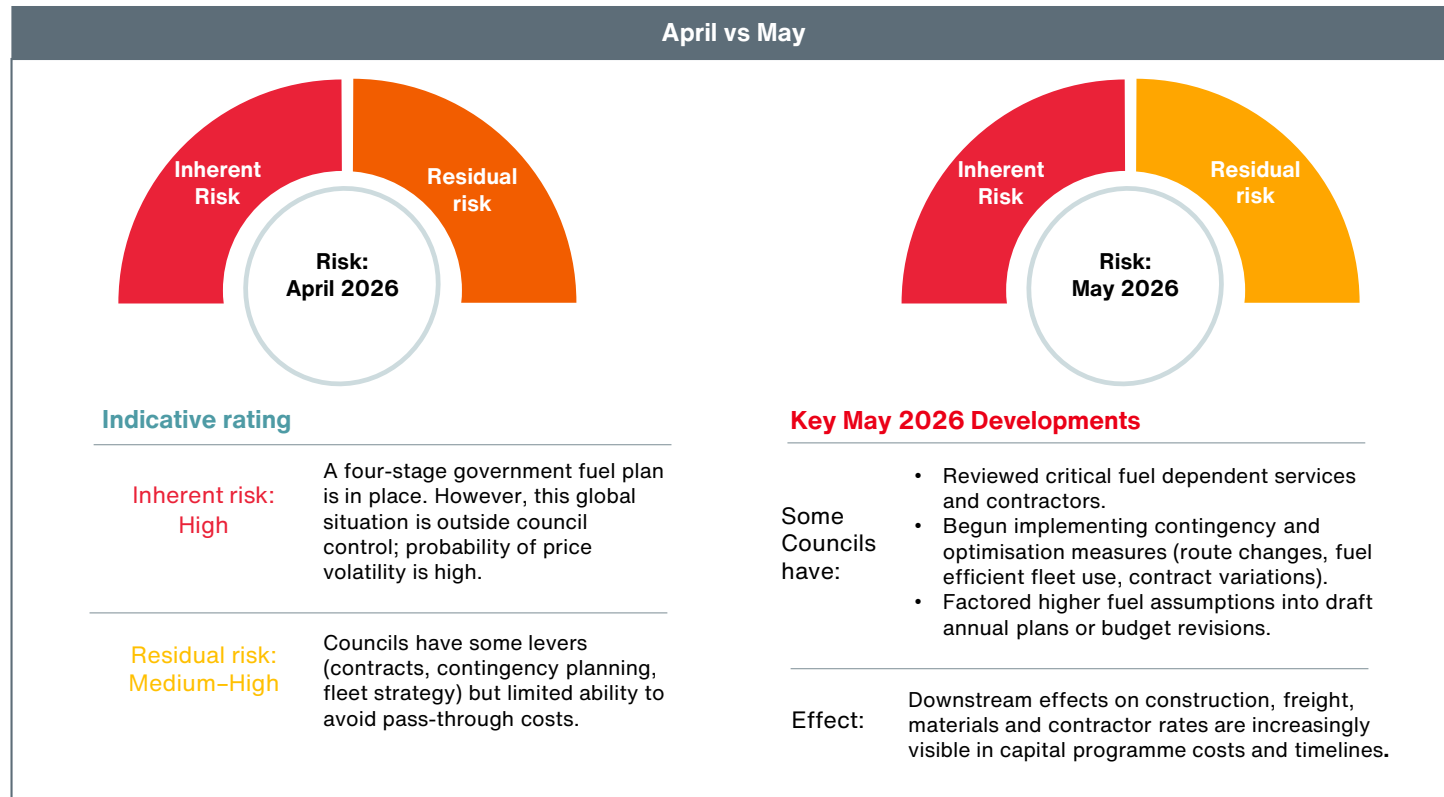
Status in May 2026:

The Iran related geopolitical environment and broader Middle East tensions continue to sustain elevated fuel and freight prices and uncertainty.

NZ councils are increasingly factoring these shocks into 2026/27 budget adjustments and project reprioritisation, but cost pressure remains.



Changes Over Time



Status in May 2026:

The Iran related geopolitical environment and broader Middle East tensions continue to sustain elevated fuel and freight prices and uncertainty.

NZ councils are increasingly factoring these shocks into 2026/27 budget adjustments and project reprioritisation, but cost pressure remains.



