

Audit & Risk Subcommittee Agenda

17 September 2025



Meeting conducted in the Council Chamber, Lvl 2 Philip Laing House
144 Rattray St, Dunedin

Meetings may be viewed live on the [ORC Official YouTube Channel](#)

Members:

Cr Tim Mephram, Co-Chair
Mr Andrew Douglas, Co-Chair (Independent member)
Cr Alexa Forbes
Cr Gary Kelliher
Cr Kevin Malcolm
Cr Gretchen Robertson (ex officio)
Cr Kate Wilson

Senior Officer: Richard Saunders, Chief Executive

Meeting Support: Kylie Darragh, Governance Support Officer

17 September 2025 01:00 PM

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1. WELCOME	
2. APOLOGIES	
3. PUBLIC FORUM	
No requests from members of the public to address the Audit and Risk Subcommittee were received prior to publication of the agenda.	
4. CONFIRMATION OF AGENDA	
Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.	
5. DECLARATIONS OF INTEREST	
Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have. ORC Councillors Declarations of Interests are published on the website.	
6. CONFIRMATION OF MINUTES	3
That the minutes of the Audit and Risk Committee meeting held on 4 June 2025 be confirmed as a true and accurate record.	
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	To present the quarterly Treasury Reporting Dashboard from Council's Investment Advisor, Bancorp, as at 30 June 2025.	
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9.4	Safety and Wellbeing Report	66
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9.4.1	Health Safety and Wellbeing Dashboard August 2025	78
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10.	RESOLUTION TO EXCLUDE THE PUBLIC	97
	That the public be excluded from the following items under LGOIMA 48(1)(a):	
	Confirmation of the Minutes of the Confidential Audit and Risk Subcommittee Meeting of 4 June 2025.	
	4.1 Annual Report 2024-2025 and Audit Report	
	4.2 Managed Fund Report	
	4.3 Insurance Renewals	
	4.4 Insurance Disclosures	
11.	CLOSURE	



Audit and Risk Subcommittee MINUTES

Minutes of an ordinary meeting of the Audit and Risk Subcommittee held in the Council Chamber, Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Wednesday 4 June 2025, at 9:00 AM.

https://youtu.be/E_E7PRZqu54?si=yHlDwD7uhercTrPN

PRESENT

Cr Tim Mephram	(Co-Chairperson)
Mr Andrew Douglas	(Co-Chairperson)
Cr Alexa Forbes	
Cr Gary Kelliher	
Cr Kevin Malcolm	
Cr Gretchen Robertson	(Ex officio member)
Cr Kate Wilson	

1. WELCOME

Chair Douglas welcomed Councillors, members of the public and staff to the meeting at 9 am. Councillors in attendance were Cr Lloyd McCall, Cr Alan Somerville, Cr Elliot Weir (online). Staff present included Richard Saunders (Chief Executive), Anita Dawe (GM Regional Planning and Transport), Nick Donnelly (GM Finance), Tom Dyer (GM Manager Science and Resilience), Joanna Gilroy (GM Environmental Delivery), Tami Sargeant (GM People and Corporate), Amanda Vercoe (GM Strategy and Customer, Deputy CE), Kylie Darragh (Governance Support Officer), and Sarah Munro (Finance Manager - Reporting) Janet Ashcroft (Legal Counsel).

2. APOLOGIES

There were no apologies for this meeting.

3. PUBLIC FORUM

Adam Currie from 350 Aotearoa attended and spoke to the subcommittee. Chair Douglas gave an opportunity for questions and thanked Adam for attending.

4. CONFIRMATION OF AGENDA

The agenda was confirmed as published.

5. DECLARATIONS OF INTERESTS

Councillors were reminded to stand aside from decision making should a conflict of interest arise.

6. PRESENTATIONS

No presentations were held.

7. CONFIRMATION OF MINUTES

Resolution: Cr Wilson Moved, Cr Mephram Seconded

That the minutes of the Audit and Risk Subcommittee meeting held on 6 March 2025 be received and confirmed as a true and accurate record.

MOTION CARRIED

8. ACTIONS (STATUS OF SUBCOMMITTEE RESOLUTIONS)

Open actions from resolutions of the Committee were reviewed. The Asset Management Internal Audit item is now complete.

9. MATTERS FOR CONSIDERATION

9.1. CS2511 Treasury Report

[YouTube 16:00] To present the quarterly Treasury Reporting Dashboard from Council's Investment Advisor, Bancorp, as at 31 March 2025. Nick Donnelly (GM Finance) was available to respond to questions on the report.

Resolution AR25-109: Cr Wilson Moved, Cr Kelliher Seconded

That the Audit and Risk Subcommittee:

- 1. Notes** *this report and the attached Bancorp Treasury Reporting Dashboard – 31 March 2025.*

MOTION CARRIED

All in favour.

9.2. CS2512 Managed Fund Portfolio Performance Update

To present the Q1 2025 Portfolio Performance Report from Council's Investment Manager, JB Were, for the period ended 31 March 2025. Nick Donnelly was present to respond to questions on the report.

Resolution AR25-110: Cr Mepham Moved, Cr Wilson Seconded

That the Audit and Risk Subcommittee:

1. **Notes** this report and the attached Q1 2025 Portfolio Performance Report.

MOTION CARRIED

All in favour.

9.3. CS2513 Revised Statement of Investment Policies and Objectives

[YouTube 39:00] This report reviewed the revised Statement of Investment Policies and Objectives (SIPO) incorporating changes resolved at the 6 March 2025 Audit and Risk Subcommittee meeting to decide on final amendments to the SIPO including the possible inclusion of a private equity asset allocation. Nick Donnelly was available to respond to questions on the report. The recommendations were taken individually with a division for the endorsement option.

Resolution AR25-111: Cr Malcolm Moved, Cr Robertson Seconded

That the Audit and Risk Subcommittee:

1. **Notes** this report.

MOTION CARRIED

All in favour.

Resolution AR25-112: Cr Malcolm Moved, Cr Robertson Seconded

That the Audit and Risk Subcommittee:

2. **Approves** the changes in the revised Statement of Investment Policies and Objectives (attached).

MOTION CARRIED

All in favour.

Resolution AR25-1133: Cr Malcolm Moved, Cr Robertson Seconded

That the Audit and Risk Subcommittee:

3. **Endorses option:**

- b. Removal of the 5% property asset allocation and reallocation of this allocation evenly across the other three equity asset allocations.

MOTION CARRIED

5 in favour, two against.

Cr Kelliher and Cr Mepham voted against.

Resolution AR25-1144: Cr Malcolm Moved, Cr Robertson Seconded

That the Audit and Risk Subcommittee:

4. **Notes** that based on Audit and Risk Subcommittee direction the final revised SIPO will be presented to Council for approval on 25 June 2025.

MOTION CARRIED

All in favour.

9.4. CS2516 Annual Report Timetable and Matters Under Consideration

[YouTube 1:12:30] This report outlined the adoption timetable and changes in the accounting standards for Council's Annual Report and Financial Statements for the year ending 30 June 2025. Nick Donnelly (GM Finance) and Sarah Munro (Finance Manager Reporting) were available to respond to questions on the report.

Resolution AR25-115: Cr Malcolm Moved, Cr Wilson Seconded

That the Audit and Risk Subcommittee:

- 1. Notes** this report.

MOTION CARRIED

9.5. CS2517 Safety and Wellbeing

[YouTube 1:21:45] This report summarised activities and information on health, safety and wellbeing (HSW), and people and culture at Otago Regional Council for the 2024/25 year to date. Mark Olsen, (Manager People and Safety) Gina Louie (Team Leader Health, Safety and Wellbeing) Kelly Stuart (People Services Lead) Tami Sargeant (General Manager People and Corporate) were available to respond to questions on the report.

Resolution AR25-116: Cr Mephram Moved, Cr Kelliher Seconded

That the Audit and Risk Subcommittee:

- 1. Notes** this report.

MOTION CARRIED

All in favour.

9.6. CS2518 ORC Corporate Policy Overview

[YouTube 1:39] This report provided an overview of the corporate policies currently in place at the Otago Regional Council. Tami Sargeant (GM People and Corporate) was available to respond to question on the report.

Resolution AR25-117: Cr Wilson Moved, Cr Kelliher Seconded

That the Subcommittee:

- 1. Notes** this report.

MOTION CARRIED

All in favour.

10. NOTICES OF MOTION

Nil.

11. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution: Cr Wilson Moved, Cr Robertson Seconded:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- Confirmation of the Minutes of the Confidential Audit and Risk Subcommittee Meeting of 6 March 2025
- 3.1 Insurance Renewals
- 3.2 Insurance Disclosures
- 3.3 Deloitte ORC Audit Plan
- 3.4 Managed Fund Report

The general subject 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\(1\)](#) of the Local Government Official Information and Meetings Act 1987:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
<i>PE Minutes of the Audit & Risk Subcommittee meeting of 6 March 2025</i>	<p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p> <p>To avoid prejudice to measures that prevent or mitigate material loss to members of the public - 7(2)(e)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or 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.</p>

Insurance Renewals	<p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p> <p>To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)</p>	
Insurance Disclosures	<p>To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p> <p>To avoid prejudice to measures that prevent or mitigate material loss to members of the public - 7(2)(e)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or 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.</p>
Deloitte ORC Audit Plan	<p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—would</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or 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.</p>

	be likely otherwise to damage the public interest – Section 7(2)(c)(ii)	
Managed Fund Report	<p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or 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.</p>

This resolution is made in reliance on [section 48\(1\)\(a\)](#) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.

3.3 Deloitte ORC Audit Plan

It was also moved that Anthony Smith (Audit Engagement Partner) and Scot Hawkins (Audit Director) be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the ORC Audit Plan. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because of their expertise.

MOTION CARRIED

12. CLOSURE

There was no further business, the Chief Executive said a karakia to close the meeting at 10:41 am.

Date	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
5-12-2024	GOV2477 Asset Management Internal Audit Update	Completed	AR24-135 Requests that staff consider the recommendations of the report as part of the overall business improvement programme for ORC.	Executive Assistant, Operations, General Manager Science and Resilience	<p>30/05/2025 Executive Assistant, Operations Engineering have completed their Asset Management Improvement Plan and it is now being implemented. Environmental Monitoring is working on their Asset Management Improvement Plan and it will be completed soon.</p> <p>04/06/2025 General Manager Strategy and Customer Discussed at A&R meeting on 4 June and CE advised that recommendations are being incorporated into BAU continuous improvement. Agreed that action would be closed.</p>	31-03-2025

9.1. GOV2591 Asset Management Internal Audit Update

Prepared for: Audit and Risk Subcommittee
Report No. GOV2591
Activity: Governance Report
Author: Tom Dyer, General Manager Science and Resilience
Endorsed by: Tom Dyer, General Manager Science and Resilience
Date: 17 September 2025

PURPOSE

- [1] This paper reports provides and update to the Audit and Risk Subcommittee on the process to improve asset management practice at Otago Regional Council in response to the Asset Management Practice Audit carried out by Rationale in late 2024.

EXECUTIVE SUMMARY

- [2] The Audit and Risk Subcommittee are seeking to establish an enduring internal audit programme. While progress on the enduring programme has been impacted by resourcing, staff completed a first internal audit focussed on asset management practice within the major asset owning business units; Engineering, Environmental Monitoring, Fleet and Facilities and Information Technology. The audit report was presented to the Audit and Risk Subcommittee on 5 December 2024.
- [3] The audit was commissioned using a 'Asset Management Maturity Assessment' methodology that aligns with the International Infrastructure Management Manual and ISO 55000. The ISO 55000 standardised approach has also been recognised as the guiding standard to align to by the Regional Flood Risk Asset Management Group.
- [4] The 'Asset Management Maturity Assessment' methodology also provides a framework for improvement planning. ORC's Engineering Team has now completed their improvement plan and has begun implementing it. The resulting Improvement Plan (Attachment 1), a 1 Page Summary of the Improvement Plan (Attachment 2) and an Independent Review of the Improvement Plan from the consultants that carried out the audit (Attachment 3), are attached to this paper.
- [5] The Environmental Monitoring team have also progressed in preparing their first Asset Management Plan and a level of service framework.

RECOMMENDATION

That the Audit and Risk Subcommittee:

- 1) **Notes** this report.

BACKGROUND

- [6] The Audit and Risk Subcommittee established an internal audit programme. The first audit focused on asset management practice within the major asset owning business units; Engineering, Environmental Monitoring, Fleet and Facilities and Information Technology.
- [7] Rationale Ltd, an infrastructure management consultancy based in Otago were selected to complete the work. They have a strong history of supporting infrastructure owners to deliver continuous improvement work nationally, particularly in the areas of asset management and investment decision making.
- [8] The resulting report was considered by the Audit and Risk Subcommittee on 5 December 2024.

DISCUSSION

- [9] In the planning stage of this audit consideration was given to several asset management audit processes. An internationally recognised ISO55000 aligned asset management maturity assessment process was chosen on the basis that the approach:
 - a. is standardised, clear and repeatable, enabling demonstration of progress through future audits;
 - b. aligns with internationally recognised standards for infrastructure asset management;
 - c. is widely used in the infrastructure sector, so interagency benchmarking is an achievable next step;
 - d. easily aligned goal setting, improvement planning and implementation processes exist and are widely used within the infrastructure sector;
 - e. the process has relevance and utility for any asset base or type.
- [10] The ISO 55000 standardised approach has also been recognised as the guiding standard to align to by the Regional Flood Risk Asset Management Group.
- [11] The 'Asset Management Maturity Assessment' methodology also provides a framework for improvement planning. ORC's Engineering Team has now completed their improvement plan and has begun implementing it. The resulting Improvement Plan (Attachment 1), a 1 Page Summary of the Improvement Plan (Attachment 2) and an Independent Review, are attached to this paper (Attachment 3).
- [12] The Engineering team are already making good progress on the improvement activities outlined in the improvement plan.
- [13] The Environmental Monitoring team have also progressed in preparing their first Asset Management Plan and a level of service framework.
- [14] Fleet and Facilities and IT team are making good progress on their improvement planning process, although these documents are not yet finalised.

OPTIONS

- [15] No options are proposed for this report.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [16] There are no strategic framework or policy implications that are relevant to this report.

Financial Considerations

- [17] The attached report sets a work programme to improve the Asset Management practice within the Engineering team. The work programme is able to be funded from existing budgets.
- [18] Future asset management improvement plans may include actions that have financial implications.

Significance and Engagement

- [19] There are no special significance and engagement considerations relevant to this report.

Legislative and Risk Considerations

- [20] The attached report sets a baseline and targets for asset management performance. Appropriate asset management performance enables appropriate consideration and management of risk.

Climate Change Considerations

- [21] The attached report sets a baseline and targets for asset management performance. Appropriate asset management performance will enable effective management of infrastructure.

Communications Considerations

- [22] Relevant internal communications work has been completed to initiate the asset management audit. Findings will be communicated with interested parties such as required.

NEXT STEPS

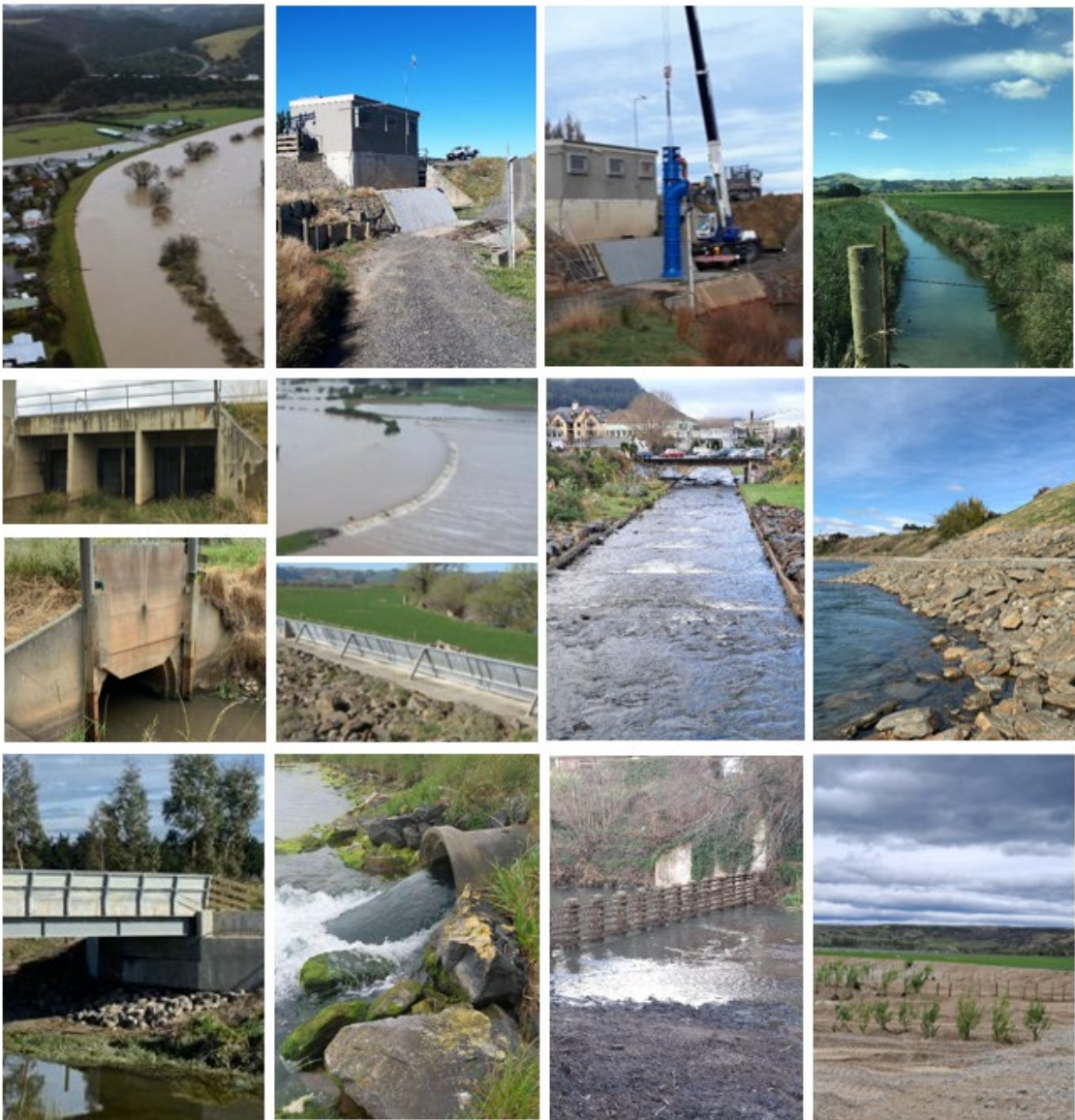
- [23] The next steps are:
- Staff will continue to implement improvement projects outlined in the Engineering Asset Management Improvement Plan;
 - Staff will develop and implement asset management improvement plans for the remaining 3 business units.

ATTACHMENTS

- ORC Engineering AM Improvement Plan Final - June 2025 [9.4.1 - 32 pages]
- ENG Asset Management Improvement Plan 25-27 A 3 Summary Sept 2025 250904 [9.4.2 - 1 page]
- Memo - Independent Review of ORC Engineering AM Improvement Plan [9.4.3 - 2 pages]



Engineering
Asset Management Improvement Plan



2025 – 2027

Prepared by:

Arsalan Ali – Asset Management Engineer

Pam Wilson – Infrastructure Engineering Lead

For Engineering, Science and Resilience Directorate, Otago Regional Council

70 Stafford Street

Private Bag 1954

Dunedin 9054

June 2025

Cover Image

Images of various assets that are owned and maintained by ORC – floodbanks, pump stations, pumps, drains, gates, spillways, walls and weirs, rockwork, bridges, culverts, debris traps and trees.

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Appendices

- Appendix A: Engineering Asset Management Plan Improvements (2024)
- Appendix B: Asset Management Maturity Assessment Improvements (Rationale, 2024)
- Appendix C: Proposed Future Tasks

1. Purpose

The purpose of this Engineering Asset Management Improvement Plan is to record and communicate the steps necessary to enhance Engineering's asset management practices and subsequent maturity. This will ultimately lead to greater accessibility to asset data and increased confidence in making decisions about Engineering's future work programmes.

2. Background

ORC Engineering's Asset Management Plan 2024 (hereinafter, AMP, 2024) identified a range of improvements that were prioritised for action. Further to this, a Maturity Assessment was completed by Rationale in late 2024 (hereinafter AMMA, 2024). Engineering was assessed as having a 'Basic' (21-40) asset management maturity with an 'Intermediate' (61-80) level of asset management maturity being recommended for the Engineering department and assets. Specific maturity ratings by assessment section are summarised in Figure 1.

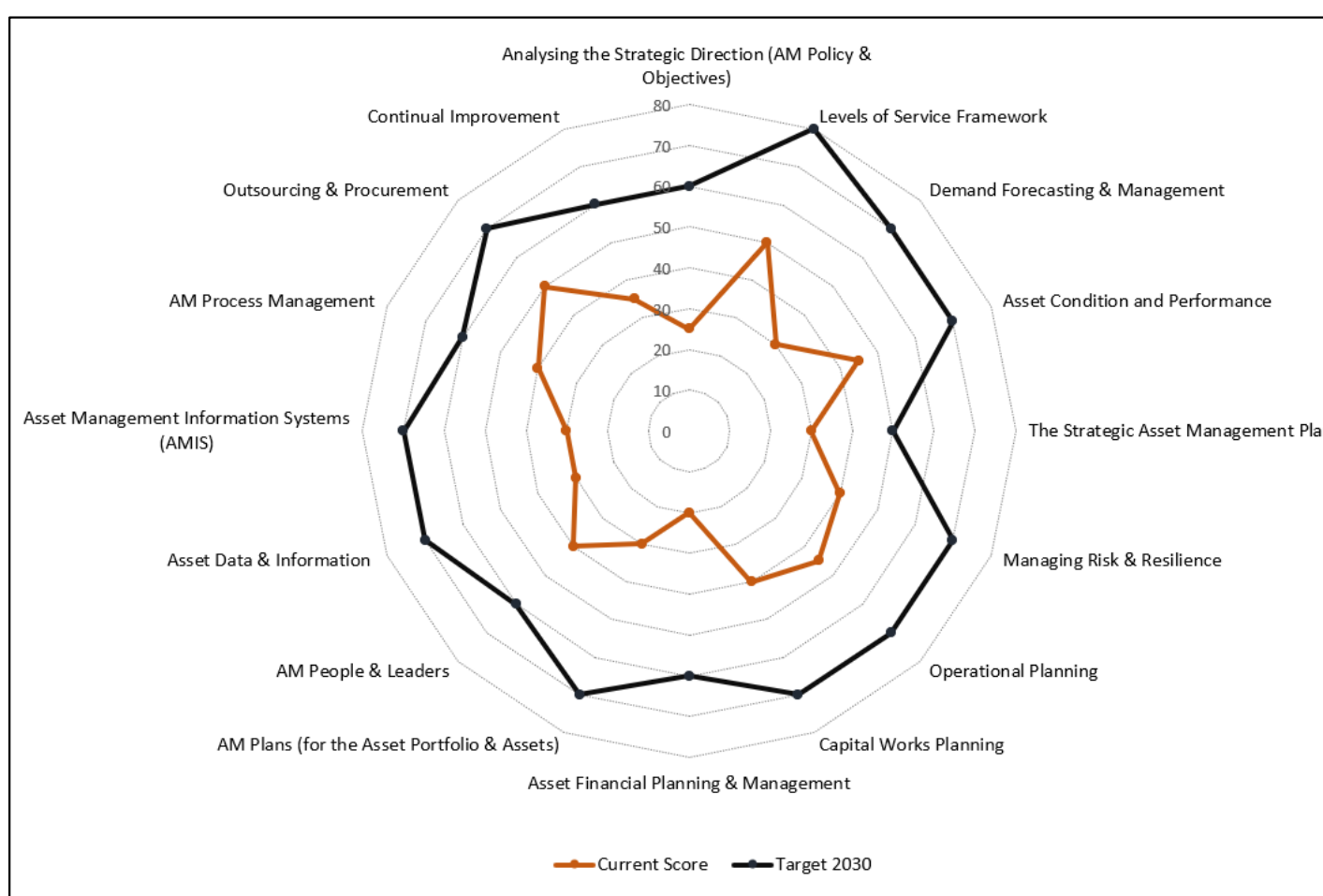


Figure 1 Maturity scoring (Asset Management Maturity Assessment, Rationale, October 2024).

A full list of improvement items identified through the Asset Management Plan and Maturity Assessment are provided in Appendices A and B respectively.

3. Duration and Staging

This plan has a two-year duration to align with the AMP 2027 being reviewed and comprises of the first stage of improvements that are focussed on:

- Building a solid foundation in process management and asset data/information upon which to improve maturity across all practice areas.
- Making progress in establishing levels of service to inform planned rating reviews and support engagement and decision-making with Council and communities.
- Developing an AMP 2027 that better informs the development of work programmes and budgets for LTP 2027.

A new three-year Improvement Plan will be developed in Quarter 1 of the 2027/28 financial year (July to September 2027). It will build upon the foundation created through the implementation of this earlier plan, with updated priorities and a renewed focus on taking the last major steps towards Engineering achieving its target maturity score (Section 2) by the AMP 2030.

Ongoing improvements will be required beyond 2030 to ensure Engineering’s asset management practice keeps up with best practice, sector and legislative requirements. At this stage it is expected that Engineering will transition to improvements being identified and planned through AMP development processes.

4. Progress Tracking

Overall progress will be tracked by undertaking an internal maturity assessment that coincides with the update of the Engineering AMP in Quarter 2 of the 2026/27 financial year (October to December 2026). Figure 2 shows the estimated maturity assessment scoring to coincide with updated AMPs in 2027 and 2030. This is based on progress with implementing improvements across the tasks presented in this Improvement Plan.

Note that there are several maturity assessment sections where improvement will be organisation led, and it has been assumed that most improvements in these areas will occur before the AMP 2027.

Intermediary progress tracking will be carried out on a quarterly basis and will be based on task progress and the outputs identified in Section 5.

