



KOMITI ITI AHUMONI I TŪRARU | AUDIT AND RISK SUBCOMMITTEE

18 June 2024

Order Paper for the meeting to be held in the
Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt,
on:

Tuesday 25 June 2024 commencing at 2:00 pm

This Meeting will be livestreamed on Council's Youtube page

Membership

Suzanne Tindal (Independent Chair)

Mayor C Barry (Deputy Chair)

Cr S Edwards

Cr J Briggs

Cr K Morgan

Cr T Stallinger

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Have your say

[You can speak under public comment to items on the agenda to the Mayor and Councillors at this meeting.](#)

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HUTT CITY

KOMITI ITI AHUMONI I TŪRARU | AUDIT AND RISK SUBCOMMITTEE

Chair:	Independent Chair Sue Tindal
Deputy Chair:	Mayor Campbell Barry
Membership: <p>Komiti Iti Ahumoni i Tūraru Audit and Risk Subcommittee members should be appointed so that the subcommittee has a diversity of governance skills, experiences and personal qualities. Between them, the members should bring a mix of the following attributes:</p> <ol style="list-style-type: none"> 1. Broad governance experience; 2. Familiarity with risk management disciplines; 3. Understanding of internal control and assurance frameworks; 4. An understanding of financial and non-financial performance reporting; 5. A good understanding of the roles of internal and external audit; and 6. A sound understanding of the local government sector. <p>Use of the matrix below has assisted other councils to consider the best fit for membership of an Komiti Iti Ahumoni i Tūraru Audit and Risk Committee.</p>	Cr Glenda Barratt Cr Josh Briggs Cr Karen Morgan Cr Tony Stallinger
Quorum:	Half of the membership
Meeting Cycle:	Meets on an eight-weekly basis or as required
Reports to:	Council

AREAS OF FOCUS:

The subcommittee's areas of focus are:

- Oversight of risk management and assurance across the Council Group with respect to risk that is significant
- Internal and external audit and assurance
- Health, safety and wellbeing
- Business continuity and resilience
- Integrity and investigations
- Monitoring of compliance with laws and regulations
- Significant projects, programmes of work and procurement, focussing on the appropriate management of risk
- The Long Term Plan, Annual Report and other external financial reports required by statute.

DELEGATIONS FOR THE SUBCOMMITTEE'S AREAS OF FOCUS:

- The subcommittee has no decision-making powers other than those in these Terms of Reference.
- The subcommittee may request expert advice through the Chief Executive where necessary.
- The subcommittee may make recommendations to Council and/or Chief Executive.

Risk Management:

- Review, approve and monitor the implementation of the risk management framework and strategy, including significant risks to the Council Group.
- Review the effectiveness of risk management and internal control systems including all material financial, operational, compliance and other material controls. This includes legislative compliance (including health and safety), significant projects and programmes of work, and significant procurement.
- Review risk management reports identifying new and/or emerging risks.

Assurance:

- Review and approve, and monitor the implementation of, the assurance strategy and detailed internal audit coverage and annual work plans.
- Review the coordination between the risk and assurance functions, including the integration of the Council's risk profile with the internal audit programme. This includes assurance over all material financial, operational, compliance and other material controls. This includes legislative compliance (including health and safety), significant projects and programmes of work, and significant procurement.
- Review the reports of the assurance functions dealing with findings, conclusions and recommendations (including assurance over risks pertaining to Council Controlled Organisations and Council Controlled Trading Organisations that are significant to the Council Group).
- Review and monitor management's responsiveness to the findings and recommendations, inquiring into the reasons that any recommendation is not acted upon.

Fraud and Integrity:

- Review, approve and monitor the implementation of the assurance strategy, including the fraud and integrity aspects.
- Review the arrangements in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or any other matters, and ensure that there is a proportionate and independent investigation of such matters and appropriate follow-up action.
- Review the procedures in relation to the prevention, detection, reporting and investigation of bribery and fraud.
- Review and monitor policy and process to manager conflicts of interest amongst elected and appointed members, management, staff, consultants and contractors.
- Review internal and external reports related to possible improprieties, ethics, bribery and fraud-related incidents.

Statutory Reporting:

- Review and monitor the integrity of the Long Term Plan and Annual Report including statutory financial statements and any other formal announcements relating to the Council's financial performance, focussing particularly on the areas listed below.
- Compliance with, and the appropriate application of, relevant accounting policies, practises and accounting standards.

- Compliance with applicable legal requirements relevant to statutory reporting.
- The consistency of application of accounting policies, across reporting periods, and the Council Group.
- Changes to accounting policies and practices that may affect the way that accounts are presented.
- Any decisions involving significant judgement, estimation, or uncertainty.
- The extent to which financial statements are affected by any unusual transactions and the way they are disclosed.
- The disclosures of contingent liabilities and contingent assets.
- The clarity of disclosures generally.
- The basis for the adoption of the going concern assumption.
- Significant adjustments resulting from the audit.

External Audit:

- Discuss with the external auditor, before the audit commences, the nature, scope and fees of the external audit, areas of audit focus, and error and materiality levels.
- Review, with the external auditors, representations required by elected members and senior management, including representations as to the fraud and integrity control environment.
- Review the external auditor's management letter and management responses and inquire into reasons for any recommendations not acted upon.
- Where required, the Chair may ask a senior representative of the Office of the Auditor General to attend meetings of the subcommittee to discuss the office's plans, findings and other matters of mutual interest.

Interaction with Council Controlled Organisations (CCO) and Council Controlled Trading Organisations (CCTO):

- Other committees dealing with CCO and CCTO matters may refer matters to the Komiti Iti Ahumoni i Tūraru | Audit and Risk Subcommittee for review and advice.
- This subcommittee will inquire to ensure adequate processes at a governance level exist to identify and manage risks within a CCO. Where an identified risk may impact on Council or the Council Group, the subcommittee will also ensure that all affected entities are aware of and are appropriately managing the risk.

Matrix of Experience, Skills and Personal Qualities

Experience, Skills and Personal Qualities	Member A	Member B	Member C	Member D	Independent Chairperson
<i>The recommended combination of experience is:</i>					
• financial reporting					
• broad governance experience					
• familiarity with risk management disciplines					
• understanding of internal control and assurance frameworks					
• good understanding of the roles of internal and external audit					
• local government expertise					
<i>For an “advisory-oriented” audit committee, particular emphasis should be placed on:</i>					
• Strategy					
• Performance management					
• Risk management disciplines					
<i>In determining the composition of the audit committee, the combined experience, skills, and personal qualities of audit committee members is critical. Members should bring:</i>					
• the ability to act independently and objectively					
• the ability to ask relevant and pertinent questions, and evaluate the answers					
• the ability to work constructively with management to achieve improvements					
• an appreciation of the public entity’s culture and values, and a determination to uphold these					
• a proactive approach to advising the governing body and chief executive on matters that require further attention					
• business acumen					
• appropriate diligence, time, effort, and commitment					
• the ability to explain technical matters in their field to other members of the audit committee					

HUTT CITY COUNCIL

KOMITI ITI AHUMONI I TŪRARU | AUDIT AND RISK SUBCOMMITTEE

Meeting to be held in the Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt

on

Tuesday 25 June 2024 commencing at 2:00 pm.

ORDER PAPER

PUBLIC BUSINESS

1. OPENING FORMALITIES - KARAKIA TIMATANGA

Whakataka te hau ki te uru	Cease the winds from the west
Whakataka te hau ki te tonga	Cease the winds from the south
Kia mākinakina ki uta	Let the breeze blow over the land
Kia mātaratara ki tai	Let the breeze blow over the ocean
E hī ake ana te atakura	Let the red-tipped dawn come with a sharpened air.
He tio, he huka, he hau hū	A touch of frost, a promise of a glorious day.
Tihei mauri ora	

2. APOLOGIES

Mayor Barry.

3. PUBLIC COMMENT

Generally up to 30 minutes is set aside for public comment (three minutes per speaker on items appearing on the agenda). Speakers may be asked questions on the matters they raise.

4. CONFLICT OF INTEREST DECLARATIONS

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have

5. THREE WATERS MATTERS

Report No. ARSC2024/3/145 by the Strategic Advisor

8

CHAIR'S RECOMMENDATION:

“That the recommendations contained in the report be endorsed.”

6. INFORMATION ITEMS

a) Whakatupu Ngaengae

Memorandum dated 10 June 2024 by the Project Manager (Naenae) 21

CHAIR'S RECOMMENDATION:

"That the recommendations contained in the memorandum be endorsed."

b) Verbal Update on the Long Term Plan by the Group Chief Financial Officer

A verbal updated will be provided by the Group Chief Financial Officer.

c) Audit and Risk Subcommittee Forward Programme 2024

Memorandum dated 30 May 2024 by the Democracy Advisor 33

CHAIR'S RECOMMENDATION:

"That the recommendation contained in the memorandum be endorsed."

7. QUESTIONS

With reference to section 32 of Standing Orders, before putting a question a member shall endeavour to obtain the information. Questions shall be concise and in writing and handed to the Chair prior to the commencement of the meeting.

8. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA

Unuhia!	Release us from the
Unuhia!	supreme sacredness of our
Unuhia i te uru-tapu-nui	tasks
Kia wātea, kia māmā	To be clear and free
Te ngākau, te tinana,	in heart, body and soul in
te wairua i te ara takatū	our continuing journey
Koia rā e Rongo	Oh Rongo, raise these
whakairihia ake ki runga	words up high so that we
Kia wātea, kia wātea!	be cleansed and be free,
Ae rā, kua wātea!	Yes indeed, we are free!
Hau, pai mārire.	Good and peaceful

Jack Kilty
Democracy Advisor

20 May 2024

Report no: ARSC2024/3/145

Three Waters Matters

Purpose of Report

1. This report highlights issues and risks relating to the three waters activity including an update on three waters reform.

