Waitaki
DISTRICT COUNCIL
TE KAUNIHERA Ā ROHE O WAITAKI

I hereby give notice that the Performance, Audit and Risk Committee Meeting will be held on:

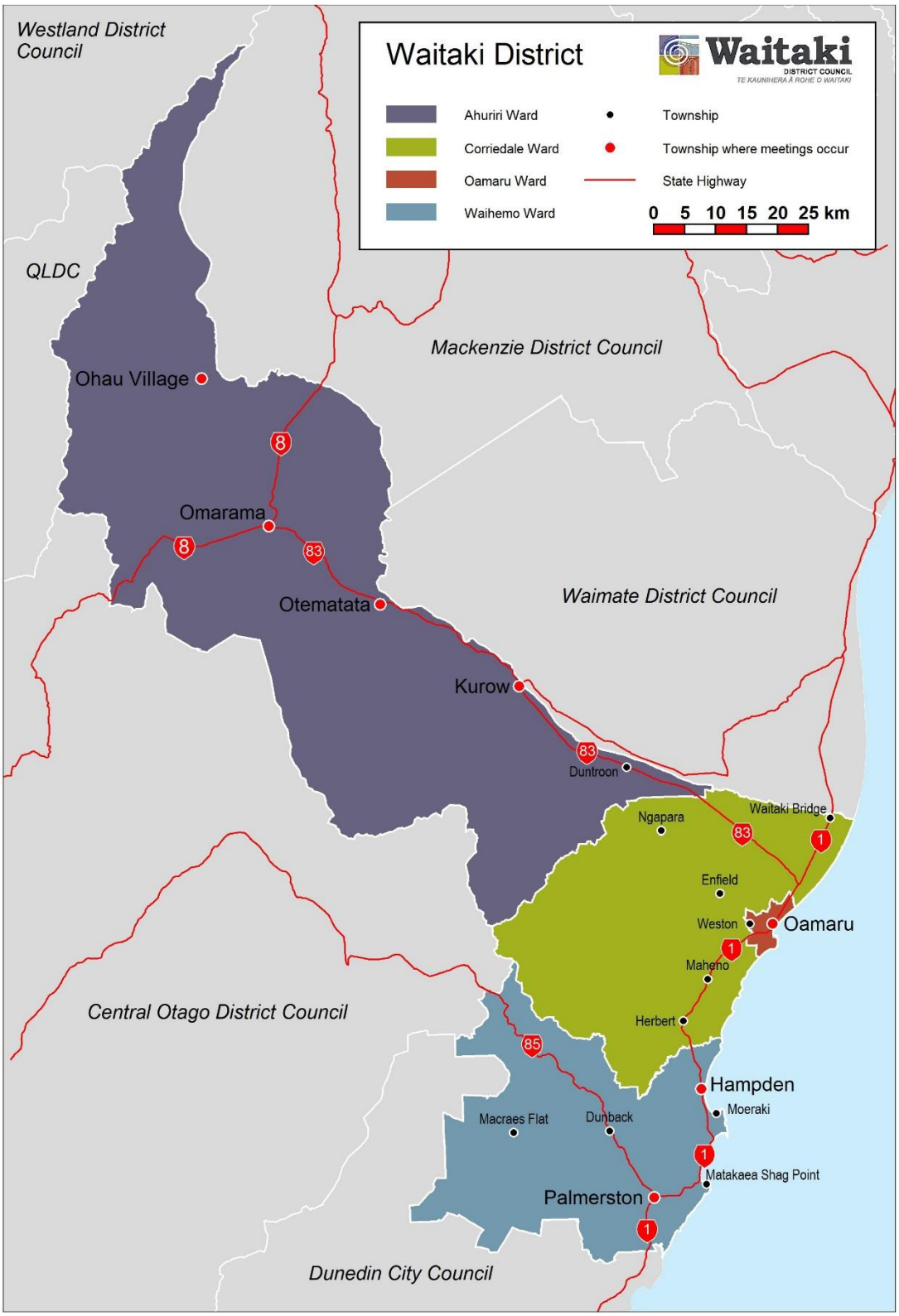
Date:	**Tuesday, 24 June 2025**
Time:	**9.00am**
Location:	**Council Chamber, Third Floor Office of the Waitaki District Council 20 Thames Street, Oamaru**

Agenda

Performance, Audit and Risk Committee Meeting

24 June 2025

Alex Parmley
Chief Executive


Waitaki District
Waitaki
DISTRICT COUNCIL
TE KAUNIHERA Ā ROHE O WAITAKI
Ahuriri Ward
Corriedale Ward
Oamaru Ward
Waihemo Ward
Township
Township where meetings occur
State Highway
0 5 10 15 20 25 km
Westland District Council
QLDC
Mackenzie District Council
Waimate District Council
Central Otago District Council
Dunedin City Council
Ohau Village
Omarama
Otematata
Kurow
Duntroon
Ngapara
Waitaki Bridge
Enfield
Weston
Oamaru
Maheno
Herbert
Hampden
Moeraki
Macraes Flat
Dunback
Matakaea Shag Point
Palmerston
8
83
1
85


WAITAKI DISTRICT COUNCIL
STRATEGIC FRAMEWORK
value for money
EMPOWERING OUR PEOPLE AND PLACE TO THRIVE
community outcomes
QUALITY SERVICES
Robust core infrastructure and services
Community facilities and services we are proud of
PROSPEROUS DISTRICT
Attracting new opportunities
Supporting local businesses
Fostering a diverse and resilient economy
WAITAKI THE BEST PLACE TO BE!
STRONG COMMUNITIES
Enabling safe, healthy communities
Connected, inclusive communities
Promoting a greater voice for Waitaki
Celebrating our community identity
VALUED ENVIRONMENT
Protecting our diverse landscapes and water bodies
Meeting environmental and climate change challenges
Waitaki - Whenua taurikura. Whakapuāwai takata, Whakapuāwai whenua
strategic priorities
Establish Economic Development Agency
Strengthen the community development role of Council
Deliver Transformation Programme
Finish District Plan
Facilitate strategic relationships
Develop our people and attract skills, for the benefit of our communities
value for money
Waitaki
DISTRICT COUNCIL
TE KAUNIHERA Ā ROHE O WAITAKI

Agenda Items

1 APOLOGIES

2 DECLARATIONS OF INTEREST

3 CONFIRMATION OF PREVIOUS MEETING MINUTES

3.1 PUBLIC MINUTES OF THE PERFORMANCE, AUDIT AND RISK COMMITTEE MEETING HELD ON 27 MAY 2025

Author: **Arlene Goss, Governance Services Lead**

Authoriser:

Attachments: **1. Public minutes of the Performance, Audit and Risk Committee Meeting held on 27 May 2025**

RECOMMENDATION

That the the Performance, Audit and Risk Committee confirms the Public minutes of the Performance, Audit and Risk Committee Meeting held on 27 May 2025, as circulated, as a true and correct record of that meeting.

UNCONFIRMED MINUTES

OF THE PERFORMANCE, AUDIT AND RISK COMMITTEE MEETING HELD IN THE COUNCIL CHAMBER, THIRD FLOOR, OFFICE OF THE WAITAKI DISTRICT COUNCIL , 20 THAMES STREET, OAMARU ON TUESDAY, 27 MAY 2025 AT 9.03AM

PRESENT: Chair Simon Neale, Member John McCone, Member Rebecca Ryan, Mayor Gary Kircher, Member Jim Hopkins, Deputy Mayor Hana Halalele, Member Tim Blackler, Cr Brett Cowles, Cr Jim Thomson.

IN ATTENDANCE: Alex Parmley (Chief Executive)
Roger Cook (Director, Natural & Built Environment)
Paul Hope (Director, Support Services)
Joanne O'Neill (Director, Strategy, Performance & Design)
Amanda Nicholls (Finance Manager)
Jason Lilley (Livestream Support)
Arlene Goss (Governance Lead/Minutes)
Ray Henderson (Public)

This meeting was live-streamed and can be viewed at
https://www.youtube.com/live/NmxDgggBG2Q?si=9Mj81KFkbG-pBpdD

MEETING OPEN

The chairman declared the meeting open at **9.03am** and welcomed everyone present.

1 APOLOGIES

RESOLVED PAR 2025/024

Moved: Member Jim Hopkins
Seconded: Member Tim Blackler

That the apology received from Cr Jeremy Holding be accepted.

CARRIED

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 CONFIRMATION OF PREVIOUS MEETING MINUTES

3.1 PUBLIC MINUTES OF THE PERFORMANCE, AUDIT AND RISK COMMITTEE MEETING HELD ON 29 APRIL 2025

A grammatical correction was requested under Item 5.6 – to change the words 'is' and 'has' to 'was' and 'had'.

RESOLVED PAR 2025/025

Moved: Mr Simon Neale
Seconded: Mayor Gary Kircher

That the Performance, Audit and Risk Committee agrees to confirm the public excluded minutes in the public part of this meeting.

CARRIED

RESOLVED PAR 2025/026

Moved: Deputy Mayor Hana Halalele
Seconded: Cr Rebecca Ryan

That the Performance, Audit and Risk Committee confirms the public and public excluded minutes of the Performance, Audit and Risk Committee Meeting held on 29 April 2025, as circulated, as a true and correct record of that meeting.

CARRIED

4 MEMORANDUM REPORTS

4.1 FINANCIAL SUMMARY (TO 30 APRIL 2025)

This report presented a high-level financial summary for the period ended 30 April 2025.

The finance manager noted the lower grant income regarding the Waitaki Events Centre. She now expected to receive the full funding from the trust by June 30.

Points raised in the discussion included:

- Clarification on the situation with the ETS levy.
- The need for a strategic approach to depreciation.

At 9.20am the meeting was adjourned due to a loud sound coming from the microphone units in the council chambers. The online link was halted. The technical issues were investigated by staff and could not be repaired quickly. So the chairman reconvened the meeting at 9.44am without the livestream.

The chairman asked if the councillors wanted to continue the discussion on depreciation. He said looking at the wider strategic picture this would be all about roading. The only way to reduce depreciation on roading would be to reduce the service levels. This would require a discussion to be held in the next triennium.

Further discussion included:

- Using depreciation as a way to smooth the rates curve.
- Getting three waters sorted before looking at what could happen in the roading space.
- There was a request to include a footnote on capital spend in the space attributed to wages in future financial reports.
- Cashflow in the near future will be more unpredictable, as Council was currently working on three significant projects - Kakanui Bridge, the Events Centre and the Gallery Upgrade.
- Cashflow was also unpredictable because more people were waiting until the last day to make their rates payments.
- There was a two and a half percent overspend on personnel, once the $144k backfill for staff vacancies was included. The Chair indicated their concern that employee costs still remained so high and were forecast to be even higher in 25/26 given the expected transformation efficiencies.
- The chair asked about a personnel report commissioned from “Maven” and asked for someone from the Transformation team to present a summary of this at the next meeting.
- A preferred candidate for the risk management role had withdrawn due to personal circumstances. Recruitments efforts were ongoing but it was proving difficult to fill the role.

An action was taken to continue the discussion offline with potential to second or outsource some of the function to neighbouring councils.

RESOLVED PAR 2025/027

Moved: Member Jim Hopkins
Seconded: Chairperson Gary Kircher

That the Performance, Audit and Risk Committee receives and notes the information.

CARRIED

5 MEETING CLOSE

The meeting did not go into public excluded and the Chair declared the meeting closed at 10.02am.

TO BE CONFIRMED at the Performance, Audit and Risk Committee Meeting to be held on Tuesday, 24 June 2025.

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CHAIRPERSON

4 MEMORANDUM REPORTS

4.1 FINANCIAL SUMMARY (TO 31 MAY 2025)

Author: **Amanda Nicholls, Chief Financial Officer**

Authoriser: **Paul Hope, Director Support Services**

RECOMMENDATION

That the Performance, Audit and Risk Committee receives and notes the information.

PURPOSE

This report presents a high-level financial summary for the period ended 31 May 2025.

COMMENTARY

This report does not replace the regular financial reporting that is provided at each quarter's end. Instead, it is intended to supplement that reporting and bridge the gap between the quarters.

Overall operating revenue is lower than forecast and operating expenses are higher than forecast. This combination means that Council's overall operating result for the period, is a deficit of $(5,941)K, versus the budgeted surplus of $998K for the same period. This significantly lower operating result than expected is due largely to timing variances of the grants not yet received for the Events Centre, as well as increased costs in the current year in relation to Project Reclaim, and higher Depreciation than forecast, as can be seen from the tables detailing actual income and expenditure.

Income and Expenditure

- Revenue from external grants is under budget by $2.86 million as grants for the Events Centre were being contributed at 50% of the cost. It was anticipated that funds would be received to cover the full cost of the first year of the build, and Council borrowing would not be required until the second year of the build (to cover Council's $15m share of the project cost in the 2026 financial year). During May $3,450K of donations were received for the Events Centre they hope to have another $2,000K available by end of Jun 25 - $nil has been accrued for Donations in the May 25 period. Going forward it is intended they will advance funds that are available.
- Finance Revenue is under budget, reflecting the reduction after Observatory Village repaid and reducing interest rates, while Finance Costs are slightly over budget due to the timing of new borrowings, although interest rates from the LGFA are reducing as has the amount borrowed.
- Revenue from development contributions (DCs) is under budget due to the decision to approve the timing of amounts charged to the Omarama Airfield Ltd in relation to the subdivision of airfield land. DCs will now be charged as sections in the subdivision are sold – effectively not losing income but deferring it.
- Depreciation is reported over budget by $2.2 million, largely as a result of the larger-than-expected revaluation of waters infrastructure at June 2024. This variance will continue to grow until year end.
- Personnel costs are slightly over budget by $81k.
- Project Reclaim costs are $1.8 million over budget due to timing variances between the 2024 and 2025 financial years budgets. We have received confirmation that the ETS levy has been fully waived. This levy was never physically paid or accrued for so it will not be "returned"; and does not improve the financial results; however, it is welcome news that Council does not have to foot this cost.

A number of aspects of the May period have still to be finalised so the result reported here is an interim one and is provided as an indication of Council-wide financial performance.

The next full quarterly report will be provided in July for the full year ended 30 June 2025.

