

CANTERBURY REGIONAL COUNCIL  
*Kaunihera Taiao ki Waitaha*

# AGENDA|2018

## PERFORMANCE, AUDIT AND RISK COMMITTEE

Thursday 29 March 2018  
Time: 2.00pm

Venue: Council Chamber,



## **Performance, Audit and Risk Committee**

### **Membership**

**Chair** Rod Cullinane

### **Environment Canterbury**

<b>Councillors:</b>	Claire McKay	John Sunckell
	Lan Pham	Peter Scott



## ENVIRONMENT CANTERBURY

### PERFORMANCE, AUDIT AND RISK COMMITTEE

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# 1. Appointment of Acting Chair

## 1.1. Appointment of Acting Chair

### Performance, Audit and Risk Committee (PARC) report

<b>Date of meeting</b>	Thursday, 29 March 2018
<b>Author</b>	Vivienne Ong Committee Advisor - Governance
<b>Endorsed by</b>	Cindy Butt Team Leader - Governance

### Purpose

1. To appoint an Acting Chair for the Performance, Audit and Risk Committee Meeting being held on 29 March 2018.

### Value proposition

2. Section 7, Part 1, Clause 26(3) of the Local Government Act 2002 determines:

**“26 Chairperson of meetings**

- (3) *The local authority may appoint a member of a committee to be the chairperson of that committee and, if the local authority, on the appointment of the committee, does not appoint a chairperson, that power may be exercised by the committee.”*

### Recommendations

**That the Performance, Audit and Risk Committee:**

1. **Appoint Councillor Peter Scott as the Acting Chair for the meeting.**

<b>Peer reviewer</b>	Cindy Butt, Governance Services Team Leader
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## **2. Apologies**

## **3. Deputations and Petitions**



## **4. Conflict of Interest**



## 5. Risk

### 5.1. Health and Safety

#### Performance, Audit and Risk Committee (PARC) Report



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<b>Date of Meeting</b>	29 March 2018
<b>Author</b>	Catherine Schache General Counsel
<b>Endorsed by</b>	

#### Purpose

1. Report to follow under separate cover.



## 5.2. Operational Report February 2018

### Performance, Audit and Risk Committee (PARC) report

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<b>Date of meeting</b>	Thursday 29th March 2018
<b>Author</b>	Chantel Mills Team Leader – Corporate Reporting
<b>Endorsed by</b>	Katherine Harbrow Chief Financial Officer

#### Purpose

1. To report on operational performance by portfolio for the eight-month period ended 28 February 2018.

#### Value proposition

2. To enhance the Performance, Audit and Risk Committee's understanding of the organisations operational performance.

#### Recommendations

**That the Performance, Audit and Risk Committee:**

1. **receives the Operational Performance report for the eight months ended 28 February 2018.**

#### Background

3. The Performance, Audit and Risk Committee (PARC) Operations Report for February 2018 includes service delivery and related financial performance information for the 2017/18 year to date.

#### Overall Performance

4. 83 of the 88 measured Levels of Service (LoS) performance targets for the year are on track to be achieved.
5. For the eight-months ended 28 February 2018, we are showing an operating surplus (excluding business units and other non-operating items) of \$1.82 million against a budgeted deficit of \$2.75 million, or a \$4.57 million variance to budget. This variance consists of \$0.55 million more revenue and \$4.02 million less expenditure than budget.

## Performance against Levels of Service (LoS)

6. There are 93 LoS targets in 2017/18, with 5 not being measured (i.e. 1 in Air Quality; 1 in Canterbury Water Management Strategy; and 3 in Passenger Transport), leaving 88 targets being reported on in the Operational Performance report.
7. At this stage of the year, 1 LoS target in CWMS has been achieved; 3 LoS targets are not on track (1 in CWMS and 2 in Planning); and 1 LoS target in Regional Leadership will not be achieved this year.

TARGET	Current Month	Prior Month	Portfolio	Narration
Orari-Temuka-Opihi-Pareora and Waimakariri scheduled for Year 3 LTP (2017/18).	Not on track	Not on track	CWMS	Delays to the notification of both sub-regional plans now confirmed.
Target dates for statutory plan public notification are met.	Not on track	Not on track	CON	It is anticipated that the OTOP notification date may need to be delayed, and also the already acknowledged delay in the Waimakariri notification date.
A median of 24 days or less of total elapsed time is achieved.	Not on track	On Track	CON	There has been an increase in complex consent applications which take more time to process. However, this does not represent a reduction in quality of work.
Environment Canterbury's policy advice meets NZIER's good practice standards with scores on average 6.75 or better.	Will not be Achieved	Will not be Achieved	REG LEAD	Assessment score for 2017/18 is 6.7 (.05 below Level of Service target score).

8. Please refer to the attached Levels of Service Report for further details.

## Financial Performance

### Revenue

9. Rates revenue is in line with budget. User pays and Other revenue are slightly higher (6.9%) than budget and Grants are slightly lower (4.7%) than expected.

#### User pays and Other revenue

10. User pays and other revenue are higher than budget in the Hazards, risk and safety portfolio, with additional funds being received from flood protection and control works (\$0.43M); and 2016 North Canterbury Earthquake recoveries (\$0.27M).
11. Transport, Greater Christchurch Rebuild and Urban Development user pays revenue is \$0.66M higher than anticipated because of higher public transport contract revenue.
12. User pays and other revenue in the Planning, Consents and Compliance portfolio are \$0.55M lower than budget, with consent processing application revenue being down \$0.70M due to fewer consent applications being received; and \$0.19M more revenue received from RMA consent monitoring and incident response activities for the year to date.

### Grants



13. Transport, Greater Christchurch Rebuild and Urban Development grant revenue is \$1.99M underbudget due to capital grant funded IT projects being delayed (\$0.98M), lower contract grant revenue (\$0.61M).
14. Biodiversity and biosecurity have received additional grant revenue of \$1.39M from the Ministry of Primary Industries (MPI) towards the control of wilding conifer.

## Expenditure

15. Transport, Greater Christchurch Rebuild and Urban Development operating expenses were \$1.92M (4.0%) lower than budget with delays to IT projects and lower bus contract expenditure. Total mobility transport programme is slightly overspent (\$0.33M) due to increased patronage.
16. The operating expenditure for Planning, Consents and Compliance is \$1.37M (12.9%) lower than anticipated, with \$0.71M of the variance being attributed to fewer consent applications being received year to date. There have been fewer RMA compliance incidents requiring response and investigation this year, resulting in an underspend of \$0.56M.
17. In the Hazards, risk and safety portfolio, Flood protection and control works are \$0.57M underspent due to delays in Northern area works. The delayed works are scheduled to start this coming Winter. Flooding events in July and February have resulted in Emergency management being \$0.40M overspent.
18. Biosecurity expenditure is \$1.19M higher than budget and is primarily due to work being done to control wilding conifer. The wilding conifer control costs are offset by grant revenue from MPI.

## Attachments

- Operational Performance Report February 2018
- Levels of Service Report February 2018

<b>File reference</b>	[SharePoint link for this paper]
<b>Peer reviewers</b>	[Names of two peer reviewers who have reviewed this paper]

[remove-from-minutes-end]



## LEVELS OF SERVICE TARGETS

88

## OPERATING PERFORMANCE



Achieved

1

On Track

83

Not On Track

3

Won't Achieve

1

REVENUE

107.84 M

Goal: 107.29 M 0.52%

EXPENDITURE

106.02 M

Goal: 110.04 M -3.65%

SURPLUS/DEFICIT

1.82 M

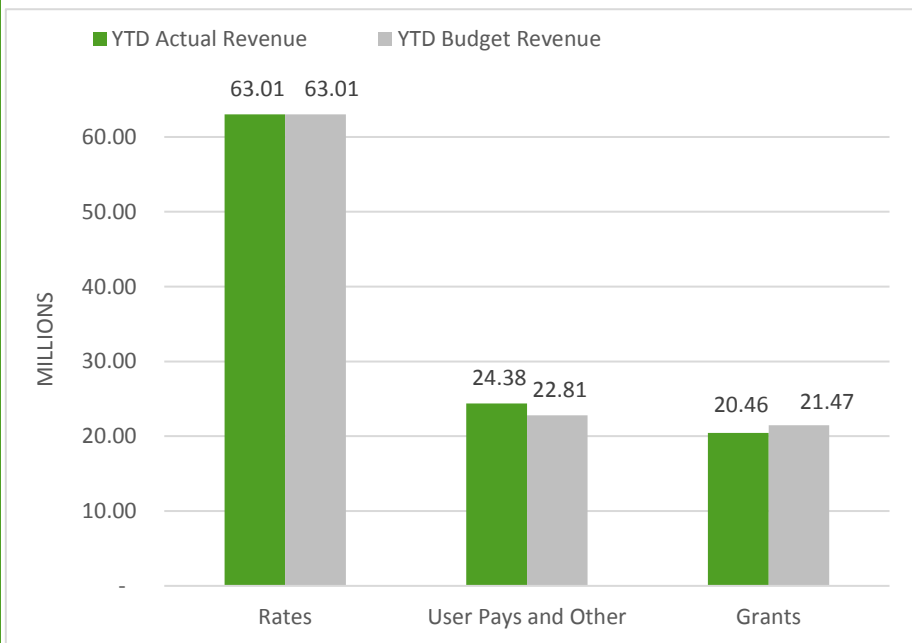
Goal: -2.75 M

Reporting Period

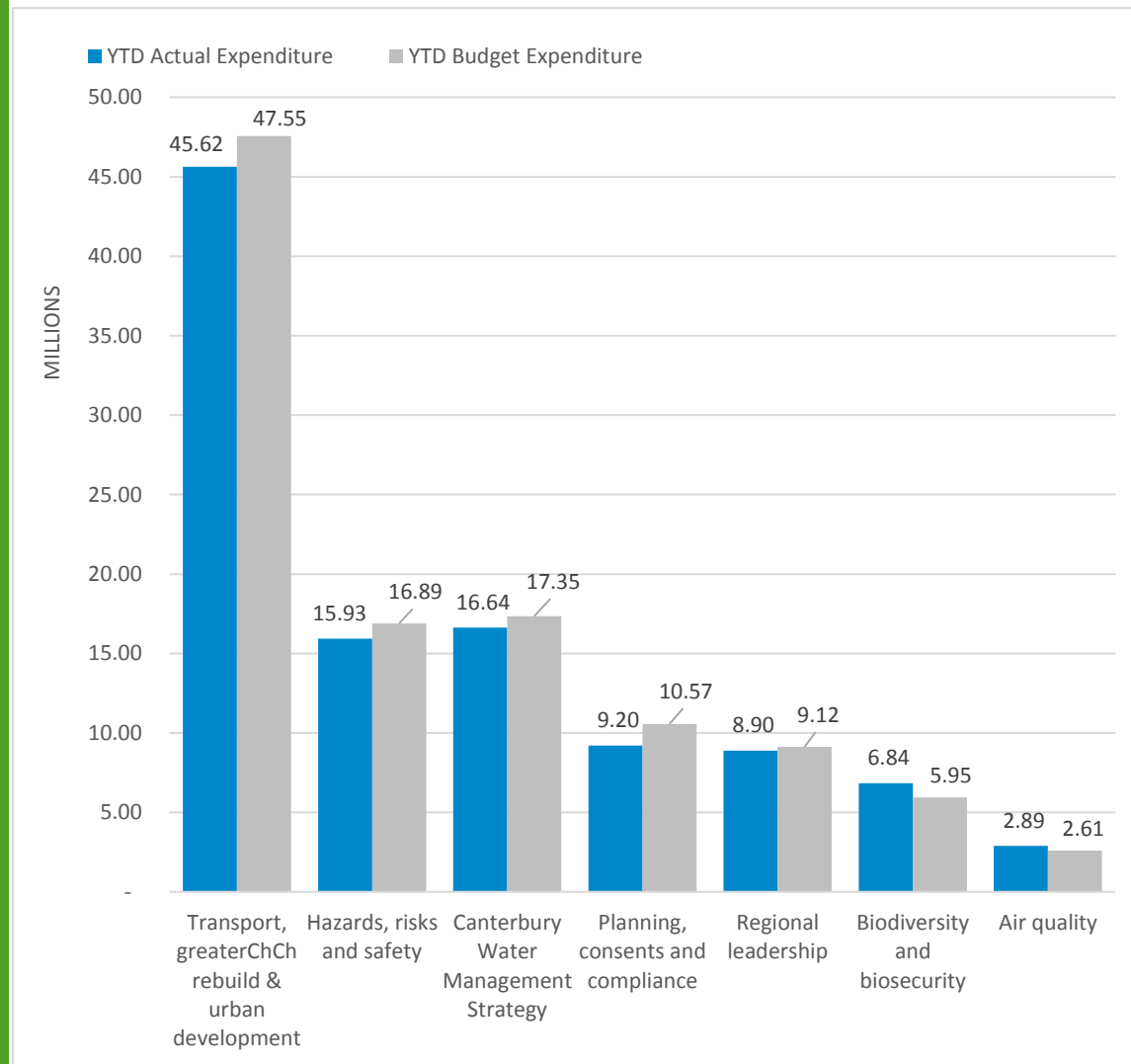
1/07/2017

28/02/2018

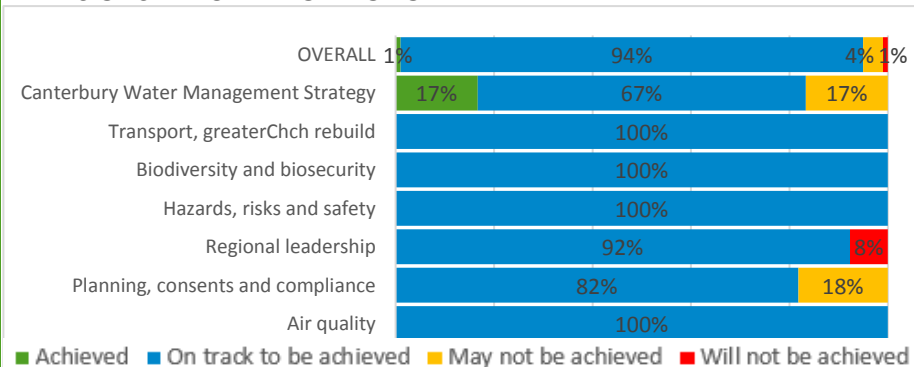
## REVENUE



## EXPENDITURE



## LEVELS OF SERVICE BY PORTFOLIO



## CANTERBURY WATER MANAGEMENT STRATEGY

### LEVELS OF SERVICE TARGETS

6

ACHIEVED

1

ON TRACK

4

NOT ON TRACK

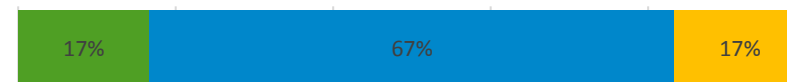
1

WON'T ACHIEVE

0

### STATUS: LEVELS OF SERVICE TARGETS

■ Achieved ■ On track to be achieved ■ May not be achieved ■ Will not be achieved



### Levels of Service

5

### Measures

6

### Targets

7

### Not Measured This Year

1

### COMMENTS ON SERVICE DELIVERY

New community zone committee members have been welcomed during February round of zone committee meetings. Progress in sub-regional planning has seen Waimakariri groundwater modelling data completed and OTOP is now considering community feedback before finalising ZIPA. Scoping work for the 2019 Omnibus Plan Change is progressing. The significant environmental infrastructure projects; 'Broadacres TSA' and 'South Hinds NRR ' are progressing well after weather delays in 2017. Surface and Groundwater projects are progressing well including summer student monitoring programmes covering swimming sites and monitoring of AEH. Land Management Advisors continue to roll out the 'Consent to Farm' and GMP campaigns.

### EMERGING ISSUES

The OTOP notification date has been belayed to allow for ecological flow work to inform the development of the subregional plan. This coupled with the previously acknowledged delay in Waimakariri notification date means that Level of Service will not be achieved.

### WATCHLIST

The following targets were not achieved in 2016/17:

The annual progress report on joint work programmes with CDHB, Irrigation NZ, the Canterbury dairy industry, Fish and Game (North Canterbury and Central South Canterbury) was not made available on our website at 30/06/2017.