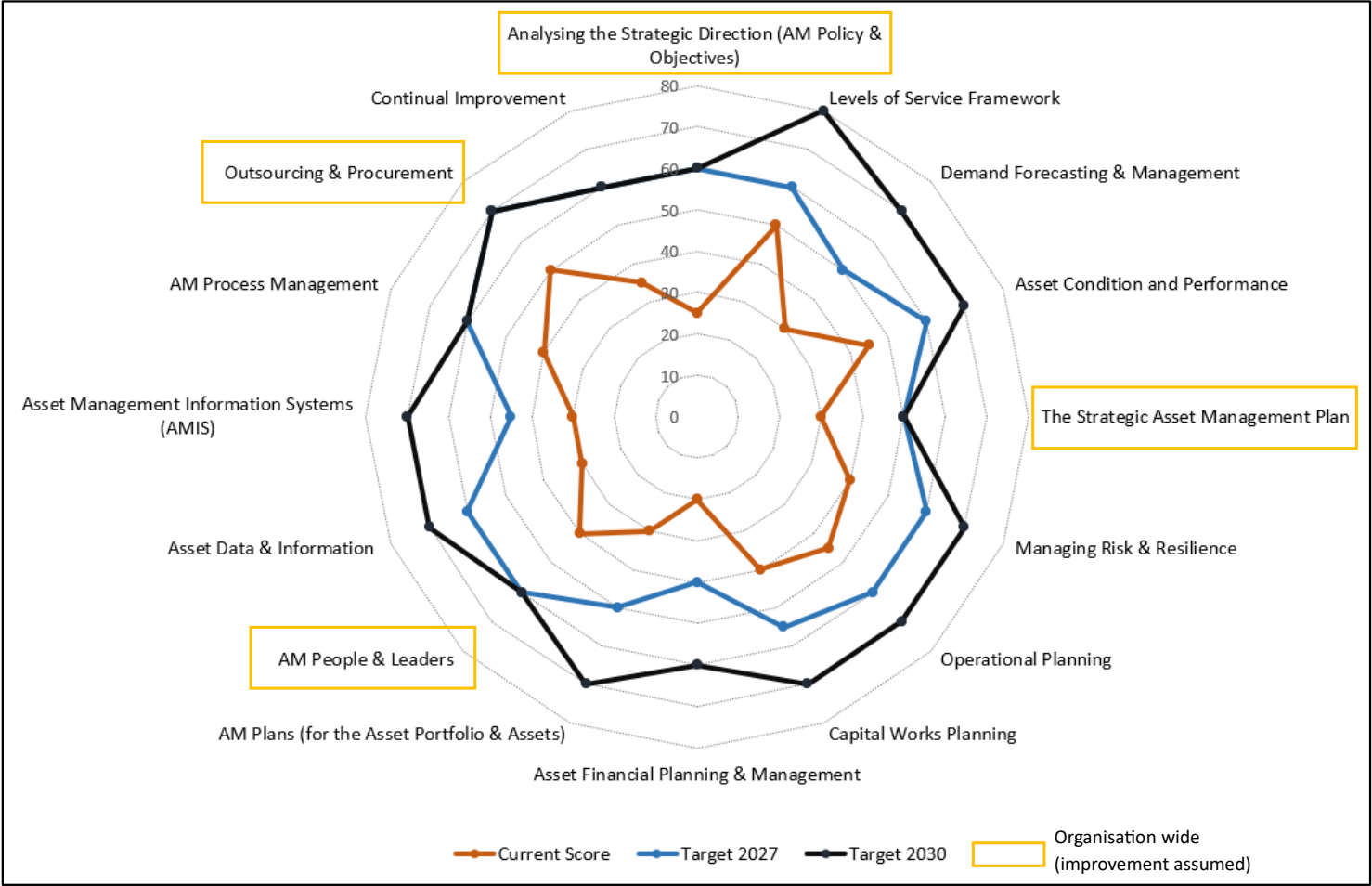


Figure 2 Estimated maturity assessment scoring in 2027 and 2030 to demonstrate proposed progress against this Improvement Plan. Note that improvement in the organisation wide sections have been assumed to be implemented before the 2027 AMP.

5. Improvement Plan Development

5.1. Development Process

Many improvement items identified in the Engineering Asset Management Plan (ORC, 2024) and Maturity Assessment (Rationale, 2024) are similar or relate to improvement across multiple asset management practice areas. As such, specific tasks have been identified within each practice area that will address multiple improvement items from both sources. These tasks are identified and scoped in Section 6.

Based on the priorities identified, Table 1 outlines the practice areas, associated improvement tasks and what it is expected that the wider Engineering team and ORC will see and benefit from for the AMP 2027. Preliminary tasks have also been identified for the next iteration of this Improvement Plan that will see Engineering through to the AMP 2030. These preliminary tasks provide context for the staged improvements that will occur through to 2030 and are subject to change as progress is made in the first stage of this Improvement Plan through to 2027.

5.2. Exclusions

This Improvement Plan does not specifically address the task of procuring and implementing a new or updated Asset Management Information System (AMIS) to potentially replace the current version of ConQuest. However, it does cover the actions necessary to better prepare Engineering's asset data and practices for any future transition. It is expected that ORC's IT team will otherwise lead the procurement and implementation of a new or updated AMIS.

This Improvement Plan also excludes specific details associated with addressing organisational wide improvements that should be adopted. However, it is expected that Engineering will provide information and support these improvements as required. Focussing on the foundational elements identified in this Improvement Plan will further support Engineering's role in supporting any organisational wide improvements, and vice versa.

Hyperlinks within Table 1 act as a table of contents for the more detailed task breakdowns in Section 6.

Table 1 Asset management practice areas with associated improvement tasks and anticipated outputs. Preliminary tasks for AMP 2030 are also included here for context at the time of writing this Improvement Plan.

Practice Area	Improvement Tasks (implemented in the lead up to AMP 2027)	Outputs (AMP 2027)	Preliminary Tasks (for AMP 2030)
Process Management	<p>Task A - Document Engineering's current approach to its asset management practice and associated asset management processes, including documenting any gaps for resolution through future tasks.</p> <p>Task B - Build up Engineering's knowledge and respect for following best practice in asset management.</p> <p>Task C - Develop a programme of key asset management activities that is reviewed and updated throughout the implementation of this Improvement Plan.</p>	<ul style="list-style-type: none"> Documented processes and increasing knowledge and implementation of asset management best practice across the wider Engineering team. Increased confidence in Engineering's broader understanding of what 'asset management' is and how everyone contributes to it. 	Ongoing improvements in this practice area will be identified in the development of AMP 2027 and will be specific to key practice areas.
Asset Data and Information	<p>Task D - Prepare Data Standards.</p> <p>Task E - Prepare and implement a Data Improvement Plan. This includes completing an audit of existing data and performing a gap analysis.</p> <p>Task F - Carry out a valuation and establish a practice of maintaining Engineering asset value data for ongoing users of that data.</p> <p>Task G - Support the process of assessing options and procuring a future Asset Management Information System, including implementation.</p>	<ul style="list-style-type: none"> Data Standards exist to provide a best practice approach to maintaining data. Data Improvement Plan to set out how Engineering plans to improve data quality and quantity. Valuation of Engineering assets completed. Procurement of a future AMIS is being supported by Engineering as necessary (IT led). Asset data and information is becoming more widely available across the team. 	<p>P. Finish implementing Data Improvement Plan and embed Data Standards as part of BAU activities.</p> <p>Q. Support the implementation of a new or updated AMIS (IT led).</p>
Asset Condition	<p>Task H - Prepare a master inspection programme that aligns across O&M Manuals, work programmes and best practice guidelines.</p> <p>Task I - Prepare and implement asset inspection guidelines aligned with the master programme and embedded in Engineering team practice, for all main asset types (excluding drains and floodbanks).</p> <p>Task J - Prepare and implement asset inspection guidelines for floodbanks, update master programme and embed in Engineering team practice.</p>	<ul style="list-style-type: none"> Master Inspection Programme aligned across all work areas. Asset Inspection Guidelines developed for all main asset types to set clear expectations around programme and asset condition (and performance) outputs. 	R. Prepare and implement asset inspection guidelines for drains, update master programme, and embed in Engineering team practice.
Asset Performance*	Task K - Develop and implement appropriate methodologies for measuring and monitoring the (current state) performance of Engineering's assets.	No specific outputs.	S. Update or develop new hydraulic models of the flood protection and drainage schemes.
Levels of Service	Task L - Prepare and implement a plan for filling any gaps in current levels of service information for assets/schemes.	<ul style="list-style-type: none"> Gaps have been identified and there is a plan underway to fill them. Levels of service are understood internally. Levels of service are starting to be communicated externally to scheme communities where possible. 	T. Continue to fill any gaps and be able to confidently communicate levels of service to scheme communities.
Demand Forecasting	Task M - Undertake research to establish demand parameters.	<ul style="list-style-type: none"> Demand parameters have been established to inform current and future tasks, as well as Infrastructure Strategy 2027-2057. 	<p>U. Run future demand scenarios and assess impact on performance and levels of service.</p> <p>V. Scope scheme reviews for Lower Clutha and Lower Taieri Flood Protection and Drainage Schemes.</p> <p>W. Scope scheme reviews for remaining schemes.</p>
Risk and Resilience	Task N - Complete the Engineering Risk Register, share with the wider team and embed the process for its continual update.	<ul style="list-style-type: none"> Engineering Risk Register is established and has a routine process around its ongoing review and update as part of BAU activities. 	X. Align ORC's risk management framework with Engineering's Risk Register (contingent on others outside of Engineering).
Asset Lifecycle Planning and Strategies	Foundation built across the completion of other tasks for AMP 2027.	No specific outputs.	Y. Prepare asset lifecycle strategies and link to forward works planning.
Forward Works Planning	Task O - Finalise needs assessment template and establish process for project identification across Engineering.	<ul style="list-style-type: none"> Needs assessment template and project initiation register is established and is being monitored and updated as part of BAU activities and is useful in the development of work programmes and budgets for LTP 2027. 	Z. Utilise asset lifecycle strategies and available data and information to support the Engineering team in their forward works planning across operational and capital work programmes.

*Improvement tasks associated with 'Asset Performance' have been drafted and may be brought forward, as with any other tasks, as progress is made in earlier tasks and the resources become available to do so.

Note that the sequential labelling of each task is for easy identification of tasks in later sections of this document. Many tasks will be completed concurrently – refer to Section 7 for the programme.

6. Task Breakdown

This section contains a breakdown of the Tasks A to O (to be implemented prior to AMP 2027), including:

- Task Lead
- Purpose
- Related improvement item/s
- Scope
- Resources and responsibilities
- Timeframes

Tasks P to Z (to be implemented for AMP 2030) are summarised in Appendix C and will be scoped in more detail when this Improvement Plan is reviewed in early 2027/28, noting that the details associated with the delivery of these later tasks will be refined as progress is made in earlier tasks within this Improvement Plan.

Each task will be assigned a 'Task Lead' that will be accountable for the delivery of each task. The Task Lead will be recorded on the programme that will be monitored as part of routine progress reviews.

Task A	Document Engineering's current approach to its asset management practice and associated asset management processes, including identification of any gaps for resolution through future tasks			
Practice Area	Process Management			
Purpose	<p>The purpose of this task is to consolidate and document existing asset management processes within the Engineering team, to identify how those processes need to be amended to better align with asset management principles and improve ORC's asset management maturity. This will allow for the embedding of robust processes which will enable robust decision making underpinned by a high degree of confidence in the data and process.</p> <p>The completion of this task will have benefits that will impact multiple functions across Engineering, including `capital works planning, operations and maintenance activities, financial forecasting, and risk management; and allow for activities to be undertaken in cognisance of long-term asset management goals.</p>			
Background	In their 2024 audit of ORC's asset management practices, Rationale Ltd have identified that in its current form, asset management practices within Engineering are not well documented, and are largely informal and inconsistent.			
Improvement Item/s	<ul style="list-style-type: none"> Improvement Items 25 (AMMA, 2024) – Identify and document all processes related to Engineering activities. 			
Scope Outline	<p>This task will serve as the key first step in drafting processes which can be reviewed and embedded as this Improvement Plan is being executed and implemented.</p> <p>Processes will be workshopped with relevant team members and further work will be carried out to document these and identify any gaps. Many of the gaps will be filled through the execution of tasks later in this Improvement Plan.</p> <p>Overall, this task is expected to facilitate the review and alignment of engineering functions with asset management strategy, and policy, to achieve asset management outcomes as outlined in ORC's Asset Management Plan 2024 Improvement Plan, and the recommendations from Rationale's Asset Management Maturity Audit.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Consultant (Rationale); Infrastructure Team; Engineering Team Leaders	Task Lead	Engineering Team Leaders	Engineering Team
Timeframes	Milestone		Expected Completion	
	Complete review of asset management processes		30/09/2025	
	Continue to make improvements to asset management processes as other tasks are being completed		30/06/2026	

Task B	Build up Engineering's knowledge and respect for following best practice in asset management.			
Practice Area	Process Management			
Purpose	Build up Engineering's knowledge and respect for following best practice in asset management through engagement throughout the implementation of this Improvement Plan.			
Background	Historically responsibilities for delivering the asset management function within the Engineering team have been embedded within the various functions within the team. As such, there has been no collective approach to achieving best practice and longer-term benefits. Further to this, there is limited awareness and acknowledge of asset management as a practice for achieving this. One of the main risks to the delivery of this Improvement Plan is the collective buy-in and support from the wider Engineering team.			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 22 (AMP, 2024) – Champion and foster a culture that promotes the adoption of asset management principles across departments, teams and activities. • Improvement Item 23 (AMP, 2024) – Promote and facilitate workshops to increase adoption of asset management principles across departments, teams and activities. • Improvement Item 21 (AMMA, 2024) – Organisational AM structure, roles, and responsibilities. 			
Scope Outline	<p>Improvement Plan Implementation</p> <p>Key to the success of this Improvement Plan will be in embedding improved asset management practice in the wider Engineering team, with them being able to realise the benefits of these improvements through an increase in the ability to access asset data and information and use this data and information to make more informed asset lifecycle decisions that will begin being executed through operational and capital work programmes.</p> <p>A plan will need to be devised for how to engage with the wider team on the key elements of this plan and how it affects them. Throughout the implementation of this plan there will be opportunities for the wider team to be consulted and informed in relation to many tasks, noting that the wider team will also have responsibilities in relation to embedding good practice and processes moving forward.</p> <p>Management Responsibility</p> <p>Management support will be necessary to support the implementation of this plan and support an overall improvement in developing a positive team culture around Engineering's asset management practice moving forward. This is likely to include engaging with team leaders and team members as needed to support the implementation of specific tasks and associated processes. This will also be necessary in relation to establishing processes across multiple departments, e.g. Finance and IT/GIS.</p> <p>Training</p> <p>Short courses for bringing key members of the team up to speed on asset management can be arranged.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team; Engineering Team Leads	Task Lead	Engineering Team Leaders	Engineering Team
Timeframes	Milestone		Expected Completion	
	Ongoing engagement with the team in embedding improved asset management practices		30/06/2027	

Task C	Develop a programme of key asset management activities that is reviewed and updated throughout the implementation of the Improvement Plan			
Practice Area	Process Management			
Purpose	The embedment of key asset management activities as part of an ongoing programme of work within the Engineering team will ensure that these activities continue to be undertaken beyond the completion of the tasks in this Improvement Plan. This will also ensure the periodic review of these tasks to meet best practice and the evolving needs of Engineering.			
Background	At present there is no longer term programme that sets out when key asset management activities are completed and who is responsible for completing them. This Improvement Plan consolidates the recommendations found in the AMP 2024, and the AMMA 2024, and provides a blueprint of activities and tasks to achieve and implement the recommendations.			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 3 (AMP, 2024) – Improve asset inventory datasets with targeted improvement programmes focused on data capture, cleansing, standardisation, and validation. • Improvement Item 10 (AMP, 2024) – Develop and maintain records for past and track current performance and report within future versions of the AMP. • Improvement Item 20 (AMMA, 2024) – Plan the 2027 AMP to action identified improvements, particularly for lifecycle management, risk and resilience, and future demand sections. 			
Scope Outline	<p>Outputs from the implementation of this Improvement Plan will result in a programme for the ongoing review and execution of tasks on a periodic basis. Specific examples include the Data Standards, Asset Inspection Guidelines, Valuation, and the Asset Management Plan.</p> <p>Developing a programme will set milestones and timelines so that progress can be planned, tracked, recorded, and used to support further improvements as necessary. It will also help to establish clear responsibilities around who does what and when, and what workstreams are contingent on others being completed on time.</p> <p>Note that this is a programme of key asset management activities as described in this scope. It is not a condition inspection programme (Task H).</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team	Task Lead	Engineering Team Leaders	Engineering Team
Timeframes	Milestone		Expected Completion	
	Ongoing update of programme as asset management tasks transition to BAU		30/06/2027	

Task D	Prepare Data Standards			
Practice Area	Asset Data and Information			
Purpose	The purpose of this task is to set out guidelines for the collection, storage, management, and analysis of Engineering's asset data. The Asset Data Standards will allow for consistent and recorded methods to manage data at all levels, ensuring that data is managed in accordance with asset management outcomes, and legacy protected for future data users. For clarity, this task will also include the establishment of some of the key functionalities required of a suitable Asset Management Information System (AMIS).			
Background	Due to legacy modes of operation (in relation to the capture, storage, management and analysis of asset data) that have not undergone improvements or reviews, and turnover of staff creating variations in methods, ORC's capture, storage, management and analysis of asset data and information is inconsistent, informally recorded, and does not align with ORC's asset management objectives, particularly in reference to the improvement items identified in ORC's Engineering AMP 2024.			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 3 (AMP, 2024) – Improve asset inventory datasets with targeted improvement programmes focussed on data capture, cleansing, standardisation and valuation. • Improvement Item 22 (AMMA, 2024) – Targeted asset register and asset data improvement programme. • Improvement Item 23 (AMMA, 2024) – Assess options for AMIS based on agreed functionality and system requirements. 			
Scope Outline	<p>Prepare asset data standards which will be a key component in the way of achieving targets set out in Improvement Plan (ORC, 2024) and Rationale's Asset Management Maturity Audit.</p> <p>The data standards will justify and lay out clearly which attributes of each asset are being captured. The data standards will also provide guidance on data management and storage and will play a crucial role in many subsequent tasks.</p> <p>The data standards will be a key document in ORC's asset management and improvement journey and will form a complete and concise reference material for training of new staff, to ensure all future staff are undertaking their functions in accordance with aligned processes and methods. They will also be critical for establishing requirements of a suitable AMIS (see Task G).</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Consultant (TBC); Infrastructure Team; GIS	Task Lead	Engineering Team Leaders; GIS; IT	Engineering Team
Timeframes	Milestone		Expected Completion	
	Prepare Data Standards		30/09/2025	

Task E	Prepare and implement a Data Improvement Plan. This includes completing an audit of existing data and performing a gap analysis.			
Practice Area	Asset Data and Information			
Purpose	The purpose of this task is to prepare and implement a detailed plan to put a concentrated effort into improving Engineering's asset management data quality over the next 12 to 18 months, and set the Engineering team up to collect, update, and maintain this data moving forward as part of their business-as-usual activities. Improved data quality and associated practice and processes underpins future improvements across all other asset management practice areas and will better enable data to be connected and available across multiple platforms (e.g. GIS and ConQuest or equivalent) to the wider Engineering team.			
Background	As noted in Tasks above, Engineering data on assets is of a poor quality, the improvement of which will underpin the vast majority of improvement items laid out in this plan. Having a Data Improvement Plan in place will chart the course to data improvement and facilitate progressive improvements with deadlines, milestones and responsibilities.			
Improvement Item/s	<ul style="list-style-type: none"> Improvement Item 3 (AMP, 2024) – Improve asset inventory datasets with targeted improvement programmes focussed on data capture, cleansing, standardisation, and validation. Improvement Item 22 (AMMA, 2024) – Targeted asset register and asset data improvement programme. Improvement Item 17 (AMMA, 2024) – Update asset valuation information at component level following Asset Data and Information improvements. 			
Scope Outline	<p>Prepare and implement a Data Improvement Plan that:</p> <ul style="list-style-type: none"> Outlines the necessary Data Standards (Task D) and incorporates a plan for their development. Identifies gaps in Engineering data. Sets out a plan to prepare and implement improved processes to collect, update and maintain data moving forward. Details the steps required to improve the consistency and overall quality of Engineering's data. Considers how to extract historical information from past reports and plans already on file within ORC's filing system. Identifies the timeframes and resources required. Includes a contingency plan for managing data should procurement of a new or updated AMIS be protracted. <p>The Data Improvement Plan must be cognisant of the data requirements across all asset management practice areas, and it is imperative that progress can be measured and reported on throughout its implementation. A collaborative approach must be taken to implementing the Data Improvement Plan across the wider Engineering team and other key stakeholders.</p> <p>The Data Improvement Plan is expected to be operational for a short duration (up to two years) to prioritise and focus improvements in this key practice area as a foundation for improvements across all other areas. Data Standards will be developed as a separate longer-serving document under Task D.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Consultant (TBC); Infrastructure Team; GIS	Task Lead	Engineering Team Leaders; GIS; IT	Engineering Team
Timeframes	Milestone		Expected Completion	
	Prepare Data Improvement Plan		31/12/2025	
	Implementation of Data Improvement Plan		30/06/2027	

Task F	Carry out a valuation and establish a practice of maintaining Engineering asset valuation data for ongoing users of that data.			
Practice Area	Asset Data and Information			
Purpose	The purpose of this task is to establish an up-to-date practice for undertaking valuations and keeping asset values maintained. This is necessary to inform depreciation, insurance, and future project costings.			
Background	A valuation of Engineering assets has not been completed by the ORC for a very long time. The asset values currently held in Conquest are inaccurate as depreciation is not applied appropriately or consistently, and the practice of assigning asset values upon the completion of capital projects is also inconsistent. This means that the current asset values are unable to be relied upon by Engineering, and the values used for insurance are not based on the same dataset.			
Improvement Item/s	<ul style="list-style-type: none"> Improvement Item 17 (AMMA, 2024) – Update asset valuation information at component level following asset data & information improvements. 			
Scope Outline	<p>The first stage of this work will require us to:</p> <ul style="list-style-type: none"> Confirm the outputs necessary to inform Engineering, Legal (insurance) and Finance (depreciation) to the appropriate level of accuracy and confidence. Establish the valuation methodology to be used. Establish the asset information needed to meet the valuation requirements and agreed methodology. Ensure that the asset information necessary to inform the valuation is included and prioritised as necessary in the Data Improvement Plan (Task C), noting that the completion of this task and milestones outlined below will be contingent on this information. Establishment of process for feeding final project costs back into asset records. This will require collaboration with Engineering's Programme Delivery Team and Finance. <p>The second stage of the work will require an asset valuation to be carried out and the outputs recorded and disseminated as follows:</p> <ul style="list-style-type: none"> Valuation outputs recorded against assets in the Asset Management Information System. Insurance information updated (Legal). Depreciation information updated (Finance). Note that this may require a change in the practice applied. General asset value information shared with wider Engineering team for the purpose of informing future project cost estimates. <p>Upon completion of this work a longer-term programme of completing asset valuations is to be established and the valuation process is to be reviewed, and future improvements implemented as part of future AMPs and Improvement Plans.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Consultant (TBC); Infrastructure Team	Task Lead	Engineering Team Leaders; Finance	Engineering Team
Timeframes	Milestone		Expected Completion	
	Devise asset valuation methodology		31/03/2026	
	Complete valuation		30/09/2026	

The task below is focussed on supporting the process associated with assessing options and procuring a future Asset Management Information System. Please note that a top-down approach is necessary to drive this procurement forward as the work will be led by the IT team and benefit all functions responsible for delivering asset management for ORC. Progress with this task is therefore contingent on other teams.