KEY FINANCIAL UPDATE AT 31 MAY 2025

Statement of Financial Performance for the 11 Months May 2025						
	May-25 YTD Actual	%	May-25 YTD Budget	%	May-25 Variance	%
Operating Revenue						
Rates	$ 42,721	54.46%	$ 41,997	51.15%	$ 724	1.72%
Grants	$ 24,502	31.24%	$ 27,362	33.33%	$ (2,860)	-10.45%
User Charges and Property Rental	$ 5,542	7.07%	$ 5,715	6.96%	$ (173)	-3.03%
Statutory Charges	$ 1,962	2.50%	$ 2,239	2.73%	$ (277)	-12.37%
Other Revenues - DCs, Petrol Tax & Infringements	$ 1,110	1.42%	$ 1,714	2.09%	$ (604)	-35.24%
Investment Income	$ 1,961	2.50%	$ 2,725	3.32%	$ (764)	-28.04%
Dividend	$ 643	0.82%	$ 350	0.43%	$ 293	83.71%
Total Operating Revenue	**$ 78,441**	**100.00%**	**$ 82,102**	**100.00%**	**$ (3,661)**	**-4.46%**
Operating Expenditure						
Employee Costs	$ 17,558	22.38%	$ 17,477	21.29%	$ (81)	-0.46%
Depreciation	$ 21,125	26.93%	$ 18,829	22.93%	$ (2,296)	-12.19%
Contractors — Roading	$ 6,375	8.13%	$ 6,685	8.14%	$ 310	4.64%
Contractors — Waters	$ 5,373	6.85%	$ 5,472	6.66%	$ 99	1.81%
Contractors — Property	$ 1,129	1.44%	$ 1,277	1.56%	$ 148	11.59%
Contractors — Parks and Recreation	$ 3,260	4.16%	$ 3,446	4.20%	$ 186	5.40%
Contractors — Economic Development	$ 387	0.49%	$ 986	1.20%	$ 599	60.75%
Project Reclaim	$ 8,423	10.74%	$ 6,622	8.07%	$ (1,801)	-27.20%
Backfill for Staff Vacancies	$ 156	0.20%	$ -	0.00%	$ (156)	
Consultants, Solicitors, Valuers	$ 2,570	3.28%	$ 2,041	2.49%	$ (529)	-25.92%
Grants	$ 1,083	1.38%	$ 1,064	1.30%	$ (19)	-1.79%
Finance Costs	$ 3,540	4.51%	$ 3,409	4.15%	$ (131)	-3.84%
Electricity	$ 2,238	2.85%	$ 2,019	2.46%	$ (219)	-10.85%
Insurance	$ 1,429	1.82%	$ 1,429	1.74%	$ -	0.00%
Other Expenses	$ 9,736	12.41%	$ 10,348	12.60%	$ 612	5.91%
Total Operating Expenditure	**$ 84,382**	**107.57%**	**$ 81,104**	**98.78%**	**$ (3,278)**	**-4.04%**
Total Operating Surplus (Deficit)	**$ (5,941)**	**-7.57%**	**$ 998**	**1.22%**	**$ (6,939)**	**695.29%**
Capital Expenditure						
Roading	$ 8,109		$ 9,991		$ 1,882	
Waters	$ 9,058		$ 12,469		$ 3,411	
Property	$ 2,918		$ 8,585		$ 5,667	
Parks and Recreation	$ 16,234		$ 15,067		$ (1,167)	
Information Systems	$ 1,939		$ 2,915		$ 976	
Vehicles	$ 255		$ 230		$ (25)	
Other Business Units	$ 344		$ 457		$ 113	
Total Capital Expenditure	**$ 38,857**		**$ 49,714**		**$ 10,857**	

Capital Expenditure for the period is $10.8m behind budget. Good progress is now being made on the Events Centre project and the Forrester Gallery and Kakanui Bridge projects are also underway.

Financial Position

Budget figures appearing in the table above represent the projected year-end position and so may not be directly comparable with the year-to-date position.

1. The budget for Property, Plant and Equipment includes not only the full year's capital expenditure, less Depreciation, but also the triennial revaluation of property, including parks and reserves, and the Oamaru airport, and the annual revaluation of Roading infrastructure, both to be processed in June 2025.
2. Loans to Other Entities are detailed as part of the Quarterly Treasury Report and the Treasury Strategy. The 2024-25 budget is based on repayment in June 2025 of $1.5 million by Observatory Village per the loan agreement and regular quarterly payments of principal by NOIC and Kurow-Duntroon Irrigation Company. However, the Observatory Village Loan of 15.6 million was fully repaid on 3 February 2025. The Kurow-Duntroon Irrigation Company renegotiated their loan to exclude repaying principal.
3. Cash and Cash Equivalents were lower than normal due to being managed prudently in line with the cash timing of Rates Revenue and Project payments5,941
4. Borrowings are detailed in the Quarterly Treasury Report and Treasury Strategy. The 2024-25 budget anticipated that Council would require further support from the LGFA up to year end to fund Waters and other capital projects, however circa $20m of capex has been deferred so this borrowing is no longer required, also the budget did not anticipate the early repayment of the Observatory Loan.

1.

SUMMARY STATEMENT OF FINANCIAL POSITION		ACTUAL YTD MAY 25 $000		BUDGET 12 MTHS 25 $000
Property, Plant and Equipment (1)		$ 1,278,263		$ 1,287,525
Loans to other entities (2)		$ 20,923		$ 34,746
Cash and Cash Equivalents (3)		$ 2,450		$ 4,391
Receivables		$ 7,467		$ 6,240
Borrowings (4)		$ 73,191		$ 99,098
Accounts Payable		$ 13,642		$ 8,933
Employee Entitlements		$ 2,088		$ 2,313

2.

4.2 INFRASTRUCTURE COMPLIANCE (HEALTH & HYGIENE) REPORTING

Author: **Joshua Rendell, Infrastructure Manager**

Authoriser: **Roger Cook, Director Natural and Built Environment**

RECOMMENDATION

That Performance, Audit and Risk Committee receives and notes the information.

PURPOSE

To update the Performance Audit and Risk Committee (PAR) on Waitaki District Council's (WDC) compliance with the New Zealand Drinking Water Quality Assurance Rules (DWQAR) and resource consents as related to the delivery of Water, Wastewater, Stormwater and Solid Waste services.

BACKGROUND

Officers briefed Elected Members in May on current 3 Waters compliance issues requiring action. It was apparent that Elected Members were not fully aware of Council's adherence to compliance requirements and the actions Officers are taking to resolve the non-compliance issues. Specifically, the on-going non-compliances and abatement notices for the Ōamaru and Palmerston Wastewater Treatment Plant's.

Officers have committed to providing quarterly updates to PAR to ensure this Council's compliance with the DWQAR and its resource consents are better understood prior to the annual report.

The tables in this report will form the basis of future updates. A traffic light system has been used for the compliance status.

Green signifies that all rules/conditions have been met for the compliance period.

Orange signifies one or more non-compliances have occurred in the compliance period, but enforcement action has not been taken by the relevant regulatory authority.

Red signifies that the non-compliances are significant and on-going and enforcement action has been taken.

Council should aim for all sites should be in the green status (compliant) but it is reasonable to expect that from time to time there will be non-compliances, particularly as assets age and consents near expiry.

Officers welcome feedback on the format of this report to ensure future updates are fit for purpose.

DWQAR COMPLIANCE

The DWQAR's set out what drinking water suppliers need to do to comply with key parts of the Drinking Water Standards and other requirements under the Water Services Act 2021.

The DWQAR, being the new standards Drinking Water Suppliers must meet came into effect on November 2022. The rules when released had a significant impact on the compliance status of a number of Councils supplies. Several of the supplies Council has already upgraded will need further upgrades to ensure compliance with the new standards. The new rules also place a greater emphasis on testing and data collection to substantiate water has been treated appropriately. Where a test has been missed or data is not available due to system errors or failures, the water supply can become technically non-compliant.

WDC is required to report on the compliance with the DWQAR in its annual report. The Department of Internal Affairs developed a mandatory performance measure which sets out how this information should be reported.

The following tables report the compliance status for quarters 1 & 2. A single quarter of non-compliance constitutes a non-compliance for the year.

The tables are grouped by supply level which is typically based on the registered population. A drinking water supplier can opt to meet a higher level.

Level 1 Supplies

DWQAR Rule	Bushy Creek	Duntroon	Lake Ōhau	Stoneburn
Overall Compliance Status Q1	Non-Compliant	Compliant	Non-Compliant	Non-Compliant
T1 Treatment Rules Q2	Not Met	Not Met	Not Met	Not Met
D1.1 Distribution Rules Q2	Met	Met	Met	Met
Overall Compliance Status Q2	Non-Compliant	Non-Compliant	Non-Compliant	Non-Compliant
Overall Compliance Status 2024-25	Non-Compliant	Non-Compliant	Non-Compliant	Non-Compliant

Level 1 Supplies Non-Compliance Description

Bushy Creek and Stoneburn – these supplies have not yet been upgraded. It is proposed to implement the Mixed-Use Rural Acceptable Solution. This is currently being reviewed and planning for the upgrades will commence once finalised.

Lake Ōhau – the new treatment plant is operational however commissioning issues are still being worked through.

Duntroon – during a heavy rain event in October, the UV disinfection system was bypassed due to the source water quality being below minimum UVT limits.

Level 2 Supplies

DWQAR Rule	Kurow	Otematata	Awamoko	Kauru Hill	Windsor
Overall Compliance Status Q1	Non-Compliant	Not Compliant	Non-Compliant	Non-Compliant	Non-Compliant
T2 Treatment Monitoring Rules Q2	Met	Met	Not Met	Not Met	Not Met
T2 Filtration Rules Q2	Not Met	Not Met	Met	Not Met	Not Met
T2 UV Rules Q2	Met	Met	Not Met	Not Met	Not Met
T2 Chlorine Rules Q2	Met	Met	Not Met	Met	Met
D2.1 Distribution Rules Q2	Met	Met	Met	Met	Met
Overall Compliance Status Q2	Non-Compliant	Not Compliant	Non-Compliant	Non-Compliant	Non-Compliant

Overall Compliance Status 2024-25	Non-Compliant	Non-Compliant	Non-Compliant	Non-Compliant	Non-Compliant

Level 2 Supplies Non-Compliance Description

Kurow and Otematata – these sites were upgraded prior to the DWQAR rules being released which require Level 2 supplies to have filtration. Officers are investigating whether the sites could meet Level 3 rules which do not require filtration. The Level 3 rules are more stringent in other aspects, so it may be more cost-effective to implement filtration.

Awamoko – this supply is managed by Corriedale Water Management Ltd (CWML) and has not yet been upgraded. CWML propose to implement the Mixed-Use Rural Acceptable Solution once the new rules are released by Taumata Arowai.

Two FAC results were less than the required 0.5mg/L in October 2024 and as such the Chlorine Rules were not met. One result was associated with plant start up after a weather-related shutdown and the other, a chlorine dosing issue.

Kauru Hill and Windsor - these supplies are managed by CWML and have not yet been upgraded. CWML propose to implement the Mixed-Use Rural Acceptable Solution once the new rules are released by Taumata Arowai.

Level 3 Supplies

DWQAR Rule	Ōamaru	Waihemo	Lower Waitaki	Ōmārama	Tokarahi
Overall Compliance Status Q1	Compliant	Compliant	Non-Compliant	Compliant	Non-Compliant
T3 Bacterial Rules Q2	Met	Met	Not Met	Met	Not Met
T3 Protozoal Rules Q2	Met	Met	Not Met	Met	Not Met
D3.29 Microbiological Monitoring Rule Q2	Met	Met	Met	Met	Met
Overall Compliance Status Q2	Compliant	Compliant	Non-Compliant	Compliant	Non-Compliant
Overall Compliance Status 2024-25	Compliant	Compliant	Non-Compliant	Compliant	Non-Compliant

Level 3 Supplies Non-Compliance Description

Lower Waitaki – the UV treatment in place does not equal or exceed the allocated Class 3 (4.0-Log) determination. There were also six days in October 2024 where the UV dose at some point during the day was less than the minimum requirement.

Tokarahi - this supply is managed by CWML and has not yet been upgraded. CWML propose to implement the Mixed-Use Rural Acceptable Solution once the new rules are released by Taumata Arowai.

RESOURCE CONSENT COMPLIANCE

Water

WDC has several resource consents permitting the taking of water for the purpose of supplying drinking-water to communities. The consents typically include limits around the volume and rate of take and requirements such as keeping leakage to a minimum.

WTP Name	Compliance Status	Comments
Ōamaru	NA	Lower Waitaki Irrigation Company is the consent holder. Application for four new consents is required by Otago Regional Council (ORC) for the Ardgowan Dam.
Palmerston	Non-Compliant **Abatement Notice**	Refer to Water Non-Compliance Description – Palmerston.
Lower Waitaki	Compliant	
Duntroon	Compliant	
Bushy Creek	Compliant	
Kurow	Compliant	
Otematata	Compliant	
Ōmārama	Non-Compliant	Refer to Water Non-Compliance Description – Ōmārama.
Lake Ōhau	Compliant	
Tokarahi	Non-Compliant	Managed by CWML.
Awamoko	Compliant	
Kauru Hill	Compliant	
Windsor	Compliant	

Water Non-Compliance Description

Palmerston – in the 2023-24 summer period, the 7-day water take limit was consistently exceeded resulting in an abatement notice from ORC. WDC issued a Conserve Water Notice over the 2024-25 summer period and no further breaches occurred. Officers can now apply to have the abatement notice cancelled. A Conserve Water Notice and/or restrictions may be required every summer to ensure demand remains within consent limits.

Ōmārama – in early May, restrictions were imposed by ECan in accordance with the Ahuriri River Water Conservation Order, due to the Ōmārama Stream reaching the minimum flow limit. The restriction means only reasonable domestic water use is permitted for water take consent holders. WDC did not issue restrictions on Ōmārama Water Supply non-domestic (commercial) water users which may be considered a non-compliance. To prevent future breaches or needing to enforce closure of commercial businesses during a minimum flow period, it is proposed to apply to the Minister for the Environment for an exemption from meeting the order.

Tokarahi – since late May 2025, CWML have been working to resolve an on-going pumping issue at the Tokarahi Water Supply intake. During this period the instantaneous flow rate limit has been breached.

Wastewater

WDC has several resource consents permitting the discharge of treated wastewater to the environment. The consents typically include limits on volume and specific discharge quality parameters such as Biochemical Oxygen Demand (BOD5) and E-Coli.

WWTP Name	Compliance Status	Comments
Ōamaru	Non-Compliant **Abatement Notice**	Refer to Wastewater Non-Compliance Description – Ōamaru.
Palmerston	Non-Compliant **Abatement Notice**	Refer to Wastewater Non-Compliance Description – Palmerston.
Moeraki	Non-Compliant	Refer to Wastewater Non-Compliance Description – Moeraki.
Duntroon	Non-Compliant	Refer to Wastewater Non-Compliance Description – Duntroon. The discharge consent expires in February 2026. A new short-term consent will be applied for in the coming months to ensure the long-term consents align with the proposed new wastewater discharge standards.
Kurow	Compliant	ECan require application to be made for the following consents not currently in place: land use, discharge to air and seepage (from the unlined pond).
Otematata	Non-Compliant	Refer to Wastewater Non-Compliance Description – Otematata. ECan require application to be made for the following consents not currently in place: land use and discharge to air.
Ōmārama	Non-Compliant	Refer to Wastewater Non-Compliance Description – Ōmārama. ECan require application to be made for the following consents not currently in place: land use and discharge to air.
Lake Ōhau	Compliant	ECan require application to be made for the following consents not currently in place: land use, discharge to air and seepage (from the unlined pond)

Wastewater Non-Compliance Description

Ōamaru – two abatement notices are in place for on-going breaches of consent discharge quality parameter limits for BOD5 and Suspended Solids (discharge to Landon Creek) and E-Coli (discharge to land). ORC recently agreed to extend the compliance date to 1 July 2025.

For a number of months, BOD5 has been the only remaining non-compliant parameter, and the levels have been trending downwards. Should this continue, WDC will be in a good position to apply to remove the now compliant parameters from the abatement notice and extend the compliance date for BOD5, to allow time to see if the levels drop to within compliance levels. If they don't, treatment upgrades will be required. Officers are investigating options for filtration of effluent prior to discharge.

Palmerston – an abatement notice is in place for on-going breaches of consent discharge quality parameter limits for Suspended Solids and E-Coli, and acceptance of Palmerston Closed Landfill leachate into the wastewater system when the consent is for the discharge of treated domestic wastewater only. Compliance is expected by 24 October 2025.

WDC has engaged Fluent Solutions to apply for a new trade waste consent which will resolve the landfill leachate matter and apply to vary the conditions related to discharge volume and quality parameter limits. A reduction in the consented volume limit, should make an increase in the discharge quality parameter limits possible, as the overall loading to the land dispersal system does not change. If both consent applications are approved, the site will be back in compliance.

Moeraki – the current method of recording when the land dispersal system is grazed, used in the calculation for nitrogen loading, is not considered acceptable by ORC. Further discussion is needed with ORC, and potentially the landowner, to agree on the best option.

Number of days irrigated is also used for the nitrogen loading calculation and there are limits in the consent on how many days each zone can be irrigated. Data recently submitted to ORC indicated that the irrigation zones were being over-irrigated. Further assessment identified that the sprinkler cycle runs from 10pm to 8am and this has historically been counted as two days. ORC has agreed that this should only be counted as one day. They are allowing re-submission of the data which, with the changes, may mean the site is compliant.