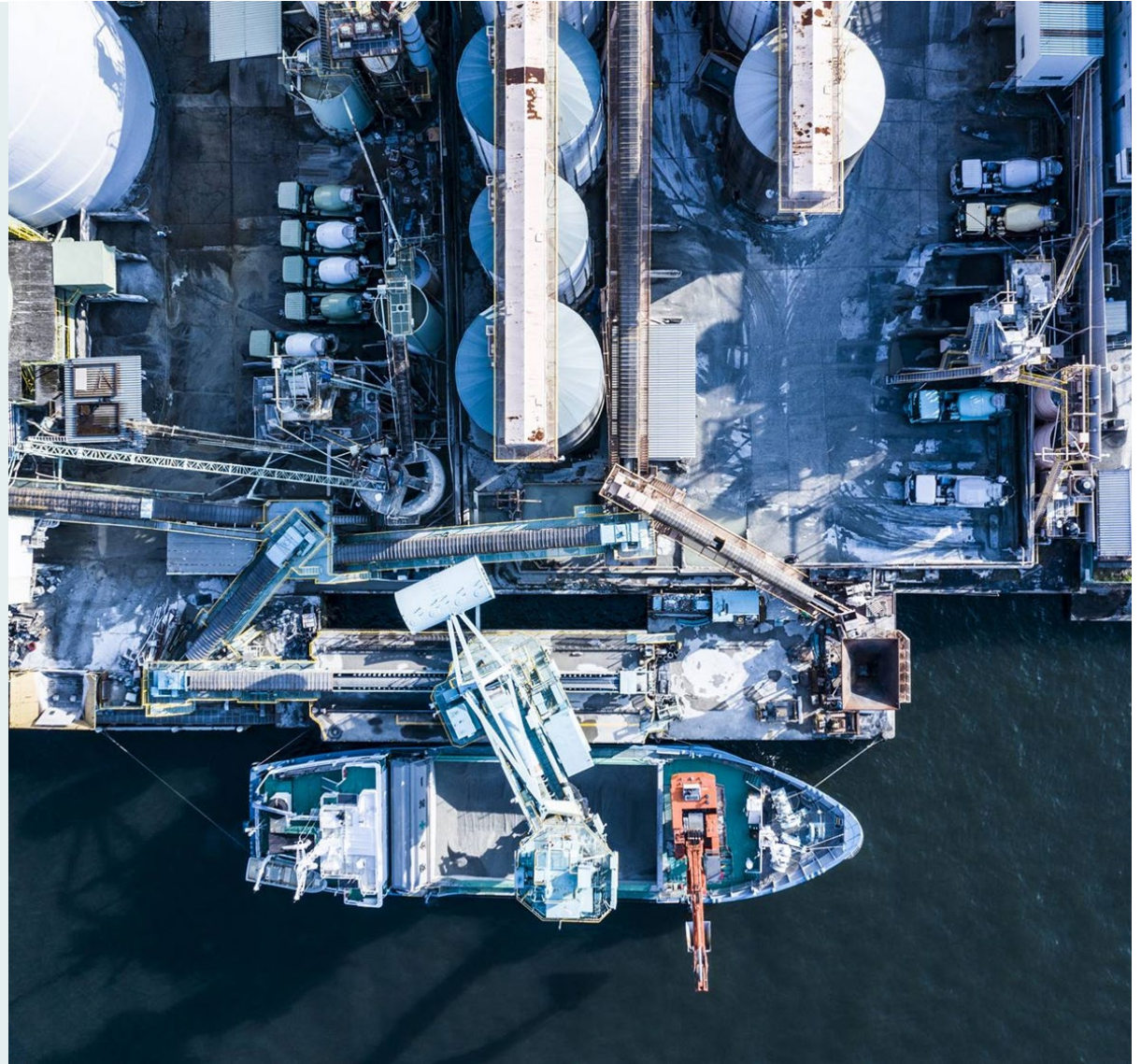
Implications for Councils & Priority Actions

Effects and Response	
Implications for Councils	Updated priority actions (next 3-6 months)
<p>Pressures On:</p> <ul style="list-style-type: none"> 💰 Operating Budgets 🔍 Regulatory Fieldwork 🔍 Emergency Management 💰 Certain Transports 🔍 Roading 🔍 Waste 🔍 Parks 	<p>Budgeting: Lock in revised fuel and input cost assumptions in 2026/27 budgets and LTP adjustments.</p>
<p>Risk of: Further capex deferrals or scope reductions on major projects due to escalating total costs.</p>	<p>Preparedness: Formalise fuel shock response plans in business continuity arrangements (prioritisation of services; coordination with CDEM and key partners).</p>
<p>Sensitivities: Growing community sensitivity to any fare, fee, or rates changes attributed to "global events".</p>	<p>Integration: Integrate fuel/energy volatility explicitly into the financial sustainability risk entry rather than treating it as a stand alone issue only.</p>