### ACRONYMS / ADDITIONAL NOTES / METRICS

FEP - Farm Environment Plan  
ZIPA - Zone Implementation Programme Addendum  
NRR - Near River Recharge  
TSA - Targeted Stream Augmentation  
AEH - Aquatic Ecosystem Health  
GMP - Good Management Practice  
OTOP - Orari Temuka Opihi Pareora water zone

Reporting Period

1/07/2017 28/02/2018

Caroline Hart

## CANTERBURY WATER MANAGEMENT STRATEGY

### OPERATING PERFORMANCE

#### REVENUE

**16.29 M**

Goal: 15.84 M 2.82%

#### EXPENDITURE

**16.64 M**

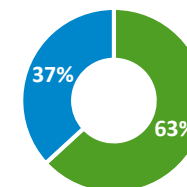
Goal: 17.35 M -4.13%

#### SURPLUS/DEFICIT

**-0.35 M**

Goal: -1.51 M

#### YTD ACTUAL EXPENDITURE vs FULL YEAR BUDGET



■ YTD Actual ■ Full Year Budget

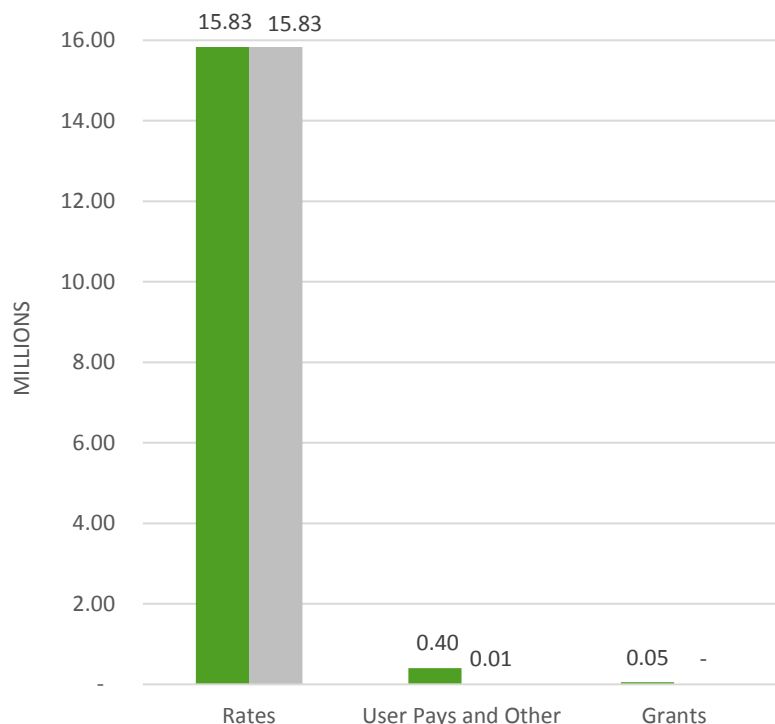
#### REVENUE

On track

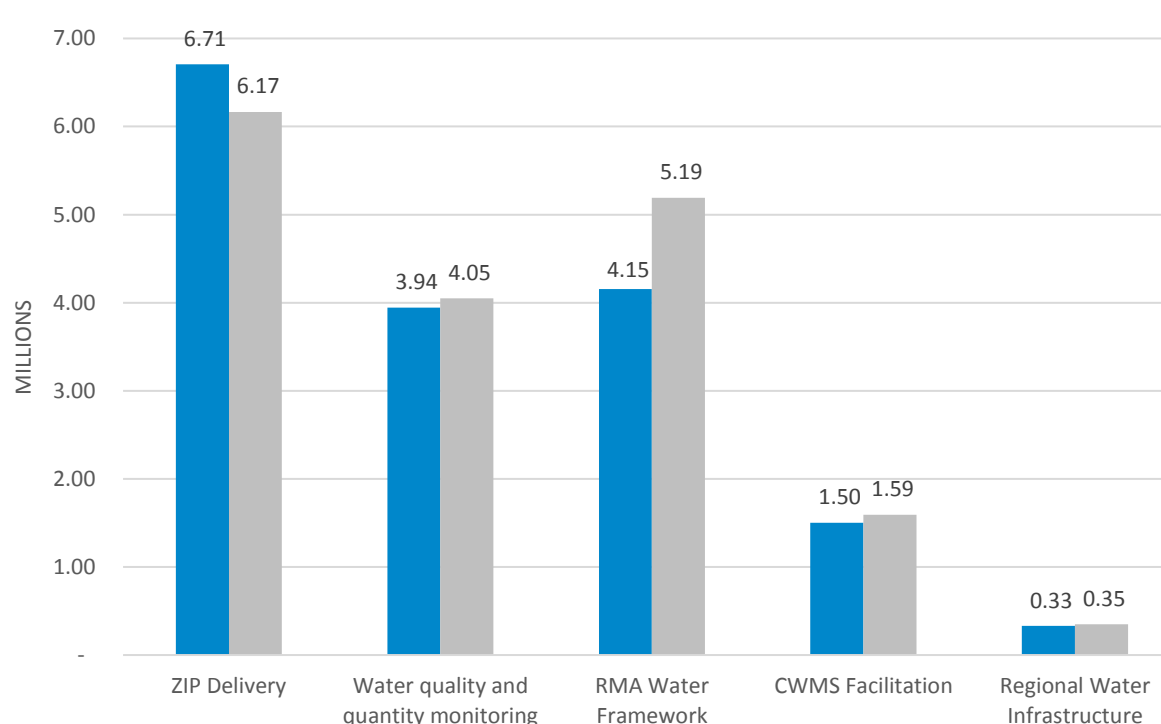
#### EXPENDITURE

The \$700K underspend is due mainly to underspend in Goods and Services in both the 'RMA Water Framework' and the 'Water quality and quantity monitoring' programmes of approximately \$1.0M and \$300K respectively. Project teams are contracting for work to commence, however an underspend is predicted in the 'RMA Water Framework' programme of \$500K by financial year end. This amount will be returned to reserves at the end of the financial year. This is partly offset by a \$600K overspend in labour in the 'Zone and Regional Delivery' programme where activity has increased in the implementation of 'Consent to Farm' campaigns and FEP Auditing roll out.

■ YTD Actual Revenue ■ YTD Budget Revenue



■ YTD Actual Expenditure ■ YTD Budget Expenditure



## TRANSPORT, GREATER CHRISTCHURCH REBUILD AND URBAN DEVELOPMENT

### LEVELS OF SERVICE TARGETS

9

ACHIEVED

0

ON TRACK

9

NOT ON TRACK

0

WON'T ACHIEVE

0

### STATUS: LEVELS OF SERVICE TARGETS

■ Achieved ■ On track to be achieved ■ May not be achieved ■ Will not be achieved

100%

### Levels of Service

5

### Measures

12

### Targets

12

### Not Measured This Year

3

### COMMENTS ON SERVICE DELIVERY

Delivery of the strategic work programme for the RTC remains on track. The RLTP is also currently out for public consultation, with submissions closing on 27 March 2018. The HBDCA required under the NPS-UDC has been completed and will be taken to the GCPC for endorsement in March. Environment Canterbury also continues to provide technical and planning advice on various regeneration plans and strategies in Greater Christchurch. The Whakaraupo/Lyttelton Harbour Catchment Management Plan was publicly launched on 7 March 2018. Work continues on the Future Public Transport Business Case and review of the RPTP. Total Mobility usage remains higher than expected. Patronage in Greater Christchurch for the current FY is up 1.5%.

### WATCHLIST

### EMERGING ISSUES

Consultation has begun on LTP proposals which include PT fare and rate increases, Total Mobility subsidy reduction and rationalisation of six Christchurch bus routes.

### ACRONYMS / ADDITIONAL NOTES / METRICS

GCPC: Greater Christchurch Partnership Committee  
HBDCA: Housing and Business Development Capacity Assessment  
NPS-UDC: National Policy Statement on Urban Development Capacity  
RLTP: Regional Land Transport Plan  
RPTP: Regional Public Transport Plan  
RTC: Regional Transport Committee

Reporting Period

1/07/2017 28/02/2018

Sam Elder

## TRANSPORT, GREATER CHRISTCHURCH REBUILD AND URBAN DEVELOPMENT

### OPERATING PERFORMANCE

#### REVENUE

**45.55 M**

Goal: 46.82 M -2.71%

#### EXPENDITURE

**45.62 M**

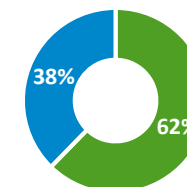
Goal: 47.55 M -4.05%

#### SURPLUS/DEFICIT

**-0.08 M**

Goal: -0.73 M

#### YTD ACTUAL EXPENDITURE vs FULL YEAR BUDGET



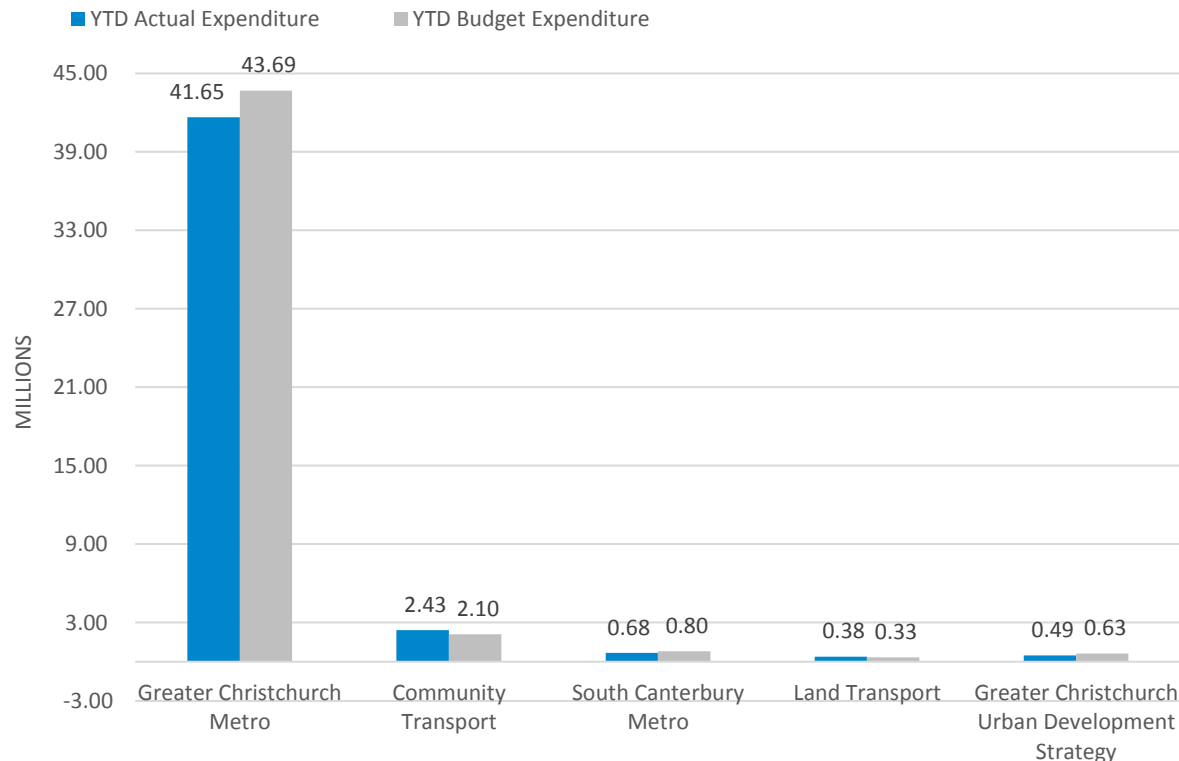
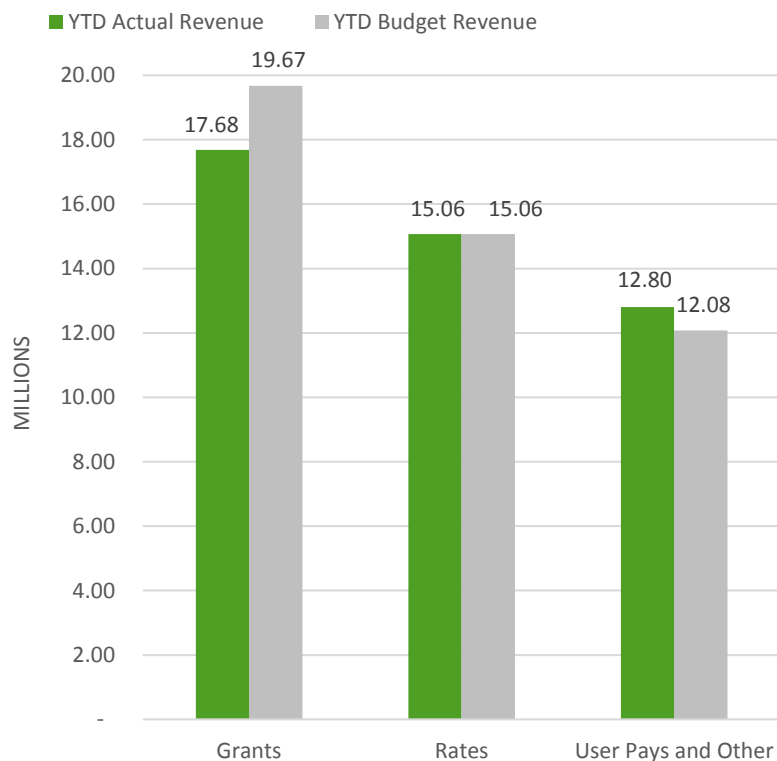
■ YTD Actual ■ Full Year Budget

### REVENUE

Revenue for the portfolio is within expected budget tolerance. Although revenue for the Greater Christchurch Metro programme is \$1.5 million lower than budgeted, which is mainly due to lower than expected bus contract expenditure resulting in lower than expected NZTA grants, this variance is within expected budgets for the programme.

### EXPENDITURE

Expenditure for the portfolio is within expected budget tolerance. Although there is a \$2 million underspend for the Greater Christchurch Metro programme, which is mainly due to bus contract costs being lower than budgeted, this variance is within expected budgets for the programme. Index adjustments are applied each quarter, so this variance could change by the end of the financial year.



## REGIONAL LEADERSHIP LEVELS OF SERVICE TARGETS

13

ACHIEVED

0

ON TRACK

12

NOT ON TRACK

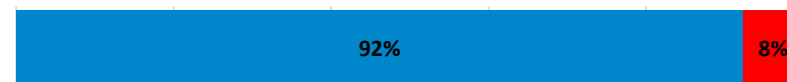
0

WON'T ACHIEVE

1

## STATUS: LEVELS OF SERVICE TARGETS

■ Achieved ■ On track to be achieved ■ May not be achieved ■ Will not be achieved



### Levels of Service

7

### Measures

12

### Targets

13

### Not Measured This Year

0

### COMMENTS ON SERVICE DELIVERY

Work on the 2018-28 Long Term Plan has moved in the consultation phase and went live on 26 February. All submissions will be available for Councillors to read once the consultation period is closed. Hearings will begin late April. Tangata whenua advisory services continue to deliver core resource consent advice while project advisory work has been in lower demand year to date. Explanatory content is being written for online water reporting represented through each of the 10 CWMS zones. Science staff have begun work to automate the transfer of water data from our data management systems into the website to present live data in simple view to the public. Chatham Islands services progress in line with contractual obligations.

### WATCHLIST

The following targets were not achieved in 2016/17:

A total of 75% of survey respondents rate the relationship as good or very good (on scale of very poor, poor, fair, good and very good). By 2017 - 80% - The full stakeholder satisfaction survey is not carried out every year (i.e. 16/17 was a non survey year). However the 15/16 year result showed 85% of the survey respondents rated the relationship as good or very good, meeting the 2017 target of 80% one year early.

### EMERGING ISSUES

Council will hold their first workshop on Representation Review on 5th April which will inform the development of the initial representation proposal that will go out for public consultation.

