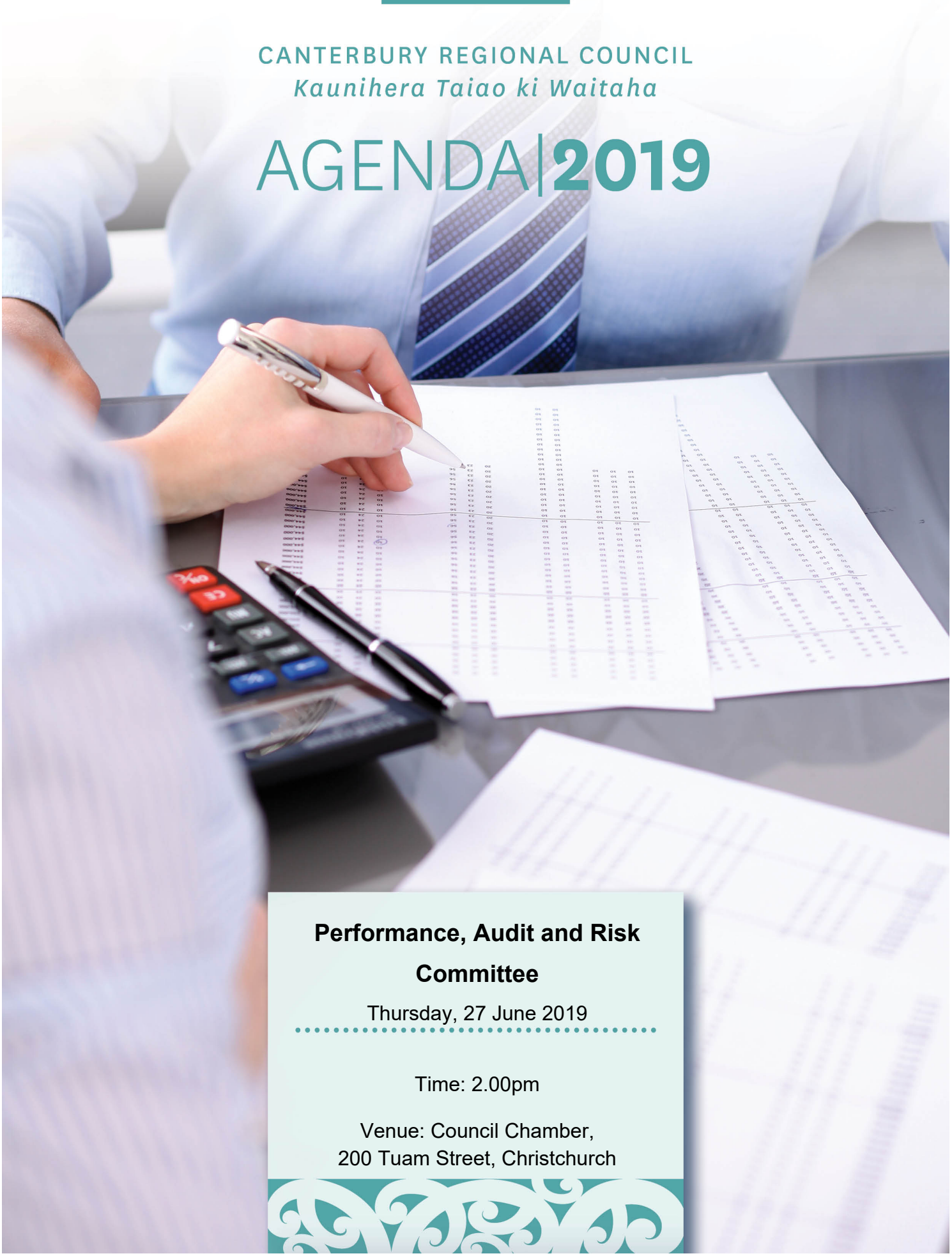
Environment Canterbury Regional Council
Kaunihera Taiao ki Waitaha

CANTERBURY REGIONAL COUNCIL
Kaunihera Taiao ki Waitaha

AGENDA|2019



Performance, Audit and Risk Committee

Thursday, 27 June 2019

Time: 2.00pm

Venue: Council Chamber,
200 Tuam Street, Christchurch

Performance, Audit and Risk Committee

Membership

Chair	John Sunckell
Deputy Chair	Peter Scott
Environment Canterbury Councillors:	Claire McKay
	Iaean Cranwell
	Steve Lowndes

Performance, Audit and Risk Committee

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1. Apologies

2. Conflict of Interest

3. Deputations and Petitions

4. Risk

4.1. Health and Safety

Date of meeting	27 June 2019
Author	Matthew Bennett Principal Health and Safety Advisor
Endorsed by	Miles McConway Director Finance and Corporate Services

Performance, Audit and Risk Committee (PARC) Report

Purpose

1. To provide a summary of information on Health and Safety matters to the Performance, Audit and Risk Committee.

Recommendations

That the Performance, Audit and Risk Committee:

1. **Receive the Health and Safety Governance Report.**

Summary

2. Over the past month inspections have been conducted on a number of our chemical stores. These have proved valuable as we have found that overall we have good storage facilities and practices, and have also picked up on minor issues.

3. Puna Korero has a “report a hazard’ tool that was introduced three years ago. It was promoted in the Winter Kai ora ra newsletter and within 15 minutes three hazards had been reported that were valuable to know about and resolved before any incident occurred

4. Three incidents were reported since the last report (13 May 2019): Two minor and one moderate events. Enquiries are still underway for all three.

Attachments

Health and Safety report

Health and Safety Strategy Work Programme

Strategy Update

Programme	Details	Stage
Visible Safety Leadership	Safety Tours by Directors and Senior Leaders	Underway
Information sharing	Improving the methods of sharing health and safety information and learnings	Design and Development
Safe Systems of Work	Development, reviewing and updating of safe systems of work for all tasks / activities that expose ECan workers to potential harm	Underway
External reviewing of high-risk work	Engage external consultants and experts to look a key work activities and measure against good practice and principles	Underway
Health & Safety Training for all Senior Leaders	Develop an H+S Training package for People Leaders – principles of H+S, Hazard / Risk Identification, Incident Management. HR add an H&S induction for new People Leaders.	Design and Development
Incident management and learning	Improve the quality of incident management and implementation of learnings	Design and Development
Improvement and corrective actions	Develop and utilise an effective method for improvement and corrective actions including alerting and escalation of actions and reporting on progress	Design and Development
Health & Safety data and information management	Design and implement an effective system for collecting, managing, analysing and reporting health & safety at all levels and across all of Environment Canterbury	Design and Development
Training and Competency Data	Develop a training management system that enables clear view of training requirements and currency	Design and Development
Review of H+S Policy and Management Structure	Undertake an internal desktop review of the health and safety policy and management structure against ISO 45001	Complete
Contractor Management	Develop a centralised database and supporting resources to enable effective contractor management in line with the contractor management protocol	Underway
Worksite Inspections	Inspection ECan worksites and activities as planned in the Section H+S Plans	Underway
H+S Staff Surveying	Designing of surveying method for collecting worker input on the performance and effectiveness of HSMS and Strategy. Survey results used do drive a feedback loop.	Design and Development
PPE Project	Implementation of the recommendations from the Review of PPE	Design and Development

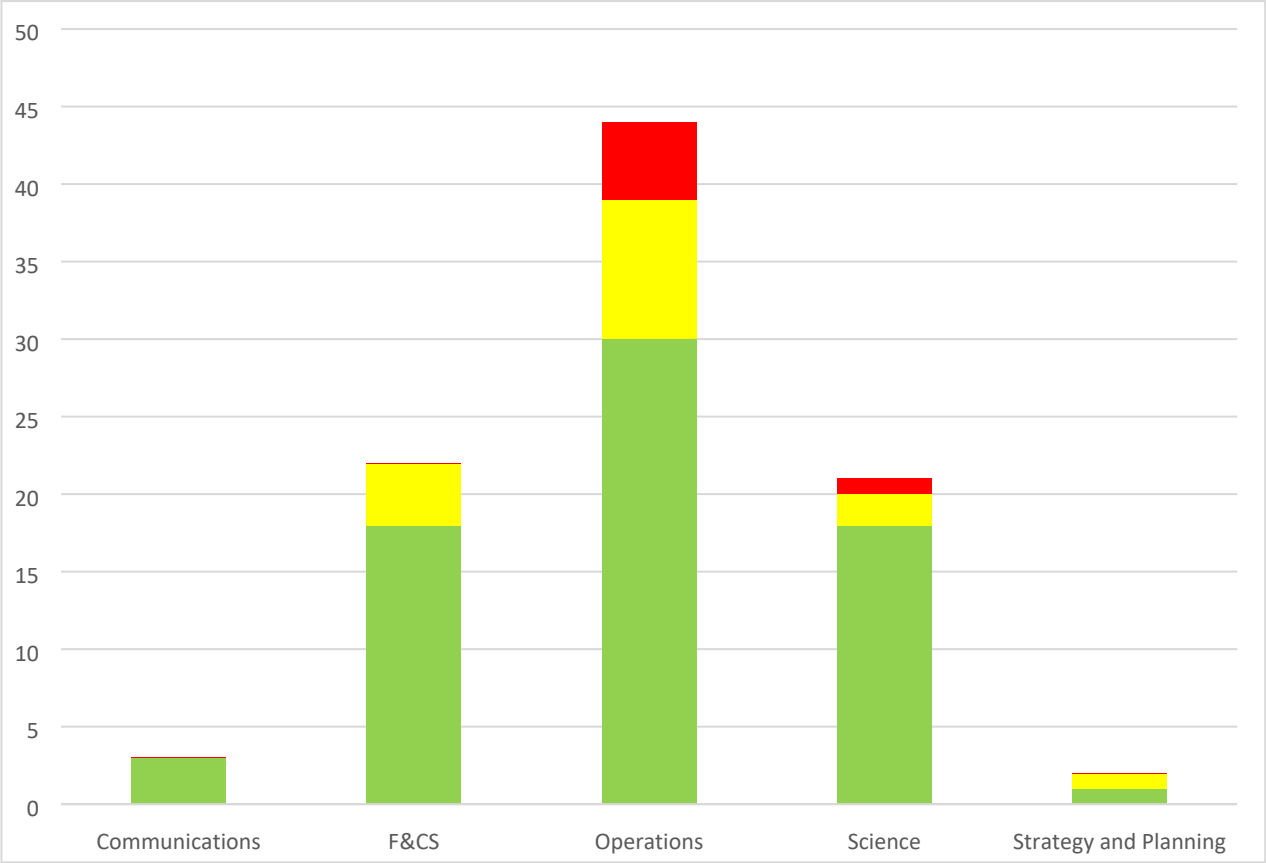
The H+S Data and Information Management project has taken in significant step forward and is now with the Knowledge Management and Intranet Content Teams who are developing the data collection and handling builds, while the Power Bi and working on the dashboards.

The PPE Manual is being worked on by a technical writer and is progressing well. However the database that will record PPE is taking longer than anticipated.

Lead Indicators

Since the previous detailed risk profile report and number of sections have responded, developing and / or finalising standard operating procedures and adjusting schedules to ensure that planned activities are progressed / completed by the end of the H+S Section Plan cycle, resulting in a positive improvement in the overall risk profile.

Risk Profile by Section



= Identified risk activity with no documented procedure

= Procedure has been developed for the activity / task however has not been reviewed

= Procedure in place for Activity / Task that has been reviewed within past twelve months

Lag Indicators

Incidents from 14 May – 7 June 2019:

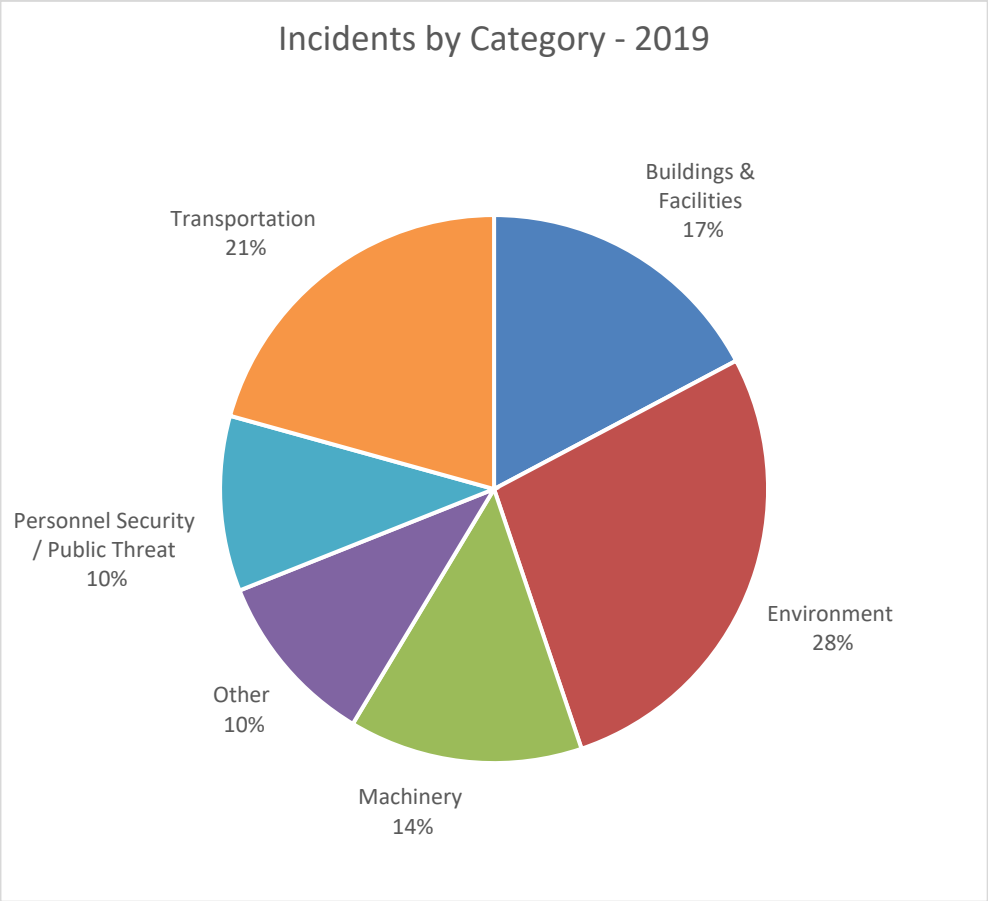
Title	Date and Time	Group	Section (New)	Risk Category (New)	Risk sub-category	Status	Actual Harm
Hand Puncture Wound	28/05/2019	Operations	FS - Depots	Other	Manual Handling	Open	Moderate
Crushed Fingers	23/05/2019	Science	Surface Water	Buildings & Facilities	ECan Property	Open	Minor
Wasp Attack	2/05/2019	Operations	River Engineering	Environment	Insect	Open	Minor

Year-to-date Summary

1 January 2019 – 7 June 2019

Incident by Impact and Group (Table)

	Insignificant	Minor	Moderate	Major & Catastrophic	Total (by Group)
Communications and Engagement	1		1		2
Finance and Corporate Services		1			1
Operations	8	10	5		23
Science		1			1
Strategy and Planning		1			1
Contractors		1			1
Non-Workplace					-
Visitor / Public					-
Total (by Impact)	9	14	6	-	29



4.2. Risk Standing Item

Performance, Audit and Risk Committee (PARC) report

Date of meeting	27 June 2019
Author	Nicholas Hill, Risk Advisor
Endorsed by	Katherine Harbrow, Chief Financial Officer

Purpose

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

Recommendations

That the Performance, Audit and Risk Committee:

1. **Receive this report on risk management activities, and**
2. **Advise staff either:**
   - **2.1. that there are no risk issues requiring assurance, or**
   - **2.2. identify risk issues requiring assurance.**

Increasing Maturity

2. Over the past six months, key Portfolio staff and managers have worked to develop a cross-functional understanding of key risks and issues. Their focus is on risks that could impact the delivery of portfolios' strategic outcomes, objectives and levels of service. This is an extension of examining risks associated with Levels of service targets as it considered the portfolio goals more broadly.