Task G	Support the process for assessing options and procuring a future Asset Management Information System, including implementation.			
Practice Area	Asset Data and Information			
Purpose	The purpose of this task is to support the process for assessing options and procuring a future AMIS that meets Engineering’s asset data management needs, ensuring that the outputs of other tasks are aligned to deliver the necessary inputs for successful completion of this task.			
Background	ORC currently uses Conquest (version 3) as an Asset Management Information System (AMIS). This version of Conquest is out of date and unsupported. Further to this, Conquest was set up to achieve Finance practice objectives rather than supporting the broader asset management practice across ORC. The structure and ongoing maintenance of the data also does not meet basic standards for supporting Engineering’s asset management practice, and engagement with it as an appropriate tool for managing asset data has been light across Engineering.			
Improvement Item/s	<ul style="list-style-type: none">Improvement Item 4 (AMP, 2024) – Collaborate with ORC departments in upgrading the Asset Management System, ensuring Engineering requirements are understood and incorporated in the upgrade.Improvement Item 23 (AMMA, 2024) – Assess options for future AMIS based on agreed functionality and system requirements.Improvement Item 24 (AMMA, 2024) – Roles and responsibilities of staff across teams for AMIS utilisation.			
Scope Outline	<p>This task involves working alongside stakeholders across ORC to determine and understand the wider requirements for an AMIS and incorporate Engineering’s needs. Progress in Tasks A, D and E will be necessary to advance this task.</p> <p>In the meantime, this task focusses on:</p> <ul style="list-style-type: none">Obtaining the necessary inputs to this task from Tasks A (process management) and C (preparation of Data Standards).Progress through Task C (Data Improvement Plan) which will involve extracting Engineering’s existing asset data from Conquest, implementing structure per the Data Standards, and maintaining it via alternative means (outside of Conquest) in the meantime. <p>If a future AMIS is procured, this task will further involve Engineering supporting its implementation through the provision of data and participating in testing and the rollout of the AMIS across the wider team. It would be expected that this will involve an organisation-wide change plan to be developed to document more specific tasks and milestones for AMIS implementation.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team	Task Lead	Engineering Team Leaders	Engineering Team
	Note that ORC ELT and IT have overall accountability and responsibility for implementing a new or updated AMIS.			
Timeframes	Milestone		Expected Completion	
	Provide inputs to IT as required		30/06/2027	

Task H	Prepare a master inspection programme that aligns across O&M Manuals, work programmes and best practice guidelines.			
Practice Area	Asset Condition			
Purpose	The purpose of this task is to prepare a master inspection programme for all Engineering assets. The programme shall be inclusive of planned and principal inspections. Additionally, the inspection programme will be cognisant of asset management best practice and existing O&M manuals. Confidence in collected data will be achieved by; ensuring there a strong focus on consistency, reliability, and accuracy of data collected; and ensuring data collected is cognisant of the needs of the end users of that data.			
Background	<p>In its current state, ORC Engineering Operations and Maintenance undertake regular planned inspections of Engineering assets and have inspection targets that are reported annually. However, the process and outputs for these inspections are not well documented or cognisant of asset management or sector best practice. As a result, this information is not readily available to establish risk profiles and programme renewals in the longer-term.</p> <p>Programmes for undertaking principal inspections (undertaken by a suitably qualified and experienced person) have also been carried out infrequently in the past.</p>			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 5 (AMP, 2024) – Develop and implement an asset inspection and condition rating programme cognisant of asset management outcomes. • Improvement Item 15 (AMP 2024) – develop a maintenance plan for each scheme and major asset, to capture activities, frequencies, and costs. Review performance annually and adjust plan accordingly. • Improvement Item 9 (AMMA, 2024) – Develop and implement an ongoing asset inspection, condition and performance rating programme. • Improvement Item 14 (AMMA, 2024) – Capture maintenance activity frequencies and costs and review annually adjust maintenance planning. • Improvement Item 22 (AMMA, 2024) – Targeted asset register and asset data improvement programme. 			
Scope Outline	<p>Prepare a master programme that shows the current inspection programme, research legislative requirements or best practice guidance, perform a gap analysis across O&M Manuals and work programmes, and seek alignment across all of these. Master programme to be written in cognisance of Data Standards, O&M manuals, and best practice.</p> <p>Development of this master programme will require collaboration across the Engineering team to ascertain and record current practices and determine any necessary changes to align requirements across the team.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team	Task Lead	Engineering Team Leaders; Engineering Team	Engineering Team
Timeframes	Milestone		Expected Completion	
	Complete master inspection programme		31/03/2026	

Task I	Prepare and implement asset inspection guidelines aligned with the master programme and embedded in Engineering team practice, for all main asset types (excluding drains and floodbanks).			
Practice Area	Asset Condition			
Purpose	The purpose of this task is to prepare asset inspection guidelines for all main asset types (excluding floodbanks and drains). The guidelines will include roles and responsibilities of all staff involved in inspections and data management and shall be written in cognisance of the master programme for inspections (Task H). Benefits of this task will include increased levels of confidence because of increased consistency, and inspection processes being formally documented. These documents will also serve as training material for future staff, ensuring that a high degree of consistency can be enshrined in inspections undertaken by future staff.			
Background	In its existing state, routine planned inspections undertaken by ORC staff can be subjective and therefore, create inconsistencies in the collected data, impacting reliability and accuracy. This is predominantly due the inspection process being largely inherited from former staff, and as a result have not been formally documented. This creates a lack of standardisation of data, the impacts of which are felt at all functions of asset management, and results in lowered reliability and accuracy of data.			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 5 (AMP, 2024) – Develop and implement an asset inspection and condition rating programme cognisant of asset management outcomes. • Improvement Item 15 (AMP, 2024) – Develop a maintenance plan for each scheme and major asset, to capture activities, frequencies and costs. Review performance annually and adjust plan accordingly. • Improvement Item 9 (AMMA, 2024) – Develop and implement an ongoing asset inspection, condition and performance rating programme. • Improvement Item 22 (AMMA, 2024) – Targeted asset register and asset data improvement programme. 			
Scope Outline	<p>The scope of this task is to prepare inspection guidelines for all asset types (not including floodbanks and drains). These include:</p> <ul style="list-style-type: none"> • River Management Infrastructure (trees, debris traps, concrete structures, rockwork) • Pump stations and pumps (including electrical and mechanical components) • Culverts and Gates • Bridges • Spillways <p>These guidelines will serve to improve the quality, record keeping, and consistency associated with inspections of these assets. This will be achieved by preparing new inspection sheets that will be used to collect data and provide clear guidance on any elements that can generate subjectivity in the inspections. The guidelines will also discuss what attributes will be recorded during inspections, frequency of inspections, different types of inspections and how they are triggered, and will clearly layout responsibilities of different personnel at the different stages of inspection and data management.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team	Task Lead	Engineering Team Leaders; Engineering Team	Engineering Team
Timeframes	Milestone		Expected Completion	
	Complete guidelines for all main asset types (excluding floodbanks and drains), including rolling them out to the team		30/09/2026	

Task J	Prepare and implement asset inspection guidelines for floodbanks, update master programme, and embed in Engineering team practice.			
Practice Area	Asset Condition			
Purpose	The purpose of this task is to prepare asset inspection guidelines for floodbanks. These asset guidelines will include a condition scoring scale with clearly defined features of each score (Very Poor – Very Good), resulting in increased consistency across inspections being undertaken by ORC Operations and Maintenance staff. The guidelines will include roles and responsibilities of all staff involved in inspections and data management and shall be written in cognisance of the master programme for inspections (Task H). Benefits of this task will include increased levels of confidence from increased consistency, and inspection processes being formally documented. Additionally, this task will also provide data that will allow assessments for all flood protection schemes be undertaken using a national framework and tool for assessing asset performance. These documents will also serve as training material for staff, ensuring there is a high degree of consistency can be enshrined in inspections undertaken by future staff.			
Background	In its existing state, the scope of routine planned inspections on floodbanks undertaken by ORC staff includes mowing, and a visual inspection of any damages over the yearly walkover. However, these inspections are entirely informal, and record keeping for inspections on floodbanks is inconsistent. Though some form of record keeping does take place when a fault is identified, the records are fragmented and contain little usable data beyond the short term. This is predominantly due the inspection process being largely inherited from former staff, and as a result have not been formally documented. This creates a lack of standardisation of data, and the data available does not provide information that could be used to undertake analyses (risk, performance, condition).			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 5 (AMP, 2024) – Develop and implement an asset inspection and condition rating programme cognisant of asset management outcomes. • Improvement Item 6 (AMP, 2024) – Undertake assessments for all flood protection schemes using National framework and tool for asset performance. • Improvement Item 15 (AMP, 2024) – Develop a maintenance plan for each scheme and major asset, to capture activities, frequencies and costs. Review performance annually and adjust plan accordingly. • Improvement Item 9 (AMMA, 2024) – Develop and implement an ongoing asset inspection, condition and performance rating programme. • Improvement Item 22 (AMMA 2024) – Targeted asset register and asset data improvement programme. 			
Scope Outline	The scope of this task is to prepare inspection guidelines for floodbanks. These guidelines will serve to improve the quality, record keeping, and consistency associated with inspections on floodbanks. This will be achieved by preparing new inspection sheets that will be used to collect data and provide clear guidance on any elements that can generate subjectivity in the inspections. The guidelines will also discuss what attributes will be recorded during inspections, frequency of inspections, different types of inspections and how they are triggered, and will clearly layout responsibilities of different personnel at the different stages of inspection and data management. Outputs from this task will also provide key inputs to measure and monitor the performance of floodbanks, and flood protection schemes (Task K).			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team	Task Lead	Engineering Team Leaders; Engineering Team	Engineering Team
Timeframes	Milestone		Expected Completion	
	Complete guidelines for floodbanks, including rolling them out to the team		30/06/2027	

Task K	Develop and implement appropriate methodologies for measuring and monitoring the (current state) performance of Engineering's flood protection, drainage and river management assets.			
Practice Area	Asset Performance			
Purpose	The purpose of this task to develop and implement methodologies for measuring and monitoring the performance of Engineering assets. A gap in Engineering's reporting and asset management practices, being able to measure and monitor performance will provide a better understanding of the state of schemes. It will allow for Engineering to identify and focus resources on targeted improvements resulting more cost-effective decision making that is underpinned by data that is reliable and accurate.			
Background	In its current state, Engineering is unable to report accurately on performance of assets across ORC's land drainage, river management, and flood protection Schemes. This is largely due to legacy practices where historically, ORC has not reported on the performance of assets within its Schemes. Although recently attempts have been made to attempt to quantify the performance of assets, they have largely been unsuccessful, because of the absence of any processes or methodologies that could be followed.			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 6 (AMP, 2024) – Undertake assessments for all flood protection schemes using National framework and tool for assessing asset performance. • Improvement Item 7 (AMP, 2024) – Develop a performance framework for the drainage schemes. • Improvement Item 10 (AMP, 2024) – Develop and maintain records for past and track current performance, and report within future versions of AMP. • Improvement Item 8 (AMMA, 2024) – Develop a performance framework for land drainage schemes. • Improvement Item 9 (AMMA, 2024) – Develop and implement an ongoing asset inspection and condition and performance rating programme. 			
Scope Outline	<p>Methodologies for measuring and monitoring the current state performance of Engineering's flood protection, drainage and river management assets will need to be devised.</p> <p>Responsibilities for measuring and monitoring performance will need to be established across the Engineering and Natural Hazards teams.</p> <p>Completion of this task will require establishing the current performance of Engineering's flood protection, drainage and river management assets in accordance with the methodologies developed.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team; Natural Hazards	Task Lead	Engineering Team Leaders; Natural Hazards	Engineering Team
Timeframes	Milestone		Expected Completion	
	Complete performance monitoring methodologies		30/06/2026	

Task L	Prepare and implement a plan for filling any gaps in current levels of service information for assets/schemes.			
Practice Area	Levels of Service			
Purpose	Establishing a levels of service framework will build a common understanding of performance measures, both internally and externally. This will better enable these measures to be established in the longer-term through the formal LTP process, inform work programmes and assist in responding to queries from community members.			
Background	Levels of service for the performance of flood protection infrastructure are guided by the mandatory performance measure set by the Department of Internal Affairs. This does not set clear targets and Councils ultimately have freedom to choose how they measure their own levels of service. There are no mandatory performance measures for land drainage schemes. The performance measures that are currently used by ORC have a technical focus (applying a flow rate or event scenario) and do not translate well into operation or customer focussed performance measures.			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 8 (AMP, 2024) – Develop and implement a framework for developing and reviewing levels of service. • Improvement Item 9 (AMP, 2024) – Develop additional customer and technical performance measures to support service level delivery. • Improvement Item 11 (AMP, 2024) – Consult with community on service level options and costs, and ensure community inputs are represented in levels of service decision making. • Improvement Item 3 (AMMA, 2024) – Review and update Level of Service performance measures and targets with expanded customer and technical performance measures. • Improvement Item 4 (AMMA 2024) – Engage with ORC governance and the community to agree Levels of Service. • Improvement Item 5 (AMMA, 2024) – Report on Levels of Service in the Annual Report and Long-Term Plan. • Improvement Item 13 (AMMA, 2024) – Develop and document maintenance plan strategies for each scheme that are aligned to agreed levels of service and other relevant standards. 			
Scope Outline	<ul style="list-style-type: none"> • Establish what the current levels of service are for the flood protection and drainage schemes, and their history and origin where available. • Research levels of service that other Regional Council's apply to their flood protection and drainage schemes. • Establish draft levels of service (technical, operational and customer focussed) that can be workshopped internally, with a view to working with the wider Engineering team to establish appropriate levels of service that are cognisant of any historic levels of service and sector approaches. Develop a plan and timeframe around the implementation of these levels of service. • Engage with Council and communities through the Infrastructure Strategy / LTP process, and with scheme liaison groups to embed long-term levels of service in the 2027 and 2030 LTP's in accordance with the developed plan. • Create guidelines for the ongoing reporting of levels of service information, and process for future review and updating as required (Task A). 			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Consultant (TBC) Infrastructure Team	Task Lead	Engineering Team Leaders; Natural Hazards	Engineering Team
Timeframes	Milestone		Expected Completion	
	Complete review and gap analysis		31/03/2026	
	Execute plan to fill levels of service gaps		31/12/2027	

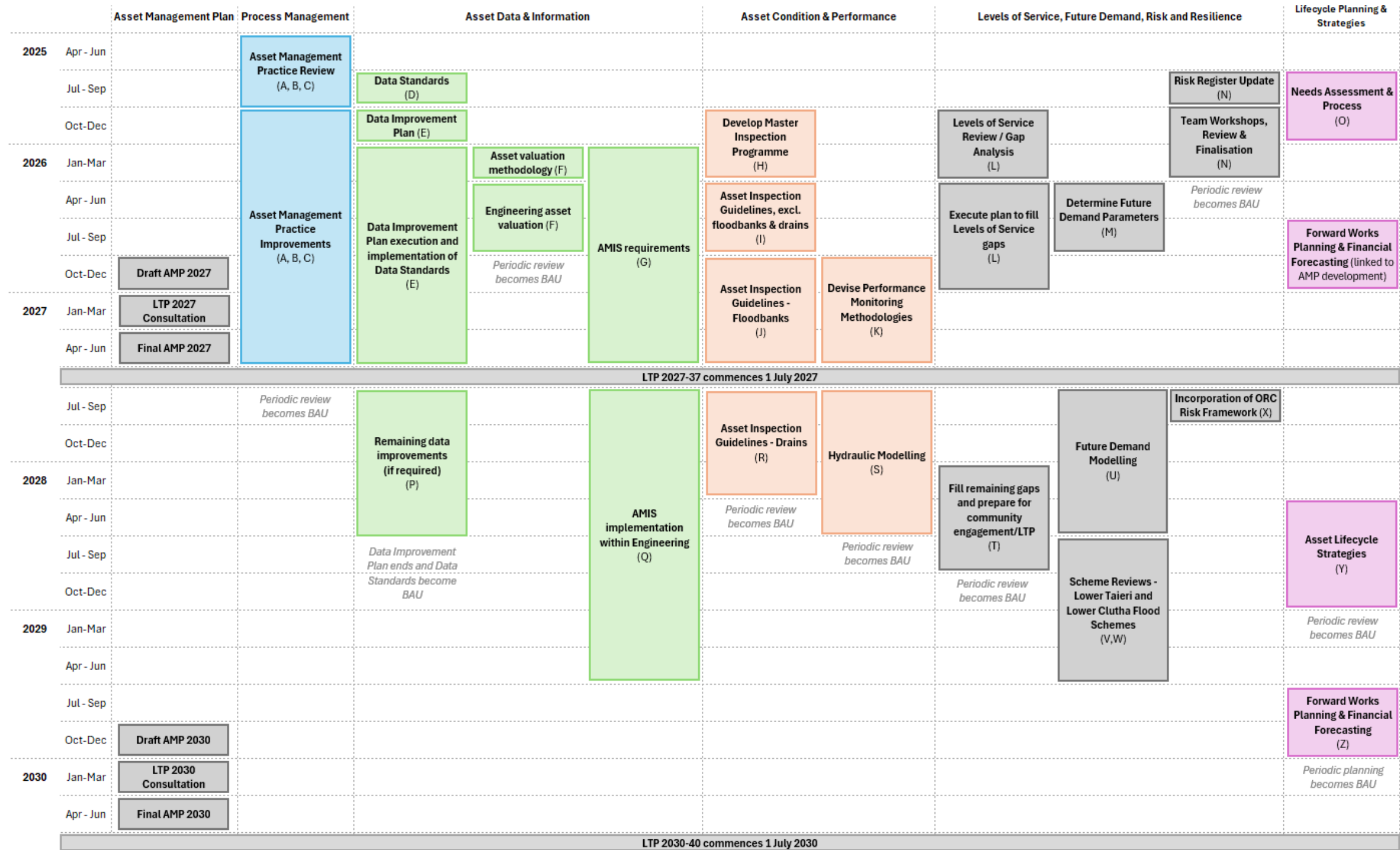
Task M	Undertake research to establish demand parameters.			
Practice Area	Demand Forecasting			
Purpose	Ongoing monitoring of demand parameters that impact on the schemes, or areas without schemes, will help inform Engineering and ORC's understanding of performance, demand and risk, which will in turn inform Engineering's forward works programme and enable Engineering to better communicate and justify this programme. Establishing which demand parameters are appropriate to apply to Engineering's assets/schemes is necessary for informing future tasks.			
Background	At a high level the Engineering AMP (2024) identifies the intersection of people and the natural environment as what drives demand for flood protection and drainage services. However, ORC does not currently have a framework that sets out how these demand drivers, and the parameters that influence them, impact on the current flood protection and drainage schemes. Establishing the parameters that impact demand is the first step towards being able to undertake future demand modelling and scheme reviews.			
Improvement Item/s	<ul style="list-style-type: none"> Improvement Item 12 (AMP, 2024) – Improve demand forecasts using quantitative data and analyses, starting with climate change & land development demand drivers. 			
Scope Outline	<p>Undertake research of different Councils and overseas examples to determine the approaches taken by others.</p> <p>Determine other sources of information that may provide outputs to inform future demand parameters and enable future demand analyses:</p> <ul style="list-style-type: none"> Examine the strategic inputs/outputs that could be provided from territorial authorities via their respective Future Demand Strategies, LTP's and/or other planning documents. Determine what information ORC has available or could make available. <p>Consider the future demand analyses that might be necessary to inform the inputs and outputs of the frameworks established via Task K (methodologies for measuring and monitoring performance), Task L (levels of service review) and Task N (risk register).</p> <p>Workshop the different options for future demand analyses that might be applicable to ORC with Natural Hazards and the appropriate Engineering team members.</p> <p>Establish the demand parameters that are applicable to ORC and set up the necessary monitoring, recording any cyclic review in the programme of key asset management activities (Task C).</p> <p>Undertake an initial analysis of future demand to inform AMP 2027.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team; Natural Hazards	Task Lead	Engineering Team Leaders; Natural Hazards	Engineering Team
Timeframes	Milestone		Expected Completion	
	Determine future demand parameters		30/09/2026	

Task N	Complete the Engineering Risk Register, share with the wider team and embed the process for its continual update.			
Practice Area	Risk and Resilience			
Purpose	<p>The purpose of this task is to complete the development of the engineering risk register. By adopting and implementing a risk management framework, Engineering will be able to capture a full risk profile for each scheme. A risk profile of each scheme will allow the Engineering department to identify areas of greatest risk and vulnerability, and provide targeted improvements.</p> <p>This task also seeks to standardise the perception of risk across the engineering team, which will be an essential component of efficient application of a risk management framework.</p>			
Background	<p>In its current state, the Engineering department does not use a risk management framework to prioritise renewals, capital works, and maintenance regimes. This is because whilst Engineering has begun the development of a risk register, it has not been communicated with the team and the process for risk identification, assessment, treatment and on-going monitoring has not been adopted and embedded. Standardisation with an organisational risk framework is also to be completed. This is expected to be done once the 2016 framework has been updated at an organisation-wide level.</p>			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 16 (AMP, 2024) – Implement risk-based asset performance framework to identify and prioritise asset renewals. • Improvement Item 17 (AMP, 2024) – Implement formalised risk management processes aligned to risk management framework. • Improvement Item 18 (AMP, 2024) – Complete the risk register and develop and implement a risk management action plan. • Improvement Item 11 (AMMA, 2024) – Continue to develop (or complete) risk register, and engage with ORC leadership and governance to develop and implement a risk management action plan. 			
Scope Outline	<p>Infrastructure team to continue the development of the risk register.</p> <p>A wider team risk management workshop will be undertaken to communicate the risk management framework, and identified risks, and also run a risk identification exercise. This workshop will aim to standardise how risk is perceived within the team.</p> <p>Risk assessment and treatment will also be included in the workshop.</p> <p>Post workshop, Infrastructure team to develop processes for elements of risk management. Approval to be sought from Manager of Engineering prior to embedment.</p> <p>Secondary workshop to communicate and implement risk management framework and processes.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team	Task Lead	Engineering Team Leaders	Engineering Team
Timeframes	Milestone		Expected Completion	
	Updated risk register		30/09/2025	
	Team workshops, review and finalisation		31/03/2026	

Task O	Finalise needs assessment template and establish process for project identification across Engineering			
Practice Area	Forward Works Planning – Operational and Capital			
Purpose	Establishment of a clear and well understood process for identifying and capturing project needs. This is necessary to better inform the work programmes established via the AMP and LTP, as well as better supporting future funding applications. This information will also enable Engineering to better convey the scope and priority of future projects to Council and communities.			
Background	Engineering does not currently have an established process for capturing project needs and translating these into a forward works programme. Historically this has made it more challenging to ascertain the source of some projects, with information held in different locations and formats over many years. In the past some Otago communities have also asked for more detailed justification for projects and it would be useful for the Engineering team to be able to access a single source of truth to aid in communicating project needs and priorities to the community. Past applications for central government funding have also called for information that demonstrates the need/s of ORC projects.			
Improvement Item/s	<ul style="list-style-type: none"> • Improvement Item 15 (AMMA, 2024) – Utilise asset data (age, condition, performance) to forecast future renewals. • Improvement Item 16 (AMMA, 2024) – Develop and maintain an improved master capital projects register, with new projects identified in response to current asset information, risk assessment, and future demand. 			
Scope Outline	<p>Develop the process for capturing project ideas, triaging them, identifying needs, assessing risk (if needed) and ensuring this information is readily available to inform the AMP and LTP. Task A will begin to address this process, and it should be reviewed as this task is being progressed.</p> <p>Develop a template for carrying out a needs assessment for projects that meet the criteria for doing so. Connect this process with any processes around forward works planning to inform the AMP and LTP.</p> <p>This should involve working alongside other Engineering teams to establish their needs in relation to what the assessment should cover, establish responsibilities for completing the assessment and engaging in the overall process, and ultimately embed the process in Engineering team practice.</p> <p>Over time it is expected that the needs assessment will be driven by better data (Tasks D and E – Data Standards and Data Improvement Plan) and the template may require review and refinement to account for this.</p>			
Responsibilities	Responsible	Accountable	Consulted	Informed
	Infrastructure Team	Task Lead	Engineering Team Leaders	Engineering Team
Timeframes	Milestone		Expected Completion	
	Needs assessment template and process devised and implemented		31/12/2025	

7. Programme

The following programme outlines the proposed timing for starting and completing each task. Tasks from July 2027 onwards are preliminary and are expected to be reviewed and further detailed in the next iteration of this Improvement Plan.



8. Stakeholders

There are several stakeholders that have been identified as key to the successful implementation of this Improvement Plan and longer-term embedment of improved asset management practice across Engineering and ORC. Table 2 identifies each of the stakeholder groups and outlines the approach to be taken with each in engaging with them on this Improvement Plan.

Table 2 Identified stakeholders and approach to be taken with engaging each.

Stakeholders	Engagement Approach
Engineering	<p>A collaborative approach will be taken with the Engineering team. It is expected that this collaborative approach will spread to the wider team as progress is made through each task and the benefits of these improvements become more widely established in team practice. In return it is expected that the Engineering team will participate and engage in developing processes and enable the embedment of them within their teams.</p> <p><i>We will consult with and keep the Engineering team informed about progress with implementing this improvement plan, and opportunities to engage with us on process development and embedment in team practice.</i></p>
GIS	<p>A collaborative approach will need to be taken with the GIS team in the development of Data Standards and the Data Improvement Plan. This will include establishing roles and responsibilities for the management of Engineering’s spatial data and linkages to an AMIS.</p> <p><i>We will consult with IT/GIS on the Data Standards and Data Improvement Plan, with a view towards IT/GIS supporting these improvements and embedding ongoing maintenance practices around the upkeep of this data.</i></p>
Finance	<p>The Finance team has historically managed Conquest, including updating asset value data, capitalising costs and disposing of assets. Moving forward it is intended that Engineering sets up the processes for management of this data to ensure that it aligns with Engineering Data Standards. A collaborative approach will need to be taken to understand current processes and any alignment with financial policies, as well as the development of new processes and establishing roles and responsibilities. This addresses Improvement Item 19 (AMP, 2024) – Establish and maintain good lines of communication with Finance Department.</p> <p><i>We will consult with the Finance team to establish processes that need to connect across various asset management practice areas and associated improvement tasks.</i></p>
ELT	<p>ELT will be leading the implementation of organisation-wide improvements to help raise ORC’s asset management maturity level. Engineering will need to be cognisant of progress on these improvements, particularly where strategy and policy changes will also need to flow through Engineering specific improvements.</p> <p><i>We will keep the GM Science and Resilience (via Manager Engineering) informed about progress with this Improvement Plan and contribute to any organisation-wide improvements as necessary.</i></p>
Council	<p>Council will see the benefits of implementing this Improvement Plan, together with organisation-wide improvements, in the quality of information supporting the Asset Management Plan and subsequently the Infrastructure Strategy and Long-Term Plan. It is important for Engineering to be aware of Council’s interest and the subsequence importance of implementing this Improvement Plan.</p> <p><i>We will work towards demonstrating improvement in asset management maturity through the implementation of this Improvement Plan and subsequent outputs that will be visible to Council through increased confidence in data and information that informs the Engineering Asset Management Plan, Infrastructure Strategy and LTP.</i></p>

This plan does not specifically address community engagement or consultation in relation to the specific details of this Improvement Plan, however, does acknowledge that this will naturally occur through improvement in process management and alignment in asset management practice with ORC asset management strategy, policy, Infrastructure Strategy, LTP and scheme liaison groups.

9. Risk

Table 3 presents risks to the successful implementation of this Improvement Plan. Quarterly check-ins on progress against the tasks, milestones and overarching programme will also include reviewing and updating these risks. This in turn will keep ORC management informed of where support may be necessary to help keep this Improvement Plan on track. While no risk management framework has been applied, the risks have been ranked in order of highest to lowest.

Table 3 Summary of risks to the successful implementation of this Improvement Plan, ranked from highest to lowest risk.

Risk	Detail	Mitigation Measures
Resourcing	Infrastructure Team currently has 2.0 FTE's at present (down from 4.0 FTE's). Implementation of this Improvement Plan will require external consultants to fill gaps in resourcing and specific expertise (e.g. data management). The team also needs to be resourced to receive the outputs of the work that will be generated by improving maturity across the wider Engineering team. Success of this plan, particularly in the data improvement and maintenance space, is reliant on GIS team availability to engage with Engineering on improvements and embed ongoing maintenance practices.	<ul style="list-style-type: none"> Determine resourcing needs for delivering this Improvement Plan and ongoing asset management support to the wider Engineering team. Engage external support would be most beneficial in supporting the successful implementation of this Improvement Plan. Confirm GIS team availability to support the implementation of this Improvement Plan.
Engineering team support	Engineering team may not support changes due to lack of understanding of needs across the wider team and the greater benefit that can be derived from improving asset management practices as a team.	<ul style="list-style-type: none"> Collaboration and engagement throughout implementation of Improvement Plan. Task B specifically addresses improving asset management knowledge and respect. Implementation will need to be championed by senior leadership (Task B).
AMIS procurement	IT are leading the work to procure an AMIS that is fit for purpose across ORC functions. There is a risk that procurement does not occur.	<ul style="list-style-type: none"> Ideally this work would be elevated as a critical organisation project. Data Improvement Plan will prepare Engineering for transition to a new or updated AMIS. It will also include a contingency plan that covers how data will be managed should this procurement not occur. Seek updates from IT on progress with procurement.
Task dependencies	There are several tasks where progress cannot be made before other tasks have progressed or have been completed.	<ul style="list-style-type: none"> Task Lead establish to help manage dependencies. Quarterly check-ins in relation to task progress and milestone/programme tracking. Raise awareness of task dependencies amongst wider team where appropriate,

Risk	Detail	Mitigation Measures
		including clarifying their roles in their successful completion where relevant.
Scope or priority changes	It is expected that the priority and scope of some tasks may change to align with the needs of others across Engineering and ORC.	<ul style="list-style-type: none"> • Early warning of any potential priority or scope changes where possible. • Recognition of need to focus on the process and data space to make progress with future tasks/improvements.
Collaboration across ORC teams	Collaboration will be necessary across other ORC teams, predominantly Finance and GIS, and others as identified in Section 5. The success of implementing this Improvement Plan is pivotal on being able to collaborate across teams to make improvements, noting that this may require changes in responsibilities across these teams.	<ul style="list-style-type: none"> • Seek ELT level buy-in and support for a collaborative approach and appropriate resourcing and prioritisation. • Collaborative approach to developing processes that link across Finance, GIS and Engineering teams (and others as required). • Resolution of responsibilities (organisation-wide improvement).
Budget	Outsourcing some components of certain tasks to consultants will require budget to do so.	<ul style="list-style-type: none"> • Forward planning and monitoring of remaining asset management budget. • Low resources and budget remaining in asset management workstreams will ensure that outsourcing of any work can occur. • Asset management work orders to be created for 2025/26 financial year to ensure ring fencing of budget and increased ability to monitor and manage.
Execution of organisation wide improvements	Organisation wide improvements (e.g. asset management policy, strategy, roles/responsibilities and procurement) are not covered by this Improvement Plan, noting that these improvements will impact on the ability to make progress against some of the tasks in this Plan and better enable organisation wide alignment and improve ORC's asset management maturity overall.	<ul style="list-style-type: none"> • Remain aware of organisation wide improvements that will impact on tasks, contribute as necessary, and remain agile to changes that may impact on Engineering practice and processes. • Seek regular updates on organisation wide progress with associated improvements.