Duntroon – due to health and safety concerns and insufficient volumes of wastewater, sampling to determine the level of compliance with consent discharge quality parameter limits, cannot be undertaken in accordance with consent requirements. Alternative monitoring will be proposed as part of the new short-term consent application.

Otematata – WDC has 12 subsurface infiltration trenches that treated wastewater is discharged to. The discharge consent states that there must always be at least one metre separation between the subsurface pipework and the groundwater level. Two of the trenches at the lower end of the site cannot achieve this. Simply abandoning these trenches would reduce application area and likely result in breaches of the consent discharge application rate limits in peak summer months. As such, eight new trenches have recently been installed.

Following confirmation from ECan, the new trenches will be commissioned and the two lower trenches decommissioned. The site should then be back in compliance.

Ōmārama – the consent three-month rolling discharge volume limit was breached in March 2025. Given the consent is relatively new and there are no obvious reasons why the site would not be performing within the set limits, officers requested Fluent Solutions investigate and recommend potential solutions to prevent future breaches.

Fluent Solutions identified that while the daily discharge volume limit includes an allowance for peak flows and wet weather, the three-month rolling discharge volume limit does not. It is proposed to apply to ECan to vary the three-month rolling discharge volume limit to ensure it better reflects unavoidable peaks.

Stormwater

WDC has only one stormwater discharge consent. It is a global consent issued by ECan and covers all townships with WDC owned stormwater systems in the Waitaki Valley. The consent does not include discharge quality parameter limits but does require a number of plans and processes be prepared and implemented.

System Name	Compliance Status	Comments
Ahuriri	Non-Compliant	Refer to Stormwater Non-Compliance Description – Ahuriri.

Stormwater Non-Compliance Description

Ahuriri – several documents were required to be prepared and implemented by December 2021 and due to conflicting priorities, this did not happen.

A review of the Stormwater Management Plan that accompanied the original consent application, needs to be completed in the near future. This will ensure all of the documents listed in the consent are still required. Once that is confirmed, a request to extend the due date for the submission of the relevant documents will be made to ECan.

Solid Waste

WDC has several resource consents for the discharge of contaminants to the environment from closed landfill sites. Only one consent requires monitoring of discharge quality parameters. Other conditions predominantly relate to on-going inspection of the sites to ensure the landfill caps remain in good order.

Site Name	Compliance Status	Comments
Ōamaru Closed Landfill	Compliant	
Palmerston Closed Landfill	Compliant	
Moeraki Closed Landfill	Compliant	Consents expire in late 2025. Officers are proposing no applying for new consents. However, officers will continue to inspect and manage the sites.
Herbert Closed Landfill	Compliant	
Enfield Closed Landfill	Compliant	
Ngapara Closed Landfill	Compliant	
Livingstone Closed Landfill	Compliant	
Duntroon Closed Landfill	Compliant	
Otekaieke Closed Landfill	Compliant	
Kurow Closed Landfill	Compliant	
Otematata Closed Landfill	Compliant	
Ōmārama Closed Landfill	Compliant	

4.3 WAITAKI DISTRICT COUNCIL GREENHOUSE GAS EMISSIONS INVENTORY REPORT

Author: **Victoria van der Spek, Policy Lead**

Authoriser: **Joanne O'Neill, Director Strategy, Performance, and Design**

Attachments: **1. Greenhouse Gas Emissions Inventory Report**

RECOMMENDATION

That the Performance, Audit and Risk Committee receives and notes the information.

PURPOSE

This report presents a high-level summary of the Waitaki District Council Greenhouse Gas Emissions Inventory Report (base year 2022-23).

SUMMARY

Waitaki District Council has completed its first ISO 14064-1:2018 compliant greenhouse gas emissions inventory for the 2022/23 financial year. This report establishes a verified baseline of all emissions from Council operations and replaces the previous 2018/19 report, which could not serve as a reliable baseline due to the five-year gap, changes in Council operations, updated emission factors, and non-compliance with current ISO standards.

Background

In 2015, Council committed to:

- Reducing emissions through action plans
- Integrating climate considerations into all Council decisions and planning
- Supporting community resilience for climate change impacts
- Collaborating with government on national targets while advocating for fair treatment of our district

Key benefits of Greenhouse Gas Emissions Inventory report

- Meets our stated commitments as an organisation
- Provides a baseline for prioritising emissions reduction efforts
- Aligns with national emissions reduction targets
- Increases transparency and accountability to our community
- Provides long term sustainable and financial savings e.g., boiler to heat pump conversion, swap to LED street lighting, transition to hybrid/EV from petrol/diesel fleet
- Attracts funding and grants from government and private organisations
- Long Term Plan processes require regular emissions monitoring for infrastructure planning.
- Annual Plan budgeting needs current emissions data for climate-related investments.

Minor correction

Since finalising the report, officer's have noted an error on page 24. The report states at 2.4 "In order to achieve the reduction targets identified in Table 7, specific projects have been identified to achieve these and are detailed in Table 8".

As there is no Target identified in Table 7, the introduction to Table 8 should read *"As this is the base year for the report, there are no targets set in Table 7. Despite this, Council has done some work*

over the last 5 years to actively reduce their emissions and have work planned to reduce their emissions further. These are detailed below in Table 8."

Greenhouse gas top 3 emission sources for Waitaki District Council

1. **Wastewater Treatment** (929 tCO2e) - 39% of total emissions
2. **Electricity Consumption** (674 tCO2e) - 29% of total emissions
3. **Waste to Landfill** (300 tCO2e) - 13% of total emissions

Waitaki District Council emissions profile

Category	Emissions (tCO2e)	% of Total
Category 1: Direct Emissions	1,183	49%
Category 2: Electricity	674	29%
Category 3: Business Travel	41	2%
Category 4: Waste & Contractors	467	20%

Category 1 represents direct emissions from sources owned or controlled by Council - emissions that occur on Council property or from Council-owned equipment. Major components include methane and nitrous oxide from treating the district's wastewater (78.5%), fuel used in Council fleet vehicles (diesel and petrol) (13.0%), diesel generators, LPG heating, boilers at Council facilities (8.5%), and fertilizer used on Council land (less than 0.1%).

Financial Context

- Operating Revenue: $44.3M (2022/23)
- Emissions Intensity: 53.4 tCO2e per $1M revenue

Risk Considerations

- **Data Quality Gaps**: Significant reliance on estimations for wastewater and waste disposal due to limited contractor data
- **Population Growth Impact**: Increasing wastewater volumes represent the largest future emissions driver
- **Carbon Liability**: 23,196 tCO2e contingent liability from forestry assets (risk of release through fire, flood, or harvesting)

The verification status was stated as "Reasonable" except for Category 1 wastewater and forestry (limited assurance). This makes it difficult to set reliable reduction targets with uncertain baseline data, and a possible over-reliance on unverified carbon credits.

For wastewater, Council used generic industry averages instead of actual measurements from our treatment plants. There was no direct sampling of wastewater inputs/outputs, and the actual methane and nitrous oxide production rates could not be specified.

Risk: May be significantly over or under-reporting our largest emission source.

Forestry carbon sequestration was calculated using standard lookup tables rather than measuring actual forest growth. No field surveys of Council forestry assets were undertaken.

Risk: $23.2M contingent carbon liability inadequately verified.

Mitigation Initiatives Already Implemented by Council

- LED streetlight conversion (completed 2019) - ongoing energy savings
- Heat pump installation at library (2023) - improved efficiency
- Aquatic Centre LED lighting (2024) - reduced electricity consumption

Planned emission Reduction Projects identified in report

- Transition to electric/hybrid fleet vehicles
- Solar panel installation on proposed Forrester Gallery extension
- Pool pH system conversion from CO2 to Sodium Bisulphate
- Waste minimisation programs (Bokashi bins)

Next steps

The report identifies some recommended actions in the short and medium term.

Immediate Actions

1. Improve data collection systems
2. Commit to annual reporting
3. Set formal reduction targets for Year 2 reporting
4. Allocate budget for continuous emissions annual monitoring and reduction projects

Medium-term Focus Areas

1. Wastewater efficiency upgrades - explore energy recovery systems
2. Renewable electricity procurement
3. Enhanced waste diversion programmes

Conclusion

Based on the recommendations from this report, Council should consider approving dedicated resources for emissions reduction initiatives and annual inventory updates to track progress against future targets. Currently through Council's Long-Term Plan, a limited budget is set aside for bi-annual inventory updates.

This baseline inventory also positions Council to develop a comprehensive climate action or equivalent strategy.

GREENHOUSE GAS EMISSIONS INVENTORY REPORT

Toitū carbonreduce programme

Prepared in accordance with ISO 14064-1:2018 and the Technical Requirements of the Programme

Waitaki District Council

Prepared by (lead author): Chelsea Clyde

Dated: 07 April 2025

Verification status: Reasonable except for category 1 waste water and forestry sequestration which is limited

Measurement period: 01 July 2022 to 30 June 2023

Base year period: 01 July 2022 to 30 June 2023

Approved for release by:

Roger Cook

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DISCLAIMER

AVAILABILITY

This report will be presented to elected members and made publicly available on the Councils website.

REPORT STRUCTURE

The Inventory Summary contains a high-level summary of this year's results and from year 2 onwards a brief comparison to historical inventories.

Chapter 1, the Emissions Inventory Report, includes the inventory details and forms the measure step of the organisation's application for Programme certification. The inventory is a complete and accurate quantification of the amount of GHG emissions and removals that can be directly attributed to the organisation's operations within the declared boundary and scope for the specified reporting period. The inventory has been prepared in accordance with the requirements of the Programme[1], which is based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and ISO 14064-1:2018 Specification with Guidance at the Organization Level for

[1] Programme refers to the Toitū carbonreduce, Toitū net carbonzero and the Toitū climate positive programmes.

Quantification and Reporting of Greenhouse Gas Emissions and Removals[2]. Where relevant, the inventory is aligned with industry or sector best practice for emissions measurement and reporting.

Chapter 2, the reduction plan and progress report, forms the manage step part of the organisation's application for Programme certification.

See Appendix 1 and the related Spreadsheet for detailed emissions inventory results, including a breakdown of emissions by source and sink, emissions by greenhouse gas type, and non-biogenic and bio-genic emissions. Appendix 1 also contains detailed context on the inventory boundaries, inclusions and exclusions, calculation methodology, liabilities, and supplementary results.

This overall report provides emissions information that is of interest to most users but must be read in conjunction with the inventory workbook for covering all of the requirements of ISO 14064-1:2018.

[2] Throughout this document 'GHG Protocol' means the *GHG Protocol Corporate Accounting and Reporting Standard* and 'ISO 14064-1:2018' means the international standard *Specification with Guidance at the Organizational Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals*.

CONTENTS

TABLES

FIGURES

EXECUTIVE SUMMARY

This is the annual greenhouse gas (GHG) emissions inventory and management report for Waitaki District Council covering the measurement period 01 July 2022 to 30 June 2023.[3]

This is the greenhouse gas (GHG) emissions inventory and management report for Waitaki District Council, providing a baseline measurement for the period from 01 July 2022 to 30 June 2023. This represents an essential step in the Council's commitment to understanding and addressing its climate impact. The report's total gross emissions amount to 2,372.05 tCO_2e, with the following breakdown:

- Category 1: Direct emissions (Scope 1) – primarily from wastewater treatment and fuel use in Council vehicles and facilities, accounting for 49% of total emissions.
- Category 2: Indirect emissions from energy (Scope 2) – primarily from electricity use, accounting for 29% of total emissions.
- Category 3: Indirect emissions from other sources (Scope 3) – such as employee business travel (e.g. air travel), accounts for 2% of total emissions.
- Category 4: Indirect emissions from products used (Scope 3) – such as waste disposal, and contractor fuel usage for public litter bins account for 20% of total emissions. The Council's forestry assets provide a significant carbon sequestration, resulting in direct removals of -3,016 tCO_2e, which brings net emissions to -643.95 tCO2e. However, these forestry removals should not be viewed as a deduction from the Council's operational impact but rather as a complementary carbon management tool.

Table 1: Inventory summary

Category (ISO 14064-1:2018)	**Scopes (ISO 14064-1:2006)**	**2023**
Category 1: Direct emissions (tCO_2e)	Scope 1	1,182.53
Category 2: Indirect emissions from imported energy (location-based method*) (tCO_2e)	Scope 2	674.29
Category 3: Indirect emissions from transportation (tCO_2e)	Scope 3	40.54
Category 4: Indirect emissions from products used by organisation (tCO_2e)		467.20
Category 5: Indirect emissions associated with the use of products from the organisation (tCO_2e)		0.00
Category 6: Indirect emissions from other sources (tCO_2e)		0.00
Total direct emissions (tCO_2e)		**1,182.53**
Total indirect emissions* (tCO_2e)		**1,182.04**
Total gross emissions* (tCO_2e)		**2,364.56**
Category 1 direct removals (tCO_2e)		-3,016.00
Total net emissions (tCO_2e)		**-651.44**

*Emissions are reported using a location-based methodology. See section 1.2.1 for details.1.2.1

[3] Throughout this document "emissions" means "GHG emissions". Unless otherwise stated, emissions are reported as tonnes of carbon dioxide equivalent (tCO_2e).

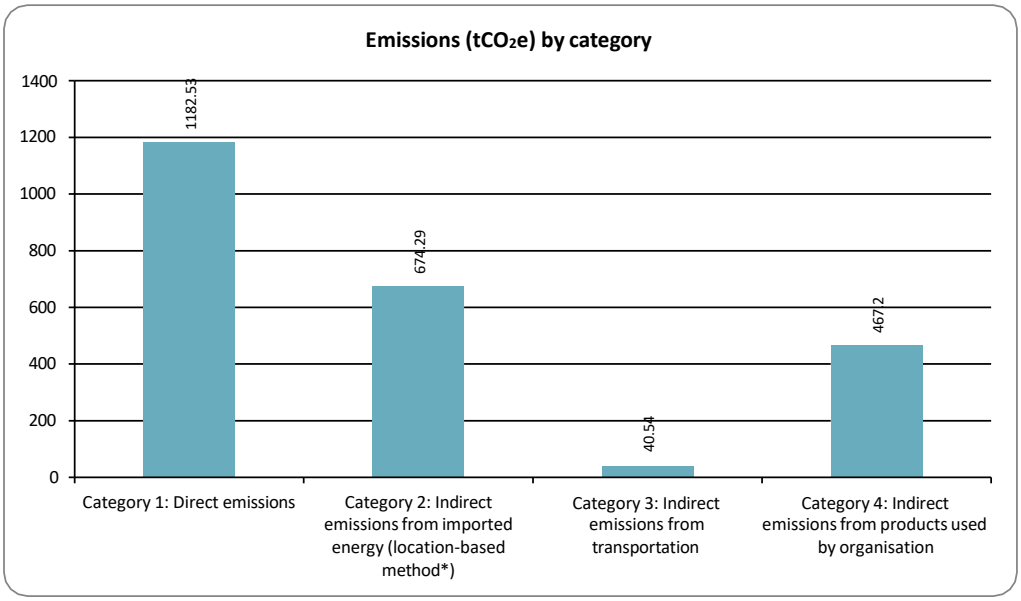

Figure 1: Emissions (tCO_2e) by Category for this measurement period

CHAPTER 1: EMISSIONS INVENTORY REPORT

1.1. INTRODUCTION

This report is the annual greenhouse gas (GHG) emissions inventory and management report for Waitaki District Council.