3. Risks and issues are identified by Portfolio staff continuously and logged within the Portfolio Leadership Groups (PLG). These risks are raised and reviewed on a regular basis as appropriate. Portfolios risks are made visible through "portfolio A3s" with portfolio Councillors having the opportunity to engage directly with the relevant managers and staff.

4. While risk management practices are advancing throughout the organisation, there will continue to be further work conducted to ensure consistency and documentation at different levels of the organisation.

Future Workshops

5. Staff recommend running a series of workshops as the new financial year comes in:

    a. Portfolio Leadership Group (PLG) Workshops (staff): Each PLG will continue to hold a regular risk focussed workshop. These workshops will focus on the goals of the portfolio and what the threats and opportunities are in relation to these goals. The other element will be to look at the incoming levels of service through the new annual plan and identify any constraints or challenges that need to be managed in order to ensure achievement of the targets.

    b. Councillor Workshop: The annual workshop with all Councillors on risk is due. A workshop will be arranged with Councillors before the triennium ends.

Financial implications

6. Macro-level financial risks are also addressed in the PARC Operations Report and other PARC reports such as the Public Transport and the Healthy Homes Canterbury reports.

Next steps

7. We seek to hold a risk workshop with Councillors before the end of the triennium. This workshop aims to review Councillors strategic risks and risk appetite.

8. Portfolio Leadership Groups will continue to hold workshops intended to identify risks against Level of Service targets ahead of the upcoming financial year. This activity is intended to develop consistency between portfolios and gain assurance that risks to work programmes are mitigated.

9. Once these reviews are undertaken, we will seek to revise quarterly reporting of top organisational risks to PARC.

Attachments

Nil

File reference	
Peer reviewers	

5. Performance

5.1. Action List
Performance, Audit and Risk Committee (PARC) report

Date of meeting	27 June 2019
Author	Katherine Harbrow Chief Financial Officer
Endorsed by	Miles McConway Director Finance and Corporate Services

Purpose

1. The purpose of this report is to record matters raised at the Performance, Audit and Risk Committee meetings that require substantial follow up actions and to provide delivery times and accountability.

Recommendations

That the Performance, Audit and Risk Committee:

1. Receives the Action List for the 27 June 2019 meeting

Attachments

1. Current PARC Action list – 27 June 2019

Performance, Audit & Risk Committee Action List

#	Action Request Date	Resolution/Request	Action Taken	By Whom	Notes/Dates
		Future Meetings:			
		Efficiency and Productivity Reporting	Ongoing	Miles McConway	
		Current Meeting:			
1	2 May 2019	*Health & Safety:* Brief presentation on how the organisation informed staff in making decisions in tricky situations, along with how the organisation identifies and mitigates risk.	Included this meeting	Matthew Bennett	Completed
2					
3					

5.2. River Rating District 18/19 Financial Reserve Use

Performance, Audit and Risk Committee (PARC) report

Date of meeting	27 June 2019
Author	Shaun McCracken, Leigh Griffiths
Endorsed by	Nadeine Dommisse

Purpose

1. To inform the committee of proposed use of financial reserves within River Rating District budgets.

Recommendations

That the Performance, Audit and Risk Committee:

1. **agrees that the River Engineering Manager's recommendation of financial reserve use is appropriate and justified.**

Key points

2. The total (net) unbudgeted use of financial reserves for the 2018/19 (current) financial year is $660,000 for maintenance within seven river rating districts / drainage schemes.

Background

3. The Financial Policy states the Council shall maintain a balance of 70% of maintenance expenditure ($8.1m) for the purpose of funding unbudgeted flood and erosion damage.

4. We have had a sequence of moderate flood events over the past 18 months, which cumulatively have had a damaging effect on some of our assets.

5. Repair work is either completed, currently in process, or planned to be completed by June 2019.

Summary of Changes

Scheme	AP Budget Expenditure	Change	Reason
Orari-Waihi-Temuka Rivers	$775k	+ $360k	Continued flood repairs for damage that occurred in Jul 2017, Feb 2018, Apr 2018 and in the three events in Nov 2018. Some regular maintenance work has been deferred until next financial year in order to offset total increase.
Selwyn River/Waikirikiri	$234k	+ $100k	Continued flood repairs for damage that occurred in July 2017. Increased expenditure from reserves has been approved by rating district committee. Some regular maintenance work has been deferred until next financial year in order to offset total increase.
Ashburton River/Hakatere	$735k	+ $56k	Minor additional work required due to flooding in Feb 2018.
Ashburton Hinds Drainage	$214k	+ $100k	Wet 2018 winter caused higher than usual erosion damage to drains. Additional $100k expenditure approved by rating district committee to fund repair work.
Kaikoura Rivers	$543k	+ $100k	Extra expenditure this year due to carry over of payments from rock protection contract budgeted for 17/18 financial year. (Underspend in 17/18 FY).
Halswell/Hurutini Drainage	$717k	+ $42k	High weed growth season has increased need for additional removal over 2018/19 summer.
Waimakariri Eyre Cust	$3,762k	- $98k	Expect total expenditure to be $100k (2.5%) under budget

Cost, compliance and communication

Financial implications

6. Funding for this additional work is sourced from financial reserves, no impact on future rates is anticipated at this stage as the projected balance of the reserve after this expenditure is just under $8m.

Consistency with council policy

7. It is considered that the use of these funds is within the bounds of what they have been set aside for.

Communication

8. Changes have been (or are currently being) discussed with each rating district liaison committee in accordance with our Asset Management Plan guidance for variations over 10% of budget.

9. These changes have all been incorporated into the current round of 8+4 financial reporting.

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

5.3. Operational Report May 2019

Performance, Audit and Risk Committee (PARC) report

Date of meeting	Thursday, 27 June 2019
Author	Tarsha Triplow Team Leader Corporate Reporting
Endorsed by	Katherine Harbrow Chief Financial Officer

Purpose

1. To report on operational performance by portfolio for the period ended 31 May 2019.

Recommendations

That the Performance, Audit and Risk Committee:

1. **Receives the Operational Performance report for the period ended 31 May 2019.**

Background

2. The Performance, Audit and Risk Committee (PARC) Operations Report includes service delivery and related financial performance information for the 2018/19 year to date.

Overall Performance

3. All of the 72 measured Levels of Service (LoS) performance targets for the year are on track to be achieved with the exceptions of;

    a. 9.2 Braided River Action Group (BRAG) have indicated they may not be achieved due to lack of funding from all partners. However, ECan believe we can achieve the intent of the level of service through other partnership arrangements.

    b. 25.2a Urban Development Capacity Assessment (will not be achieved).

    c. Seven LoS performance targets have been achieved.

4. As at 31 May 2019, we had an operating deficit of $1.35 million compared to a budgeted deficit of $2.46 million, a favourable variance of $1.12 million. Further explanation of financial performance is provided in the financial health report.

5. The variance is a result of spending $0.25 million less than budget and receiving $0.86 million more revenue than budget.

Performance against Levels of Service (LoS)

6. The 2018-28 Long-Term Plan contains 41 Levels of Service, 76 measures and 99 targets. Of these targets in the plan, 27 relate to activities expected to be delivered in future years, leaving 72 targets for 2018/19.

7. Currently all targets are on track to be delivered by the end of the financial year, except for those indicated in overall performance above.

Financial Performance

8. The performance of each portfolio is displayed in the attached report. The significant variances by Portfolio are:

   d. Biodiversity and Biosecurity – $1.52 million below budget surplus, is due to the seasonal implementation in this portfolio, the expenditure is expected to likely be underspent at year end. Additional Revenue of $0.85 million has been received largely for the Wilding Conifer Project.

   e. Freshwater Management - $1million above budget expenditure mainly due to CWMS “Fit for Future” project work. Council have approved the $400k overspend for this project. Revenue is under budget currently $1.5 million due to delays on some projects which has reduced MfE Grants this year.

Attachments

1. Ops BI Report May 19 **[5.3.2 - 13 pages]**
2. 2018-19 LOS PARC - May 2019 **[5.3.3 - 5 pages]**

File reference	[SharePoint link for this paper]
Peer reviewers	Miles McConway, Director Finance & Corporate Services

LEVELS OF SERVICE TARGETS 72

Achieved	On Track	Not On Track	Won't Achieve
7	63	1	1

	Revenue	Expenditure	Surplus/Deficit
Actuals	153.32	154.67	-1.35
Budget	152.46	154.92	-2.46
Variance	0.86	-0.25	1.12
%Variance	0.57%	-0.16%	

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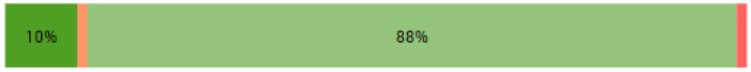
Reporting Period

7/1/2018 5/31/2019

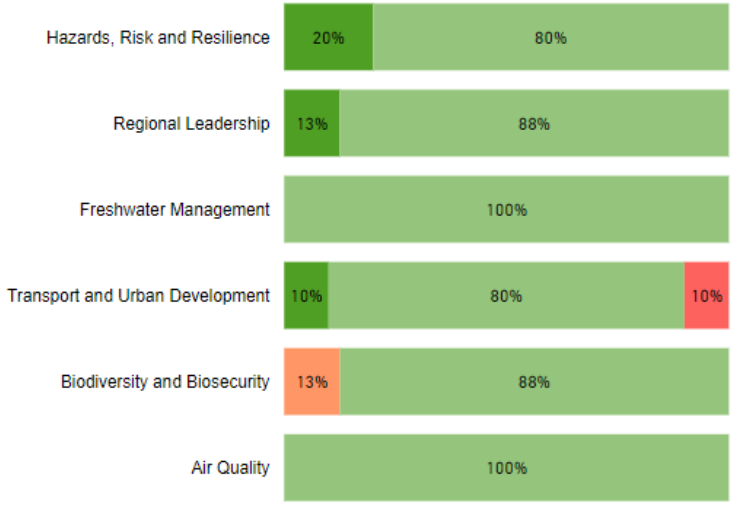
Overall Level of Service Targets Status

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



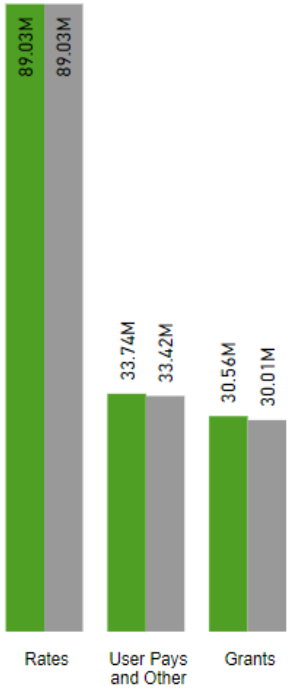
Level of Service By Portfolio

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



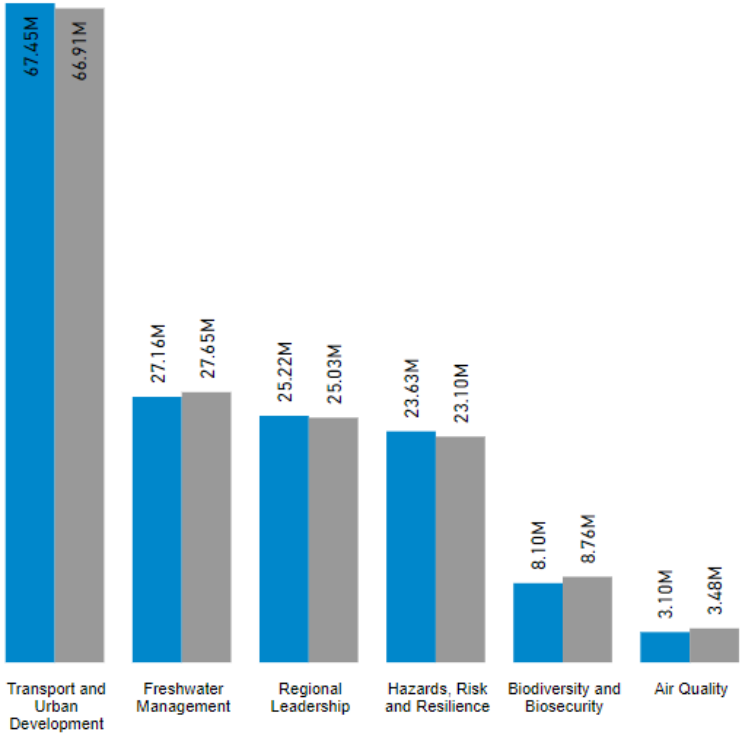
Revenue

YTD Actual Revenue YTD Budget Reve...



Expenditure

YTD Actual Expenditure YTD Budget Expenditure



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Reporting Period

7/1/2018 5/31/2019

Air Quality

Levels Of Service Targets

Achieved	On Track	Not On Track	Won't Achieve
0	5	0	0

Status : Levels Of Service Targets

Achieved | May not be achieved | Not Monitored | On track to be achi... | Will not be achi...

100%

Level of Service

2

Measures

5

Targets

5

Not Measured This Year

0

Comment On Service Delivery

The Cleaner Home Heating programme is now focussing on the busy winter period. Online channels with a wide reach will be used to provide Better Burning Advice across the region. We won't have staff proactively observing smoky chimneys in Rangiora, Kaiapoi, Christchurch and Ashburton but we encourage people to still contact us if they observe any excessively smoky chimneys and have concerns. Air quality has improved enough in this region for the Council to take this approach, however South Canterbury's programme will go ahead, focussing on Timaru where there are still a high number of exceedances, and Waimate and Geraldine where new rules come into effect on 1 Jan 2020. Smoky chimney calls will continue to be received, logged & monitored to enable reporting to identify what action will be required in the 2020 season. Healthier Homes Canterbury applications numbers are on track. The software project is progressing, but a full solution is not in place yet. Timeframes for processing applications is currently 20 days. The website has been updated to advise applicants of the delays. Air Quality Monitoring and Investigations progress, with a new filter instrument being installed in Washdyke so that if there is another exceedance we have more information regarding the natural or industrial sources. The report on in-home testing of ULEBs in Waimate is complete and the average emissions compares very favourably with in-home tests of LEBs.

Target

Watchlist

All targets were achieved in 2017/18.

