



**Far North
District Council**



AGENDA

Supplementary Reports

Audit, Risk, and Finance Committee Meeting

Thursday, 26 September 2019

Time: 12.45 pm
Location: Council Chamber
Memorial Avenue
Kaikohe

Membership:

Cr John Vujcich - Chairperson
Mayor John Carter
Cr Tania McInnes
Cr Ann Court
Cr Felicity Foy
Cr Colin (Toss) Kitchen
Cr Sally Macauley
Cr Kelly Stratford
Member Bruce Robertson
Member Adele Gardner
Member Mike Edmonds
Member Terry Greening

Order Of Business

5	Corporate Services Group	4
5.3	Far North District Council Data Governance	4
6	Information Reports	8
6.3	Council Financial Report as at 31 August 2019.....	8
6.4	Building Consent Accreditation Update	22

5 CORPORATE SERVICES GROUP

5.3 FAR NORTH DISTRICT COUNCIL DATA GOVERNANCE

File Number: A2664566

Author: Aisha Huriwai, Team Leader Governance Support

Authoriser: William J Taylor MBE, General Manager - Corporate Services

PURPOSE OF THE REPORT

To provide an update on the informal progress made to date and seek direction for data governance at the Far North District Council in the future.

EXECUTIVE SUMMARY

- A Data Governance Subcommittee was formed by the Audit, Risk, and Finance Committee.
- An informal meeting and a workshop have been held with the subcommittee members.
- A Vision / Mission and Strategic Intent has been developed for consideration as part of this report.
- An outline framework has been developed as a foundation for the data governance subcommittee to discuss at the meeting.
- The Subcommittee considered this report at their meeting on 12 September 2019 and made the following recommendation to the Audit, Risk, and Finance Committee in order to provide direction to the Chief Executive with regard to a Data Governance Framework.

RECOMMENDATION

That the Chief Executive:

a) adopts the following Data Governance Strategy

The data management framework will ensure that as an organisation we:

- **Provide assurance of data security and data quality**
- **Maximize the benefit generation of information**
- **Designate accountability for data quality**
- **Enable evidence-based policy development**
- **Increase consistency and confidence in decision making**
- **Provide consistency in reporting**
- **Enable evidence-based business cases and strategies**

b) include an overview of Data Governance in the committee / portfolio discussion in the new triennium, and explore options including, but not limited to:

- i) A subcommittee dedicated to data governance, and / or**
- ii) A data governance portfolio**

1) BACKGROUND

In April the Audit, Risk, and Finance Committee confirmed the top 12 risks to the Far North District Council. 'Decision Quality - Information Risks' was one of the 12 risks identified. This led to the

Audit, Risk, and Finance Committee establishing a subcommittee at a meeting held 30 May 2019. At its next meeting held 25 July 2019 the Audit, Risk, and Finance Committee confirmed the terms of reference for the Data Governance Committee with a purpose to develop a clear understanding and definition of Data Governance and recommend direction to the Chief Executive Officer, through the Audit, Risk and Finance Committee, of a Far North District Council Data Governance Framework.

The objectives of the subcommittee were to develop a shared vision and strategy for data governance through the establishment, with staff, of the Data Governance Framework, that addresses the following points, as an effective way of managing the risks identified with 'Decision Quality – Information Risks':

- Assurance of data security and data quality
- Maximizing the benefit generation of information
- Designating accountability for data quality
- Enabling evidence-based policy development
- Increasing consistency and confidence in decision making
- Consistency in reporting
- Enabling evidence-based business cases and strategies

To that end, two informal sessions have been held. The first was a fact finding session and the second a workshop. Significant progress was made during these sessions, and the members of the subcommittee expressed satisfaction with the direction of data governance at, while at the same time identifying opportunities for improvement.

2) DISCUSSION AND OPTIONS

Following the 22 August 2019 workshop, staff developed the following vision, mission and overarching strategy for the subcommittee to consider and recommend for adoption.

Vision

'To be a Council which is data driven and regard data as an enterprise asset, by having an effective and efficient data management environment, where our culture is that data drives all decision making'.

Mission

'That we will achieve this by creating and implementing an effective data management framework, with robust standards, controls and procedures'.