The inventory is a complete and accurate quantification of the GHG emissions that can be directly attributed to the organisation's operations within the declared boundary and scope for the specified reporting period. The inventory has been prepared in accordance with the requirements of the measure step of the Programme, which is based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2018) and ISO 14064-1:2018 Specification with Guidance at the Organisation Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals. Where relevant, the inventory is aligned with industry or sector best practice for emissions measurement and reporting.

This report aims to establish the organisations' baseline carbon footprint, contributing to our overall climate change and sustainability goals.

The inventory report and any GHG assertions are expected to be verified by a Programme-approved, third-party verifier. The level of assurance is reported in a separate Assurance Statement provided to the directors of the certification entity.

1.2. EMISSIONS INVENTORY RESULTS

Table 2: Emissions inventory summary for this measurement period

Measurement period: 01 July 2022 to 30 June 2023.

Category	Toitū carbon mandatory boundary (tCO_2e)	Additional emissions (tCO_2e)	Total emissions (tCO_2e)
Category 1: Direct emissions	1,182.53 Fertiliser Ammonium sulphate (AS), CO_2, Diesel stationary combustion, Diesel, LPG stationary commercial, Petrol regular, Wastewater for treatment plants (average)	0.00	1,182.53
Category 2: Indirect emissions from imported energy (location-based method*)	674.29 Electricity - Annual factor	0.00	674.29
Category 3: Indirect emissions from transportation	35.31 Air travel domestic (average), Ferry travel (average), Petrol (spend-based)	5.23 Accommodation - New Zealand	40.54
Category 4: Indirect emissions from products used by organisation	350.96 Electricity distributed T&D losses, Waste landfilled No LFGR Mixed waste	116.24 Pre-calculated (tCO_2-e) - Diesel and petrol	467.20
Category 5: Indirect emissions associated with the use of products from the organisation	0.00	0.00	0.00
Category 6: Indirect emissions from other sources	0.00	0.00	0.00

Category	Toitū carbon mandatory boundary (tCO_2e)	Additional emissions (tCO_2e)	Total emissions (tCO_2e)
Total direct emissions	**1,182.53**	**0.00**	**1,182.53**
Total indirect emissions*	**1,060.57**	**121.47**	**1,182.04**
Total gross emissions*	**2,243.09**	**121.47**	**2,364.56**
Category 1 direct removals	-3,016.00	0.00	-3,016.00
Total net emissions	**-772.91**	**121.47**	**-651.44**
Operating revenue (gross tCO_2e / $Millions)		50.69	53.43

*Emissions are reported using a location-based methodology. See section 1.2.1 for details.1.2.1

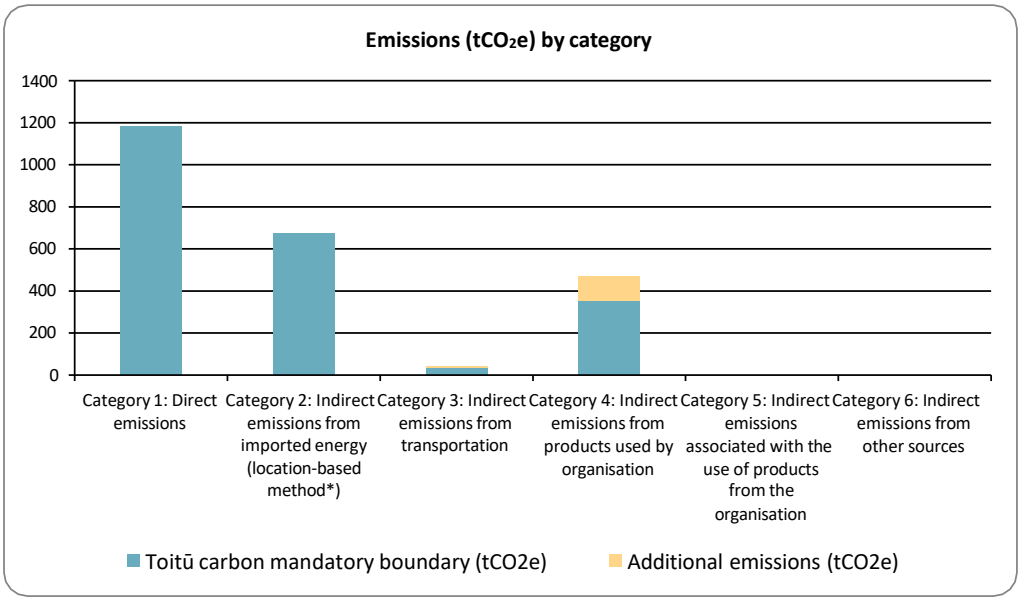

Figure 2: Emissions (tCO_2e) by category

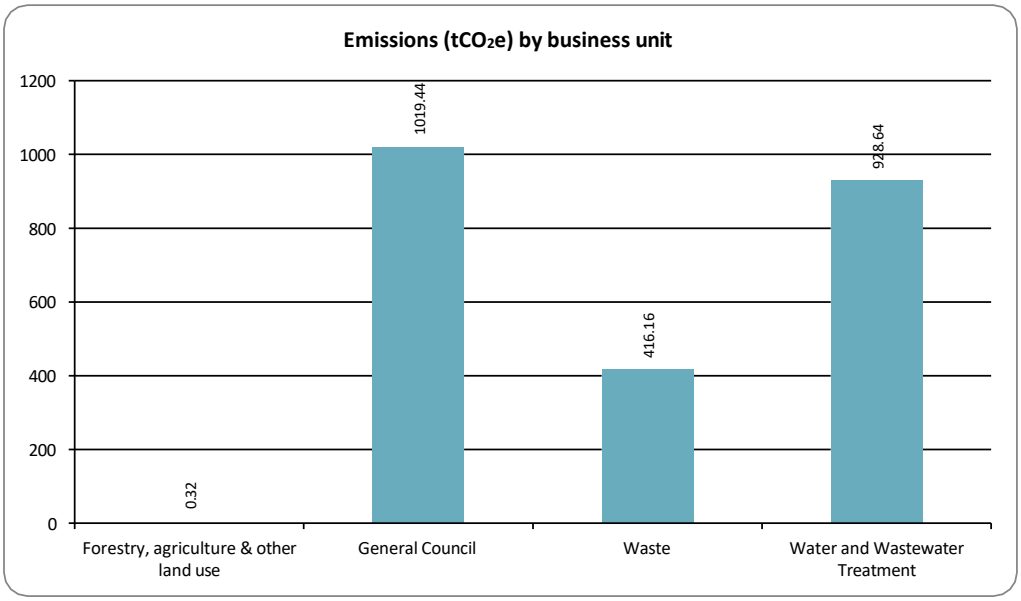

Figure 3: Emissions (tCO_2e) by business unit

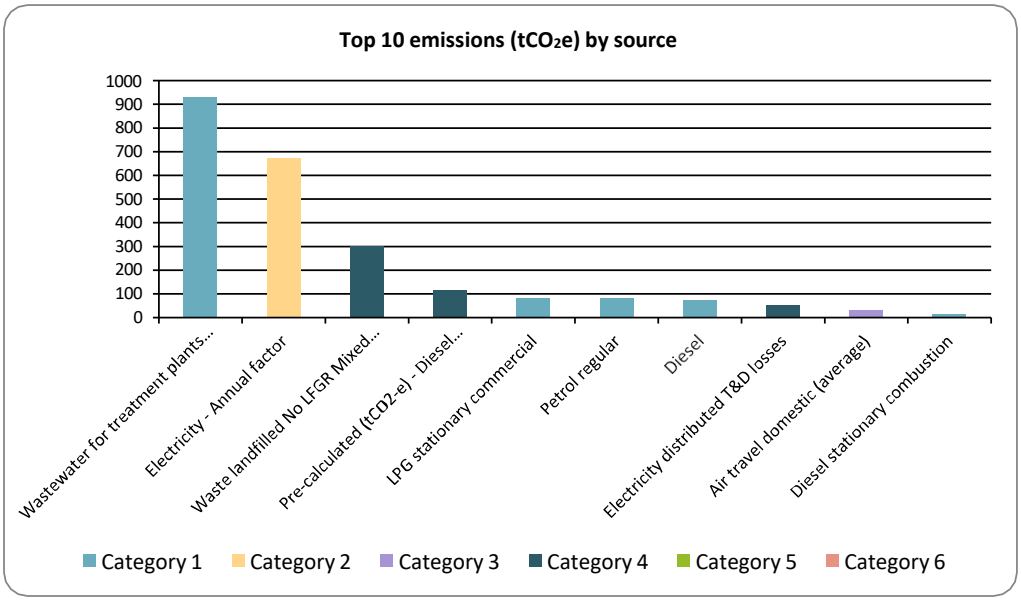

Figure 4: Top 10 emissions (tCO_2e) by source

1.2.1. Dual reporting of indirect emissions from purchased and generated energy

All purchased and generated energy emissions are dual reported using both the location-based method and market-based method. Dual reporting illustrates the role of supplier choice, onsite renewable energy generation and contractual instruments in managing indirect emissions from energy alongside any ongoing energy efficiency and reduction efforts.

Waitaki District Council aligns to location-based reporting for tracking energy related emissions and reductions over time.

Not applicable

Table 3. Dual reporting of indirect emissions from imported energy

Category	Location-based methodology (tCO_2e)	Market-based methodology (tCO_2e)
Category 1: Direct emissions	1,182.53	1,182.53
Category 2: Indirect emissions from imported energy	674.29	679.55
Category 3: Indirect emissions from transportation	40.54	40.54
Category 4: Indirect emissions from products used by organisation	467.20	467.20
Category 5: Indirect emissions associated with the use of products from the organisation	0.00	0.00
Category 6: Indirect emissions from other sources	0.00	0.00
Total direct emissions	**1,182.53**	**1,182.53**
Total indirect emissions	**1,182.04**	**1,187.30**
Total gross emissions	**2,364.56**	**2,369.82**
Category 1 direct removals	-3,016.00	-3,016.00
Total net emissions	**-651.44**	**-646.18**

1.3. ORGANISATIONAL CONTEXT

1.3.1. Organisation description

The Waitaki District is a unique environment located in the lower South Island, situated between two Regional Authority boundaries; Canterbury and Otago. Waitaki District Council is the territorial authority for its area. It employed 200 full time equivalent in 2022/23 and is responsible for water and wastewater, local roads (including street lighting), stormwater management, parks and open spaces, aquatic facilities, libraries, and other community facilities. Council is also a regulator, performing statutory duties such as regulatory compliance, animal management, and issuing building and resource consents. Council influences the development of the district through its democratic and strategic planning functions.

Commitment to certification

Council seeks to measure and reduce its carbon footprint as part of its services delivery.

GHG Reporting

Emissions can be categorised by those under direct Council control; those outside of Council control but able to be influenced by Council actions; and those outside of Council control and influence. Collecting data and measuring the Council's carbon footprint is crucial to understanding and reducing emissions. The report ranks emission sources from highest to lowest, highlighting opportunities for action and measuring our impact over time. As we achieve and record significant reductions through

these processes, our ability to influence emissions outside direct Council control increases. Ultimately this is important as it enables Council to have better foresight for future climate change policies, strategies, and programmes.

Climate Change Impacts

Without a global reduction in GHG emissions, temperatures will continue to increase leading to a changing climate (e.g., severe storm events, flooding, coastal erosion, sea-level rise, and changes to local biodiversity) These changes will intensify further as heating continues, putting natural and built environments and communities under increasing pressure and risk.

Council signed off on a Climate Change Risk Framework in June 2023, outlining the climate change projections for the Waitaki District, which includes:

- Annual mean temperature is projected to increase by 1.5-3.5°C across the Waitaki District. The largest changes occurring from annual mean maximum temperatures will occur inland during the summer months, with an increase of 2.0-5.0°C. An annual increase of 10-60 hot days is projected.
- Wildfires will become more likely, as hotter, drier summers occur. Rural areas will be more highly exposed.
- Annual rainfall is projected to increase by 20-25%, with winter rainfall increasing considerably by 15-40% for parts of Waitaki. A decrease in summer rainfall of 5-15% is projected for inland areas. Extreme, rare rainfall events are also likely to increase in intensity in Waitaki
- The sea level is projected to rise by about 0.8m above present-day levels, with an increase of 0.9-1.2m in sea level.
- Drought potential is likely to increase across most of Waitaki. Decreases in annual dry days of 2-6 days are projected for coastal areas, with increases of 2-10 more dry days per year for the remaining parts of Waitaki.
- Extreme weather events (e.g., severe storms) are likely to happen more often. Inland areas are projected to observe an increase of 6-12% wind, with coastal areas projecting a 0-4% decrease.
- Projections suggest that sea-surface temperatures in New Zealand will increase by 0.8°C-2.5°C by the end of this century.

While there is still some uncertainty about the nature and significance of these impacts, including how quickly they will happen, Council is incorporating these projections into its planning processes to provide suitable infrastructure and appropriate regulatory frameworks for this changing future.

Parent Company Targets

The New Zealand Government has declared a climate emergency committing to urgent action on reducing emissions. The Climate Change Response (Zero Carbon) Amendment Act 2019 (CCRA) provides a framework by which New Zealand can develop and implement clear and stable climate change policies that:

- Contribute to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels.
- Allow New Zealand to prepare for, and adapt to, the effects of climate change.

New Zealand's emissions reduction targets:

- Reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050.
- Reduce emissions from biogenic methane to 24–47 percent below 2017 levels by 2050, including 10 percent below 2017 levels by 2030.

The CCRA also enables the establishment of a system of emissions budgets to act as stepping stones towards the long-term target, requires the Government to develop and implement policies for climate change adaptation and mitigation, and establishes a new, independent Climate Change Commission to provide expert advice and monitoring to help keep successive governments on track to meet long-term goals.

1.3.2. Statement of intent

This inventory forms part of the organisation's commitment to gain Toitū carbonreduce certification. The intended uses of this inventory are:

Intended use and users

The intended use and users include sharing the findings with the Senior Leadership Team and elected Governance team. From this, it will help influence decisions made for the Waitaki District Council (WDC) in relation to mitigation strategies and sustainable development.

A greenhouse gas (GHG) inventory is a comprehensive analysis of an organisation's applicable GHG emissions and removals within a defined boundary, over a specified period. WDC gives utmost importance to the reduction of Greenhouse gas emissions. WDC has no reporting obligations, and this inventory has been undertaken on a voluntary basis. This report is a solid example to understand our emission profile, track and compare GHG emissions/removals over subsequent years. The key aim is to prepare strategies and take individual initiatives to offset our emissions.

The inventory use and report will be shared in the annual report, long term plan process and Senior Leadership Team which will help influence future measures to be taken within WDC. This report provides a starting point for the WDC to take action, and prepare a strategy to reduce future emissions. Our goal in preparing this report is to give a clear understanding of data results for our residents, supplier, contractors, and the general public.

Other schemes and requirements

This inventory forms part of the organisation's commitment to measuring our emissions enabling the development of emission reduction strategies. Council is not signed up to the Toitū carbonreduce certification programme.

1.3.3. Person responsible

Roger Cook (Heritage, Environment and Regulatory Group Manager) is responsible for overall emission inventory measurement and reduction performance, as well as reporting results to top management. Roger Cook has the authority to represent top management and has financial authority to spend budget allocated for the Programme, including Management projects and any Mitigation objectives

State any other people/entities involved

- Chelsea Clyde (Climate Change Advisor, Waitaki District Council) This is the advisors first carbon audit.
- Central Otago District Council & Far North District Council. For providing resources and advice on reporting best practices.

WDC's Climate Change Advisor has a degree in Environmental Science. This prior knowledge and understanding was beneficial to support the collection and processing of data and reports submitted for Council's first year of measurement.

Top management commitment

The strategic framework for Waitaki District Council is comprised of the following four elements; Quality Services, Prosperous District, Strong Communities and Valued Environment. The leadership team recognise their responsibility to limit any negative contribution the activities of Council have on climate change and the leadership role they have in preparing and supporting communities that are impacted by the effects of climate change. Through good planning underpinned by quality information, forward-looking strategy and robust policy our infrastructure, activities and communities must reduce their impact and improve resilience for future generations.