### ACRONYMS / ADDITIONAL NOTES / METRICS

Chatham Island is a contracted service.  
LAWA: Land Air Water Aotearoa  
LTP: 2018-28 Long Term Plan



Reporting Period

1/07/2017 28/02/2018

David Perenara O'Connell

## REGIONAL LEADERSHIP OPERATING PERFORMANCE

### REVENUE

**7.62 M**

Goal: 7.9 M -3.64%

### EXPENDITURE

**8.9 M**

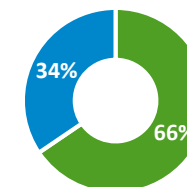
Goal: 9.12 M -2.51%

### SURPLUS/DEFICIT

**-1.28 M**

Goal: -1.22 M

### YTD ACTUAL EXPENDITURE vs FULL YEAR BUDGET



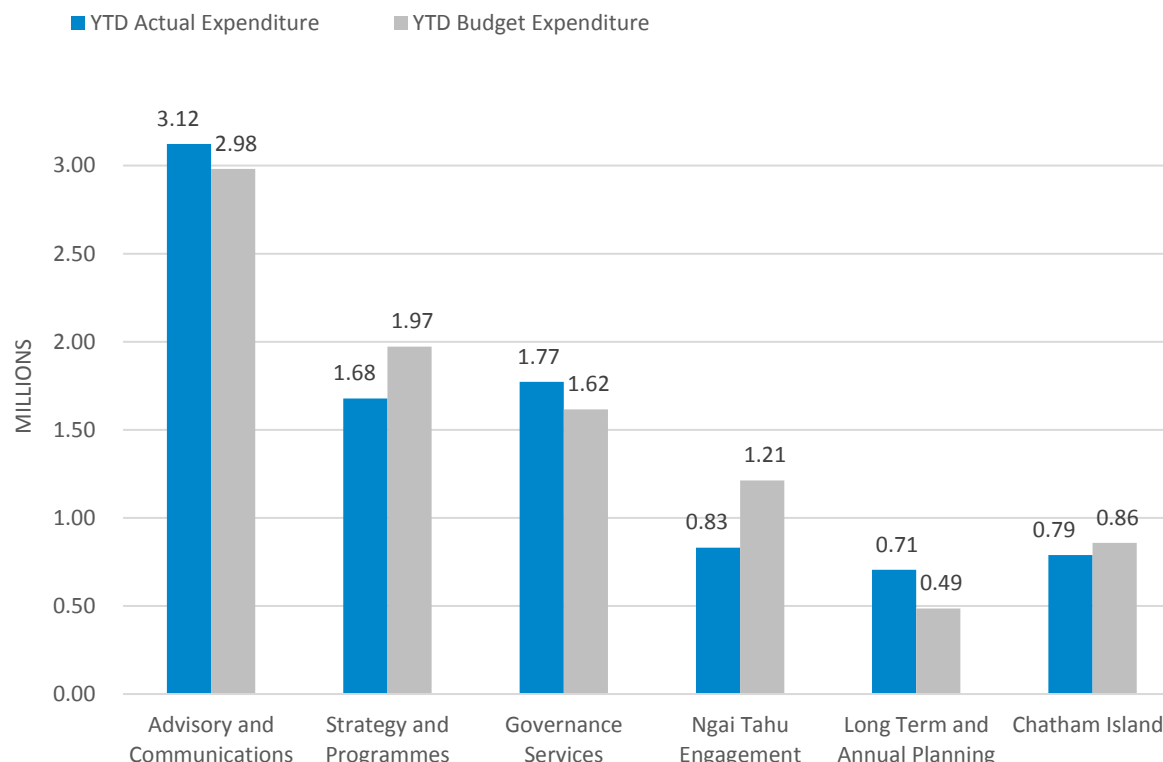
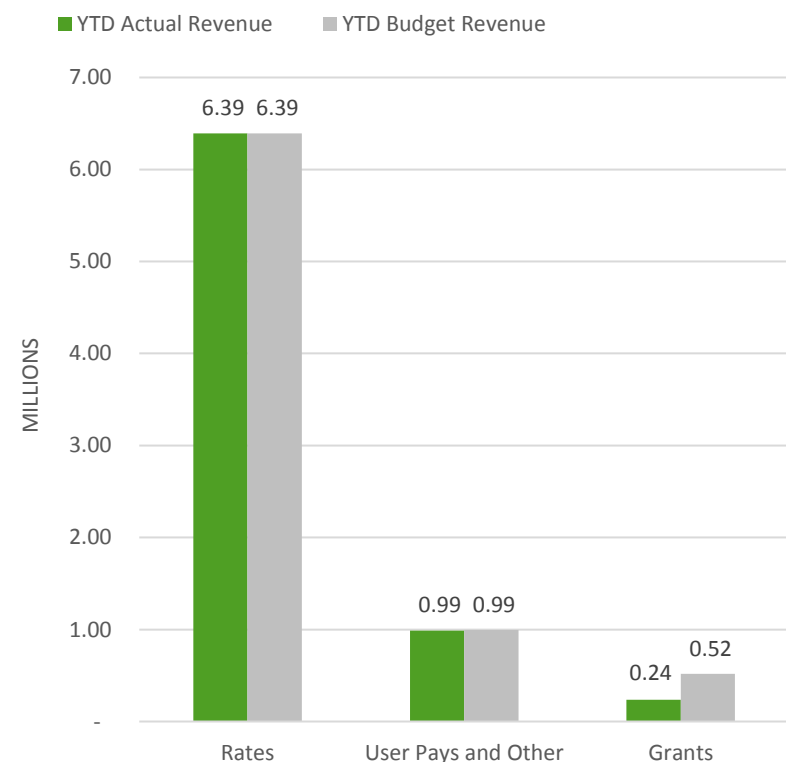
■ YTD Actual ■ Full Year Budget

### REVENUE

Revenue is in line with budget.

### EXPENDITURE

Overall portfolio expenditure within budget. Additional \$150k in costs for LTP work has been incurred to undertake pre-engagement on the Strategic Direction and develop a tool to provide Council operating costs spatially (Rates Tool). This rates tool is part of the supplementary information that has been released with the consultation document and accessed through the website. The tangata whenua advisory budget underspend will be savings at year end.



Reporting Period

1/07/2017 28/02/2018

Catherine White

## AIR QUALITY

### LEVELS OF SERVICE TARGETS

4

ACHIEVED

0

ON TRACK

4

NOT ON TRACK

0

WON'T ACHIEVE

0

### STATUS: LEVELS OF SERVICE TARGETS

■ Achieved ■ On track to be achieved ■ May not be achieved ■ Will not be achieved

100%

### Levels of Service

3

### Measures

3

### Targets

5

### Not Measured This Year

1

### COMMENTS ON SERVICE DELIVERY

Slight increase to overall spend is due to most Clean Air Zone subsidy budgets being fully subscribed. Quarry monitoring and analysis work also contributes to this Portfolio spend.

### WATCHLIST

The following targets were not achieved in 2016/17:

Adoption and implementation of the Canterbury Air Plan 2015 - The revised Air Plan was not operative at the end of 2016/17. Adoption is proposed for November 2017 subject to Council approval to ensure resolution of appeals.

### EMERGING ISSUES

No emerging issues.

### ACRONYMS / ADDITIONAL NOTES / METRICS

Reporting Period  
1/07/2017 28/02/2018

Catherine White

## AIR QUALITY OPERATING PERFORMANCE

### REVENUE

**2.34 M**

Goal: 2.41 M -2.84%

### EXPENDITURE

**2.89 M**

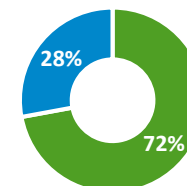
Goal: 2.61 M 10.93%

### SURPLUS/DEFICIT

**-0.55 M**

Goal: -0.19 M

### YTD ACTUAL EXPENDITURE vs FULL YEAR BUDGET



■ YTD Actual ■ Full Year Budget

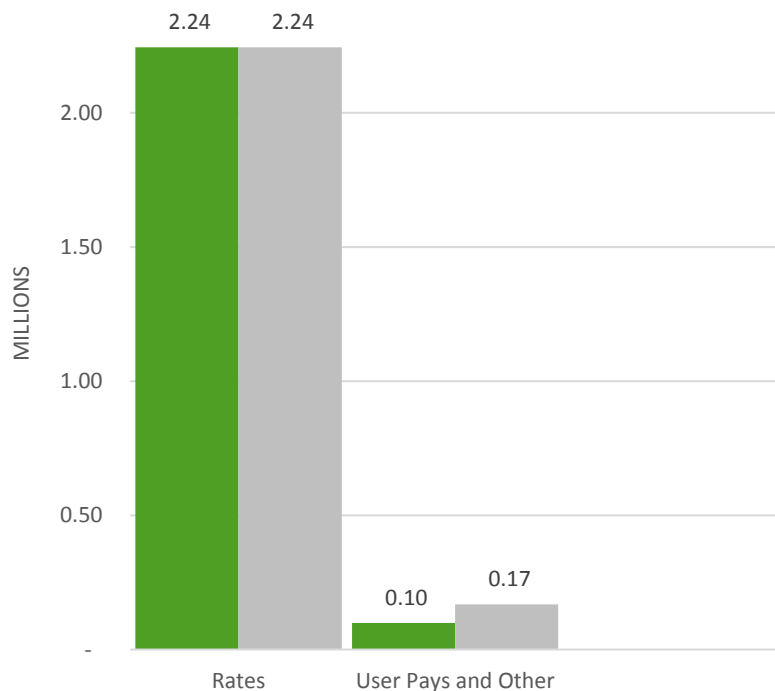
### REVENUE

Staff vacancies exist in the Investigations and Monitoring teams.

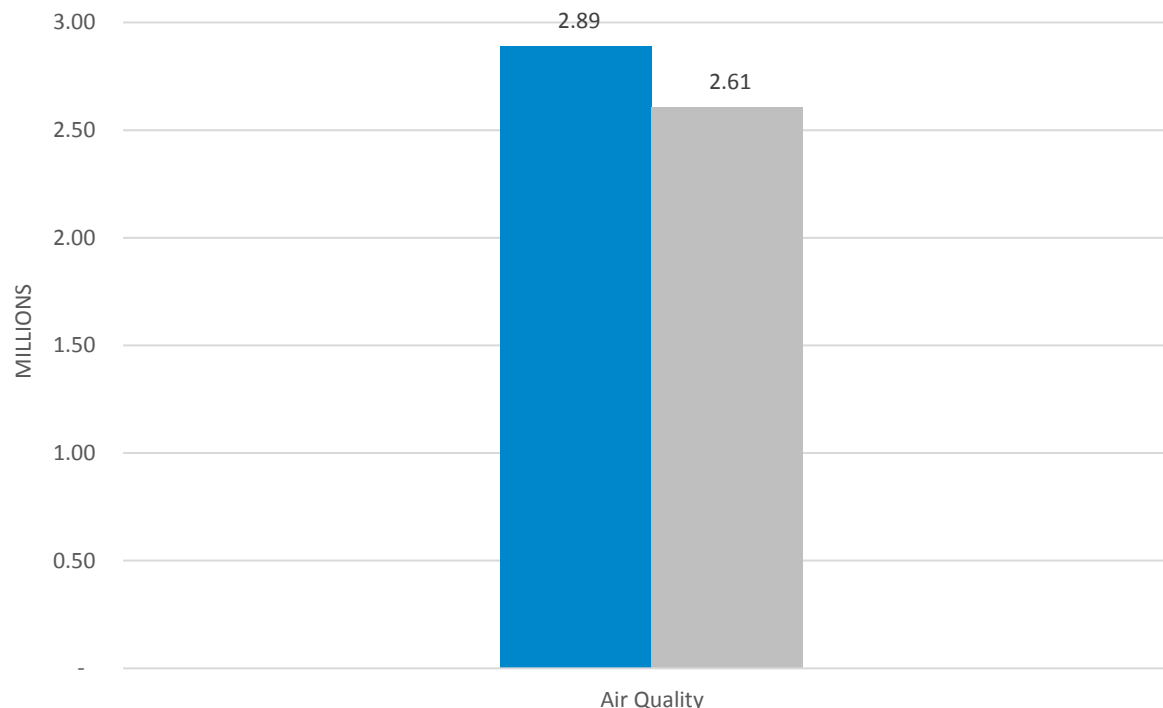
### EXPENDITURE

Quarry monitoring work is being charged to the Cleaner Home Heating budget which has been pre-approved approved by Councillors.

■ YTD Actual Revenue ■ YTD Budget Revenue



■ YTD Actual Expenditure ■ YTD Budget Expenditure



## BIODIVERSITY AND BIOSECURITY

### LEVELS OF SERVICE TARGETS

11

ACHIEVED

0

ON TRACK

11

NOT ON TRACK

0

WON'T ACHIEVE

0

### STATUS: LEVELS OF SERVICE TARGETS

■ Achieved ■ On track to be achieved ■ May not be achieved ■ Will not be achieved

100%

### Levels of Service

3

### Measures

6

### Targets

11

### Not Measured This Year

0

### COMMENTS ON SERVICE DELIVERY

The Regional Wilding Conifer Programme is ahead of schedule. We continue to follow up with some landowners not carrying out the required control of nassella tussock. The Regional Pest Management Plan is on track to be finalised and adopted by June 2018. Biodiversity programmes are on track and include habitat enhancement for braided river birds and planting programmes and weed control on Banks Peninsula. Te Waihora and Te Ahuriri work continues. The rabbit calicivirus application was approved in late February and we are on track for a release over the next few months.

### WATCHLIST

The following targets were not achieved in 2016/17:

A reducing trend in pest levels identified in the Regional Pest Plan.

Plant and animal pests were monitored across the region. Plan objectives vary between eradication through to containment. In 2016/17 overall pest levels were estimated to have stayed relatively static. There were decreases in some pests numbers and distribution (e.g. rooks and rabbits), some remained static (e.g. Nassella tussock in North Canterbury, gorse and broom region-wide) and some increased (e.g. wallabies in South Canterbury).

### EMERGING ISSUES

No emerging issues

### ACRONYMS / ADDITIONAL NOTES / METRICS

Reporting Period

1/07/2017 28/02/2018

Caroline Hart

## BIODIVERSITY AND BIOSECURITY OPERATING PERFORMANCE

### REVENUE

**6.75 M**

Goal: 5.15 M 31.08%

### EXPENDITURE

**6.84 M**

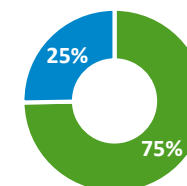
Goal: 5.95 M 15.02%

### SURPLUS/DEFICIT

**-0.09 M**

Goal: -0.8 M

### YTD ACTUAL EXPENDITURE vs FULL YEAR BUDGET



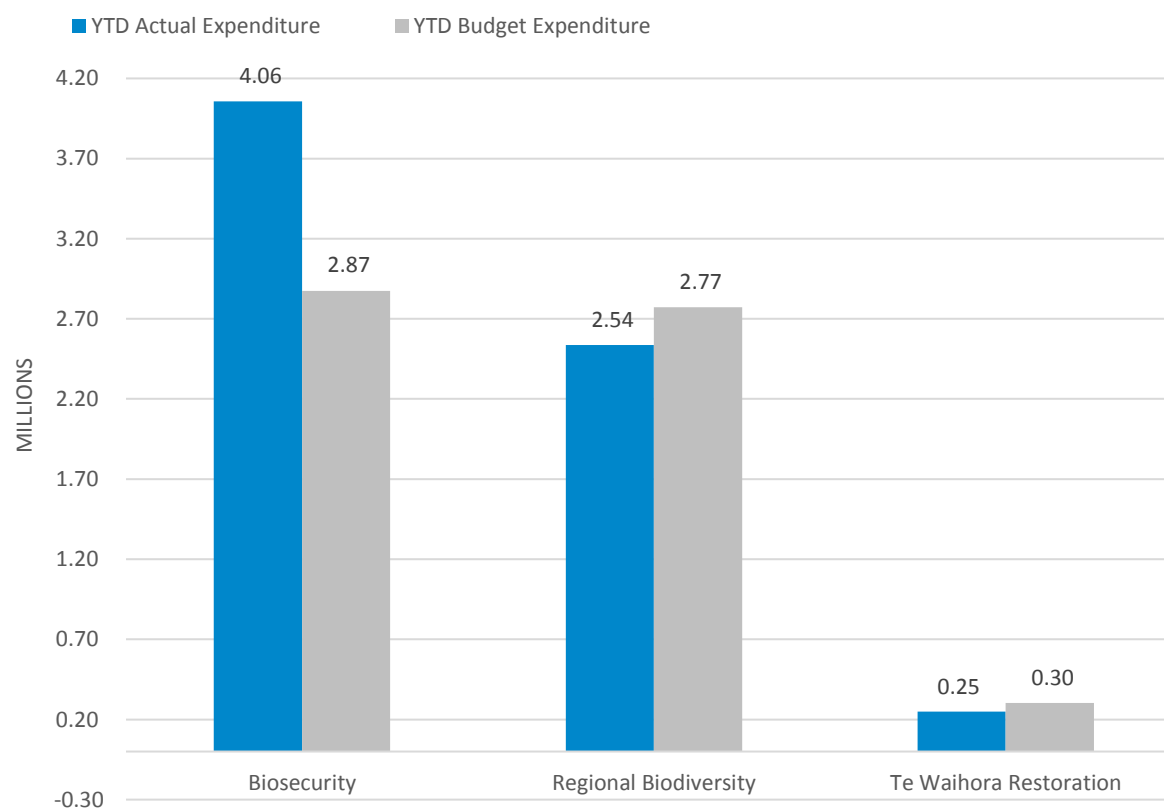
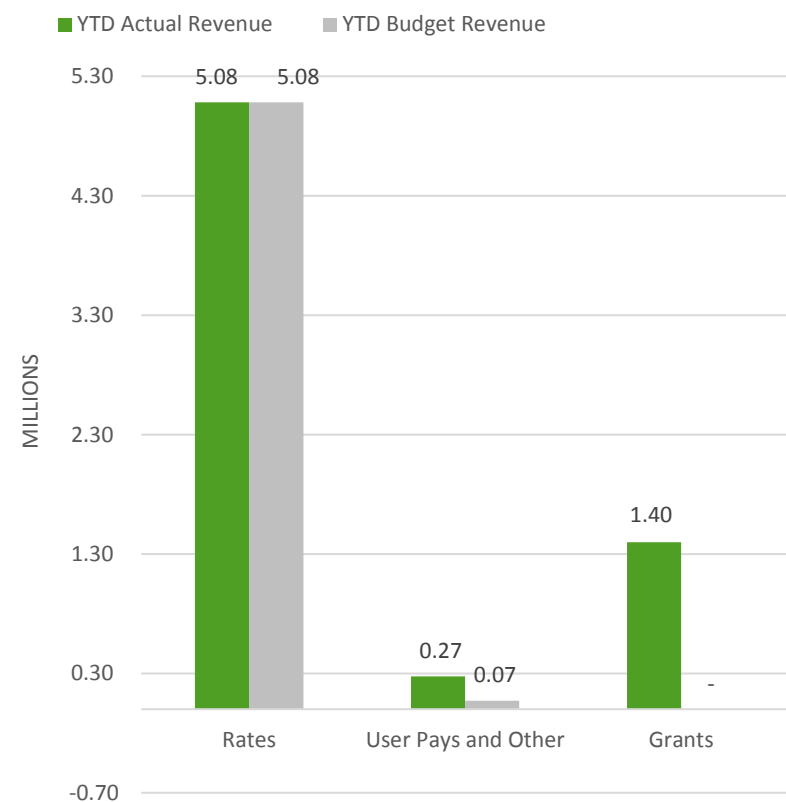
■ YTD Actual ■ Full Year Budget

### REVENUE

Revenue is over budget due to additional funding from the Ministry for Primary Industries for the Regional Wilding Conifer Programme. Cost recoverable biodiversity/enforcement work will bring in additional revenue.