Recommendations

That the subcommittee:

- (1) notes the Active Risk Register for three waters, attached as Appendix 1, which was considered by Council in its Long Term Plan deliberations;
- (2) notes the report and findings of the Wellington Water Limited (WWL) independent review of its systems and processes, following the omission of corporate overheads in its advice on the Draft Long Term Plan capital works programme, will be reported to the next meeting of this subcommittee for consideration;
- (3) notes that work on the high-level conceptual design for a preferred future regional water delivery model is progressing at pace and that there is likely to be a budget shortfall to progress this work over the coming financial year;
- (4) notes work is progressing on the scope and constraints of the urgent project to upgrade a section of the main wastewater pipe under and adjacent to State Highway 2 (SH2) and that the funding for this work will need to be further considered by Council once costs are known; and
- (5) notes that progress on eliminating the backlog of leaks is on track with the plan WWL has put in place.

Background

Long Term Plan Investment and Associated Risks

2. Wellington Water Limited (WWL) provided Council with information on risks associated with its preferred investment option as part of the Long Term Plan deliberations earlier this month. The risks were formally noted by the Long Term Plan/ Annual Plan Subcommittee and are included in this report for information, in accordance with its risk management area of focus.
3. The Active Risk Register advice (Appendix 1) records 24 different issues. The main issues are summarised as follows:
 - a. reservoir capacity limitations and related asset failure risks until remediation projects are completed (e.g. Eastern Hills Reservoir and pipeline);
 - b. growing renewal backlogs may compromise network resiliency and lead to increased frequency of asset failures, and increased operational cost to manage and maintain the networks;
 - c. risk of continuing water supply restrictions, due to impacts of growth demands and water loss as networks degrade due to slower than recommended renewal rates;
 - d. increased chances of flooding because of impacts of sea level rise on coastal outfalls performance;
 - e. ongoing risks to the performance and compliance of Seaview Wastewater Treatment Plant until programme of upgrades and consents are complete;
 - f. the wastewater network discharge consent and global stormwater consent issues, as all necessary interventions may need to be delivered earlier than currently planned with significant expenditure implications; and
 - g. minimal activity to achieve net carbon zero and address climate change (including flooding) and seismic resilience.

Independent Review of WWL Overheads Omission for Capital programme

4. WWL advised Council in late May 2024 that it had omitted to include corporate overheads in its advice on the capital works programme, which amounted to \$20.1M over the first three years of the LTP.
5. This issue was reported through the LTP Subcommittee on 4 June 2024, including an updated capital programme which included adjustments to reflect the necessary impacts. The Council confirmed final decisions for the LTP water services capital programme off the back of this advice. There is ongoing work happening to seek further assurance from WWL as part of the final LTP preparation and external audit process.

6. The WWL Board has decided to appoint an independent party to review what has happened and provide recommendations for system/process improvements to ensure it is not repeated. The Board is intending to present the report to the Water Committee at its meeting on 24 July 2024.
7. The report and findings will be reported through to this sub-committee at its 29 August 2024 meeting.

Water reform - *Local Water Done Well*

8. Work on the high-level conceptual design for a preferred future regional water delivery model is progressing at pace. A small project team of subject matter experts, led by Dougal List, is providing the expertise to prepare the information required for the concept design work for the new regional model.
9. A series of workshops is being held (separately) for Council officials, Chief Executives, and the Advisory Oversight Group to provide input and feedback to the concept design work.
10. The draft report is expected to be available in late July/early August 2024 for the 10 participating Councils to consider as part of their consultation and decision-making processes.
11. While the cost of this first phase of work has been able to be met from three waters central government transition funding, the cost of future phases of work are unlikely to be fully funded in this way and may require a variation to Council budgets. A re-allocation of some of the approved Better Off Funding of \$86,500 (from the Pito-one Project) is expected to meet around half of the cost of the second phase of work through to March 2025.
12. The Local Government (Water Services Preliminary Arrangements) Bill, which establishes preliminary arrangements for future local government water services delivery, had its first reading on 30 May 2024. Submissions on the Bill closed on Thursday 13 June 2024 with Council submitting as part of the regional group.

Main Hutt Valley Wastewater Pipe SH2

13. Work is progressing on the scope and constraints for the upgrade or renewal of the 360-metre section of the main wastewater pipe, under and alongside SH2, recently identified to be in very poor condition.
14. WWL's activity brief for this urgent works project was signed off on 26 April 2024. It noted that a further 225 metre length of the pipe immediately upstream needed to be inspected to determine if it should be included in the project. This is currently being done.
15. Contemporaneously a contingency plan is being prepared for the repair of any unexpected failure. The plan will involve managing flows in the upstream network and over pumping the remaining flows to enable emergency repairs. Imminent failure is unlikely based on the condition information currently known.

16. All stakeholders, including the New Zealand Transport Agency and the Greater Wellington Regional Council are being regularly kept informed of progress on planning for this work.
17. The draft 2024-2034 Long Term Plan has budget provision in out years that would need to be brought forward to enable these works, noting that until the scope is finalised an estimate of cost remains unknown.

Water Shortage

18. As reported to the sub-committee at its 30 April 2024 meeting, Wellington Water is working on behalf of the Councils in the Wellington region to collectively minimise the risk of water shortages next summer. The two main actions WWL is undertaking on behalf of this Council are leak reduction and installation of pressure reduction valves in the network.
19. For leak reduction the target is to eliminate, by the end of 2024, the backlog so that at any one time the number of open leaks is within the 20-day KPI response time, set for lower-level leaks. This number is around 110 leaks. WWL is reporting weekly on progress in achieving the target.
20. Most reported leaks will require an initial assessment, an application submitted to Council as the Roadway Authority for a Corridor Access Request (CAR) and a Traffic Management Plan (TMP). This process typically takes ten to twenty days to achieve for low level leaks. Priority leaks, such as a burst watermain, are repaired under an emergency arrangement which still require lodging of a CAR post repair.
21. At its meeting of 4 June 2024, Council included an additional 1% in rates spread over 2024/25 and 2025/26 to help fund the repair of water leaks. This is in addition to the \$2.8M agreed in February 2024 to clear the backlog of leaks.
22. Attached at Appendix 2 is the latest weekly report from WWL that shows the backlog to be at 425 on 3 June 2024. This number is down 35% over two months, (from 649 in early April 2024), and is trending according to plan.

Climate Change Impact and Considerations

23. With a changing climate Council's three water infrastructure will come under more pressure, whether that be less overall rainfall during the summer months or greater incidences of higher rainfall events, resulting in flooding with both stormwater and wastewater networks overloaded. Investment in network improvements and operational responses, such as managing water leaks, has been prioritised to address some of these issues.

Consultation

24. Investment in three waters infrastructure has been the subject of consultation through the draft Long Term Plan.

Legal Considerations

25. There are no legal considerations at this time.

Financial Considerations

26. The cost of future phases of water reform is being evaluated and will likely exceed available budgets, requiring a Council decision.
27. The funding of urgent renewal works for the main wastewater pipe under and adjacent to SH2 will need Council consideration once the likely costs of the works are known.

Appendices

No.	Title	Page
1	Risk Register	13
2	Weekly Report on Leak Repairs as at 30 June 2024	20

Author: Bruce Hodgins
Strategic Advisor

Reviewed By: Alison Geddes
Director Environment and Sustainability

Approved By: Jo Miller
Chief Executive



Hutt City Council Active Risk Dashboard (May 2024)

Purpose: Articulation of Councils risks that Wellington Water are not resourced to control based on current investment levels, and the alignment to Wellington Water overarching risks

Item	Issue	Circumstances	Overarching Risk	Overarching Risk Context
1	There is not enough capacity at the Seaview WWTP to meet full compliance when major maintenance is needed.	<p>The design of the plant means that part of the capacity has to be taken out of service to carry out major maintenance. While this is happening it is not possible to maintain full compliance during wet weather flows.</p> <p>There is no funding in the LTP to increase the redundancy of the plant.</p>	Treatment of wastewater	<p>Treatment capacity cannot be ensured due to inadequate redundancy.</p> <p>There will be periods of non-compliance when maintenance activities are carried out.</p>
2	The condition of the Seaview WWTP assets means that there will continue to be compliance issues until the funded renewals are complete.	<p>The ageing assets in Seaview WWTP poses a significant risk in the plant's overall performance and compliance with the resource consents. Most of the asset risks are currently being addressed through capital renewal which will take some time and are subject to funding availability. Reliable consent compliance will likely be achieved when these asset renewals are complete.</p> <p>Operating plant at or near end of life results in an increased likelihood of breakdowns and/or compliance failure.</p> <p>The Seaview plant has come to a time in its asset life where major renewals and operational intervention is required to ensure it meets both capacity and compliance requirements. This means investment is required in the short term.</p> <p>The lack of asset redundancy means that maintenance and renewal is complex and compliance risk increases as treatment capacity is reduced during renewal work.</p>	Treatment of Wastewater	<p>Treatment cannot be ensured due to the condition of the assets.</p> <p>There will be periods of non-compliance until the renewals are complete.</p>
3	There is a potential that the community expectations of the odour mitigation at Seaview WWTP are not met within the funded LTP project scope.	<p>The work scoped in the funded LTP project focusses on the largest potential odour sources at Seaview WWTP.</p> <p>We are aware that the community may have expectations greater than that which is required to be achieved under the consented activity. This may lead to a further need for investment to upgrade odour management activities.</p> <p>Current condition of assets means that more odour is being generated by those end of life assets, which in turn exacerbates the overall odour issue at the plant.</p>	Treatment of Wastewater	<p>Risk of non-compliance until the project is complete.</p> <p>May need to consider further investment.</p>
4	Wastewater Treatment plant and wastewater network vulnerable to climate change.	<p>Investment is being made in strategic planning for an adaptive approach to climate change. The outcomes of which may require further investment to implement.</p>	Treatment of Wastewater	<p>May need to consider further investment.</p>
5	Reconsenting the overflow from Seaview to Waiwhetū Stream is more complex due to changes in the NRP and the increased frequency of discharges both wet and dry weather (joint failures).	<p>There has been an increased frequency of wet weather discharges due to changes in the network operation combined with growth and rainfall patterns.</p> <p>Changes in the network operations are focussed on reducing environmental impact through network overflows which has re-directed the impact to the treatment plant. The cumulative number of discharges from Seaview is exceeding the consentable number and is forecast to increase due to growth.</p> <p>There is an increase in frequency of joint failure on the outfall pipe leading to treated discharges to Waiwhetū Stream during dry weather.</p> <p>The Waiwhetū overflow is the largest consenting issue at the Seaview WWTP.</p> <p>Active conversation underway with Mana whenua with a focus on the long term solutions.</p>	Treatment of Wastewater	<p>Investment will be required to meet the environmental and consent requirements.</p>

