

## Audit and Risk Management Committee AGENDA

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### Notice of Meeting Te Pānui o te Hui:

An ordinary meeting of the Audit and Risk Management Committee will be held on:

**Date:** Friday 15 August 2025  
**Time:** 9.30 am  
**Venue:** Ministry of Education Building, Conference Room, 48  
Hereford Street, West End

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### Membership Ngā Mema

Chairperson	Mr Bruce Robertson
Deputy Chairperson	Councillor Jake McLellan
Members	Councillor Tyrone Fields
	Councillor Sam MacDonald
	Councillor Tim Scandrett
	Mrs Hilary Walton
	Mr Michael Wilkes

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8 August 2025

#### Principal Advisor

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**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. If you require further information relating to any reports, please contact the person named on the report.

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<https://www.ccc.govt.nz/the-council/meetings-agendas-and-minutes/>

# What is important to us?

Our Strategic Framework is a big picture view of what the Council is aiming to achieve for our community

## Our focus this Council term 2022–2025

### Strategic Priorities



Be an inclusive and equitable city which puts people at the centre of developing our city and district, prioritising wellbeing, accessibility and connection.



Champion Ōtautahi-Christchurch and collaborate to build our role as a leading New Zealand city.



Build trust and confidence in the Council through meaningful partnerships and communication, listening to and working with residents.

Adopted by the Council on 5 April 2023



Reduce emissions as a Council and as a city, and invest in adaptation and resilience, leading a city-wide response to climate change while protecting our indigenous biodiversity, water bodies and tree canopy.



Manage ratepayers' money wisely, delivering quality core services to the whole community and addressing the issues that are important to our residents.



Actively balance the needs of today's residents with the needs of future generations, with the aim of leaving no one behind.

## Our goals for this Long Term Plan 2024–2034

### Draft Community Outcomes



Collaborative and confident

Our residents have the opportunity to actively participate in community and city life, have a strong sense of belonging and identity, and feel safe.



Green and liveable

Our neighbourhoods and communities are accessible and well connected, supporting our goals to reduce emissions, build climate resilience and protect and regenerate the environment, especially our biodiversity, water bodies and tree canopy.

To be adopted by the Council as part of the Long Term Plan 2024–2034



A cultural powerhouse

Our diverse communities are supported to understand and protect their heritage, pursue their arts, cultural and sporting interests, and contribute to making our city a creative, cultural and events 'powerhouse'.



Thriving and prosperous

Our city is a great place for people, business and investment where we can all grow our potential, where enterprises are innovative and smart, and where together we raise productivity and reduce emissions.

## Our intergenerational vision

A place of opportunity for all.

Open to new ideas, new people,  
new investment and new ways  
of doing things – a place where  
anything is possible.



Ngāi Tahu has rangatiratanga over its takiwā – the Council is committed to partnering with Ngāi Tahu to achieve meaningful outcomes that benefit the whole community

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**AUDIT AND RISK MANAGEMENT COMMITTEE - TERMS OF REFERENCE NGĀ ĀRAHINA MAHINGA**

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<b>Chair</b>	Mr Bruce Robertson
<b>Deputy Chair</b>	Councillor McLellan
<b>Membership</b>	Councillor Fields Councillor MacDonald Councillor Scandrett External Members: Mrs Hilary Walton Mr Michael Wilkes
<b>Quorum</b>	Half of the members if the number of members (including vacancies) is even, or a majority of members if the number of members (including vacancies) is odd.
<b>Meeting Cycle</b>	Quarterly and as required
<b>Reports To</b>	Council

***Purpose***

To assist the Council to discharge its responsibility to exercise due care, diligence and skill in relation to the oversight of:

- the robustness of the internal control framework;
- the integrity and appropriateness of external reporting, and accountability arrangements within the organisation for these functions;
- the robustness of risk management systems, process and practices;
- internal and external audit;
- accounting policy and practice;
- compliance with applicable laws, regulations, standards and best practice guidelines for public entities; and
- the establishment and maintenance of controls to safeguard the Council's financial and non-financial assets.

The foundations on which this Committee operates, and as reflected in this Terms of Reference, includes: independence; clarity of purpose; competence; open and effective relationships and no surprises approach.

***Procedure***

- In order to give effect to its advice the Committee should make recommendations to the Council and to Management.
- The Committee should meet the internal and the external auditors without Management present as a standing agenda item at each meeting where external reporting is approved, and at other meetings if requested by any of the parties.
- The external auditors, the internal audit manager and the co-sourced internal audit firm should meet outside of formal meetings as appropriate with the Committee Chair.
- The Committee Chair will meet with relevant members of Management before each Committee meeting and at other times as required.

## ***Responsibilities***

### Internal Control Framework

- Consider the adequacy and effectiveness of internal controls and the internal control framework including overseeing privacy and cyber security.
- Enquire as to the steps management has taken to embed a culture that is committed to probity and ethical behaviour.
- Review the processes or systems in place to capture and effectively investigate fraud or material litigation should it be required.
- Seek confirmation annually and as necessary from internal and external auditors, attending Councillors, and management, regarding the completeness, quality and appropriateness of financial and operational information that is provided to the Council.

### Risk Management

- Review and consider Management's risk management framework in line with Council's risk appetite, which includes policies and procedures to effectively identify, treat and monitor significant risks, and regular reporting to the Council.
- Assist the Council to determine its appetite for risk.
- Review the principal risks that are determined by Council and Management, and consider whether appropriate action is being taken by management to treat Council's significant risks. Assess the effectiveness of, and monitor compliance with, the risk management framework.
- Consider emerging significant risks and report these to Council where appropriate.

### Internal Audit

- Review and approve the annual internal audit plan, such plan to be based on the Council's risk framework. Monitor performance against the plan at each regular quarterly meeting.
- Monitor all internal audit reports and the adequacy of management's response to internal audit recommendations.
- Review six monthly fraud reporting and confirm fraud issues are disclosed to the external auditor.
- Provide a functional reporting line for internal audit and ensure objectivity of internal audit.
- Oversee and monitor the performance and independence of internal auditors, both internal and co-sourced. Review the range of services provided by the co-sourced partner and make recommendations to Council regarding the conduct of the internal audit function.
- Monitor compliance with the delegations policy.

### External Reporting and Accountability

- Consider the appropriateness of the Council's existing accounting policies and practices and approve any changes as appropriate.
- Contribute to improve the quality, credibility and objectivity of the accounting processes, including financial reporting.
- Consider and review the draft annual financial statements and any other financial reports that are to be publicly released, make recommendations to Management.
- Consider the underlying quality of the external financial reporting, changes in accounting policy and practice, any significant accounting estimates and judgements, accounting implications of new and significant transactions, management practices and any significant disagreements between Management and the external auditors, the propriety of any related party transactions and compliance with applicable New Zealand and international accounting standards and legislative requirements.

- Consider whether the external reporting is consistent with Committee members' information and knowledge and whether it is adequate for stakeholder needs.
- Recommend to Council the adoption of the Financial Statements and Reports and the Statement of Service Performance and the signing of the Letter of Representation to the Auditors by the Mayor and the Chief Executive.
- Enquire of external auditors for any information that affects the quality and clarity of the Council's financial statements, and assess whether appropriate action has been taken by management.
- Request visibility of appropriate management signoff on the financial reporting and on the adequacy of the systems of internal control; including certification from the Chief Executive, the Chief Financial Officer and the General Manager Corporate Services that risk management and internal control systems are operating effectively;
- Consider and review the Long Term and Annual Plans before adoption by the Council. Apply similar levels of enquiry, consideration, review and management sign off as are required above for external financial reporting.
- Review and consider the Summary Financial Statements for consistency with the Annual Report.

#### External Audit

- Annually review the independence and confirm the terms of the audit engagement with the external auditor appointed by the Office of the Auditor General. Including the adequacy of the nature and scope of the audit, and the timetable and fees.
- Review all external audit reporting, discuss with the auditors and review action to be taken by management on significant issues and recommendations and report to Council as appropriate.
- The external audit reporting should describe: Council's internal control procedures relating to external financial reporting, findings from the most recent external audit and any steps taken to deal with such findings, all relationships between the Council and the external auditor, Critical accounting policies used by Council, alternative treatments of financial information within Generally Accepted Accounting Practice that have been discussed with Management, the ramifications of these treatments and the treatment preferred by the external auditor.
- Ensure that the lead audit engagement and concurring audit directors are rotated in accordance with best practice and NZ Auditing Standards.