### EXPENDITURE

Biosecurity expenditure is up as seasonal plant pest and wilding conifer work is ahead of schedule. In addition, some significant enforcement work has been undertaken this year.



## HAZARDS, RISK AND SAFETY

### LEVELS OF SERVICE TARGETS

34

ACHIEVED

0

ON TRACK

34

NOT ON TRACK

0

WON'T ACHIEVE

0

### STATUS: LEVELS OF SERVICE TARGETS

■ Achieved ■ On track to be achieved ■ May not be achieved ■ Will not be achieved

100%

#### Levels of Service

10

#### Measures

18

#### Targets

34

#### Not Measured This Year

0

#### COMMENTS ON SERVICE DELIVERY

Halswell, Ashley/Rakahuri and Kaikoura scheme reviews are on track. Capital works on river rating districts (Waimakariri and Ashley) are also progressing well. The Flood Protection and Drainage Bylaw 2013 has now been reviewed and consultation will be undertaken on minor changes and updates. The benefits of CDEM new location were apparent throughout the response to cyclone Gita. Drone topographic surveys were undertaken of Brooklands Spit and Amberley Beach. South Bay Kaikoura is now open and first cruise ships have visited, with new navigation beacons to be positioned this year. Identification of HAIL sites - Timaru is underway and progressing well.

#### WATCHLIST

The following targets were not achieved in 2016/17:

A total of 80% of council and CDEM survey respondents rate the relationship and service as good or very good (on a scale of very poor, poor, fair, good and very good).

#### EMERGING ISSUES

Potential emerging issue with Polyfluoroalkyl Substances (PFASs) - may need additional resource and involve groundwater science team to develop regional plan to address the issue. Rebuilding a cruise ship wharf at Lyttelton will reduce cruise ship visits at Akaroa, reducing income. The reduction in income should be manageable within current budgeted revenue but will reduce reserves funds.

#### ACRONYMS / ADDITIONAL NOTES / METRICS

CDEM: Civil Defence Emergency Management  
HAIL: Hazardous Activities and Industries list

Reporting Period

1/07/2017 28/02/2018

Sam Elder

## HAZARDS, RISK AND SAFETY OPERATING PERFORMANCE

### REVENUE

**19.45 M**

Goal: 18.59 M 4.60%

### EXPENDITURE

**15.93 M**

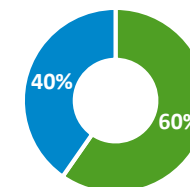
Goal: 16.89 M -5.66%

### SURPLUS/DEFICIT

**3.51 M**

Goal: 1.7 M

### YTD ACTUAL EXPENDITURE vs FULL YEAR BUDGET



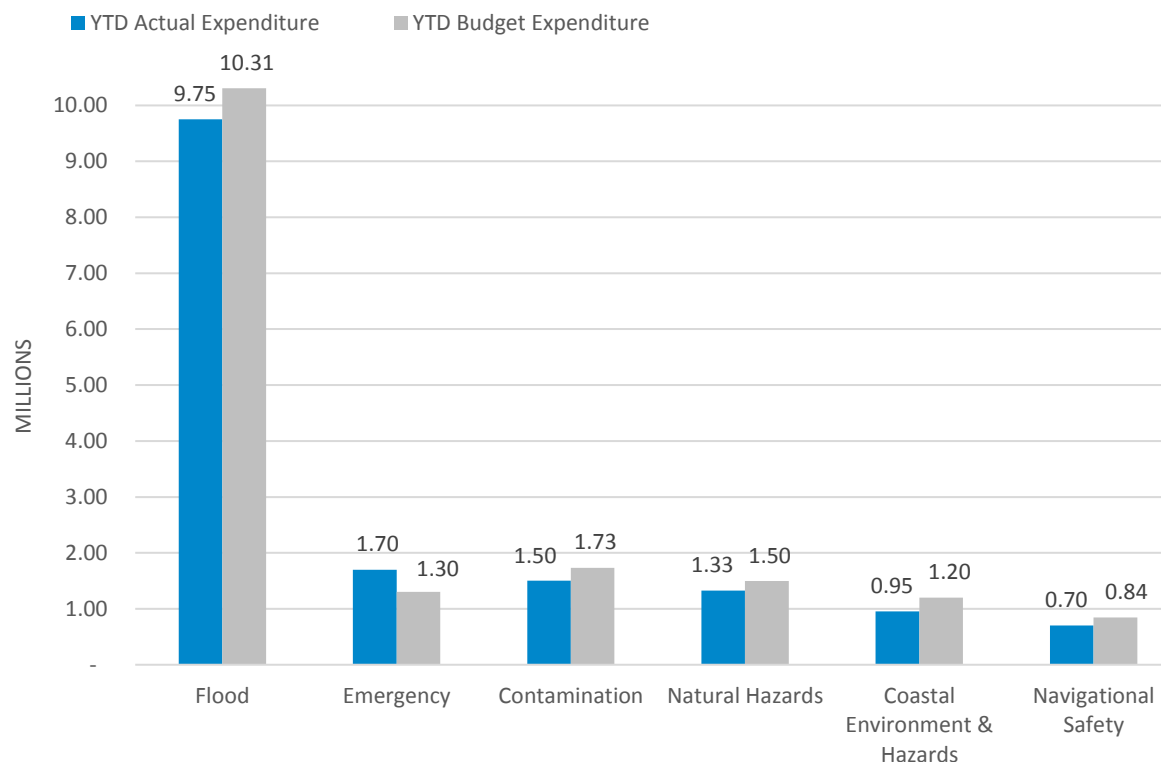
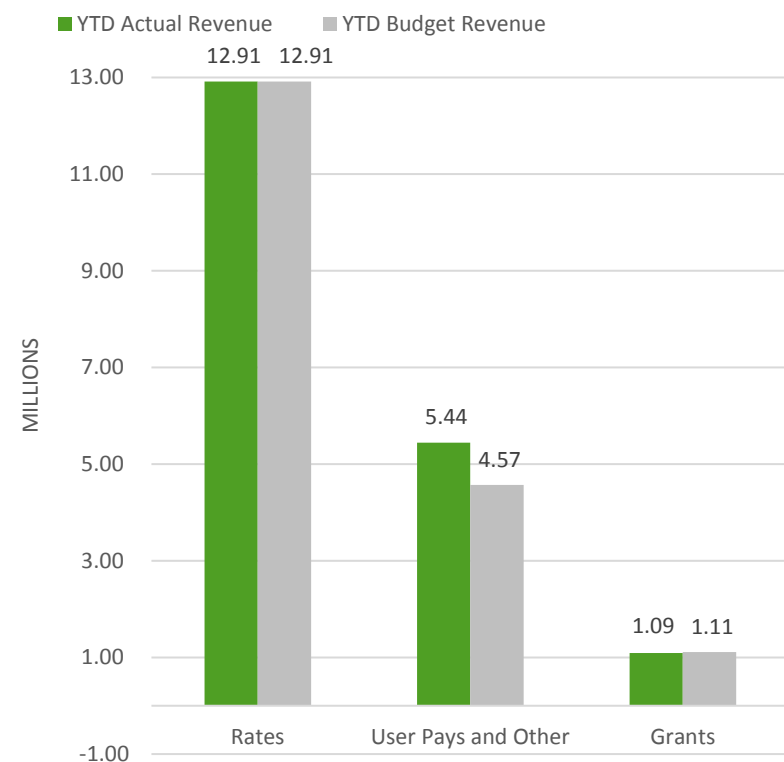
■ YTD Actual ■ Full Year Budget

### REVENUE

Revenue overall is on track, current variance due to Flood Protection and Control Works (poplar logging and user pays engineering works).

### EXPENDITURE

Main reason for underspend in flood protection work is delay to work in the northern area until winter; expenditure for the Hurunui/Kaikoura Earthquake Waste Recovery Project due to uptake of government grant funded services being lower than expected; under expenditure in Coastal Environment due to deferral of Coastal Plan review, now to commence in 2019/2020 FY. Over expenditure shown in Emergency Management programme due to various responses/activations including for July and February flood events.



## PLANNING, CONSENTS AND COMPLIANCE

### LEVELS OF SERVICE TARGETS

11

ACHIEVED

0

ON TRACK

9

NOT ON TRACK

2

WON'T ACHIEVE

0

### STATUS: LEVELS OF SERVICE TARGETS

■ Achieved ■ On track to be achieved ■ May not be achieved ■ Will not be achieved

82%

18%

### Levels of Service

6

### Measures

10

### Targets

11

### Not Measured This Year

0

### COMMENTS ON SERVICE DELIVERY

On-going support is being provided to TAs with district plan reviews, and in particular Mackenzie District Council and Selwyn District Council. GMP and FEP implementation is progressing well. There was 100% statutory timeframe compliance for processing of consent applications in February, with the year to date compliance at 99.6%. There has been a strong focus on monitoring consents and associated advisory work, including Yaldhurst Air Quality Monitoring Programme.

### WATCHLIST

The following targets were not achieved in 2016/17:

A reduction in the number of resource consent applications where further information is required (s92 requests) is achieved through pre-application advice. The number remained steady at 20% but the number of applications returned due to incompleteness reduced.

A median of 21 days or less of total elapsed time to was not achieved - the target was revised to 24 days during 2016/17.

100% of medium and high potential impact dams have registered a Dam Safety Assurance Programme . Dam safety standards were revoked. ECan developed guidelines, but don't have the ability to enforce these.

### EMERGING ISSUES

The level of service relating to "The median total time for all resource consent applications is 24 days" has been identified as not being on track due to an increase in the number of complex consent applications requiring more processing time.

### ACRONYMS / ADDITIONAL NOTES / METRICS

CWMS: Canterbury Water Management Strategy  
FEP: Farm Environment Plan  
GMP: Good Management Practice  
LTP: 2018-28 Long Term Plan  
RPS: Regional Pest Strategy  
TA: Territorial Authority  
OTOP: Orari Temuka Opihi Pareora water zone



Reporting Period

1/07/2017

28/02/2018

Sam Elder

## PLANNING, CONSENTS AND COMPLIANCE

### OPERATING PERFORMANCE

#### REVENUE

**9.85 M**

Goal: 10.57 M -6.81%

#### EXPENDITURE

**9.2 M**

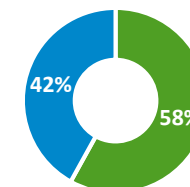
Goal: 10.57 M -12.96%

#### SURPLUS/DEFICIT

**0.65 M**

Goal: 0 M

#### YTD ACTUAL EXPENDITURE vs FULL YEAR BUDGET



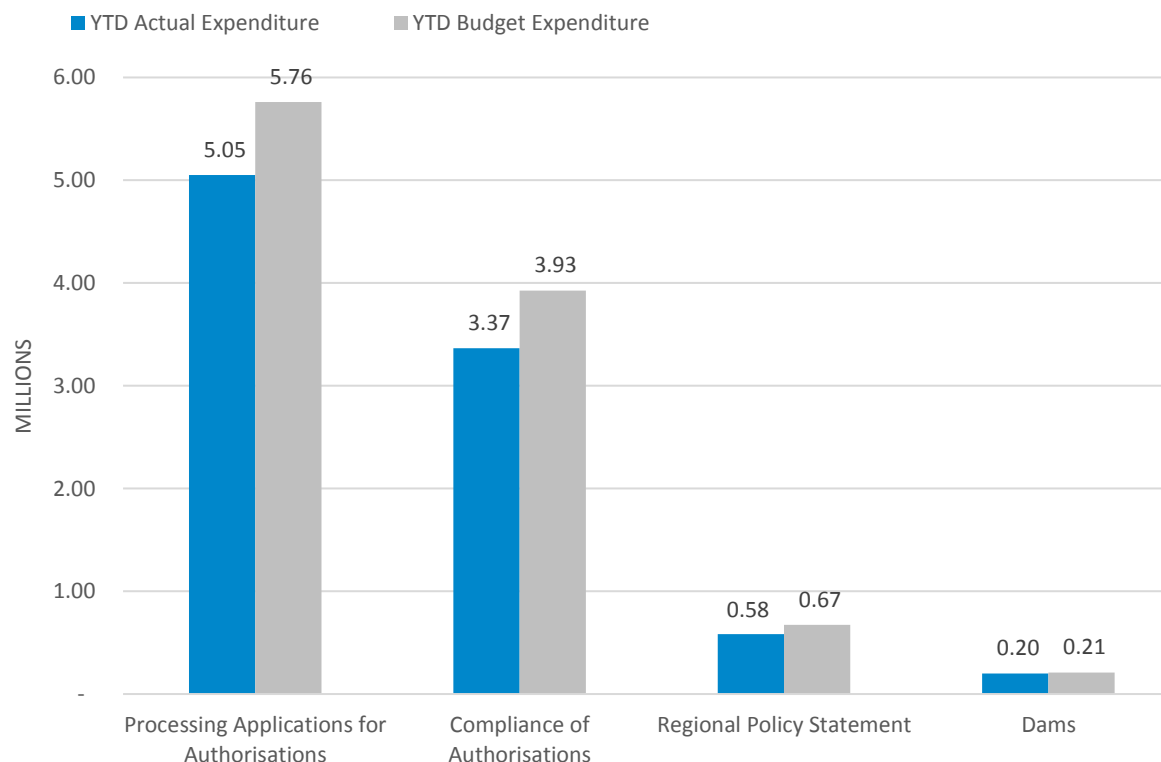
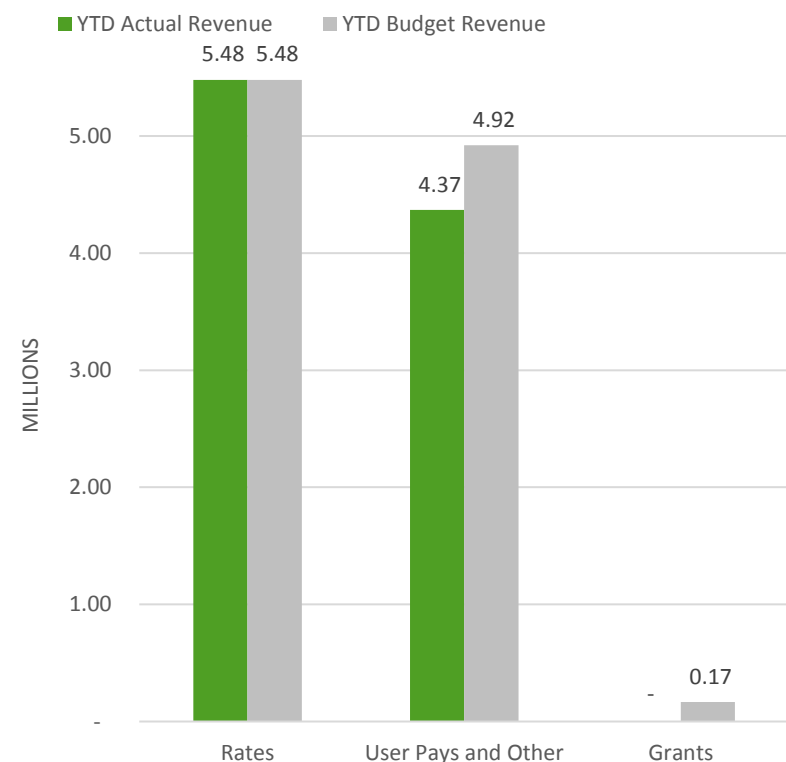
■ YTD Actual ■ Full Year Budget

#### REVENUE

User pays revenue from RMA consent application processing is lower than budgeted due to the lower than expected number of applications.

#### EXPENDITURE

The under spend in compliance monitoring is due to the use of desktop monitoring of water data and less field visits in quarter one. There is also under spend in incidence response due to fewer events requiring response and investigations. There is a significant under spend in consent processing. However, this reflects the actual volume of consents processed and the revenue is lower by an equivalent amount.