Strategy

The key components of the data management framework, which are outlined will ensure that as an organisation we:

- Provide assurance of data security and data quality
- Maximize the benefit generation of information
- Designate accountability for data quality
- Enable evidence-based policy development
- Increase consistency and confidence in decision making
- Provide consistency in reporting
- Enable evidence-based business cases and strategies

Moving forward, the intention is to continue the momentum of the subcommittee, by drafting a report which will be considered by the Audit, Risk, and Finance (ARF) Committee (or its equivalent) in the new triennium. This report is to recommend to the ARF Committee either to re-form the Data

Governance Subcommittee in the new triennium (with membership to be determined) or to propose an alternative way forward.

If the Committee decides to re-establish a Data Governance Sub Committee in the new triennium, the Sub Committee would consider a framework for creating and implementing policies and procedures to ensure data consistency, data standardization, and data use. This framework could include the following:

1. The creation of a Data Governance Strategy for FNDC.
2. The creation of a Data Governance Steering Committee Charter.
3. A formal decision-making structure for data standardization and approval.
4. To provide an overview of the mechanism for communicating data initiatives across the organization.
5. Identifying and defining best practices around data standardization.
6. The creation of a Data Governance Policy and Data Protection Policy.

Reason for the recommendation

To provide the Chief Executive with a Data Governance Framework.

3) FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There is no need for budgetary provision in adopting the recommendations in this report.

In continuing to develop and implement a data governance framework provides opportunity for cost savings.

ATTACHMENTS

Nil

Compliance schedule:

Full consideration has been given to the provisions of the Local Government Act 2002 S77 in relation to decision making, in particular:

1. A Local authority must, in the course of the decision-making process,
 - a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
 - b) Assess the options in terms of their advantages and disadvantages; and
 - c) If any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Māori and their culture and traditions with their ancestral land, water sites, waahi tapu, valued flora and fauna and other taonga.
2. This section is subject to Section 79 - Compliance with procedures in relation to decisions.

Compliance requirement	Staff assessment
State the level of significance (high or low) of the issue or proposal as determined by the Council's Significance and Engagement Policy	This is a matter of low significance
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	Te report signals an intention to create policies and strategies to add input into future planning at the Far North District Council
State whether this issue or proposal has a District wide relevance and, if not, the ways in which the appropriate Community Board's views have been sought.	The community board views have not been sought as this is a district wide project
State the possible implications for Māori and how Māori have been provided with an opportunity to contribute to decision making if this decision is significant and relates to land and/or any body of water.	There are no specific implications for Māori
Identify persons likely to be affected by or have an interest in the matter, and how you have given consideration to their views or preferences (for example – youth, the aged and those with disabilities).	This report has no implications on any particular persons.
State the financial implications and where budgetary provisions have been made to support this decision.	There are no financial implications or need for budgetary provision
Chief Financial Officer review.	The Chief Financial Officer has not reviewed this report.

6 INFORMATION REPORTS

6.3 COUNCIL FINANCIAL REPORT AS AT 31 AUGUST 2019

File Number: A2650609

Author: Angie Thomas, Chief Financial Officer (Acting)

Authoriser: William J Taylor MBE, General Manager - Corporate Services

PURPOSE OF THE REPORT

To provide an overview and information on the current financial position and performance of the Far North District Council as at 31 August 2019.

EXECUTIVE SUMMARY

Performance and Borrowing and Investment reports.

RECOMMENDATION

That the Audit, Risk, and Finance Committee receive the report “Council Financial Report as at 31 August 2019”.

BACKGROUND

This reports financial information as at 31 August 2019.

DISCUSSION AND NEXT STEPS

The report is for information only.

FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial implications or budgetary provisions required as a result of this report.

ATTACHMENTS

- 1. Council Financial Report as at 31 August 2019 - A2667497**  

FINANCIAL REPORT OVERVIEW

This report provides a summary on the current financial performance of the Far North District Council as at 31 August 2019.

Operating position as at 31 August 2019

The net operating position for the year to date is a surplus of \$59k, against the year to date budget of a \$3.2m surplus, resulting in a negative variance of \$3.1m. Income year to date is less than budgeted and expenses are less than budgeted year to date, predominantly due to:

- **Operating Income variance of \$2.6m (less than budgeted)**

Main variances are:

- Rates penalties – penalties charged against outstanding accounts.
- Fees and charges - water by meter charges is lower than usual due to lower consumption.
- Central govt subsidies – operational – Tourism Infrastructure Fund (TIF) received in advance from Ministry of Business, Innovation & Employment (MBIE) for the Responsible Camping Working Group for seasonal public toilets in the eastern and northern areas.
- Other income – Northland Regional Council (NRC) operational grant towards stormwater improvements in Moerewa.
A private contribution has been made towards stormwater improvements at a residential property in Opononi.
- Central govt subsidies – new works and renewals – Tourism Infrastructure Fund (TIF) received in advance from Ministry of Business, Innovation & Employment (MBIE) to purchase mobile toilets for the usage in high tourist areas as well as funding received for the public toilet projects; Waitangi Mountain Bike Trail, Waitangi Boat Ramp, Opononi and Mitimiti.