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Compliance with Legislation, Standards and Best Practice Guidelines

- Review the effectiveness of the system for monitoring the Council's compliance with laws (including governance legislation, regulations and associated government policies), with Council's own standards, and Best Practice Guidelines.

Appointment of Independent Members

- Identify skills required for Independent Members of the Audit and Risk Management Committee. Appointment panels will include the Mayor or Deputy Mayor, Chair of Finance & Performance Committee and Chair of Audit & Risk Management Committee. Council approval is required for all Independent Member appointments.
- The term of the Independent members should be for three years. (It is recommended that the term for independent members begins on 1 April following the Triennial elections and ends 31 March three years later. Note the term being from April to March provides continuity for the committee over the initial months of a new Council.)
- Independent members are eligible for re-appointment to a maximum of two terms. By exception the Council may approve a third term to ensure continuity of knowledge.

***Long Term Plan Activities***

- Consider and review the Long Term and Annual Plans before adoption by the Council. Apply similar levels of enquiry, consideration, review and management sign off as are required above for external financial reporting.

## Audit and Risk Management Committee Forward Work Programme 2025

2025	Feb 10	Apr 4	Jun 13	Aug 15	Annual Report Oct 7	Dec
<b>Update Reports</b>	<ul style="list-style-type: none"> <li>• Risk and Assurance</li> <li>• Cyber Security Report</li> <li>• Parakiore Update</li> </ul>	<ul style="list-style-type: none"> <li>• Risk and Assurance</li> <li>• Procurement</li> </ul>	<ul style="list-style-type: none"> <li>• Risk and Assurance</li> <li>• Cyber Security</li> <li>• Major Litigation</li> </ul>	<ul style="list-style-type: none"> <li>• Risk and Assurance</li> <li>• Procurement</li> <li>• Riskpool Update</li> </ul>		<ul style="list-style-type: none"> <li>• Risk and Assurance</li> <li>• Procurement</li> <li>• Health, Safety &amp; Wellbeing</li> </ul>
<b>Other Reports</b>	<ul style="list-style-type: none"> <li>• Insurance Update</li> </ul>	<ul style="list-style-type: none"> <li>• Office of the OAG: Key observations</li> </ul>	<ul style="list-style-type: none"> <li>• Te Kaha Update</li> <li>• Elected Member Expenditure</li> <li>• Riskpool Update</li> <li>• Issue Log Report</li> <li>• Office of the OAG Report</li> </ul>	<ul style="list-style-type: none"> <li>• Elected Member Expenditure</li> <li>• Interim Audit Report 2025</li> <li>• KiwiRail Update</li> </ul>		<ul style="list-style-type: none"> <li>• KiwiRail Update</li> </ul>
<b>Annual Report</b>	<ul style="list-style-type: none"> <li>• Audit Management Report 2024</li> </ul>	<ul style="list-style-type: none"> <li>• External Reporting and Audit Programme for 2024/25 Update</li> </ul>	<ul style="list-style-type: none"> <li>• External Reporting and Audit Programme Update</li> <li>• Audit Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Update on critical judgments, estimates &amp; assumptions</li> <li>• Financial Statements Update - Valuations</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Statements and Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>• Audit NZ Management Letter from prior year's audit</li> </ul>
<b>Annual Plan</b>	<ul style="list-style-type: none"> <li>• Draft Annual Plan</li> </ul>		<ul style="list-style-type: none"> <li>• Final Annual Plan</li> </ul>			

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Part A	Matters Requiring a Council Decision
Part B	Reports for Information
Part C	Decisions Under Delegation

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## Actions Register Ngā Mahinga Tuwhera

## **1. Apologies Ngā Whakapāha**

An apology for absence was received from Michael Wilkes.

## **2. Declarations of Interest Ngā Whakapuaki Aronga**

Members are reminded of the need to be vigilant and 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.

## **3. Confirmation of Previous Minutes Te Whakaāe o te hui o mua**

That the minutes of the Audit and Risk Management Committee meeting held on [Friday, 13 June 2025](#) be confirmed (refer page 10).

## **4. Public Forum Te Huinga Whānui**

A period of up to 30 minutes may be available for people to speak for up to five minutes on any issue that is not the subject of a separate hearing process.

Public Forum presentations will be recorded in the meeting minutes

## **5. Deputations by Appointment Ngā Huinga Whakaritenga**

Deputations will be recorded in the meeting minutes.

## **6. Petitions Ngā Pākikitanga**

There were no petitions received at the time the agenda was prepared.

To present to the Committee, refer to the [Participating in decision-making](#) webpage or contact the meeting advisor listed on the front of this agenda.

## Audit and Risk Management Committee OPEN MINUTES

**Date:** Friday 13 June 2025  
**Time:** 9.31 am  
**Venue:** Ministry of Education Building, Conference Room, 48  
Hereford Street West End

### Present

Chairperson Mr Bruce Robertson  
Deputy Chairperson Councillor Jake McLellan – by audio/visual link  
Members Councillor Sam MacDonald  
Mrs Hilary Walton  
Mr Michael Wilkes – by audio/visual link

### Principal Advisor

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- Part A**      **Matters Requiring a Council Decision**  
**Part B**      **Reports for Information**  
**Part C**      **Decisions Under Delegation**
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## **Adjournment of Meeting**

### **Committee Resolved ARCM/2025/00012**

That the Audit and Risk Management Committee:

1. Adjourn the meeting until 10.30am, 13 June 2025.

Mr Robertson/Mrs Walton

**Carried**

Councillor McLellan left the meeting at 9.33am.

Councillor MacDonald arrived at 10.02am when the meeting was adjourned.

The meeting reconvened at 10.32am.

The agenda was dealt with in the following order.

## **1. Apologies Ngā Whakapāha**

### **Part C**

### **Committee Resolved ARCM/2025/00013**

That the apology from Councillor Fields and Councillor Scandrett for absence and Councillor MacDonald for lateness and Councillor McLellan for early departure be accepted.

Mr Robertson/Councillor MacDonald

**Carried**

**Secretarial Note:** The Chair requested that the excellent work of the Chief Executive and staff in preparing these reports be noted.

## **2. Declarations of Interest Ngā Whakapuaki Aronga**

### **Part B**

There were no declarations of interest recorded.

## **3. Confirmation of Previous Minutes Te Whakaāe o te hui o mua**

### **Part C**

### **Committee Resolved ARCM/2025/00014**

That the minutes of the Audit and Risk Management Committee meeting held on Friday, 4 April 2025 be confirmed.

Mr Robertson/Mrs Walton

**Carried**

#### 4. Public Forum Te Huinga Whānui

**Part B**

There were no public forum presentations.

#### 5. Deputations by Appointment Ngā Huinga Whakaritenga

**Part B**

There were no deputations by appointment.

#### 6. Presentation of Petitions Ngā Pākikitanga

**Part B**

There was no presentation of petitions.

#### 7. Elected Member Sensitive Expenditure Reporting - July to December 2024 Committee Resolved ARCM/2025/00015

**Officer Recommendation accepted without change**

**Part C**

That the Audit and Risk Management Committee:

1. Receives the information in the Elected Member Sensitive Expenditure Reporting - July to December 2024 Report.

Mrs Walton/Councillor MacDonald

**Carried**

#### 8. Consideration of the Council's Annual Plan 2025/2026

**Committee Comment**

1. The Committee discussed the timing of the release of the Annual Plan and 2025/26 and noted that the release would be on the 18 June 2025.

**Officer Recommendations Ngā Tūtohu**

That the Audit and Risk Management Committee:

1. Notes it has reviewed the general checklist and sign-offs by management, including significant forecasting assumptions, in respect of the information that provides the basis for the Annual Plan 2025/26.
2. Advises the Council that in the Committee's opinion an appropriate process has been followed in the preparation of the Annual Plan 2025/26 and its supporting information.
3. Notes that the Annual Plan 2025/26 documents will be released on 12 June 2025 when they are published in the Council Agenda for its meeting commencing 24 June 2025.