# ALL PORTFOLIO LEVELS OF SERVICE

## Operational Performance Report

### As at 28 February 2018

		Current Month	Prior Month	Portfolio
<b>AIR QUALITY</b>				
Canterbury airsheds progress towards the National Environmental Standards for Air Quality.				
MEASURE	Air quality monitoring and reporting occurs across Canterbury airsheds.			
TARGET	Airshed monitoring and reporting capability is maintained as required by the National Environmental Standard for Air Quality.	On Track	On Track	AIR
TARGET	Outcomes-focused reporting frameworks, eg. polluted airshed graphs of PM10 showing concentration reductions, are made public.	On Track	On Track	AIR
Joint work programmes are developed with health boards and territorial authorities to support air quality outcomes.				
MEASURE	Agreements are in place with health boards and territorial authorities.			
TARGET	Two joint work programmes in place and delivered each year.	On Track	On Track	AIR
The Canterbury Air Plan 2015 and airshed action plans are in place.				
MEASURE	Adoption and implementation of the Canterbury Air Plan 2015.			
TARGET	Air Plans are operative.	Not Measured	Not Measured	AIR
TARGET	Implementation plans are in place for seven polluted airsheds as agreed with territorial authorities and health boards.	On Track	On Track	AIR
<b>BIODIVERSITY AND BIOSECURITY</b>				
Environment Canterbury works with Ngāi Tahu, communities, territorial authorities, Department of Conservation, land occupiers and other recreational, environmental and industry parties to protect and restore Canterbury's indigenous biodiversity and aquatic ecosystem health.				
MEASURE	On-the-ground projects to protect and restore indigenous biodiversity.			
TARGET	An annual increase in the area within the region that is protected (legally or physically), or subject to restoration activities, e.g. restoration planting.	On Track	On Track	BIO
TARGET	Investment in biodiversity initiatives is made in accordance with zone and regional work programmes.	On Track	On Track	BIO
TARGET	At least two biodiversity projects are initiated or progressed in each CWMS zone annually.	On Track	On Track	BIO
MEASURE	Regional biodiversity policy and strategies are given effect to.			
TARGET	Support development of biodiversity content resulting from territorial authority district plan reviews in the Canterbury region.	On Track	On Track	BIO
Environment Canterbury administers and implements a Regional Pest Management Plan. Implementation distinguishes between new pest incursions and pre-existing pests with both managed in a cost-effective and equitable way.				
MEASURE	Implementation of a Regional Pest Management Plan that meets the requirements of the Biosecurity Act 1993.			
TARGET	Objectives in the Regional Pest Management Plan are met.	On Track	On Track	BIO
TARGET	A proposed new Regional Pest Management Plan is operative by June 2018.	On Track	On Track	BIO
MEASURE	Regional incursion response capability is maintained.			
TARGET	Management plans are in place and/or response decisions progressed for 100% of new pests detected.	On Track	On Track	BIO
TARGET	Regional incursion response capability and capacity is maintained as agreed under the National Biosecurity Capability Network.	On Track	On Track	BIO
Environment Canterbury will work in partnership with Ngāi Tahu to implement a joint programme to progress the two-generational vision to restore and rejuvenate the mauri and ecosystem health of Te Waihora (Lake Ellesmere).				
MEASURE	Implementation of the Whakaora Te Waihora Joint Cultural and Ecological Restoration Plan.			
TARGET	An annual work programme is agreed by programme partners and completed work reported to this group by 30 June 2018.	On Track	On Track	BIO
TARGET	At least 80% of survey respondents rate the relationship as good or very good (on a scale of very poor, poor, fair, good and very good).	On Track	On Track	BIO
MEASURE	Parties to the Te Waihora Co-Governance agreement are satisfied with the relationship and outcomes achieved with Environment Canterbury.			
TARGET	Annual survey undertaken, assessed and analysed. Performance of Service Level Agreements is monitored.	On Track	On Track	BIO
<b>CANTERBURY WATER MANAGEMENT STRATEGY</b>				
In partnership with the Canterbury region's district and city councils and Ngai Tahu, facilitate the CWMS zone and regional committees to provide ongoing and improved community input to water management decisions.				
MEASURE	Report received from each committee on their progress with implementation of their Zone Implementation Programmes and the ten target areas. Annual update from the CWMS regional committee.			

		Current Month	Prior Month	Portfolio
<b>TARGET</b>	11 reports that demonstrate progress on - environmental restoration - improved water quality - water quality initiatives - improved water use efficiency and land management - infrastructure for reliable water supply	Achieved	Achieved	CWMS
Gather and make available information on water quantity, water quality, ecosystem health, soils, and progress towards the CWMS targets.				
<b>MEASURE</b>	See detailed table including: - rainfall - river flows - river/stream water quality - lake water quality - marine water quality - estuary water quality - ecosystem health - groundwater levels - groundwater quality - land - recreational swimming - water use			
<b>TARGET</b>	See detailed table that includes: - number of sites - frequency of measure - availability of information	On Track	On Track	CWMS
<b>MEASURE</b>	Report on progress towards CWMS targets is complete.			
<b>TARGET</b>	No report due in 2017/18 - the report is produced every two years.	Not Measured	Not Measured	CWMS
Work with the zone committees to lead a community process to collaboratively establish environmental limits for water quality and water quantity in Canterbury.				
<b>MEASURE</b>	A schedule of RMA plans or variations is notified that reflects the community recommendations for environmental limits.			
<b>TARGET</b>	Orari-Temuka-Opihi-Pareora and Waimakariri scheduled for Year 3 LTP (2017/18).	Not on track	Not on track	CWMS
In partnership with other parties, implement the recommendations in the zone implementation and regional programmes.				
<b>MEASURE</b>	Annual zone work programmes agreed by zone committees, made available and completed.			
<b>TARGET</b>	Ten work programmes available with progress reporting on the website by June 2018.	On Track	On Track	CWMS
<b>MEASURE</b>	Joint work programmes with CDHB, Irrigation New Zealand, the Canterbury dairy industry, Fish & Game (North Canterbury and Central South Island).			
<b>TARGET</b>	Annual progress report on joint work programme available on the website.	On Track	On Track	CWMS
Facilitate an integrated approach to development of water infrastructure in Canterbury that delivers on all the CWMS targets.				
<b>MEASURE</b>	An annual schedule of work, that influences irrigation development in the region, is agreed with the CWMS Regional Committee.			
<b>TARGET</b>	A regional infrastructure work programme is available with quarterly progress reporting on the website.	On Track	On Track	CWMS
<b>HAZARDS, RISKS AND SAFETY</b>				
Environment Canterbury collects and provides natural hazard information for tsunami, earthquake, landslide and floodplain hazards to increase community awareness and guide longer-term development.				
<b>MEASURE</b>	Ensuring natural hazard information is available.			
<b>TARGET</b>	A total of 90% of advice regarding natural hazard information, in relation to private property, is provided within ten working days.	On Track	On Track	HAZ
<b>TARGET</b>	New technical reports and information are available on Environment Canterbury's website within six months and are available at all times.	On Track	On Track	HAZ
<b>MEASURE</b>	Providing advice to partner organisations on implementing hazard risk reduction measures.			
<b>TARGET</b>	Investigations undertaken and reports produced as scheduled and formally delivered to territorial authorities, with a table of reports displayed annually.	On Track	On Track	HAZ
<b>TARGET</b>	A total of 80% of councils and CDEM survey respondents rate the relationship and service as good or very good (on a scale of very poor, poor, fair, good and very good).	On Track	On Track	HAZ
Environment Canterbury enables safe navigation for ships and other commercial vessels in ports, harbours and coastal areas.				
<b>MEASURE</b>	The operation of an approved risk assessment regime, safety management system and appropriate risk control measures for the ports of Lyttelton and Timaru, the harbour areas of Kaikōura and Akaroa, and the coastal waters of the region.			
<b>TARGET</b>	Risk assessment regime and Safety Management System approved by Maritime New Zealand.	On Track	On Track	HAZ
<b>TARGET</b>	ISO 9001:2008 certification and monitoring of the Safety Management System.	On Track	On Track	HAZ
<b>TARGET</b>	Operational overview and emergency response function available at all times.	On Track	On Track	HAZ
<b>TARGET</b>	Qualified, experienced and independent Harbourmaster.	On Track	On Track	HAZ

		Current Month	Prior Month	Portfolio
Environment Canterbury enables safe navigation for recreational vessel users of the coast, harbours and inland waterways.				
MEASURE	Navigation safety bylaws and a navigational safety officer are in place and provide guidance on the safe navigation of vessels within the region.			
TARGET	A navigation safety officer is employed to liaise with communities, user groups and organisations.	On Track	On Track	HAZ
Reducing flood risk.				
MEASURE	Environment Canterbury's infrastructure strategy outlines river management for the next 30 years and includes a schedule of river reviews to deliver strategy outcomes. The river review schedule is made publicly available.			
TARGET	River scheme reviews are completed in the priority order as set out in the LTP (pages 105-107).	On Track	On Track	HAZ
TARGET	All completed river reviews result in 'small' works occurring one year after the review, 'medium' one-to-three years after review, and 'large' one-to-ten years after review.	On Track	On Track	HAZ
MEASURE	Flood protection infrastructure is maintained against agreed levels of service in consultation with river rating district committees.			
TARGET	Construction of flood protection infrastructure will be completed following consultation with river rating committees and in accordance with the agree capital expenditure programme.	On Track	On Track	HAZ
TARGET	Deferred maintenance does not adversely impact the achievement of service objectives in any River Management Plan.	On Track	On Track	HAZ
TARGET	Following any significant hazard event, e.g. earthquake, flood, fire, and when safe to do so, engineering staff undertake prompt on-site assessments of river protection infrastructure at affected locations.	On Track	On Track	HAZ
MEASURE	Flood prediction information and river flood warnings are provided to key agencies when agreed trigger levels are exceeded.			
TARGET	Police, Civil Defence Management, media, KiwiRail, New Zealand Transport Agency and territorial authorities will receive flood warnings in accordance with established flood protocols.	On Track	On Track	HAZ
MEASURE	Accurate region-wide warnings are issued in accordance with established flood protocols.			
TARGET	Flood warning protocols will be reviewed after each significant flood event.	On Track	On Track	HAZ
MEASURE	Up-to-date and timely river flow, rainfall and flood warning advice is available through Environment Canterbury's website.			
TARGET	Appropriate flood warning advice is available on Environment Canterbury's website during flood events.	On Track	On Track	HAZ
Sustainably manage the extraction of gravel from rivers.				
MEASURE	Environment Canterbury manages the sustainable extraction of gravel for flood management and erosion control purposes while protecting and enhancing environmental, cultural, social and economic values.			
TARGET	Extraction of gravel from rivers does not increase flood or erosion risk.	On Track	On Track	HAZ
Environment Canterbury provides cost-effective and safe open-space leisure and recreation opportunities on Council-owned land.				
MEASURE	Implement a management plan for regional parks.			
TARGET	Three regional parks are maintained and developed in accordance with their management plans, with a balance between safe and cost effective recreational use, biodiversity and efficient and appropriate forestry management.	On Track	On Track	HAZ
MEASURE	Restoration projects on wetland and lowland forests.			
TARGET	Restoration management will be applied to at least 170ha of wetland and lowland regenerating forest.	On Track	On Track	HAZ
MEASURE	Management of Council ground lease and licences reflects best practice.			
TARGET	Leases are monitored and at least 95% of those due for renewal in this financial year comply with lease terms and conditions and regional rules while maintaining acceptable risk levels and market rentals.	On Track	On Track	HAZ
TARGET	The Land Management Plan remains operative.	On Track	On Track	HAZ
TARGET	2016/17/18: All new leases will be managed in accordance with Environment Canterbury's Land Management Plan.	On Track	On Track	HAZ
TARGET	Indigenous plant communities, including mahinga kai, are protected and enhanced.	On Track	On Track	HAZ
TARGET	Ngāi Tahu sites are protected.	On Track	On Track	HAZ
Provide information about coastal hazards.				
MEASURE	Coastal areas susceptible to coastal erosion and sea water flooding identified and mapped.			
TARGET	A total of 100% of coastal erosion areas mapped.	On Track	On Track	HAZ
Maintain a regional marine oil spill response capability.				
MEASURE	Availability of a regional response capability that meets Maritime New Zealand's requirements.			
TARGET	Available at all times.	On Track	On Track	HAZ
Environment Canterbury is an active partner of the Canterbury CDEM group and provides for the support, information and administration needs of the group office.				
MEASURE	Environment Canterbury is a supportive partner within the Canterbury Civil Defence Emergency Management Group.			
TARGET	Participate fully as an active partner in achieving the objectives of the Group plan.	On Track	On Track	HAZ
TARGET	All emergency events are responded to as required.	On Track	On Track	HAZ
Environment Canterbury reduces risk to human health and the environment from waste, hazardous substances and contaminated sites.				

		Current Month	Prior Month	Portfolio
<b>MEASURE</b>	Priority regional and national waste projects are supported in partnership with territorial authorities, industry and other agencies.			
<b>TARGET</b>	Two projects are co-ordinated across the region.	On Track	On Track	HAZ
<b>TARGET</b>	Project milestones are achieved and signed off by funding partners (Ministry for the Environment).	On Track	On Track	HAZ
<b>TARGET</b>	100% of all enquires on waste and hazardous substance from industry, other agencies and territorial authorities are responded to.	On Track	On Track	HAZ
<b>MEASURE</b>	Environment Canterbury undertakes investigations for the purposes of identifying and monitoring contaminated land.			
<b>TARGET</b>	Information on the Listed Land Use Register (LLUR) is up-to-date, and 100% of technical enquiries are responded to.	On Track	On Track	HAZ
<b>TARGET</b>	One joint contaminated land identification project is carried out with a territorial authority partner.	On Track	On Track	HAZ

## PLANNING, CONSENTS AND COMPLIANCE

Environment Canterbury's regional policy and plans serve the community in an efficient and timely manner in line with the planning timetable set out in the Long-Term Plan.

<b>MEASURE</b>	A regional plan development timetable is established and maintained. The timetable is made publicly available.			
<b>TARGET</b>	Target dates for statutory plan public notification are met.	Not on track	Not on track	CON
<b>TARGET</b>	Statutory plans are supported by implementation plans covering consents, compliance and communication activities.	On Track	On Track	CON

Environment Canterbury works collaboratively with the region's district and city councils in the review of their district plans.

<b>MEASURE</b>	District and city plans are supported by Environment Canterbury and these plans give effect to regional policies.			
<b>TARGET</b>	Survey of territorial authorities regarding collaboration and support for review of district plans.	On Track	On Track	CON

Information and support is provided to resource consent applicants and building control authority applicants (dams) to assist them in the delivery of high quality applications and information to ensure the efficient and timely processing of resource consents.

<b>MEASURE</b>	Environment Canterbury is customer-focused, resource consent applicants clearly understand the quality of application they need to submit (due to pre-application advice and guidance), and there is a reduced need to request further information from applicants.			
<b>TARGET</b>	A reduction in the number of resource consent applications where further information is required (\$92 requests) is achieved through pre-application meetings.	On Track	On Track	CON
<b>MEASURE</b>	The median total time for all resource consent applications received is 24 days.			
<b>TARGET</b>	A median of 24 days or less of total elapsed time is achieved.	Not on track	On Track	CON

Resource consents support the delivery and outcomes of regional plans and building control legislation.

<b>MEASURE</b>	The percentage of resource consents consistent with the Resource Management Act 1991 requirements, including proposed and operative regional plan requirements and non-statutory strategies.			
<b>TARGET</b>	Achieve a score of 'very good' (being 90% or above) based on independent audit.	On Track	On Track	CON

Compliance and monitoring of natural and physical resources are aligned with Environment Canterbury's key priorities.

<b>MEASURE</b>	All identified moderate and major non-compliance issues, and any consequent adverse effects, are resolved or in the process of being resolved.			
<b>TARGET</b>	All active moderate and major non-compliance issues are resolved or in the process of being resolved, i.e. an action plan has been developed, within the reporting year.	On Track	On Track	CON
<b>MEASURE</b>	An annual planning, consent and compliance implementation report is produced to support regional plan development and quarterly progress reporting.			
<b>TARGET</b>	Planning, consent and compliance reviews are completed and reported.	On Track	On Track	CON
<b>MEASURE</b>	Each year ten catchment-based compliance work plans are discussed with CWMS zone committees.			
<b>TARGET</b>	Ten compliance work plans are discussed and an annual report is provided to zone committees.	On Track	On Track	CON

Environment Canterbury's consent and compliance processes will ensure the safe and sustainable design and construction of dams and associated structures.

<b>MEASURE</b>	Dams classified as medium or high potential impact have a registered Dam Safety Assurance Programme.			
<b>TARGET</b>	100% of medium or high potential impact dams have registered a Dam Safety Assurance Programme.	On Track	On Track	CON
<b>MEASURE</b>	Once a complying building consent application is lodged, decisions are made within the statutory 20 working days.			
<b>TARGET</b>	100% compliant building consent applications are processed and granted within 20 working days.	On Track	On Track	CON

## TRANSPORT, GREATER CHRISTCHURCH REBUILD & URBAN DEVELOPMENT

Deliver quality public transport services that meet the needs of the community and results in increased patronage.