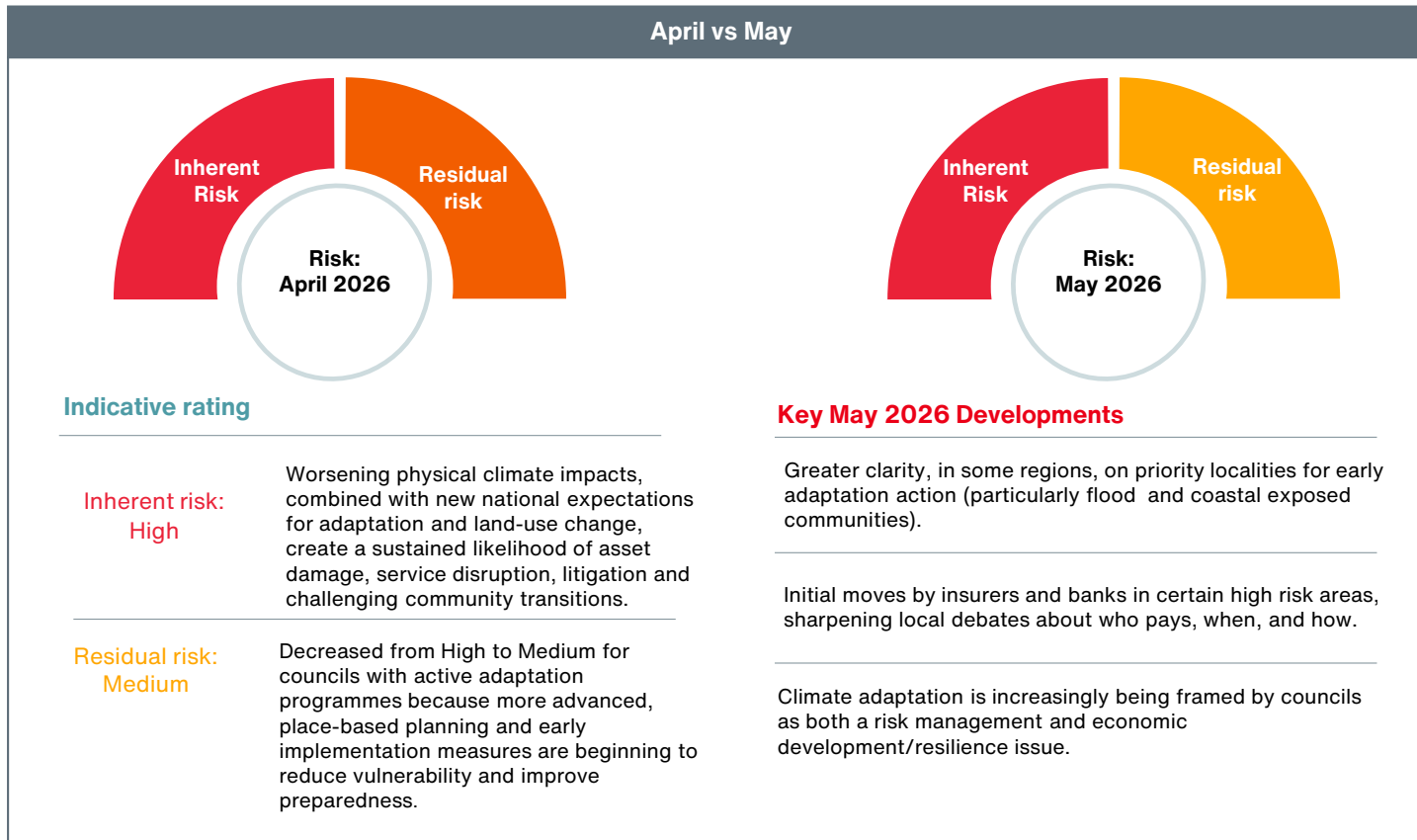
2

Accelerating Climate Adaptation & Natural Hazard Exposure

AON



Changes Over Time



Status in May 2026:

No reduction in underlying climate or natural hazard exposure; new data and guidance continue to emerge.

A handful of councils have advanced place based adaptation planning; others remain in early stages.

Implications for Councils & Priority Actions

Effects and Response	
Updated priority actions and responsibilities	
Implementation	Move from strategy to portfolio level implementation planning: timelines, costs, funding options, sequencing of projects and community engagement.
Alignment	Strengthen alignment between adaptation priorities and capital programme (water, transport, stormwater, community facilities).
Engagement	Develop clearer communications and engagement strategies to connect adaptation decisions with costs, insurance changes and community safety.

Status in May 2026:

No reduction in underlying climate or natural hazard exposure; new data and guidance continue to emerge.

A handful of councils have advanced place based adaptation planning; others remain in early stages.



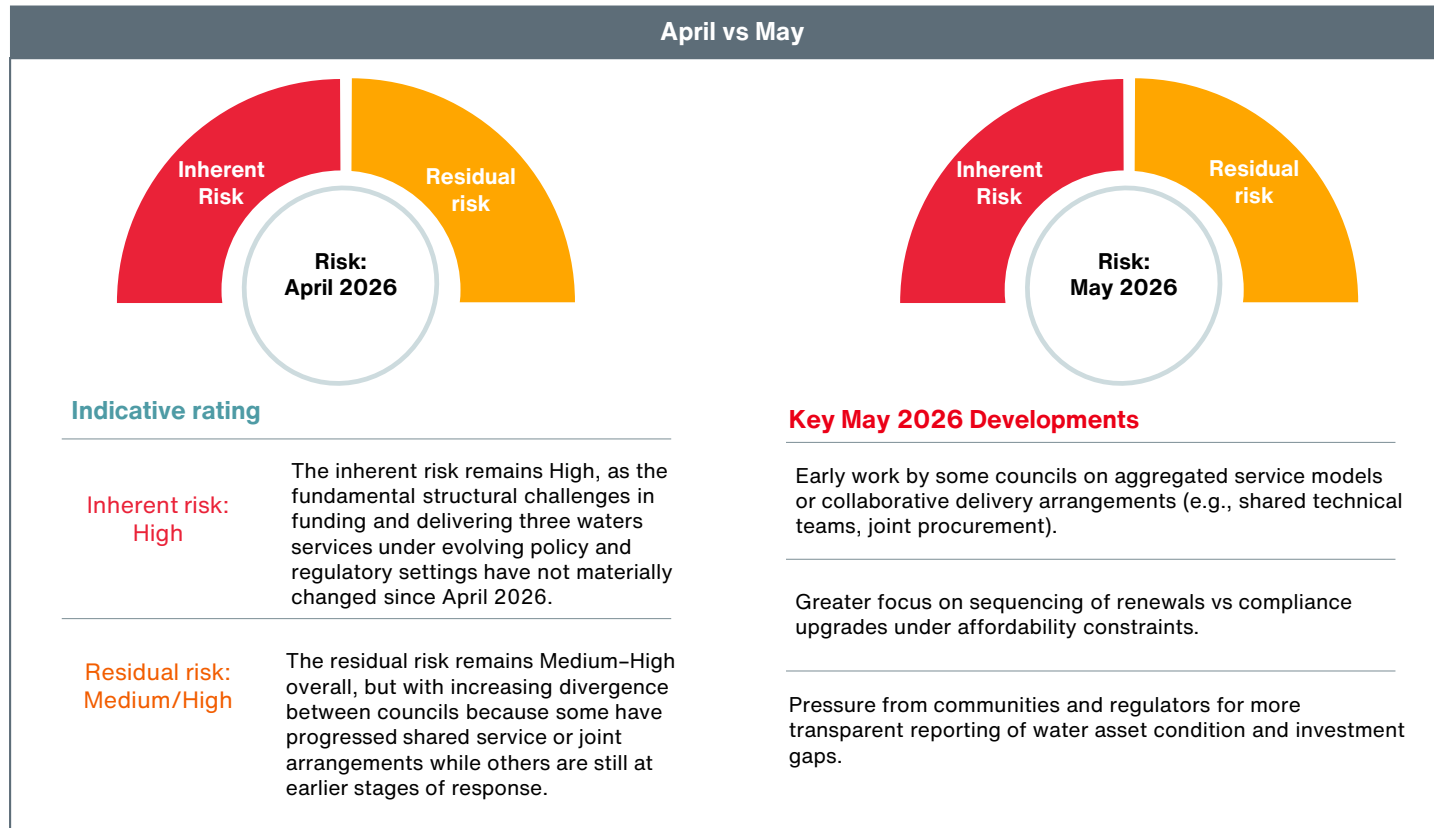
3

Water Services Viability & Reform (Local Water Done Well Context)

AON



Changes Over Time



Status in May 2026:

Water remains a critical, unresolved structural issue.

Some councils have progressed internal thinking or regional discussions on shared service entities or joint arrangements, but sector wide implementation remains uneven.