Emerging Issues

No emerging issues

Acronyms / Additional Notes / Metrics

CARP: Canterbury Air Regional Plan
LEB: Low Emission Burner
ULEB: Ultra Low Emission Burner

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7/1/2018 5/31/2019

Air Quality

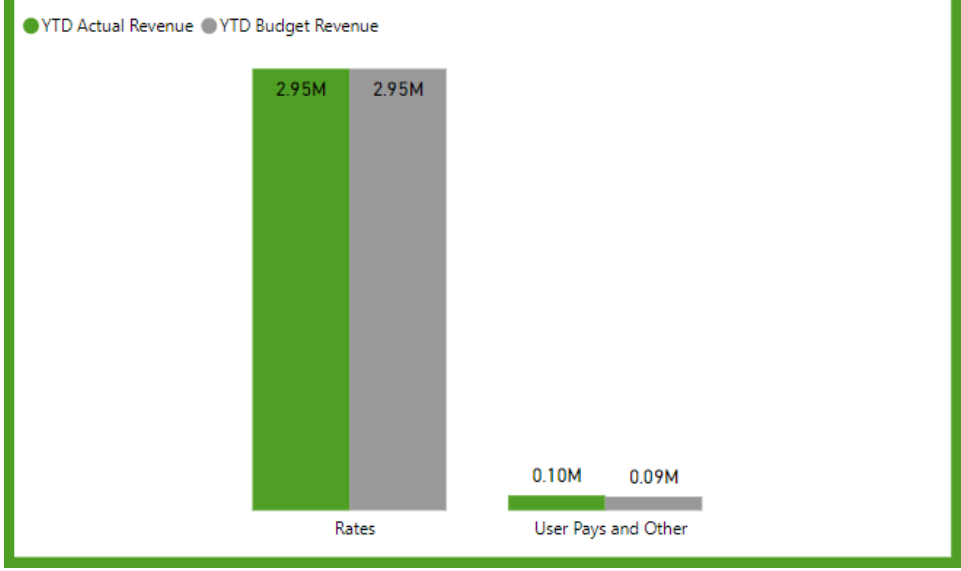
YTD Actual Expenditure vs Full Year Budget

78.34%

YTD Actual/Full Year Budget %

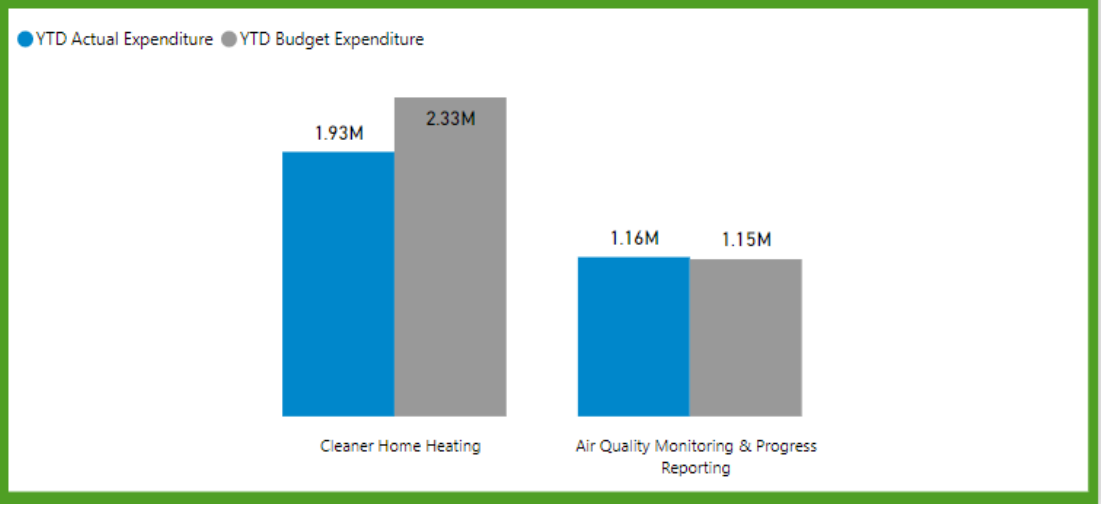
	Revenue	Expenditure	Surplus/Deficit
Actuals	3.05	3.10	-0.05
Budget	3.04	3.48	-0.44
Variance	0.01	-0.38	0.39
%Variance	0.30%	-11.00%	

Revenue



Expenditure

The portfolio is likely to be under budget by end of financial year due to a reduced winter campaign in Rangiora, Kaiapoi, Christchurch. There is also a reduced uptake of subsidies this year. This could be because the major deadlines in the CARP have already passed.



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Reporting Period

7/1/2018 5/31/2019

Level of Service

4

Measures

8

Targets

8

Not Measured This Year

0

Biodiversity and Biosecurity

Levels Of Service Targets

Achieved	On Track	Not On Track	Won't Achieve
0	7	1	0

Status : Levels Of Service Targets

Achieved | May not be achieved | Not Monitored | On track to be achi... | Will not be achi...

13% 88%

Comment On Service Delivery

The biodiversity, biosecurity and wetlands programmes are progressing in accordance with seasonal expectations. CWMS zones are undertaking biodiversity Immediate Steps projects. Operational delivery of the Regional Pest Management Plan and the preparation for Biosecurity Advisory Group changes are on track. We are working closely with (including contracting) the Department of Conservation on projects in braided rivers and weed and willow control around Te Waihora to focus resources and effort to achieve better outcomes. Wetland action plans across 11 projects are progressing. There is an ongoing focus on aligning and prioritising biodiversity and biosecurity programmes. The BRAG project is continuing to work with stakeholders to identify land ownership and management issues on the major alpine braided rivers and work is currently focused on the Ashley River/Rakahuri and Ashburton River/Hakatere. This work is progressing well but may not be completed on all the large alpine rivers by year end due to the level of resourcing required from all partners. ECan braided river non-statutory planning is focused on scoping proposed content and delivery approaches for the plans. Braided river operations work is focussed on long term weed control surveys and implementing weed control programmes.

Emerging Issues

Work on the BRAG project has slowed due to a lack of project funding from all partners.

Target

Lead the Braided River Action Group (BRAG) project to establish the ownership of land within and on the margins of the large alpine-fed braided rivers by 30 June 2019.

Watchlist

The following target was not achieved in 2017/18:
Objectives in the Regional Pest Management Plan are met.

Acronyms / Additional Notes / Metrics

CWMS: Canterbury Water Management Strategy

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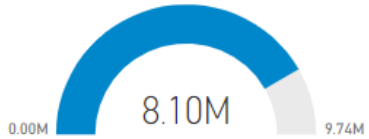
Biodiversity and Biosecurity

YTD Actual Expenditure vs Full Year Budget



83.24%

YTD Actual/Full Year Budget %

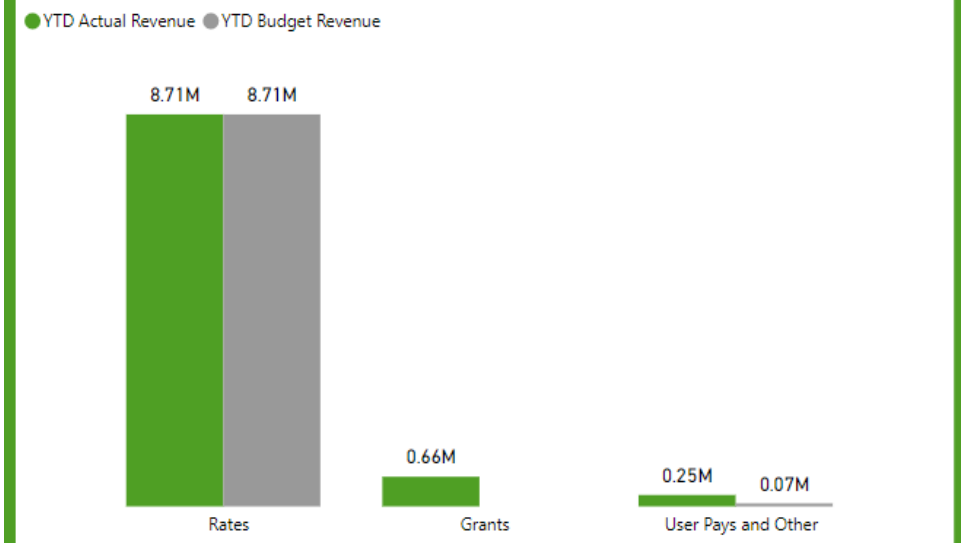
	Revenue	Expenditure	Surplus/Deficit
Actuals	9.62	8.10	1.52
Budget	8.78	8.76	0.02
Variance	0.85	-0.65	1.50
%Variance	9.65%	-7.47%	

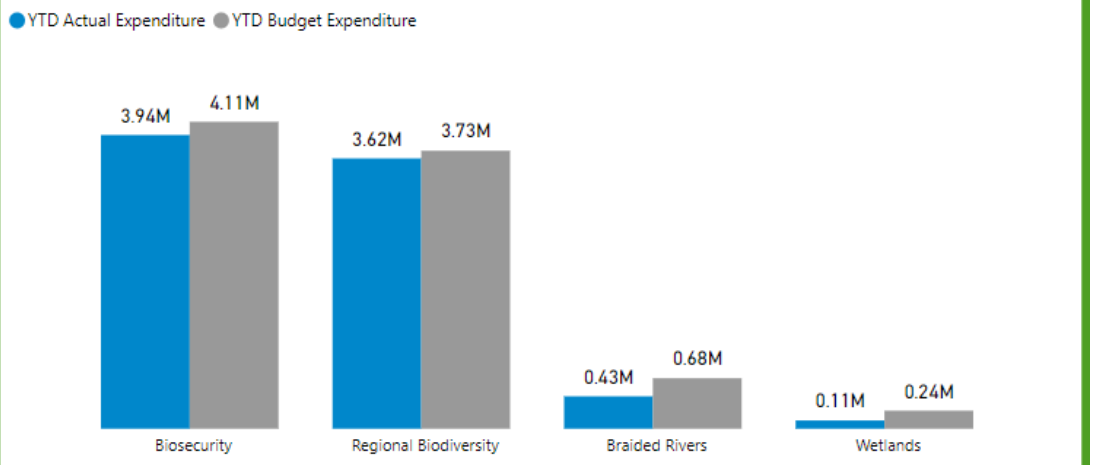
Revenue

Unbudgeted grant funding received from the Ministry for Primary Industries to fund the regional Wilding Conifer Project.

Expenditure

Expenditure is under budget across the biodiversity and biosecurity portfolio. Within the various areas, the majority of work in the regional biodiversity work programme is complete and on track to meet year end financial commitments. The Biosecurity work programme has increased revenue from the Ministry for Primary Industry for wilding pine control and a similar increase in expenditure to carry out the wilding pine control work. Rabbit and gorse and broom compliance inspections have an under spend largely due to the release of the RHDV1 K5 virus and the decision to direct resources to higher priority projects. These include a new innovative framework for creating smarter ways of working, in this case focussed on Nassella tussock. The Braided Rivers programme will be underspent due to savings required in the current financial year reprioritising work. Wetlands work is progressing and may have a slight underspend at year end.





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Reporting Period

7/1/2018 5/31/2019

Freshwater Management

Levels Of Service Targets

Achieved	On Track	Not On Track	Won't Achieve
0	13	0	0

Status : Levels Of Service Targets

Achieved May not be achieved Not Monitored On track to be achi... Will not be achi...

100%

Level of Service

6

Measures

10

Targets

13

Not Measured This Year

0

Comment On Service Delivery

The Sub-Regional Planning projects are on track. The Hurunui Waiau Targeted Plan Change was notified on 4 May 2019 and 13 submissions have been received by the submission closure date of 31 May 2019. Draft Plan Change 7 has been released for first schedule consultation and feedback has been received and considered. Notification is planned for 20 July 2019. The consent review in Ashburton will recommence in June with a Zone Committee workshop.
Zone Delivery teams have around 150 projects underway including in Ashburton; industry liaison on PC5, in Kaikoura; further work on mahinga kai & cultural values on land through site visits to those farmers requiring consent as well as implementation projects for the Land and Water Regional Plan. Updates to the FEP Auditors programme continues to be upgraded with new systems and stronger processes for auditors with input from auditors and industry. Ground and Surface Water monitoring programmes are on track with a focus on interpreting and reporting water quality and quantity data and responding to summer recreation programme results. The Water Use Data projects in Regional Delivery have required additional internal/external labour to process data and manage incoming alerts for water use.
The majority of works for the Whakaora Te Waihora programme/Te Waihora Restoration are on track and all works except aspects of the 'Trial establishment of macrophyte beds project' (where the in-lake planting has been postponed'); and, the hui for in-lake activities (which has been postponed until July 2019). All Annual Reports from Zone and Regional Committees have been presented to Council.

Emerging Issues

For Whakaora Te Waihora, the window for planting will need to be postponed to the next financial year - Spring 2019. In addition, in field checks of wave barriers have identified that though the first wave-barrier is intact, the integrity of the second barrier is compromised and beyond repair (wind and wave damage at a more exposed site) and will need to be removed.

Target

Hurunui- Waiau-2018/19.

Watchlist

The following target was not achieved in 2017/18:
Orari-Temuka-Opihi-Pareora and Waimakariri ZIPA scheduled for Year 3 LTP (2017/18).

Acronyms / Additional Notes / Metrics

CWMS: Canterbury Water Management Strategy
FEP: Farm Environment Plan
GMP - Good Management Practice
OTOP - Orari Temuka Opihi Pareora water zone

ZIP - Zone Implementation Programme Plan
ZIPA - Zone Implementation Plan Addendum

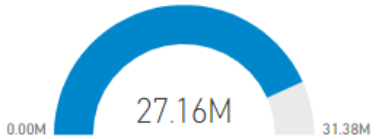
Environment Canterbury Regional Council
Kaunihera Taiao ki Waitaha

Reporting Period

7/1/2018 5/31/2019

Freshwater Management

YTD Actual Expenditure vs Full Year Budget



86.56%

YTD Actual/Full Year Budget %

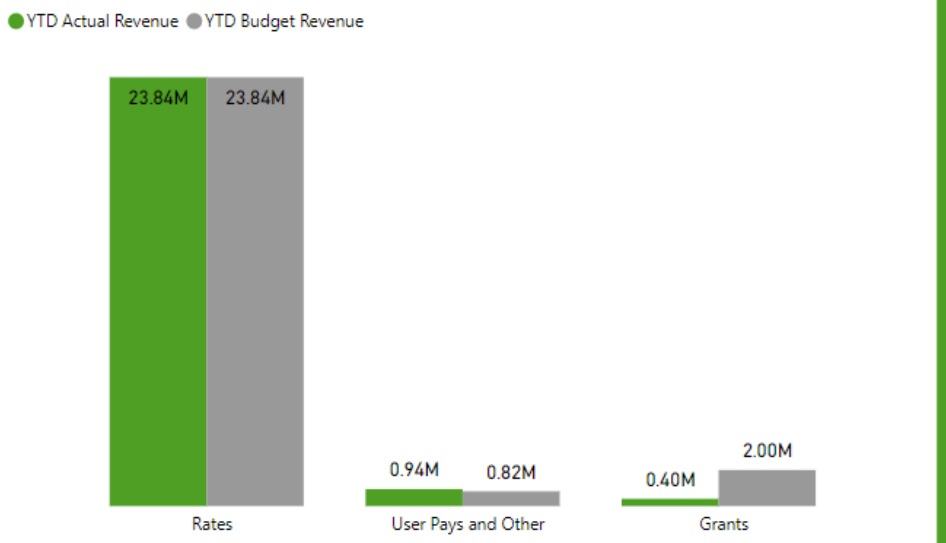
	Revenue	Expenditure	Surplus/Deficit
Actuals	25.18	27.16	-1.98
Budget	26.66	27.65	-0.99
Variance	-1.47	-0.48	-0.99
%Variance	-5.53%	-1.75%	

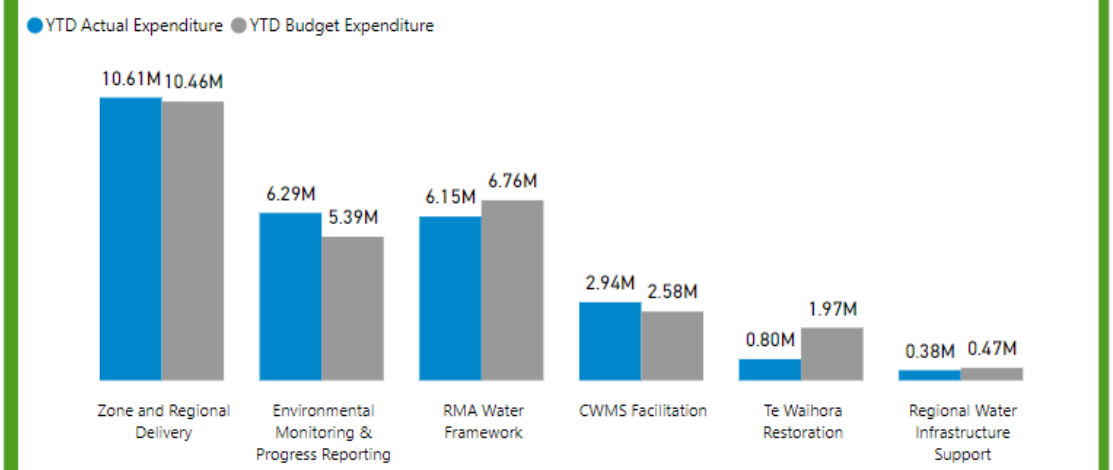
Revenue

Revenue is under budget due to the timing of the receipt of the Ministry for the Environment Freshwater Investment Fund grant for the Whakaora Te Ahuriri / Ahuriri Lagoon Restoration project

Expenditure

There are some variances across programmes including over expenditure in the Environmental Monitoring and Progress Reporting Programme due to additional effort to reinstate and fix sites damaged from flooding and Kaikoura's 2016 earthquake and deliver the recreation monitoring programme. There is some approved over expenditure for the CWMS Fit for the Future Project within the CWMS Facilitation Programme. Underspend in the RMA Water Framework is due to delays in the Ashburton Consent Review process and efficiencies realised in the sub-regional planning programme. Delays in the Te Waihora Restoration programme has occurred due to delays in the Whakaora Te Ahuriri project which will be completed to budget though rephased into 2109/20.