6	<p>Seaview long outfall pipe - the frequency of joint leaks / failures is unpredictable leading to a variable increase in OPEX spend and environmental impact.</p> <p>Capacity constraints due to the pipe condition is leading to more frequent treated discharges to the Waiwhetū Stream. This impacts the Waiwhetū consent issue.</p>	<p>There is an increase in frequency of joint failure on the outfall pipe leading to treated discharges to Waiwhetū Stream during dry weather.</p> <p>Pre-implementation (option assessments, consent strategy, and early design) to start in 2024/25. Options assessment will determine the funding requirements for the next LTP.</p> <p>Construction is unfunded in the current 10yr LTP.</p> <p>The 18km pipeline was commissioned in 1962. Its max. operating pressure has been lowered twice to reduce rubber ring joint failures, occurring since commissioning. As flows to the plant increase, treated overflows frequency has increased due to the pipeline capacity limitations.</p>	<p>Unplanned critical three waters asset failure</p>	<p>Parts of the long outfall pipe fail with no notice causing environmental and cultural impact.</p> <p>Investment may be required to meet the environmental and consent requirements.</p>
7	<p>Sludge dryer at Seaview WWTP is nearing end of life. It is causing increased maintenance costs and the maintenance regime is meaning it is getting close to not being able to meet the demand for sludge drying.</p>	<p>Capital investment is planned in this LTP with target completion mid-2028.</p> <p>Sludge will need to be disposed to landfill for planned or unplanned maintenance, this causes odour issues and is not preferred by the landfill operator. This increases OPEX costs.</p> <p>The sludge dryer is the largest Seaview WWTP investment required. The dryer is also close to its design capacity and will require replacement to accommodate projected growth.</p> <p>One of the key objectives of the project is that the replacement dryer has lower carbon emissions, with the existing natural gas being the largest sole source emission in Council control.</p>	<p>Unplanned critical three waters asset failure</p>	<p>Condition of assets impacting the ability to deliver sludge treatment potentially leading to consent non-compliance.</p>
8	<p>Erosion occurring on the Hutt River potentially undermining 825mm bulk wastewater pipeline adjacent Taita rock.</p>	<p>River bank is eroding away and is potentially going to undermine the wastewater main that services Upper Hutt, Manor Park and part of Stokes Valley.</p> <p>No funding in LTP to address this risk.</p>	<p>Unplanned critical three waters asset failure</p>	<p>Assets located in unstable environments failure may lead to environmental and cultural impact.</p> <p>Investment may need to be re-prioritised to ensure the level of service is maintained.</p>
9	<p>Reservoirs condition means they are vulnerable to contamination.</p> <p>There are a number of reservoirs that are reaching the end of life and have condition issues. This makes them vulnerable to having contamination issues and increased risk of structural failure.</p>	<p>There is the potential that several reservoirs may be compromised in the life of the LTP due to the optimisation of the funding. This leads to the potential for a contamination event or structural failure that may require reprioritisation of funding.</p> <p>The funding constraints means that the renewal of reservoirs is not ideally aligned to the level of risk.</p> <p>Ageing reservoir assets require increasing levels of operational maintenance in an ongoing basis.</p> <p>This increases the risk of contamination of water supply.</p> <p>LTP is funding the remediation of contamination risk. There will be a residual risk until the contamination is remediated.</p> <p>Regulatory requirements include the need for a Water Storage Management Plan which may mean additional funding required.</p> <p>Renewals of individual reservoirs are a significant investment requirement i.e. tens of millions.</p>	<p>Unplanned critical three waters asset failure</p>	<p>Asset condition has the potential to compromise the provision of safe drinking water.</p> <p>WWL budgets in compliance with the LTP have areas of insufficient funding to maintain, operate and repair assets.</p> <p>Failures of critical assets impacts the ability to provide safe and healthy water to our communities.</p>

10	Significant and growing renewals back log in water and wastewater due to age profile and condition of pipe materials.	<p>Aging infrastructure, leakage, blockages / overflows, seepage. Condition assessment is difficult.</p> <p>Capex spend does not address the backlog.</p> <p>Assets may fail before planned renewal. Funding will need to re-prioritised as assets fail with knock on impacts to the overall programme of renewals (more reactive approach).</p> <p>Reprioritisation causes impacts to customers and inefficiency.</p> <p>Assets have the potential to disrupt critical regional infrastructure, the general public and disrupt services to a range of customers e.g. SH2, Rail corridor etc</p> <p>Potential for damage to third party property impacting health and safety and causing legal liability and decline in customer satisfaction. e.g. slips, leaks and damage over time.</p>	Unplanned critical three waters asset failure	<p>Results in more operational costs impacting maintenance budgets with consequential reduction in levels of service e.g. less leaks repaired, more blockages.</p> <p>CAPEX spend is insufficient to address the backlog which leads to more failures over time.</p> <p>Potential loss of service to customers for significant periods of time.</p> <p>Impact on customers through potential for property damage due to asset failure.</p>
11	System deterioration (water, waste, stormwater), e.g. leaks, inflow and infiltration, means that the assets have to work harder than they are designed for.	<p>The assets life is reduced with the flow on effect being an increase in failures.</p> <p>The whole of life is reduced leading to additional investment above what would be normally expected.</p> <p>There is no funding in the LTP to account for the system deterioration impact.</p>	Unplanned critical three waters asset failure	<p>Results in more operational costs impacting maintenance budgets with consequential reduction in levels of service e.g. less leaks repaired, more blockages.</p> <p>CAPEX spend is insufficient to address the system deterioration impact which leads to more failures over time.</p> <p>Potential loss of service to customers for significant periods of time.</p>
12	Pump stations are at risk of failure due to the backlog of renewals, known condition and funding constraints.	<p>Pump stations have a range of components including many with shorter e.g. 15 year life, requiring on-going investment to keep up in reliable operation. The current capex spend does not address the required investment and there is a backlog of renewals specifically in the mechanical and electrical components. Assets may fail before planned renewal. Funding will need to re-prioritised as assets fail with knock on impacts to the overall programme of renewals (more reactive approach). Some critical components have long lead times to replace when they fail which does compromise the resiliency of the pump station and increases operational costs. Reprioritisation causes impacts to customers and inefficiency. Assets have the potential to disrupt services to customers e.g. reservoirs draining, overflows to the environment, properties flooded. Potential for damage to third party property impacting health and safety and causing legal liability and decline in customer satisfaction. e.g. property flooding, loss of water.</p>	Unplanned critical three waters asset failure	<p>Results in more operational costs impacting maintenance budgets with consequential reduction in levels of service e.g. less leaks repaired, more blockages. CAPEX spend is insufficient to address the asset renewal backlog which leads to more failures over time. Potential loss of service to customers for significant periods of time. Impact on customers through potential for property damage due to asset failure e.g. flooding</p>

<p>13</p>	<p>Stormwater network is not resilient to flooding nor climate change the network is under capacity and is degrading with growth and climate change impacting customers and the environment.</p>	<p>Lack of investment in asset renewals program leading to reducing levels of service as the condition of the stormwater assets degrade at a rate exceeding the renewal rate leading to an increase in required operational interventions (and cost) to fix asset failures and other resulting asset issues.</p> <p>Growth has increased the risk over time reducing the capacity of the system and increasing operational costs with new infrastructure. This may lead to connections being declined or coming at a high cost.</p> <p>Historical deferral and lack of planned maintenance across all asset funding leading to decreased maintenance on critical operational assets meaning that the network operability decreases, is less resilient, increased public health and environmental risk and less reliable when needed during incidents.</p> <p>Funding of incident/emergency events from reactive opex/capex budgets impacting maintenance and renewal leads to deferral of other critical activities.</p> <p>Potential for damage to third party property impacting health and safety and causing legal liability and decline in customer satisfaction. e.g. slips, leaks, overflows and damage over time. The frequency and extremity of storm events will increase over time as a result of climate change rendering the network less able to deal with extreme events.</p> <p>Flooding / stormwater flow causing damage to pipes, creating voids, causing slips and impacting health and safety and causing legal liability and decline in customer satisfaction.</p> <p>Investment in the stormwater network will not address the long-term impacts of climate change if adaptation is not introduced and the required mitigations are taken into account e.g. managed retreat.</p> <p>Risk that when the stormwater asset fails and we do not have a strategic plan for what the most effective renewal is.</p>	<p>Unplanned critical three waters asset failure</p>	<p>Parts of the network fail with no notice causing loss of service and public health and environmental risk.</p> <p>Council will incur significant unbudgeted costs when these assets fail.</p> <p>Impact on customers through potential for property damage due to asset failure and on-going issues e.g. overflows, slips</p> <p>Insufficient OPEX to maintain current levels of service. Potential for impact on response times and a disconnect between customer expectations and service delivery.</p> <p>Insufficient OPEX funding to maintain the assets.</p> <p>Local growth related development is constrained or thwarted.</p>
<p>14</p>	<p>Drinking Water network safety, performance and resiliency is compromised due to poor condition of assets and underinvestment in operational activities and asset renewals.</p>	<p>Lack of investment in asset renewals programme leading to reduced levels of service as the condition of the water assets degrade at a rate exceeding the renewal rate leading to an increase in required operational interventions (and cost) to fix asset failures and other resulting asset issues.</p> <p>As growth goes ahead of asset investment the risk is exacerbated. This may lead to connections being declined or coming at a high cost.</p> <p>Historical deferral and lack of planned maintenance across all asset funding leading to decreased maintenance on critical operational assets meaning that the network operability decreases, is less resilient, increased contamination risk and less reliable when needed during incidents. e.g. backflow prevention, unauthorised access to fire hydrants, pressure management, critical valve maintenance</p> <p>Lack of investment in monitoring and investigations means the maturity and accuracy of water measurement is heavily constrained. This means we are not able to confidently calculate water loss.</p> <p>Funding of incident/emergency events from reactive opex/capex budgets impacting maintenance and renewal leads to deferral of other critical activities.</p> <p>Potential for damage to third party property impacting health and safety and causing legal liability and decline in customer satisfaction. e.g. leaks and damage over time.</p> <p>Renewals and upgrade funding is constrained which will limit opportunities to address fire flow deficiencies.</p> <p>There is no dedicated funding to target parts of the network that have specific issues with meeting firefighting requirements. As growth develops in these areas the number of properties exposed increases.</p>	<p>Unplanned critical asset failure</p>	<p>Parts of the network will fail with no notice causing a loss of supply and the potential to compromise provision of safe drinking water.</p> <p>Council will incur significant unbudgeted costs when these assets fail.</p> <p>Council will fail in their duty of care to provide sufficient drinking water under the Water Services Act and are vulnerable to regulatory action.</p> <p>Insufficient OPEX to maintain current levels of service.</p> <p>Insufficient OPEX funding to maintain the assets.</p> <p>Local growth related development is constrained or thwarted.</p>