At a Council all-staff meeting, Roger Cook announced the GHG Inventory, requesting that departments provide information. In addition, David Campbell sent an email requesting that managers and their staff make themselves available to support the data resourcing needs, enabling the development of our baseline carbon footprint. Council is yet to allocate budget for the continuous development of carbon auditing and emission reduction projects.

Management involvement

Various department managers were consulted during the development of the IMR. Some managers were involved by providing data and information and others by providing opinions on parts of the report, i.e. emission reduction projects across the organisation. No managers were involved in the processing of data and reports submitted. Some data has been provided by third-party contractors but managed by Council staff.

1.3.4. Reporting period

Base year measurement period: 01 July 2022 to 30 June 2023

Due to data availability, the base year period of 2022/23 was selected because it represents the first year we had access to complete data to calculate the inventory. This year was chosen as a more accurate representation of the Council's overall emissions footprint post Covid-19.

Measurement period of this report: 01 July 2022 to 30 June 2023

To maximise the investment of this report, our OKR's and performance measures – the best practice would include this report being done annually, on the basis that Council provides sufficient budget and personnel to support the continuous development and reporting of the organisations emissions profile.

July to June alignment to financial reporting year for council.

1.3.5. Organisational boundary and consolidation approach

An operational control consolidation approach was used to account for emissions.[4]

Organisational boundaries were set with reference to the methodology described in the GHG Protocol and ISO 14064-1:2018 standards.

[4]control: the organisation accounts for all GHG emissions and/or removals from facilities over which it has financial or operational control. equity share: the organisation accounts for its portion of GHG emissions and/or removals from respective facilities.

Justification of consolidation approach

The council has several organisational entities or subsidiaries however, these have not been included within the boundary approach as council does not have operational control over these.

As shown in figure X Council has 5 key functions, although for the purposes of emissions reporting, the organisation has been divided into:

- General Council
- Forestry, agriculture & other land use
- Waste
- Water and Wastewater Treatment

These business units have been divided into the most straightforward approach due to management groups across council sharing the same resources such as offices and fleet vehicles. 'General Council' refers to emissions sources that cut across various management groups and are not isolated to one specific group such as air travel, fuel consumption, electricity, etc.

Organisational structure

Figure 5 shows what has been included in the context of the overall organisations structure.

Figure 5: Organisational structure

Table 4. Brief description of business units, sites and locations included in this emissions inventory

Company/Business unit/Facility	Description
General Council	This business unit accounts for corporate services and other emissions sources that occur across the organisation that are generally not linked to a specific site – e.g., electricity, fuel, fleet vehicles, flights, taxis etc.
Forestry, agriculture and other land-use	This business unit is responsible for land use, land-use change and forestry (LULUCF) such as harvesting, planted forests and fertiliser usage on Council owned land.
Waste	This business unit accounts for the solid waste produced by the Council's operations.
Water and Wastewater Treatment	Water supply and treatment, treatment and disposal of sewage, management of all associated assets.

1.3.6. Excluded business units

No business units were excluded.

CHAPTER 2: EMISSIONS MANAGEMENT AND REDUCTION REPORT

2.1. EMISSIONS REDUCTION RESULTS

No commentary on organisation performance against targets has been included, as this is our base year.

Table 5: Comparison of historical GHG inventories

Category	2023
Category 1: Direct emissions (tCO_2e)	1,182.53
Category 2: Indirect emissions from imported energy (location-based method*) (tCO_2e)	674.29
Category 3: Indirect emissions from transportation (tCO_2e)	40.54
Category 4: Indirect emissions from products used by organisation (tCO_2e)	467.20
Category 5: Indirect emissions associated with the use of products from the organisation (tCO_2e)	0.00
Category 6: Indirect emissions from other sources (tCO_2e)	0.00
Total direct emissions (tCO_2e)	**1,182.53**
Total indirect emissions* (tCO_2e)	**1,182.04**
Total gross emissions* (tCO_2e)	**2,364.56**
Category 1 direct removals (tCO_2e)	-3,016.00
Total net emissions (tCO_2e)	**-651.44**
Emissions intensity	
Operating revenue (gross tCO_2e / $Millions)	53.43
Operating revenue (gross mandatory tCO_2e / $Millions)	50.69

*Emissions are reported using a location-based methodology. See section 1.2.1 for details.1.2.1

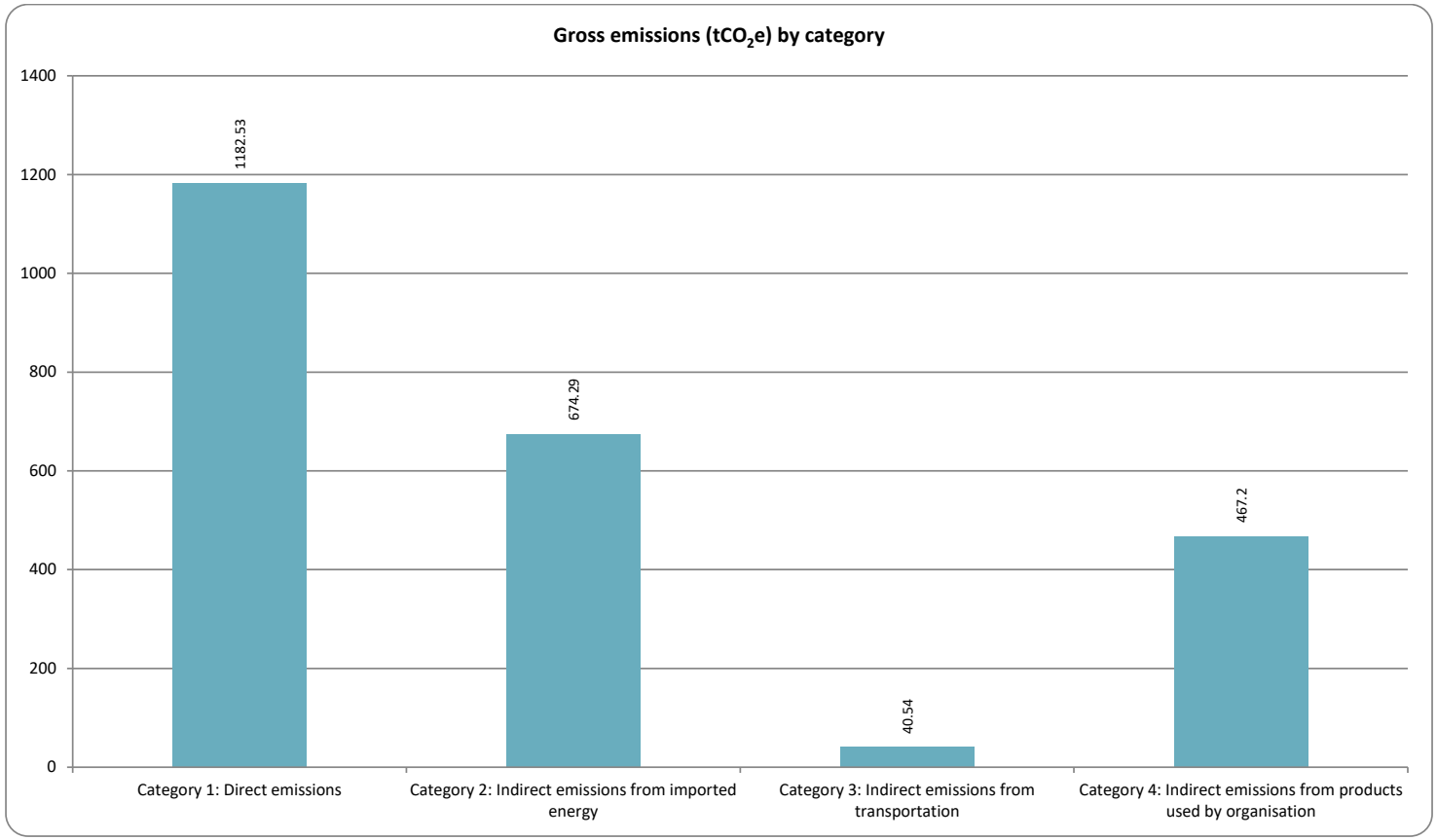

Figure 1: Gross emissions (tCO_2e) by category for the 2022/23 reporting period

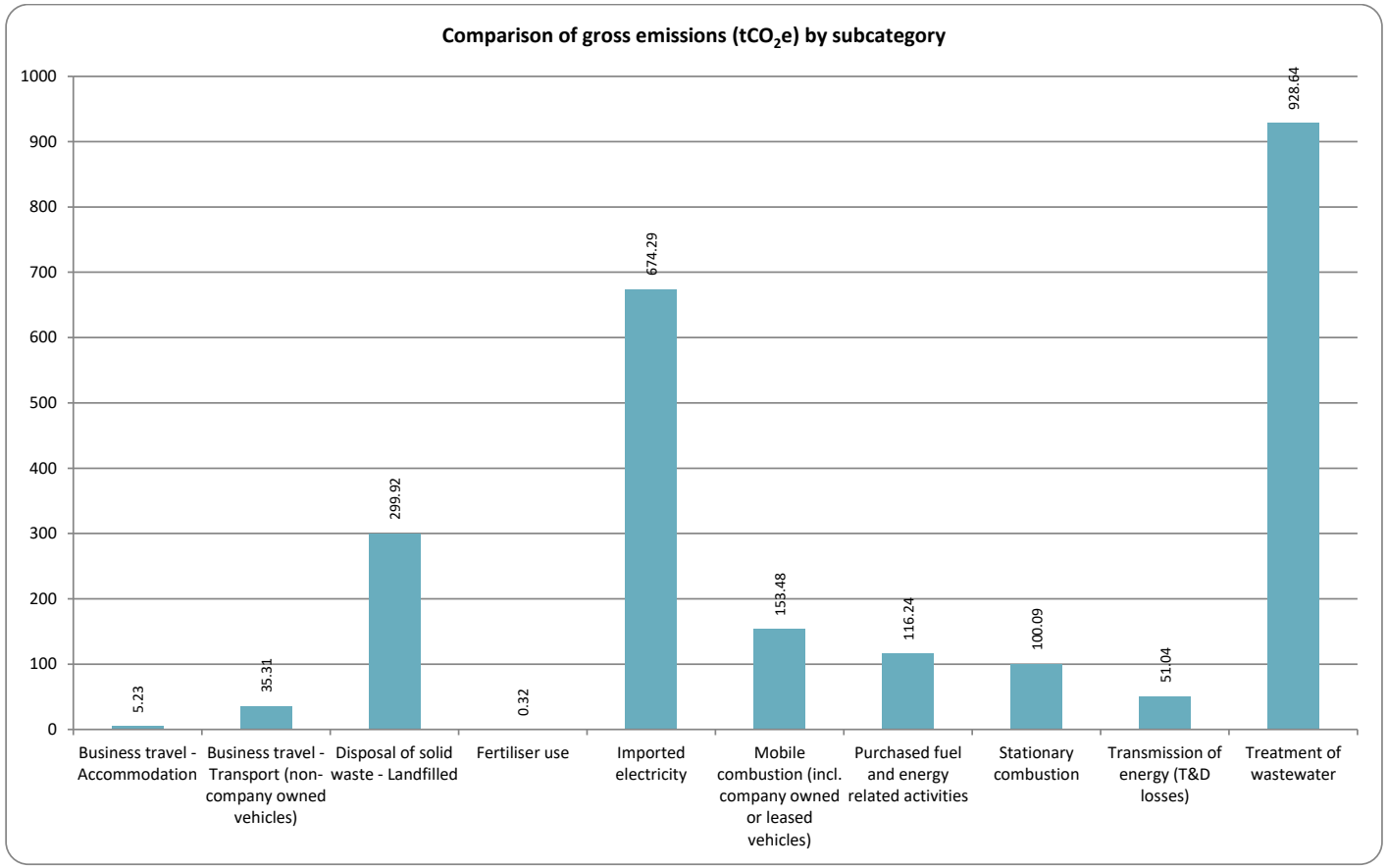

Figure 7: Gross emissions (tCO_2e) by subcategory for 2022/23 reporting period

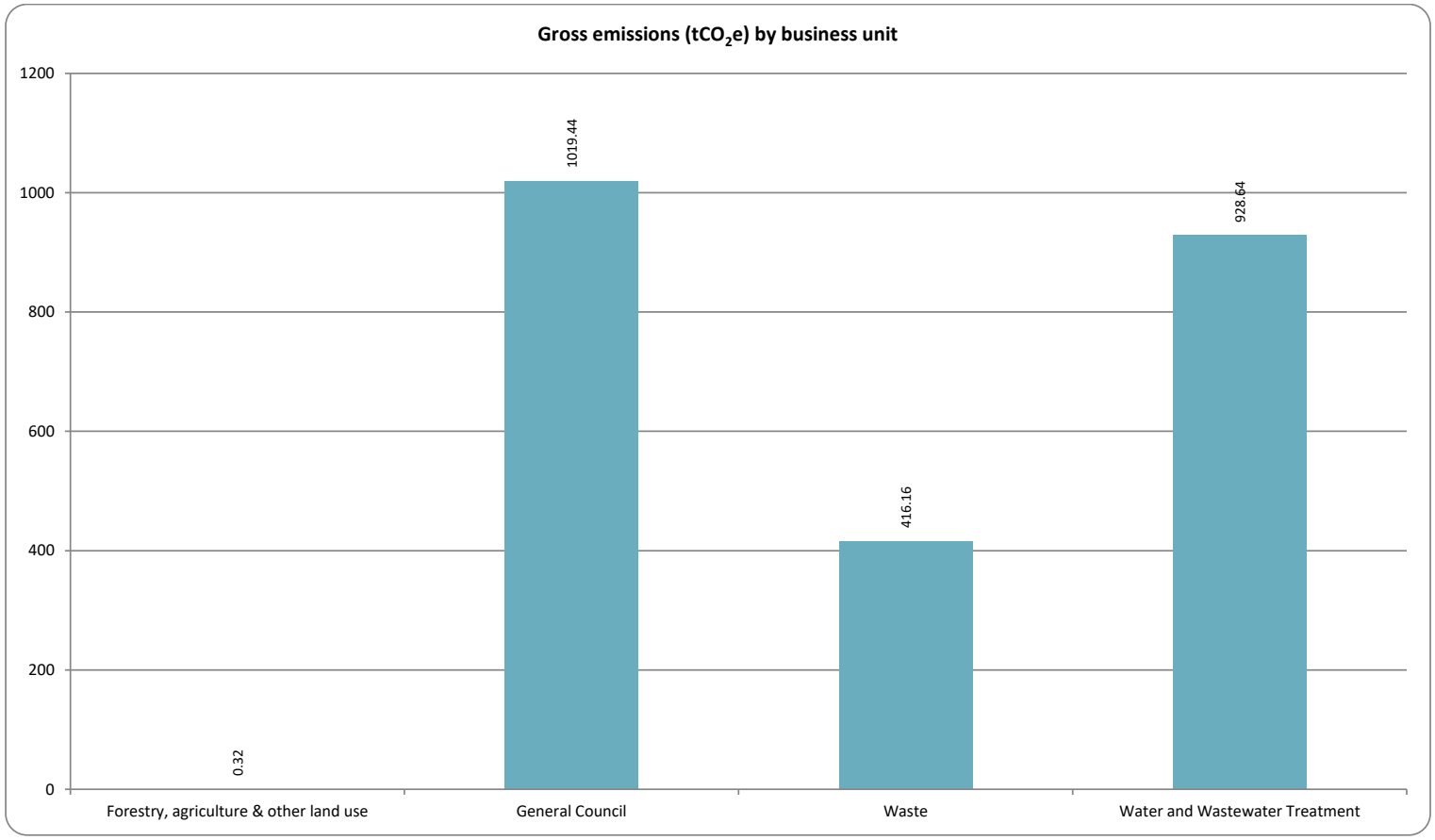

Figure 2: Gross emissions (tCO_2e) by business unit for 2022/23 reporting period

Performance against target has not been provided

Figure 9: Performance against target since base year

Table 6. Performance against plan

Performance
(No information supplied)

2.2. SIGNIFICANT EMISSIONS SOURCES

Significant sources

Waitaki District Council's top emissions sources are:

1. Wastewater treatment
2. Electricity
3. Waste landfilled

Activities responsible for generating significant emissions

Wastewater treatment:

- Councils largest emission source is a result of wastewater treatment from the district, contributing nearly 40% of total emissions, which is common for councils providing services over large areas with spread-out infrastructure. Opportunities for emissions reduction here could include energy-efficient treatment technologies or renewable energy sourcing.
- It is a substantial source as it accounts for the entire district's wastewater production and treatment. Emission from wastewater treatment plants is classified as a Category 1.