Environment Canterbury Regional Council
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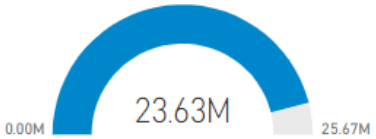
7/1/2018 5/31/2019

Hazards, Risk and Resilience

YTD Actual Expenditure vs Full Year Budget



92.08%

YTD Actual/Full Year Budget %

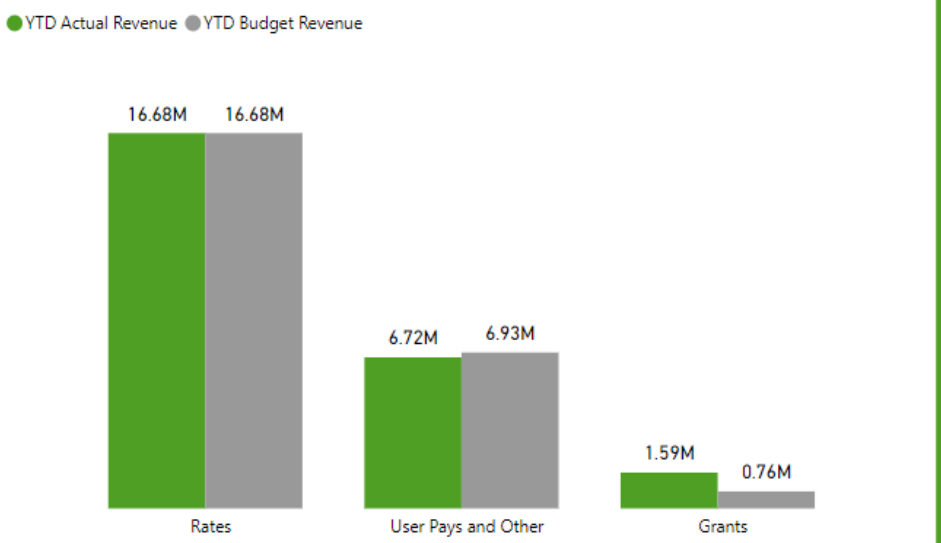
	Revenue	Expenditure	Surplus/Deficit
Actuals	24.99	23.63	1.35
Budget	24.36	23.10	1.27
Variance	0.62	0.54	0.09
%Variance	2.56%	2.33%	

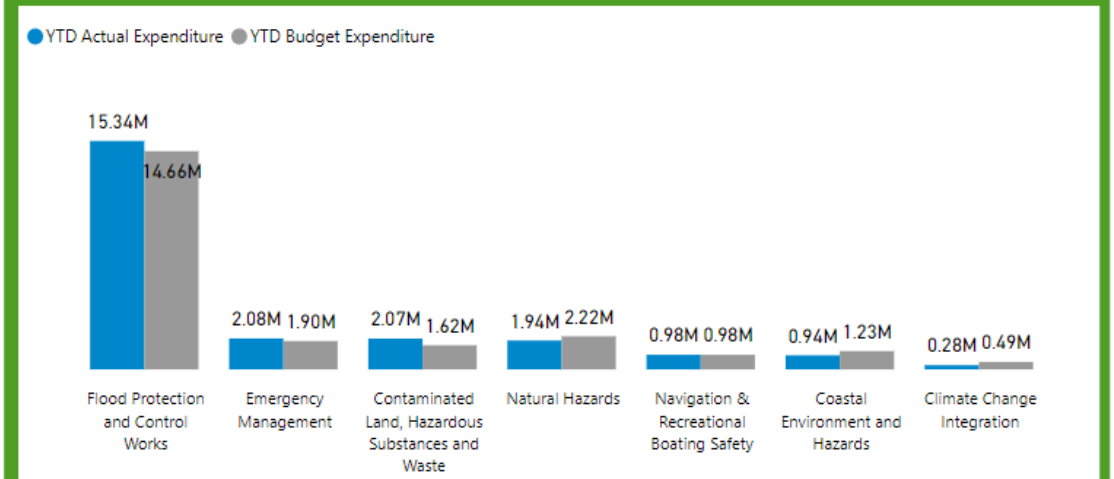
Revenue

The Contaminated Land, Hazardous Substances & Waste programme is above budget due to the grant from central government for the Kaikoura earthquake recovery project. Other unbudgeted revenue includes a Lower Waitaki grant and CDEM reimbursements. User pays revenue in the Coastal Environment and Hazards programme is also below budget due to fewer oil spills than anticpated in our cost recoverable marine pollution enforcement work - a good result for the environment.

Expenditure

In the Flood Protection & Control Works programme there is an overspend that will remain at year end, and is due to completing work earlier than scheduled due to responding to flood damage in central Canterbury - this additional expenditure has been approved by PARC. In the Contaminated Land, Hazardous Substances and Waste programme there is an overspend due to the Hurunui-Kaikoura Earthquake Recovery Waste Project, but this will be offset by revenue grants from central government. The Natural Hazards programme is underspent primarily due to reduced expenditure on Flood Forecasting and Hazards Records.





Environment Canterbury Regional Council
Kaunihera Taiao ki Waitaha

Reporting Period

7/1/2018 5/31/2019

Regional Leadership

Levels Of Service Targets

Achieved	On Track	Not On Track	Won't Achieve
2	14	0	0

Level of Service

8

Measures

14

Targets

16

Not Measured This Year

0

Comment On Service Delivery

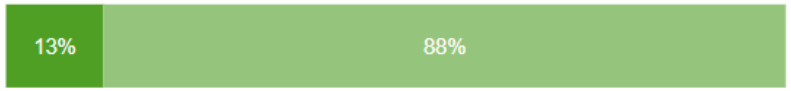
Staff prepared reports for the deliberations on the 2019/20 Annual Plan and two revised policies (Fees and Charges and Revenue and Financing) and the 16 May Council meeting. The final documents will be presented for adoption on 20 June 2019. The Youth Engagement and Education team worked with a number of staff to support the Untouched World Charitable Trust Waterwise Programme; a week-long event with 25 young people to grow leadership and knowledge of complex water issues. The Environment Canterbury Youth Ropu, to enable engagement between youth and Council, has been formed with 15 members from across the region. The Tuia team have continued to provide advice and support to planning staff to progress Runanga issues associated with OTOP and Waimakariri sub-regional plans. Programme management is focusing on the compilation of strategic management plans for each of the six portfolio areas of Council activity and continual improvement of the portfolio risk management approach.

Emerging Issues

No emerging issues

Status : Levels Of Service Targets

Achieved | May not be achieved | Not Monitored | On track to be achi... | Will not be achi...



Target

Watchlist

The following targets were not achieved in 2017/18:

Target dates for statutory plan public notification are met.
A reduction in the number of resource consent applications where further information is required (s92 requests) is achieved through pre-application meetings.
A median of 24 days or less of total elapsed time is achieved.

Acronyms / Additional Notes / Metrics

CWMS: Canterbury Water Management Strategy
LAWA: Land Air Water Aotearoa
MBIE: Ministry of Business, Innovation and Employment
CREDS: Canterbury Regional Economic Development Strategy
OTOP: Orari Temuka Opihi Pareora

Environment Canterbury Regional Council
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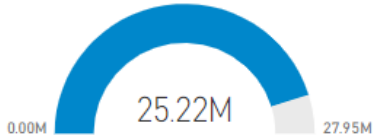
Reporting Period

7/1/2018 5/31/2019

Regional Leadership

YTD Actual Expenditure vs Full Year Budget



90.26%

YTD Actual/Full Year Budget %

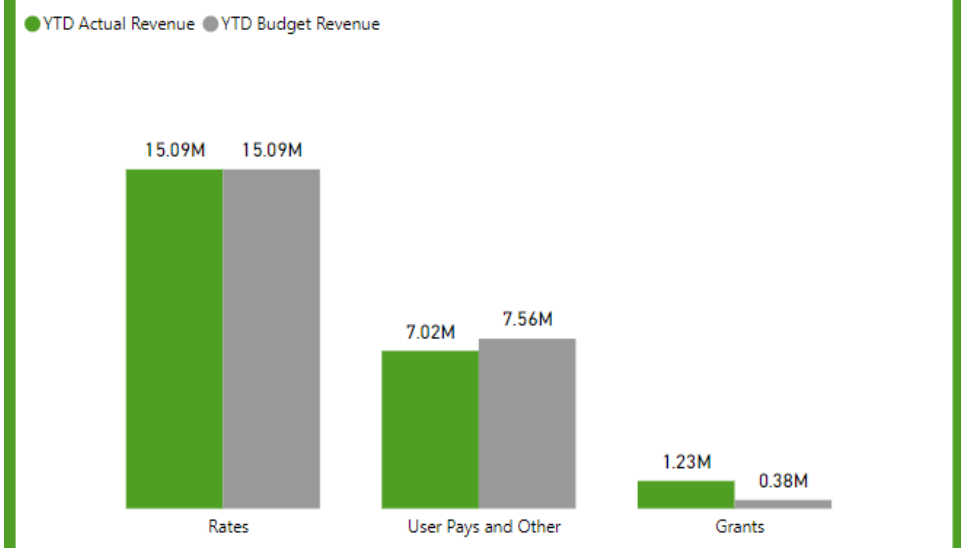
	Revenue	Expenditure	Surplus/Deficit
Actuals	23.34	25.22	-1.88
Budget	23.03	25.03	-2.00
Variance	0.31	0.19	0.11
%Variance	1.34%	0.78%	

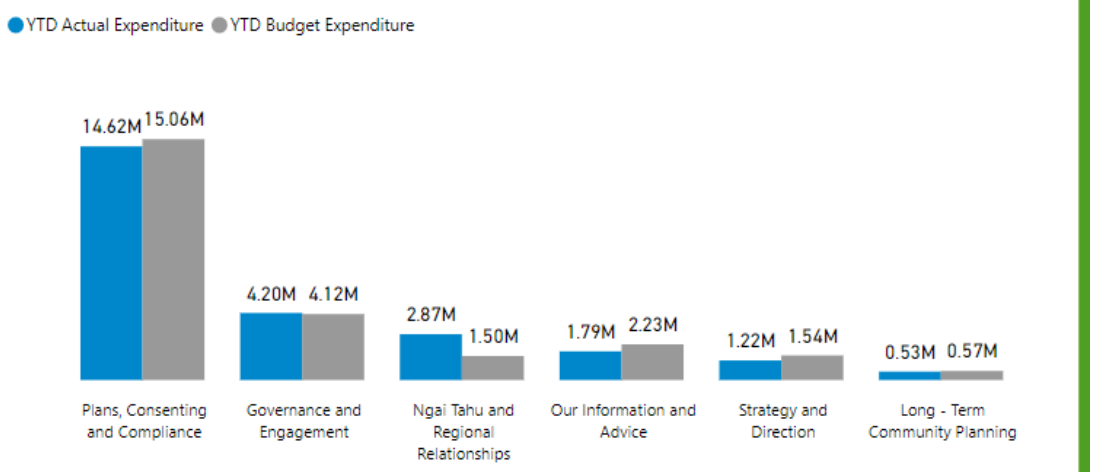
Revenue

Additional grant revenue has been received from MBIE for CREDs projects. This is expected to balance out with expenditure over the remainder of the year as CREDs projects are delivered. Revenue for consent application processing is lower than budgeted due to a lower than anticipated number of resource consent applications.

Expenditure

For Ngai Tahu and Regional Relationships, there is considerable additional expenditure associated with the delivery of CREDs projects. This additional expenditure is offset by grant revenue received from MBIE. The Plans, Consenting and Compliance programme has some additional expenditure in RMA response and investigations and monitoring compliance advisory services but is within budget overall. There have been lower than expected labour costs for developing the Annual Plan which will be offset by additonal costs incurred to enable community feedback. In the Our Information and Advice progamme, restructuring has contributed to lower than expected expenditure on labour. Savings in the Strategy and Direction programme are due to a decision to reduce spending on special projects as part of cost savings for this financial year.





Environment Canterbury Regional Council
Kaunihera Taiao ki Waitaha

Reporting Period

7/1/2018 5/31/2019

Level of Service

4

Measures

9

Targets

10

Not Measured This Year

0

Transport and Urban Development

Levels Of Service Targets

Achieved	On Track	Not On Track	Won't Achieve
1	8	0	1

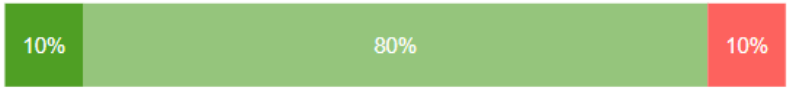
Comment On Service Delivery

Public Transport is net $414k over budget year to date driven largely by higher than forecast NZTA Indexing and Total Mobility usage. Year to date patronage sits at 1.2% above the same period last year. May recorded a decrease in patronage of 0.9% directly impacted by school closures due to industrial action by teachers. Interim solutions to respond to Emloyment Relations Act changes were delivered successfully with operators, resulting in no disurption to services. The Waimakariri Service Review consultation has received just under 800 submissions and these are currently being analysed. The regional transport work programme is currently focused on freight mode optimisation and resilience.

Emerging Issues

Status : Levels Of Service Targets

Achieved May not be achieved Not Monitored On track to be achi... Will not be achi...



Target

The Canterbury Regional Policy Statement is amended to include targets by December 2018, informed by an urban development capacity assessment that is undertaken in accordance with the National Policy Statement on Urban Development Capacity.

Watchlist

All targets were achieved in 2017/18.