15	Wastewater networks resiliency is compromised due to poor condition of asset and underinvestment in maintenance and renewals.	<p>Lack of investment in asset renewals program leading to reducing levels of service as the condition of the waste assets degrade at a rate exceeding the renewal rate leading to an increase in required operational interventions (and cost) to fix asset failures and other resulting asset issues.</p> <p>As growth goes ahead of asset investment the risk is exacerbated. This may lead to connections being declined or coming at a high cost.</p> <p>Historical deferral and lack of planned maintenance across all asset funding leading to decreased maintenance on critical operational assets meaning that the network operability decreases, is less resilient, increased public health and environmental risk and less reliable when needed during incidents.</p> <p>Funding of incident/emergency events from reactive opex/capex budgets impacting maintenance and renewal leads to deferral of other critical activities.</p> <p>Potential for damage to third party property impacting health and safety and causing legal liability and decline in customer satisfaction. e.g. slips, leaks, overflows and damage over time.</p>	Unplanned critical asset failure	<p>Parts of the network fail with no notice causing loss of service and public health and environmental risk.</p> <p>Council will incur significant unbudgeted costs when these assets fail.</p> <p>Impact on customers through potential for property damage due to asset failure e.g. overflows, slips</p> <p>Insufficient OPEX to maintain current levels of service.</p> <p>Insufficient OPEX funding to maintain the assets.</p> <p>Local growth related development is constrained or thwarted.</p>
16	Unexpected events including severe weather events, result in OPEX budget exceedance or reduction in maintenance activities.	<p>The OPEX budgeted provided by HCC does not include adequate allowance for the costs of responding to unexpected events including severe weather and asset failure events. Response to events are not optional and result in un-forecasted pressures on the OPEX budget.</p> <p>Funding of incident/emergency events from reactive opex/capex budgets impacts maintenance and renewal activity funding and leads to deferral of other critical activities.</p> <p>No funding within budgets to respond to unexpected events.</p>	Unplanned critical asset failure	<p>Insufficient OPEX to maintain current levels of service.</p> <p>Council will incur significant unbudgeted costs when these unexpected events occur.</p>
17	We are unable to meet mana whenua and the community expectations to control contaminant discharges e.g. wastewater and stormwater overflows	<p>Very low funding for growth projects and level of service improvements to meeting environmental water quality improvement expectations.</p> <p>Investment in network renewals is not to the level recommended to reduce the issues which cause contaminant discharges.</p> <p>The way that growth is permitted exacerbates the issue.</p>	Unplanned critical asset failure	<p>The continued discharges of wastewater contaminants discharging into the environment.</p>
18	<p>Water demand for Hutt City is outstripping supply due to water loss in the network and growth.</p> <p>High proportion of high-risk materials for ongoing leakage (Likely to either be leaking or leaking in the near future.) i.e., >90% of the galvanised watermains in the region. ~ 110km of galvanised pipe.</p> <p>Network water loss means water use is contrary to the principles of Te Mana o te Wai.</p>	<p>Demand driven by network age and condition, water loss, private side water loss and growth. Resourcing constraints are impacting the ability to mitigate / reduce the loss (metering, data, backlog ,etc.).</p> <p>Operational funding for finding and fixing leaks is constrained. Aging network and increasing renewals backlog is compounding the leakage issue. Despite increasing funding for leak repairs the issue will be ongoing because of the growing leak backlog.</p> <p>HCC have invested in reducing the backlog; however water loss management requires sustained an on-going funding into the future.</p>	Water supply shortage	<p>Condition of the network impact's ability to supply sufficient water to customers.</p> <p>Demand outpaces supply capacity and Level 3 restrictions or worse are required for the region during summer.</p> <p>Cost of additional source capacity for the region is significant.</p> <p>WWL budgets in compliance with the LTP which highlight areas of insufficient funding to maintain, operate and repair assets.</p> <p>The increasing reactive leak repair costs impacts on other proactive maintenance work.</p>

19	Existing reservoir storage insufficient for design standards (including fire storage) with growth adding to the demand and reducing the storage further.	Storage in the reservoirs is insufficient to provide supply for significant network outages and is a risk during peak demand periods. This increases the operational risk. In the current funding environment growth will go ahead of upgrades of reservoir capacity meaning a shortfall in reservoir storage and potential customer impact over time. There is no current defined minimum level of service. Allowing continued new connections and developments will degrade the existing capacity. This is also driving undesirable operational outcomes in the form of temporary storage provided by developers in the form of tank farms. The Eastern Hills reservoir programme will commence in 2026/27 and once complete (estimated 3-4yrs) will significantly reduce this risk.	Water supply shortage	Results in more operational costs impacting maintenance budgets with consequential potential for reduction in levels of service. Failures of critical assets impacts the ability to provide safe and healthy water to our communities.
20	There is inadequate investment to ensure provision of safe drinking water supplies after a significant earthquake event.	Some seismic resilient storage exists, in certain zones, but overall the quantity of storage across the city is below the level of storage required. There is insufficient funding to make seismic improvements to critical water assets.	Water Supply Shortage	Asset resiliency has the potential to compromise the provision of safe drinking water.
21	Coastal stormwater outfalls experiencing sea level rise resulting in increased sedimentation and need for more frequent clearing. Coastal outfalls are causing flooding on Jackson Street with no physical solution to fix.	The OPEX budgeted provided by HCC does not include adequate allowance for the costs of responding to sea level rise. Response to maintain levels of service are not optional and result in un-forecasted pressures on the OPEX budget. Foreshore is changing and impacting the functionality of outlets.	Operational funding	Increasing pressures from climate change and sea level rise will impact ability to meet levels of service. There is no agreed level of service that will be provided.
22	Wastewater Network Discharge Consent & Global Stormwater consent	The wastewater network discharge consent and global stormwater consent may require all necessary interventions to be delivered earlier than currently planned. The costs to deliver the necessary interventions to meet these consents may be greater than expected, noting the interventions and associated costs are currently indicative. Mana whenua expectations around reducing frequency of discharge to the environment are higher than currently budgeted for. Regional Council Regulatory frameworks and Council funding models are currently considered unworkable. There is currently a 4.7 billion dollar gap across the region between Council investment and GWRC assessment of economic evaluation. There is no certainty that the investment assessed by the Regional Council will achieve the targets that have been set. WWL are assessing the most effective mitigations to achieve the environmental outcomes, these may not align with the Regional Councils funding assessment nor priorities.	Compliance with regulations	Additional investment will be required to meet the future resource consent requirements. There are a number of interventions that could be pursued to mitigate the risk of regulatory non-compliance with 2040 standards. There is currently no operational funding to pursue these mitigations. i.e. Plan change hearings, seek changes / variations, work with Regional Council officers. Operational funding to support the activity is constrained which means we may not be able to lodge / support an effective consent application process and carry out the supporting technical analysis.
23	There is limited ability to control the impact private property asset condition has on the Council networks. The enforcement powers and policy packages e.g. by-laws are constrained.	Private assets are failing at a similar rate to the public assets impacting the environment and contributing to the asset risk e.g. inflow and infiltration into stormwater and wastewater networks, leakage of water. There have been targeted improvements at finding the private faults, but resolutions are difficult with constrained enforcement powers held by Wellington Water.	Compliance with regulations	Results in more operational costs impacting maintenance budgets with consequential reduction in levels of service e.g. less leaks repaired, more blockages. Private property asset condition has the potential to compromise the provision of safe drinking water. Private property asset condition exacerbates the continues discharges of wastewater contaminants discharging into the environment.