Appendices

Appendix A: Engineering Asset Management Plan Improvements (2024)

Appendix B: Asset Management Maturity Assessment Improvements (Rationale, 2024)

Appendix C: Proposed Future Tasks

Appendix A: Engineering Asset Management Plan Improvements (2024)

Improvements highlighted in green are organisation wide improvements that are not covered by this Improvement Plan.

No.	Improvement Item	Task Ref.
1	Support the development of an organisation wide Asset Management Policy.	
2	Update AMP to align with 2024-2034 Strategic Direction.	See Note 1
3	Improve asset inventory datasets with targeted improvement programmes focused on data capture, cleansing, standardisation and validation.	C, D, E
4	Collaborate with ORC departments in upgrading the Asset Management Information System, ensuring Engineering requirements are understood and incorporated in the upgrade.	G
5	Develop and implement an asset inspection and condition rating programme cognisant of asset management outcomes.	H, I, J, R
6	Undertake assessments for all flood protection schemes using National framework and tool for assessing asset performance.	J, K, S
7	Develop a performance framework for the drainage schemes.	K
8	Develop and implement a framework for developing and reviewing levels of service.	L
9	Develop additional customer and technical performance measures to support service level delivery.	L
10	Develop and maintain records for past and track current performance, and report within future versions of AMP.	C, K
11	Consult with community on service level options and costs, and ensure community inputs are represented in levels of service decision making.	L
12	Improve demand forecasts using quantitative data and analyses, starting with climate change & land development demand drivers.	M
13	Undertake more robust analyses of impacts to infrastructure from demand forecasts, particularly for climate change and land development, and assess impacts on capital and operational expenditure.	U, V, W
14	Develop an integrated, demand management programme, adjusting existing and planning new initiatives to manage demand impacts.	U
15	Develop a maintenance plan for each scheme and major asset, to capture activities, frequencies and costs. Review performance annually and adjust plan accordingly.	H, I, J, R
16	Implement risk-based, asset performance framework to identify and prioritise asset renewals.	N, Z
17	Implement formalised risk management processes aligned to risk framework.	N, X
18	Complete the risk register and develop and implement a risk management action plan.	N
19	Establish and maintain good lines of communication with Finance department.	Section 8
20	Identify projects for asset improvements in accordance with risk framework.	Z
21	Review and enhance processes around management of Trees for flood protection, land drainage, and river management activities.	See Note 2
22	Champion and foster a culture that promotes the adoption of asset management principles across departments, teams, and activities.	B
23	Promote and facilitate workshops to increase adoption of asset management principles across departments, teams, and activities.	B

Note 1: This is considered a business-as-usual activity, noting that the current strategic direction (for LTP 2024) was finalised after the AMP 2024 was delivered.

Note 2: The review and enhancement of processes around management of trees is a combined approach across Engineering's teams, with improvements in data collection capability (Tasks D and E) to better inform this approach and enable Engineering to quantify this work more readily.

Appendix B: Asset Management Maturity Assessment Improvements (Rationale, 2024)

Improvements highlighted in green are organisation wide improvements that are not covered by this Improvement Plan.

No.	Improvement Item	Task Ref.
1	Develop an organisational AM Policy.	
2	Develop an organisational AM Strategy.	
3	Review and update Level of Service performance measures and targets with expanded customer and technical performance measures.	L
4	Engage with ORC governance and the community to agree Levels of Service.	L
5	Report on Levels of Service in the Annual Report and Long-Term Plan.	L
6	Undertake future demand forecasts / demand scenarios with focus on climate change and land development.	U, V, W
7	Undertake inspection of all flood protection assets using National Framework and tool for assessing asset performance.	S
8	Develop a performance framework for land drainage schemes.	K
9	Develop and implement an ongoing asset inspection and condition and performance rating programme.	H, I, J, K, R, S
10	SAMP improvements to be embedded within and consistent across existing ORC documents (LTP, IS, AMPs).	See Note 3
11	Continue to develop (or complete) risk register and engage with ORC leadership and governance to develop and implement a risk management action plan.	N
12	Utilise risk-based framework to identify and prioritise capital renewals / improvements, and document risk management in the AMP.	Z
13	Develop and document maintenance plan strategies for each scheme that are aligned to agreed levels of service and other relevant standards.	L
14	Capture maintenance activity frequencies and costs and review annually adjust maintenance planning.	H
15	Utilise asset data (age, condition, performance) to forecast future renewals.	O
16	Develop and maintain an improved master capital projects register, with new projects identified in response to current asset information, risk assessment, and future demand.	O, Z
17	Update asset valuation information at component level (see Asset Data & Information) following Asset Data & Information improvements.	E, F
18	Forecast capital works based on improved asset data (age, condition, performance), and the capital projects register (see Capital Works Planning).	N
19	Update 2024 AMP to include forward programmes and 10-year forecasts developed for the 2024 Long Term Plan and Infrastructure Strategy.	A, H, O
20	Plan the 2027 AMP update to action identified improvements, particularly for lifecycle management, risk and resilience, and future demand sections.	C, Y
21	Organisational AM structure, roles, and responsibilities.	
22	Targeted asset register and asset data improvement programme.	D, E, H, I, J, R
23	Assess options for future AMIS based on agreed functionality and system requirements.	D, G
24	Roles and responsibilities of staff across teams for AMIS utilisation.	
25	Identify and document all processes related to Engineering activities	A
26	Regular procurement audit and improvement actions.	
27	Develop a prioritised organisational 3-year AM improvement plan.	See Note 4

Note 3: Development of an organisational wide Asset Management Strategy or SAMP falls outside the scope of this Improvement Plan. Consistency will be sought between these strategic documents and the Engineering AMP as a matter of course.

Note 4: This AM Improvement Plan addresses this improvement item. It is a two-year plan due to the timing of this plan relative to the need to deliver the first stage of improvements for AMP 2027. A three-year plan will then be developed to continue to build on these improvements for AMP 2030.

Appendix C: Proposed Future Tasks

Tasks noted below have not been fully scoped at this stage and are scheduled to be scoped in at the beginning of FY27/28. This is because tasks identified below will require tasks scoped herein to start delivering outputs and outcomes. It is expected that the tasks below will leverage the improvements in systems achieved from tasks above. This will enable the Engineering team to commence activities which are closer to reflecting asset management operations of 'Intermediate' maturity. At the end of the completion of tasks below, it is expected that Engineering will achieve maturity targets set out in the AMMA 2024.

Task Ref.	Practice Area	Task Description	Purpose	Improvement Items	Scoping Status
P	Asset Data & Information	Finish implementing Data Improvement Plan and embed Data Standards as part of BAU activities.	Finish implementing any remaining items from the Data Improvement Plan, at which point it will be retired and the Data Standards will remain as the document that underpins Engineering's asset data management.	AMP: 3 AMMA: 17 & 22	Not started
Q	Asset Data & Information	Support the implementation of a new or updated AMIS (IT Led)	Support the implementation of a new or updated AMIS as needed.	AMP: 4 AMMA: 23 & 24	Not started
R	Asset Condition	Prepare and implement asset inspection guidelines for drains, update master programme, and embed in Engineering team practice.	Implement asset inspection guidelines for drains that include a condition scoring scale and define the associated parameters. This includes identifying roles and responsibilities of staff.	AMP: 5 & 15 AMMA: 9 & 22	Drafted
S	Asset Performance	Update or develop new hydraulic models of the flood protection and drainage schemes.	The review or development of scheme models is necessary to understand the current state/performance of Engineering's assets, and the ability to examine potential future states in later tasks. This will inform analyses in relation to asset performance, risk and future demand.	AMP: 6 AMMA: 7 & 9	Drafted
T	Levels of Service	Continue to fill any gaps and be able to confidently communications levels of service to scheme communities.	Longer-term embedment of levels of service across schemes through engagement with Council and the community (LTP led process).	AMP: 8, 9 & 11 AMMA: 3, 4, 5 & 13	Not started
U	Demand Forecasting	Run future demand scenarios and assess impact on performance and levels of service.	Improve understanding of the potential demand on Engineering infrastructure, including informing Engineering's engagement with territorial authorities in relation to District Plans and Future Development Strategies.	AMP: 13 & 14 AMMA: 6	Not started
V	Demand Forecasting	Scope scheme reviews for Lower Clutha and Lower Taieri Flood Protection and Drainage Schemes	Understand possible future states for the Lower Clutha and Lower Taieri schemes to inform engagement with the community on future levels of service and potential adaptation options.	AMP: 13 AMMA: 6	Not started
W	Demand Forecasting	Scope scheme reviews for remaining schemes.	Understand possible future states for the remaining schemes to inform engagement with the community on future levels of service and potential adaptation options.	AMP: 13 AMMA: 6	Not started

Task Ref.	Practice Area	Task Description	Purpose	Improvement Items	Scoping Status
X	Risk and Resilience	Align ORC's risk management framework with Engineering's Risk Register	Ensure consistent application of ORC's updated risk framework across Engineering. This is necessary for consistency across the organisation and to ensure high risks are flagged to the appropriate level of management as required.	AMP: 17	Not started
Y	Asset Lifecycle Planning and Strategies	Prepare asset lifecycle strategies	The development of asset lifecycle strategies will help connect the data and information gleaned across previous tasks, with decision-making practices and ultimately operational and capital works planning moving forward.	AMMA: 20	Not started
Z	Forward Works Planning – Operational and Capital	Utilise asset lifecycle strategies and available data and information to support the Engineering team in their forward works planning across operations and capital work programmes.	Inform longer-term work programmes, the Long-term Plan and Infrastructure Strategy based on a solid foundation of asset data and information. This level of planning will also support government funding applications.	AMP: 16 & 20 AMMA: 12 & 16	Not started

Draft scopes for the tasks above can be found in Tiaki here – [Draft Improvement Plan Scopes](#)

Engineering Asset Management Improvement Plan 2025–2027

Summary on a page

What is it?

The **Engineering Asset Management Improvement Plan** communicates the steps necessary to enhance Engineering’s asset management practices and subsequent maturity. This will ultimately lead to greater accessibility to asset data and increased confidence in making decisions

about Engineering’s future work programmes. The Improvement Plan has a two-year duration to align with the Asset Management Plan (AMP) 2027. Making improvements in asset management is expected to be a journey and will continue beyond the lifetime of this plan.

Why does it exist?

Engineering’s Asset Management Plan (AMP) 2024 identified a range of improvements. These were further supported by improvements identified in an asset management maturity assessment (Rationale, 2024). Engineering

was assessed as having a ‘Basic’ level of maturity, with an ‘Intermediate’ level being recommended. An improvement plan was developed to help plan and communicate how Engineering will achieve this.

Priorities

- Building a solid foundation in process management and asset data/information upon which to improve maturity across all practice areas.
- Making progress in establishing levels of service to inform planned rating reviews and support engagement and decision-making with Council and communities.
- Developing an AMP 2027 that better informs the development of work programmes and budgets for LTP 2027.

Stakeholders

The following have been identified as key internal stakeholders and are deemed pivotal to the successful implementation of this plan:

- Engineering
- GIS and IT
- Natural Hazards
- Finance
- ELT
- Council

Risks

There are several risks to the successful delivery of this plan:

- Resourcing
- Engineering team support
- Asset Management Information System (AMIS) procurement
- Task dependencies
- Scope or priority changes
- Collaboration across ORC teams
- Budget
- Execution of organisation-wide improvements

Plan summary

Practice Area	Improvement Tasks	Outputs (2027 Target)
Process Management	<div>Document AM practices.</div> <div>Build knowledge and respect for AM.</div> <div>Develop programme of key AM activities.</div>	<div><ul style="list-style-type: none">Documented processes and increasing knowledge and implementation of AM best practice across the wider Engineering team.Increased confidence in Engineering’s broader understanding of what ‘asset management’ is and how everyone contributes to it.</div>
Asset Data and Information	<div>Prepare Data Standards.</div> <div>Prepare & implement a Data Improvement Plan.</div> <div>Carry out an asset valuation.</div> <div>Support the AMIS procurement process (IT led).</div>	<div><ul style="list-style-type: none">Data Standards exist to provide a best practice approach to maintaining data.Data Improvement Plan in place to set out how Engineering plans to improve data quality and quantity.Valuation of Engineering assets completed.Procurement of a future AMIS supported by Engineering as necessary (IT led).Asset data and information is becoming more widely available across the team.</div>
Asset Condition	<div>Prepare master inspection programme.</div> <div>Prepare asset inspection guidelines for all other asset types.</div> <div>Prepare asset inspection guidelines for floodbanks.</div>	<div><ul style="list-style-type: none">Master Inspection Programme aligned across all work areas.Asset Inspection Guidelines developed for all main asset types to set clear expectations around programme and asset condition (and performance) outputs.</div>
Asset Performance	<div>Develop and implement appropriate methodologies for measuring and monitoring the current state performance of assets.</div>	<div>No specific outputs.</div>
Levels of Service	<div>Prepare and implement a plan for filling any gaps in current levels of service.</div>	<div><ul style="list-style-type: none">Gaps have been identified and there is a plan underway to fill them.Levels of service are understood internally.Levels of service are starting to be communicated externally to scheme communities where possible.</div>
Demand Forecasting	<div>Undertake research to establish demand parameters.</div>	<div><ul style="list-style-type: none">Demand parameters have been established to inform current and future tasks, as well as the Infrastructure Strategy 2027-2057.</div>
Risk and Resilience	<div>Complete the Engineering Risk Register and embed process for ongoing updates.</div>	<div><ul style="list-style-type: none">Engineering Risk Register is established and has a routine process around its ongoing review and update as part of BAU activities.</div>
Asset Lifecycle Planning and Strategies	<div>No specific actions or outputs. Foundation built across the completion of other tasks.</div>	
Forward Works Planning	<div>Finalise needs assessment template and establish process for project identification.</div>	<div><ul style="list-style-type: none">Needs assessment template and project initiation register is established and is being monitored and updated as part of BAU activities and is useful in the development of work programmes and budgets for LTP 2027-2037.</div>

Preliminary tasks for 2027–2030 have also been identified in the Improvement Plan. Further details on all aspects of the plan can be found in the Engineering Asset Management Improvement Plan in Tiaki —

ORC Engineering AM Improvement Plan Final — June 2025

250904

Audit and Risk Subcommittee - 17 September 2025

46



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Memo

To: Pam Wilson, Infrastructure Engineering Lead
From: Chris Bowie & Tom Lucas, Rationale Ltd
Date: June 2025
Subject Independent Review of ORC Engineering Asset Management Improvement Plan

Background

Otago Regional Council's Engineering team has developed an Asset Management Improvement Plan (the Plan) outlining a staged programme of key actions and projects to be delivered ahead of the 2027 and 2030 Long Term Plans (LTPs). The Plan is expected to clarify milestones, timeframes, deliverables, resourcing, and budgets to support effective delivery.

Review purpose

- 1. Provide independent review and advice on Otago Regional Council's asset management improvement planning and implementation.
- 2. Ensure improvement actions address key issues / risks and will achieve the improved asset management maturity sought.

Review summary

Rationale's review of the April 2025 draft found that the Plan is aligned with the findings of the 2024 Asset Management Maturity Assessment and builds on prior improvements identified in Engineering's 2024 AMP.

The Plan establishes a long-term programme of work that scopes and sequences tasks, considers their interdependencies, and presents realistic timeframes. This structured approach supports institutional continuity, providing clarity for new staff and resilience as priorities evolve.

Importantly, the Plan adopts a pragmatic pace, aligning deliverables with available resourcing to ensure the programme is achievable and sustainable.

Priority improvement areas

Rationale highlights several key tasks / workstreams that are from our perspective priority improvement areas:

- 1. Asset Management Information System (Task G):**
ORC's current AMIS (Conquest) is not actively used by the Infrastructure Engineering team and lacks core functionality. This review, and a decision on whether to enhance Conquest or replace it with a fit-for-purpose system, is a critical enabler for integrated asset planning, reporting, and decision-making. This task requires active support from leadership and close coordination across departments to define future requirements and drive progress.
- 2. Asset Performance (Task K):**
Engineering's ability to assess current asset performance remains underdeveloped. Given the long-lived nature of flood protection and drainage assets, establishing performance monitoring is fundamental to effective lifecycle planning and risk management.
- 3. Demand Forecasting (including Scheme Reviews) (Task M)**



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Current capital planning is short-term and lacks integration with asset performance, condition data, and external drivers such as land use change or rainfall variability. This task supports more robust long-term forecasting and ties in with the future scheme reviews and links to forward works planning (Task O).

Potential issues / risks

We provided detailed feedback in the draft Plan, and highlighted several areas of potential risk that we felt should be noted / addressed:

- **Resourcing constraints:**

Delivering the Plan in full is likely to exceed the current capacity of the Infrastructure team. Successful implementation will require additional external support and internal capacity to embed outputs into business-as-usual. If resourcing is not secured, the Plan's scope or delivery timeframe may need to be adjusted. Engineering has subsequently commenced more detailed resource planning and we understand this has been shared with relevant managers.

- **Cross-team dependencies:**

Many tasks are reliant on inputs or leadership from other ORC teams (e.g. IT, GIS, Finance, Natural Hazards). Historical barriers to cross-team collaboration are acknowledged but not fully resolved in the Plan. Without strong organisational support and clear accountability, key deliverables may stall — particularly those identified above as priorities.

- **Engagement with decision-makers:**

The Plan is a technical document, valuable for the delivery team and as a record of current thinking. However, its complexity may limit engagement from senior decision-makers and external stakeholders. We recommend the development of a summary document or slide pack to support communication with ELT, Council, and other teams. This has been somewhat achieved with the 1-pager summary now included in the final version.

Conclusion

The Engineering Asset Management Improvement Plan provides a solid framework for building capability and confidence in ORC's asset management practices. The sequencing and scope of tasks are appropriate and aligned with the findings of Rationale's 2024 maturity assessment. Delivering on the Plan will require a coordinated, whole-of-organisation effort, with sustained leadership and resourcing support.

Key next steps may include:

- Assign responsibility for leadership and delivery of key actions / tasks.
- Engage with other ORC teams and agree approach to cross-team coordination.
- Confirm and secure internal and external resourcing required for implementation.

9.2. CS2538 Managed Fund Portfolio Performance Update

Prepared for: Audit and Risk Subcommittee
Report No. CS2538
Activity: Governance Report
Author: Nick Donnelly, General Manager Finance
Endorsed by: Nick Donnelly, General Manager Finance
Date: 17 September 2025

PURPOSE

- [1] To present the Q2 2025 Portfolio Performance Report from Council's Investment Manager, JBWere, for the period ended 30 June 2025.

EXECUTIVE SUMMARY

- [2] The latest quarterly portfolio performance report for the Managed Fund is reported to each meeting of the Audit and Risk Subcommittee.
- [3] This report includes general market and portfolio commentary, a summary of portfolio performance over 3-month, 1-year and 3-year periods and market outlook commentary.
- [4] The portfolio value at 30 June 2025 was \$29,891,834 an increase of \$2,607,420 for the financial year. This includes an increase over the last quarter of \$910,890.
- [5] The portfolio's return for the quarter was +3.30% for the quarter, 0.14% ahead of the benchmark return of +3.16%. Over the past 12 months the portfolio return has been 10.21% against a benchmark return of 9.40%, implying an outperformance of 0.81%.

RECOMMENDATION

That the Audit and Risk Subcommittee:

- 1) **Notes** this report and the attached Q2 2025 Portfolio Performance Report.

BACKGROUND

- [6] Council holds a long-term investment portfolio (the Managed Fund) of interest-bearing deposits, bonds and equity securities.
- [7] Investment management services for the Managed Fund are provided by JBWere.
- [8] The Portfolio Performance Report for the quarter ended 30 June 2025 is attached for the information and review of the Audit and Risk Subcommittee.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [9] Council's Financial Strategy outlines that Council will maintain a managed fund, the expected returns from those investments and how the returns will be utilised. The Treasury Management Policy (TMP) and Statement of Investment Policies and Objectives (SIPO), sets the rules for how the funds will be invested and the framework to ensure acceptable returns are achieved and risk is managed.

Financial Considerations

- [10] There are no financial considerations other than those already outlined in this paper.

Significance and Engagement

- [11] Not applicable.

Legislative and Risk Considerations

- [12] There are no legislative considerations.
- [13] There is inherent risk associated in holding investments of this nature. Markets and return can and will fluctuate over the short term. Council manages that risk through the Treasury Management Policy and SIPO.

Climate Change Considerations

- [14] This is a consideration under ethical or environmental, social and governance (ESG) investing which is incorporated in Council's Treasury Management Policy and SIPO.

Communications Considerations

- [15] Not applicable.

NEXT STEPS

- [16] Not applicable.

ATTACHMENTS

1. JBWere - Q2 2025 Portfolio Performance [9.3.1 - 5 pages]

JBWere

Q2 2025 Portfolio Performance



Prepared by JBWere New Zealand

16 July 2025

A scenic landscape photograph of a calm lake reflecting a blue sky with scattered white clouds. In the background, there are rugged mountains, some with patches of snow. The foreground shows a steep, green forested hillside on the right side of the lake.

Investment Strategy Group

Head of ISG
Rickey Ward

Senior Strategist
Philip Borkin

Investment Analyst
Harrison Knapp

Adviser
Bruce Robertson

Adviser
Mark Corlett

Asset Allocation
Hayden Griffiths

Global Equities
Andrew Thompson

Investment Analyst
Sara Brookes

Adviser
Tom Phillips



At the halfway point for the year, it is pleasing to observe a positive market and portfolio returns, despite ongoing volatility

Market Commentary

The portfolio rose strongly over the June quarter, led by solid equity market gains. At the halfway point for the year, it is pleasing to observe a positive market and portfolio returns, despite ongoing volatility. This strong performance reflects continued resilience of the global economy and corporate fundamentals, together with a more conciliatory tone from the US Administration on tariffs and trade. It serves as a timely reminder that news headlines can often feel more severe than their actual impact on portfolio returns, and reminds of the importance of remaining invested.

Portfolio Summary

The portfolio returned 3.3% for the quarter. This brings the one-year rolling performance to 10.2% against a benchmark return of 9.4%, implying strong outperformance of 0.8%.

Over the quarter, the portfolio benefited from positive contributions from both the domestic and global fixed interest asset classes, as yields fell from recent highs. Lower yields occurred as US economic and inflation data softening toward the end of the period and imminent fiscal concerns moderated. Domestically, the RBNZ reduced the OCR by a total of 50bps over the quarter, bringing the rate to 3.25%.

The NZ equities component of the portfolio increased by 3.3% for the quarter. During the quarter, several portfolio companies delivered solid results or provided clarity on strategic direction, which helped stabilise sentiment and offer glimpses of green shoots in an otherwise uncertain backdrop.

Tariff concerns saw early weakness in names such as Mainfreight (MFT), only for the stock to rebound strongly in June after delivering a strong result. Solid performance was also seen from the likes of Fisher & Paykel Healthcare (FPH), Tower (TWR), Scales Corporation (SCL) and Spark (SPK). All of these companies posted positive updates, while SPK benefitted from M&A speculation. On the other hand, the soft performance of Ryman Healthcare (RYM) and Fletcher Building (FBU) reflected pockets of the NZ economy continuing to struggle, particularly within aged care, housing and construction. While headline volatility is unlikely to dissipate anytime soon, we are reassured by the underlying quality of portfolio holdings and remain constructive on the medium-term outlook for New Zealand equities.

The Australian equity market posted another solid quarter, increasing 8.9% during the quarter. The largest contributor to portfolio performance was its positions in the Financials sector across both banks and general insurance companies. The sector benefitted from resilient domestic economic data, robust dividend profiles, and its perceived defensive quality characteristics. The overweight position has been a strong out of consensus call within the portfolio.

Growth names also performed well, with Goodman Group (GMG), NextDC (NXT) and Xero (XRO) delivering notable gains. ResMed (RMD) also contributed positively, aided by a strong earnings update and tariff exemptions for key manufacturing sites.

During the quarter the global equities component increased 2.6%. Technology names such as Micron, Taiwan Semiconductor, Microsoft and Meta Platforms were the top-performing stocks during the quarter. Booking Holdings, a relatively new position, also performed well during the quarter. On the other hand, the weaker performing names during the quarter were Alibaba and LVMH (softer quarterly earnings), alongside healthcare names Merck, Elevance Health and AstraZeneca.