<b>MEASURE</b>	Provide quality public transport services that take people where they want to go.			
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		Current Month	Prior Month	Portfolio
<b>TARGET</b>	95% of passengers are satisfied or better with the overall service.	On Track	On Track	PT
<b>MEASURE</b>	The number of passenger boardings per year in greater Christchurch and Timaru.			
<b>TARGET</b>	20 million trips by 2020 and 35 million trips by 2030.	Not Measured	Not Measured	PT
<b>MEASURE</b>	Proportion of total trips made by public transport in greater Christchurch.			
<b>TARGET</b>	3% of total trips by 2020 and 5% of total trips by 2030.	Not Measured	Not Measured	PT
<b>MEASURE</b>	Proportion of costs covered by passenger fares.			
<b>TARGET</b>	50% cost recovery in Canterbury in 2020.	Not Measured	Not Measured	PT
<b>MEASURE</b>	Provide Total Mobility scheme for transport-disadvantaged people.			
<b>TARGET</b>	Less than 5% of registered Total Mobility passengers make a complaint to Environment Canterbury about the service they received.	On Track	On Track	PT
<b>MEASURE</b>	Number of communities who receive support from Environment Canterbury to establish Community Vehicle Trusts where conventional public transport services are not feasible.			
<b>TARGET</b>	100% of all communities who approach Environment Canterbury regarding vehicle trusts are offered support.	On Track	On Track	PT
Through the Regional Transport Committee produce, implement and review a Regional Land Transport Plan and provide strategic leadership for integrated transport planning across the region.				
<b>MEASURE</b>	Regional Land Transport Plans are produced every six years, with a review after three years.			
<b>TARGET</b>	Complete the review of the Regional Land Transport Plan by June 2018.	On Track	On Track	PT
<b>MEASURE</b>	Provision of administrative support to the Regional Transport Committee and associated working groups.			
<b>TARGET</b>	The Regional Transport Committee and associated working groups receive support at regular meetings.	On Track	On Track	PT
<b>MEASURE</b>	Advocate for integrated transport solutions regionally.			
<b>TARGET</b>	Lead the development and implementation of a joint work programme for integrated regional transport.	On Track	On Track	PT
Support earthquake recovery and rebuild in greater Christchurch through the effective development, implementation and transitioning of recovery plans and programmes.				
<b>MEASURE</b>	Participate in future use of residential red zone processes.			
<b>TARGET</b>	Timely contribution to the future use of the red zone technical, working and steering groups as an when required.	On Track	On Track	PT
Lead the review of the Greater Christchurch Urban Development Strategy.				
<b>MEASURE</b>	Canterbury Regional Council works with strategic partners on a review of the Greater Christchurch Urban Development Strategy, commencing in 2017, and completed in 2019.			
<b>TARGET</b>	Working to the Greater Christchurch Partnership Committee defined timeframes. Environment Canterbury provides input on the Review's scope and approach, and determines the resourcing it will provide to support the process. The engagement process, scope, time frames and resourcing for the review are engaged by the partners, and implementation commenced.	On Track	On Track	PT
Complete planning and consent monitoring associated with Whakaraupo/Lyttelton harbour catchment and the Lyttelton Port Recovery Plan.				
<b>MEASURE</b>	Implement the relevant actions arising from the Lyttelton Port Recovery Plan.			
<b>TARGET</b>	A Whakaraupo/Lyttelton Harbour Catchment Management Plan is under development with key stakeholders and partners.	On Track	On Track	PT
<b>REGIONAL LEADERSHIP</b>				
A programme of relationship and engagement agreements is developed and maintained with councils, government agencies, key industry groups and non-government organisations.				
<b>MEASURE</b>	Relationships and agreements are maintained with the Canterbury District Health Board, and at least two formal industry or non-government organisation agreements, and members of these organisations are satisfied with the relationship and outcomes achieved with Environment Canterbury.			
<b>TARGET</b>	A total of 80% of survey respondents rate the relationship as good or very good (on a scale of very poor, poor, fair, good and very good).	On Track	On Track	REG LEAD
<b>MEASURE</b>	Environment Canterbury commits to and supports the Mayoral Forum, Chief Executives Forum and Canterbury Policy Forum.			
<b>TARGET</b>	Environment Canterbury supports or is asked to lead at least one regionally significant policy or strategic matter each year.	On Track	On Track	REG LEAD
Environment Canterbury collects, maintains and shares quality assured data and information, and uses this to inform policy development and implementation and to support regional sustainable development.				
<b>MEASURE</b>	State of the Environment reporting information is published annually on four environmental domains: air, coastal, biodiversity/ecosystem health, and water.			
<b>TARGET</b>	State of the Environment reporting data and information is readily accessible through the Environment Canterbury website for CWMS zones and Canterbury airsheds.	On Track	On Track	REG LEAD
<b>TARGET</b>	State of the Environment reporting is published each year in accordance with Ministry for the Environment frameworks.	On Track	On Track	REG LEAD

		Current Month	Prior Month	Portfolio
Environment Canterbury meets legislative reporting and compliance obligations through the Long-Term Plan, Annual Plans and Annual Reports, and provides accessible, easily-understood reports to the community of our activities, plans and management of resources (environmental, financial and other resources).				
MEASURE	The long-term plans, annual plans and annual reports are completed within statutory timeframes, with effective engagement with the community, Environment Canterbury's partners and relevant groups and agencies.			
TARGET	All statutory planning requirements and financial reporting standards are met.	On Track	On Track	REG LEAD
Environment Canterbury maintains a strategic long-term policy focus to ensure that planning, policy and decision-making, and advice and submissions on central Government policy and legislative changes, are well-informed, purposefully directed and outcomes-focused.				
MEASURE	Environment Canterbury's policy advice is independently assessed each year by NZIER.			
TARGET	Environment Canterbury's policy advice meets NZIER's good practice standards with scores on average 6.75 or better.	Will not be Achieved	Will not be Achieved	REG LEAD
Governance, co-governance and working relationship arrangements are in place with nga Rūnanga and Te Rūnanga o Ngāi Tahu .				
MEASURE	At least quarterly governance meetings are held with Rūnanga chairs and Te Rūnanga, with an agreed work plan in place.			
TARGET	Governance agreements and work plans are in place and reviewed annually.	On Track	On Track	REG LEAD
MEASURE	A regular working group forum is held with mandated nga Rūnanga members to improve engagement at an operational level, including recommendations to the governance group.			
TARGET	All required meetings have been held and issues arising have been responded to.	On Track	On Track	REG LEAD
MEASURE	Co-governance protocols are established, monitored and evaluated.			
TARGET	Each year, two new work programmes have co-governance protocols in operation.	On Track	On Track	REG LEAD
Environment Canterbury supports Ngāi Tahu to fulfil their role and responsibilities as tangata whenua and				
MEASURE	Ngāi Tahu members working with Environment Canterbury on behalf of their Papatipu Rūnanga and/or Te Rūnanga are satisfied with the Tuia programme.			
TARGET	A total of 80% of survey respondents rate the relationship as good or very good (on a scale of very poor, poor, fair, good and very good).	On Track	On Track	REG LEAD
MEASURE	Service level agreements are in place with each Rūnanga through their advisory service business.			
TARGET	Each year at least two new sections of Environment Canterbury are contracting advice from Rūnanga advisory services.	On Track	On Track	REG LEAD
The Tuia programme and ethic is integrated and fostered through all Environment Canterbury activities and work programmes.				
MEASURE	Staff working with Ngāi Tahu well-equipped and capable in their engagement.			
TARGET	A total of 80% of staff respondents are confident in their relationship with Ngāi Tahu.	On Track	On Track	REG LEAD
MEASURE	Work programmes explicitly provide for the Tuia relationship.			
TARGET	Service Level Agreements and/or Tuia staff are providing necessary advice to work programmes.	On Track	On Track	REG LEAD



## 5.3. Risk Standing Report Performance, Audit and Risk Committee (PARC) report

---

<b>Date of meeting</b>	Thursday 29th March 2018
<b>Author</b>	Nicholas Hill
<b>Endorsed by</b>	

### Purpose

1. This is a standing item to report on Environment Canterbury's Risk Management.

### Recommendations

**That the Performance, Audit and Risk Committee:**

1. **Receive this report as an update on risk management activities**
2. **Advise staff**
  - 2.1. **that there are no issues requiring additional risk assurance, or**
  - 2.2. **specify issues that risk assurance reports are required.**

### Key points

2. March has seen further work to cascade our risk model in relation to the draft levels of service targets. We expect managers to be able to provide monthly risk assessment (of risks relating to achieving Levels of Service targets), due to scheduled improvements to our corporate reporting system.
3. The quarterly review of risks for the period January – March 2018 is underway. This will be reported in April.
4. There is a risk workshop scheduled for 5 April 2018. This meeting will cover a revised risk policy, provide an overview of the framework and methodology that staff will use to assess risks and we will seek Councillor input for the organisational risk appetite.
  - a. The risk management standard (ISO 31000) refers to risk appetite as the "amount and type of risk that an organization is prepared to pursue, retain or take".

### Attachments

Nil



## 6. Performance

### 6.1. Action List

#### Performance, Audit and Risk Committee (PARC) report

---

<b>Date of meeting</b>	29 March 2018
<b>Author</b>	Katherine Harbrow CFO
<b>Endorsed by</b>	Miles McConway Director Finance & Corporate Services

#### Purpose

1. Attached is the Action List for the Performance, Audit and Risk Committee (PARC) in the agenda.
2. The purpose of this report is to record matters raised at the PARC meetings that require substantial follow up actions and to provide delivery times and accountability.

#### Recommendations

**That the Performance, Audit and Risk Committee:**

1. Receive the Action List for the 29 March 2018 meeting agenda.

#### Attachments

- Current PAR Action List

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## Performance, Audit & Risk Committee Action List

#	Action Request Date	Resolution/Request	Action Taken	By Whom	Notes/Dates
		<b>Future Meetings:</b>			
	02/03/2017	Workshop on operational performance report to be arranged. Workshop will focus on what metrics can be included in future reports	To be arranged once line of sight work is completed	Katherine Harbrow	
		Efficiency and Productivity Reporting	Ongoing	Miles McConway	
		<b>Current Meeting:</b>			
1		Public Transport Finance Update: Network Risk summary risk in relation to road works as the monthly update had reference to 2017	Updated commentary for 29 March meeting	Stewart Gibbon	Completed
2		Financial Health & Operational Report: Ensure that OTOP commentary has been updated	Updated commentary for 29 March meeting	Chantel Mills	Completed



## 6.2. Financial Health Report February 2018

### Performance, Audit and Risk Committee (PARC) report

---

<b>Date of meeting</b>	Thursday 29th March 2018
<b>Author</b>	Chantel Mills Team Leader – Corporate Reporting
<b>Endorsed by</b>	Katherine Harbrow Chief Financial Officer

#### Purpose

1. To report on the financial results for the eight-month period ended 28 February 2018.

#### Recommendations

**That the Performance, Audit and Risk Committee:**

1. **receives the monthly Financial Health report for the eight months ended 28 February 2018.**

#### Background

2. Monthly financial results are reported to the Performance, Audit and Risk Committee as part of our prudent financial management responsibilities.
3. The financial results for the period ended 28 February 2018 have been prepared and are now presented to the Performance, Audit and Risk Committee for review.

#### Financial Performance

##### Surplus/Deficit

4. We had an operating surplus (excluding business units and other non-operating items) of \$1.82 million against a budgeted deficit of \$2.75 million, or a \$4.57 million variance to budget at the end of February 2018.
5. This variance consists of \$0.55 million more revenue and \$4.02 million less expenditure than budget.

## **Revenue**

6. Rates revenue is in line with budget. User pays and Other revenue are slightly higher (6.9%) than budget and Grants are slightly lower (4.7%) than expected.

## **Expenditure**

7. Goods and services (5.2%) and Labour (9.6%) are underbudget; while overheads are slightly overbudget (6.5%).
8. Most of the goods and services underspend is on contractors and consultancy. Operational labour costs are lower than anticipated due to staff changes and vacancies.

## **Portfolios**

9. Portfolio variances to budget are explained in detail in the Operations Report.

## **Cashflow, Debtors and Debt**

### **Treasury Performance**

10. Total cash at bank (including investments) was \$21.86 million at 28 February 2018, this includes a balance on the Metrocard account of \$2.68 million. Environment Canterbury's cash balance is therefore \$19.18 million compared to policy of \$12.2 million. Actual cash reserves are higher than policy as we are holding \$5 million in anticipation of early settlement on the Tuam Street land, payable in August 2018. Other cash inputs are funds from property sales and grant revenue for the Wilding conifer control programme which was received in advance.

### **Debtors and Debt**

11. 79.1% of our outstanding debt (excluding rates) relate to the current month. Only 6.2% of our outstanding debt (excluding rates) is over 90 days old.

### **Capital Expenditure**

12. Capital Works projects remain on track however YTD expenditure is 38.6% underbudget (January: 41.40%). The majority of underspend relates to delayed passenger transport IT projects and lower than anticipated YTD spend on catchment work projects.

## **Reserves**

13. Major reserve balances are generally above policy level. One of the key purposes of reserves is to provide a buffer for the ups and downs of expenditure that can occur during the year and between financial years. Utilisation of reserves forms part of the prudent financial management of Environment Canterbury's finances.



## Attachments

Financial Health Report February 2018

<b>File reference</b>	[SharePoint link for this paper]
<b>Peer reviewers</b>	[Names of two peer reviewers who have reviewed this paper]

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Reporting Period  
1/07/2017 28/02/2018

## FINANCIAL HEALTH REPORT

### REVENUE

**107.84 M**

Goal: 107.29 M 0.52%

### EXPENDITURE

**106.02 M**

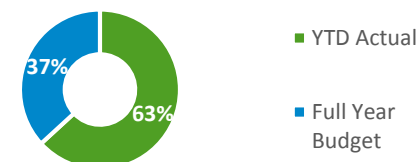
Goal: 110.04 M -3.65%

### SURPLUS/DEFICIT

**1.82 M**

Goal: -2.75 M

## YTD ACTUAL EXPENDITURE vs FULL YEAR BUDGET

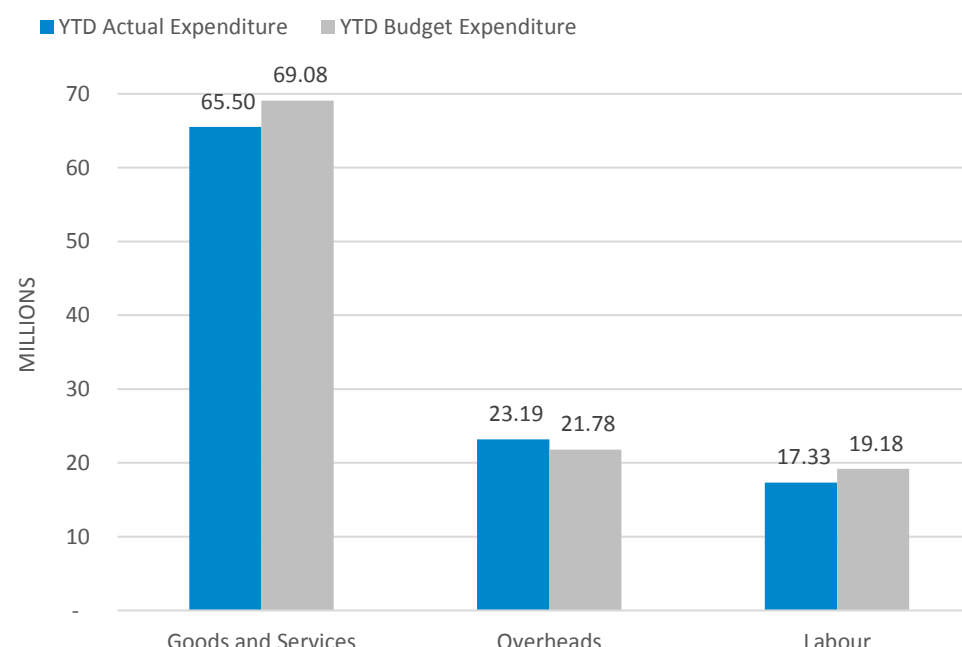
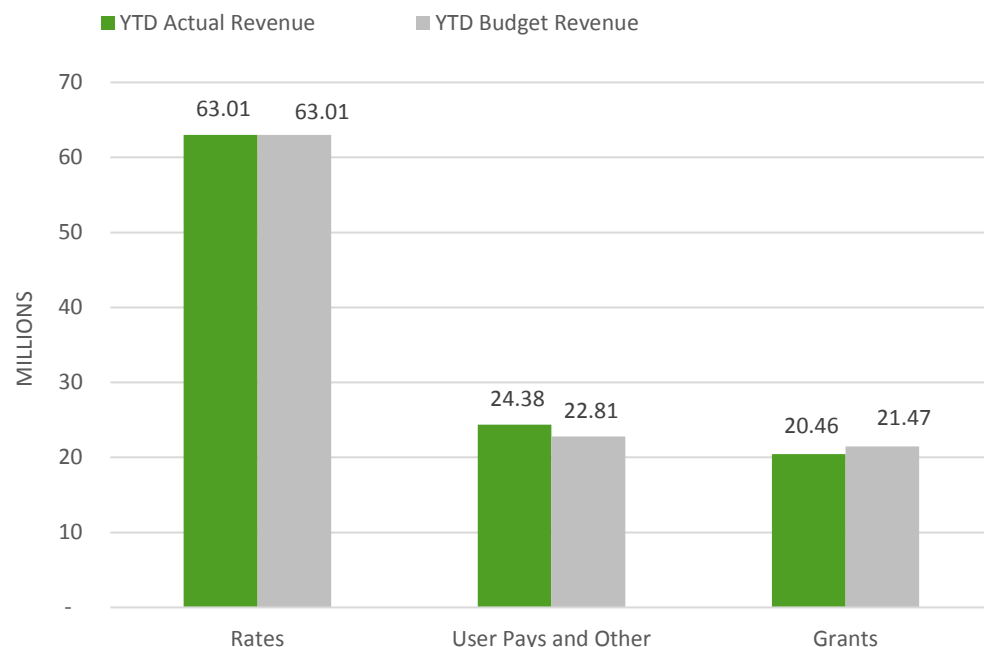


## REVENUE

Revenue is \$0.56M (0.5%) higher than anticipated for the period. User pays and Other revenue are \$1.57M (6.9%) higher than expected as a result of earthquake recoveries for the 2016 North Canterbury Earthquake, more flood protection user pays work taking place, more RMA consent monitoring user pays revenue, and the receipt of Crown funding in the OTOP irrigation acceleration fund. Consent processing user pay revenue is lower than budget due to fewer consent applications being received vs budget assumptions. Grant revenue is \$1.01M (4.7%) lower than budgeted due to some Passenger Transport IT projects being delayed, Metro contracts (and related costs) being reindexed at a lower rate than budget, and fewer bus shelter claims for the year.