Hutt City Council's Investment Into Leaks - Progress Update 3/06/2024*

*The data provided is based on the best information available at the time of the assessment



<p>Overall Leaks Fixed</p> <p>2717 Leaks Fixed Since 01/07/2023</p> <p>2717 Fixed Leaks 2517 are Network Leaks 200 are Private Leaks</p>	<p>Leaks Fixed by Suburb</p> <p>Below is a map of the suburbs in Hutt. Leaks fixed in those suburbs this week.</p> <table border="1"> <thead> <tr> <th colspan="2">Leaks Fixed Per Suburb</th> </tr> </thead> <tbody> <tr><td>Wainuiomata</td><td>16</td></tr> <tr><td>Petone</td><td>7</td></tr> <tr><td>Stokes Valley</td><td>4</td></tr> <tr><td>Hutt Central</td><td>4</td></tr> <tr><td>Taita</td><td>3</td></tr> <tr><td>Kelson</td><td>3</td></tr> <tr><td>Korokoro</td><td>2</td></tr> <tr><td>Gracefield</td><td>2</td></tr> <tr><td>Fairfield</td><td>2</td></tr> <tr><td>Boulcott</td><td>2</td></tr> <tr><td>Belmont</td><td>2</td></tr> <tr><td>Naenae</td><td>1</td></tr> <tr><td>Maungaraki</td><td>1</td></tr> <tr><td>Lowry Bay</td><td>1</td></tr> <tr><td>Epuni</td><td>1</td></tr> <tr><td>Avalon</td><td>1</td></tr> </tbody> </table>	Leaks Fixed Per Suburb		Wainuiomata	16	Petone	7	Stokes Valley	4	Hutt Central	4	Taita	3	Kelson	3	Korokoro	2	Gracefield	2	Fairfield	2	Boulcott	2	Belmont	2	Naenae	1	Maungaraki	1	Lowry Bay	1	Epuni	1	Avalon	1	<p>Investment</p> <p>\$4.953M** Spent on Leaks so Far</p> <p>\$4.916M Funding</p> <p>\$6.1M Funding</p> <p>\$8.9M</p>
Leaks Fixed Per Suburb																																				
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<p>Weekly Update - Leaks Reported and Fixed</p> <p>This Week</p> <table border="1"> <thead> <tr> <th>Reported Leaks</th> <th>Leaks Fixed</th> </tr> </thead> <tbody> <tr> <td>47 Reported Leaks 23 WWL Detected Leaks</td> <td>49 Public Leaks</td> </tr> <tr> <td>0 Private Leak</td> <td>3 Private Leak</td> </tr> </tbody> </table>	Reported Leaks	Leaks Fixed	47 Reported Leaks 23 WWL Detected Leaks	49 Public Leaks	0 Private Leak	3 Private Leak	<p>Leaks Backlog</p> <table border="1"> <thead> <tr> <th>This Time Last Week</th> <th>New Reported</th> <th>Fixed</th> <th>Backlog Inc Duplicates</th> <th>Backlog Exc Duplicates</th> </tr> </thead> <tbody> <tr> <td>442</td> <td>70</td> <td>52</td> <td>460</td> <td>425</td> </tr> </tbody> </table> <p>35 Jobs Were Closed as Duplicated upon Triage with No Work Done</p>	This Time Last Week	New Reported	Fixed	Backlog Inc Duplicates	Backlog Exc Duplicates	442	70	52	460	425	<p>Backlog Trend</p> <p>Legend: Backlog Target (grey), Backlog Actual (yellow), Leaks Reported (blue), Leaks Repaired (green)</p>																		
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TO: Chair and Members
Audit and Risk Subcommittee

FROM: Andrew Quinn

DATE: 10 June 2024

SUBJECT: WHAKATUPU NGAENGAE



Purpose of Memorandum

1. To provide an update to the subcommittee on the progress and management of the Whakatupu Ngaengae Project (pool and town centre development) since the last update to this subcommittee on 30 April 2024.

Recommendation

That the Subcommittee:

- (1) receives and notes the information; and
- (2) notes the following progress that has been made on the Whakatupu Ngaengae project:
 - (a) work on the new Naenae Pool and Fitness Centre is progressing to plan and confidence remains high that the project can be completed within budget;
 - (b) the conversion of the old Naenae Post Office to community centre is complete save for a few finishing items that will be completed before handover to operator Team Naenae Trust. The centre will open to the public on 29 June 2024;
 - (c) concept design of the Walter Mildenhall Park is currently being finalised following feedback from the community. A preliminary version will be presented to the Naenae Community Advisory Group on 12 June 2024.

Naenae Pool and Fitness Centre

2. The pool project is progressing well and the roof membrane over the gym and reception area is now largely complete. In parallel, work continues inside the main pool hall, the leisure pool hall, and the plant room areas.
3. The topping slab between the main pool concourse and the leisure pool hall has been poured, the tiered bleachers are ready for pouring, and the air conditioning ducts in the main pool hall are awaiting delivery of the transition section.
4. The 50m pool liner and movable floor are nearing completion. The leisure and toddler pool construction has also progressed along with the hydro-slide installation, which has now been paused to enable other works to progress.

5. Exterior window frame installation has commenced and exterior framing in advance of the façade and soffit system install is well advanced. The design application for the Green Star certification has been submitted to the reviewer.

Community Centre

6. Fit out of the new Community Centre is nearing completion and an inspiring blessing ceremony led by Mana Whenua and attended by members of Hutt City Council (HCC), the community, and the project team was held at dawn on 17 May.
7. Outstanding works include some interior items, some exterior refurbishment works, and overall defect remediations. Completion of the building's exterior works has been delayed by the need to remove a live mains cable from the rear yard. This work was expedited and completed on 20 May 2024.
8. Team Naenae Trust has been confirmed as the lead tenant to operate the Community Centre ahead of an official opening scheduled to coincide with Matariki on 29 June 2024.
9. Following a recommendation by the Naenae Community Advisory Group supported by Mana Whenua, the new name of Te Mako – Naenae Community Centre has been endorsed by Council.

Walter Mildenhall Park

9. Stage 1 engagement with the Community is now complete and a concept design for the park is progressing. The outcome of the engagement has informed the spatial plan concepts. This collaborative design process is what was envisaged at the start of the project and should encourage further feedback from the community.
10. A site investigation report for the park redevelopment based on soil sampling undertaken in May is being prepared to further inform landscape design decisions.

Transition to Operations

11. Regular meetings have been established with five complementary workstreams to guide the HCC operational teams through the transition to operations. The representative workstreams are FF&E (furniture, fixtures and equipment), IT/AV, pool operations, asset management/maintenance and event/communications.
12. Each workstream has produced a Workstream Plan of activity leading to opening day and beyond. A high-level timeline has been developed to illustrate the transition to operations and has been updated to reflect the latest project programme from Apollo. Further to the regular 'transition to operations' meetings, the HCC transitions team have the opportunity to visit the pool every six weeks for familiarisation.

Risk

16. The cost of the Naenae Pool and Fitness Centre continues to be reviewed at regular intervals and remains within the \$68M budget cap. There remains high confidence that the pool project can be completed within budget and the latest risk assessment (see attachments) suggest that confidence in achieving the desired budget outcome is 77%.
17. The latest risk register in the appendices of this report demonstrates that all risk mitigations are being carefully monitored for effectiveness.
18. Officers continue to monitor construction market conditions, particularly in the local supply chain. Materials delivered earlier to the construction site are now being incorporated into the works.
19. The key risk of adverse weather conditions will diminish once the building envelope is closed in, as most of the remaining works will then be inside the building. This remains a key focus for the team as we advance towards the winter months.

Financial Considerations

20. The project team has reviewed and updated the current financial profile of the project for the 2024/34 Long-Term Plan. As reported above, the project is still tracking well to the capital expenditure budget of \$68M.
21. CIP are providing co-funding of \$27M through the COVID-19 response and recovery fund. To date, Council has drawn down \$14.85M of the \$27M of co-funding.
22. Expenditure on the Community Centre is forecasted to be \$6.7M at completion, inclusive of purchase of the old Post Office. This still leaves \$2.3M for the further development of Walter Mildenhall Park, which is the chosen next priority for the Community Advisory Group. The park project will be scaled to fit within remaining budget.

Legal Considerations

17. There are no legal considerations to report.

Appendices

No.	Title	Page
1	Naenae Pool - Quantified risk assessment	23
2	Naenae Pool - risk register	27

Author: Andrew Quinn
Project Manager (Naenae)

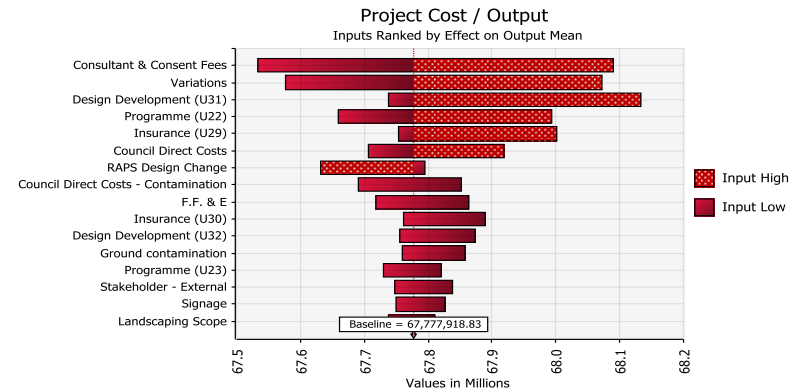
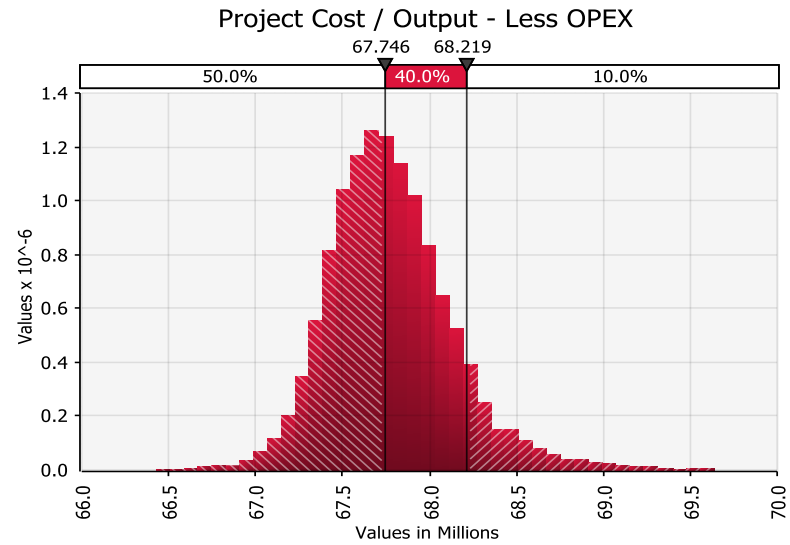
Approved By: Andrea Blackshaw
Director Neighbourhoods and Communities