Subsidy milestones have not yet been completed for the Kerikeri Wastewater Treatment Plant and Rawene/Omanaia Water Treatment Plants.

- **Operating Expenditure variance of \$505k (more than budgeted)**

Main variances are:

- Payroll related cost - a number of vacancies are in recruitment phase and accrued leave is not being used by staff due to resourcing across the organisation.
- General expenses – unbudgeted power supply provided to the Kerikeri Wastewater Treatment Plant and Rawene/Omanaia Water Treatment Plant.
Overall, there are a number of budgets that have not yet been spent.
- Rates remissions – Approved remission applications have been applied under the current policies.
- Contractor & professional fees - Annual management fee for the Kaitia Airport.
Water and Wastewater Alliance contract have had overruns in electricity, internal labour and direct plant costs.

A number of software licences have been renewed, offset by;
The number of consultants has not yet been engaged across the organisation.

- Grants & donations – approved grant applications have been paid to a number of applicants earlier than planned.

Capital expenditure as at 31 August 2019

- Capital expenditure as at 31 August 2019 is \$5.9m this is 7% of the Total Annual Budget of \$90m. This is the Annual Plan budget of \$64m and Carried Forward budget from 18/19 of \$26m.
- \$5m of carry forward is not full realised in the report due to NTA revising their programme. Further detail can be found in the Statement of Capital Performance.

Borrowing & Investments

Current Position

- Total debt is \$46.5m.
- As at 31 August 2019, there were no funds drawn down on Councils banking \$20m facility.
- Council's cash position was \$4.3m in the General Fund bank account at month end.

Compliance

- Our liquidity ratio (access to fund) is at 146% compared to the policy minimum of 110%. This measure is set by the Local Government Funding Agency of which we are a member and defines the Councils ability to access funds.