Waste Landfilled:

- There is no standardisation of waste disposal or diversion across Council. Waste service provision or systems are set up in different ways, out of different budgets at each location. Different service providers are used and costs for waste disposal are coded in different ways, which has made it difficult to source emissions data. There are a range of facilities that support solid waste services across the district currently. Like the collection services, the level of service varies across the district. There is no consistency in the level of Council involvement in these arrangements and the type of agreements in place.
- Council does not currently provide kerbside collection services. Council owns four transfer stations located in Kurow, Omarama, Otematata, and Hampden all on Council-owned land. The four transfer stations are operated under contract with WasteCo. WasteCo provides haulage from all four transfer stations to the Waitaki Resource Recovery Park (RRP) for recycling processing
- Waste is consolidated at WasteCo's private transfer station and taken out of the district for disposal. Other transfer stations are privately owned, and public and private waste is mixed before transporting to landfill (Palmerston Landfill, Kate Valley Landfill and AB Lime Landfill).
- Council also provides a subsidy to Waste Management New Zealand for a refuse collection service to households in Ohau. Public litter bins are also a service that is provided by council, and is contracted to Whitestone Contracting Ltd with Downer as a subcontractor to pick up this waste.

Electricity:

- The third-largest emissions source is electricity consumption which has been classified as a Category 2. The use of electricity is largely from council operations and wastewater treatment, however electricity consumption in relation to wastewater treatment has been split in the inventory.

Influences over the activities

Wastewater treatment:

- Opportunities for emissions reduction could include energy-efficient treatment technologies or renewable energy sourcing. These would need to be explored further to understand what upgrades are feasible for Council.
- Further work needs to be conducted to understand how the different wastewater treatment systems work, and explore possibilities to increase efficiencies, as well as with sampling influent and effluent data, to increase our accuracy in reporting emissions, and reducing reliance on large use of estimations for the data collection.

- Investigate the uptake of efficient pumping and aeration systems, e.g. upgrading to energy-efficient pumps and blowers, as well as optimising aeration systems, can reduce the high energy consumption typically associated with wastewater treatment.

- Investigate the uptake of energy recovery systems, e.g., recovering energy from the wastewater process, such as through heat exchange systems, this can offset some of the energy demands and reduce Scope 2 emissions from electricity usage.

Waste Management:

- With the Council's recent focus on environmental impact reduction, there is a clear mandate for continued improvement in waste management. This leadership commitment provides strong internal support for exploring innovative waste solutions and making strategic improvements in line with best practices.
- Improved Tracking and Reporting: Streamlining contracts and data collection with waste providers would allow for more accurate tracking of waste types and volumes. This data can then be used to set specific reduction targets and monitor progress effectively.
- Behavioural change exercises: Undertake a collaborative internal campaign to upskill staff on using waste stations.

Electricity:

- Given electricity usage as a top emitter, transitioning to renewable electricity sources, either through supplier agreements or installing on-site solar where feasible, can greatly impact future reductions.
- Council has a few projects that have already occurred, including plans for future years to switch to more efficient energy systems.
- Emissions from the Council's vehicle fleet are a noticeable source. Waitaki District could stand out positively by advancing the transition to electric or hybrid vehicles, aligning with trends among councils to lower transportation emissions

Significant sources that cannot be influenced

Population growth and consequently increased volumes of wastewater that require treatment is the largest driver behind increasing emissions into the future from this activity.

2.3. EMISSIONS REDUCTION TARGETS

The organisation is committed to managing and reducing its emissions in accordance with the Programme requirements. Table 7 provides details of the emission reduction targets to be implemented. These are 'SMART' targets (specific, measurable, achievable, realistic, and time-constrained).

No commentary on organisation targets has been included, as this is our base year. Will look to set targets in Year 2 of measure and verify.

No commentary on organisation targets has been included, as this is our base year.

Table 7. Emission reduction targets

Targets
(N/A For this reporting year)

2.4. EMISSIONS REDUCTION PROJECTS

In order to achieve the reduction targets identified in Table 7, specific projects have been identified to achieve these targets, and are detailed in Table 8 below.

Table 8. Projects to reduce emissions

Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
Measures to improve Energy Efficiency	Replacement of the electric boiler in the library and upgrading it to a heat pump system	Property team	29/05/2023	All in one system (heating, cooling, air filtration, dehumidifier) repairs can generally be cheaper with heat pump systems and there is a reduced risk of faults or leaks. Much more efficient than boilers.	n/a	n/a
Measures to improve Energy Efficiency	Converting WDC streetlighting from High Pressure Sodium (HPS) to LED lightbulbs	Roading Manager	30/06/2019	LEDs are more energy-efficient compared to traditional lighting technologies like incandescent or HPS lights. They consume less electricity, resulting in lower energy costs and reduced carbon emissions. LED lights also have less maintenance requiring less trips by maintenance contractor.	Streetlights in Waitaki are 4000 Kelvin which is a white light and can cause glare for motorists or adjacent landowners.	Shields can easily be fitted to lights to mitigate the problems. Around the Harbour and the historic precinct, 2300 Kelvin lights will be fitted with yellow/orange light to reduce effects on seal life.

Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
				LED lights also provide improved road safety i.e. lighting in misty or foggy conditions is far better than old HPS lights. Streetlight Central Management System currently installed in Oamaru and to be rolled out district wide. This will allow streetlights to be controlled by Council HQ with the intent of dimming in the future i.e. from 11pm to 5am in the morning.		
Management, planning and reporting measures	Continue to review, investigate and develop other emission reduction options as opportunities emerge	Strategy & Policy team	Ongoing	Technologies are continually evolving, and their costs are reducing. Options which do not appear viable at present may become so in future. New measures may be included in the plan annually when it is updated.	None anticipated	n/a
Reduce fleet vehicle related emission from Diesel and Petrol	Transition Council fleet to electric / hybrid vehicles.	Property team	Ongoing	Fuel costs will be reduced	Employee hesitance of adoption and potential	Communicate benefits.

Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
Waste minimising strategies and actions	Waitaki DC Bokashi bins	Waste Minimisation Officer	Ongoing	Reduction of waste to landfill and organic waste emissions, change staff behaviour at home, increase soil nutrients in community gardens and improve local food resilience, increase soil carbon storage capacity.	Staff could be tempted to create more food waste as they have a disposal method.	Education & messaging around minimising food waste.
Measures to improve Energy Efficiency	Converting Opera House lighting to LED lighting	Facilities Officer and Technical Manager	Once all lighting has been replaced, no current deadline	LEDs are more energy-efficient compared to traditional lighting. They consume less electricity, resulting in lower energy costs and reduced carbon emissions. LED lights also have less maintenance requiring less trips by maintenance contractor.	Resourcing suitable affordable replacements. Waiting for development of technology for replacement of chandelier lights.	LED options continue to improve
Measures to improve Energy Efficiency	Planning provision of solar panels of roof of proposed Forrester Gallery extension	Property team and Gallery team	Due to be commissioned April 2026	Electricity costs will be reduced	None anticipated	n/a
Measures to improve Energy Efficiency	Converting all Aquatic Centre lighting to LEDs throughout the building	Property team and Aquatic Coordinator	Completed April 2024	Electricity costs to be reduced	Replacement of lighting in the main pool hall is reliant on scaffolding through pools so this needs to be factored in for maintenance or replacement.	n/a
Measures to cost in pH control, and reduce carbon footprint from supply and usage of CO_2 gas	Changing pools pH control from CO_2 to Sodium Bisulphate	Aquatic Centre Facility Manager and Aquatic Coordinator	Planning for installation by end of 2024	Reduction in carbon footprint including costs due to using CO_2 gas.	None anticipated	n/a

Table 9 highlights emission sources that have been identified for improving source the data quality in future inventories.

Table 9. Projects to improve data quality

Emissions source	Actions to improve data quality	Responsibility	Completion date
Solid waste sent to landfill (office waste)	Work with waste contractor to obtain accurate weight from the office waste collected from Councils offices.	Solid Waste team, Climate Change Advisor	Ongoing
Solid waste sent to landfill (transfer stations)	Investigate opportunities to have a more streamlined process to collect waste data, i.e., reducing the number of contracts and departments involved, to create a more 'centralised hub' approach. Work with contractors to understand how this waste from the transfer stations can be best recorded.	Solid Waste team, Climate Change Advisor	Ongoing
Waste freight fuel consumption	Work with a waste contractor to obtain accurate fuel consumption used to dispose of waste.	Solid Waste team	Ongoing
Fertiliser usage	Work with contractors to improve data recording	Parks and Reserves Team	Ongoing
Upstream freight and distribution of goods	Work with NZ post to improve data collection of tonnage and kilometres travelled for delivery of postage.	Finance team, Climate Change Advisor	Ongoing
Accommodation	Work with Council Executive Assistant team to develop a process to improve accommodation data collection from flight invoicing.	Office Support Admin, Climate Change Advisor	Ongoing
Air Travel	Work with Council Executive Assistant team to develop a process to improve flight data collection from flight invoicing.	Office Support Admin, Climate Change Advisor	Ongoing
Business Travel (Airport shuttle, Rental cars, Bus, Taxi)	Work with Council Executive Assistant team to develop a process to improve business travel data collection from invoicing.	Office Support Admin, Climate Change Advisor	Ongoing

The emissions inventory chapter identified various emissions liabilities (see GHG Storage and liabilities section). Table 10 details the actions that will be taken to prevent GHG emissions from these potential emissions sources.

Table 10. Projects to prevent emissions from liabilities

Liability source	Actions to prevent emissions	Responsibility	Completion date
Forestry	Regular Parks and Reserves team review and maintenance	Parks and Reserves	Ongoing
Air conditioning units	Regular service and preventing damage to units. Contractors will not provide data on leakage, as they simply replace. See commentary in excluded business units	Site Manager	Ongoing

2.5. STAFF ENGAGEMENT

Climate change is a complex topic, with many people having varying levels of understanding which can present challenges with communicating and raising awareness across a large organisation.

Council appointed its first full-time climate change position in November 2022, shortly after signing a local government climate change declaration on the 28th of June, committing the organisation to working more closely with our communities, businesses and the government on these issues. This has provided greater environmental consciousness, with departments identifying areas for improvement and teams achieving cultural shifts within the organisation, such as promoting composting bins and limiting the amount of food waste going to landfill, these initiatives are encouraging staff to think proactively about climate change and the changes we will need to make will only evolve with increased education and awareness.

Senior management are supportive of staff signing up for training opportunities which will foster and develop their knowledge, recent examples include allocating budget to encourage staff to attend conferences centered around climate change, biodiversity and environmental health, events like these grow staff knowledge and capability to deal with these complex issues within our organisation.

2.6. KEY PERFORMANCE INDICATORS

The council's Operating Revenue in the 2022/23 financial year was $44,252,000. This was grouped by various activities such as roads and footpaths, water supply, wastewater and stormwater, parks/recreation, arts/culture/community, and more.

2.7. MONITORING AND REPORTING

N/A for this reporting year.

APPENDIX 1: DETAILED GREENHOUSE GAS INVENTORY

Additional inventory details are disclosed in the tables below, and further GHG emissions data is available on the accompanying spreadsheet to this report (Appendix1-Data Summary Waitaki District Council.xls).

Table 11. Direct GHG emissions and removals, quantified separately for each applicable gas

Category	CO_2	CH_4	N_2O	NF_3	SF_6	HFC	PFC	Desflurane	Sevoflurane	Isoflurane	Emissions total (tCO_2e)
Stationary combustion	99.77	0.24	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.09
Mobile combustion (incl. company owned or leased vehicles)	148.96	1.14	3.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	153.48
Emissions - Industrial processes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Removals - Industrial processes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Leakage of refrigerants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treatment of waste	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fugitive Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treatment of wastewater	112.76	386.92	428.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	928.64
Emissions - Land use, land-use change and forestry	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Removals - Land use, land-use change and forestry	-3,016.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-3,016.00
Fertiliser use	0.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.32
Addition of livestock waste to soils	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Addition of crop residue to soils	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Addition of lime to soils	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Enteric fermentation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Open burning of organic matter	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Electricity generated and consumed onsite	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Medical gases	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exported electricity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total net emissions	-2,654.19	388.30	432.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1,833.47

Table 12. Non-biogenic, biogenic anthropogenic and biogenic non-anthropogenic CO_2 emissions and removals by category

Category	Anthropogenic biogenic CO_2 emissions	Anthropogenic biogenic (CH_4 and N_2O) emissions (tCO_2e)	Non-anthropogenic biogenic (tCO_2e)
Category 1: Direct emissions	0.00	815.89	0.00
Category 2: Indirect emissions from imported energy	0.00	0.00	0.00
Category 3: Indirect emissions from transportation	0.00	0.00	0.00
Category 4: Indirect emissions from products used by organisation	0.00	299.92	0.00
Category 5: Indirect emissions associated with the use of products from the organisation	0.00	0.00	0.00
Category 6: Indirect emissions from other sources	0.00	0.00	0.00
Total gross emissions	**0.00**	**1,115.81**	**0.00**

A1.1 REPORTING BOUNDARIES

A1.1.1 Emission source identification method and significance criteria

The GHG emissions sources included in this inventory are those required for Programme certification and were identified with reference to the methodology described in the GHG Protocol and ISO 14064-1:2018 standards as well as the Programme Technical Requirements.

Sources and sinks were identified as a result of personal communications with relevant staff, reviewing Council's financial recordings, supplier reports, and comparison to other councils reports. Significance of emissions sources within the organisational boundaries has been considered in the design of this inventory.

Significance of emissions sources within the organisational boundaries has been considered in the design of this inventory. The significance criteria used comprise:

- All direct emissions sources that contribute more than 1% of total Category 1 and 2 emissions
- All indirect emissions sources that are required by the Programme.

Additional detail on significance criteria used, by source and sink, is included in Appendix 2.

A1.1.2 Included sources and activity data management

As adapted from ISO 14064-1, the emissions sources deemed significant for inclusion in this inventory were classified into the following categories:

- **Direct GHG emissions (Category 1):** GHG emissions from sources that are owned or controlled by the company.
- **Indirect GHG emissions (Category 2):** GHG emissions from the generation of purchased electricity, heat and steam consumed by the company.
- **Indirect GHG emissions (Categories 3-6):** GHG emissions that occur as a consequence of the activities of the company but occur from sources not owned or controlled by the company.

Table 13 provides detail on the categories of emissions included in the GHG emissions inventory, an overview of how activity data were collected for each emissions source, and an explanation of any uncertainties or assumptions made based on the source of activity data. Detail on estimated numerical uncertainties are reported in Appendix 1.

Council uses SharePoint for all data storage and management. This is to ensure consistent record keeping.