**Attachments**

A Annual Plan 2025 Council Adoption Report - **Confidential**

**Committee Decided ARCM/2025/00016**

**Part A**

That the Audit and Risk Management Committee recommends that the Council:

1. Notes it has reviewed the general checklist and sign-offs by management, including significant forecasting assumptions, in respect of the information that provides the basis for the Annual Plan 2025/26.
2. Advises the Council that in the Committee's opinion an appropriate process has been followed in the preparation of the Annual Plan 2025/26 and its supporting information.
3. Notes that the Annual Plan 2025/26 documents will be released on or about 18 June 2025 when they are published in the Council Agenda for its meeting commencing 24 June 2025.

Mr Robertson/Mrs Walton

**Carried**

**9. Office of the Auditor-General Report to Christchurch City Council Audit and Risk Management Committee**

**Committee Resolved ARCM/2025/00017**

**Officer Recommendation accepted without change**

**Part C**

That the Audit and Risk Management Committee:

1. Receives the information in the Office of the Auditor-General Report to Christchurch City Council Audit and Risk Management Committee Report.

Mrs Walton/Mr Wilkes

**Carried**

**10. Resolution to Exclude the Public Te whakataunga kaupare hunga tūmatanui**

**Committee Resolved ARCM/2025/00018**

**Part C**

That Anna Jones and Chantelle Gernetzky of Audit New Zealand, remain after the public have been excluded for Items 11 to 18 of the public excluded agenda as they have knowledge that is relevant to those items and will assist the Council.

**AND**

That at 10.48am the resolution to exclude the public set out on pages 105 to 108 of the agenda be adopted.

Mr Robertson/Councillor MacDonald

**Carried**

The public were re-admitted to the meeting at 11.58am.

Meeting concluded at 11.59am.

CONFIRMED THIS 15 DAY OF AUGUST 2025

BRUCE ROBERTSON  
CHAIRPERSON

Unconfirmed

## 7. Office of the Auditor-General Report to Christchurch City Council Audit and Risk Management Committee

Reference Te Tohutoro: 25/1577739

Responsible Officer(s) Te Pou Matua: Chris Walthew - Group Financial Controller

Accountable ELT Bede Carran, General Manager Finance, Risk & Performance / Chief  
Member Pouwhakarae: Financial Officer

### 1. Purpose and Origin of the Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to enable the Committee to receive the report provided by the Office of the Auditor-General (OAG) dated 15 August 2025.
- 1.2 This report has been prepared to formally table the OAG's report.

### 2. Officer Recommendations Ngā Tūtohu

That the Audit and Risk Management Committee:

1. [Receives the information in the Office of the Auditor-General Report to Christchurch City Council Audit and Risk Management Committee Report.](#)

### 3. Background/Context Te Horopaki

- 3.1 The report from the OAG provides a brief update across four workstreams, noted below, which are relevant to local government.

#### 1. Sector Developments

- 3.2 The OAG is monitoring the ongoing water reform programme, noting continued uncertainty around future service delivery models and their implications for council planning and financial forecasting.
- 3.3 The OAG is also maintaining a watching brief on the Local Government Systems Improvement Bill and is engaged with the Local Government Commission and the Department of Internal Affairs on proposals such as a standardised code of conduct and changes to council performance reporting.

#### 2. Guidance Publications

- 3.4 The OAG has released updated guidance on managing offers to public officials and organisations. This guidance reinforces the importance of ethical leadership, transparency, and integrity in decision-making, particularly in relation to gifts, hospitality, and other benefits.

#### 3. Annual Plan 2025/26



- 3.5 The OAG has finalised its Annual Plan for 2025/26, following feedback from Parliament and the public sector. Key areas of focus include procurement, long-term planning, te ao Māori, and benefits realisation at New Zealand Transport Agency Waka Kotahi, which has been broadened in scope in response to feedback.

#### 4. Pre-Election Communications

- 3.6 The OAG has issued reminders on appropriate council communications during the pre-election period. Councils are advised to avoid any use of resources that could be perceived as

electioneering and to follow established protocols to maintain public trust and confidence in the electoral process.

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A  	Report for CCC Audit and Risk Management Committee August 2025 - final.pdf	25/1577742	17

In addition to the attached documents, the following background information is available:

Document Name – Location / File Link
Not applicable

Signatories Ngā Kaiwaitohu

Author	Chris Walthew - Group Financial Controller
Approved By	Bede Carran - General Manager Finance, Risk & Performance / Chief Financial Officer



**CONTROLLER AND AUDITOR-GENERAL**  
Tumuaki o te Mana Arotake



15 August 2025

## **Report to the Christchurch City Council Audit and Risk Management Committee**

This report provides an update to the Audit and Risk Management Committee (the Committee) from the Office of the Auditor-General (the Office).

### **Water reform**

- Planning and discussion continues internally on the role of, and impact on, the Office – e.g. as a result of new entities and audit engagements. This includes conversations with the DIA and Taituarā and ongoing support for auditors. We have a cross-office working group making these preparations and will liaise with councils as required.

### **Local government system improvements work**

- We are maintaining a watching brief on the progression of this amendment bill and have been involved in discussions with the Local Government Commission and DIA on the proposed standardised code of conduct.
- The bill also includes provision to change the purpose of local government, measure and publicise council performance, prioritise core services in council spending, standardise standing orders, facilitate CEs sharing council information with elected members, and reduce regulatory requirements.

### **Recent OAG publications relevant to local government**

- [Managing offers to public officials and organisations](#)

This guide provides our view of good practice for responding to offers extended to a public official or public organisation. It is a companion document to our guidance on sensitive expenditure published in 2020: [Controlling sensitive expenditure: Guide for public organisations](#) and is underpinned by our integrity framework.

***Why we did this work***

- Public organisations hold positions of trust that extend beyond what any rules or systems can convey, and how these organisations respond when gifts, benefits, hospitality, or other offers are made sends a clear signal about their commitment to serving the public interest.
- This guide acknowledges that these decisions are not always straightforward, but even when there is no intent to influence, questions can arise about impartiality and judgement.
- As a result, the challenge largely lies in managing these offers with transparency, consistency, and care. This is particularly the case when fielding offers from current suppliers or potential contractors. These offers bring heightened risks – both real and perceived – that decisions might be inappropriately influenced.
- These risks increase when offers are valuable or offers are regularly accepted from the same sources.
- The circumstances where it would be appropriate to accept such an offer are likely to be limited and this is where leadership matters.

***Leadership expectations***

- We expect senior leaders to set the tone by modelling appropriate behaviour and creating a culture where staff feel confident making sound decisions.
- This includes being open about any offers received and politely declining them – unless there is a clear and compelling business reason to accept them.
- Alongside this we expect organisations to provide clear guidance to help their staff navigate real-world situations with ethical awareness and good judgement.
- This guidance supports those people responsible for developing and overseeing policies about offers. It also highlights that every offer is an opportunity to demonstrate integrity in practice and affirm your commitment to the public good.
- The components of an effective organisational approach to managing offers includes:
  - setting the tone through effective leadership;
  - developing clear, practical, and accessible policies;
  - implementing robust procedures;
  - maintaining comprehensive and transparent record-keeping;
  - communicating the organisation's position;
  - providing training to staff; and
  - reviewing and refining processes and procedures.

***Clear principles***

- A robust approach to managing offers should be built on an ethical and principled foundation. The following principles support these standards of integrity:
  - Public trust always comes first.
  - Most offers should be declined.

- Transparency requires good record-keeping.
- Relationships should be managed respectfully.

- [Final Annual Plan 2025/26](#)

#### ***Finalisation of the plan***

- In finalising this plan we sought feedback from Parliament, the public sector, and the public. Most of the feedback we received supported our proposed work programme, including the focus on value for money, long-term planning, and te ao Māori.
- There was particular interest in our proposed work on procurement, responses to floods and droughts, and misinformation.
- The main change we have made in response to feedback is to broaden the scope of our planned work on benefits realisation at New Zealand Transport Agency Waka Kotahi.
- We have also further refined other work, including work focused on bullying and harassment in schools, public records of interest to Māori, and procurement in local government.