Quantitative Risk Assessment



Project: Naenae Pool
Principal: Hutt City Council
Date: 06 May 2024

Description	Output - Baseline
Project Budget	68,000,000
Estimated Project Costs [FR29], Excluding Contingency	67,029,838
Risk and Opportunity	635,000
Risk Review	685,000
Opportunity Review	(50,000)
Project Cost	67,664,838
P50	67,746,362
P50 Variance to Estimated Project Costs	716,524
P50 Budget Variance	(253,638)
P90	68,219,127
P90 Variance to Estimated Project Costs	1,189,289
Extra value over P50	472,765
P90 Budget Variance	219,127
Project Budget P-value	77%



Quantitative Risk Assessment



Project: Naenae Pool
 Principal: Hutt City council
 Date: 06 May 2024

		Financial Report 32			
No.	Description	Quantity	Unit	Rate	Amount
1.0	Demolition Works	1	Item	1,360,000	1,360,000
2.0	Aquatic & Fitness Centre [D&B]	5,445	m2	10,653	58,003,911
3.0	Variations	1	Item	642,857	642,857
4.0	F.F. & E	1	Item	538,000	538,000
5.0	Transformer Relocation	1	Item	333,761	333,761
6.0	Future Cost Escalation	1	Item	Excluded	Excluded
7.0	Consultant & Consent Fees	1	Item	4,308,916	4,308,916
8.0	Council Direct Costs	1	Item	969,782	969,782
9.0	Council Direct Costs - Contamination	1	Item	2,547,507	2,547,507
10.0	Community Artwork	1	Item	180,000	180,000
10.0	OPEX Budget Transfer	1	Item	(1,854,896)	(1,854,896)
Total					67,029,838

Quantitative Risk Assessment



Project: Naenae Pool
Principal: Hutt City council
Date: 06 May 2024
Risk Review

No.	Description	Detail	Probability	Low/P5	Mid/ P50	High/P95	Commentary
1	Ground contamination	Contaminated ground risk - risk to remove stockpile	25%	30,000	60,000	120,000	Based on risk to remove current stockpile, allowance to remove as contaminated and bring in new cleanfill, Low = 50m3, Mid = 200m3, High = 400m3
2	Ground contamination	Additional Contamination					Excluded
3	CIP	Project Funding					Excluded
4	Ground Conditions	Pockets of poor ground conditions					Excluded, included in Contamination VO
5	Stakeholder - External	Stakeholder requirements (water polo / underwater hockey...)					Excluded, included in F.F.&E.
5.1	Stakeholder - External	F.F.&E	50%	25,000	50,000	100,000	Risk allowance for additional F.F.&E. allowances in excess of Contract/Budget
6	Stakeholder	Spa Pool					Excluded
7	Existing Services	Existing Services - Gas	10%	-	5,000	10,000	Provisional Sum, stand over costs only, minimal risk
8	Existing Services	Existing Services - other	15%	15,000	50,000	100,000	Allowance for other services, nominal (risk reduces at completion of carpark)
9	Greenstar	Solar					Excluded
10	Greenstar	Extra environmental efficiencies					Excluded
11	Greenstar	Independent Commissioning Agent					Excluded, included in Consultant Fees
12	Ground-water	Dewatering during construction					Excluded
13	Heritage	New Soffit Timber (retained quantity/quality of retained)					Excluded, included in Variations
14	Programme	Programme prolongation - construction	50%	120,000	240,000	360,000	Risk of an Extension of Time Claim past July 2024, with costs. Low = 20 days, Mid = 40 days, High = 60 days
14.1	Programme	Programme prolongation - Prof Fees	100%	50,000	100,000	150,000	Costs associated with Consultant Fee extension past July 2024 Low = 20 days, Mid = 40 days, High = 60 days
15	Covid	Reduced productivity					Excluded
16	Covid	Supply chain disruption, alternative products					Excluded
17	Procurement	Local subcontractor procurement					Excluded
18	Infrastructure	Capacity depends on contribution					Excluded
19	Insurance	Contract works insurance					Excluded, Contractor Risk
20	Insurance	Insurance Claim due to Earthquake	10%	25,000	250,000	350,000	Non-working time
21	Insurance	Insurance Claim due to Other (i.e. weather event, flood, fire)	20%	10,000	75,000	200,000	Non-working time
22	Design Development	Contractor Claim for design development between Developed to Construction (Items not formally submitted)	5%	250,000	800,000	1,100,000	Items from Schedule of Changes (14/08/23) yet to be submitted
23	Design Development	Contractor Claim for design development between Developed to Construction - (IR01-03)	25%	50,000	78,000	150,000	Currently submitted and rejected

Quantitative Risk Assessment



Project: Naenae Pool
Principal: Hutt City council
Date: 06 May 2024

24	Design Development	Contractor Claim for design development between Developed to Construction - IR06					Excluded, included in Variations
25	Signage	Statutory / External Building Signage	50%	20,000	45,000	75,000	Signage over and above Provisional Sum
26	Art Initiatives	Design development (i.e. entrance Pou, million stars)					Excluded, included in Community Artwork
27	Contract	Change in QS resources	10%	20,000	50,000	80,000	Allowance for additional consultant input for claims

Naenae Pool & Fitness Centre Risk Register

Revision 6 - 06/06/2024

	THE RISK IF [event or condition i.e. what can happen] THEN [consequence. Why is it a concern / impact if we don't get it right]	RISK DRIVERS existing and potential causes/triggers	Risk owner	INHERENT RISK			CONTROLS / RISK RESPONSES	RESIDUAL RISK		
				Likelihood	Impact	Risk		Likelihood	Impact	Risk
48	<u>CIP management</u> If construction progress does not meet the agreed CIP milestone completion dates, and CIP is not informed of delays to milestone dates, and if an extension of time is not notified by HCC, Then the milestone funding release to HCC will be delayed, and the CIP contract may be at jeopardy.	- Construction delays impacting programme - Site resourcing issues - Inclement weather implications - Force majeure events	HCC	Likely	Major	High	Current controls/risk treatments: - All project team members informed of CIP dates - Construction contractor to provide accurate reporting of programme, identifying critical path items, and impacts on CIP milestones. CIP milestones included in programme. - Construction programme is monitored weekly and monthly. - Construction progress discussed and monitored during fortnightly site meetings and monthly PCG meetings Planned mitigation actions: - Design stages to proceed concurrent with client approval - Staged consenting - Construction strategy to enable early procurement of long lead time items and to enable early works packages to proceed ahead of design completion	Unlikely	Moderate	Medium
96	<u>Bond</u> If Apollo enters financial difficulty and the performance bond is called in, Then there would be delays to the opening of the facility and increased costs for HCC through obtaining a new main contractor or adopting the construction management directly. Additionally, HCC could face reputational damage.	- Apollo encounter financial issues on other projects - Subcontractor costs above budget allowances - Material costs above budget allowances - Subcontractors pull out at short notice due to other commitments - Subcontractors stop trading due to financial constraints	HCC	Possible	Moderate	Medium	Current controls/risk treatments: - Regular discussions with Apollo on procurement progress and concerns - Apollo engaging subcontractors early and using local market where possible - Monitoring of local subcontractor market for financial liquidity - Apollo monitoring subcontractor performance Planned mitigation actions:	Unlikely	Moderate	Medium
95	<u>Contingency Risk</u> If Apollo is unable to procure contractors within their anticipated trade budget due to market conditions in Wellington Then Apollo would use up their available contingency and could seek to recover increased costs from HCC through variations.	- Wellington market pricing higher than anticipated - Tight subcontractor market with high demand - Requirements of local/social procurement targets - Design development process	Apollo	Possible	Moderate	Medium	Current controls/risk treatments: - Regular discussions with Apollo on procurement progress and concerns - Monitoring of variations and cost recovery with a focus on delivery within budget Planned mitigation actions: - Discussions on financial risk / position at PCG - Limiting change to project scope	Possible	Moderate	Medium
94	<u>Programme Prolongation</u> If Apollo is unable to complete the work according to the programme and is delayed by more than six weeks Then there will be delays to the opening of the facility and increased costs for HCC through ongoing consultant fees.	- Materials delayed in arrival to site due to availability - Materials delayed in arrival to site due to shipping delays - Subcontractors unable to deliver to timeframes due to other commitments - Subcontractors pull out at short notice due to other commitments - Subcontractors stop trading due to financial constraints	HCC	Likely	Moderate	High	Current controls/risk treatments: - Regular discussions with Apollo on subcontractor performance and concerns - Monitoring of programme, monitoring of works on site and review of mitigations where programme deviates from agreed baseline. Planned mitigation actions: - Regular discussions with Apollo on material availability and shipping - Apollo procuring materials early and storing onsite - Apollo engaging subcontractors early and using local market where possible - Management and monitoring of long lead time items - Consideration of weather protection options to facilitate progress - Regular discussions with Apollo on Sub-contractor performance - Increased site resources / hours including weekend work - Regular discussions with Apollo on sequencing options - HCC early access for fit-out and transition to operations - Regular CIP site inspections	Possible	Moderate	Medium