We remain constructive on the medium-term outlook for New Zealand equities

Markets largely shrugged off geopolitical tensions (notably the Iran-Israel conflict), while focusing on AI optimism and the potential implications of new US fiscal policies

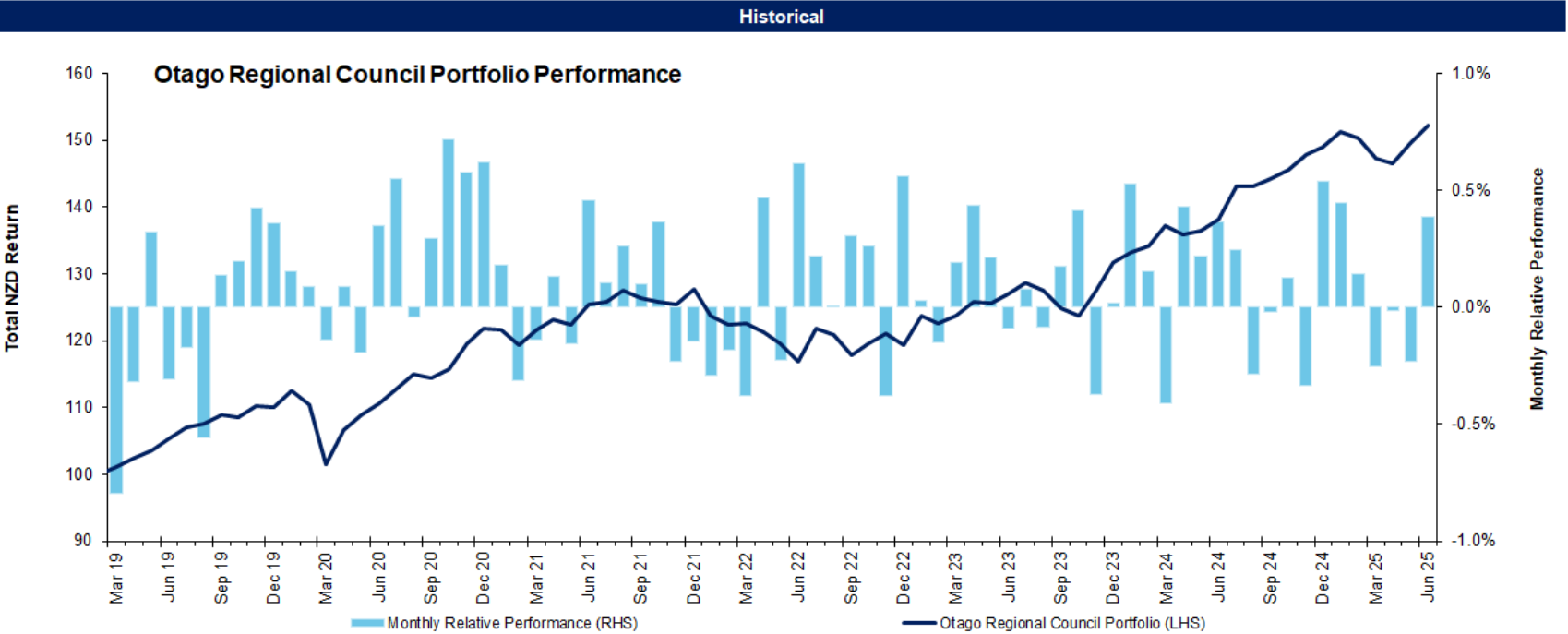
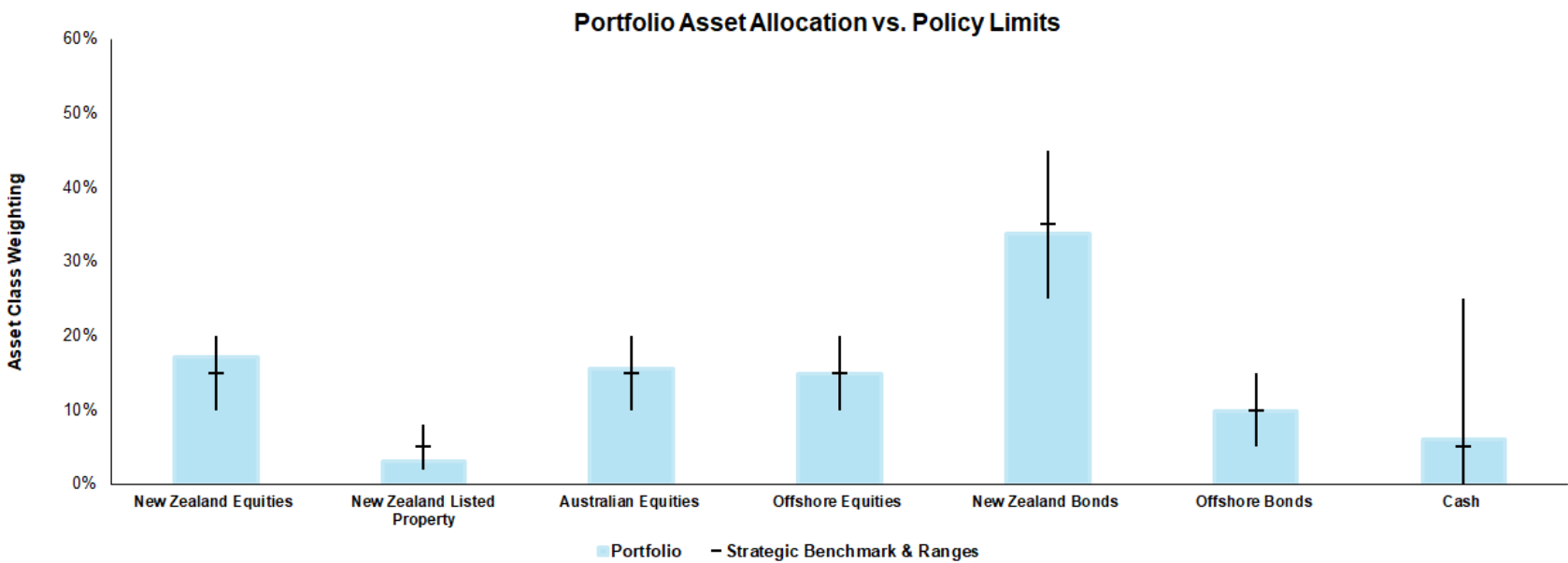


Portfolio Performance

Otago Regional Council

Period End: 30-Jun-25

By Asset Class ¹											
Asset Class	Strategic Allocation	Benchmark Index	3 Months			1 Year			3 Years		
			Portfolio	Benchmark	Relative	Portfolio	Benchmark	Relative	Portfolio	Benchmark	Relative
(Before Fees)	%		%	%	%	%	%	%	%	%	%
Cash	5	S&P 90 Day Bank Bill Index	0.91	0.91	-0.00	4.96	4.71	+0.25	14.47	15.34	-0.87
NZ Bonds	35	S&P Corporate A Grade Bond Index	1.64	1.32	+0.32	9.28	7.38	+1.90	21.81	16.39	+5.42
Global Bonds	10	Barclays Capital Global Aggregate Index \$NZ Hedged	1.99	1.32	+0.67	5.13	5.47	-0.34	9.43	9.21	+0.22
NZ Listed Property	5	S&P/NZX All Real Estate Industry Group Index	7.25	7.11	+0.14	9.26	8.68	+0.58	1.32	-1.07	+2.39
NZ Equities	15	S&P/NZX 50 Gross Index	3.34	2.71	+0.63	9.29	7.56	+1.73	25.91	15.96	+9.95
Australian Equities	15	S&P/ASX 200 Accumulation Index	8.89	7.44	+1.45	15.92	12.10	+3.82	58.66	42.94	+15.72
Global Equities	15	MSCI AC World Index	2.59	4.05	-1.46	13.78	16.61	-2.83	66.20	65.51	+0.69
Total	100		3.30	3.16	+0.14	10.21	9.40	+0.81	30.16	25.24	+4.92



General Notes:
1. Returns are time weighted (TWR) and are prior to JBWere fees.



Overview			
	3 Months	1 Year	3 Years
Opening Value	\$28,980,944.25	\$27,289,942.56	\$23,434,549.69
Cash Deposits	-	-	-
Cash Withdrawals	-	-	-
Other Cash Movements	-	-\$31.27	-\$47.03
Stock Transfers In	+\$1,130.81	+\$4,868.02	+\$11,831.78
Stock Transfers Out	-	-	-
Other Stock Movement	-	-	-
Net Adjustments	+\$1,130.81	+\$4,836.75	+\$11,784.75
<i>Investment Return</i>			
Capital Change	+\$683,949.79	+\$1,771,858.19	+\$4,046,226.67
Gross Income	+\$272,327.40	+\$1,008,086.49	+\$2,950,330.14
Gross Closing Value	\$29,938,352.25	\$30,074,723.99	\$30,442,891.25
Tax & Expenses	-\$35,533.24	-\$139,666.45	-\$420,991.58
Imputation / Tax Credits	-\$10,985.23	-\$43,223.76	-\$130,065.89
Net Closing Value	\$29,891,833.78	\$29,891,833.78	\$29,891,833.78
<i>FX Hedging Positions (from last rollover)</i>			
Profit & Loss	-	-	-

Market Outlook

As we turn our attention to what the second half of the year and beyond may have in store, it is probably wishful thinking to assume that uncertainty and market volatility will abate in any meaningful way. The broader performance of financial markets will continue to be determined by the tension and interaction between underlying macro resilience and what is still a highly uncertain trade, fiscal, monetary and geopolitical policy backdrop. As always, our primary focus will be on whether we need to be preparing for a sustained period of economic weakness, or even recession, in the US and global economies. There are certainly risks, and numerous things we're watching, especially the US labour market, hence the need to maintain good investment and portfolio construction discipline. But our base case is that economic resilience wins out and the cycle has further to run yet.

Locally, a domestic economic recovery is underway, but it is spluttering somewhat. The Reserve Bank of New Zealand may very well hold policy steady at its upcoming meeting, but we're of the opinion that, in order to ensure the recovery becomes entrenched and doesn't peter out, further monetary policy stimulus is required, especially at a time when fiscal policy is going through a necessary retrenchment.

When it comes to investing and thinking about what the future may hold, there is always a so-called 'wall of worry'. That is, things on the horizon that may pose threats or concerns and potential reasons to delay or avoid taking investment risk. At times this 'wall' may appear insurmountably high. What a resilient economic (and corporate fundamental) backdrop allows is for that wall of worry to be scaled more easily, just as we've seen so far this year. It certainly won't be all smooth sailing, but our broad expectation is that the second half of the year will see more of the same.



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9.3. CS2536 Treasury Report

Prepared for: Audit and Risk Subcommittee
Report No. CS2536
Activity: Governance Report
Author: Nick Donnelly, General Manager Finance
Endorsed by: Nick Donnelly, General Manager Finance
Date: 17 September 2025

PURPOSE

- [1] To present the quarterly Treasury Reporting Dashboard from Council's Investment Advisor, Bancorp, as at 30 June 2025.

EXECUTIVE SUMMARY

- [2] The latest Bancorp Treasury Reporting Dashboard is reported to each meeting of the Audit and Risk Subcommittee. This report provides an overview of Council's debt position and management of that debt in accordance with Council's Treasury Management Policy.
- [3] As at 30 June 2025 Council had \$25.0 million of core debt through the Local Government Funding Agency (LGFA). Total debt including on-lending to Port Otago and accrued interest was \$175.2 million. All borrowing was compliant with Council's Treasury Management Policy.
- [4] Interest rate risk management on page 4 of the report shows interest rate cover is within the permitted policy limits. This includes the use of interest rates swaps for \$12.5 million of debt.

RECOMMENDATION

That the Audit and Risk Subcommittee:

- 1) **Notes** this report and the attached Bancorp Treasury Reporting Dashboard – 30 June 2025.

BACKGROUND

- [5] Council borrows core debt through the Local Government Funding Agency (LGFA). As at 30 June 2025 the amount borrowed is \$25.0 million. This debt is structured over a mix of commercial paper, floating rate notes and fixed rate bonds to meet the requirements of Council's Treasury Management Policy.
- [6] Council also has an on-lending agreement with Port Otago Limited to allow them access to funding via the LGFA. This agreement has a maximum lending amount of \$150.0 million.
-

- [7] Bancorp Treasury Services are engaged as Council's advisor and reports on the structure of Council's core debt and adherence to Council's Treasury Management Policy.

DISCUSSION

- [8] As at 30 June 2025 Council had \$25.0 million of core debt funded by the LGFA across 5 tranches of \$5.0 million each (as outlined on page 5 of the report).
- [9] All borrowing is noted to be compliant with Council's Treasury Management Policy (as noted on pages 3 and 4 of the report).
- [10] The amount of core debt is in line with the amount included in year one of Council's Long-Term Plan 2024-34.
- [11] The weighted average cost of funds of 4.76% as at 30 June 2025 is 0.54% below the assumption used in year one of the Long-Term Plan 2023-34 of 5.30%.

- [12] The following interest rate swaps are in place:

Amount	Rate	Term (Years)	Start Date	End Date
\$2,000,000	3.520%	3	15-Apr-2025	15-May-2028
\$5,000,000	4.115%	3	15-Apr-2026	15-May-2029
\$5,500,000	3.730%	5	15-Apr-2025	15-May-2030

- [13] As at 30 June 2025 Port Otago on-lending is \$149.9 million which is \$0.1 million under the maximum amount of \$150.0 million permitted under the on-lending agreement.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [14] Council's Financial Strategy outlines that Council will borrow core debt from the LGFA. The Treasury Management Policy (TMP) sets the rules for how that borrowing is structured to ensure liquidity and interest rate risk is managed.

Financial Considerations

- [15] Debt and interest assumptions are outlined in Council's Long-Term and Annual Plans. This is covered in the discussion section of this report.

Significance and Engagement

- [16] Nil

Legislative and Risk Considerations

- [17] There are no legislative considerations.
- [18] There is inherent risk associated with borrowing. These risks are outlined in the Treasury Management Policy which provides a framework for prudent debt management and sets external borrowing limits, counterparty exposure limits, liquidity limits and interest rate exposure limits.

Climate Change Considerations

- [19] Nil.

Communications Considerations

[20] Nil.

NEXT STEPS

[21] Nil.

ATTACHMENTS

- 1. 2025.06.30 Bancorp Treasury Reporting Dashboard June 2025 [9.3.1 - 7 pages]



Treasury Reporting Dashboard

30 June 2025

STRICTLY PRIVATE AND CONFIDENTIAL



Audit and Risk Subcommittee – 17 September 2025



Economic Commentary (as at 30 June)

Global

2

The Vladimir Lenin attributed quote, "*There are decades where nothing happens; and there are weeks where decades happen,*" is strikingly apt for the last quarter. Significant geopolitical events have included US and Israeli strikes on Iranian nuclear facilities (including aggressive missile exchanges between Israel and Iran), continuing Russian and Ukrainian conflict, US tariff and trade tensions, with some tariffs as high as 60%. Tensions between the US and NATO members have continued, but appear to have softened as European members have largely agreed to increase defense spending.

Significant economic events include the previously mentioned tariffs and concerns about the growing US budget deficit, which is estimated to increase the size of the US deficits by \$3.0 to \$4.5 trillion over the 2025–2034 period, raising questions about fiscal sustainability. There have also been concerns around President Trump's attempts to influence the US Federal Reserve "Fed", which threatens its long history of political independence, alarming both investors and economists.

Market volatility has been extreme, with the benchmark US 10-year treasury bond yield touching a low of 3.86% on 7 April, two days later it was at 4.51%, after that trading in a range between 4.18% and 4.61% before finishing the quarter at 4.23%. This level of volatility has not been seen for nearly 40 years. Oil prices, which at one point were 40% higher than their lows on 9 April, fell 15% in the last week of the quarter.

Key US economic data over the last 90 days have continued with the theme of slowing economic growth and with inflation remaining above the Fed's 2.0% goal. Real GDP decreased at an annualised rate of 0.5% in Q1 2025 (January-March), a sharp slowdown from 2.4% in Q4 2024. The Consumer Price Index (CPI) rose 2.4% year-over-year in May 2025, with a 0.1% monthly increase, driven by shelter costs (+0.3%) but tempered by a 1.0% drop in energy prices. The Personal Consumption Expenditures (PCE) index, the Fed's preferred measure, hit 3.6% in Q1 2025, up from 2.4% in Q4 2024. Inflation expectations rose sharply, with the University of Michigan's June 2025 survey showing 1-year inflation expectations of 5.0% (up from 3.3% in January).

New Zealand

	OCR	90 day	2 year swap	3 year swap	5 year swap	7 year swap	10 year swap
31-Mar-25	3.75%	3.61%	3.37%	3.46%	3.66%	3.87%	4.10%
30-Jun-25	3.25%	3.29%	3.20%	3.32%	3.57%	3.81%	4.07%
Change	-0.50%	-0.32%	-0.17%	-0.14%	-0.09%	-0.06%	-0.03%

New Zealand's economy expanded by 0.8% on a quarterly basis in the March quarter, accelerating from 0.5% growth in the previous quarter and slightly beating market expectations of 0.7%. However, the annual rate printed at minus 1.1% for the twelve months ending 31 March. The March quarter marked the second consecutive quarter of growth following two quarters of severe contraction. Economic activity increased across all three major industry groups, with the strongest gains seen in manufacturing (+2.4% vs. +0.1% in Q4), followed by professional services.

The annual inflation rate in New Zealand accelerated to 2.5% in the first quarter of 2025, from 2.2% in the previous quarter. This was the highest inflation rate since June 2024, exceeding market expectations of 2.3%.

The RBNZ cut the OCR by 25 basis points in both April and May to take it to 3.25%, but in the *Monetary Policy Statement* in May, the central bank signaled a more cautious approach to further OCR easing, which markets have taken on board. A final OCR cut is not fully priced in until November 2025, which would take it to 3.00%, a full 250bps below last year's peak however, but only time will tell if it is enough to kickstart a still-struggling economy.



BANCORP

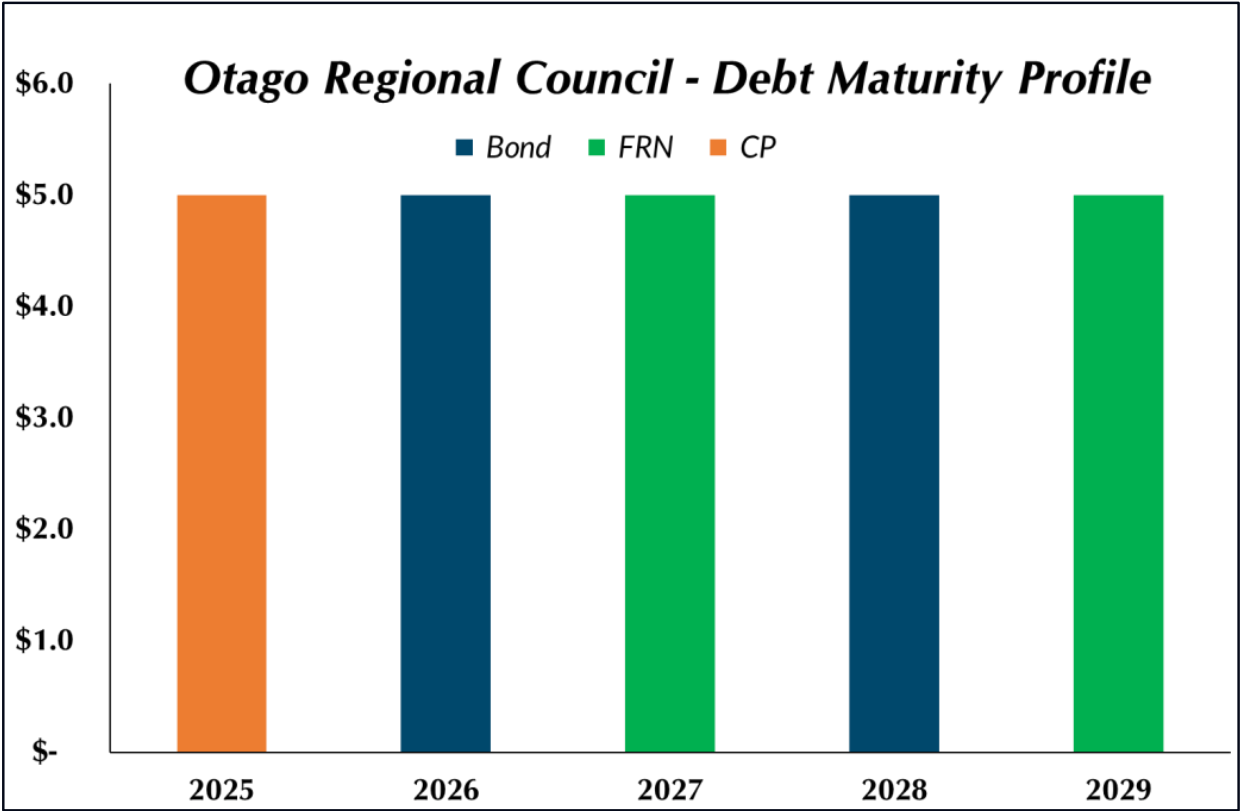
Audit and Risk Subcommittee - 17 September 2025



AS AT 30 JUNE 2025

Funding and Liquidity

3



Policy Compliance	Compliant
Have all transactions been transacted in compliance with policy?	Yes
Is fixed interest rate cover within policy control limits?	Yes
Is the funding maturity profile within policy control guidelines?	Yes
Is liquidity within LGFA control limits?	Yes

ORC Core Debt

\$25.0m

External Council Drawn Debt, excluding on-lending to Port Otago

LGFA Debt

\$175.23m

Funds Drawn from LGFA, including on-lending to Port Otago

Liquidity = cash deposits, term deposits and managed fund

\$48.27m

Liquidity Ratio based on total Council debt which includes the on-lending to Port Otago

127.55%

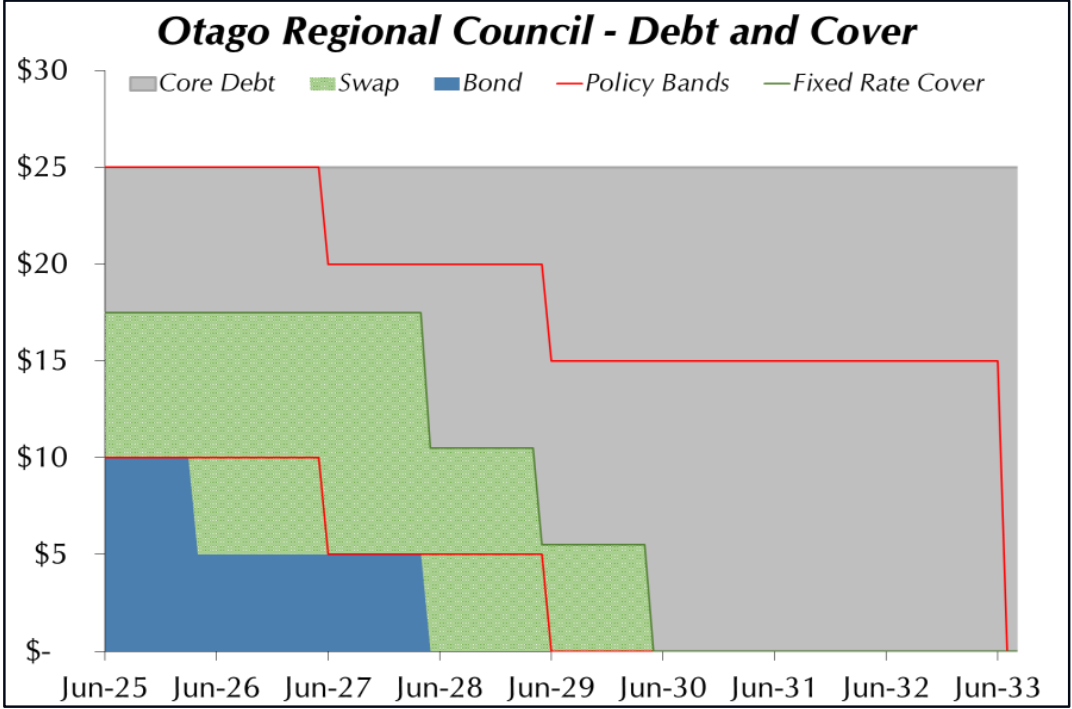
Cost of Funds as at 30 June

4.76%

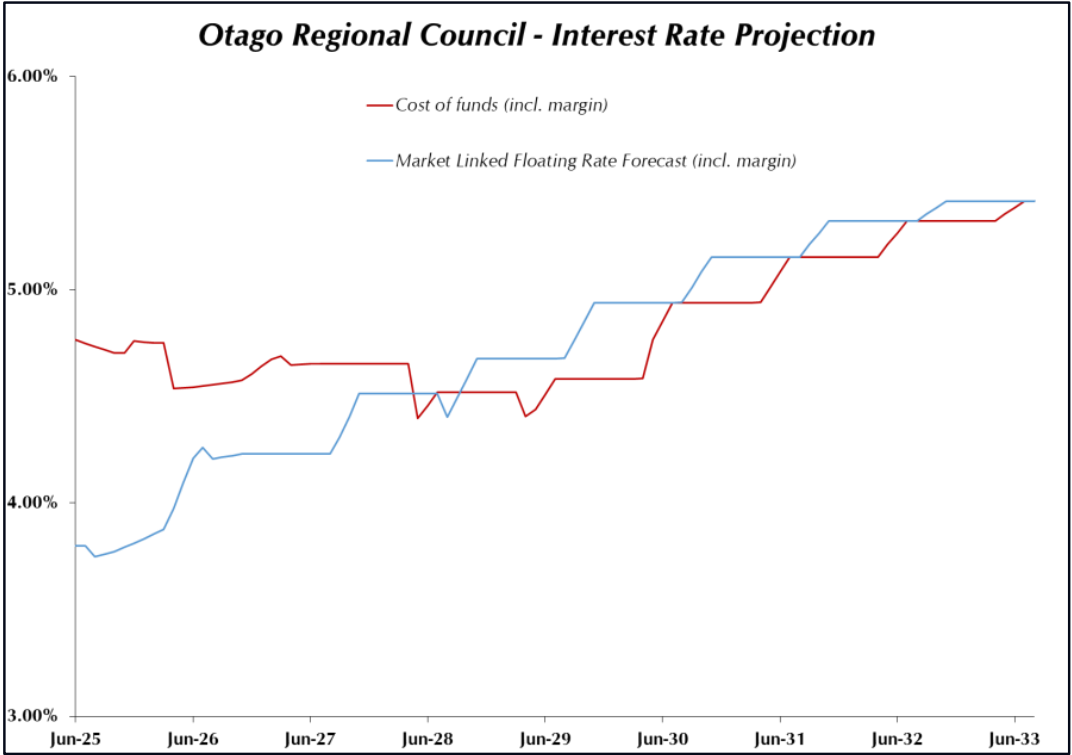
AS AT 30 JUNE 2025

Interest Rate Risk Management

4



Current % of Debt Fixed	70.0%
Current % of Debt Floating	30.0%
Value of Fixed Rate (m)	\$17.5
Weighted Average Cost of Fixed Rate Instruments	4.84%
Value of Floating Rate (m)	\$7.5
Current Floating Rate	3.29%
Current Floating Rate (incl margin)	3.94%
All Up Weighted Average Cost of Funds Including Margin	4.76%
Total Facilities In Place	\$25.0



Fixed Rate Hedging Bands			
	Minimum	Maximum	Policy
0 - 2 years	40%	100%	Compliant
2 - 4 years	20%	80%	Compliant
4 - 8 years	0%	60%	Compliant

Otago RC Borrowing from the LGFA and Swaps

5

As at 30 June 2025, Otago Regional Council had \$25.0 million of core debt, all of which is sourced from the LGFA using Commercial Paper ("CP"), Floating Rate Notes ("FRN's"), and Fixed Rate Bonds ("FRB's"). Details of the debt and swaps as at 30 June 2025 is as follows.