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
PlanRTC: Regional Transport Committee

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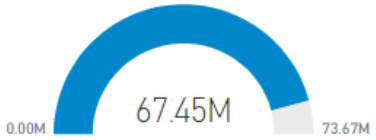
Transport and Urban Development

YTD Actual Expenditure vs Full Year Budget



91.55%

YTD Actual/Full Year Budget %

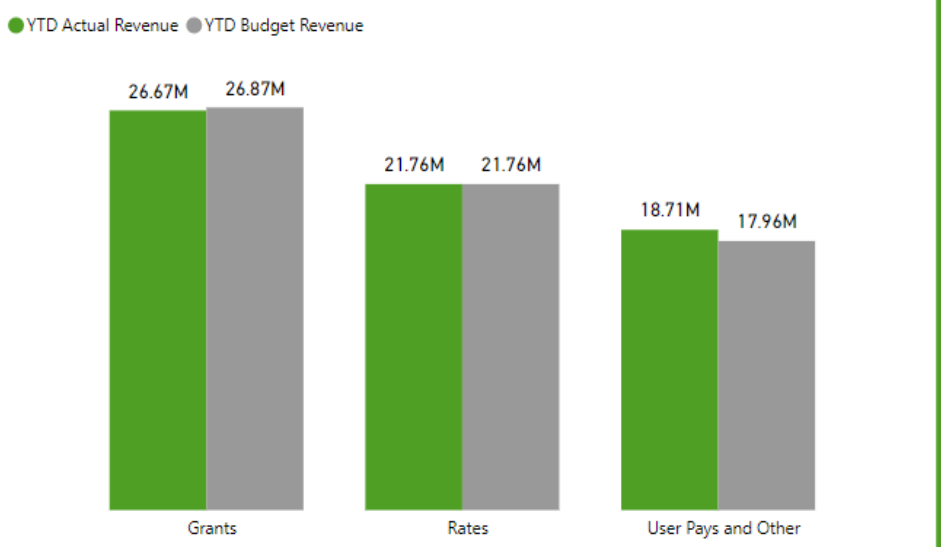
	Revenue	Expenditure	Surplus/Deficit
Actuals	67.14	67.45	-0.31
Budget	66.59	66.91	-0.32
Variance	0.55	0.53	0.01
%Variance	0.82%	0.80%	

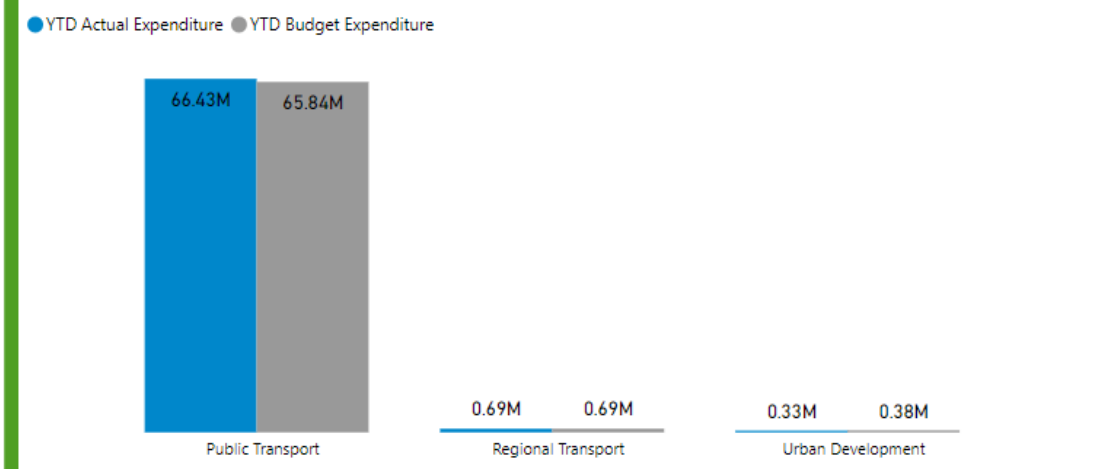
Revenue

Revenue overall remains within budget thresholds. Increased grant funding for bus contracts and Total Mobility and increased fare revenue from patornage has assisted in an increase in revenue of $545k which is helping to off-set expenditure increases.

Expenditure

Expenditure is tracking within budget thresholds overall with an overspend of $533k in total, however the following key variations are to be noted. Bus Contracts continue to be above budget expectations by $1.6m as a result of higher than expected indexing. Total Mobility is overspent by $225k due to increased usage. Reduced expenditure in other categories is helping to reduce the impact on indexing cost on overall budget outcomes.





ALL PORTFOLIO LEVELS OF SERVICE

Operational Performance Report

31 May 2019

Freshwater Management				
LOS 1: 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.				
1.1	Facilitating opportunities for community engagement to progress delivery towards the ten target areas in all Catchment Zones.	1.1	At least 100 community Zone and Regional opportunities for engagement per year are held and will be reported yearly for each Zone and made available on our website.	On track to be achieved
LOS 2: Gather and make available information on water quantity, water quality, ecosystem health, soils, and progress towards the CWMS target.				
2.1	We collect and report on the following relevant detailed data including: rainfall, river flows, river/stream water quality, lake water quality, marine water quality, estuary water quality, ecosystem health, groundwater levels, groundwater quality, land, Matauranga Maori (joint programme from year 2), recreational swimming, water use.	2.1	Collection and reporting of the data is described in the detailed table below. This table includes: number of sites, frequency of measure, availability of information.	On track to be achieved
2.2	A two yearly report is provided on the CWMS target areas. Data and narrative will be included in the report commenting on progress towards these targets.	2.2	A report is produced every two years; next report will be for the year ended 30 June 2019.	On track to be achieved
LOS 3: In partnership with other parties, implement the recommendations in the zone implementation and regional programmes.				
3.1	Work is undertaken according to annual work programmes that have been agreed by Zone and Regional Committees.	3.1	Publish an annual report with the Zone and regional Committees and publish an on the annual progress report towards the ten CWMS targets which will be made available on our website.	On track to be achieved
3.2	Agree joint work programmes in partnership with other parties to implement the recommendations in the zone implementation and regional programmes.	3.2a	An agreed annual work programme is in place with Canterbury District Health Boards, Irrigation New Zealand, the Canterbury dairy industry, Fish & Game (North Canterbury and Central South Island).	On track to be achieved
		3.2b	Publish two reports per year on the progress towards implementation of the joint work programmes which will be made available on our website.	On track to be achieved
3.3	Annual report on progress on the implementation of Good Management Practice across primary industries.	3.3	Publish annual report on the level of adoption of Good Management Practice (including guidelines regarding appropriate nutrient limits) to set good nutrient limits which will be made available on our website.	On track to be achieved
LOS 4: Work with the zone committees to lead a community process to collaboratively establish environmental limits for water quality and water quantity in Canterbury.				
4.1	A schedule of RMA plans or variations is notified that reflects the community recommendations for environmental limits.	4.1a	Orari-Temuka-Opihi-Pareora - 2018/19.	On track to be achieved
		4.1b	Hurunui- Waiau-2018/19.	May not be achieved
		4.1c	Waimakariri - 2018/19.	On track to be achieved
LOS 5: Facilitate an integrated approach to development of water infrastructure in Canterbury that delivers on all the CWMS targets.				
5.1	An annual work programme that supports the integrated approach to irrigation development in the region, is agreed with the CWMS Regional Committee.	5.1	Publish quarterly progress report on the regional infrastructure work programme which will be made available on our website.	On track to be achieved
LOS 6: Environment Canterbury will work in partnership to implement a joint programme to progress the vision to restore and rejuvenate the mauri and ecosystem health of Te Waihora (Lake Ellesmere) and its catchment.				
6.1	Deliver on joint work programme progress towards restoration actions for Te Waihora and its catchment.	6.1	An annual progress report on the agreed Whakaora Te Waihora annual work programme which will be made available on our website.	On track to be achieved
6.2	Deliver the Whakaora Te Ahuriri wetland restoration project.	6.2	An annual progress report on the agreed Whakaora Te Ahuriri work programme which will be made available on our website.	On track to be achieved

Biodiversity and Biosecurity				
LOS 7: Environment Canterbury works with Ngai Tahu, communities, territorial authorities, Department of Conservation, willing land owners and other recreational, environmental and industry parties to protect and restore Canterbury's indigenous biodiversity.				
7.1	We collect relevant data to support effective decision-making for biodiversity outcomes.	7.1a	A regional prioritisation process is completed by 30 June 2019.	On track to be achieved
7.2	Technical or other support is provided to Territorial Authorities to give effect to biodiversity policy and strategies.	7.2	Where Environment Canterbury has provided support to a territorial authority, the quality and relevance of that support is measured and reported through an annual survey of the territorial authorities.	On track to be achieved
7.3	Work with partners on on-the-ground projects to protect and restore indigenous biodiversity.	7.3	Publish an annual report on the effectiveness of projects contributing to protecting and restoring Canterbury's indigenous biodiversity which will be available on the website.	On track to be achieved
LOS 8: Environment Canterbury administers and implements a Regional Pest Management Plan and provides incursion response and pathway management to prevent the establishment and spread of pests in the region to support economic production, biodiversity and mahinga kai.				
8.1	Implementation of a Regional Pest Management Plan that meets the requirements of the Biosecurity Act 1993 and the National Policy Direction for Pest Management.	8.1	Publish an annual report on progress towards the objectives in the RPMP which will be available on the website.	On track to be achieved
8.2	Development and implementation of pathway management initiatives.	8.2	Work with others to develop and document pathway management initiatives indicating timeframes and milestones and publish annually on the website.	On track to be achieved
8.3	Maintain effective incursion response capability.	8.3	Response capability as agreed under the National Biosecurity Capability Network will be available.	On track to be achieved
LOS 9: Environment Canterbury works in partnership with other management agencies, Ngai Tahu, willing landowners and local communities to maintain the natural character and mahinga kai of Canterbury's braided rivers.				
9.2	Environment Canterbury land is managed in a way that maintains the natural character of braided rivers.	9.2	Lead the Braided River Action Group (BRAG) project to establish the ownership of land within and on the margins of the large alpine-fed braided rivers by 30 June 2019.	May not be achieved
LOS 10: Environment Canterbury works in partnership with Ngai Tahu, willing landowners and local communities to support the maintenance of biodiversity and maghinga kai, in Canterbury's wetlands.				
10.1	Work with willing landowners on protection and maintenance of natural wetlands.	10.1	At least five new wetland action plans are developed annually with willing landowners.	On track to be achieved
Hazards, Risk and Resilience				
LOS 11: Delivering information and advice to communities and decision makers about natural hazards.				
11.1	To provide transparency all peer-reviewed technical reports will be available on Environment Canterbury website.	11.1	Peer-reviewed technical reports and advice tabled at Council meetings are available on our website three days before the meeting date.	On track to be achieved
LOS 12: Providing flood alerts and warnings when agreed trigger levels are exceeded.				
12.1	Agreed trigger levels determine when flood alerts and warnings are required.	12.1	All flood warning events that exceed trigger levels are notified on Environment Canterbury's website when notified.	On track to be achieved
12.2	Flood warning procedures will be reviewed after each significant flood event to continuously improve responses.	12.2	Procedural review undertaken within 6 months of each significant flood event.	On track to be achieved
LOS 13: Enabling safe navigation for ships and other commercial vessels in ports, harbours and coastal areas.				
13.1	Risk assessment regime and Safety Management System consistent with the New Zealand Port and Harbour Marine Safety Code.	13.1	External review of the Safety Management System is undertaken when required by the Port & Harbour Safety Code working group.	On track to be achieved
13.2	Level of customer focus, quality management and continual improvement in the safety management system, compliant with ISO 9001: 2015 certification.	13.2	ISO 9001:2015 certification is maintained.	On track to be achieved
13.3	Availability of operational and emergency response function, and qualified, experienced and independent harbourmaster.	13.3	Advice and information from a harbourmaster is available to shipping operators, port companies and emergency response organisations during working hours weekdays and on-call 24 hours / 365 days per year.	On track to be achieved
LOS 14: Enabling safe navigation for recreational vessel users of the coast, harbours and inland waterways.				
14.1	Communities, user groups and organisations receive guidance on the safe navigation of vessels within the region.	14.1	A Navigation Safety Officer is available to provide advice and information to the community during working hours weekdays and on-call 24 hours / 365 days per year for complaints and emergency issues.	On track to be achieved
LOS 15: Flood protection and drainage infrastructure is maintained to agreed levels of service defined in Asset Management Plans and in consultation with rating district committees.				
15.1	Construction and maintenance of flood and drainage infrastructure will be completed in accordance with Asset Management Plans.	15.1	Consult annually with rating district committees to agree budgets and capital expenditure programmes that will be recommended to Council.	Achieved
15.2	Mana whenua values are recognised in Annual Work Programmes.	15.2	Environment Canterbury's Annual Work Programmes for flood protection and drainage infrastructure are informed by annual engagement with mana whenua.	Achieved

LOS 16: Environment Canterbury 30-year Infrastructure Strategy outlines a schedule of river and drainage schemes to be reviewed in order to deliver community outcomes.				
16.1	Scheme reviews are carried out in the priority order set out in the LTP.(starting page 95).	16.1	All scheme reviews undertaken as per table.	On track to be achieved
16.2	All completed scheme reviews resulting in 'small' works commence within two years after review, 'medium' two-to-four years after review, and 'large' two-to-ten years after review.	16.2	100% of the time.	On track to be achieved
LOS 17: The extraction of the fluvial gravel resource is sustainably managed for flood and erosion control purposes while protecting and where possible enhancing cultural and environmental values.				
17.1	Percentage of permissions for gravel extraction are assessed for availability of gravel at the time of application.	17.1	100% of the applications.	Achieved
LOS 18: Maintain and continue to develop Regional Parks and 3,000 ha of pine forest, to deliver a mix of services including biodiversity, recreation, protection of rating district assets and revenue.				
18.1	Maintain and develop regional parks in accordance with Park Management Plans.	18.1a	2018/19 Commence development and open the Willows section of the Waimakariri River Regional Park.	Achieved
LOS 19: Provide information on coastal hazards so our communities and partners can make informed decisions.				
19.1	Work in partnership with NIWA to collect coastal data.	19.1	Produce annual survey of coastal profile monitoring sites, and collect and report on wave and sea level data on our website.	On track to be achieved
LOS 20: Monitor coastal water quality and ecosystem health.				
20.1	Collect data and report on recreational swimming monitoring sites and ecosystem health.	20.1	Produce report on recreational swimming monitoring sites during summer months, and on ecosystem health annually.	On track to be achieved
20.2	Maintain a regional marine oil spill response capability.	20.2	Response plan and capability, as approved by Maritime NZ, will be available 24 hours / 365 days a year.	On track to be achieved
LOS 21: Active partnership of the Canterbury Civil Defence Emergency Management Group and provides for the support, information, and administration needs of the group office and Emergency Coordination Centre.				
21.1	Compliance with meeting the Service Level Agreement between the CDEM Group and Environment Canterbury.	21.1	Full compliance with agreement, including providing 55 suitably trained staff.	On track to be achieved
LOS 22: Identify and monitor contaminated land.				
22.1	Annual project to identify potentially high risk contaminated sites in a Canterbury district, in partnership with the Territorial Authority and local Runanga.	22.1a	Year one: Completion of one district.	On track to be achieved
LOS 23: Support our communities to become more risk literate and resilient to climate change.				
23.1	Number of climate change-related information and education activities delivered by Environment Canterbury each year.	23.1	Year 1: Promote activities via website; report total number; and set targets for years 2 and 3.	On track to be achieved
23.2	Develop a process to ensure that climate change is robustly factored in to relevant Council decisions across portfolios.	23.2	Year 1: Process is documented and put into place.	On track to be achieved
Transport and Urban Development				
LOS 24: Facilitate and support prioritised investment in Canterbury's transport network by local and central government.				
24.2	The Regional Land Transport Plan 2018-2028 is monitored to allow the Regional Transport Committee to assess implementation of the plan.	24.2	Quarterly reporting to Regional Transport Committee to track progress against the regional transport indicators set out in the Regional Land Transport Plan 2018-28.	On track to be achieved
24.3	The opportunities for, and barriers to, freight mode shift optimisation are identified so they can be used to inform future regional transport planning and investment decisions.	24.3	A report which outlines the opportunity for shifting road freight to rail or coastal shipping, is submitted to Regional Transport Committee prior to finalising the Regional Land Transport Plan 2021-2031.	On track to be achieved
LOS 25: Integrate land use, transport and hazards planning into the identification of land to provide for residential and business growth.				
25.1	Monitoring required by the National Policy Statement on Urban Development Capacity provides information on urban development indicators for Greater Christchurch.	25.1	Quarterly indicator reports are produced and published on the Greater Christchurch Partnership website each quarter, beginning September 2018.	On track to be achieved
25.2	The Canterbury Regional Policy Statement responds to the requirements of the National Policy Statement on Urban Development Capacity, including setting minimum targets for development capacity in Greater Christchurch.	25.2a	The Canterbury Regional Policy Statement is amended to include targets by December 2018, informed by an urban development capacity assessment that is undertaken in accordance with the National Policy Statement on Urban Development Capacity.	Will not be achieved
		25.2b	The Canterbury Regional Policy Statement is amended, if required, every three years thereafter to respond to further assessments required by the National Policy Statement on Urban Development Capacity.	On track to be achieved