Implications for Councils & Priority Actions

Effects and Response	
Implications for Councils	Updated priority actions (next 3–6 months)
<p>Pressures On Councils:</p> <ul style="list-style-type: none"> 💰 Tightening drinking water and environmental standards under LWDW reforms. 🔍 Large capex backlogs and ageing three waters infrastructure. 🔍 Limited debt headroom and low ratepayer tolerance for further increases. 🔍 Expectations to consider shared entities or collaborative delivery models. 	<p>Governance: Firm up a medium term organisational model for water (standalone, shared, CCO etc.) with clear risk and governance implications.</p>
<p>Risk of: Regulatory non-compliance, service failures, reputational damage, public dissatisfaction and governance or transition issues if shared service models are not well designed or implemented.</p>	<p>Preparedness: Prioritise a small number of critical compliance and risk reduction projects, with clear benefit/risk logic, over “nice to have” upgrades.</p>
<p>Sensitivities: Affordability for ratepayers, perceptions of local control, political accountability for any visible failures, and how openly investment gaps and asset condition are reported.</p>	<p>Transparency: Enhance public reporting and communication about water investment needs, performance, and trade offs.</p>

Status in May 2026:

Water remains a critical, unresolved structural issue.

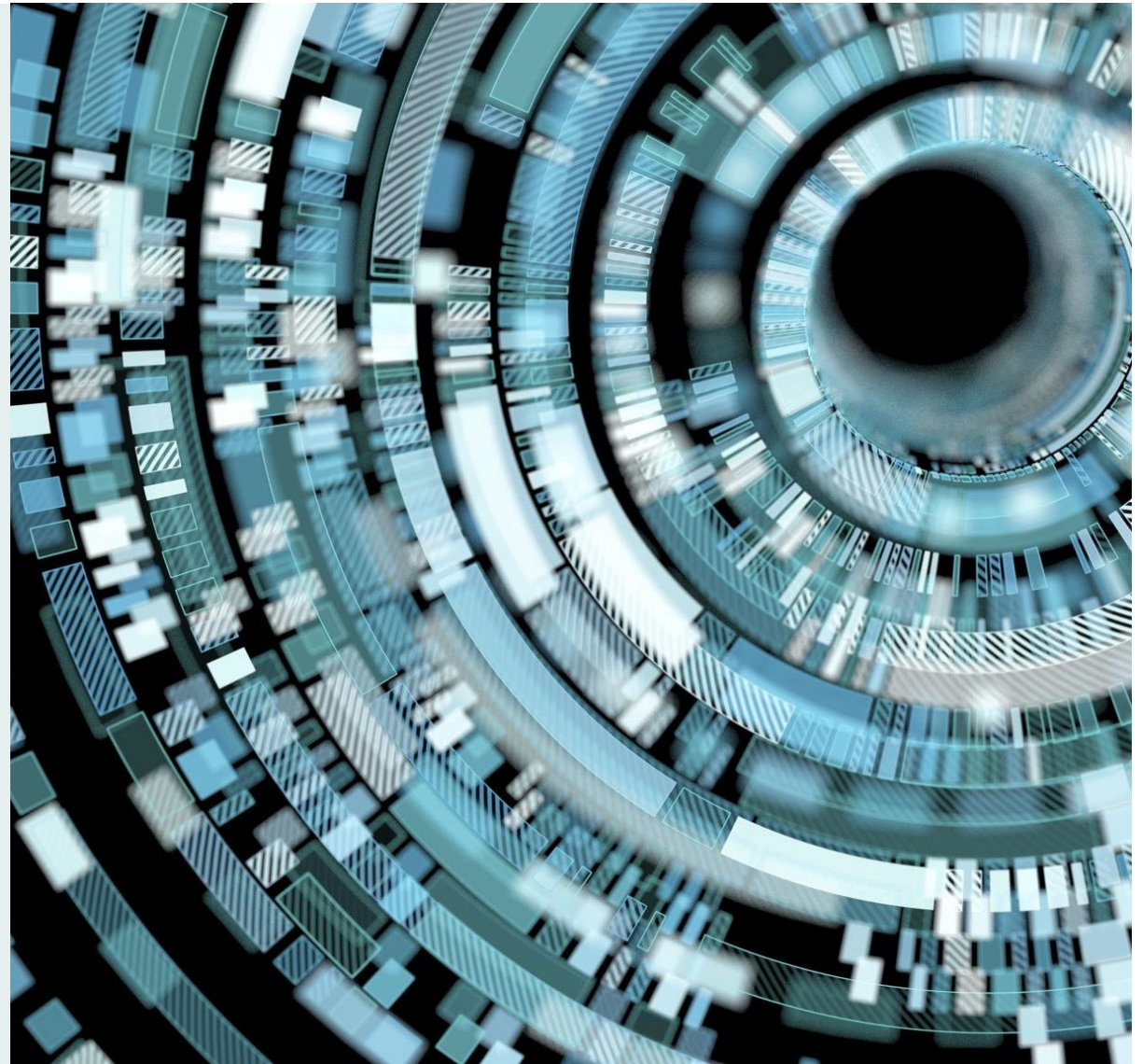
Some councils have progressed internal thinking or regional discussions on shared service entities or joint arrangements, but sector wide implementation remains uneven.