Instrument	Maturity	Yield	Margin	Amount
LGFA CP	5-Dec-25	3.46%	0.20%	\$5,000,000
LGFA FRB	15-Apr-26	5.70%	N/A	\$5,000,000
LGFA FRN	15-Apr-27	4.19%	0.70%	\$5,000,000
LGFA FRB	15-May-28	5.70%	N/A	\$5,000,000
LGFA FRN	20-Apr-29	4.52%	1.05%	\$5,000,000
TOTAL				\$25,000,000

Counterparty	Notional	Start	Maturity	Rate
BNZ	\$ 2,000,000	15-Apr-25	15-May-28	3.52%
BNZ	\$ 5,000,000	15-Apr-26	15-May-29	4.115%
BNZ	\$ 5,500,000	15-Apr-25	15-May-30	3.73%

LGFA Borrowing Rates

6

Listed below are the credit spreads and applicable interest rates as at 30 June 2025 for Commercial Paper (“CP”), Floating Rate Notes (“FRN”), and Fixed Rate Bonds (“FRB”), at which the Otago Regional Council could source debt from the Local Government Funding Agency (“LGFA”).

Maturity	Margin	FRN (or CP Rate)	FRB
3 month CP	0.20%	3.49%	N/A
6 month CP	0.20%	3.47%	N/A
April 2026	0.57%	3.86%	3.73%
April 2027	0.71%	4.00%	3.90%
May 2028	0.85%	4.14%	4.17%
April 2029	0.95%	4.24%	4.40%
May 2030	1.03%	4.32%	4.59%
May 2031	1.13%	4.42%	4.83%
May-2032	1.19%	4.48%	4.99%
April 2033	1.27%	4.56%	5.18%
May 2035	1.32%	4.61%	5.40%
April 2037	1.46%	4.75%	5.66%

Disclaimer

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9.4. CS2531 Safety and Wellbeing Report

Prepared for: Audit and Risk Subcommittee

Report No. CS2531

Activity: Governance Report

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Endorsed by: Tami Sargeant, General Manager People and Corporate

Date: 17 September 2025

PURPOSE

- [1] This report summarises activities and information on health, safety and wellbeing (HSW), and people and culture (HR) at ORC (Otago Regional Council) for the 2025/26 year to date.

EXECUTIVE SUMMARY

Health, Safety and Wellbeing (HSW)

- [2] Otago Regional Council continues to manage critical risks through bow-tie analysis, with progress across vehicles, contractor management, hazardous substances, mental health, and fatigue. Updates to key policies and procedures, including Wellbeing, Drug & Alcohol, Traffic Management, and Incident Reporting, have been completed or are under consultation.
- [3] Since the last report, 60 incidents have been recorded, including 20 involving ORC staff and 40 involving contractors. Staff engagement remains strong through the Health, Safety and Wellbeing Committee, wellbeing initiatives, training, and communications via the HSW newsletter. Key wellbeing activities include influenza vaccinations, the 15-Minute Challenge, and blood donations. Annual health monitoring is underway to ensure controls on hazardous substances remain effective. ORC continues to safeguard staff and public health and safety, maintain effective controls, and proactively manage risks.
- [4] With this report we have introduced a new Health, Safety and Wellbeing (HSW) Dashboard including lead and lag indicators, incident data for the last quarter and incident trends and Employee Assistance Programme (EAP) usage. The HSW Dashboard is in early development and will be improved over time based on feedback and as more data becomes available.

People and Culture

- [5] ORC continues to strengthen its people and culture practices through implementation of the People Strategy, partnering with people leaders and maintaining day to day service delivery
-

- [6] Supporting the end of year performance review and FY26 performance and development planning has been a key focus along with procurement of a new HRIS system – with implementation about to commence.

RECOMMENDATION

That the Audit and Risk Subcommittee:

- 1) **Notes** this report.

HEALTH, SAFETY AND WELLBEING REPORT

CONTEXT

- [7] ORC has duties under the Health and Safety at Work Act 2015 and subsequent regulations to ensure the health, safety and wellbeing of employees, and all other persons, at, or in, the vicinity of work or subsequently affected by the work. This duty is upheld through ORC’s health and safety management system, which is guided by good practice and continuously improved via a Plan-Do-Check-Act cycle.
- [8] This report provides commentary and updates in relation to risks, efficacy of controls, incidents, work programmes and a range of key performance indicators to enable the Audit and Risk Subcommittee to exercise due diligence obligations under the Act. HSW key performance indicators are provided in Attachment 1.
- [9] The HSW team actively manages ORC’s health and safety obligations through Complywith, ORC’s legal compliance platform. The team currently oversees 109 legislative obligations under the Health and Safety at Work Act 2015 and associated regulations. Of these, one area remains in partial compliance: Lone, Remote and Isolated Work. Staff consultation on the Lone Worker Policy has been completed, and feedback is under review. ORC’s online lone worker management system is operational for at-risk workers, with updates to procedures and training underway to achieve full compliance.

RISK

Critical Risk Management

- [10] Nine critical risks are outlined within ORC’s Critical Risk Management Plan. ORC has a work programme in progress to review all its critical risks via bow-tie analysis. Progress in reviewing each risk is outlined below.

Summary of ORC’s Critical Risks and Progress with Bow-Tie Analysis

Critical Risk	Residual Risk	Bow-Tie Analysis Status	Updates
Contractor Management	Moderate	Initial workshop completed	Updated contractor management policy out for consultation Recommendations from review of contractor management procedures in progress
Vehicles	Moderate	Initial workshop completed	Active monitoring and management of speeding and driver behaviour via E-Road fleet management system.

			<p>Reducing speed is an ongoing focus (see table 1 below)</p> <p>Traffic Management Procedure developed and ready for staff consultation.</p> <p>Drug and Alcohol Policy published and takes effect from the 1st of September.</p>
Lone, Remote, or Isolated Work	Moderate	Initial workshop completed	<p>The Lone, Remote and Isolated Policy is in final review and nearing publication.</p> <p>Currently working with teams to optimise the use of in-reach devices, app and buddy system.</p>
Fatigue	Moderate	Initial workshop completed	Fatigue Management Policy and toolbox to be reviewed.
Violence and Aggression	Moderate	Initial workshop completed	The occupational violence & aggression policy is to be reviewed. Duress procedure redevelopment is in the early stages of development. The lockdown procedure redevelopment has been completed which included an organisational wide drill and additional improvements following. Alongside the lockdown drill the e-text guideline was published and training was successfully implemented.
Fall from height or between levels	Moderate	Initial workshop completed	No recent updates.
Mental Health	Moderate	Initial workshop completed	<p>Updated Wellbeing Policy published along with the 2025 wellbeing programme.</p> <p>Mental Health Bowtie resulted in a significant number of potential improvements to explore to mitigate psychosocial risks</p>
Hazardous Substances	Low	Initial workshop completed	<p>Recurring audit regime is in place.</p> <p>The team have been working with the Whare Runaka project team to ensure appropriate controls are in place for the management of hazardous substances.</p>
Water Hazards	Low	Initial workshop completed	While some teams have specific protocols for working around water, this isn't the case in all situations. Recognising this gap, the HSW team has included a water safety project in the HSW workplan to develop a consistent framework for managing risks associated with work in and around water.

**Red font above refers to changes since last report* Refer to Attachment 2 for full Critical Risk Profiles*

Update on Addressing Other Current or Emerging Risks and Strengthening Controls

- [11] *Asbestos management:* Asbestos is present in four ORC properties, requiring Asbestos Management Plans (AMPs). Surveys have now been completed for all sites, and updated procedures will be published shortly, supported by asbestos awareness training.
- [12] *Speed management:* E-Road reports are continuing to be sent to managers monthly, along with guidance on facilitating constructive conversations about overspeed events.

Table 1: Monthly Overspeed Incidents by Speed Category

Row Labels	This Month (July)	Last Month (June)	FY 24/25 average	YTD average
10-19 KMP Overspeed	154	160	223	154
20-29 KMP Overspeed	8	0	7	8
>29 KMP Overspeed	0	0	0.5	0
Grand Total	162	160	230.5	162

- [13] *Lithium battery safety* – The team is currently identifying specific risks within ORC and developing safety guidance to mitigate potential incidents.
- [14] *Fire risks and extinguisher management* – ORC operates across a wide range of environments, each with unique fire risks. A fire mitigation risk assessment has been completed, with actions underway to strengthen controls. Recent progress includes extinguisher training for wardens and the addition of fire extinguishers to SXS and 2-wheelers, with further actions continuing.
- [15] *Emergency preparedness* – the team are currently mapping out areas of improvement for emergency preparedness, including a planned update to our emergency flip charts and safety guidance during emergencies.

SAFETY EVENTS & INCIDENT REPORTING 10 May – 19 August 2025

Summary

- [16] 60 incidents have occurred since the last report including:
- 20 related to ORC staff
 - 40 relating to contractors – reported by contractors or members of the public
- [17] Refer to the HSW Dashboard for a breakdown of incidents by type.

Staff Incidents

- [18] A range of incidents involving ORC staff have been reported, covering exposures to noise and harmful gases, dust or vapours, as well as physical contact with fixed or stationary objects and sharp objects. Psychological impacts and incidents of violence, aggression, or abuse have also been recorded. Muscular or soft tissue stress and strain, unsafe behaviours, slips, trips, and falls at the same level, and vehicle-related incidents involving ORC vehicles are also among the reported types.

Contractor Related Incidents

- [19] The majority of contractor incidents were vehicle-related incidents not involving ORC vehicles (predominantly buses). Other incident types included violence, aggression or abuse, unsafe behaviours, slips, trips and falls, and contact with fixed or stationary objects. Remedial actions taken in response to these incidents have included insurance claims, targeted training, incident discussions, and wellbeing support.

WORKER ENGAGEMENT AND COMMUNICATIONS

- [20] Recent engagement with staff included the Health, Safety and Wellbeing Committee (HSC) meeting held in June, covering initiatives such as the Outdoor First Aid Trail, the six-week 15-Minute Challenge, and the Wellbeing Policy, which has now been approved by ELT. Staff also participated in a full-team lockdown drill, with learnings and revised procedures to be shared across the organisation.

- [21] At the meeting, the committee also reviewed other recent initiatives, including completion of trailer tracking rollout, enhanced vehicle safety measures, and scheduled VTNZ checks. Committee members discussed ongoing actions around trailer training, SOPs, and vehicle guidance, as well as progress on the Drug and Alcohol Policy.
- [22] The HSW newsletter released on 21 August highlighted recent initiatives, leadership reflections, the Bow Tie Project, the final stretch of the 15-Minute Challenge, new H&S procedures open for consultation, the wellbeing pulse check, safety training updates, and opportunities for new H&S representatives.

Safety Alerts

- [23] Safety Alerts are critical safety warnings or information that is sent out to all staff:

Name	Summary
Safety Alert on Responding to Unusual Odors	This Safety Alert was issued in response to recent incidents at PLH involving strong odours that, while not posing significant health risks, caused discomfort and concern due to their unknown sources. The alert highlights the importance of promptly reporting unusual smells to ensure a swift response and protect staff wellbeing.

TRAINING

- [24] Between 10 May and 19 August, a total of 81 staff have completed training across key areas including chemical awareness, first aid, defensive driver and fire extinguisher use. Training delivery remains aligned with the HSW work programme, with several sessions scheduled in the coming weeks. These include a trial of outdoor first aid and situational safety workshops with OPSEC in both central and coastal locations. Defensive driving training for central teams is also being planned to ensure appropriate levels of competency are maintained across all operational areas.

HEALTH

- [25] Annual health monitoring is currently underway for staff who require it. This monitoring forms part of ORC’s overall approach to the safe management of hazardous substances, helping to verify that controls remain effective and continue to safeguard staff health.

WELLBEING

- [26] The wellbeing programme has continued to deliver on its planned activities. Initiatives have included influenza vaccinations, with a total of 194 administered, a 25% increase on last year, helping to keep staff healthy and reduce illness-related absences. Our winter physical wellbeing challenge encouraged participants to complete 15 minutes of daily exercise consistently for six weeks, with a team component fostering friendly competition and connection. This year, 163 participants took part, a 56% increase from the previous challenge, collectively logging over 127,000 minutes of exercise, which supported both physical fitness and mental wellbeing while strengthening team engagement. ORC staff also participated in a New Zealand Blood Service donation event, with Team Red achieving a total of 486 donations since its inception, helping staff contribute to the wider community and feel a sense of purpose.

HEALTH, SAFETY AND WELLBEING PLAN 2024-2027

- [27] The Health, Safety, and Wellbeing Plan 2024-2027 provides a strategic roadmap for embedding health, safety, and wellbeing across our organisation. It is dynamic, evolving with emerging risks. The team have recently completed a review of the workplan including a revision to the structure for 25/26 FY and beyond. Projects have been realigned to high and moderate priority taking the place date indications (see Attachment 3). Key Updates include:
- [28] **Drug and Alcohol Policy:** Following consultation with staff, ELT, and Health and Safety Representatives, the Drug and Alcohol Policy has been finalised. It will take effect from 1 September 2025, supported by awareness training.
- [29] **Bow Tie Project:** All bow tie workshops are now complete, with staff from across the organisation contributing to each critical risk. The HSW team is finalising the bow tie diagrams, which will be shared for consultation, before moving into phase two - analysing controls and developing an action plan for each critical risk.
- [30] **Contractor Management:** A review of the contractor management process has been completed with input from the contractor working group, leading to a new policy and SharePoint register. The draft policy went out for consultation (closed 15 August), and the HSW team is now working through feedback.
- [31] **Wellbeing Policy:** The Wellbeing Policy has been reviewed, and the revised version is now published. Key updates include a clearer risk-based approach to wellbeing hazards, a holistic wellbeing model based on *Te Whare Tapa Whā*, and guidance on psychosocial risk, workplace culture, and how to raise concerns.
- [32] **Incident reporting procedure:** A new procedure has been drafted and will soon be released for consultation. It aims to strengthen the quality, consistency, and timeliness of incident reporting and investigation, supporting learning, prevention, and compliance under the Health and Safety at Work Act 2015. It also aligns with ongoing work to refine health and safety performance indicators, particularly lag indicators.
- [33] **HSW Policy Statement:** The HSW Policy Statement has been revised and will soon be published. Updates improve alignment with organisational values and the current HSW workplan and vision. The statement will feature as a standalone document and has also been integrated into the updated HSW manual.
- [34] **Traffic management procedure:** A new traffic management procedure has been developed and will soon be released for consultation. It outlines ORC's approach to road and roadside work, as well as onsite traffic management.
- [35] **Wellbeing Survey:** The Wellbeing Pulse Check survey took place in July, with 80% participation, 5% higher than last year. The HSW team is reviewing results and proposed focus areas before sharing findings with all staff. Overall, improvements were evident across all questions.

PEOPLE AND CULTURE

Recent Activities

[36] Key focus areas and achievements in the last quarter (to date 19 August 2025) include:

- **Supporting the end of year performance review process** – including a briefing for all people leaders, refresher training, and coordinating the moderation process. The end of year performance reviews enables ORC staff to reflect and review what they have achieved over the last 12 months, to give and receive feedback, identify learnings and improvement opportunities supporting growth and development. Other key aspects include formally evaluating performance and contribute to inform annual salary reviews.
- **Supporting performance and development planning** – including a briefing for all people leaders and provision of guidance material. This is the goal setting stage of ORC's performance planning, tracking and review cycle and focuses on aligning individual goals with ORC's strategic directions and goals, and teamwork programmes. It also ensures we provided structured support for employee development, by identifying priorities and suitable development actions for the year ahead.
- **Launched the new Learning and Development Guidelines and Learning Framework** as well as a listing of different training options via a new learning and development page on Tiaki, ORC's intranet. Through these updates our focus is in ensuring consistency in eligibility, planning and delivery of the various aspects of employee learning and development at ORC and ensuring staff can access the training and other types of development needed for their roles and career growth.
- **Launched a programme of webinars on Unlocking peak performance and wellbeing** webinar series – hosted by an external provider, this series of 10 monthly webinars are intended to support employee wellbeing, resilience and performance.
- **Hosted a webinar on ORC's employee survey platform** – Culture Amp with a focus on how the system ensures anonymity of participants. This appears to have had a positive impact with the recent high participation in the wellbeing pulse survey.
- **Published an updated Recruitment Policy and process** including updated templates for interviews, reference checks and onboarding. Through these updates our goal is to ensure ORC has a fit for purpose and user-friendly recruitment process that will enable ORC to attract and successfully recruit people with the required capabilities.
- **Progressed reviews of multiple other policies** including a review of the HR Delegations, Conflict of Interest and Gifts Policy, and completed staff consultation on the updated Performance Management and Disciplinary Policy and procedures.
- **The quarterly staff induction session** was successfully conducted with the participation of 17 new team members. Chair Gretchen Robertson spoke along with our CE Richard Saunders.

People Strategy 2024 – 2027

- [37] The People Strategy 2024-2027 aims to support a high performing workforce, positive and inclusive culture and position ORC as an employer of choice. Aligned to this strategy, the team recently met to review what was achieved in relation to the 12-month action plan for 2024/2025 and create a new action plan for 2025/2026.
- [38] Key projects and initiatives in progress include:
- **HRIS Project** – this seeks to equip ORC with a cloud-based, integrated Human Resources Information System (HRIS) that can automate and streamline our processes creating an improved user experience, unlocking efficiency gains and providing a single source of truth for our employee data. Following the tendering and procurement process, ORC has selected its preferred vendor and completing final planning ready for implementation commencing from the first week of September.
 - **Diversity and Inclusion Working Group** – following the Diversity and Inclusion and survey, expressions of interest are currently being sought from people interested in being involved in the development of a Diversity, Inclusion and Belonging Strategy.

Human Resources Dashboard Reporting

- [39] Workforce snapshot information:
- 373 total staff (headcount), 347 permanent / 27 fixed term
 - FTE of 360.6 (as at 19/08/2025)
 - 11 current vacancies as at 19/08/2025
 - Average tenure is 4.7 years
 - Average annual leave balance, 18.8 days
 - Average sick leave taken, 5.74 days (last 12 months)
 - Annual staff turnover of 13.5% (for the 12 months to 19 August 2025, excluding fixed term terminations)
- [40] Workforce mobility – Q4 2024/25:
- Four internal sideways moves
 - Four internal promotions/upwards moves
 - Four internal secondments commenced
- [41] Recruitment snapshot – Q4 2024/25:
- Roles that have been advertised: 22
 - Roles successfully filled: 23
 - 568 job applications received, an average of 26 applications per role

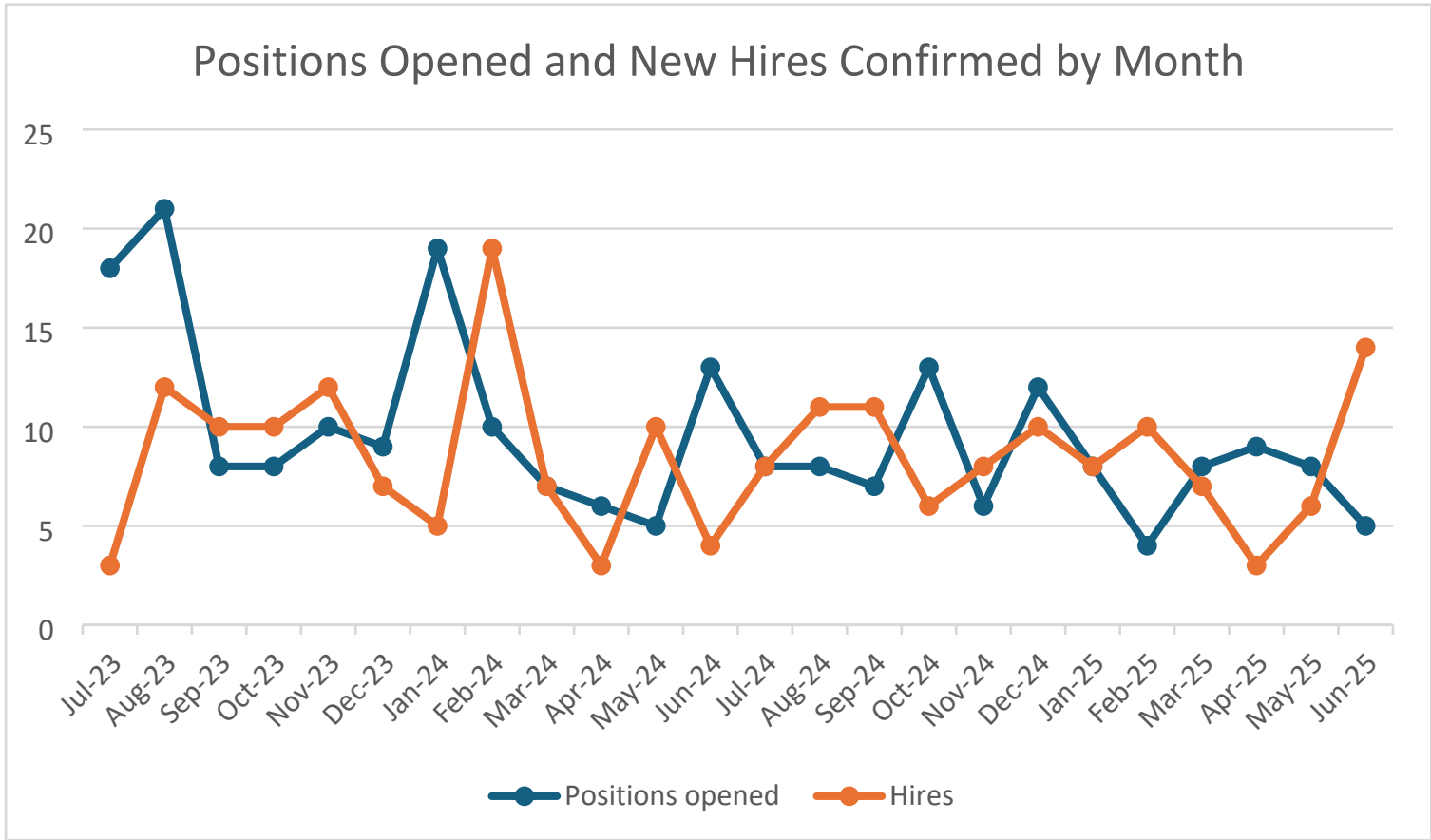


Figure 4: Monthly number of positions opened and new hires from July 2023 to June 2025

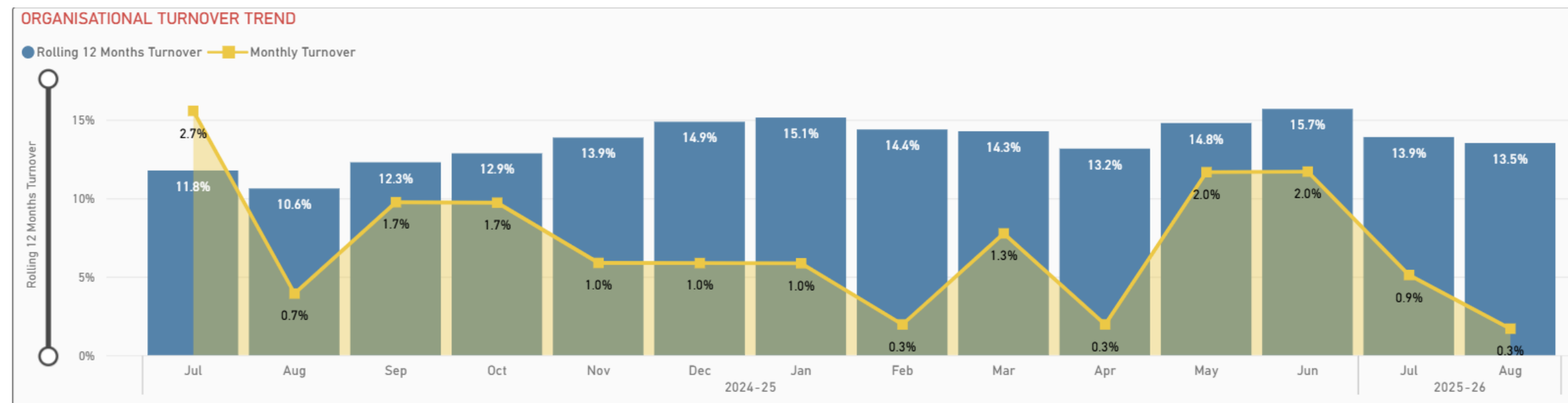


Figure 5: Staff Turnover Trend over the last 12 months

- [42] The Long-Term Plan (LTP) provides for a total of 355.3 full-time equivalent (FTE) positions for the 2025/26 financial year. In alignment with our commitment to efficient and sustainable resourcing, ORC prioritises the recruitment of fixed-term staff over the use of external consultants for project-related roles wherever appropriate. This approach not only delivers cost efficiencies but also ensures that project teams are more closely aligned with the ORC's values, culture, and long-term strategic goals. Figure 6 shows current staff numbers versus budget. See attached summary of Fixed-term Staff at ORC for more details.

Directorate	FTE	Budget FTE
Chief Executive	2.0	2.0
Environmental Delivery	111.6	112.5
Finance	20.5	22.0
People and Corporate	49.0	44.6
Regional Planning and Transport	30.9	36.3
Science & Resilience	104.3	102.8
Strategy and Customer	42.3	41.1
ORC Total	360.6	361.3

Note total FTE includes staff on parental leave or long-term leave without pay (5.13)

Figure 6: FTE Report (as at 19/8/2025)

- [43] Fixed-term staff are engaged for a variety of operational and strategic purposes. These include:
- a. Project delivery: Most fixed-term roles (18 out of 27) support key projects such as IRIS NextGen, Whare Rūnaka, Queenstown Public Transport Business Case, and Ministry for the Environment’s catchment group initiatives. These roles provide critical capacity for project management, technical analysis, and implementation support.
 - b. Extended leave cover: Six fixed-term staff are also used to cover extended absences such as parental leave or secondments. This ensures continuity of service and operational stability across teams.
 - c. Business as usual support: Three fixed-term roles are used to manage seasonal or temporary increases in workload, such as during the rates season and to support fast-track consent processing.

[44] Fixed-Term Staff by Type and Contract End

	2025/26				2026/27			
Type	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
BAU support		2			1			
Extended Leave Cover		1	1	2	2			
Project	2	3		3	2	3	2	3

KiwiSaver and Superannuation Contributions – Recruitment and Retention Summary

- [45] Employers are required to support eligible employees' participation in KiwiSaver under the KiwiSaver Act 2006. Employers must contribute a minimum of 3% of the employee’s gross salary or wages to KiwiSaver if the employee is contributing as the Compulsory Employer Contribution (CEC).
- [46] As part of ORC’s commitment to attracting and retaining talent, KiwiSaver and superannuation contributions are a feature of our employment offering. For staff on management contracts, contribution rates have been up to 7.5%. From 1 July 2025, ORC increased contributions to 5% for all employees who are actively contributing to a scheme.
- [47] Key points of the updated contribution policy:
- a. The ORC contribution is fixed at 5%, regardless of the employee’s own contribution level.
 - b. This includes the CEC under the KiwiSaver scheme.
 - c. Employees may choose to join SuperLife or SuperEasy superannuation schemes.
- [48] Several other regional councils / unitary authorities in NZ offer up to 5% KiwiSaver and a few others offer more than 5%.
- [49] In a review of staff benefits at ORC including approximately 30 interviews with ORC staff members in 2023, ‘increased or voluntary superannuation / KiwiSaver employer contribution’ was one the most requested benefits.