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				Likelihood	Impact	Risk		Likelihood	Impact	Risk
68	Earthquakes If there was a damage causing earthquake, Then severe damage could be caused to the building structure, infrastructure or the surrounding area. There could also be damage to the contract works, on-site materials, area infrastructure, introduced collapse risks and/or reduced availability of materials and/or labour. This would result in programme delays and progress stoppage.	- Large damage causing earthquake	HCC	Likely	Moderate	High	Current controls/risk treatments: - Review of structural stability post earthquake if during construction - Temporary support structures designed to code - Seismic design considerations and restraints incorporated - Apollo Projects have contract works insurance in place Planned mitigation actions: - Project Team equipped to operate remotely - Safety plans are in place and consider earthquake risk - Review of structural stability post earthquake if during construction - Apollo Projects have contract works insurance in place	Unlikely	Moderate	Medium
55	Site safety If a serious incident occurs on site, Then there could be an serious injury or fatality. Work would be stopped and/or resulting in programme implications and impacts to staff morale and/or mental wellbeing. This can result in an internal investigation into incidents, and there is a potential for a WorkSafe investigation.	- Health, Safety and Environment Procedures not implemented or followed - Multiple work faces - Multiple hazards	Apollo Projects	Possible	Extreme	High	Current controls/risk treatments: - Setting safety responsibility within contracts - Review of SSSP and contractor management plans and regular safety audits - Tool box talks, safety inductions etc - Engagement with HCC/Contractor Safety Managers - Engagement with HCC safety manager - WorkSafe notifications for high risk activities - Development of work method statements as applicable Planned mitigation actions: - Monthly reporting, Apollo HSE audits	Possible	Moderate	Medium
91	Bowls club If there is noisy or dusty construction work during bowls tournaments that causes disruption, Then this will upset bowls community, cause reputational damage, and/or attract potential negative media (some events are broadcast live to a global audience).	- Lack of communication with bowls club - Failure to review and put in place mitigation tactics to minimise disruption - Delays in programme	HCC / Apollo Projects	Unlikely	Minor	Low	Current controls/risk treatments: - Meetings held with bowls club to confirm dates and information about events - Main contractor to put in place regular communications with bowling club - Review of construction activities one month prior to events and review of mitigation including additional fencing, acoustic and minimising work adjacent to the boundary Planned mitigation actions: - Dust mitigation plans - Minimising noise during bowls tournaments - Moving noisy works to adjacent end of the site - Rescheduling noisy works around Tournament days	Unlikely	Minor	Low
14	COVID impacts to project If the global issue of the pandemic, such as further variants of Covid-19, impacts on global supply chain, staff contracting Covid-19, material supply constraints, and further lockdowns are required, Then there would be impact on delivery of project, including escalating costs, schedule and resourcing.	- Escalation costs due to Covid-19 - Availability of personnel - Government mandated restrictions - Influx of infection within staff working on site - Impact on works for site staff	HCC	Possible	Moderate	Medium	Current controls/risk treatments: - Lessons learnt - Project Team equipped to operate remotely - Consideration of use of products/staff resources that are available locally - Follow construction sector guidance for on site practices / requirements - Greater personal hygiene on site - Enforcing personnel staying at home when sick Planned mitigation actions: - Apollo Projects to procure materials and sub-trades early - Early identification of long lead time items for timely procurement	Unlikely	Minor	Low

	THE RISK IF [event or condition i.e. what can happen] THEN [consequence. Why is it a concern / impact if we don't get it right]	RISK DRIVERS existing and potential causes/triggers	Risk owner	INHERENT RISK			CONTROLS / RISK RESPONSES	RESIDUAL RISK		
				Likelihood	Impact	Risk		Likelihood	Impact	Risk
25	<u>Availability of materials</u> If there is not enough of the required materials available during any stage of the construction phase due to supply constraints, Then there would impacts to programme and cost implications due to procurement of alternative products that may be higher in cost, or are at less than the desired standard of quality.	- Local shortage of supply due to high demand - Internationally sourced products and delays in delivery to New Zealand	Apollo Projects	Possible	Minor	Medium	Current controls/risk treatments: - Source alternative products of greater or equal quality - Early sourcing by contractor and storage off-site - Review of Apollo's construction programme and scheduled timelines of off-site fabrication and materials Planned mitigation actions: - Apollo have identified long lead time items and regular monitoring of delivery status - Early procurement of key items - Early identification of lead in time for procurement - Consideration of available materials during design - Consideration of locally available materials during design	Unlikely	Minor	Low
29	<u>Cost impact of Greenstar and other sustainability initiatives</u> If the contractor is unable to meet HCC sustainability ambitions and certification, Then there will be damage to the Clients reputation and contribution to carbon zero commitments for Council cannot be met.	- Sustainability initiatives may result in higher capex	BBD	Possible	Insignificant	Low	Current controls/risk treatments: - Identification from project team to budget from Day 1 - Project team aware of requirements - Design to be able to meet green star certification requirements - Independent Commissioning Agent (ICA) initiatives Planned mitigation actions: - Monthly reporting	Unlikely	Insignificant	Low
83	<u>Construction works adjacent to the residential houses and businesses</u> If construction noise or traffic cause disruption to neighbouring residential houses and businesses, Then there is a potential for reputational damage or an increase in complaints from the public.	- Increased noise levels, dust and nuisance emitted from site - Disruption to the surrounding road network and community	HCC / Apollo Projects	Possible	Minor	Medium	Current controls/risk treatments: - Keeping the community informed with site works through the HCC communication channels - Letter box drops every 2 months - Clear lines of communication, being open and honest - Review of contractor methodology and mitigations Planned mitigation actions: - Keeping the community informed with site works through the HCC communication channels, including letter box drops. - Contractor communications - Attendance at CAG meetings - Keeping HCC councillors informed	Unlikely	Insignificant	Low
2	<u>Aquatic Community Expectations</u> If the completed project fails to meet the requirements and expectations of the aquatic community, Then there may be a decrease in aquatic user groups utilising the new facility as it may not meet their requirements.	- Insufficient engagement with aquatic users throughout the design process - Competing interests between aquatic sports and local community users - Cost pressures result in reduced scope	HCC	Unlikely	Minor	Low	Current controls/risk treatments: - Development of communication and stakeholder management plans at project commencement - Engaging with the aquatic community in a structured and planned way - Decision from Board where there is a competing interest between local users, sports groups and community groups - Formation of the Aquatic Users Group to represent various aquatic stakeholders - Regular engagement with the Aquatic Users Group throughout design development - Aquatic Users Group to have a representative on the Community Advisory Group Planned mitigation actions: - Future involvement with community and sports groups - Update community and sports groups at each design phase	Unlikely	Minor	Low

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				Likelihood	Impact	Risk		Likelihood	Impact	Risk
34	Insufficient QA practices to deliver fit for purpose facility If the quality review processes and quality inspections during construction are insufficient, Then there will be poor deliverables and/or an impact on programme delays and increased costs.	- Poor planning/time - Insufficient tasks completed during QA inspections	Apollo Projects	Unlikely	Moderate	Medium	Current controls/risk treatments: - Quality Management Plan (QMP) - Review Contractor QMP - ICA controls and control measures within principal's requirements Planned mitigation actions: - Engineer to Contract to manage contractor performance using the contract terms. - QA updates / inspection reports provided monthly by Apollo	Unlikely	Minor	Low
3	Stakeholders - Communication and reporting is not clear and results in misinformation If there are not enough communication and accurate reporting with the stakeholders, Then there will be misinformation within the project team and being issued to the public through engagement or media. As well as community pressure in elected officials and/or loss of community confidence	- Clear lines of communication not identified - Reporting timeframes not followed - Expectations around reporting and communication contents not aligned	AECOM / HCC	Unlikely	Minor	Low	Current controls/risk treatments: - Communication protocols will be set out and defined in the Project Management Plan, Communication Plan and Stakeholder Management Plan will be prepared at project initiation to provide clarity - Review of communication protocols Planned mitigation actions: - CAG engagement during project execution	Unlikely	Minor	Low
4	Project Team - Communication and reporting is not clear and results in misinformation If there is unclear and insufficient communication within members of the project team, Then there will be misinformation within the project team and misinformation may be issued to the public through engagement or media. As well as community pressure in elected officials and a loss of community confidence.	- Clear lines of communication not identified - Reporting timeframes not followed - Expectations around reporting and communication contents not executed	AECOM / HCC	Unlikely	Minor	Low	Current controls/risk treatments: - Communication protocols are be set out and defined in the Project Management Plan, Communication Plan and Stakeholder Management Plan will be prepared at project initiation to provide clarity - Review of communication protocols - Updated org charts to establish lines of communication Planned mitigation actions: - Regular reporting through weekly, monthly and quarterly reports	Unlikely	Minor	Low
5	Not being able to achieve expectations within budget If the budget is unachievable within expectations, or the budget is not sufficient for the desired facility, Then there will be damage to the clients, consultants, and/or contractors reputation. Thhis may cause a delay in the completion of the project and additional funding may have to be sourced and a need for VM or scope reduction and the benefits of the project will not be achieved.	- Changes in design that are not aligned with original brief (including Scope creep) - Unexpected additional costs due to insufficient information from third parties - Omissions in the designs - Unavailability of specified products with alternatives being more costly - Artwork not provided within timeframe creating extra cost - Incorrect cost estimation - Variable founding conditions (foundations) - Costs not within their provisional sums	HCC	Possible	Minor	Medium	Current controls/risk treatments: - Procurement of subcontractors and acceptance of fixed pricing - Cost estimates and QRA at each stage for early cost overruns detection - Direction from board to keep to budget (decisions) Planned mitigation actions: - Early identification of at risk items/materials for pricing fluctuations - Early identification of long-lead items	Unlikely	Minor	Low
97	Not being able to achieve artist expectations within allocated budget If the budget is unachievable within expectations (client and community), or the budget is not sufficient for the desired outcome, Then there could be damage to the Clients reputation.	- Changes in design that are not aligned with original brief (including Scope creep) - Unexpected additional costs due to insufficient information from third parties - Omissions in design, non-compliant designs, insufficient / incorrect information on equipment space requirements - Unavailability of specified products with alternatives being more costly - International price fluctuations - Incorrect cost estimation - Delays in cost estimation - Costs not within their provisional sums - Insufficient management of artist inputs to programme and budget	HCC	Possible	Minor	Medium	Current controls/risk treatments: - Staged design process - Cost estimates and QRA at each stage for early cost overruns detection - Direction from board to keep to budget (decisions) - Early identification of at risk materials for pricing fluctuations - D&B fixed price contract in place with Apollo Planned mitigation actions: - Monitoring monthly financial reports	Unlikely	Minor	Low