4

Cybersecurity, Data Breach & Digital/AI Resilience

AON



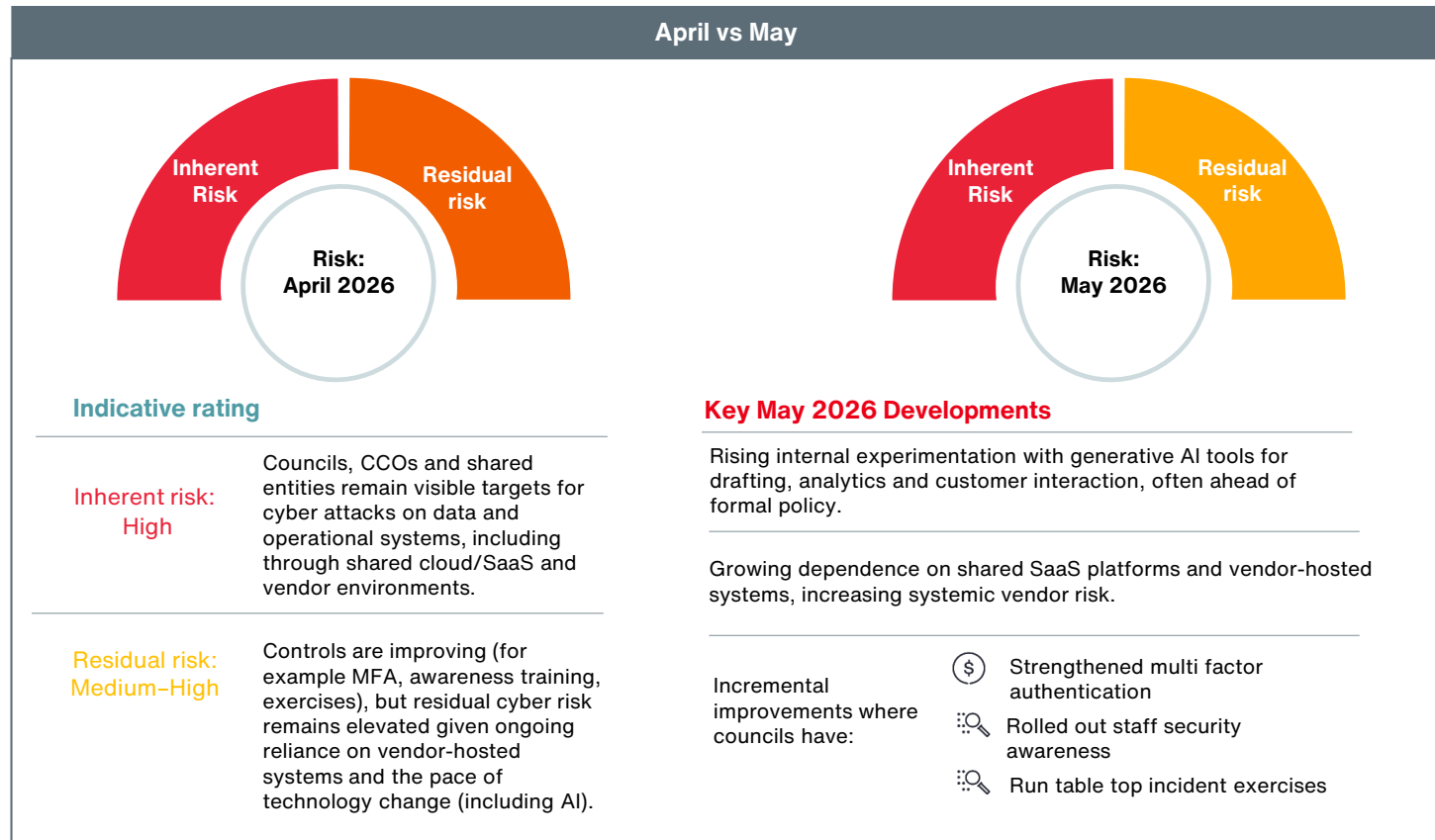
Status in May 2026:

Threat environment remains highly active.

Some councils are mid way through cyber uplift programmes; sector capability remains variable.



Changes Over Time



Status in May 2026:

Threat environment remains highly active.

Some councils are mid way through cyber uplift programmes; sector capability remains variable.



Implications for Councils & Priority Actions

Effects and Response	
Updated priority actions and responsibilities	
Governance	Finalise and enforce an AI and digital tool governance policy (acceptable use, data classification, privacy, security).
Protection	Expand cyber risk assessment and controls.
Preparedness	Schedule regular incident simulation exercises including communications, privacy notification, and elected member briefing components.