- [Council communications during pre-election periods](#)

#### ***What to keep in mind***

- Our office has released a reminder on the protocols for council communications in the lead up to the 2025 local body elections.
- Although elected members can govern and make decision in the pre-election period, councils need to carefully manage communications to ensure that sitting candidates do not gain an unfair advantage over non-sitting candidates.
- This includes taking particular care to make sure that council communications / resources<sup>1</sup> are not used (or appear to be used) for electioneering purposes. If this is the case, then public trust and confidence in the outcome of elections will be put at risk and the reputation of the council could be damaged.
- The line between legitimate council communications and campaigning can be easily crossed, sometimes unintentionally. If in doubt, it is best to take a precautionary approach.

#### ***How to manage this***

- The main considerations for councils when making decisions about communication during a pre-election period have been summarised below:
  - **Media releases** – elected members often act as spokespeople but this publicity can be seen as an opportunity for self-promotion. Media releases need to be limited to what is

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<sup>1</sup> This could include staff time and equipment – e.g. photocopiers or council-provided phones and laptops.

strictly necessary to communicate council business. Council managers should oversee this to manage misperceptions and risks.

- **Media interviews** – there are risks around unscripted elements where campaign mode might unintentionally be activated. It may be less risky for the CE or communications manager to act as the spokesperson.
- **Images or information** – councils should not use images in public communications that raise the profile of any elected members during this period (e.g. in newsletters or billboards).
- **Email** – caution should be applied here as while candidates can use their council email for normal activities, the boundary between answering a ratepayer query and campaigning can be difficult to navigate.
- **Social media** – council social media accounts should not be used by sitting candidates for electioneering, or appear to be used as such. In addition, sitting candidates need to make sure that any social media accounts that they do use for electioneering are clearly not linked to the council (or give the impression of being linked).
- **Annual reports** – to avoid concerns that annual reports are being used as an advertising opportunity for sitting candidates (if released in the pre-election period), care should be taken with any information included about elected members – including photographs.
- We also recommend that councils have a communication protocol for the pre-election period.
- Taituarā has also published guidance for its members on the principles and guidelines for councils and their elected members to apply when preparing and delivering communications during the pre-election period.

#### ***Polls on the future of Māori wards***

- We understand that the legal advice to the sector is that:
  - providing objective and neutral information about the topic of a poll to inform voters is legitimate; but
  - using council resources to promote a council position on a poll could provide grounds to challenge the conduct of the poll under the Local Electoral Act 2001<sup>2</sup>.
- If councils are in doubt about their approach to communicating with voters about the poll, they should get legal advice. It is not the role of the Auditor-General to determine whether the Local Electoral Act 2001 has been breached.

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<sup>2</sup> Taituarā got legal advice for its members on this matter in 2024.

## 8. Elected Member Sensitive Expenditure Reporting - January to June 2025

Reference Te Tohutoro: 25/1342443

Responsible Officer(s) Te Pou Matua: Jo Daly, Council Governance Advisor

Accountable ELT Member Pouwhakarae: Helen White, General Counsel / Director of Legal & Democratic Services

### 1. Purpose and Origin of the Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to present to the Audit and Risk Management Committee for review the elected member sensitive expenditure reporting for the period 1 January 2025 to 30 June 2025.
- 1.2 This report is prepared to comply with the reporting requirements of the Council's Elected Member Professional Development Policy and Elected Member Allowances and Expenses Policy.

### 2. Officer Recommendations Ngā Tūtohu

That the Audit and Risk Management Committee:

1. Receives the information in the Elected Member Sensitive Expenditure Reporting - January to June 2025 Report.

### 3. Background/Context Te Horopaki

- 3.1 The Council's Elected Member Expenses and Allowances Policy and Elected Member Professional Development Policy cover elected member entitlements to allowances and contributions towards expenses for travel mileage, communications and childcare and elected member professional development.
- 3.2 The current policies were adopted in October 2024 and will be reviewed each triennium.
- 3.3 Expenditure pursuant to the policies, claims and allowances paid is to be reported to the Audit and Risk Management Committee for review and published on the Council's website at least six monthly.
- 3.4 The policies follow the guidance set out the Auditor General's Controlling sensitive expenditure: Guide for public organisations and the Remuneration Authority Local Government Members Determination 2024/25.





### 4. Considerations Ngā Whai Whakaaro

- 4.1 The Audit and Risk Committee review is a requirement of the Council's policies. This report presents the elected member expenses, allowances and professional development for the period 1 January 2025 to 30 June 2025.
- 4.2 Expenses, allowances and professional development incurred during the period were approved as per the requirements of the policies adopted in October 2024.
- 4.3 The report attached to this agenda will be published on the Council website.



- 4.4 Future reporting to the Committee will take into consideration the timing the triennial elections.

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A  	Elected Member Sensitive Expenditure Reporting Summary - January to June 2025	25/1501140	23
B  	Elected Member Sensitive Expenditure Reporting - January to June 2025 - Detail	25/1501141	25

In addition to the attached documents, the following background information is available:

Document Name – Location / File Link
<a href="#">Elected-Member-Professional-Development-Policy.pdf</a>
<a href="#">Elected-Member-Allowances-and-Expenses-Policy.pdf</a>

Signatories Ngā Kaiwaitohu

Author	Jo Daly - Council Governance Advisor
Approved By	Helen White - General Counsel / Director of Legal & Democratic Services

**Elected Member Sensitive Expenditure Reporting - January to June 2025 - Summary**

Mayor and Councillors	Role	Communications Allowances/ Expenses	Mileage	Travel Time	Conferences, Training, Travel and Professional Development
Phil Mauger	Mayor	\$109.71			\$586.12
Pauline Cotter	Deputy Mayor	\$875.00			
Kelly Barber	Councillor	\$850.00			
Melanie Coker	Councillor	\$0.00			
Celeste Donovan	Councillor	\$875.00			
Tyrone Fields	Councillor	\$850.00	\$1,170.80	\$640.00	
James Gough	Councillor	\$875.00			
Tyla Harrison-Hunt	Councillor	\$875.00			
Victoria Henstock	Councillor	\$875.00			
Yani Johanson	Councillor	\$875.00			
Aaron Keown	Councillor	\$875.00			
Sam MacDonald	Councillor	\$625.00			\$1,141.43
Jake McLellan	Councillor	\$875.00			
Andrei Moore	Councillor	\$875.00			
Mark Peters	Councillor	\$875.00			
Tim Scandrett	Councillor	\$875.00			
Sara Templeton	Councillor	\$850.00			

Elected Member Sensitive Expenditure Reporting - January to June 2025 - Summary

Community Board Members	Role	Communications Allowances/Expenses	Mileage	Travel Time	Conferences, Training, Travel and Professional Development
<b>Te Pātaka o Rākaihautū Banks Peninsula Community Board</b>					
Lyn Leslie	Board Chairperson	\$875.00	\$1,088.88	\$220.00	
Nigel Harrison	Deputy Chairperson	\$875.00	\$728.00	\$320.00	
Asif Hussain	Board Member	\$875.00	\$1,322.88	\$580.00	
Cathy Lum-Webb	Board Member	\$0.00			
Howard Needham	Board Member	\$875.00			
Luana Swindells	Board Member	\$775.00			
Jillian Frater	Board Member	\$495.00	\$1,067.04	\$450.00	
<b>Waihoru Spreydon-Cashmere-Heathcote Community Board</b>					
Callum Ward	Board Chairperson	\$0.00			
Keir Leslie	Deputy Chairperson	\$875.00			
Will Hall	Board Member	\$0.00			
Roy Kenneally	Board Member	\$0.00			
Tim Lindley	Board Member	\$875.00			
Lee Sampson	Board Member	\$1,750.00*			
<b>Waimāero Fendalton-Waimairi-Harewood Community Board</b>					
Jason Middlemiss	Board Chairperson	\$1,750.00*			
Bridget Williams	Deputy Chairperson	\$1,750.00*			
David Cartwright	Board Member	\$1,750.00*			
Linda Chen	Board Member	\$1,750.00*			
Nicola McCormick	Board Member	\$1,750.00*			
Shirish Paranjape	Board Member	\$1,750.00*			
<b>Waipapa Papanui-Innes-Central Community Board</b>					
Emma Norrish	Board Chairperson	\$875.00			
Simon Britten	Deputy Chairperson	\$875.00			
Sunita Gautam	Board Member	\$875.00			
Ali Jones	Board Member	\$875.00			
John Miller	Board Member	\$875.00			
Emma Twaddell	Board Member	\$875.00			
<b>Waipuna Halswell-Hornby-Riccarton Community Board</b>					
Marie Pollisco	Board Chairperson	\$875.00			
Helen Broughton	Deputy Chairperson	\$875.00			
Sarah Brunton	Board Member	\$875.00			
Henk Buunk	Board Member	\$0.00			
Gamal Fouda	Board Member	\$375.00			
Debbie Mora	Board Member	\$875.00			
Luke Chandler	Board Member	\$248.18			
<b>Waitai Coastal-Burwood-Linwood Community Board</b>					
Paul McMahon	Board Chairperson	\$625.00			
Jackie Simons	Deputy Chairperson	\$875.00			
Tim Baker	Board Member	\$0.00			
Alex Hewison	Board Member	\$875.00			
Greg Mitchell	Board Member	\$875.00			
Jo Zervos	Board Member	\$875.00			