Table 13. GHG emissions activity data collection methods and inherent uncertainties and assumptions

GHG emissions level scope	GHG emissions source	Data source	Data collection unit	Uncertainty (description)
Scope 1	Petrol - Transport, regular	Invoice/BP fuel card	Litres	Low - All source data is derived from supplier records
Scope 2	Petrol (spend based)	Includes $ spent on Taxi's, airport shuttle, rental cars, bus and staff mileage claimed back	Dollars spent	High - due to using $ spent emissions factor
Scope 1	Diesel - Transport	Invoice/BP fuel card	Litres	Low -All source data is derived from supplier records
Scope 1	Diesel - Stationary combustion	McKeown Group Invoices	Kilogram (kg)	Low - All source data is derived from supplier records
Scope 1	LPG stationary commercial	Vector Ongas invoices	Kilogram (kg)	Low - All source data is derived from supplier records
Scope 1	CO_2	CO_2 bottles used to manage Ph levels of swimming pools	Kilogram (kg)	Low - All source data is derived from supplier records
Scope 1	Fertiliser use (Ammonium Sulphate)	Supplier records	Kilogram (kg)	Low - All source data is derived from supplier records
Scope 1	Forest harvesting and removals	Forest valuation report undertaken by contractor & Toitū Forestry removals calculation template	Sequestration (tCO_2e)	Moderate
Scope 2	Electricity - Annual factor	Invoice data	Kilowatt hours (kWh)	Moderate
Scope 2	Transmission and Distribution Losses - Electricity	Invoice data	Kilowatt hours (kWh)	Moderate
Scope 3	Solid waste disposal	Various data sources: Palmerston Landfill, public litter bins (downer), contracts with WasteCo (transfer stations), Awamoa Bins Ltd, Waste Management Ltd.	Tonnes	High uncertainty - Large use of estimation was required for various solid waste data, due to contractors not having weights for mixed municipal waste, MFE waste levy conversion factors were used

GHG emissions level scope	GHG emissions source	Data source	Data collection unit	Uncertainty (description)
Scope 3	Wastewater precalculated	Wastewater for treatment plants (average)	m^3	High uncertainty - Large use of estimation was required due to not having sufficient information on the specific wastewater treatment sites, an average was used on the total daily volume of wastewater treated.
Scope 3	Air travel domestic (average)	Air NZ invoice	Person kilometers travelled (Pkm)	Moderate
Scope 3	Ferry Travel (average)	Invoice	Person kilometers travelled (Pkm)	Moderate
Scope 3	Accommodation - New Zealand	Invoice	Visitor nights	Moderate

A1.1.3 Excluded emissions sources and sinks

Emissions sources in Table 14 have been identified and excluded from this inventory.

Table 14. GHG emissions sources excluded from the inventory

Business unit	GHG emissions source or sink	GHG emissions category	Reason for exclusion
General Council	Stationary Combustion, Coal	Scope 1 Category 1	No coal was used in this reporting year.
General Council	Leakage of Refrigerants	Scope 1 Category 1	The supplier doesn't undertake gas top up's, instead the leak would be fixed or the unit would be replaced. There were a few units removed and replaced within the 2022/23 Financial year however the old refrigerant was recovered and sent away for destruction via the Coolsafe Programme, with the units being further broken into various recyclable/scrap materials and disposed of. Due to this, we have no data on refrigerant gases.
Forestry, agriculture & other land use	Fertiliser (Ammonium Sulphate)	Scope 1 Category 2	The supplier could not provide calculations for the ammonium sulphate, and due to the immaterial amount it has been excluded as de-minimus.
Forestry, agriculture & other land use	Fuel consumption	Scope 1 Category 1	Fuel consumption from grass mowing and park maintenance has been excluded from this inventory due to a lack of data.
General Council	Fuel consumption	Scope 1 Category 1	Fuel consumption from Roading activity has been excluded from this inventory due to a lack of data.
General Council	Stationary Combustion, Natural Gas	Scope 2 Category 2	Do not have natural gas in the South Island, therefore this was excluded.
General Council	International air travel	Scope 3 Category 3	No international travel occurred in this reporting year.
General Council	Composting	Scope 3 Category 4	No sufficient data on office composting
General Council	Employee commuting	Scope 3 Category 3	This emission source is not mandatory and has been excluded due to lack of data
General Council	Capital goods emissions	Scope 3 Category 4	This emission source is not mandatory and has been excluded due to lack of data
General Council	Staff working from home	Scope 3 Category 5	This emission source is not mandatory and has been excluded due to lack of data
General Council	Emissions from the processing of the sold product	Scope 3 Category 5	This emission source is not mandatory and has been excluded due to lack of data
General Council	Emissions from the use stage of the product	Scope 3 Category 5	This emission source is not mandatory and has been excluded due to lack of data

Business unit	GHG emissions source or sink	GHG emissions category	Reason for exclusion
General Council	Emissions from end of life stage of the product	Scope 3 Category 5	This emission source is not mandatory and has been excluded due to lack of data
General Council	Downstream leased assets (e.g., tenanted facilities, buildings, ground leases and property)	Scope 3 Category 5	This emission source is not mandatory and has been excluded due to lack of data
General Council	Franchises (to be considered only if already included under the consolidation approach. If included scope 1 and 2 of each franchisee's operations must be collected)	Scope 3 Category 5	This emission source is not mandatory and has been excluded due to lack of data
General Council	Investments (mandatory for financial industries such as Banks and Investment Fund organisations. Non-mandatory for other sectors)	Scope 3 Category 5	This emission source is not mandatory and has been excluded due to lack of data

A1.2 QUANTIFIED INVENTORY OF EMISSIONS AND REMOVALS

A1.2.1 Calculation methodology

A calculation methodology has been used for quantifying the emissions inventory based on the following calculation approach, unless otherwise stated below:

Emissions = activity data x emissions factor

The following alternative emissions quantification approaches have been used in this inventory:

- Forest removals using programme supplied template based on growth rate lookup tables.

The quantification approach(es) has not changed since the previous measurement period

All emissions were calculated using Toitū emanage with emissions factors and Global Warming Potentials provided by the Programme (see Appendix 1 - data summary.xls). Global Warming Potentials (GWP) from the IPCC fifth assessment report (AR5) are the preferred GWP conversion[5].

Where applicable, unit conversions applied when processing the activity data has been disclosed.

There are systems and procedures in place that will ensure applied quantification methodologies will continue in future GHG emissions inventories.

[5] If emission factors have been derived from recognised publications approved by the programme, which still use earlier GWPs, the emission factors have not been altered from as published.

A1.2.2 GHG Storage and liabilities

A1.2.2.1 LAND-USE LIABILITIES

Organisations that own land subject to land-use change may achieve sequestration of carbon dioxide through a change in the carbon stock on that land. Where sequestration is claimed, then this also represents a liability in future years should fire, flood, management activities or other intentional or unintentional events release the stored carbon.

Table 15. Land-use liabilities (total)

Site name	Total sequestration during reporting period (tCO_2e)	Contingent liability (tCO_2e)	Total potential liability (tCO_2e)
Waitaki District Council	-3016	3016	23196

A1.2.3 Supplementary results

Holdings and transactions in GHG-related financial or contractual instruments such as permits, allowances, verified offsets or other purchased emissions reductions from eligible schemes recognised by the Programme are reported separately here.

A1.2.3.1 PURCHASED OR DEVELOPED REDUCTION OR REMOVAL ENHANCEMENT PROJECTS

Not applicable.

APPENDIX 2: SIGNIFICANCE CRITERIA USED

Table 16. Significance criteria used for identifying inclusion of indirect emissions

Emission source	Magnitude	Level of influence	Risk or opportunity	Sector specific guidance	Outsourced	Employee engagement	Intended Use and Users	Include in inventory?	Primary reason for decision to include or exclude
Toitū carbon programme boundary sources:									
a) All Category 1 and 2 emissions	n/a	n/a	n/a	n/a	n/a	n/a	Yes	Include	Intended Use and Users
b) Category 3 emissions associated with business travel and freight paid for by the organisation	n/a	n/a	n/a	n/a	n/a	n/a	Yes	Include	Intended Use and Users
c) Category 4 emissions associated with waste disposed of by the organisation, and transmissions and distribution of electricity and natural gas, where appropriate	n/a	n/a	n/a	n/a	n/a	n/a	Yes	Include	Intended Use and Users
d) any Sector specific mandatory emissions sources as outlined by the Programme	n/a	n/a	n/a	n/a	n/a	n/a	Yes	Include	Intended Use and Users
Sources beyond the Toitū carbon programme boundary:									
Postal and Courier Services	De minimis (<1% of estimated total)	Low	None identified	No	No	No	No	Exclude	Intended Use and Users

Emission source	Magnitude	Level of influence	Risk or opportunity	Sector specific guidance	Outsourced	Employee engagement	Intended Use and Users	Include in inventory?	Primary reason for decision to include or exclude
Cleaning Services (contractors)	Moderate (1-5% of estimated total)	High	None identified	No	Yes	No	No	Exclude	Level of influence
Uniforms	De minimis (<1% of estimated total)	Moderate	None identified	No	No	No	No	Exclude	Magnitude
Consultancy Services	Significant (>5% of estimated total)	Moderate	None identified	No	No	No	No	Exclude	Data is currently not collected
Engineering Contractors	De minimis (<1% of estimated total)	Moderate	Product and customer, market risk	No	Yes	No	Yes	Exclude	Data is currently not collected
Electrical Contractors	Moderate (1-5% of estimated total)	Moderate	Product and customer, market risk	No	Yes	No	Yes	Exclude	Data is currently not collected
Advertising and Marketing	De minimis (<1% of estimated total)	Low	Supply chain risk	No	No	No	No	Exclude	Level of influence
Solicitor & Legal Services	De minimis (<1% of estimated total)	Low	None identified	No	No	No	No	Exclude	Irrelevant to most criteria

Emission source	Magnitude	Level of influence	Risk or opportunity	Sector specific guidance	Outsourced	Employee engagement	Intended Use and Users	Include in inventory?	Primary reason for decision to include or exclude
Security	De minimis (<1% of estimated total)	Low	Supply chain risk	No	No	No	No	Exclude	Magnitude
Plumbing Contractors	De minimis (<1% of estimated total)	Moderate	Reputational risk	No	No	No	No	Exclude	Magnitude
Stationary & Office consumables	De minimis (<1% of estimated total)	High	New business model opportunity	No	No	No	No	Exclude	Magnitude
Printing and Photocopying costs	De minimis (<1% of estimated total)	Low	Supply chain risk	No	No	No	No	Exclude	Level of influence
Food and Catering	De minimis (<1% of estimated total)	High	Supply chain risk	No	No	No	No	Exclude	Magnitude
Software licenses	Moderate (1-5% of estimated total)	Moderate	Supply chain risk	No	No	No	No	Exclude	Data is currently not collected
Insurance	De minimis (<1% of estimated total)	Low	Supply chain risk	No	No	No	No	Exclude	Data is currently not collected

APPENDIX 3: CERTIFICATION MARK USE

This inventory forms part of the organisation's commitment to measuring our emissions enabling the development of emission reduction strategies. Council is not signed up to the Toitū carbonreduce certification programme.

APPENDIX 4: REFERENCES

International Organization for Standardization, 2018. ISO 14064-1:2018. Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals. ISO: Geneva, Switzerland.

World Resources Institute and World Business Council for Sustainable Development, 2004 (revised). The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. WBCSD: Geneva, Switzerland.

World Resources Institute and World Business Council for Sustainable Development, 2015 (revised). The Greenhouse Gas Protocol: Scope 2 Guidance. An amendment to the GHG Protocol Corporate Standard. WBCSD: Geneva, Switzerland.

APPENDIX 5: REPORTING INDEX

This report template aligns with ISO 14064-1:2018 and meet Toitū carbonreduce programme Organisation Technical Requirements. The following table cross references the requirements against the relevant section(s) of this report.

Section of this report	ISO 14064-1:2018 clause	Organisational Technical Requirement rule
Cover page	9.3.1 b, c, r 9.3.2 d,	TR8.2, TR8.3
Availability	9.2 g	
Chapter 1: Emissions Inventory Report		
1.1. Introduction	9.3.2 a	
1.2. Emissions inventory results	9.3.1 f, h, j 9.3.3	TR4.14, TR4.16, TR4.17
1.3. Organisational context	9.3.1 a	
1.3.1. Organisation description	9.3.1 a	
1.3.2. Statement of intent		TR4.2
1.3.3. Person responsible	9.3.1 b	
1.3.4. Reporting period	9.3.1 l	TR5.1, TR5.8
1.3.5. Organisational boundary and consolidation approach	9.3.1.d	TR4.3, TR4.5, TR4.7, TR4.11
1.3.6. Excluded business units		
Chapter 2: Emissions Management and Reduction Report		
2.1. Emissions reduction results	9.3.1 f, h, j, k 9.3.2 j, k	TR4.14, TR6.18
2.2. Significant emissions sources		
2.3. Emissions reduction targets		TR6.1, TR6.2, TR6.4, TR6.6, TR6.8,
2.4. Emissions reduction projects	9.3.2 b	TR6.8, TR6.11, TR6.12, TR6.13, TR6.14, TR6.15
2.5. Staff engagement		TR6.1, TR6.9
2.6. Key performance indicators		TR6.19
2.7. Monitoring and reporting	9.3.2 h	TR6.2
Appendix 1: Detailed greenhouse gas inventory	9.3.1 f, g	TR4.9, TR4.15
A1.1 Reporting boundaries		
A1.1.1 Emission source identification method and significance criteria	9.3.1 e	TR4.12, TR4.13
A1.1.2 Included emissions sources and activity data collection	9.3.1 p, q 9.3.2 i	TR5.4, TR5.6, TR5.17, TR5.18,
A1.1.3 Excluded emissions sources and sinks	9.3.1 i	TR5.21, TR5.22, TR5.23
A1.2 Quantified inventory of emissions and removals		
A1.2.1 Calculation methodology	9.3.1 m, n, o, t	
A1.2.2 Historical recalculations		
A1.2.3 GHG Storage and liabilities		
A1.2.3.1 GHG stocks held on site		TR4.18
A1.2.3.2 Land-use liabilities	9.3.3.	TR4.19

A1.2.4 Supplementary results		
A1.2.4.1 Carbon credits and offsets	9.3.3.3	
A1.2.4.2 Purchased or developed reduction or removal enhancement projects	9.3.2 c	
A1.2.4.3 Double counting and double offsetting		
Appendix 2: Significance criteria used	9.3.1.e	TR4.12
Appendix 3: Certification mark use		TR3.6
Appendix 4: References		
Appendix 5: Reporting index		

4.4 UPDATE FROM NORTH OTAGO IRRIGATION COMPANY LIMITED

Author: **Paul Hope, Director Support Services**

Authoriser: **Alex Parmley, Chief Executive**

RECOMMENDATION

That Performance, Audit and Risk Committee receives and notes the information.

PURPOSE

To get representatives of the North Otago Irrigation Company Limited (NOICL) to outline the financial position of the company now that shares are fully subscribed.

DISCUSSION

At a prior meeting of the Committee there was a discussion on a risk in relation to third party lending. The Committee request that NOICL, being the largest part of lending portfolio present to the PAR. The focus of the query related to the impact on the risk of the debt with the changes in share capital, the establishment of AQUS, and the current debt structure. The PAR members were also interested in hearing of any challenges they see facing NOICL or the irrigation sector as a whole.

Representatives of the company have been invited to attend the meeting. Two representatives of the company will be in attendance, Andrew Rodwell, the Chief Executive of AQUS Limited and Stephen Craig-Pearson, the AQUS Commercial Manager. Matt Ross the Chairperson of the Company is unavailable and therefore is an apology.

Mr Rodwell and Mr Craig-Pearson will give a verbal update to the Committee and will be available to answer questions.