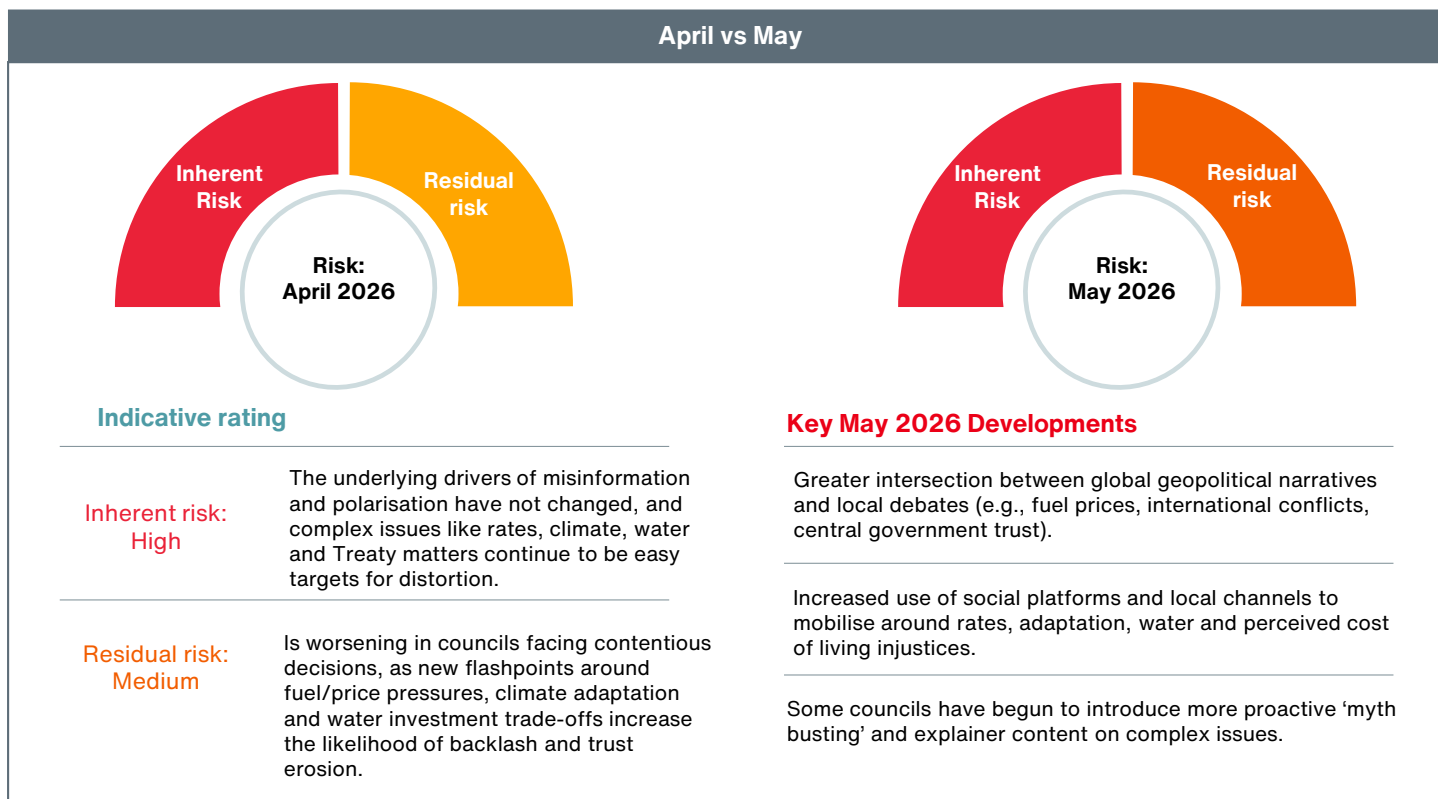
5

Misinformation, Polarisation & Trust in Local Institutions

AON



Changes Over Time



Status in May 2026:

Underlying social and trust dynamics are unchanged; topical triggers now include fuel/price pressures, climate adaptation decisions, and water investment trade offs.



Implications for Councils & Priority Actions

Effects and Response	
Updated priority actions and responsibilities	
Response	Operationalise a misinformation playbook: monitoring, triggers, rapid factual responses, spokespersons, and escalation routes.
Safeguarding	Integrate wellbeing and safety measures for staff and elected members into this risk (e.g., protocols for threats, de escalation support, online abuse).
Trust	Design consultation processes that build trust (co design, iwi and community partnership, clear evidence based narratives).

Status in May 2026:

Underlying social and trust dynamics are unchanged; topical triggers now include fuel/price pressures, climate adaptation decisions, and water investment trade offs.



6

Workforce, Capability & Delivery Capacity

AON



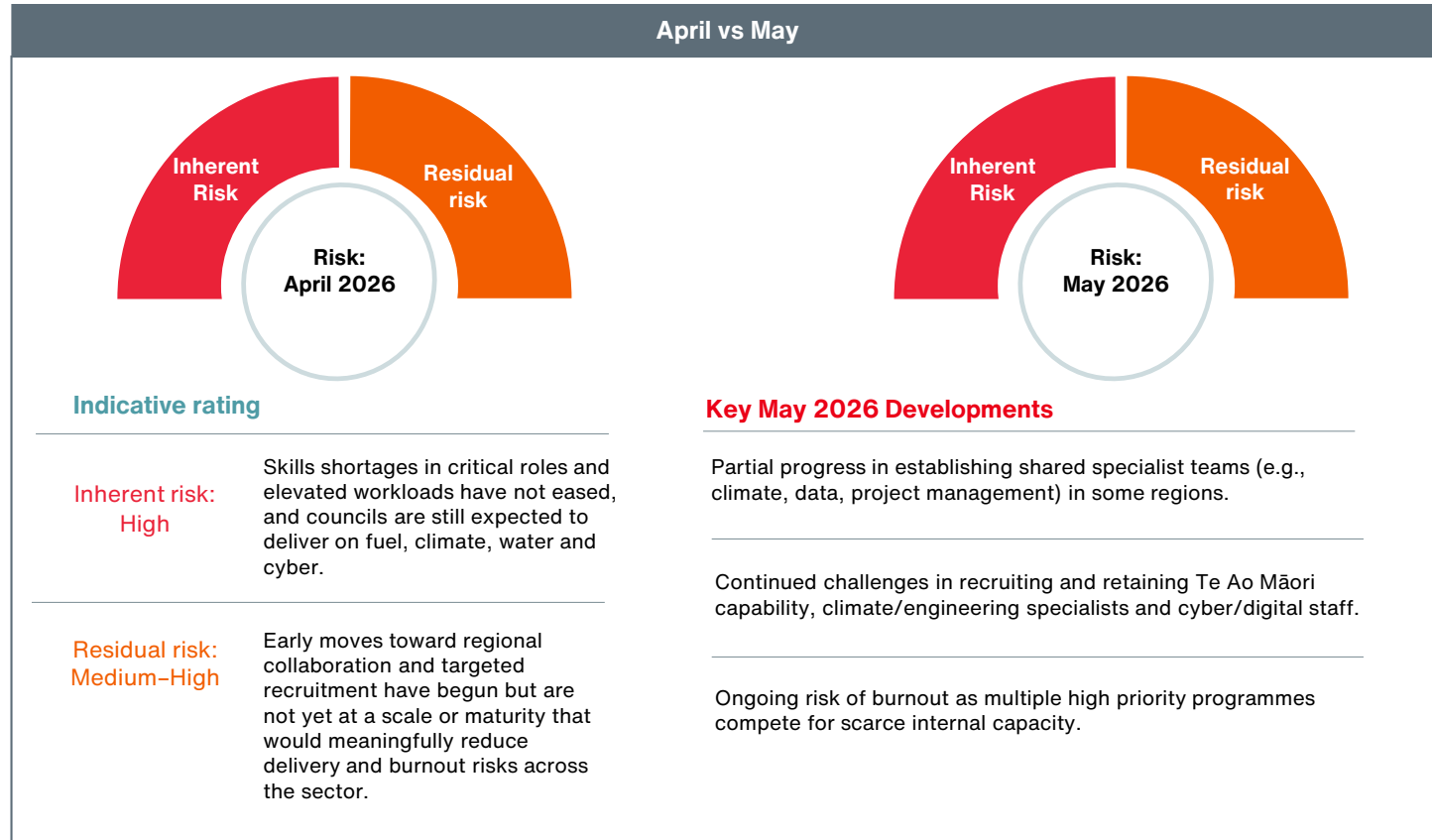
Status in May 2026:

Skills shortages persist; some councils have taken first steps in regional collaboration and targeted recruitment.