## EXPENDITURE

Expenditure is \$4.02M (3.7%) under budget for the year to date. Goods and services are \$3.58M (5.2%) lower than expected, with more than half of the underspend relating to consultancy and contractors. Operational labour is \$1.85M (9.6%) underspent due to staff turnover and vacancies; and overheads are \$1.41M (6.5%) higher than budget.



## Total Cash and Bank (at 28 February 2018)

21.86 M

### Cash

0.27 M

### Metrocard

2.68 M

### Investments

18.91 M

### Investment Details (\$000)

\$	Maturity	Days	Rate
900	7-Mar-18	210	3.71%
600	20-Mar-18	210	3.71%
1300	30-Apr-18	180	3.75%
3000	14-May-18	90	3.08%
1200	27-May-18	180	3.70%
5000	5-Jun-18	270	3.75%
1000	23-Jul-18	180	3.48%

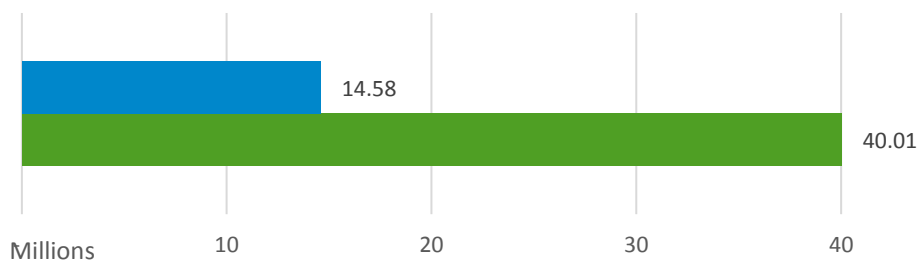
### Current Assets - Current Liabilities = Working Capital

40.01 M

14.58 M

25.43 M

■ Current Liabilities ■ Current Assets

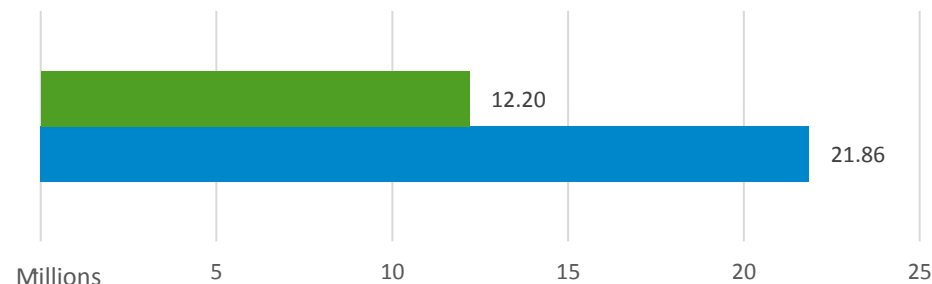


Positive working capital indicates that an organisation is able to meet its short-term payables and obligations as they fall due.

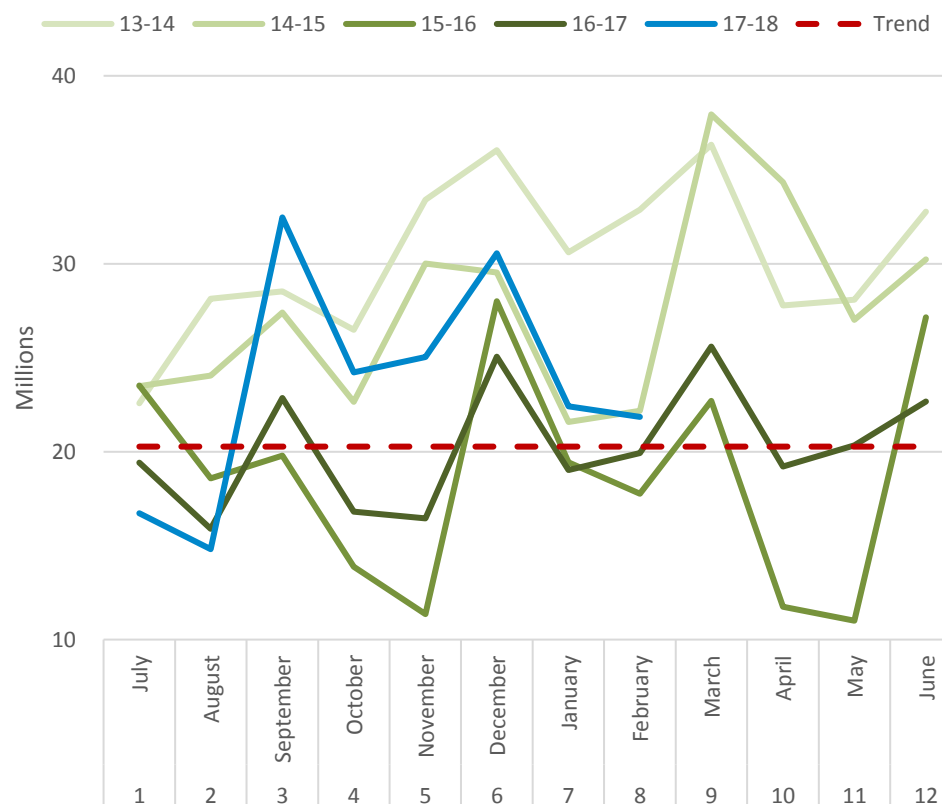
### FINANCIAL POSITION

Cash and Bank	22 M
Other Current Assets	18 M
Non Current Assets	914 M
Current Liabilities	-15 M
Non Current Liabilities	-31 M
Net Assets	909 M
Equity	-909 M

■ Cash Reserves Policy ■ Actual Cash and Bank



### Cash and Bank Balance Tracking Against Previous Years



## TOTAL OUTSTANDING DEBTS (Excluding Rates)

Period Ending 28 February 2018

5.13 M

### OVER 90 DAYS DEBT MANAGEMENT

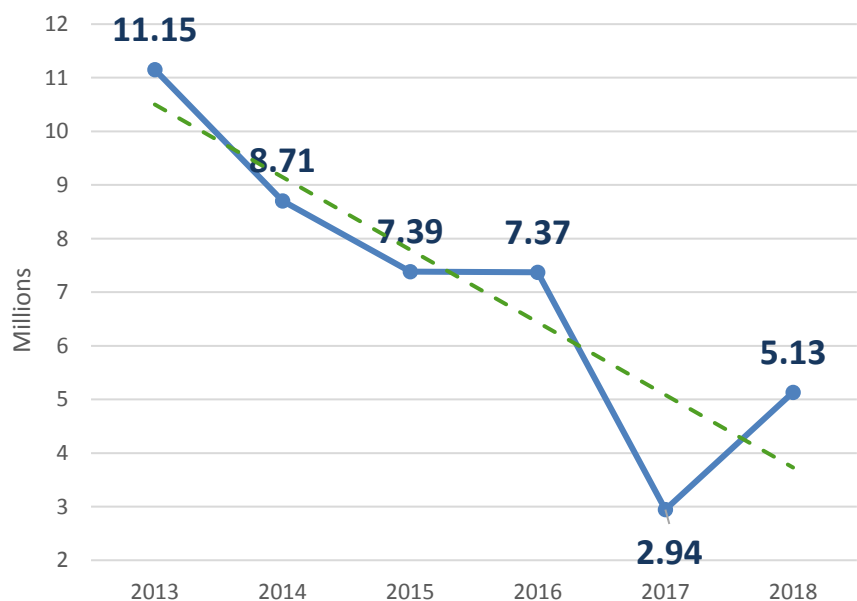
REMINDER	PAYMENT ARRANGEMENT	OBJECTION/QUERY	OTHERS
0.05 M	0.04 M	0.02 M	0.22 M

#### Note

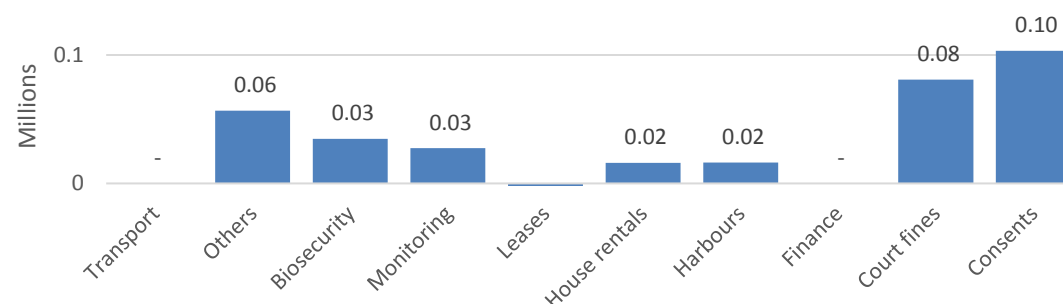
\$4.06M of the \$5.13M debt is current. Only \$0.32M is over 90 days, and is at different stages of debt management as shown above.

Overall debt has been steadily reducing from \$11.15M in 2012/13 to \$5.13M at 28 February 2018.

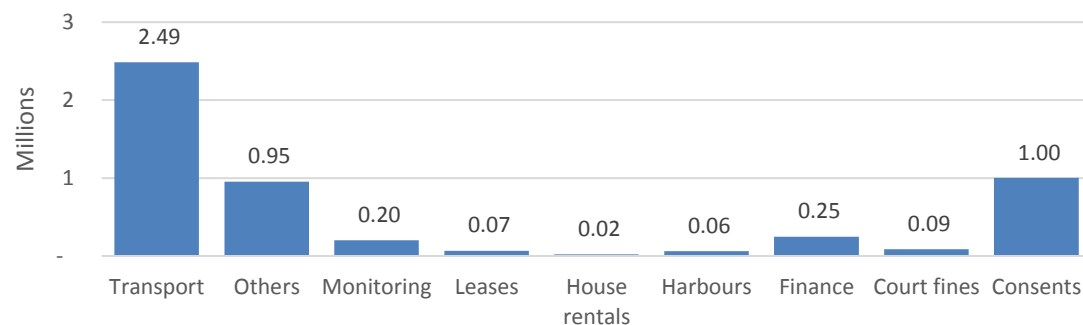
### Amount by Year (Excluding Rates)



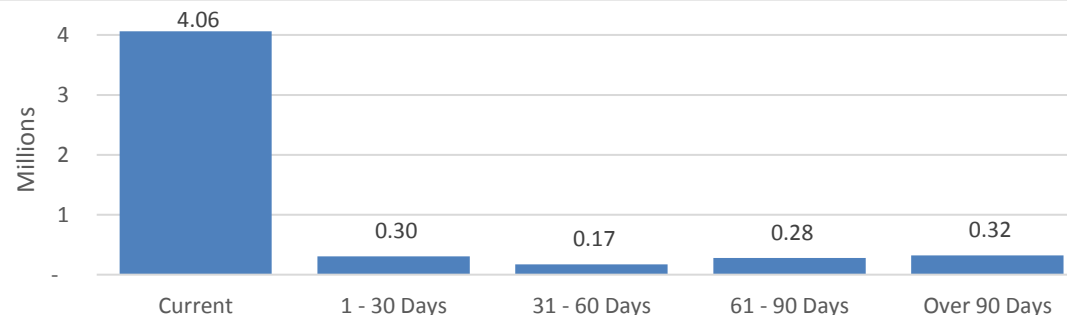
### Over 90 Days Debts by Category (Excluding Rates)



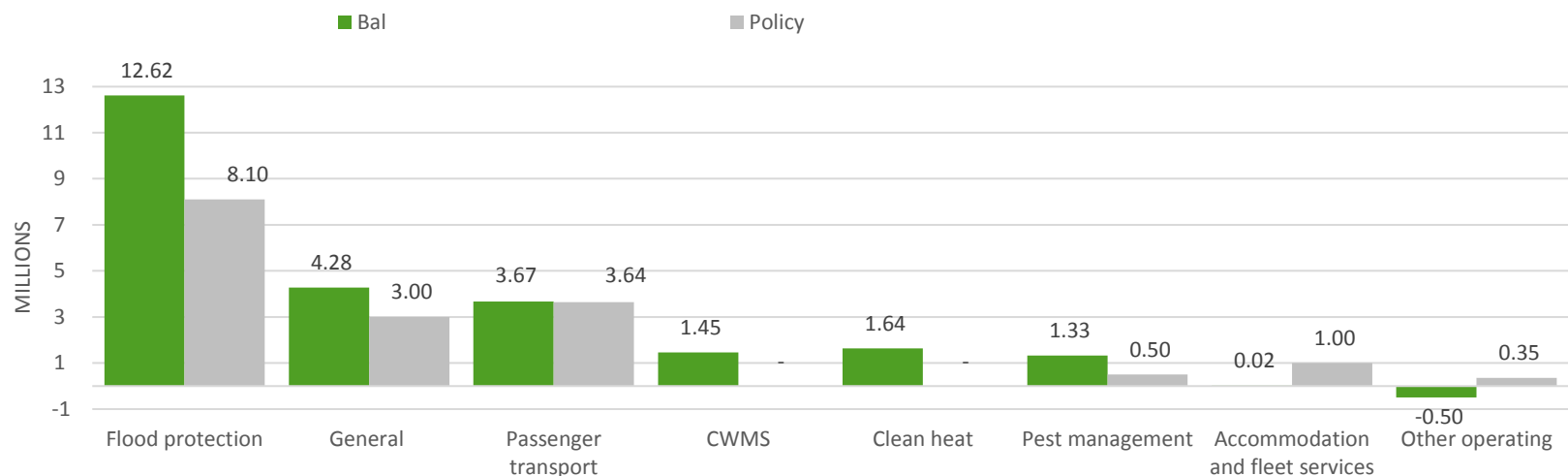
### Total Debts by Category (Excluding Rates)



### Amount by Aging (Excluding Rates)



## MAJOR RESERVE BALANCES (at 28 February 2018)



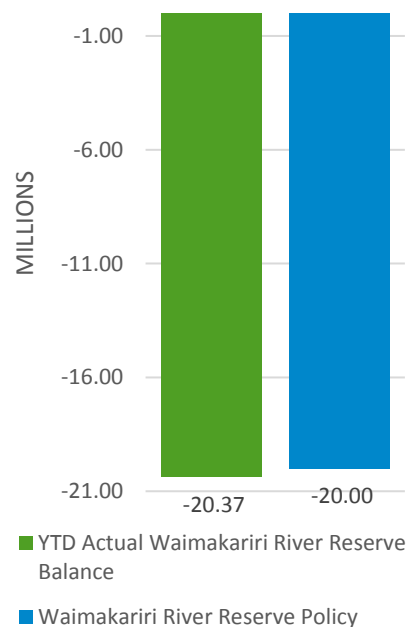
### Note:

Flood protection reserves cover 74 catchments across Canterbury.