LOS 26: Assist strategic partners in the development, amendment or implementation of regeneration plans in line with the Greater Christchurch Regeneration Act 2016.				
26.1	Regeneration plans meet the requirements of the Canterbury Regional Policy Statement and other relevant regional plans, including avoiding or mitigating natural and other hazards.	26.1	Environment Canterbury provides submission of views to proponents on whether proposals meet the requirements of the Canterbury Regional Policy Statement and other relevant regional plans.	On track to be achieved
26.2	The Canterbury Regional Policy Statement and other relevant regional plans are amended, as required, to enable a regeneration plan.	26.2	The Canterbury Regional Policy Statement and other relevant regional plans are changed to align with ministerial direction(s).	On track to be achieved
LOS 27: Deliver quality, cost effective public transport service that meets the needs of the community and results in increased patronage.				
27.1	Provide quality public transport services for customers.	27.1	95% of passengers are satisfied or better with the overall service.	On track to be achieved
27.5	Provide Total Mobility scheme for transport disadvantaged people.	27.5	95% of registered customers are satisfied or better with the service they receive when they engage with a Total Mobility provider.	Achieved
27.6	Number of communities who receive support from Environment Canterbury to establish Community Vehicle Trusts where conventional public transport services are not feasible.	27.6	100% of all communities who approach Environment Canterbury regarding vehicle trusts and meet relevant criteria are offered support.	On track to be achieved
Air Quality				
LOS 28: Our airshed monitoring and investigations inform our work programmes.				
28.1	Air quality is monitored in gazetted airsheds and reported regularly.	28.1	Airshed monitoring and reporting is completed to the National Environmental Standard for Air Quality requirements.	On track to be achieved
28.2	Air quality investigations are undertaken to provide further information on air quality.	28.2	Environment Canterbury has the information it needs to inform work programmes.	On track to be achieved
LOS 29: In Clean Air Zones, where home heating is the biggest contributor to winter air pollution, we work with groups, agencies, homeowners and the wood burner industry to reduce PM10 emissions from home heating.				
29.1	Better burning information is made available and accessed.	29.1	Website visit numbers are included in our annual report. Smoky chimney intervention material includes better burning information.	On track to be achieved
29.2	Assistance is available for households to upgrade their home heating.	29.2	Numbers of households receiving assistance is included in the annual report (subsidies are only years 1, 2 & 3, but Healthier Homes Canterbury Loan Scheme will run over 10 years, if approved).	On track to be achieved
29.3	The wood burner manufacturing/supply industry is encouraged to continue to develop cleaner burning technology and relevant information is accessible to the public.	29.3	Environment Canterbury's wood burner authorisation process is clear, up to date, and available on the website. Details of authorised burners are published on the website for our customers and local authorities to view.	On track to be achieved
Regional Leadership				
LOS 31: Our citizens are engaged and enabled to play an active part in shaping our region's future.				
31.1	Community understanding of the work of Environment Canterbury as well as related regional issues is increased.	31.1a	Conduct a benchmarking exercise to gauge the level of community understanding and report back to Council (2018/19).	Achieved
31.2	A wide cross-section of the community's views will be heard by Council.	31.2a	Analyse demographic data and identify which sectors of the community are not well represented in engagement with Council (2018/19).	On track to be achieved
LOS 32: Environment Canterbury has clearly articulated a strategic direction and priorities for the organisation.				
32.2	Percentage of Levels of Service targets achieved across all portfolios.	32.2	At least 95% or more of the Levels of Service targets included in the 2018-28 LTP achieved each year.	On track to be achieved
LOS 33: Environment Canterbury's work and regional leadership is grounded in enduring relationships and collaborative agreements.				
33.1	Environment Canterbury - Ngai Tahu governance and working group forums are held regularly to advance an agreed Tuia work programme.	33.1	Governance meetings are held quarterly, and working group forums are held every two-months. Work plans are in place and reviewed annually.	On track to be achieved
33.2	Protocols, including Te Waihora co-governance protocols, are established.	33.2	Two Tuia Operational Protocols are in place (2018/19), with others in development.	On track to be achieved
33.3	Relationships with key stakeholders are managed and maintained to achieve strategic objectives/community outcomes.	33.3a	Systems for stakeholder relationship management are reviewed and key relationships mapped (2018/19).	On track to be achieved
33.4	Regional forums are supported by Environment Canterbury and enabled to achieve their agreed objectives.	33.4	Environment Canterbury provides secretariat support for the five regional forums.	On track to be achieved
LOS 34: Our Long-Term Plan, Annual Plans and Annual Reports provide evidence of sound business planning.				
34.1	Our Long-Term Plan, Annual Plans and Annual Reports are completed within statutory time frames.	34.1a	All Local Government Act statutory planning requirements and financial reporting standards are met.	On track to be achieved
		34.1b	Unmodified independent audit report for Long-Term Plan, including any significant changes in subsequent years, and Annual Reports.	Achieved

LOS 35: Environment Canterbury works collaboratively with the region's district and city councils in the review of their district plans.				
35.1	District and City plans are supported by Environment Canterbury so that these plans give effect to regional policies.	35.1	Planning support is provided by Environment Canterbury for each of the ten Canterbury Territorial Authorities every year.	On track to be achieved
LOS 36: Environment Canterbury delivers customer-centric regulatory services to our community.				
36.1	Pre-application advice results in improved quality of resource consent applications lodged, thereby reducing the need to return applications as incomplete under s88 of the RMA.	36.1	For each year, for similar types of application, the proportion which require more information under s88 of the RMA is lower where pre-application advice has been provided.	On track to be achieved
36.2	Compliance monitoring work programmes are implemented to deliver on national, regional and zone priorities.	36.2	Publish an annual report of compliance monitoring, incident response and enforcement activity on our website.	On track to be achieved
LOS 37: Communities and decision-makers have easy access to relevant, timely, and accurate data and information.				
37.1	State of the Environment reporting information is updated and published throughout the year on four environmental domains: air, coastal, biodiversity/ecosystem health, and water.	37.1a	Data and information which report on the state of Canterbury's environment is accessible through the Environment Canterbury website Reporting Back section.	On track to be achieved
		37.1b	State of the Environment reporting is published in accordance with Ministry for the Environment frameworks.	On track to be achieved
37.2	Council has established a process for reporting matauranga Maori alongside state of the environment reporting.	37.2a	Agree tools and methodology with Papatipu Runanga and conduct pilot monitoring (2018/19).	On track to be achieved
LOS 38: The Environment Canterbury Customer Services team provide access to data, information and advice.				
38.1	Customer Service interactions provide the right information, first time to our customers.	38.1	95% or more of sampled customer service interactions, on average over each year, meet our service standards.	On track to be achieved
Civil Defence Emergency Management Group				
LOS 39: Meeting the objectives of the 2014 Canterbury CDEM Group Plan.				
39.1	The objectives of the current CDEM Group plan are met.	39.1	90% of objectives are met at any one time.	On track to be achieved
LOS 40: Providing a co-ordinated response capability to enable the community to respond effectively to emergencies.				
40.1	The CDEM Group is able to respond to emergencies.	40.1	100%	On track to be achieved
LOS 41: Providing facilities for co-ordinating emergency response and recovery work.				
41.1	The Group Emergency Co-ordination Centre (ECC), alternate ECC, and emergency communications network are available and maintained.	41.1	100%	On track to be achieved

5.4. Public Transport Finance Update

Performance, Audit and Risk Committee (PARC) report

Date of meeting	27 June 2019
Author	Stewart Gibbon Senior Manager Public Transport
Endorsed by	Nadeine Dommisse Chief Operating Officer

Purpose

1. To provide an update on the financial performance of Public Transport

Recommendations

That the Performance, Audit and Risk Committee:

1. **Receive the financial update on Public Transport**

Attachments

Public Transport Financial Update

Public Transport Financial Update May 2019

Background

The following analysis is based on financial results for the eleven-month period from 1 July 2018 to 31 May 2019. Monthly activity and risks are outlined at the end of the report.

Financial Results

The table below provides details of expenditure levels for the eleven months beginning 1 July 2018 to 31 May 2019 and also the various funding sources. The financial result is also compared to the 2018/19 Annual Plan budget.

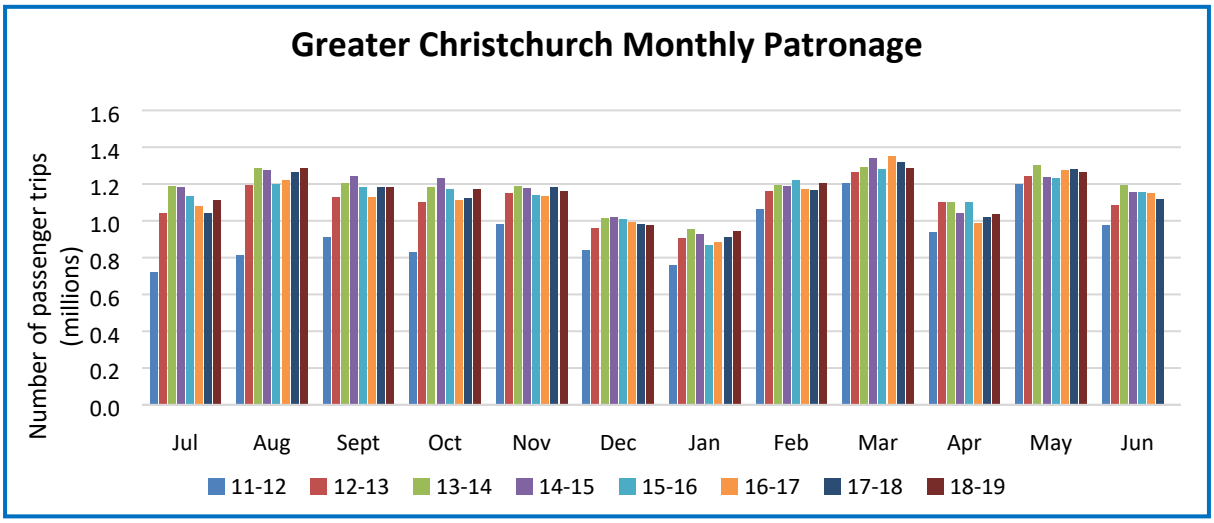
$000	Year to Date			
FUNDING OF SERVICES - REVENUE	**Act**	**Bud**	**Var**	**%**
Rates	21,053,072	21,053,072	0	0%
Grants	26,375,884	26,521,764	(145,881)	-1%
User pays and other	18,585,060	17,959,178	625,882	3%
Total Revenue	**66,014,015**	**65,534,014**	**480,001**	**1%**
DELIVERY OF SERVICES - EXPENDITURE	**Act**	**Bud**	**Var**	**%**
Total Expenditure	**66,428,048**	**65,838,833**	**589,216**	**1%**
Reserve Accumulation / (Use)	**(414,033)**	**(304,819)**	**(109,215)**	

Public Transport expenditure is tracking 1% over budget. Variances relate to bus contracts being $1,602k above budget as a result of NZTA indexing and ERA changes, bus infrastructure under budget due to lower claims received to date, and IT costs under budget due to changing project phasing.

Revenue is tracking 1% above budget. Revenue for bus contracts is ahead of budget by $1,093k due to increased patronage and grants. Total Mobility grants are also $119k higher than budget responding to increased usage and claims. This is offsetting the bus contract deficit resulting in a net bus contract deficit of $547k year to date.

Monthly Activity

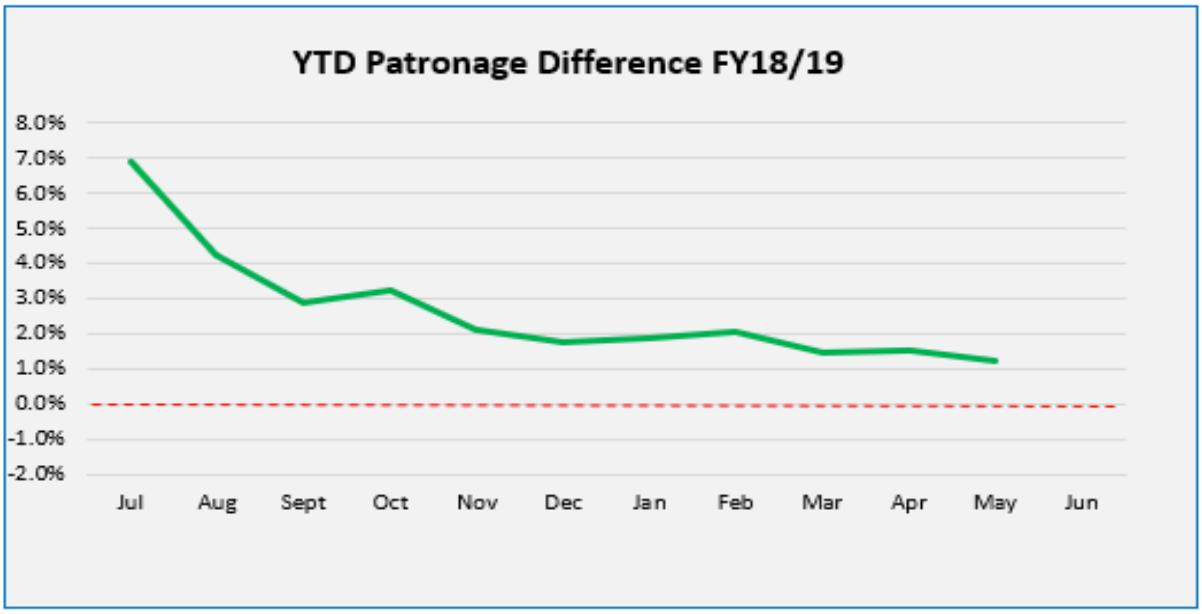
Patronage – Fiscal year to Date (May)



GREATER CHRISTCHURCH	Month May 2019	Prev Yr Comparison	Y-T-D	Prev Yr Comparison
Patronage	1,264,961	↓ 0.97%	12,612,731	↑ 1.25%
Farebox Recovery	39.8	↓ 1.1	38.2	↓ 0.2

May 2019 saw a negative patronage growth of 0.97%. This downturn is due to the nationwide teachers strike that occurred on Wednesday 29 May resulting in school closures throughout the country.

The fiscal Y-T-D patronage continues to track at a positive figure of 1.3% growth.