Workload remains elevated as councils respond to fuel cost pressures, climate work, water planning, and cyber uplift concurrently.



Changes Over Time



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Implications for Councils & Priority Actions

Effects and Response	
Updated priority actions and responsibilities	
Focus	Tighten prioritisation of work programmes explicitly through the lens of workforce capacity (what will we stop, slow, or share?).
Collaboration	Deepen regional workforce strategies (joint recruitment, graduate pipelines, shared training and development).
Continuity	Invest in succession planning and knowledge transfer for key roles and subject matter experts.

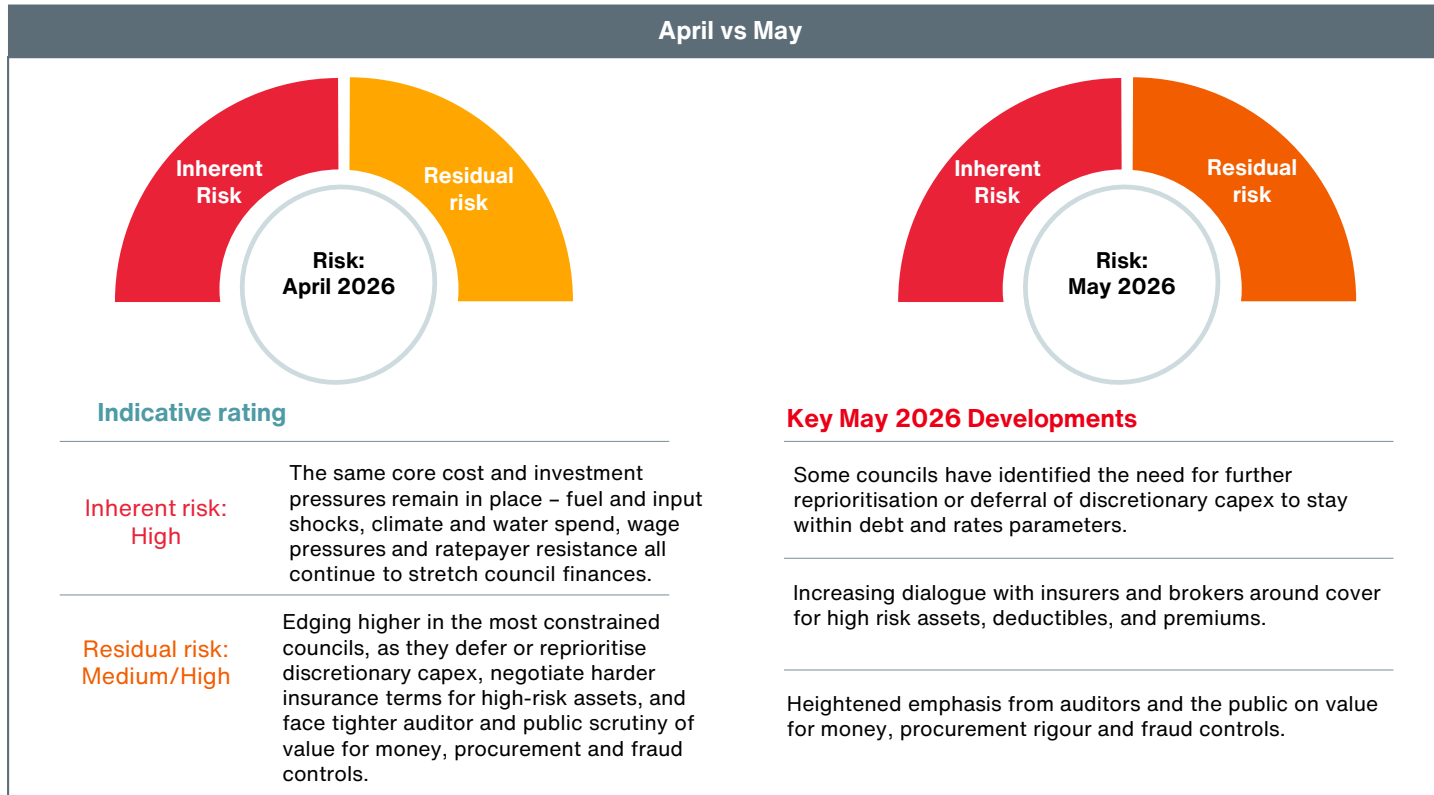
7

Financial Sustainability, Insurance & Integrity Risk

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Changes Over Time



Status in May 2026:

Financial sustainability is being tested on multiple fronts: fuel and input cost shocks, climate and water investment, wage pressures, and community resistance to rates and charges.



Implications for Councils & Priority Actions

Effects and Response	
Updated priority actions and responsibilities	
Modelling	Update scenario analyses and stress tests to incorporate sustained higher fuel and construction costs as base or central scenarios, not just shocks.
Coverage	Re-evaluate insurance portfolios and risk financing strategy (e.g., where to self insure, where to retain high deductibles, what must remain insured).
Strategy	Re-confirm and communicate rates and debt strategies, including the consequences of under investment, to avoid short term decisions that create long term liabilities.

Status in May 2026:

Financial sustainability is being tested on multiple fronts: fuel and input cost shocks, climate and water investment, wage pressures, and community resistance to rates and charges.