\* Payment made for July 2024 to June 2025 12 month period

Elected Member Sensitive Expenditure Reporting - January to June 2025 - Detail

Elected Member	Role	Communications Allowances/ Expenses	Mileage	Travel Time	Conferences, Training, Travel and Professional Development	Details
Phil Mauger	Mayor				\$586.12	Wellington - Meetings - Flights and vehicle
Phil Mauger		\$109.71				Cellphone
Pauline Cotter	Deputy Mayor	\$875.00				Communications allowance January to June 2025
Kelly Barber	Councillor	\$850.00				Communications allowance January to June 2025
Melanie Coker	Councillor	\$0.00				
Celeste Donovan	Councillor	\$875.00				Communications allowance January to June 2025
Tyrone Fields	Councillor		\$1,877.90	\$640.00		Mileage and travel time January to June 2025
Tyrone Fields		\$850.00				Communications allowance January to June 2025
James Gough	Councillor	\$875.00				Communications allowance January to June 2025
Tyla Harrison-Hunt	Councillor	\$875.00				Communications allowance January to June 2025
Victoria Henstock	Councillor	\$875.00				Communications allowance January to June 2025
Yani Johanson	Councillor	\$875.00				Communications allowance January to June 2025
Aaron Keown	Councillor	\$875.00				Communications allowance January to June 2025
Sam MacDonald	Councillor				\$1,141.43	IDO Health & Safety Governance Conference fee and flights Postponed to be rescheduled
Sam MacDonald		\$625.00				Communications allowance January to June 2025
Jake McLellan	Councillor	\$875.00				Communications allowance January to June 2025
Andrei Moore	Councillor	\$875.00				Communications allowance January to June 2025
Mark Peters	Councillor	\$875.00				Communications allowance January to June 2025
Tim Scandrett	Councillor	\$875.00				Communications allowance January to June 2025
Sara Templeton	Councillor	\$850.00				Communications allowance January to June 2025

Elected Member Sensitive Expenditure Reporting - January to June 2025 - Detail

Elected Member	Role	Communications Allowances/ Expenses	Mileage	Travel Time	Conferences, Training, Travel and Professional Development	Details
<b>Te Pātaka o Rākaihautū Banks Peninsula Community Board</b>						
Lyn Leslie	Board Chairperson	\$875.00				Communications allowance January to June 2025
Lyn Leslie			\$1,088.88	\$220.00		Mileage and Travel Time
Nigel Harrison	Deputy Chairperson	\$875.00				Communications allowance January to June 2025
Nigel Harrison			\$728.00	\$320.00		Mileage and Travel Time
Asif Hussain	Board Member	\$875.00				Communications allowance January to June 2025
Asif Hussain			\$1,322.88	\$580.00		Mileage and Travel Time
Cathy Lum-Webb	Board Member					
Howard Needham	Board Member	\$875.00				Communications allowance January to June 2025
Luana Swindells	Board Member	\$775.00				Communications allowance January to June 2025
Jillian Frater	Board Member	\$495.00				Communications allowance January to June 2025
Jillian Frater			\$1,067.04	\$450.00		Mileage and Travel Time
<b>Waihoru Spreydon-Cashmere-Heathcote Community Board</b>						
Callum Ward	Board Chairperson	\$0.00				
Keir Leslie	Deputy Chairperson	\$875.00				Communications allowance January to June 2025
Will Hall	Board Member	\$0.00				
Roy Kenneally	Board Member	\$0.00				
Tim Lindley	Board Member	\$875.00				Communications allowance January to June 2025
Lee Sampson	Board Member	\$1,750.00				Communications allowance July 2024 to June 2025 - 12 month period
<b>Waimāero Fendalton-Waimairi-Harewood Community Board</b>						
Jason Middlemiss	Board Chairperson	\$1,750.00				Communications allowance July 2024 to June 2025 - 12 month period
Bridget Williams	Deputy Chairperson	\$1,750.00				Communications allowance July 2024 to June 2025 - 12 month period
David Cartwright	Board Member	\$1,750.00				Communications allowance July 2024 to June 2025 - 12 month period
Linda Chen	Board Member	\$1,750.00				Communications allowance July 2024 to June 2025 - 12 month period
Nicola McCormick	Board Member	\$1,750.00				Communications allowance July 2024 to June 2025 - 12 month period
Shirish Paranjape	Board Member	\$1,750.00				Communications allowance July 2024 to June 2025 - 12 month period

Elected Member Sensitive Expenditure Reporting - January to June 2025 - Detail

Elected Member	Role	Communications Allowances/ Expenses	Mileage	Travel Time	Conferences, Training, Travel and Professional Development	Details
<b>Waipapa Papanui-Innes-Central Community Board</b>						
Emma Norrish	Board Chairperson	\$875.00				Communications allowance January to June 2025
Simon Britten	Deputy Chairperson	\$875.00				Communications allowance January to June 2025
Sunita Gautam	Board Member	\$875.00				Communications allowance January to June 2025
Ali Jones	Board Member	\$875.00				Communications allowance January to June 2025
John Miller	Board Member	\$875.00				Communications allowance January to June 2025
Emma Twaddell	Board Member	\$875.00				Communications allowance January to June 2025
<b>Waipuna Halswell-Hornby-Riccarton Community Board</b>						
Marie Pollisco	Board Chairperson	\$875.00				Communications allowance January to June 2025
Helen Broughton	Deputy Chairperson	\$875.00				Communications allowance January to June 2025
Sarah Brunton	Board Member	\$875.00				Communications allowance January to June 2025
Henk Buunk	Board Member	\$0.00				
Gamal Fouda	Board Member	\$375.00				Communications allowance January to March 2025
Debbie Mora	Board Member	\$875.00				Communications allowance January to June 2025
Luke Chandler	Board Member	\$248.18				Communications allowance May to June 2025
<b>Waitai Coastal-Burwood-Linwood Community Board</b>						
Paul McMahon	Board Chairperson	\$625.00				Communications allowance January to June 2025
Jackie Simons	Deputy Chairperson	\$875.00				Communications allowance January to June 2025
Tim Baker	Board Member	\$0.00				
Alex Hewison	Board Member	\$875.00				Communications allowance January to June 2025
Greg Mitchell	Board Member	\$875.00				Communications allowance January to June 2025
Jo Zervos	Board Member	\$875.00				Communications allowance January to June 2025

Elected Member Sensitive Expenditure Reporting - January to June 2025 - Detail



## 9. KiwiRail Risks - Update

Reference Te Tohutoro: 24/2266970

Responsible Officer(s) Te Pou Matua: Jacob Bradbury, Manager Planning & Delivery Transport

Accountable ELT Member Pouwhakarae: Brent Smith, General Manager City Infrastructure

### 1. Purpose and Origin of the Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to give the Committee an update on the issues between Council and KiwiRail.
  - 1.1.1 These have mostly been related to cost and time pressures associated with the upgrade of existing level crossings.
- 1.2 Further to issues related to the Scruttons Road level crossing, Council recommended that the working relationship with KiwiRail be brought to the Committee.
  - 1.2.1 A report was brought to the Committee in December 2024. This was public excluded due to the supply of legally privileged information.
  - 1.2.2 The Committee requested a mid-year update. The information included is purely operational, so has been included as a public report.