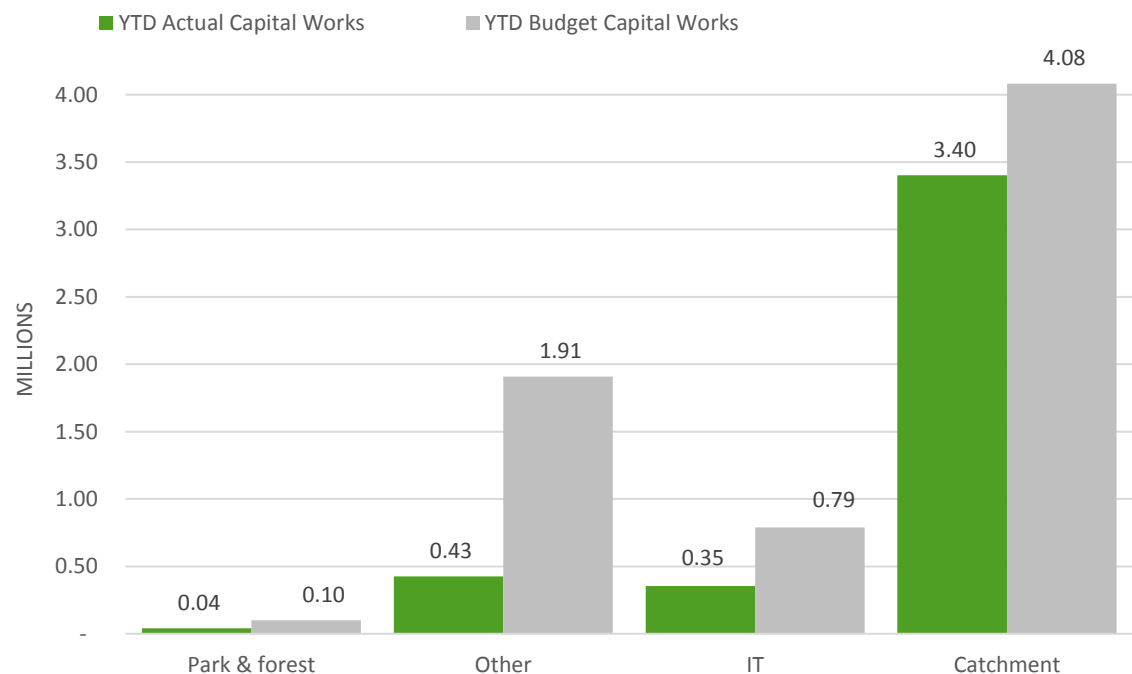
Pest management reserves comprise 31 reserves under 6 categories for monitoring/inspecting bovine TB, rabbits, rooks, possums, animals and plants.

Total actual major reserves are \$24.5M, whereas total policy is \$16.6M.

## WAIMAKARIRI RIVER RESERVE BALANCE (DEBT FUNDED)



## CAPITAL WORKS



# 4.22 M

Goal: 6.88 M -38.60%

### Note:

Capital expenditure is \$2.65M lower than anticipated for the year.

IT expenditure on Nutrient Loss Systems (\$0.15M); RMA Databases (\$0.13M); and Project Prioritisation Group (\$0.11M) projects are all under budget.

Catchment expenditure is \$0.68M lower than expected. Both the Waimakariri Eyre Cust Capital Works (\$0.31M) and Ashley Catchment Capital Works (\$0.28M) projects are underspent, while the Waimakariri River Flood Protection Capital Works project is back in line with the budget for the year to date.

The majority of 'Other' capital works projects are underspent, with \$0.96M relating to 3x IT projects in the Passenger Transport space.

## 6.3. Public Transport Finance Update

### Performance, Audit and Risk Committee (PARC) report

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<b>Date of meeting</b>	Thursday 29th March 2018
<b>Author</b>	Stewart Gibbon Senior Manager, Public Transport
<b>Endorsed by</b>	

#### Purpose

1. Report to follow under separate cover.





## 7. Audit

### 7.1. Internal audit standing paper Performance, Audit and Risk Committee (PARC) report

<b>Date of meeting</b>	Thursday 29th March 2018
<b>Author</b>	Tanya Clifford
<b>Endorsed by</b>	Miles McConway Director Finance & Corporate Services

#### Purpose

1. This report is a standing item to update the Committee on Environment Canterbury's internal audit programme and provide a forum for the Committee to raise concerns.

#### Recommendations

**That the Performance Audit and Risk Committee:**

- a. **Note the progress of the internal audit programme and**
- b. **Advise staff either:**
  - i. **that there are no internal audit issues for this month or**
  - ii. **identify the internal audit issues for consideration**

#### Background

2. This paper updates the Committee on the 2017/18 internal audit programme. The programme of works for the year was approved by the Committee at the meeting held 1 June 2017.
3. The areas of focus for the year were identified at the internal auditor's discretion, based on consultation with the Chief Executive and the Performance, Audit and Risk Committee.
4. The internal audit plan for 2017/18 considered the concerns identified in the risk register, and these items were raised with Audit New Zealand to ensure there will be no unnecessary audit duplication.
5. The Internal Audit function has an allocation within the Regional Leadership Portfolio. The working expectation is that an annual programme of four internal audits will be delivered within a \$100,000 goods and services budget. Three audits have been agreed up-front, with the Council expressing an interest that the unnamed audit be focused on compliance.

Area of audit	Reason for consideration	Status
<b>Tax review; GST &amp; FBT</b>	Environment Canterbury is responsible for ensuring all tax obligations are correctly identified and paid.	<b>Completed:</b> the findings have been

Area of audit	Reason for consideration	Status
<b>compliance</b>	Key tax returns will be reviewed and analytical tools utilised to confirm Environment Canterbury complies with all the tax obligations. <b>Strategic risk addressed: Compliance.</b>	<i>reported to the Executive Leadership Team and approved for implementing.</i>
<b>Digital disruption &amp; Cyber security</b>	Cyber-attacks are also increasing in frequency, sophistication and severity. The focus of this audit would be to build on the current IT systems review being undertaken. Such an audit will evaluate the controls in place to mitigate against these risks and identify what processes or procedures exist if such an event arose. <b>Strategic risks addressed: Data management, operations, compliance.</b>	<b>Commenced:</b> <i>participating in the Canterbury Local Government Finance Managers group internal audit on 'cyber security current state analysis' discussions held, reports expected April.</i>
<b>Passenger transport -Total mobility</b>	The Total Mobility Scheme was in the media (August 2016) having identified potential fraudulent operations in relation to this scheme. This scheme was reviewed internally by the passenger Transport team in consultation with the New Zealand Transportation Agency. An assessment of the implementation of recommendations from this review will be completed, identifying any additional steps taken to mitigate future risks. <b>Strategic risks addressed: Passenger Transport, relationships, data management.</b>	<b>Commenced:</b> <i>work scoped, in-house resources utilised to ensure efficiencies.</i>
<b>Unnamed audit – compliance review</b>	A review in the Operations Group united delivery functions. The outcome being to achieve a customer focused team that is agile and able to respond to community, regional or national priorities.  To be effective and cost efficient in our monitoring of our compliance works, we will complete a two-stage review of our Consent Compliance Monitoring approach that both confirms the robustness of current practice, especially after the major reorganisation and change in approach and culture required as part of this (the Internal Audit) and provides guidance and insight into the drivers of change and how we prepare for these in the next 3-5years. (the Operational review) <b>Strategic risks addressed: Data management, operations, compliance.</b>	<b>Commenced:</b> <i>work scoped, initial site visits completed, with first stage internal audit report expected April.</i>

## Cost, compliance and communication

6. This report is to update the Performance, Audit and Risk Committee on the internal audit programme for 2017/18. The internal audit function is provided for in the Council's annual budget.

## Attachments

None.

<b>File reference</b>	[SharePoint link for this paper]
<b>Peer reviewers</b>	Katherine Harbrow and Nicholas Hill

[remove-from-minutes-end]



## 7.2. Proposed Internal Audit Plan for 2018/19

### Performance, Audit and Risk Committee (PARC) report

<b>Date of meeting</b>	Thursday, 29 March 2018
<b>Author</b>	Tanya Clifford
<b>Endorsed by</b>	Miles McConway Director Finance & Corporate Services

### Purpose

1. This paper is to provide the Performance, Audit and Risk Committee with an outline of the proposed Internal Audit Plan for the 2018/19 financial year for discussion.

### Recommendations

**That the Performance, Audit and Risk Committee:**

1. **Approve the internal audit plan for the 2018/19 financial year (as attached), or**
2. **Provide direction to revised scope of works**

### Background

2. This paper outlines the proposed internal audit plan for the 2018/19 financial year (refer attachment 6.2.1) and the process to authorise these works. The approval process is outlined in the internal audit charter, requiring authorisation by the Chief Executive, with advice from the Performance, Audit and Risk Committee.
3. The areas of focus each year are identified at the internal auditor's discretion, based on consultation with the Chief Executive and the Performance, Audit and Risk Committee.
4. This plan has also considered the risk register, and once approved, will also be raised with Audit New Zealand to ensure there is no unnecessary audit duplication.
5. The approval of the 2018/19 Internal Audit plan will enable a procurement process to be started for external advisors (where necessary) to obtain the best value for money.
6. The Internal Audit function has a \$100,000 goods and services budget allocation, with a working expectation that there will be an annual programme of four internal audits delivered. Three audits will be agreed up-front, with a final determined later in the financial year, in response to identified risk or public interest issues.

7. The three audits proposed for review are:

- Provision and support of Passenger Transport IT systems
- Contract efficiencies – attaining value for money and
- Legislative compliance

The proposed scope of these audits along with alternative options are detailed in the attachment 6.2.1

## **Cost, compliance and communication**

8. This report is to provide the Performance, Audit and Risk Committee with an opportunity to comment and provide feedback on the proposed internal audit programme for 2018/19. The internal audit function is provided for in the Council's annual budget.

## **Attachments**

Proposed Internal Audit Plan for 2018/19

<b>File reference</b>	[SharePoint link for this paper]
<b>Peer reviewers</b>	Katherine Harbrow and Nicholas Hill

[remove-from-minutes-end]

## Proposed internal audit plan for the 2018/19 financial year

This paper outlines the proposed internal audit plan for the 2018/19 financial year, along with providing alternative options.

It is expected this plan will be widely circulated with senior management staff and PARC for agreement and approval prior to 30 June (commencement of the financial year). The approval process is outlined in the internal audit charter, requiring authorisation by the chief executive, with advice from PARC.

The plan has considered the risk register, input will also be sought from Audit NZ to ensure that there is no unnecessary audit duplication. Current indications are that the 2018/19 Audit NZ programme will focus on the area of contract management.

The Internal Audit function has a \$100,000 goods and services budget allocation, with a working expectation that there will be an annual programme of four internal audits delivered. Three audits will be agreed up-front, with a final determined later in the financial year, in response to identified risk or public interest issues.

The Canterbury Local Government Finance Managers group also merges resources to complete group audits. Audits for the 2018/19 financial year are still to be scoped. Environment Canterbury may elect to participate in these audits and would be an additional audit to be funded within the internal audit budget.

The table below outlines the proposed audit areas of focus for the 2018/19 financial year (in grey). It explains why they were selected and the strategic risk they address – per the risk register. The first three are the recommended areas for internal audit, with the remainder (not shaded) providing alternative options.

Proposed area of audit	Reason for consideration
Provision and support of Passenger Transport IT systems	This audit would focus on the requirements and adequacy of the IT support structure for passenger transport requirements (review prompted in light of systems failure at the Tuam Street bus exchange). The audit to consider what services passenger transport delivers and the IT requirements/capabilities of these services; it should consider the risk of these systems failing and the controls and processes in place to mitigate these risks should failure occur. <b>Strategic risk addressed: operations, data management, compliance</b>
Contract efficiencies – attaining value for money  <i>(Procurement is expected to be the 2018/19 External Audit Theme from AOG)</i>	Managing performance and demonstrating good value for money for the ratepayer is vital in public sector organisations; it also provides us with an appropriate framework for securing efficiency improvements within our organisation. Review to focus on: (a) the adequacy of managing contracts, including setting of appropriate performance indicators and scoping work to ensure due regard to economy, efficiency and effectiveness. (b) the extent to which resources have been managed with due regard to economy and efficiency; how much did this cost the organisation and was the result reflective of the cost? (c) the

Proposed area of audit	Reason for consideration
	<p>extent to which programs, operations or activities of an entity have been effective; did the output/delivery met the contract brief and were performance indicators met.</p> <p><b>Strategic risk addressed: Operations, data management, compliance.</b></p>
Legislative compliance framework	<p>An onus is placed on Environment Canterbury to comply with all applicable legislation. There is a vast array of regulation that changes frequently. It is important to confirm that there are appropriate controls and processes in place to ensure staff are aware of any legislative changes.</p> <p>This was an area reviewed in 2013/14. However, a number of Council specific amendments have become effective since this date and therefore it is important to confirm effective systems remain.</p> <p>This audit was an area proposed in the 2017/18 year, not completed due to other areas of focus prioritised in the plan.</p> <p><b>Strategic risk addressed: Operations, compliance.</b></p>
<p>Revenue/Rates</p> <p><i>Proposed area of focus for 2019/20</i></p>	<p>The Local Government Act 2002 and Local Government (Rating) Act 2002 places a number of obligations on Council in relation to setting and striking rates. A number of Councils have had to make rating non-compliance disclosures and have potentially opened themselves to legal action or rating disputes.</p> <p>The initial review would focus on compliance with Environment Canterbury's rating policy and financial strategy along with legislative requirements. A further extension of such a review could occur, where consideration was given to the effectiveness of the current rating and revenue structure. Such a review would be ideally timed to occur two years before any Long-Term Plan (or the 2019/20 financial year), to allow recommendations to be incorporated into this planning document.</p> <p><b>Strategic risk addressed: Policy, compliance.</b></p>
<p>Asset management</p> <p><i>Proposed area of focus for 2019/20</i></p>	<p>Environment Canterbury has a significant number of assets recognised in the asset register. Reliance is placed on section managers to communicate items that are sold, damaged or lost to finance, enabling records to be updated.</p> <p>To ensure Environment Canterbury's systems and processes are appropriate to capture purchases and future management of these resources, a review is proposed to focus on:</p> <p>Reviewing the framework in place for asset management and testing the information to account for and track assets from time of purchase to disposal. The review will also consider safeguards in place to minimise the possibility of misuse, loss or theft of capital assets. It is expected that such a review will co-inside with an asset verification exercise (probably performed in-house).</p> <p><b>Strategic risk addressed: Data management.</b></p>
Infrastructure/Engineering	Audit considering efficiencies within engineering
Suspicious Transactions Analysis	High level, desktop review using computer software (computer aided techniques (CATs)), to undertake a suspicious transactions analysis and test payment transactions to profile transactions, in particular high risk business functions such as



Proposed area of audit	Reason for consideration
	<p>payroll, accounts payable and expenses, for indicators of fraud.</p> <p><b>Strategic risk addressed: Data management.</b></p>
<p>People management/staff retention</p>	<p>The audit to evaluate the adequacy of controls and processes for staff recruitment, retention and succession planning, and the extent to which controls have been applied, with a view to providing an opinion on the extent to which risks in this area are managed.</p> <p><b>Strategic risk addressed: People.</b></p>
<p>Managing conflicts of interest with public engaging programmes</p>	<p>This audit would examine of the adequacy and effectiveness of the controls over the management and handling of conflict of interest with those programmes that engage with the public. Specific areas to examine include: the assignment of roles and responsibilities with respect to the conflict of interest management framework; governance, monitoring and reporting of the conflict of interest; assessment of operational risks related to conflict of interest; communication/training/sign-off processes in place to remind employees of their obligation; and, the process in place to address and follow up on potential conflicts of interest as they are identified.</p> <p><b>Strategic risk addressed: Operations, people, data management, policy, compliance.</b></p>
<p>Public interaction – emergency event response</p>	<p>The audit to focus on how public and stakeholder communication/media responses are managed, particularly in an emergency or time pressured event.</p> <p>Canterbury has responded to a number of emergency situations recently. Key learnings from these earthquake, fire and flood events should be reflected on and reviewed to ensure there are robust policies and procedures established; particularly related to capturing situational or financial elements and the appropriateness of risk management and escalation processes.</p> <p>This audit was an area proposed in the 2017/18 year, not completed due to other areas of focus prioritised in the plan.</p> <p><b>Strategic risk addressed: People, operations, data management, compliance.</b></p>

## Historic audit programme

The table below outlines the internal audit programme since its inception. The proposed internal audit programme has considered these previous audits, and elected to focus on alternative areas of risk. There are some risk elements that are so considerable - fraud as an example, that more frequent review is recommended. Hence the suggestion of the cyber security audit, to address this fraud risk.

Year	Internal Audit
2017/18	Fringe Benefit and Goods & Services Tax review (complete)
	Compliance monitoring (review in progress)
	Digital disruption & Cyber security (performed by Canterbury Local Government Finance Managers group)
	Passenger Transport (review in progress)
2016/17	Diversity Health Check
	Data Management
	Probity Sensitive Expenditure
	Grants & Contracts with planning & consenting entities
2015/16	Data Analytics Payroll and Payables
	Depot Assessment
	Holiday Pays
2014/15	Contract Management
	Fraud
	Risk Management
	Motor Vehicle
2013/14	Legislative Compliance
	Procurement
	Staff Leave
	Resource Monitoring and other charges
	Whakaora Te Waihora Programme

**Attachments:**

**File reference:**

## 8. Public Excluded

### Performance, Audit and Risk Committee (PARC) Report

<b>Author</b>	Vivienne Ong Committee Advisor - Governance
<b>Endorsed by</b>	Catherine Schache General Counsel

### Meeting with the public excluded

1. That the public be excluded from the following part of the proceedings of this meeting, namely:
  - 8.1 Update on Litigation Outcomes
2. The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48(1) for the passing of this resolution</b>
8.1	That good reason exists for not discussing the matter with the public present and is not outweighed by the public interest.	Section 48(1)(a)

This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceeding of the meeting in public are as follows:

*8.1 Maintain legal professional privilege – Section 7(2)(g)*

*That appropriate officers remain to provide advice to the Committee.*



**9. Notices of Motion**

**10. Extraordinary and Urgent Business**

**11. Next Meeting**

**12. Questions**

**13. Closure**