[50] The funding for KiwiSaver and Superannuation employer contributions is managed within the overall salary budget approved by Council through Annual Plan and LTP processes. This approach ensures equitable access to retirement savings support across the organisation and reinforces ORC’s position as an employer of choice.

[51] Employer contribution summary table:

Total Employer % contribution	Number of staff
0.0	20
5.0	338
6.0	4
7.5	16

- [52] As part of Budget 2025, the New Zealand Government has announced phased increases to the default KiwiSaver CEC contribution rates:
- a. From 1 April 2026: Employer and employee default contribution rates will increase from 3% to 3.5%.
 - b. From 1 April 2028: These rates will increase from 3.5% to 4%.

[53] As ORC already contributes above the minimum rate, no changes will be required to meet the new default thresholds.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[54] Nil.

Financial Considerations

[55] Nil.

Significance and Engagement

[56] Nil.

Legislative and Risk Considerations

[57] Nil.

Climate Change Considerations

[58] Nil.

Communications Considerations

[59] Nil.

ATTACHMENTS

- 1. Health Safety and Wellbeing Dashboard August 2025 [9.5.1 - 6 pages]
- 2. HSW Critical Risks Profiles as of 19 August 2025 [9.5.2 - 7 pages]
- 3. HSW Workplan 2025 and Beyond [9.5.3 - 6 pages]



Health, Safety and Wellbeing Dashboard

Reporting Period: 10 May – 19 August 2025 (Q4/Q1)

Note: The Health, Safety and Wellbeing (HSW) Dashboard is in early development and will be improved over time based on feedback and as more data becomes available

Part 1 - Lead Indicators

Lead indicators provide information about proactive and preventative activities the Council is taking to reduce risk and further improve HSW outcomes. Lead indicators provide early insights into the effectiveness of our health, safety and systems and practices.

Key Lead Indicators					
Metric	This Quarter	Last Quarter	Change	This Time Last Year	12 Month Trend
Health & Safety Representatives trained (%)	100%	100%	-	100%	➔
Site Audits completed	3	5	-50%	-	➔
Staff Participation in Safety Training	81	141	-42%	89	➔
Near Misses reported	2	4	-50%	4	⬇
Hazards reported	0	3	-100%	5	⬇
Overall Wellbeing scores	77%	N/A	N/A	68%	⬆➔
Safety meetings held	For future development				
Safety plans reviewed or supported					
Improvement actions completed					
Safety observations held					
Standard Operating Procedures reviewed					
Participation in wellbeing events					

Insights on Lead indicators

- Trained and highly engaged Health & Safety representatives remains a strength of health, safety and wellbeing practice and improvement at ORC.
- Site audits were slightly down compared to last quarter due to the high workload with undertaking the bowtie analysis workshops to review our critical risks.
- Staff participation in training will vary across the year, depending on the number of training events scheduled.
- Increasing near miss reporting will be a focus through implementation of the new incident management and investigation procedure.
- The increase in the wellbeing score from this time last year is very encouraging.



Part 2 - Lag Indicators

Lag indicators provide retrospective insights into HSW performance by measuring events and impacts that have already occurred. These indicators are essential for understanding the outcomes of our HSW practices and identifying areas where further improvement is needed.

Key Lag Indicators					
Metric	This Quarter	Last Quarter	Change	This Time Last Year	12 Month Trend
Total Recordable Injuries *	3	3	-	2	➡
Violence, aggression & abuse incidents **	2	2	-	6	➡
Psychological impact	3	3	-	1	➡
Work related ACC injury claims	1	2	-50%	3	➡
Absence Rate	For future development				

*Total Recordable Injuries include serious harm, lost time injuries, medical treatment injuries and restricted work injuries.

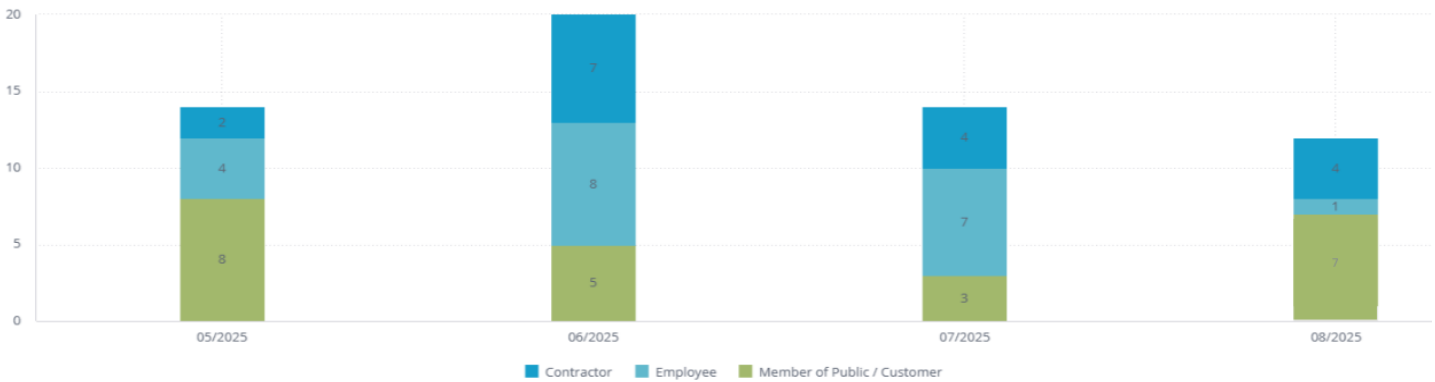
** Violence, aggression & abuse incidents – measures the number of instances when ORC employees have been subjected to violence, aggression or abuse either in person, via the phone or other media.

Insights on Lag indicators

- We will consider ways to include other moderate events that don’t result in an injury or involve violence, aggression and abuse or psychological impact to ensure we provide a holistic view of HSW performance.

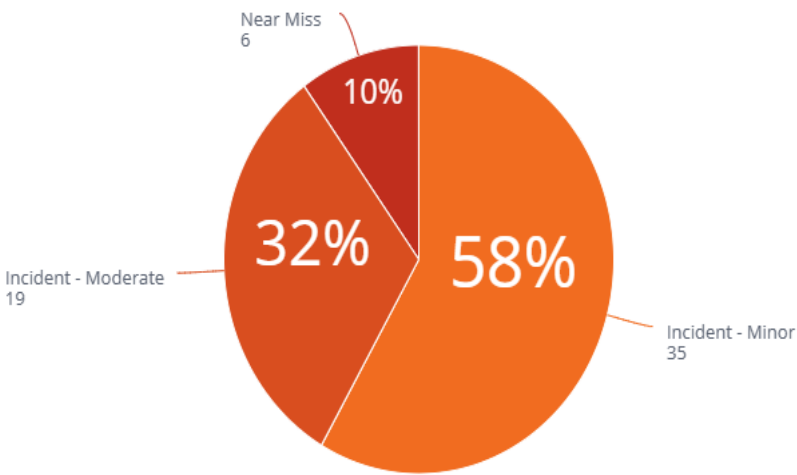
Part Three – Incident Data for Last Quarter

Number of Incidents by month

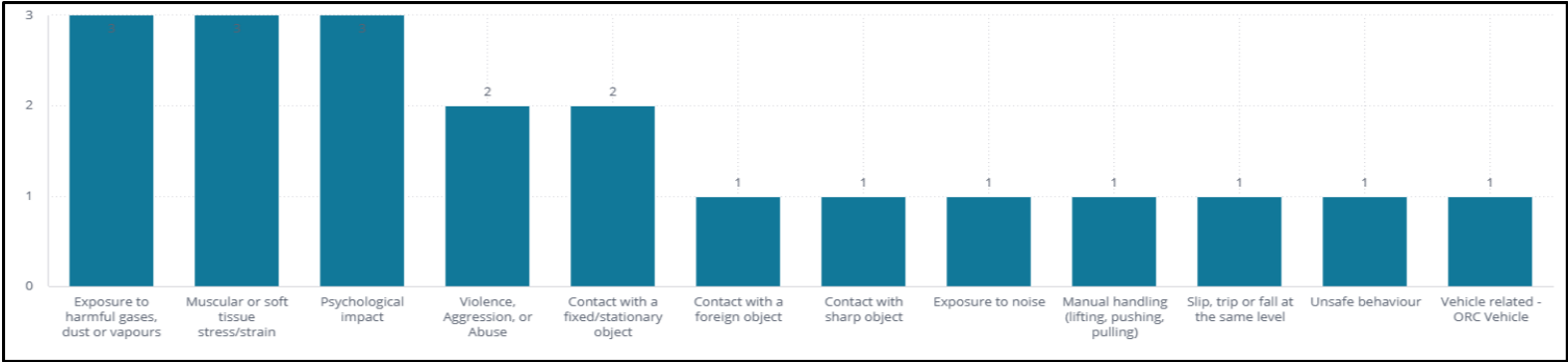




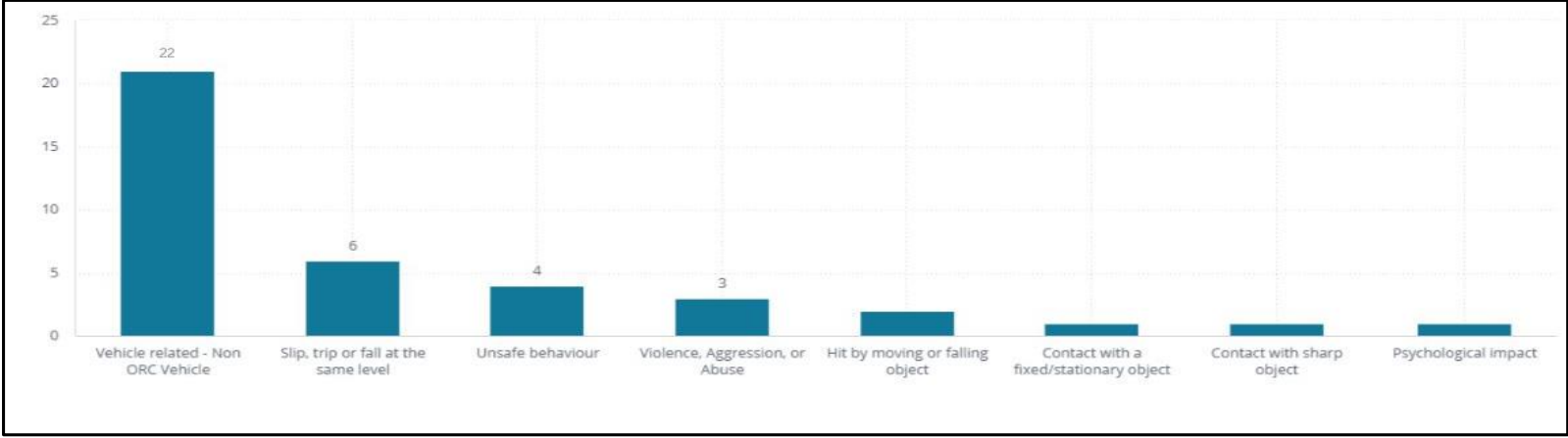
Incidents by severity



ORC Incidents by Type



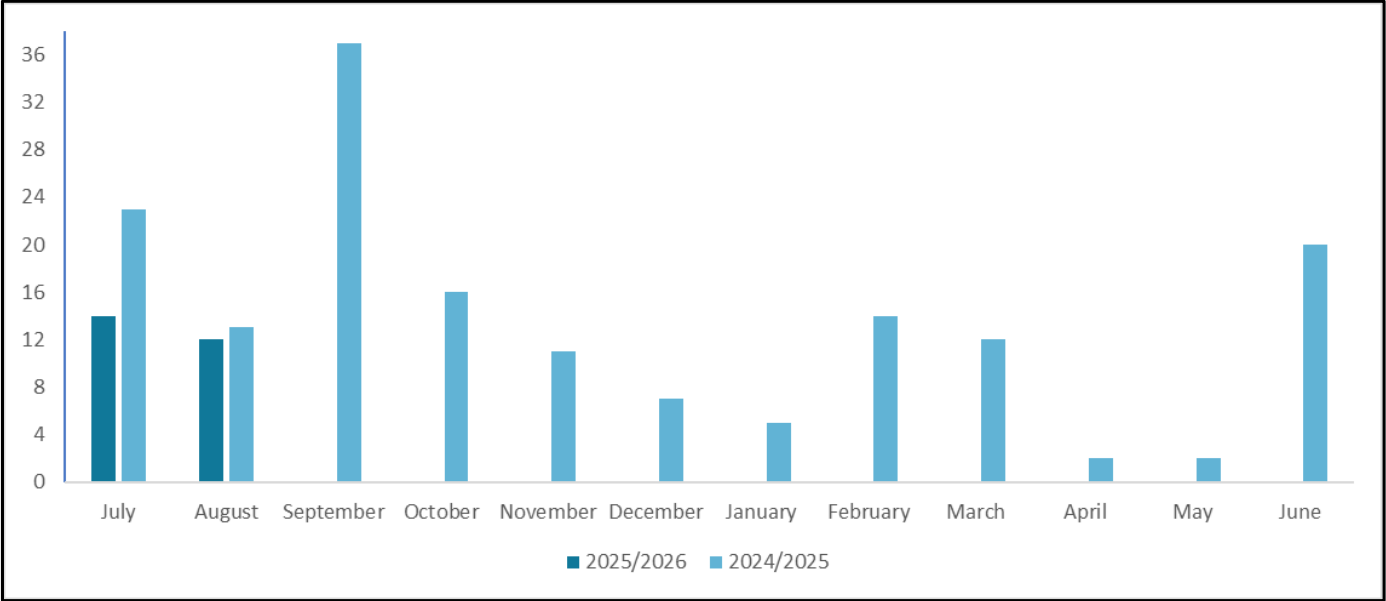
Contractor Incidents by Type





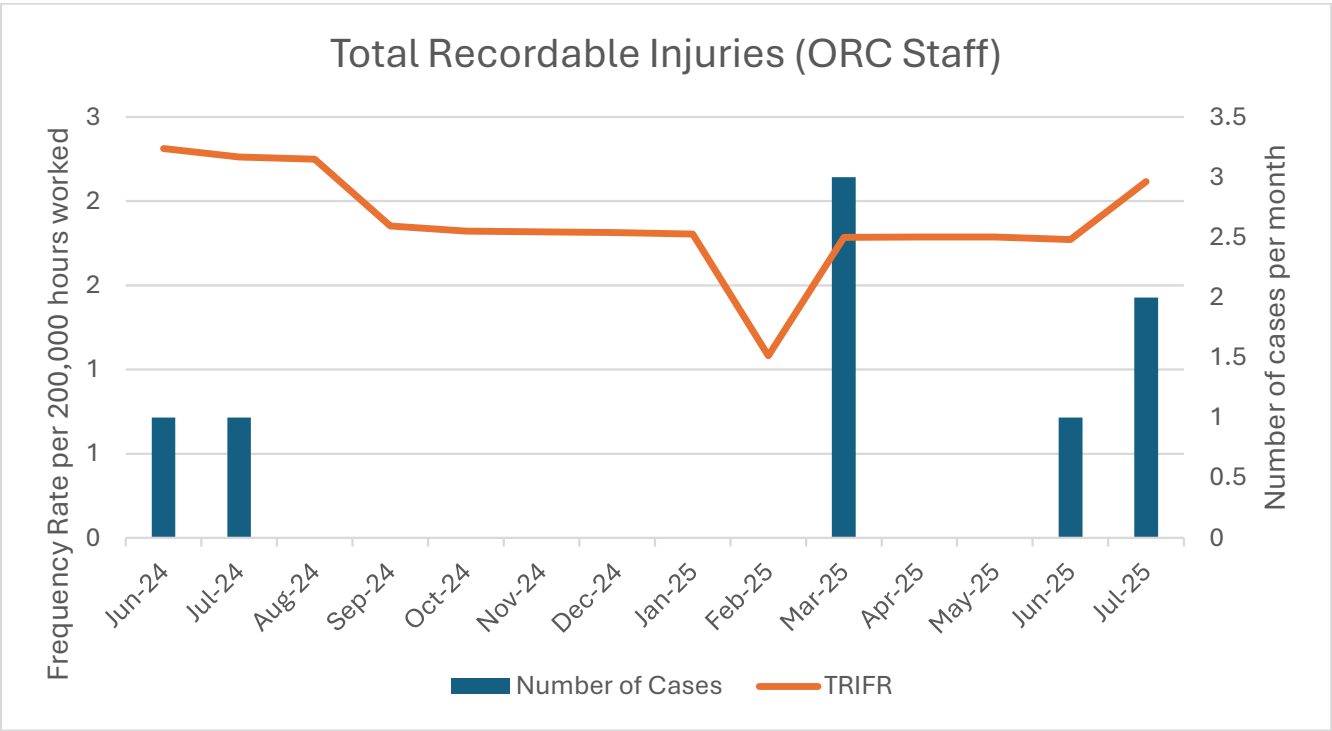
Part Four – Incident Trends

Incident Comparison by Month



Total Recordable Injuries

The following graph shows total recordable injuries including serious harm, lost-time injuries, medical treatment injuries and restricted work injuries incurred by ORC staff. The Total Recordable Injury Frequency Rate (TRIFR) is the total number of recordable injuries per 200,000 hours worked by ORC staff.



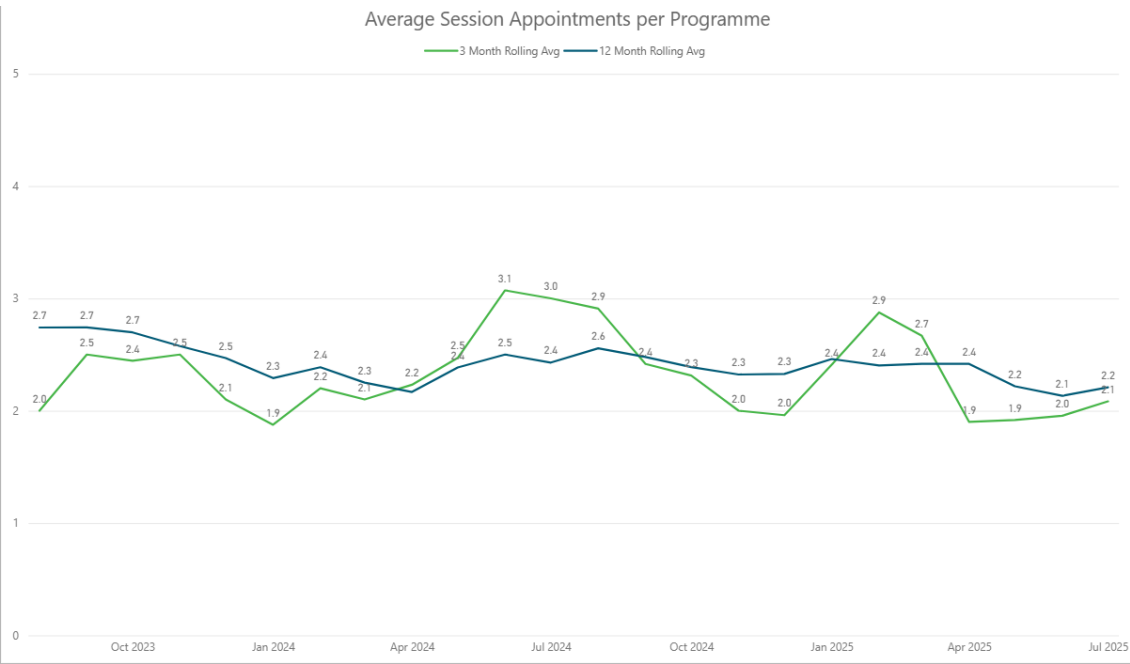
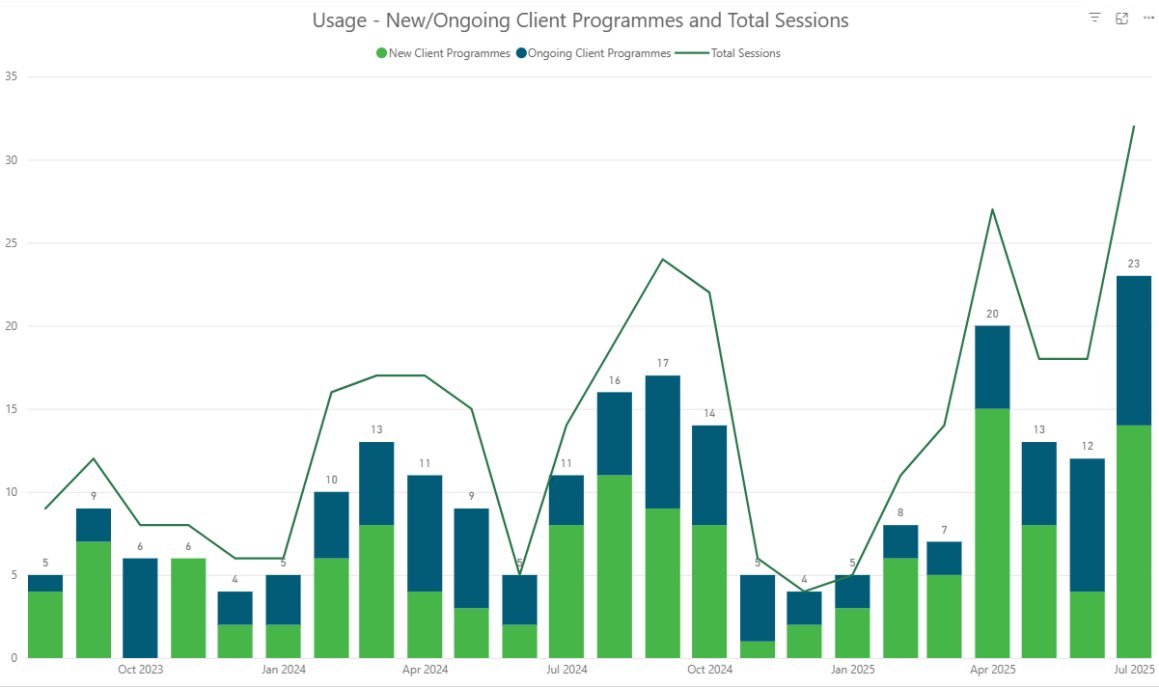
- Note:
- TRIFR provides a standardized way to track ORC’s safety performance over time with respect to physical harm of workers and compare this externally.
 - ORC’s TRIFR in relation to staff for the last 12 months is 2.116. This excludes contractors.
 - The last report from the Business Leader’s Health and Safety Forum before they stopped benchmarking, for the 2022 calendar year had an overall TRIFR for all workers – employees and contractors of 3.58

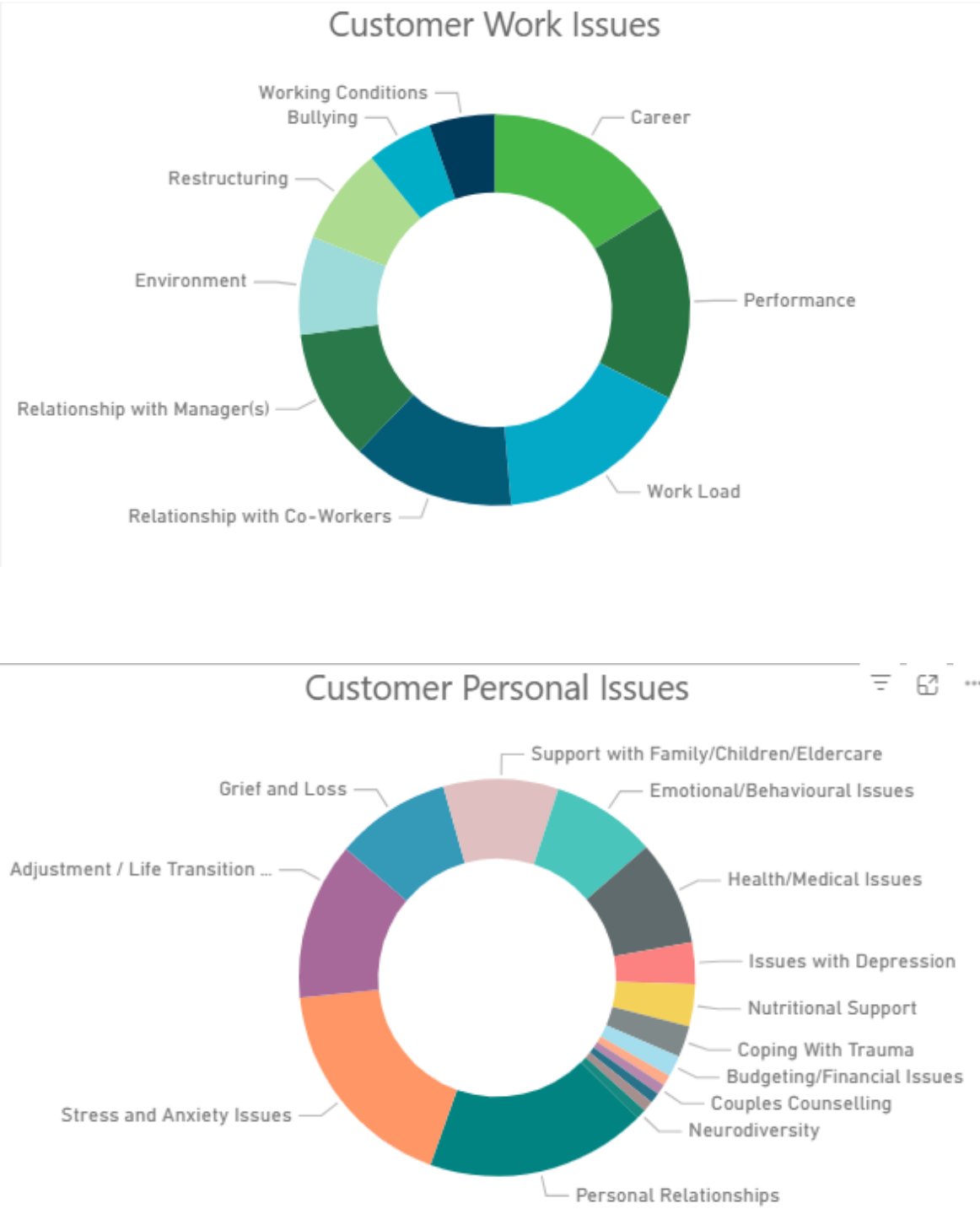
Part Five - EAP Usage – for the 12 months to 31 July 2025

Annual Usage Summary:

	Aug-24 to Jul-25	Aug-23 to Jul-24
Overall EAP Utilisation	23.6%*	13.7%
Work Issues	24%	Unknown
Personal Issues	76%	Unknown
Female	76%	60%
Male	24%	33%
Other / not specified	0%	8%

* This compares to 13.1% for EAP customers overall





Insights on EAP Stats

- The HSW team organised a webinar on ‘Demystifying EAP’ in March which will have raised awareness about what EAP is for and how it can help, potentially contributing to the increase in usage over recent months.
- Following the Wellbeing Survey 2024 results the team has also put increased focus on mental health awareness and support available including through EAP.
- As an organisation, as we continue to normalise talking about mental health and seeking support, we anticipate EAP usage will continue at similar levels.