### 2. Officer Recommendations Ngā Tūtohu

That the Audit and Risk Management Committee:

1. Receives the information in the KiwiRail Risks - Update Report.

### 3. Background/Context Te Horopaki

#### Background

- 3.1 At the time of the previous report to the Audit and Risk Management Committee, there were significant issues with the relationship between KiwiRail and Council.
  - 3.1.1 These were mostly related to level crossing upgrades, and covered:
    - Disagreements over scope
    - High cost increases for agreed works
    - Delivery challenges, causing significant delays
  - 3.1.2 This caused the relationship between the two organisations to be extremely fraught, leading to a low level of trust and co-operation between operational staff.
  - 3.1.3 This particularly – but not exclusively – impacted the delivery of key parts of the Major Cycleway Network. Works involving interactions with KiwiRail were either not able to be delivered in timeframes that were acceptable to the public, or had financial impacts on ratepayers, that was causing a high level of reputational damage.
- 3.2 The trigger for Council to request that this was referred to the Committee in late-2024 was the high-profile potential closure of the Heathcote Expressway Major Cycleway, due to issues with the Scruttons Road level crossing.

- 3.2.1 The level crossing upgrade had seen significant cost increases: going from an estimated \$1.5m to over \$6m over the course of around 18 months.
- 3.2.2 Due to the way Council allocates funding through Long Term and Annual Plans, the project capital allowances had not kept pace with the escalation, so Council staff were not able to commit to the delivery of the level crossing upgrades in the short term.
- 3.2.3 To manage the increased risk at the level crossing caused by the additional users of the cycleway, KiwiRail had requested that Council close the cycleway until the level crossing upgrade works were complete.
- 3.2.4 Staff were preparing to close the cycleway as requested. However, this action created a high level of public, political and media interest
- 3.2.5 A few days before the expected closure date, KiwiRail stating that they did not require the cycleway to be closed in the short term. However, they remained concerned about the increased risk at the level crossing associated with additional users.

### **Mid-year update on progress**

- 3.3 In recent months there has a profound shift in the relationship between Council and KiwiRail towards a more collaborative approach, which has led to some tangible results. Examples of this include:
  - 3.3.1 Successful delivery of Halswell Junction Road and the Northern Line level crossing upgrades (Harewood Road, Langdons Road, and Sawyers Arms Road).
  - 3.3.2 Sharing knowledge and skills to benefit the overall projects, for example, shared procurement and contracts, joint comms and stakeholder engagement, working together to agree timing for the works to go ahead, etc
  - 3.3.3 Proactively sharing information ahead of it being released as part of media, elected member, minister, OIA or LGOIMA requests
  - 3.3.4 Discussions over priorities, so that scarce resources can be more effectively utilised
  - 3.3.5 Engineering options are proposed and discussed ahead of selection. This has given Council staff a greater understanding of the specific risks being managed, and the trade-offs that may be included in lower cost solutions.
  - 3.3.6 KiwiRail seeking to include CCC staff in the latest update of the Level Crossing Risk Assessment Guide
- 3.4 There has been some significant progress towards lower-cost solutions for Scruttons Road and Radcliffe Road level crossings. These are now moving into the rail design phase.
  - 3.4.1 In some cases, these may not reduce the absolute safety risk as much as the originally proposed solutions, however, they are more focused on dealing with the additional risk that Council's project will bring.
  - 3.4.2 KiwiRail have also proposed options which trade upfront cost for asset life: the lower cost solutions are likely to need renewal sooner. However, the additional information means that Council staff are able to understand and contribute to decisions that are most appropriate for dealing with the specific issues at each location.
  - 3.4.3 This approach is expected to be used at Parker Street. Staff are hopeful that further significant savings can be made and therefore allow progress to be made.
- 3.5 Council allocated additional money to these level crossings through the FY26 Annual Plan, meaning there are now available funds to progress these works

- 3.6 Council have also approved staff to negotiate changes to the Shovel Ready Funding agreement. While this does not directly impact on this relationship, it puts pressure on Council to find short term solutions, rather than consider longer term and/or more incremental improvements that may achieve the same results in a more cost-effective way.



#### Project level progress

- 3.7 In recent weeks, KiwiRail was asked for an update on the Christchurch programme by the Minister of Railways. Council and KiwiRail staff both contributed to this.
- 3.7.1 This information is supplied in **Attachment A**
- 3.7.2 The attachment also includes additional information that staff believe may be useful for the Committee and Elected Members.

## 4. Considerations Ngā Whai Whakaaro

- 4.1 There have been significant improvements in the way Council and KiwiRail work together, which has started to yield tangible results
- 4.2 Additional funding has been allocated through the Annual Plan, allowing work to progress
- 4.3 Staff therefore believe the risk associated with KiwiRail interactions has reduced

## Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A  	CCC_KiwiRail projects update - 21 July 25	25/1516861	32

In addition to the attached documents, the following background information is available:

Document Name – Location / File Link
Not applicable

## Signatories Ngā Kaiwaitohu

<b>Author</b>	Jacob Bradbury - Manager Planning & Delivery Transport
<b>Approved By</b>	Lynette Ellis - Head of Transport & Waste Management