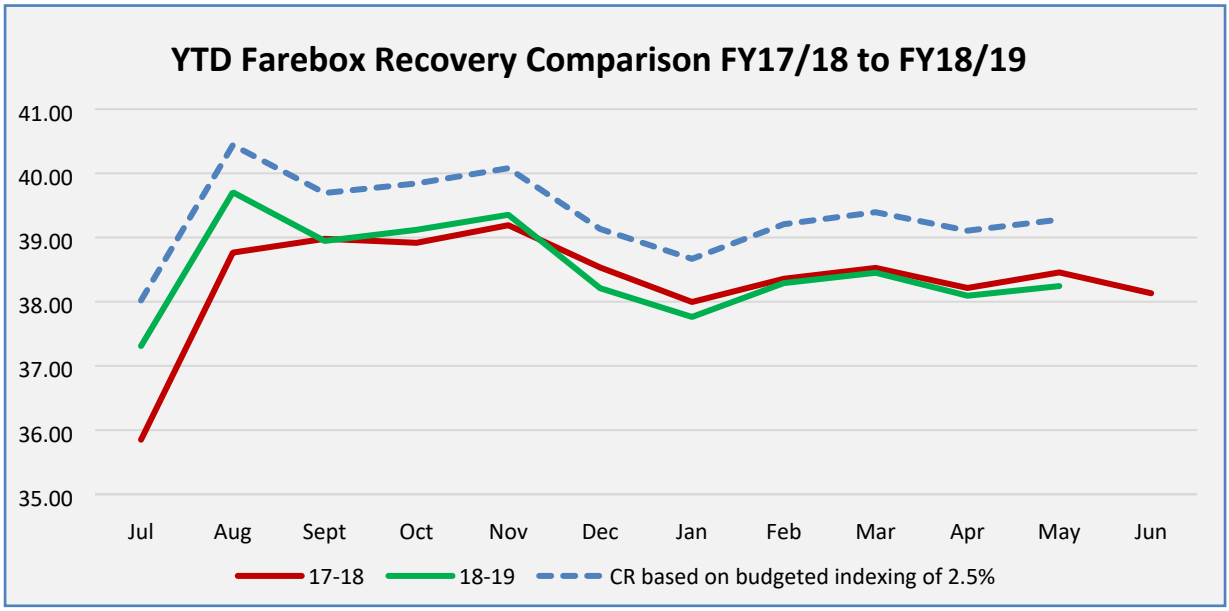


Farebox Recovery

In the recently adopted Canterbury Regional Public Transport Plan the Farebox Recovery target has been reviewed. The annualised target is now to maintain or improve on the current level of farebox recovery, that being 38.2%, by 2024.

May's Farebox Ratio was 39.8 taking the year-to-date ratio to 38.2 a decrease of 0.2 compared to the same time last year, driven primarily by indexing and cost impacts of the Employment Relations Act changes.

Farebox recovery has and will continue to be impacted by indexing beyond what was forecast and budgeted for. To illustrate the impact of Indexing on our budgeted outcomes, the below chart illustrates the difference between what our Farebox would have been given current network performance if indexing remained within forecast levels and what it currently is.



This demonstrates that our underlying strategy and approach is sound, however external factors beyond our control are negatively impacting on budgeted outcomes.

The May 2019 average fare was $1.58 ex GST for Greater Christchurch compared to $1.52 ex GST for May 2018.

Payment Type

Payment Type May 2019	Metrocard	Cash	SuperGold Card	Other e.g. Complimentary passes etc
Greater Christchurch	75.6%	13.3%	11.0%	0.1%

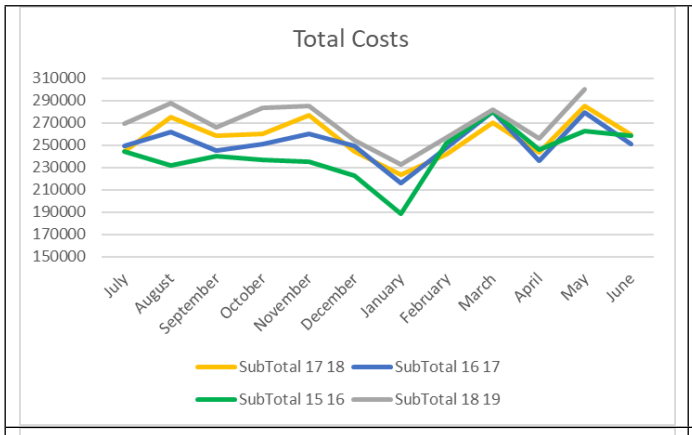
As a comparison, cash fares made up 13.3% of payments in May 2018.

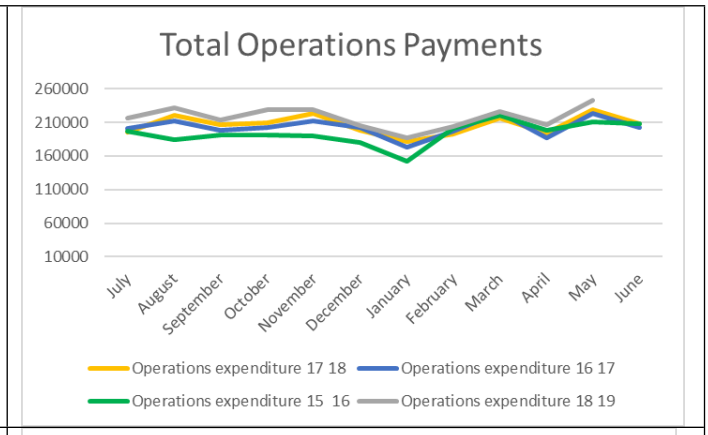
Community Transport

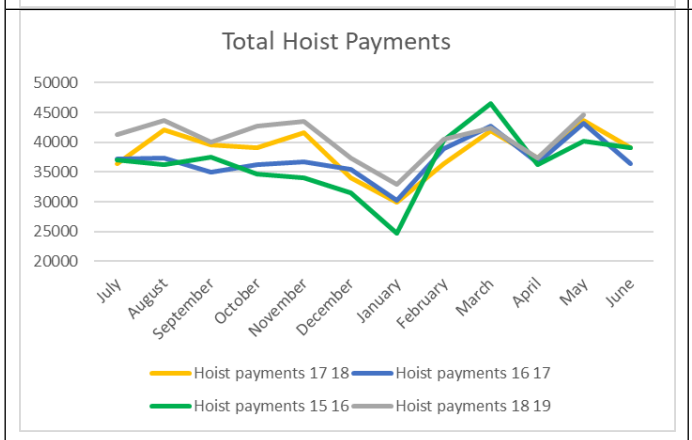
Community Transport (combined Total Mobility and vehicle trusts) Y-T-D is tracking over budget year to date.

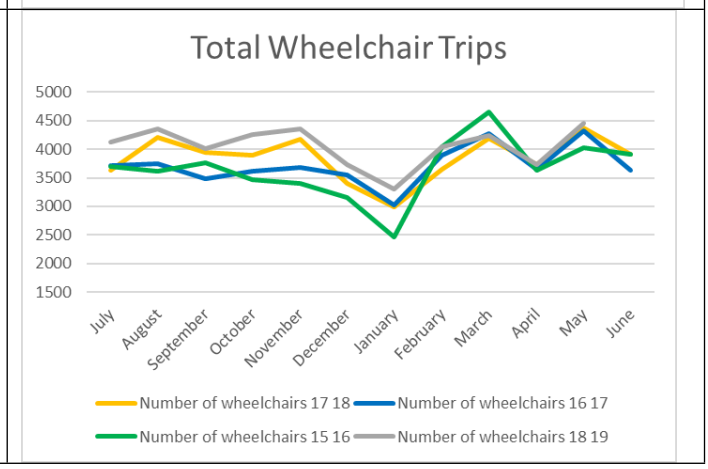
$000	Year to Date			
FUNDING OF SERVICES - REVENUE	**Act**	**Bud**	**Var**	**%**
Rates	1,145,320	1,145,320	0	0%
Grants	2,217,556	2,098,011	119,545	6%
User pays and other	18,080	3,824	14,256	373%
Total Revenue	**3,380,956**	**3,247,155**	**133,801**	**4%**
DELIVERY OF SERVICES - EXPENDITURE	**Act**	**Bud**	**Var**	**%**
Total Expenditure	**3,472,199**	**3,247,155**	**225,044**	**7%**
Reserve Accumulation / (Use)	**(91,244)**	**(1)**	**(91,243)**	

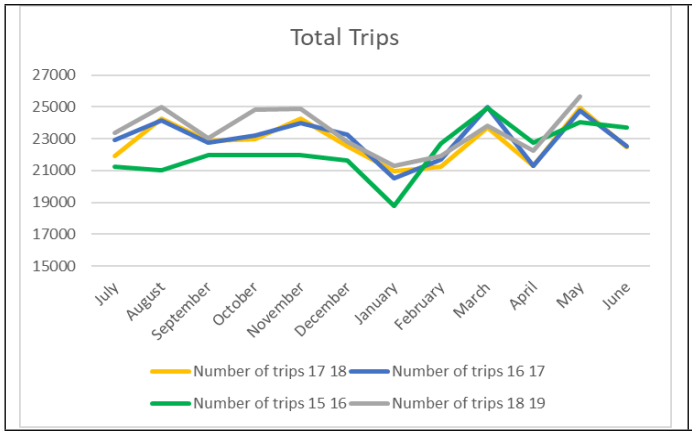
Total Mobility usage for April was approximately 4% above last year in terms of trips, with wheelchair trips being on par with last year. Average subsidised fare YTD is $9.21 compared to $9.07 last year. This increase is primarily driven by the increased hoist usage across the year.

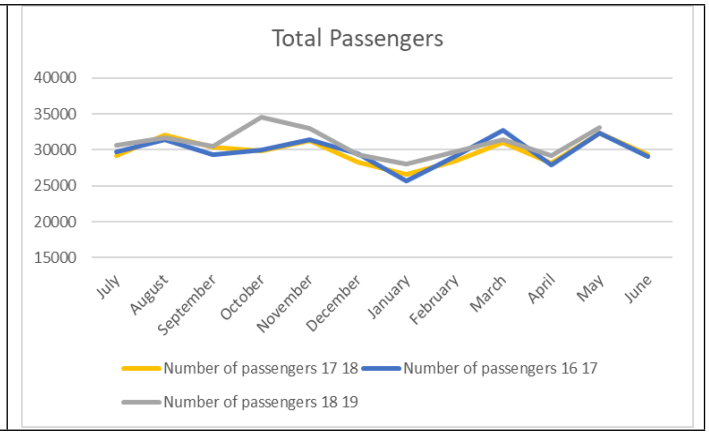








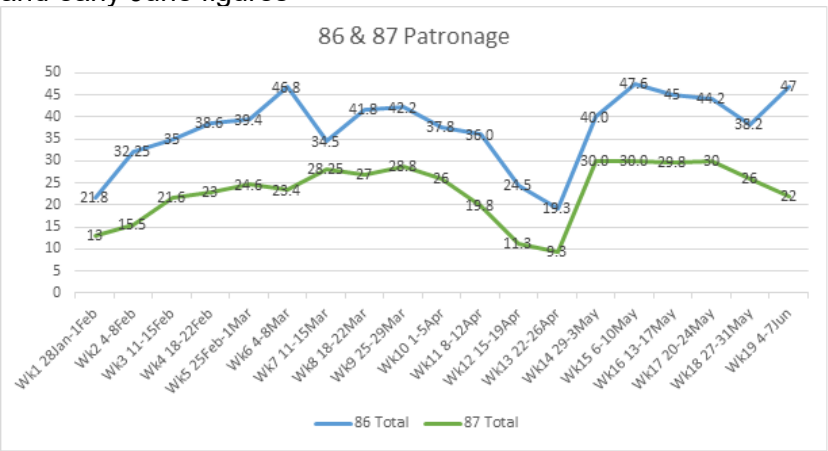




The trends for All Trips and Hoist specific Trips do not suggest any fundamental change in usage pattern other than slight growth in line with the overall growth of Total Mobility usage.

Project Updates

The following Projects are currently in flight:

Real Time Information System		RFP has closed, and analysis is underway.
Wi-Fi Trial		Wi-Fi service trials will continue on routes 85, 95 and 29, to build on the data set we have.
Electric Bus Trial		The three new vehicles have arrived in Christchurch and are being prepared and certified for operation in July
Timaru DRT		The feasibility study for Timaru DRT is complete with strong collaboration between Environment Canterbury, Timaru District Council and NZTA. Consideration is now being given to next steps
Leeston/Darfield trials		Trials continue for Leeston & Darfield. The Darfield service continues to show a good level of engagement, and a Leeston showing stabilising usage in the last few weeks, teacher strike and Queens Birthday weekend have influenced the late May and early June figures 

Network Risk Summary

RISKS	MONTHLY UPDATE
Additional costs associated with extensive road works and detours	***Moderate:*** The incidence of detours across the network has reduced significantly in the current year. The risk remains, however, and there are a few large roading projects planned for 2019 which are likely to impact the network.
Fuel price increase	***High:*** Fuel prices are rising again. This is likely to negatively impact on indexation
Potential for operator to collapse due to contracted market	***Low:*** Staff continue to work with operators to ensure they can operate sustainably.
Road User Charge increase	***High:*** Road User Charges have increased as of 1 Oct 2018 with further increased scheduled for 2019 and 2020 as part of the Government's Transport funding programme. This will also impact on the NZTA Index
Risk of insufficient NLTP funding to match local share	***High:*** The NLTP funding envelope is under significant pressure nationally, resulting in grant funding to match local share for service improvements no longer being available. There is a risk that grant funding to support cost scope adjustments across the 3-year NLTP budget envelope may be insufficient or unavailable to match increased costs incurred due to indexing, Employment Relations Act changes and contract changes. In this case, Environment Canterbury would have to cover 100% of these cost increases. We are currently engaged with NZTA to understand and gain surety around this funding pressure.
Bus driver retention	***High:*** Bus operators advise that driver pool capacity is satisfactory in Canterbury at present, with normal rates of turnover and recruitment activity. However, changes to the Employment Relations Act are likely to see: • A need for more drivers to fulfil current timetabled service outcomes • A negative impact on total remuneration hrs for drivers These factors may impact on driver retention and recruitment. Government and industry are working collaboratively to identify solutions to these issues.
Employment Relations Act Changes	***Moderate:*** Changes to the Employment relations Act came into effect on 6 May 2019. An interim solution has been put in place following industry agreement with a 12-month period established to develop and deliver a sustainable long-term solution. This will involve a collaborative review of timetables and roster with operators and will take some months to complete. We are working to ensure a final solution is in place prior to May 2020.

6. Audit

6.1. 2018/19 Annual Report Audit Plan

Performance, Audit and Risk Committee (PARC) report

Date of meeting	27 June 2019
Author	Katherine Harbrow
Endorsed by	Miles McConway

Purpose

1. To receive the Audit New Zealand Audit plan for Environment Canterbury for the year ending 30 June 2019.

Recommendations

That the Performance, Audit and Risk Committee:

1. **Receives the Audit NZ Audit plan for the year ended 30 June 2019**

Background

2. The role of Audit NZ for the 2018/19 Annual Report is to:

   "give an independent opinion on the financial statements and performance information. We also recommend improvements to the internal controls relevant to the audit".

3. For the upcoming annual audit the attached Audit Plan covers:

   a. risks and issues

   b. the audit process

   c. reporting protocols

   d. audit logistics

   e. expectations

Cost, compliance and communication

Financial implications

4. The budget for the audit fee is covered in the Regional Leadership Long-Term Community programme.

Risk assessment and legal compliance

5. The timetable for delivering the Annual Report is constrained by the need to have Council adoption of the Annual Report before the 2019 elections.

6. Annual Reports are required to be adopted within four months of balance date (i.e. deadline is 31 October) each year.

Significance and engagement

7. There is no legal requirement for consultation and engagement as part of the Annual Report process.

Consistency with council policy

8. This is legislative requirement to prepare an Annual Report under the Local Government Act 2002.

Communication

9. The Annual Report will be available as soon as possible on our website after adoption.

Next steps

10. 15 August – draft financials will be provided to PARC (still subject to final Audit review)

11. 19 September – Annual Report with Audit opinion will be presented for adoption at Council meeting.