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				Likelihood	Impact	Risk		Likelihood	Impact	Risk
20	<u>Safety-in-Design not adequate</u> If safety is not considered enough in design with the final design not meeting safety requirements, Then the facility will not operate as intended, potentially resulting in H&S incidents during occupation. This will require cost and time to rectify problems.	- Safety-in-design process not implemented - Lack of consultation with HCC, contractors, facility operator	Apollo Projects / HCC	Unlikely	Moderate	Medium	Current controls/risk treatments: - SID at all stages (includes whole of life risks and residual risk) - Thoroughly planned handover at completion of construction to HCC - Monthly review of the LIVE document, to be closed out towards end of project Planned mitigation actions: - Adequate SID planned and undertaken at each design stage - Inclusion of wide representation including HCC operators as design progresses	Unlikely	Minor	Low
24	<u>Site security breaches</u> If the site is breached during construction, Then there will be a higher safety risk or injury and potential death	- Ineffective perimeter fencing and signage - Higher risk areas associated with criminal activities	Apollo Projects	Possible	Extreme	High	Current controls/risk treatments: - Site left in safe condition - Active management of site by Contractor - Contractor has installed a high-tech site security system. Security Patrol is called out upon system activation. - Storage within secure warehouse - Identifying attractive items and removing from line of sight - As items are being installed within the building, less are stored out in public view/harder to steal Planned mitigation actions: - Review ongoing security requirements for the site as construction progresses and adjust as necessary - Review of contractor's SSSP	Unlikely	Minor	Low
35	<u>Change in project team personnel</u> If the project team take personnel leave or change roles, Then there could be a loss of historical knowledge, time loss in handover, a change in team dynamic and/or a gap in project team (if no new resource identified).	- Resignation - Health - Leave - Retirement - Workload	HCC	Possible	Minor	Medium	Current controls/risk treatments: - Balanced view of resourcing across project team - D&B fixed price contract in place Planned mitigation actions: - Contingency resources identified and utilised as necessary - Request early identification of changes - Knowledge sharing on project background through project team	Unlikely	Minor	Low
44	<u>Weather impacts to programme</u> If adverse weather results in on-site construction delays to occur, Then there will be delays in progress or increased project costs (if substantial delay).	- Adverse weather	Apollo Projects	Possible	Minor	Medium	Current controls/risk treatments: - Schedule weather sensitive activities to occur when weather is typically preferable for the activity - Programme allows for 20WD float for inclement weather - Continuous review of programme and progress Planned mitigation actions: - Continued focus of achieving weathertightness of building envelope	Unlikely	Minor	Low
93	<u>Roading changes require further changes following public consultation and TSC approvals</u> If following public consultation or for transport subcommittee approvals changes are requested to the roading or carpark layout Then there may be a requirement to undertake further design and submit a further resource consent amendment.	- Public consultation to on-street parking changes - Transport Subcommittee approvals - HCC roading reviews - Integration with other planned works in the area	HCC	Unlikely	Moderate	Medium	Current controls/risk treatments: - Engagement with community leaders as design progresses - HCC roading reviews as design progresses - Consent amendment prepared in parallel to public consultation - HCC roading provide comment prior to consent lodgement Planned mitigation actions: - Ongoing co-ordination discussions with the roading team on status of other works in the area	Unlikely	Minor	Low

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				Likelihood	Impact	Risk		Likelihood	Impact	Risk
1	<p><u>Failure of the completed project to meet the requirements and expectations of the Local Community</u> IF the community needs and expectations are not incorporated into the design, Then there will be a reduction in use of facilities by local users as there is a reduced desire to utilise.</p>	<ul style="list-style-type: none"> - Insufficient engagement with local community - Competing interests of aquatic sports and local community - Cost pressures result in reduced scope 	HCC	Possible	Major	High	<p>Current controls/risk treatments: - Ongoing coordination with local community through CAG</p> <p>Planned mitigation actions: - Development of stakeholder management plan at project commencement - Engaging with the project stakeholders in a structured and planned way - Availability of support including stakeholder management, iwi specialist, programme review, risk management, global best practice, value management, to get stakeholder and community buy in - Consideration and integration of community context through the involvement of the town planning specialist - Formal stakeholder process for design approval gates are defined agreed with HCC with final approval confirmation to be sent to AECOM via a single point of contact - Decision from Board where there is a competing interest between local users, sports groups and community groups</p>	Unlikely	Moderate	Medium
22	<p><u>Inadequate soft handover and training of staff for operation prior to full operation</u> IF sufficient operational training is not provided for staff during handover and staff cannot properly operate the facility, THEN there will be poor performance, poor safety, poor operation and financial impact and well as a loss of confidence from the community.</p>	<ul style="list-style-type: none"> - Lack of time - Poor management - Pressure to open - Failure to identify appropriate staff / recruit - Availability to participate 	HCC	Possible	Major	High	<p>Current controls/risk treatments: - Involvement in commissioning - Early identification of team and need to recruit - Training of operations staff - Capabilities of employed ICA - Transitions to Operations (T2O) planning underway with relevant HCC departments</p> <p>Planned mitigation actions: - Regular engagement with operational team regarding the design - Staff involved during design stage - HCC to agree on operation model</p>	Unlikely	Minor	Low
37	<p><u>Delay due to code compliance certificate</u> If the code compliance is not filed or granted on time, Then there will be delays to pool opening</p>	<ul style="list-style-type: none"> - Contractor planning/performance 	Apollo Projects	Unlikely	Moderate	Medium	<p>Current controls/risk treatments: - Early engagement with HCC regulatory team and contractor planning - Contingency in programme - Identification of all requirements and tracking of completion</p> <p>Planned mitigation actions: - Temporary Certificate of Public Use (CPU)</p>	Unlikely	Minor	Low

TO: Chair and Members
Audit and Risk Subcommittee

FROM: Jack Kilty

DATE: 30 May 2024

SUBJECT: AUDIT AND RISK SUBCOMMITTEE FORWARD PROGRAMME 2024



Purpose of Memorandum

1. To provide the Audit and Risk Subcommittee (the subcommittee) with a Forward Programme of work planned for the subcommittee for 2024.

Recommendation

That the Subcommittee receives and notes the Forward Programme for 2024 attached as Appendix 1 to the memorandum.

Background

2. The Terms of Reference for the subcommittee require the subcommittee to have a monitoring and advisory role in reviewing the effectiveness of the way Council discharges its responsibilities with respect to governance, risk management and internal control.
3. The Forward Programme for 2024 provides a planning tool for both members and officers to co-ordinate programmes of work for the year. The forward programme is attached as Appendix 1 to the memorandum.

Forward Programme

4. The Forward Programme is a working document and is subject to change on a regular basis.

Appendices

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Author: Jack Kilty
Democracy Advisor

Approved By: Kathryn Stannard
Head of Democratic Services

Audit and Risk Subcommittee - Forward Programme 2024

Description	Team	Author	Cycle 1 27 Feb 2024	Cycle 2 30 April 2024	Cycle 3 25 June 2024	Cycle 4 27 Aug 2024	Annual Report 24 Sep 2024	Cycle 5 26 Nov 2024	Pending
Subcommittee Forward Work Programme	Democracy Advisor	Democracy Advisor	✓	✓	✓	✓		✓	
Tupua Horo Nuku / Eastern Bays Shared Pathway Project Update (Quarterly report)	Transport	N Garcia J Kingsbury		✓		✓		✓	
RiverLink Project Update	RiverLink Project	E Anand J Kingsbury		✓		✓		✓	
Naenae Projects Update	Naenae Projects	A Quinn A Blackshaw	✓	✓	✓	✓		✓	
Water Services Reform Update	Strategic Projects	B Hodgins		✓	✓	✓		✓	
HR and Payroll system	Information Services	L Allott	✓			✓			
Draft Procurement Strategy for endorsement to Council	Finance	D Newth N Reddy D Nunnian	✓						
Audit of LTP	Finance	D Newth N Reddy D Nunnian	✓						
External Audit Update - Hutt City Council	Finance	D Newth J Livschitz				✓		✓	
External Audit Update - Seaview Marina Limited	Finance	D Newth J Livschitz				✓		✓	
External Audit Update - Urban Plus Limited	Finance	D Newth J Livschitz				✓		✓	

Sensitive Expenditure Disclosures	Finance	D Newth J Livschitz	✓	✓		✓		✓	
ComplyWith: Legal Compliance	Legal Services	L Siriwardena B Cato		✓					
Risk Management and Assurance Update	Finance	N Reddy J Livschitz		✓		✓		✓	
Tax Risk Governance Framework (annual update)	Finance	D Newth J Livschitz						✓	
Insurance renewal update	Finance	G Usoalii-Philips D Newth J Livschitz				✓			
Holidays Act Remediation Project (report back every second Cycle meeting)	Finance	A Andrews J Livschitz				✓		✓	
Hutt City Council Group Annual Report	Finance	R Hardie J Griffiths J Livschitz				✓	✓		
PIR upon completion of Naenae								✓	
Slips and the Wider city Works Programme	Transport	N Garcia J Kingsbury							✓