Supplied to the Minister of Railways			Further information for CCC Elected Members	
Level Crossing	Reason for upgrade	Status	Staff priority	CCC staff update
Scruttons Road	Support the CCC's Cycleways Programme by improving safety for users at the level crossing.	KiwiRail has completed a rescoping process and has presented lower-cost design options to CCC which has selected a preferred option, and KiwiRail will now proceed with detailed design.	4	<p>Revised scope is significantly smaller than original scope, and indicative costs are more around the \$4m mark. This has only recently been agreed as the preferred approach, so there is no clarity around timelines. These can be communicated once design work is fully underway.</p> <p>Agreement between staff of the two organisations is that this is the highest priority level crossing</p>
Annex Road	To support CCC's Cycleways Programme by improving safety for users at the level crossing.	CCC is reviewing potential safety improvements to support an upgrade which would trigger a change of use. There has been no formal change of use. Options are under consideration. This is a 4-track level crossing with complex signaling arrangements that would mean a standard change of use approach will be costly and could include grade separation. CCC and KR will continue to work together on this.	8	<p>The complexity of this particular level crossing makes cost-effective solutions here extremely difficult, and there are no viable alternative routes for the MCR. While there are ways that this crossing could be improved, it is challenging to do so without triggering a "Change of Use", which would likely lead to grade separation or upgrades of the complex signalling systems.</p> <p>Staff will continue to work with KiwiRail, but long term solutions could involve removing this section from the MCR network, and/or accepting the lower standard of service in this location, and/or waiting for KiwiRail to undertake changes in this area and contributing to this (although KR currently have no plans to do that in this location)</p>
Old Blenheim Road, Riccarton Road and Kilmarnock Street	To support CCC's Cycleways Programme by improving safety for users at the level crossing.	<p>This remains on the CCC level upgrade programme but is not a high priority as alternatives available for cyclists.</p> <p>Pedestrian upgrades would include mazes and automatic gates. Funding is allocated in CCC's Long-Term Plan. Scoping and 50% design are complete. Awaiting CCC confirmation to proceed but KR understands this is not high priority.</p>	9	<p>The design for this is fully approved by Council, and includes 3 level crossing upgrades and a little over a kilometre of shared path within the KiwiRail corridor, including some property purchase by Leslie Hills Drive. It is likely that the level crossing upgrades will be high cost, due to the high traffic volumes on Riccarton Road and Kilmarnock Street.</p> <p>At the moment there is a safe alternative route for cyclists via Hagley Park, so other projects are being focused on ahead of this.</p>
Harewood Road, Langdons Road and Sawyers Arms Road	<p>To support CCC's Cycleways Programme and road upgrades.</p> <p>Rail Network Investment Programme (RNIP) funded additional improvements for rail assets.</p>	Upgrades are underway. Works include pedestrian mazes, automatic gates, and vehicle-level warning systems (lights, bells, half-arm barriers). All works are scheduled for completion by the end of July 2025.	2	<p>Final commissioning of the lights was completed in July 2025. <a href="https://www.newsline.ccc.govt.nz/news/story/safer-cycleway-celebrated-by-council-kiwirail-and-community">https://www.newsline.ccc.govt.nz/news/story/safer-cycleway-celebrated-by-council-kiwirail-and-community</a></p> <p>As works are now completed, final costs will need to be worked out by the organisations</p>
Radcliffe Road	This supports mixed-use development expansion in this area and increased usage of the level crossing.	KiwiRail has provided scope options and cost estimates for level crossing upgrades. Both agencies are still working towards agreement on scope.	5	<p>The site has had a number of safety incidents, and there are also underlying issues related to the lack of barrier arms, poor visibility, geometry of the crossing compared to the approaches, growing demand due to new residential growth east of the railway, and lack of alternative pedestrian routes.</p> <p>There were conversations about tying Council works in with KiwiRail maintenance works, however, this is now not looking like a high KiwiRail priority so this is unlikely to happen in the short term.</p> <p>KiwiRail are applying a "minimum viable product" approach to this - Council have been provided options which compare upfront improvement costs against asset life and maintenance costs.</p>
Grove Road	To support CCC's Cycleways Programme by improving safety for users at the level crossing.	<p>CCC and KR are reviewing Grove Roads priority for both Safety and signalling requirements.</p> <p>The upgrade will be integrated into the broader Christchurch Signalling Project which is currently being initiated.</p> <p>Once designed CCC and KR will agree funding contributions.</p>	7	<p>Grove Road had interim upgrades installed in 2018 as part of the Little River Link MCR (improved surface, chicanes, additional signage, etc). The plan at the time was for Council to fund physical barriers on the cycleway side, and KiwiRail to fund the barriers on the other side. To date this has not been progressed due to lack of funding for the KiwiRail elements.</p> <p>There may be opportunities to limit Council's costs by integrating this into other planned railway works</p>
Halswell Junction Road	To support a new road alignment by relocating the level crossing and extending the Down Main/Up Main junction south by 300m.	Physical works are complete, and the site was opened in June 2025. KiwiRail is finalising project costs and closing project out.	1	<p>Physical works complete. KiwiRail have some minor track works to complete that may have a minor impact on the operation of the level crossing.</p> <p>Final costs being worked through by the organisations</p>
Parker Street	To support CCC's Cycleways Programme by improving safety for users at the level crossing.	KiwiRail is undertaking a re-scoping exercise to reduce costs and options will be shared with CCC for consideration.	6	<p>The level crossing design is being re-considered in light of the "minimum viable product" approach used for Scruttons and Radcliffe, and staff are hopeful that this will significantly reduce the costs, by developing a scope more appropriate to the issues caused by Council's cycleway.</p> <p>Once the solution is agreed, this will allow KiwiRail to complete the rail design works, and Council to finalise the design of the intersection with Waterloo/Gilberthorpes.</p>
Waterloo Road/ Railway Terrace			3	<p>To support CCC's Cycleways Programme where cycleway is directly alongside or within KiwiRail land</p> <p>Design is approved. Council to tender for a contractor, then the contractor will need to apply to KiwiRail for approval to work on their land</p>

## 10. Procurement & Contracts FY25

Reference Te Tohutoro: 25/1475216

Responsible Officer(s) Te Luke Stevens, Head of Procurement & Contracts

Pou Matua: David McArdle, Team Leader Procurement Special Projects

Accountable ELT Bede Carran, General Manager Finance, Risk & Performance / Chief

Member Pouwhakarae: Financial Officer

### 1. Purpose and Origin of the Report Te Pūtake Pūrongo

- 1.1 To provide the Committee with assurance that Council's procurement is being conducted in accordance with its obligations as a Local Authority pursuant to the Local Government Act 2002 (**LGA**) and the Controller and Auditor-General's Procurement Guidance for Public Entities (June 2008) (part 2, paragraph 2.3) (**OAG Guidelines**).

### 2. Officer Recommendations Ngā Tūtohu

That the Audit and Risk Management Committee:

1. Receives the information in the Procurement & Contracts FY25 Report.

### 3. Background/Context Te Horopaki

- 3.1 The LGA requires Council to:
  - conduct its business in an open, transparent, and democratically accountable manner" (LGA: s14(1)(a)(i));
  - give effect to its identified priorities and desired outcomes in an efficient and effective manner" (LGA: s14(1)(a)(ii));
  - undertake any commercial transactions in accordance with sound business practices" (LGA: s14(1)(f)); and
  - ensure prudent stewardship and the efficient and effective use of its resources (LGA: s14(1)(g)).
- 3.2 The OAG Guidelines provide guidance on good practice that public entities should follow to procure their goods and services. The guidelines also set out principles that Council should apply which include:
  - Value for money: Public entities should use resources effectively, economically, and without waste, with due regard for the total costs and benefits of an arrangement, and its contribution to the outcomes the entity is trying to achieve.
  - Openness: Public entities should be transparent in their administration of funds, both to support accountability and to promote clarity and shared understanding of respective roles and obligations between entities.
  - Fairness: Public entities have a general public law obligation to act fairly and reasonably. Public entities must be, and must be seen to be, impartial in their decision-making.
- 3.3 The Principles of the Government Procurement Rules – 4th Edition 2019 apply to all government agencies and provide government's overarching values. The LGA applies as a direct obligation, on Council. The OAG Guidelines apply as best practice i.e. Council must have a sound basis for not following them.

- 3.4 A new Procurement Policy was adopted by Council at its meeting on 2 July 2025. The Policy strengthens procurement governance by embedding sustainability, community wellbeing, and strategic alignment into procurement activity, beyond baseline legislative and public sector requirements. It reinforces robust risk management and internal assurance through clear accountability structures, conflict of interest controls, and supplier compliance expectations; ensuring procurement decisions are not only lawful and ethical, but also aligned with the Council's broader risk, integrity, and performance frameworks.

#### **4. Long Term Plan Activity Reports**

- 4.1 This report presents information in two broad categories. First is reporting against levels of service for Procurement and Contracts. The second is to provide an update on other Council procurement compliance information. Both are seen as providing information for the Committee to assess compliance with Council's framework and rules.
- 4.2 When reporting against the levels of service for Procurement and Contracts this information is presented with two broad themes. First, is the appropriate use of public funds to evidence value of money, and the second is compliance with Council's procurement policies and rules.

##### **Appropriate use of public funds**

- 4.3 **LTP24: 13.1.21.1** Procurement and Contract Management is managed as a shared service delivery as follows:
- Performance: Opex: 5% Cost Avoidance and/or 2% Cost Reduction.
  - Capex: 10% Cost Avoidance and/or 5% Cost Reduction.
- 4.4 **85** financial benefits were captured from the procurement activities that have a financial impact in **FY25**. Procurement activities that have a financial impact include sourcing projects, renewals, price adjustments and variations with a financial impact.
- 4.4.1 Below is a summary of the captured financial benefits for **FY25**.
- OPEX cost reduction **\$18.73m** (19.42%)
  - OPEX cost avoidance **\$899.96k** (20.77%)
  - CAPEX cost reduction **\$61.30m** (24%)
  - CAPEX cost avoidance **\$1.64m** (8.06%)
- 4.4.2 The savings are calculated as per the below:
- A cost reduction is when the final agreed amount is lower than the estimate.
  - A cost avoidance is when the final agreed amount is lower than the offered amount.
- 4.5 **LTP24: 13.1.21.2** Procurement and Contract Management is managed as a shared service delivery as follows:
- 90% of sourcing activity and contract management activity to achieve sustainable outcomes annually.
- 4.5.2 **360** sustainable benefits reported through **342** procurement activities completed in **FY25** for a percentage return of **100%**.