8

Governance Complexity, Reform Uncertainty & Role Creep

AON

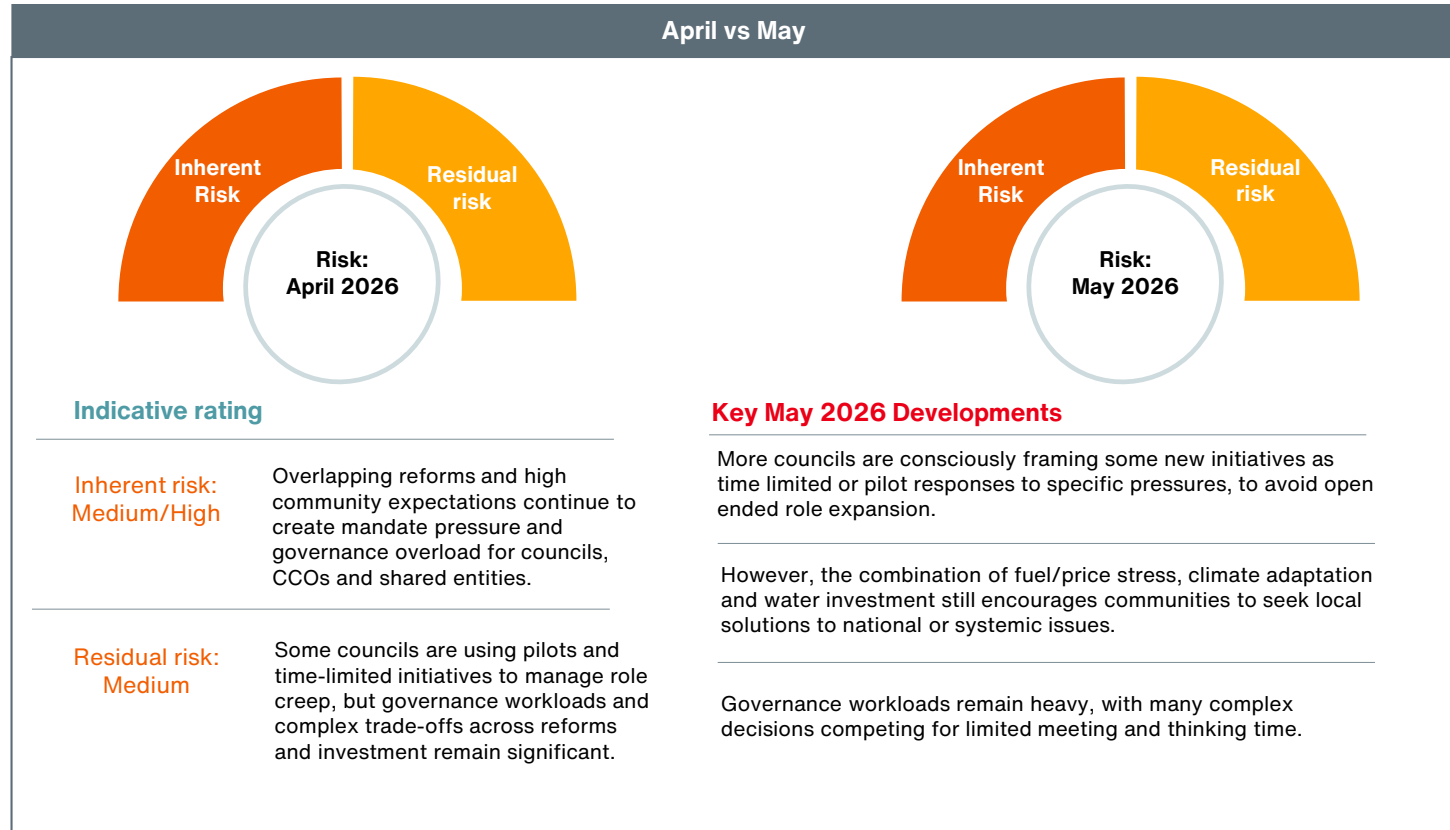


Status in May 2026:

Reform and policy uncertainty (planning, water, climate, emergency management) continues; community expectations remain high that councils will “fill gaps” in wellbeing, housing and public safety.



Changes Over Time



Status in May 2026:

Reform and policy uncertainty (planning, water, climate, emergency management) continues; community expectations remain high that councils will “fill gaps” in wellbeing, housing and public safety.



Implications for Councils & Priority Actions

Effects and Response	
Updated priority actions and responsibilities	
Context	Use a concise “external pressures and reform map” at each key governance meeting to provide context and avoid piecemeal decisions.
Discipline	Explicitly test all new or expanded initiatives against mandate, funding, and risk capacity — and document where the council chooses to go beyond core roles.
Capability	Support elected members and senior leaders with targeted briefings and development on risk informed decision making in constrained environments.

9

May 2026 Emerging Risk Register – Ranked Summary

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Summary				
Risk ID	Risk Title	Inherent Rating	Residual Rating	Change vs April 2026 (Narrative/Trend)
1	Geopolitical Tension (Iran) & Fuel/Energy Cost Pressure	High	Medium-High	Risk remains high; trend stabilising as councils begin to adapt budgets and operations.
2	Accelerating Climate Adaptation & Natural Hazard Exposure	High	High / Medium	No rating change; narrative updated to reflect more councils moving into implementation.
3	Water Services Viability & Reform (Local Water Done Well)	High	Medium-High	Stable; early moves on shared models and prioritisation but no fundamental risk reduction.
4	Cybersecurity, Data Breach & Digital/AI Resilience	High	Medium-High	Stable; more councils starting uplift work, but AI and vendor risk now more prominent.
5	Misinformation, Polarisation & Trust in Local Institutions	High	Medium (↘ control)	Residual risk unchanged, but narrative notes rising pressure in councils facing hard calls.
6	Workforce, Capability & Delivery Capacity	High	Medium-High	Stable; slight improvement where regional collaboration grows, but overall constraint remains.
7	Financial Sustainability, Insurance & Integrity Risk	High	Medium-High (↑ risk)	Elevated relative to April due to sustained cost pressures and tighter investment trade-offs.
8	Governance Complexity, Reform Uncertainty & Role Creep	Medium-High	Medium	Stable; some better discipline around role creep in parts of the sector.



Summary

Overall risk levels are broadly stable between April and May 2026.

- Financial sustainability edges higher in relative concern as fuel and cost pressures become “the new normal” rather than a temporary spike.
- The Iran/fuel geopolitical driver remains important but is starting to be integrated into broader financial and operational planning.
- Climate, water and cyber continue to dominate the top tier of long-term systemic risks, with delivery, workforce and governance capacity as key enablers or constraints.



Contacts

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About Aon

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13 RESOLUTION TO EXCLUDE THE PUBLIC – WHAKATAU KI TE PORO I TE MAREA**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
13.1 – Confidential Minutes of the Audit, Risk and Finance Committee Meeting held on 17 March 2026	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
13.2 – Insurance and Litigation Report	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
13.3 – Risk Management	s7(2)(a) – the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	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