Health, Safety & Wellbeing Critical Risk Profiles as of 19 August 2025

Author: Gina Louie, Team Leader Health, Safety & Wellbeing

Nine critical risks are outlined within Otago Regional Council's Critical Risk Management Plan, including lone remote or isolated working, falls from height or between levels, water hazards, contractor management, hazardous substances, vehicle/vessel driving/operation, mental health, fatigue, and violence and aggression.

There will be additional layers of detail that sit beneath these risk profiles that are managed by managers, team leaders and staff. That information (risk assessments, task analysis, job safety analysis) will ensure the understanding and management of these risks are relevant to the specific activities and tasks undertaken through the layers of the business.

Contractor Management			
Risk Description	Inadequate contractor management risks the health and safety of employees, contractors, visitors, and members of the public. The risk arises when the contractor engager fails to effectively plan, monitor, and control the activities of contractors working on their premises or carrying out work on their behalf. A range of potential hazards and risks may arise from inadequate contractor prequalification, training, supervision, and communication.	Initial risk level	High
What we know about this risk in our business	Contractor engagement occurs across the Otago Regional Council including construction, maintenance, and specialised tasks such as aviation, public transport, and pest management. We've had 191 contractor related incidents since 2022. 59% percent of these incidents were minor, 18% moderate, 21% near miss occurrences and 2% major.	Residual risk level	Moderate
How we manage the risk	Contractor Health and Safety Policy including prequalification selection procedures, procurement policy & planning processes, organisational induction for onsite contractors, H&S assurance check regimes, regular review of contractor H&S plans, and staff training in contractor safety.		
Control development	The updated Contractor Management Policy is now out for consultation. Recommendations from the review of contractor management procedures are currently in progress.		

Vehicles – Driving Operations			
Risk Description	There is a risk people could be harmed while driving to jobs, meetings and site visits. Drives can be long because we cover a large region. People also occasionally drive to places like mines, ports and commercial sites, off-road and rural areas, and places with extreme	Initial risk level	High

	<p>temperature fluctuations, ice, snow, and sunstrike. CODC vehicle operation in an emergency.</p> <p>Driving, therefore, requires on and off-road capability and involves the use of various types of vehicles.</p> <p>All staff who drive for work are exposed, particularly those who drive in remote locations or off-road.</p>		
What we know about this risk in our business	We've had 51 driving-related incidents in the past 2 years. These involved property damages and minor injuries. Investigations indicated that driver behaviour was a key contributing factor.	Residual risk level	Moderate
How we manage this risk	Fatigue management policy: Driving/ working time restrictions, break/rest and overnight requirements to manage fatigue risks. Recruitment policy (recruitment processes asks if any health issues could impact ability to drive). Organisational inductions. Training, Safe Operating Procedures, vehicle servicing, vehicle GPS tracking with 24/7 impact/rollover alert monitoring service, incident reporting		
Control development	<p>Alcohol and Drug Policy is published and will take effect from the 1st of September 2025.</p> <p>Traffic Management Procedure developed and ready for staff consultation.</p> <p>A new fleet management system, 'E-Road,' was implemented in April, offering enhanced features such as an in-vehicle 'drive buddy,' which provides real-time visual feedback to help drivers avoid speeding, harsh braking, sharp cornering, and unnecessary engine idling. The HSW team is collaborating with Support Services to enhance vehicle procedures, positively reinforcing desired behaviours and addressing areas of concern. The overspeed report has been adjusted to reflect additional E-Road capabilities, enhancing the management of overspeed events, and guidance for having conversations about overspeed events has also been developed. Since October, E-Road reports have been provided to managers monthly, accompanied by guidance on facilitating constructive conversations about overspeed events. As a result, both overall overspeeds and severe overspeeds (+20 km/h over the limit) have shown a steady decline.</p> <p>Additionally, a bow tie analysis was completed for on-road vehicle operations.</p> <p>Vehicle bow tie analyses have been completed</p>		

Lone, Remote or Isolated Work			
Risk Description	<p>Work can be remote because of the nature of work, location, and time, such as visiting sites, inspecting sites, working in remote sites, or responding to calls after hours. The potential risks associated with performing work activities increase significantly when the activity is performed in remote, or isolated situations as assistance may not be readily available to an employee in the event of an injury, ill health, or an emergency.</p> <p>Whether a situation is a high or low risk will depend on the location, type of work, interaction with the public, or the consequences of an emergency, accident, injury, etc. Given that there are a wide variety of situations where employees can be working alone with varying levels of risk.</p>	Initial risk level	High

What we know about this risk in our business	Lone, remote, and isolated work and the risks it presents occurs across Council operations including teams such as environmental monitoring and environmental implementation. Lone, remote, and isolated work has been a contributing factor to one incident in the past two years, involving a false Garmin InReach panic alert, which was accidentally activated, triggering an emergency services response.	Residual risk level	Moderate
How we manage this risk	Emergency response planning, task-specific training, Lone Remote or Isolated Work Policy, worker welfare checks ‘buddy’ system, vehicle fleet use GPS monitoring. 2-way communication with emergency response procedures tailored to the team level. Personal Locator Beacon to be carried.		
Controls development	<p>The Lone, Remote and Isolated Policy is in final review and nearing publication.</p> <p>ORC currently has 40 InReach devices, and 4 users using an app version which are used by various teams; following the completion of the policy review use of this system is expected to increase to ensure that LRI risks are appropriately managed (for some device only and for others only use of the application).</p> <p>A lone, remote and isolated work bow tie analysis has been completed.</p>		
Fatigue			
Risk Description	Fatigue related hazards pose significant health and safety risks. Fatigue occurs when individuals experience physical and or mental exhaustion, leading to impaired decision-making, and increased likelihood of accidents or errors.	Initial risk level	High
What we know about this risk in our business	ORC fatigue risk factors include long hours/shift work (emergency responses, flood etc), nature of work (physical or cognitive demands), personal factors (workload/work pace), and lone, remote, or isolated work.	Residual risk level	Moderate
How we manage this risk	Administrative: roster planning during emergency/flood response, fatigue management policy & toolbox, leave arrangements to be used to manage fatigue as needed. Wellbeing programme including EAP for all staff support and coping skills, workload management including managing long hours and work travel. Role-specific training, role-specific risk management and assessment, support from management, organisational return to work/ stay at work support pathways.		
Controls development	Mental Health Strategy (commencing 2025) Upcoming review of Fatigue Management Policy and toolbox		
Violence & Aggression			
Risk Description	This risk refers to any behaviour or action that involves physical or verbal aggression, threats, harassment, intimidation, or any other form	Initial risk level	High

	of violence, whether initiated by an employee, customer, or any other individual present in the workplace environment.		
What we know about this risk in our business	<p>ORC staff interact with individuals and communities on a wide range of issues, including contentious matters such as policy decisions, enforcement actions, or public service delivery. These interactions, coupled with other factors, can potentially escalate into situations where violence and aggression become a significant concern.</p> <p>We've had 38 violence and aggression related since 2022, 76% of these incidents were minor, 23% moderate, 1% major. Most of the violence and aggression incidents are experienced within the Customer Experience, Compliance and Transport Teams.</p>	Residual risk level	Moderate
How we manage this risk	Occupational Violence and Aggression Policy, de-escalation training, duress and emergency management procedures, provision of fit for purpose workplace layout (e.g. wide and high customer service counters), Security and duress systems (e.g. duress alarms and CCTV at customer-facing points), EAP for staff support & debrief post-incident to reduce further harm, reporting and investigation, team/task specific safe operating procedures, support from management, reducing frustration points/known triggers for customers/ members of the public where possible.		
Controls development	<p>Revision of duress procedures is in development (all customer facing sites)</p> <p>PLH duress procedure review completed – September</p> <p>The lockdown procedure review is finished, scheduled for release in January, along with a revised E-text guideline. A lockdown drill and E-text system training were implemented in Q3 24/25.</p> <p>Two bow-tie analyses have been completed for occupational violence and aggression:</p> <ul style="list-style-type: none">Whare Runaka reception areaViolence and aggression during field activities		

Falls from height or between levels			
Risk Description	Working at height means working in a place where a person could be injured if they fell from one level to another, this can include when working on the ground near an excavation.	Initial risk level	High
What we know about this risk in our business	<p>This risk is applicable to pump stations at weed screens and installation works completed by the Environmental Monitoring Team. Contributing factors include adverse working conditions (e.g., weather, housekeeping, terrain), unsafe practices/behaviour, unsafe/faulty equipment, and working at an exposed edge.</p> <p>No incidents have been related to this risk in the last 2 years.</p>	Residual risk level	Moderate
How we manage the risk	Railing and fall arrest system installation and height safety training were completed in July/August, minor adjustments have now been completed. Pump station fall arrest engineering		

	controls include unirail systems, fixed anchors, cable retractors, and fall arrest cable systems. Personal protective equipment and height safety training has been completed.
Control development	Safe operating procedures development alongside training. Ladder selection and use Safe Operating Procedure completed November 2023. Bow tie assessments have been completed for working from height.

Psychosocial / Mental Health			
Risk Description	<p>Mental health harm or mental ill-health is the significant cognitive, emotional, or behavioural impact arising from, or exacerbated by, work-related risk factors. Mental health harm may be immediate or long-term and can come from single or repeated exposure.</p> <p>Psychosocial risks can be grouped into four key areas; task (<i>demands, role clarity, workplace environment, remote and isolated work</i>), individual (<i>role autonomy, development opportunities, work-life balance, meaning and purpose</i>), social (<i>workplace culture, support, violence and aggression, workplace relationships</i>), and organisational (<i>psychological safety, organisational justice, reward and recognition, change</i>).</p>	Initial risk level	High
What we know about this risk in our business	<p>Psychosocial risk factors are present across the organisation, and current information on mental health is gathered via high-level (anonymous) reporting from EAP, Incident data, wellbeing survey data and engagement survey.</p> <p>The Health, Safety and Wellbeing Team have developed four Stay at Work plans in the last 2 years to support employee mental wellbeing.</p> <p>We have had x8 incident relating to mental health in the last 2 years, 2 incidents related to personal factors and not directly work-related, while the other incident involved a team's involvement in psychosocial impact from reviewing incident reports and resulting from some engagements with members of public.</p>	Residual risk level	Moderate
How we manage the risk	Employee assistance programme, leave arrangements, flexible work options, manager support and leadership training, and communication from senior leadership regarding staying mentally well. Staff awareness training and workshops, staff wellbeing programme.		
Control development	<p>Stay at work & return to work procedure to be developed</p> <p>Mental health strategy to be developed</p> <p>The 2025 wellbeing programme has been released; the Wellbeing Policy has now been implemented.</p>		

Water Hazards			
Risk Description	Working around waterways is one of the most potentially hazardous activities that staff will encounter. The primary hazards associated with rivers, streams and oceans include drowning, slipping (losing footing and control), being caught by snags or whirlpool currents, polluted water, and hypothermia.	Initial risk level	High
What we know about this risk in our business	Working around water and the risks it presents occurs across Council operations and includes boating, flood response, environmental monitoring, pollution response, community education and infrastructure inspection and maintenance. Working around water has not been a contributing factor to incident reports in the past 2 years.	Residual risk level	Low
How we manage the risk	Role-specific training – RiverSafe, maintenance regimes, safe operating procedures for specific tasks. Assurance check regimes, personal protective equipment; custom waders, life jackets, footwear, thermal protection, and 2-way communication devices.		
Control development	Working around water guideline to be developed. Working around water bow tie analysis completed.		

Hazardous Substances			
Risk Description	Hazardous substances are substances that are explosive, flammable, oxidising, toxic, corrosive, or toxic to the environment. A hazardous substance may be a single chemical or a mixture of both hazardous and non-hazardous chemicals.	Initial risk level	Moderate
What we know about this risk in our business	The Engineering, Environmental Monitoring and Environmental Implementation Teams are the predominant users of hazardous substances. Hazardous substances that ORC use include agricultural substances for weed control (flood banks, monitoring stations), preservation chemicals (specimen and sample preservation), fuels, oils, aerosols, and general cleaning products. Minimum quantities are stored at sites. There has been 1 minor incident related to hazardous substances, and 1 near miss in the last 2 years. The incident relating to a broken hazardous substance container, and the near miss related to exposure to what was suspected to be asbestos (was tested and confirmed to be fibre glass).	Residual risk level	Low

How we manage the risk	Personal protective equipment including respirators, protective eyewear, coveralls, non-porous footwear, safety equipment such as eye wash stations and first aid equipment, health monitoring & respirator fit testing, safety/technical data sheets are maintained at each site, safety plans, emergency response plans and safe operating procedures. Training: Hazardous substance awareness training, GrowSafe training. Assurance check regimes during site visits, hazardous substance policy & procedure, and elimination of hazardous substances from ORC depots where possible.
Control development	Upcoming review of hazardous substance policy & procedure Health monitoring procedure The team have been working with the Whare Runaka project team to ensure appropriate controls are in place for the management of hazardous substances.

Health, Safety & Wellbeing Plan

2024 -2026

Vision

ORC is a place of Health, Safety and Wellbeing excellence where we put our people including their health, safety & wellbeing first.

The below health, safety and wellbeing goals are designed to move us towards our vision and address areas for improvement, identified by our team, our health and safety representatives and through observing industry changes.

Information, visibility, reporting & analysis	Leadership & worker participation	Safe systems	Health & Wellbeing
Ensure seamless access to HSW information, promote ORC initiatives & lessons learned, and reinforce HSW measures throughout operations.	Promote a culture of prevention and learning, fostering active leadership and worker participation while maintaining a positive HSW environment.	Align HSW systems for ease of use, focusing on reducing harm, benchmarking safety performance, and prioritising assurance over critical risks.	Enhance workforce health and wellbeing through targeting programmes, ensuring equal access and delivering tangible outcomes for all employees.
<div>1. Improve HSW information & management.</div> <div>2. Improve online safety management system.</div> <div>3. Improve HSW recognition process.</div>	<div>4. Build visible HSW leadership at ORC.</div> <div>5. Improve processes and supports relating to the health and safety committee and representative functions.</div> <div>6. Develop and implement a health, safety, and wellbeing due diligence programme.</div>	<div>7. Establish a safety training competency system.</div> <div>8. Improve hazard & risk management system & incident management.</div> <div>9. Improve existing safety policies, procedures, and guidelines.</div> <div>10. Improve personal protective equipment system.</div> <div>11. Establish approaches to managing new or changing risks.</div>	<div>12. Establish occupational health programmes.</div> <div>13. Improve mental health supports.</div> <div>14. Improve our annual wellbeing programme.</div>

We will be successful when:

<div>• HSW information is targeted, fit for purpose, and engaging for teams, individuals & those whom ORC work with. Shifts the system from how we do H&S to why we do H&S.</div> <div>• HSW performance reviewed against consistent indicators and measures & set as a baseline for future annual reassessment. Performance is benchmarked against similar organisations to assess our performance.</div> <div>• HSW achievements are celebrated through recognition programmes.</div>	<div>• ORC leaders regularly practice investing in, being involved with, and engaging with HSW. Leaders are actively managing risks and outcomes.</div> <div>• Engagement and participation is evident and valued across the organisation. ORC is interested and responsive to workers’ health and safety concerns.</div> <div>• Shared and individual understanding and ownership of health, safety, and wellbeing throughout ORC.</div>	<div>• Safety training needs analysis is in place for all employees; system implemented for people leaders. TNAs used for effective management of safety competencies.</div> <div>• Identification of ORCs critical HSW risks and controls, including implementation of critical risk profiles and action plans.</div> <div>• Policies and procedures that are fit for purpose and reflect the risk profile of ORC.</div>	<div>• Increased use of initiatives and programme uptake.</div> <div>• Reduction in workers’ compensation claims and increased usage of early intervention programmes</div> <div>• Organisational wide engagement on Health and Wellbeing including sharing health and wellbeing stories.</div> <div>• Workforce health and wellbeing enhanced through the implementation of focused programmes.</div>
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Our plan for success

Health, Safety and Wellbeing Team Mission

Partnering across the organisation to consistently improve the health, safety & wellbeing of our workplace, people, and those who we work with.

Information, visibility, reporting & analysis				
Core Services				
A-Z Directory – HSW Induction Administration – Hazard, Near-Miss & Incident Reporting & Analysis – Site Safety Audits – ELT H&S Monthly Reporting – Quarterly Audit & Risk reports – Haumarū Administration – Safety Alerts				
Goal 1: Improve Health, Safety & Wellbeing information, and management				
Objective	Activity	When		
		2023-24	2024-25	2025-26
1.1	Review HSW all staff induction & implement improvements	Complete		
1.2	Build quarterly HSW newsletters	Complete	Ongoing	
1.3	Investigate HSW learning management approaches			
1.4	Present HSW segment of muffin talk	Complete		
1.5	Design and undertake HSW roadshows where relevant/beneficial			
1.6	HSW notice boards implemented across ORC staffed sites	Complete		
1.7	Design and implement an annual ‘safe start’ initiative			
1.8	Consolidate safe operating procedures across the Council & create an SOP register			On hold
Goal 2: Improve online safety management system ‘Haumarū’				
Objective	Activity	When		
		2023-24	2024-25	2025-26
2.1	Haumarū ‘back end’ reviewed and improved: <ul style="list-style-type: none">• Haumarū review form created and circulated with people leaders• Responses consolidated and analysed• Improvement areas identified & action plan created• Improvements actioned and communicated• Haumarū people leader training redeveloped and undertaken	Part 1 complete	Part 2 complete	
2.2	Haumarū ‘front end’ reviewed and improved: <ul style="list-style-type: none">• Review form created and circulated with HSRs• Responses consolidated and analysed• Improvement areas identified & implemented where practicable• Improvements communication• Haumarū all staff Haumarū training redeveloped and undertaken	Part 1 complete	Part 2 complete	

Goal 3: Improve Health, Safety and Wellbeing recognition				
Objective	Activity	When		
		2023-24	2024-25	2025-26
3.1	Trial the development of HSW recognition through the health and safety committee		Complete	
3.2	Continue and/or adapt the process based on staff and HSR feedback			
3.3	Apply to external health, safety, and wellbeing recognition programmes where appropriate			

Leadership & worker participation

Core Services

Health and Safety Committee Coordination & Action Management – Health and Safety Representative Group Meeting Coordination - Coordination of Representative Development Opportunities - Review & Implementation of Ideas for Improvement

Goal 4: Build visible HSW leadership at ORC				
Objective	Activity	When		
		2023-24	2024-25	2025-26
4.1	Internal HSW for people leaders (induction, incident investigations)		Underway	
4.2	Formal HSW leadership training for people leaders			On hold
4.3	Develop and deliver HSW due diligence leadership training (internally)			On hold
Goal 5: Improve processes and supports relating to the health and safety committee and health and safety representatives.				
Objective	Activity	When		
		2023-24	2024-25	2025-26
5.1	Improve the worker engagement and participation procedure	Complete		
5.2	Establish additional health, safety & representative development opportunities: <ul style="list-style-type: none"> Annual in-person workshop Identification & communication of learning development opportunities & facilitating support for HSRs to uptake opportunities 	HSR summit completed	Underway	
5.3	Set and review annual Health and Safety Committee objectives	Complete		
Goal 6: Develop and implement a health, safety, and wellbeing due diligence programme				
Objective	Activity	When		
		2023-24	2024-25	2025-26
6.1	Outline a schedule of health, safety & wellbeing regular activities such as meeting attendance, safety observations, interactions, and verification activities			
6.2	Establish targets for tracking effectiveness in implementing ORC's HSW objectives & goals		Complete	
6.3	Design a set of performance indicators alongside ELT & HSRs. Align indicators to other Councils where possible		Underway	
6.4	Undertake regular reporting and 'deep dive' sessions with ELT and the Audit and Risk Committee	Ongoing	Ongoing	
6.5	Undertake an external audit of our HSW system. Implement system improvements and realign performance indicators where required			On hold – internal to be completed

Safe Systems

Core Services

Lone worker system administration – Safety planning assistance – Emergency Preparedness – Contractor H&S Pre-Qualifications –Asbestos Management Plans – Safety Training Coordination – Safety Training Provider Review & Improvement – Safety Equipment Provision & Management – Personal Protective Equipment Advice and Procurement – Hazardous Substance Audits – General Hazard & Risk Management

Goal 7: Establish a safety training competency system				
Objective	Activity	When		
		2023-24	2024-25	2025-26
7.1	Capture the H&S training/ competency for every team in Council	Complete		
7.2	Create a training needs analysis in Haumaru for every Council employee	Complete		
7.3	Design and implement TNA overview dashboards and reports for people leaders		Complete	
7.4	Develop a safety training guideline			On hold
7.5	Design process for regular review of competencies for every team			
Goal 8: Improve hazard & risk management system & incident management				
Objective	Activity	When		
		2023-24	2024-25	2025-26
8.1	Implement bow tie risk analysis for all critical risks		Underway	
8.2	Develop a process for reviewing critical controls and undertaking verification activities			
8.3	Work with all teams to develop team specific risk registers (where relevant)			On hold
8.4	Develop a safety planning guideline for events and activities led by ORC staff			On hold
8.5	Redevelop incident reporting process to ensure all work-related incidents, near miss and hazards are reported & managed appropriately		Underway	
8.6	Review & embed incident investigations as a key tool in supporting continuous improvement and preventing harm			
Goal 9: Improve existing safety policies, procedures and guidelines				
Objective	Activity	When		
		2023-24	2024-25	2025-26
9.1	Improve contractor management processes <ul style="list-style-type: none">Review current contractor H&S processes through the establishment of a working groupComplete pre-qualification of all in-use contractorsReview H&S training for staff overseeing contractors; provide additional training if appropriate		Underway	

	<ul style="list-style-type: none">Design or select a contractor platformDesign tools for inducting and regular review of contractors			
9.2	Improve lone, remote, and isolated worker policies & practices		Underway	
9.3	Review & improve occupational violence and aggression policy & related procedures			
9.4	Review & improve fatigue management policy, procedure and related tools		On hold	
9.5	Review & improve first aid guideline		Draft & consultation completed	
9.6	Review & improve hazardous substances policy and procedure			On hold
9.7	Review & improve emergency procedures			On hold
9.8	Develop a working around water guideline			On hold
9.9	Review and redevelop HSW Policy Statement		Complete	
9.10	Review and improve Hazardous Manual handling policy	Complete		
9.11	Review and improve Smoke and Vape Free Policy	Complete		
Goal 10: Improve personal protective equipment system				
Objective	Activity	When		
		2023-24	2024-25	2025-26
10.1	Create a matrix for PPE needed for every role in Council		Underway	
10.2	Create processes within Haumaru for reviewing the state of PPE		Underway	
10.3	Improve personal protective equipment guide		Underway	
10.4	Investigate and recommend options for PPE/ uniform online ordering system	Complete		
Goal 11: Establish approaches & effective controls to managing new or changing risks				
Objective	Activity	When		
		2023-24	2024-25	2025-26
11.1	Develop and implement a Drug & Alcohol Policy	Underway	Underway	
11.2	Implement traffic management processes	Underway	Underway	

Health & Wellbeing

Core Services

Health monitoring coordination – Coordination & management of return to work, stay at work plans – Workstation assessment coordination and action management – Hazardous manual handling management & advice – Delivery of quarterly targeted initiatives – EAP reporting and service delivery.

Goal 12: Establish an occupational health programmes				
Objective	Activity	When		
		2023-24	2024-25	2025-26
12.1	Establish a health monitoring programme			On hold

12.2	Establish an occupational-related immunisation programme			On hold
Goal 13: Improve mental health supports				
Objective	Activity	When		
		2023-24	2024-25	2025-26
13.1	Establish a mental health strategy for the organisation			On hold
13.2	Review and implement initiatives and/or programmes identified within the mental health strategy			On hold
13.3	Develop a wellbeing action plan (WAP) template		Complete	
13.4	Review employee assistance programme, service providers			On hold
13.5	Add mental health training to regular training programme (mental health for people leaders and for all staff)			
Goal 14: Improve the annual wellbeing programme				
Objective	Activity	When		
		2023-24	2024-25	2025-26
14.1	Design and implement the annual wellbeing survey, analyse, and summarise results.	Complete	Underway	
14.2	Design and implement an annual wellbeing programme, designed from survey feedback	Complete	Complete	
14.3	Improve the Tiaki health and wellbeing platform to outline supports in place		On hold	
14.4	Investigate health insurance, or other health related supports and make recommendations for consideration as appropriate		Ongoing	
14.5	Support the implementation of an organisational travel plan, investigate and implement related initiatives as related and appropriate.			
14.6	Roll out an organisational-wide trial of sun safety skin checks		Complete	
14.7	Develop an injury, illness, and wellbeing support at work procedure		On hold	On hold
14.8	Review & improve Wellbeing Policy	Underway	Complete	

On Hold Projects will be commenced as capacity allows. In order of impact as below.	
High Impact	Moderate Impact (not in particular order – will be assessed as relevant)
<ul style="list-style-type: none"> Working around water guideline Mental health strategy 	<ul style="list-style-type: none"> External HSW leadership training SOP review Fatigue Management Health monitoring Injury, illness & wellbeing support at work Occupational violence & aggression policy & related procedures Due diligence training Safety training guideline Emergency procedures review Hazardous substances policy review External HSW audit Contractor industry specific bow tie Team specific risk registers HSW leaning management approaches EAP providers review Tiaki wellbeing hub review Safety planning guideline

The general subject 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\(1\)](#) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
<p><i>PE Minutes of the Audit & Risk Subcommittee meeting of 4 June 2025</i></p>	<p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To avoid prejudice to measures that prevent or mitigate material loss to members of the public - 7(2)(e)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p> <p>To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—would be likely otherwise to damage the public interest – Section 7(2)(c)(ii)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or 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.</p>

4.1 Annual Report 2024/25 and Audit Report	<p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—would be likely otherwise to damage the public interest – Section 7(2)(c)(ii)</p>	<p>Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or 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.</p>
4.2 Managed Fund Report	<p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p>	
4.3 Insurance Renewals	<p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p> <p>To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including</p>	

	commercial and industrial negotiations) – Section 7(2)(i)	
4.4 Insurance Disclosures	<p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To avoid prejudice to measures that prevent or mitigate material loss to members of the public - 7(2)(e)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p>	

This resolution is made in reliance on [section 48\(1\)\(a\)](#) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

4.1 Annual Report 2024/25 and Audit Report

I also move that Anthony Smith from Deloitte be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the ORC Audit Plan. This knowledge, which will be of assistance in relation to the matter to be discussed, and relevant to that matter because of their expertise of the matter.

Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:

(a) that the public conduct of the whole or 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.