##### **Compliance with Council's procurement framework and rules**

- 4.6 **LTP24: 13.1.22.1** Procurement and Contract Management is managed as a shared service delivery as follows:

- 4.6.1 95% of all procurement activity more than \$100k (excl. GST) put to market through Proposal (RFP) or a Request for Tender (RFT).
- 4.6.2 **100%** of all the procurement activity over \$100k in **FY25** followed the Council Procurement Framework and was put to market through an RFP or an RFT. There were **101** contracts awarded with an expected value of over \$100k in **FY25**.
- 4.7 **LTP24: 13.1.22.3** Procurement and Contract Management is managed as a shared service delivery – Conformance as follows:
  - 100% of Procurement & Contract recommended Departures have valid procurement plans/strategies and risk assessment.
- 4.7.2 There were **73** departures approved in **FY25** with a total value of **\$56.12m**. 100% of all Departures approved had a valid procurement plan and a risk assessment. There is **100%** compliance on this activity.
- 4.8 The rationale for not going to market is justified based on the Office of the Auditor General Procurement Guidance for Public Entities.

## **5. Other Council Procurement Compliance Information**

- 5.1 The measures below are reported to provide indicators of good and improving practice within Council in respect of its transactions.

### **Spend not allocated to a contract in financial system (SAP)**

- 5.2 Off-Contract spend is at **9.00%** trending downward from a high of **13.05%** in the last quarter. Staff expect to see a continued management of contract allocation in SAP, as the Procurement and Contract Unit together with Finance are currently carrying out multiple in-person trainings across all Council Units.

### **Purchase Orders raised after Invoice**

- 5.3 Purchase Orders raised after Invoice is at **9.28%** trending downward from a high of **20.67%** at the beginning of FY25. Staff expect to see a continued management of Purchase Orders raised after Invoice due to the SAP Improvement Programme.

### **5.4 Best practice Procurement at Council**

#### **5.4.1 Risks**

- Procurement & Contracts, Digital and Finance are continuing to work on impacts due to the removal of custom contract management fields in SAP. This impacts on staff's ability to plan sourcing activity for expiring contracts.

#### **5.4.2 Mitigation**

- Currently the old and new SAP systems are being used in parallel to get the necessary contract management information. Staff are still assessing whether the upgraded SAP enables this data to be extracted. Once this is confirmed staff determine the appropriate approach.

Attachments Ngā Tāpirihanga

There are no attachments to this report.

In addition to the attached documents, the following background information is available:

Document Name – Location / File Link
Not applicable

Signatories Ngā Kaiwaitohu

Authors	Luke Stevens - Head of Procurement & Contracts David McArdle - Team Leader Procurement Special Projects
Approved By	Bede Carran - General Manager Finance, Risk & Performance / Chief Financial Officer

## 11. Resolution to Exclude the Public

[Section 48, Local Government Official Information and Meetings Act 1987.](#)

**Note:** The grounds for exclusion are summarised in the following table. The full wording from the Act can be found in [section 6](#) or [section 7](#), depending on the context.

I move that the public be excluded from the following parts of the proceedings of this meeting, namely the items listed overleaf.

Reason for passing this resolution: a good reason to withhold exists under section 7.

Specific grounds under section 48(1) for the passing of this resolution: Section 48(1)(a)

### Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- “(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):
- (a) Shall be available to any member of the public who is present; and
  - (b) Shall form part of the minutes of the local authority.”

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 which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	SECTION	SUBCLAUSE AND REASON UNDER THE ACT	PUBLIC INTEREST CONSIDERATION	POTENTIAL RELEASE REVIEW DATE AND CONDITIONS
12.	PUBLIC EXCLUDED AUDIT AND RISK MANAGEMENT COMMITTEE MINUTES - 13 JUNE 2025			REFER TO THE PREVIOUS PUBLIC EXCLUDED REASON IN THE AGENDAS FOR THESE MEETINGS.	
13.	30 JUNE 2025 ANNUAL REPORT VALUATIONS, CRITICAL JUDGEMENT ESTIMATES AND ASSUMPTIONS UPDATE	S7(2)(C)(I)	PROTECTION OF SOURCE OF INFORMATION	VALUATION INFORMATION WILL BE SHARED REFLECTING COUNCIL ASSET VALUES MAKING AVAILABLE THE INFORMATION WOULD PREJUDICE THE SUPPLY OF SIMILAR INFORMATION AND IT IS IN THE PUBLIC INTEREST THAT SUCH INFORMATION SHOULD CONTINUE TO BE SUPPLIED.	1 DECEMBER 2025 PUBLISHING OF THE 2025 ANNUAL REPORT.
14.	INTERIM AUDIT REPORT 2025	S7(2)(C)(I)	PROTECTION OF SOURCE OF INFORMATION	INFORMATION ON CCC SYSTEMS ARE DISCLOSED IN THE AUDIT NZ REPORT COULD RESULT IN POTENTIAL SERVICE DISRUPTIONS OR INFORMATION BREACHES THAT WILL NOT BE IN THE PUBLIC INTEREST.	20 JUNE 2026 ARMC TO SHARE FY25 REPORT TO GOVERNORS
15.	RISKPOOL UPDATE	S7(2)(B)(II)	PREJUDICE COMMERCIAL POSITION	THE INFORMATION IN THIS REPORT MUST REMAIN CONFIDENTIAL TO PROTECT RISKPOOL'S POSITION WHEN DEALING WITH REINSURERS. SHOULD THIS INFORMATION BE RELEASED IT MAY RESULT IN	31 DECEMBER 2026 THIS REPORT MAY BE RELEASED ONCE RISKPOOL COMPLETES THE CLOSURE OF THE

				ADDITIONAL COST TO RATEPAYERS, WHICH OUTWEIGHS THE PUBLIC INTEREST IN THIS MATTER.	FUND YEARS IN QUESTION.
16.	RISK AND ASSURANCE UPDATE	S7(2)(E)	PREVENTION OF MATERIAL LOSS	DISCLOSURE OF THE COUNCIL'S ORGANISATIONAL WEAKNESSES AND ITS APPROACH TO REMEDIAL ACTIONS COULD RESULT IN SERVICE DISRUPTIONS WHICH OUTWEIGHS THE PUBLIC INTEREST.	31 JULY 2026 UPON REVIEW AND APPROVAL FROM HEAD OF RISK AND ASSURANCE AND GM FINANCE, RISK AND PERFORMANCE / CFO.
17.	DEEP DIVE INTO FINANCIAL STABILITY	S7(2)(B)(II), S7(2)(H)	PREJUDICE COMMERCIAL POSITION, COMMERCIAL ACTIVITIES	PROTECTION OF COUNCILS COMMERCIAL POSITION IN FUTURE NEGOTIATIONS OUTWEIGHS THE PUBLIC INTEREST.	31 AUGUST 2026 STAFF WILL REVIEW THE REPORT TO DETERMINE WHETHER IT IS SUITABLE FOR PUBLIC RELEASE.
18.	UPDATE TO AUDIT AND RISK COMMITTEE	S7(2)(B)(II), S7(2)(G), S7(2)(I)	PREJUDICE COMMERCIAL POSITION, MAINTAIN LEGAL PROFESSIONAL PRIVILEGE, CONDUCT NEGOTIATIONS	WITHHOLDING THIS INFORMATION IS NECESSARY TO ENABLE THE COUNCIL TO CARRY OUT NEGOTIATIONS WITHOUT PREJUDICE OR DISADVANTAGE. DISCLOSING THE COUNCIL'S ORGANISATIONAL ISSUES AND APPROACH TO REMEDIAL ACTIONS COULD LEAD TO SERVICE DISRUPTIONS AND FINANCIAL LOSS, WHICH WOULD OUTWEIGH THE PUBLIC INTEREST.	30 JUNE 2026 UPON REVIEW AND APPROVAL BY CHIEF EXECUTIVE



Actions Register Ngā Mahinga

When decisions are made at meetings, these are assigned to staff as **actions** to implement. The following lists detail any actions from this meeting that were:

- Open at the time the agenda was generated.
- Closed since the last ordinary meeting agenda was generated.

Open Actions Ngā Mahinga Tuwhera

No open actions were remaining at the time the agenda was generated.

Actions Closed Since the Last Meeting Ngā Mahinga kua Tutuki nō Tērā Hui

No actions were closed since the last ordinary meeting.