4.5 RISK MANAGEMENT UPDATE QUARTER 2 2025

Author: **Laura Spring, Strategy and Policy Advisor**

Authoriser: **Joanne O'Neill, Director Strategy, Performance, and Design**

Attachments: **1. Risk Register at June 2025** ⇩

RECOMMENDATION

That Performance, Audit and Risk Committee receives and notes the information.

PURPOSE

The report provides an update on risk management activity throughout the organisation for quarter 2, 2025. It focuses on the key risks of Council and aims to promote discussion about both the external and internal risk landscape currently being faced by Council.

SUMMARY

Key risks are defined in Council's Risk Management Policy as strategic and organisational risks that are significant enough to require senior management ownership and quarterly reporting to the Performance, Audit and Risk Committee, regardless of whether they are within or out of appetite. Key Risks are split into two categories:

- Strategic Key Risks - owned by Senior Management Team (SMT) members and require review by Elected Members in their entirety
- Organisational Key Risks - may be owned by SMT members or their direct reports and can be categorised as Financial or Operational risks.

As the owners of Council's Key Risk Register, the Senior Management Team (SMT) must review the Strategic and Organisational risks on a quarterly basis.

SMT's second quarter review shows Council's risk profile has improved, with three risks reducing and no increases, and very high risks decreasing from five to four. Three Waters infrastructure compliance has been identified as requiring urgent treatment through separate quarterly reporting to the Committee.

KEY RISK QUARTERLY REVIEW

Council currently has 27 Key Risks identified. These are broken into inherent and residual risk scores as identified in Figure 1. Inherent Risk is the level of risk that exists before any controls, safeguards, or mitigation measures are put in place. Residual Risk is the level of risk that remains after controls and mitigation measures have been implemented and are operating effectively, representing the actual current risk exposure that the organisation faces.

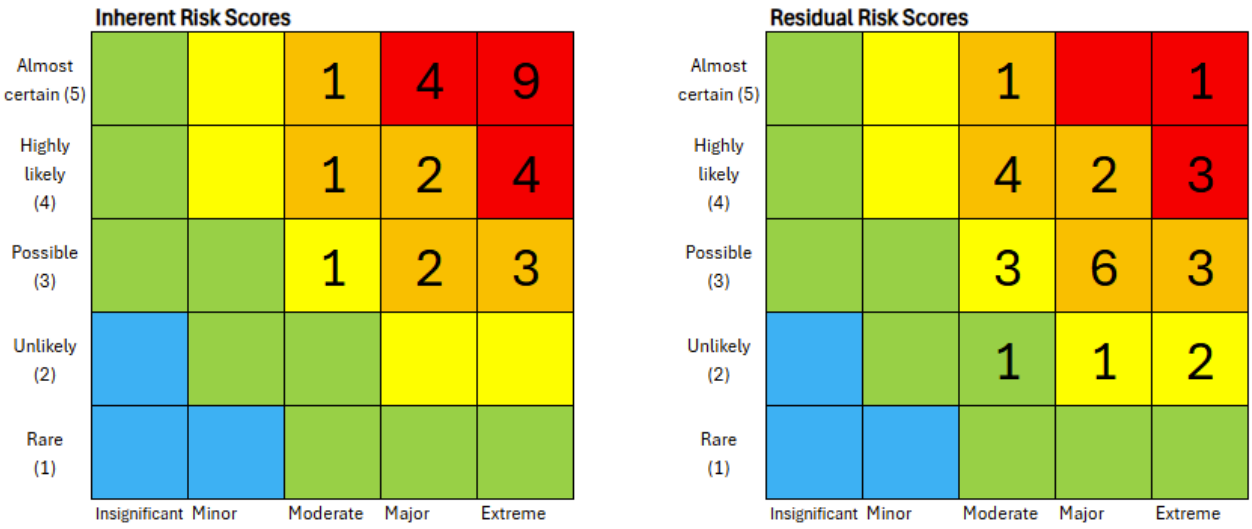

Figure 1 Breakdown of Council's Key Risks – Quarter 2, 2025

Very High Key Risks

Overall, the number of Key Risks with a residual rating of **very high** has reduced this quarter from five to four:

- Externally Managed Council Water Supplies
- 3 Waters Management
- Affordability and Financial Sustainability
- Climate Change.

<u>Decreased risk ratings</u>

'Staff serious harm'

- **Very high to high** – the impact and likelihood have reduced due to progress made on strengthening and implementing controls since last quarter, including Situational Training with Police and situational awareness training for staff.

'District Development'

- **High to medium** – the residual impact dropped from 4 (Major) to 3 (Moderate). This is due to progress in implementation of the Economic Development Strategy workstreams.

'Natural Environment and Biodiversity'

- **High to Medium** – the residual impact was reduced to reflect the biodiversity provisions in the Proposed District Plan that came into legal effect in March.

<u>Improvements</u>

'3 Waters Management'

- Residual Likelihood dropped from 5 (Almost Certain) to 4 (Likely) due to progress made in understanding the options and costs of delivering water services under the new legislation and securing additional resource to assist with the transition. This risk remains **very high**.

'Public harm'

- Residual Impact dropped from 5 (Extreme) to 4 (Major) as there is confidence that the active controls would mitigate the scale of an event should one occur. This risk remains **high**.

Other changes

'Data Privacy and Protection'

- The Residual Impact score decreased from 4 (Major) to 3 (Moderate) to reflect the strength of the active controls. The residual likelihood has increased from 3 (Possible) to 5 (Almost Certain), because of the number of minor breaches occurring. This risk also remains **high**.

Operational Risk Management

The risk of non-compliance of Council's Three Waters infrastructure has been identified as an area demanding prompt treatment and will be reported on in a separate, quarterly Compliance update to this Committee.

Operational Risk Events

The Operational Risk Event (ORE) process aims to identify issues that have occurred that may result in negative impacts upon Council, individuals, or communities. None of the logged OREs have an impact that trigger a report to the Committee. Further guidance on specific events is currently being rolled out to key staff.

Conclusion

Council's key risk exposure has improved this quarter, with very high risks reducing from five to four. The remaining very high risks are largely driven by ongoing central government legislative and regulatory changes. Council will continue monitoring risk exposure through established processes and implementing mitigation measures where possible.

Risk Name	Risk Description	Risk Type	Owner	Inherent		Controls	Future Controls	Risk Rating March	June Risk Rating				Change from March
									Residual				
				I	L				Impact	Likelihood	Risk Score	Risk Rating	
Externally Managed Council Water Supplies	Risk that water supplies that fall under Council's responsibility but outside of Council's management do not meet required levels of compliance by the regulator's deadline, which may be due to a lack of resources, skilled personnel, or planning. This could result in the inability to ensure water safety, legislative breach, Taumata Arowai enforcement action, potential financial loss via fines, and reputational damage.	Strategic Risk	Alex Parmley / Roger Cook	5	5	- Water sampling is undertaken in line with Drinking Water Quality Assurance Rules - Engaging on draft agreement	- Formalised agreement with external water supply management body, adopted by Governance Team and including key targets, such as meeting the Taumata Arowai expectations - Regular governance oversight meetings to be established - Independent assessment of risk - Timely understanding and sharing of any updates from Taumata Arowai and Central Government - LWDW Delivery Plan to address issues	Very High	5	5	25	Very High	⟷
3 Waters Management	Risk that the Council may struggle to effectively deliver 3 Waters services due to rising regulatory standards, changes in central government expectations, or both. This could lead to increased financial outlay, reduced service levels, significant rate increases, community dissatisfaction, and non-compliance with revised standards. Additionally, the Local Government (Water Services) Bill has introduced further uncertainty by contradicting earlier advice and legislation.	Strategic Risk	Paul Hope	5	5	- Multi-council CCO being consulted on - Engaging with other Councils to share information - External resourcing contracted to develop Water Services Delivery Plan - Re-prioritising work programme to reflect changed environmental and financial regulatory environment - Resource contracted to assist with water services transition		Very High	5	4	20	Very High	⟷
Affordability and financial sustainability	Risk that service needs outweigh the available budget, due to ongoing external cost increases or increased regulatory requirements, resulting in rates becoming unaffordable, or Council's financial position becoming unsustainable.	Strategic Risk	Alex Parmley	5	5	- Working together with other councils and agencies to share knowledge and ideas - Transformation plan ensures Council can deliver affordably and sustainably - Prioritisation tool will focus resources when undertaking Annual and Long-Term Planning - Property Strategy is in place to control the key areas of cost - Long term planning considers the cost vs affordability - New Financial Strategy is developed - Partnership Framework is developed	- Develop a Commercial Strategy - Develop an Organisational Performance Management Framework to help focus on priorities, drive efficiency and improvement - Water Services Delivery Plan is developed	Very High	5	4	20	Very High	⟷
Climate Change	Risk that the negative impacts of Climate Change are more severe or difficult to manage as a result of Council inaction and lack of understanding or strategy, resulting in environmental harm, an inability of Council to effectively respond to weather events or coastal erosion, loss of key income streams for the district, breach of legislation, and increased financial burden.	Strategic Risk	Roger Cook	5	4	- Climate Change declaration agreed - Water sensitive urban design principles are incorporated into the District Plan - Design/placement of new infrastructure considers climate change vulnerabilities (partially implemented) - High level climate change risk assessment - Canterbury Climate Change Partnership Action Plan - Greenhouse Gas Emissions Inventory completed	- Infrastructure strategy to consider climate change - Climate change strategy to be developed, informed by risk assessment and greenhouse gas inventory - Coastal erosion report received and action to be taken	Very High	5	4	20	Very High	⟷
Major Economic Event	Risk that the district is severely impacted by a major economic event or financial crisis, resulting in significant reduction in business, loss of jobs, and severely diminished regional economy.	Strategic Risk	Alex Parmley	5	4	- Ensuring a diverse economy through the Economic Development Strategy	-Appropriate governance and partnership arrangements in place with businesses and stakeholders to develop economy and meet ED Strategy objectives.	High	4	4	16	High	⟷
Critical Asset/Infrastructure Failure or Damage	Risk that a critical asset or infrastructure fails or is damaged due to a one-off incident, failure to identify ongoing deterioration, maintenance/oversight processes not being followed or not being fit for purpose, resulting in critical services/infrastructure being unavailable to the community, financial loss, and potential reputational damage or harm to public.	Strategic Risk	Roger Cook / Joanne O'Neill	5	4	- Building WOFs are completed annually - Roading maintenance contract is in place and performance is regularly monitored - Water maintenance contract is in place and performance is regularly monitored - Water assets are managed via the Asset Management Plans - Assets are valued on a 3 yearly basis and insured as appropriate	- Critical Asset Management Plan yet to be defined - Asset Planning function to ensure assets are resilient and fit for purpose	High	5	3	15	High	⟷
District Housing	Risk that housing availability and suitability in the district is inadequate for the growing population, resulting in a loss of current residents, an inability to attract new residents to the district, business growth stagnation, and failure to achieve economic development goals.	Strategic Risk	Joanne O'Neill	3	5	- Housing Strategy and Housing Taskforce in place - Community Development Housing Solutions Advisor position funded through Better Off Funding (Temporary for 2 years) - Spatial Plan informs the District Plan, to ensure the two documents are aligned - Oamaru Central and Oamaru North Masterplans completed	- Partnerships sought with developers planning affordable housing across Waitaki	High	3	4	12	High	⟷

Risk Name	Risk Description	Risk Type	Owner	Inherent		Controls	Future Controls	Risk Rating March	June Risk Rating				Change from March
									Residual				
				I	L				Impact	Likelihood	Risk Score	Risk Rating	
Public Harm	The risk of causing harm to the public due to the Council's failure to adequately maintain infrastructure, deliver essential services, or manage public spaces. This includes potential harm arising from road and pathway hazards, contaminated water supplies, insufficient emergency responses, or ineffective waste management. Public harm may also arise from lack of communication or failure to mitigate risks in high-traffic areas such as parks, recreational facilities, or community events.	Strategic Risk	Joanne O'Neill/ Roger Cook	5	5	- Infrastructure Strategy is in place and reviewed every 3 years - Adequately resourced compliance team - Water supply bylaw, Backflow prevention policy, Trade waste bylaw, Policy on drinking water quality - Roading bylaws and policies - Project Reclaim - Communication and Engagement Strategy - Emergency management controls are in place as per 'Major Emergency Event' organisational risk - Department OSH reps - OSH refresh and managers appointed to H&S Committee - Collaboration with regional councils on the compliance requirements for water and waste water - Strong safety culture with approved contractors.	- Regular audits and inspections of high-risk areas and infrastructure - Implement a public awareness campaign for identified risks and safe practices - Increase funding for critical infrastructure, maintenance, and upgrades - Strengthen incident response plans and ensure staff are well-trained on safety protocols. - Increased OSH audits - Improved near miss recording - Responsive reporting and intervention through promotion of 'Snap, Send, Solve' and the appointment of Case Officers, Area Leads and Locality Officers. - Increased management oversight of facilities built into new organisational structure.	High	4	3	12	High	
Political Uncertainty	Risk that Council's priorities and actions are not aligned with central government expectations or reform activity due to political uncertainty, or lack of external consideration in decision-making, resulting in inefficient use of time, resources, and funds, public dissatisfaction, and reputational damage.	Strategic Risk	Alex Parmley	4	5	- Central government decisions and updates are monitored and discussed as a standing agenda item at ELT meetings - When submitting Annual Plan Projects, managers must state where decisions and direction have the potential to be impacted by central government decisions and direction - Modelling of impacts of reforms - Membership of networks across regions and local government (Mayoral Forums, LGNZ, Taituara, other professional bodies) - Long Term Plan forecasting assumptions	- Elected Member Induction Programme - Elected Member Development Programme	High	4	3	12	High	
Iwi Relationship Development	Risk that Council's relationship with Iwi fails to develop and improve due to a lack of adequate communication and engagement, resulting in poor community outcomes, missed opportunities, inappropriate or uninformed decision-making, legislative breach, loss of funding and reputational damage.	Strategic Risk	Alex Parmley	4	3	- Regular meetings undertaken - Memorandum of Understanding in operation with Te Rūnanga o Moeraki	- Partnership agreement to be drafted, reviewed, and agreed - Shared Iwi liaison role yet to be established	High	4	3	12	High	
Change Capacity and Resilience	Risk that Council capacity for change activity is exceeded due to ongoing transformation activity coupled with an increasing number of directives from central government. This could result in staff dissatisfaction, reduced staff well-being, non-compliant or failed implementations, legislative breach, financial loss, and reputational damage.	Strategic Risk	Lisa Baillie (Transformation) Paul Hope (Other change)	4	5	- Transformation Project Board Governance - ELT review of ongoing change activity - Transformation Project engagement and communication - Reporting received from Employee Assistance Programme to identify stress - Exit interviews are offered to all staff who leave employment - Staff engagement survey completed and action plan being developed - Transition process developed and implementation underway - Improved digital monitoring - Managers and leaders hui undertaken on a monthly basis - Change leadership training and regular coaching - Mentoring of managers on change where required - Board membership and governance refocused	- Data on projects/change activity - Change training for Elected Members - Updated people & capability approach on business partnering to manage issues and lift capability within units - People Strategy under development - Phase 3 Implementation review underway	High	3	4	12	High	

5 RESOLUTION TO EXCLUDE THE PUBLIC

RECOMMENDATION

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
6.1 - Public Excluded minutes of the Performance, Audit and Risk Committee Meeting held on 27 May 2025	s6(a) - the making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

6 PUBLIC EXCLUDED SECTION

7 RESOLUTION TO RETURN TO THE PUBLIC MEETING

RECOMMENDATION

That the Performance, Audit and Risk Committee resumes in open meeting and decisions made in public excluded session are confirmed and made public as and when required and considered.

8 RELEASE OF PUBLIC EXCLUDED INFORMATION

9 MEETING CLOSE