Attachments

1. Audit NZ Audit Plan for the year ended 30 June 2019

File reference	[SharePoint link for this paper]
Peer reviewers	David Perenara-O'Connell Tarsha Triplow

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Audit plan

Environment Canterbury

For the year ending 30 June 2019

3 H U I R U P S D X G L W H G &R P P L W W H H R I

Audit plan

I am pleased to present to the Council our plan for the audit of Canterbury Regional Council (hereafter referred to as "Environment Canterbury") for the year ending 30 June 2019. The purpose of this plan is to discuss:

Risks and issues 2

Our audit process 5

Reporting protocols 8

Audit logistics 9

Expectations 11

We have developed this plan following our internal discussions and in discussions with your management.

We will be happy to elaborate further on the matters raised in this plan.

Our work improves the performance of, and the public's trust in, the public sector. Our role as your auditor is to give an independent opinion on the financial statements and performance information. We also recommend improvements to the internal controls relevant to the audit.

If there are additional matters that you think we should include, or any matters requiring clarification, please discuss these with me.

Yours sincerely

Julian Tan
Appointed Auditor
14 June 2019

Risks and issues

Focus areas

We set out in the table below the main risks and issues based on the planning work and discussions that we have completed to date. These will be the main focus areas during the audit.

Risk/issue	Our audit response
The risk of management override of internal controls	
There is an inherent risk in every organisation of fraud resulting from management override of internal controls. Management are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Auditing standards require us to treat this as a risk on every audit.	Our audit response to this risk includes: • testing the appropriateness of selected journal entries; • reviewing accounting estimates for indications of bias; and • evaluating any unusual or one-off transactions, including those with related parties.

Other audit focus area	Our audit response
Water Data 2020 programme	
The purpose of the Water Data 2020 programme is to transform the way Environment Canterbury governs, monitors, manages and shares water data into an integrated whole system that enables Environment Canterbury to understand the water data and manage the data and technology more efficiently. The programme will include design and development of the integrated system and process improvement, all with the aim of enabling better access and use of the water data. Environment Canterbury sought professional accounting advice on the accounting treatment of the associated costs of the programme. The outcome of the accounting advice is that both the integrated system and the water data are types of intangible resources.	We have met with financial management to discuss the programme and to gain an understanding of the scale of the programme and the accounting implications for expenditure incurred for it. We will review the treatment of costs associated with the Water Data 2020 Programme and analyse whether the costs for certain stages of the Water Data 2020 Programme should be capitalised or expensed under the accounting standards. We will perform an analysis to determine whether the water data itself can be treated as an intangible asset, and whether the data conversion costs can be capitalised. We will review the assessment made by the Council to assess whether they comply with relevant accounting standards and whether the assumptions applied are reasonable.

Other audit focus area	Our audit response
Property, plant and equipment	
Environment Canterbury periodically revalues its assets. PBE IPSAS 17, Property, Plant and Equipment, requires that valuations are carried out with sufficient regularity to ensure that the carrying amount does not differ materially from fair value. Environment Canterbury should formally assess and document whether a revaluation is needed for an asset class this year. It is important to make this assessment at an early stage.	We will review revaluations performed on asset classes to assess whether they comply with relevant accounting standards, and the assumptions applied are reasonable. We will check that any movements in the valuations have been accounted for correctly. We will review management's assessment as to whether there are any significant differences between the carrying amount and fair value of the assets that are not revalued in 2019.
Sector focus areas	**Our audit response**
Bribery and corruption	
Bribery and corruption is a criminal act in both the public and private sectors in New Zealand. Offences apply to transactions that happen domestically and those that occur overseas. A New Zealander or NZ organisation may also be prosecuted under overseas legislation. Organisations must take reasonable steps to prevent bribery and corruption. This includes: • robust anti-corruption compliance procedures for preventing, detecting and responding to corruptions; and • leadership must be committed to preventing corruption and actively promote a zero tolerance culture. Senior leadership (Chief Executive or the Board) should own the policy and procedures. Organisations should assess the risk of corruption and bribery. Their focus should then be on the areas of higher risk. To assist Environment Canterbury, please refer to the guide published by the Ministry of Justice. https://www.justice.govt.nz/assets/Documents/Publications/Ministry-of-Justice-Anti-Corruption-Guide.pdf	We will enquire as to what controls are in place at Environment Canterbury to reduce the risk of wrongdoing, particularly bribery and corruption in the public sector. We will report on our findings and where applicable, the improvements to strengthen the controls to prevent bribery and corruption risks.

Please tell us about any additional matters we should consider, or any specific risks that we have not covered. Additional risks may also emerge during the audit. These risks will be factored into our audit response and our reporting to you.

Fraud risk

Misstatements in the financial statements and performance information can arise from either fraud or error. The distinguishing factor between fraud and error is whether the underlying action is intentional or unintentional. In considering fraud risk, two types of intentional misstatements are relevant – misstatements resulting from fraudulent reporting, and misstatements resulting from misappropriation of assets.

The primary responsibility for the prevention and detection of fraud and error rests with the Council, with assistance from management. In this regard, we will discuss the following questions with you:

- What role does the Council play in relation to fraud? How do you monitor management's exercise of its responsibilities?
- Has a robust fraud risk assessment been completed? If so, is the Council satisfied that it had appropriate input into this process?
- How does management provide assurance that appropriate internal controls to address fraud risks are in place and operating?
- What protocols/procedures have been established between the Council and management to keep you informed of instances of fraud, either actual, suspected, or alleged?
- Are you aware of any actual, suspected, or alleged fraud? If so, have the results of management's investigation been reported to the Council? Has appropriate action been taken on any lessons learned?

Our responsibility

Our responsibility is to obtain reasonable, but not absolute, assurance that the financial statements and performance information are free from material misstatement resulting from fraud. Our approach to obtaining this assurance is to:

- identify fraud risk factors and evaluate areas of potential risk of material misstatement;
- evaluate the effectiveness of internal controls in mitigating the risks;
- perform substantive audit procedures; and
- remain alert for indications of potential fraud in evaluating audit evidence.

The Auditor-General has published useful information on fraud that can be found at oag.govt.nz/reports/fraud-reports.

Our audit process

Initial planning

Initial planning activities include verifying compliance with independence requirements and building the audit team.

Understand your business and environment

We use our extensive sector and business knowledge to make sure we have a broad and deep understanding of Environment Canterbury, your business, and the environment you operate in.

Assess audit risk

We use our knowledge of the business, the sector and the environment to identify and assess the risks that could lead to a material misstatement in the financial statements and performance information.

Evaluate internal controls

We update our understanding of internal controls relevant to the audit. This includes reviewing the control environment, risk assessment process, and relevant aspects of information systems controls. Most of this work is done during the initial audit visits. We evaluate internal controls relevant to the audit for the whole financial year, so we consider internal controls relevant to the audit at all visits.

Finalise the audit approach

We use the results of the internal control evaluation to determine how much we can rely on the information produced from your systems during our final audit.

Gather audit evidence

During the final audit we will be auditing the balances, disclosures, and other information included in Environment Canterbury's financial statements and performance information.

Conclude and report

We will issue our audit report on the financial statements and performance information. We will also report to the Council covering any relevant matters that come to our attention.

Materiality

In performing our audit, we apply the concept of materiality. In the public sector, materiality refers to something that if omitted, misstated, or obscured could reasonably be expected to:

- influence readers' overall understanding of the financial statements and performance information; and
- influence readers in making decisions about the stewardship and allocation of resources, or assessing your performance.

This definition of materiality is broader than the one used in the private sector.

Accounting standards also require the Council and management to consider materiality in preparing the financial statements. IFRS Practice Statement 2, *Making Materiality Judgements*, provides guidance on how to make materiality judgements from a financial statements preparer's perspective. Although this guidance is primarily aimed at for-profit entities, the same principles can be applied by public benefit entities.

Whether information is material is a matter of judgement. We consider the nature and size of each item judged in the surrounding circumstances. The nature or size of the item, or a combination of both, could be the determining factor. Materiality will be lower for some items due to their sensitivity.

Misstatements

Misstatements are differences in, or omissions of, amounts and disclosures that may affect a reader's overall understanding of your financial statements and performance information. During the audit, we will provide details of any such misstatements we identify to an appropriate level of management.

We will ask for each misstatement to be corrected, other than those that are clearly trivial. Where management does not wish to correct a misstatement we will seek written representations from representatives of the Council that specify the reasons why the corrections will not be made.

For transparency reasons, we will include corrected and uncorrected misstatements in our report to the Council on conclusion of our audit.

Professional judgement and professional scepticism

Many of the issues that arise in an audit, particularly those involving valuations or assumptions about the future, involve estimates. Estimates are inevitably based on imperfect knowledge or dependent on future events. Many financial statement items involve subjective decisions or a degree of uncertainty. There is an inherent level of uncertainty which cannot be eliminated. These are areas where we must use our experience and skill to reach an opinion on the financial statements and performance information.

The term “opinion” reflects the fact that professional judgement is involved. Our audit report is not a guarantee but rather reflects our professional judgement based on work performed in accordance with established standards.

Auditing standards require us to maintain professional scepticism throughout the audit. Professional scepticism is an attitude that includes a questioning mind and a critical assessment of audit evidence. Professional scepticism is fundamentally a mind-set. A sceptical mind-set drives us to adopt a questioning approach when considering information and in forming conclusions.

Exercising professional scepticism means that we will not accept everything we are told at face value. We will ask you and management to provide evidence to support what you tell us. We will also challenge your judgements and assumptions and weigh them against alternative possibilities.

How we consider compliance with laws and regulations

As part of the Auditor-General’s mandate, we consider compliance with laws and regulations that directly affect your financial statements or general accountability. Our audit does not cover all of your requirements to comply with laws and regulations.

Our approach involves first assessing the systems and procedures that you have in place to monitor and manage compliance with laws and regulations relevant to the audit. We may also complete our own checklists. In addition, we will ask you about any non-compliance with laws and regulations that you are aware of. We will evaluate the effect of any such non-compliance on our audit.

Wider public sector considerations

A public sector audit also examines whether:

- Environment Canterbury carries out its activities effectively and efficiently;
- waste is occurring or likely to occur as a result of any act or failure to act by Environment Canterbury;
- there is any sign or appearance of a lack of probity as a result of any act or omission by Environment Canterbury or by one or more of its members, office holders, or employees; and
- there is any sign or appearance of a lack of financial prudence as a result of any act or omission by Environment Canterbury or by one of more of its members, office holders, or employees.

Reporting protocols

Communication with management and the Council

We will meet with management and the Council throughout the audit. We will maintain ongoing, proactive discussion of issues as and when they arise to ensure there are “no surprises”.

Reports to the Council

We will provide a draft of all reports to the Council and management for discussion/clearance purposes. In the interests of timely reporting, we ask management to provide their comments on the draft within 10 working days. Once management comments are received the report will be finalised and provided to the Council.

As part of our final reporting to the Council, we set out non-trivial unadjusted misstatements, along with reasons that the adjustments have not been made. As part of our continued focus on improving the efficiency of the annual reporting and audit process, this year we will also report corrected misstatements and disclosure deficiencies in the report to the Council. The corrected misstatements and disclosure deficiencies are those that are made to the first draft annual report received at the start of the audit.

We will also follow up on your progress in responding to our previous recommendations.

Audit logistics

Our team

Our engagement team is selected to ensure that we have the right subject matter expertise and sector knowledge. Each member of the audit team has received tailored training to develop their expertise]

Our senior audit team members are:

Julian Tan	Appointed Auditor
Debbie Bradfield	Audit Manager
Nancy Huang	Audit Supervisor

Timetable

Our proposed timetable is:

	Date
Interim audit begins	4 June 2019
Draft financial statements available for audit (including notes to the financial statements) with actual year-end figures	12 August 2019
Final audit begins	12 August 2019
Annual report available, including any Chair and Chief Executive's overview or reports	12 August 2019
Final financial statements available, incorporating all the amendments agreed to between us	2 September 2019
Annual report available, including any Chair and Chief Executive's overview or reports	2 September 2019
Summary annual report	2 September 2019
Verbal audit clearance given	9 September 2019

Draft report to Council issued	11 September 2019
Draft summary audit opinion issued	11 September 2019
Draft report to Council issued	11 September 2019
Audit opinion issued	19 September 2019
Summary audit opinion issued	19 September 2019
Report to Council issued	19 September 2019

Expectations

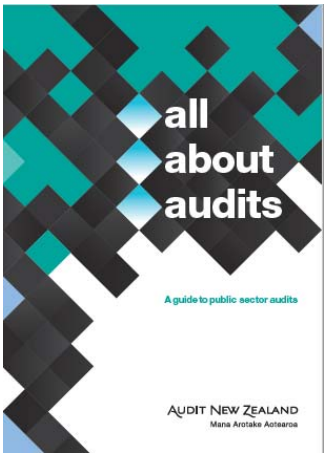
For the audit process to go smoothly for both you and us, there are expectations that each of us need to meet.

Our respective responsibilities are set out in our audit engagement letter.

We expect that:

- you will provide us with access to all relevant records and provide information in a timely manner;
- staff will provide an appropriate level of assistance;
- the draft financial statements, including all relevant disclosures, will be available in accordance with the agreed timetable;
- management will make available a detailed workpaper file supporting the information in the financial statements; and
- the annual report, financial statements and performance information will be subjected to appropriate levels of quality review before being provided to us.

To help you prepare for the audit, we will liaise with management and provide them with a detailed list of the information we will need for the audit.



Health and safety

The Auditor-General and Audit New Zealand take seriously their responsibility to provide a safe working environment for audit staff.

Under the Health and Safety at Work Act 2015, we need to make arrangements with management to keep our audit staff safe while they are working at your premises.

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

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6.2. Internal audit update

Performance, Audit and Risk Committee (PARC) report

Date of meeting	27 June 2019
Author	Tanya Clifford
Endorsed by	Miles McConway

Purpose

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

Recommendations

That the Performance, Audit and Risk Committee:

1. **Note the progress of the internal audit programme and**
2. **Advise staff either:**
   - **i) that there are no items meriting internal audit attention or**
   - **ii) identify the items meriting internal audit attention for consideration**

Background

2. There are no areas of significance to report on. The 2019/20 internal audit plan was agreed at the meeting held 28 March 2019, with scopes currently being drafted for management and PARC consideration.

3. A summary of the progress of the internal audit plans against the 2018/19 financial year, is outlined below:

Area of audit	Status
Contract efficiencies – attaining value for money	**Complete**, summary report sent to PARC 28 March 2019.
Provision and support of Passenger Transport IT systems	**Fieldwork complete**, awaiting final report for presentation to ELT for consideration.
Legislative compliance framework	**Postponed** to 2019/20 financial year to achieve cost savings.
Metro internal processes (fourth audit)	**Complete**, work performed in-house to achieve efficiencies. Findings presented to ELT, with improvement works to be developed by the Business Improvement Team, funded by Passenger Transport.
Management/Council reporting review (New)	**Joined May 2019**, performed as part of the Canterbury Local Government Finance Managers group. Scope of work under negotiation with participating Councils. Expected cost $10-$12k.

Financial implications

4. Internal audit goods and services expenditure will remain within the allocated annual budgeted amount, less agreed level of savings.

5. For all other aspects, paper is informative only.

Attachments

None

File reference	[SharePoint link for this paper]
Peer reviewers	Katherine Harbrow, Nicholas Hill

7. Notices of Motion

7. Public Excluded

Performance, Audit and Risk Committee (PARC) Report

Author	Vivienne Ong, Committee Advisor
Endorsed by	Katherine Harbrow, Chief Financial Officer

Meeting with the public excluded

1. That the public be excluded from the following part of the proceedings of this meeting, namely:
   - 1.1 Johns Road site

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:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1.1	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:

1.1 Enable the Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)

That appropriate officers remain to provide advice to the Committee.

8. Extraordinary and Urgent Business

9. Questions

10. Next Meeting

11. Closure