**Statement of Financial Performance
for the period ending
31-August-2019**

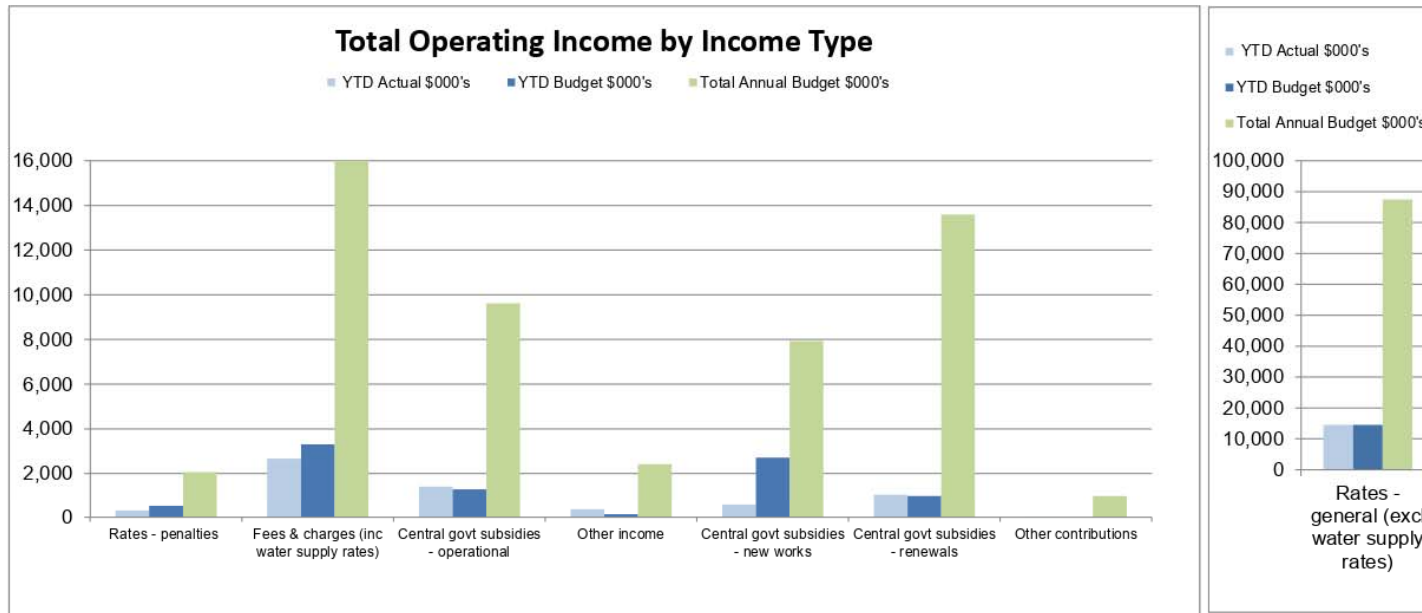
	Year to date					Full year				
	YTD Actual \$000's	YTD Budget \$000's	Variance \$000's	Actuals YTD as a % of Total Budget	Actuals YTD as a % of Annual Forecast	LTP Budget \$000's	Carry forward budget \$000's	Total Annual Budget \$000's	Total Annual Forecast \$000's	Forecast Variance \$000's
Operations										
Operational income										
Rates - general (excl water supply rates)	14,584	14,588	(5)	17%	17%	87,530	0	87,530	87,530	0
Rates - penalties	302	518	(216)	15%	15%	2,073	0	2,073	2,073	0
Fees & charges (inc water supply rates)	2,677	3,317	(640)	12%	12%	21,839	0	21,839	21,839	0
Central govt subsidies - operational	1,417	1,303	114	15%	15%	9,591	32	9,623	9,623	0
Other income	361	143	219	15%	15%	2,349	75	2,424	2,424	0
Capital income										
Central govt subsidies - new works	577	2,718	(2,141)	7%	7%	2,428	5,514	7,942	7,942	0
Central govt subsidies - renewals	1,057	1,005	51	8%	8%	12,769	828	13,597	13,597	0
Other contributions	13	0	13	1%	1%	0	1,000	1,000	1,022	22
Total operating income	20,988	23,593	(2,604)			138,579	7,449	146,028	146,049	22
Operating Expenditure										
Payroll related costs	4,389	4,561	172	15%	15%	29,610	0	29,610	29,610	0
Other staffing related costs	275	224	(51)	13%	13%	2,167	0	2,167	2,160	7
General expenses	2,034	1,760	(274)	21%	21%	9,600	6	9,606	9,603	3
Rate remissions	1,587	1,436	(151)	72%	72%	2,208	0	2,208	2,208	0
Contractor & professional fees	6,165	5,722	(444)	14%	14%	44,318	0	44,318	44,901	(583)
Grants and donations	661	320	(342)	35%	35%	1,850	32	1,882	1,882	0
Interest costs	303	376	73	13%	13%	2,253	0	2,253	2,253	0
Sub-total	15,415	14,398	(1,017)			92,007	38	92,045	92,618	(573)
Depreciation and other asset costs	5,578	6,026	447			36,153	0	36,153	36,153	0
Gain/Loss on Disposal	(65)	0	65			0	0	0	0	0
Total operating expenditure	20,929	20,424	(505)			128,160	38	128,198	128,771	(573)
Net operating surplus/(deficit)	59	3,169	(3,109)			10,419	7,411	17,830	17,278	(552)

3. Statement of Financial Performance

Analysis of operating income & expenses by LTP Group

	Year to date			Full year						
	YTD Actual \$000's	YTD Budget \$000's	Variance \$000's	Actuals YTD as a % of Total Budget	Actuals YTD as a % of Annual Forecast	LTP Budget \$000's	Carry forward budget \$000's	Total Annual Budget \$000's	Total Annual Forecast \$000's	Forecast Variance \$000's
Income										
Customer Services	1,726	1,723	3	16%	16%	10,555	0	10,555	10,555	0
District Facilities	3,179	2,679	500	19%	19%	15,913	1,112	17,025	17,047	22
Environmental Management	2,651	2,532	119	19%	19%	14,233	0	14,233	14,233	0
Governance & Strategic Administration	1,317	1,248	69	15%	15%	8,770	0	8,770	8,770	0
Roading and Footpaths	5,767	5,549	218	13%	13%	43,685	882	44,567	44,567	0
Solid Waste Management	910	914	(4)	16%	16%	5,649	0	5,649	5,649	0
Stormwater	927	869	58	18%	18%	5,183	69	5,252	5,252	0
Strategic Planning & Policy	1,208	1,212	(4)	17%	17%	7,268	6	7,274	7,274	0
Wastewater	2,000	4,257	(2,257)	11%	11%	12,480	4,914	17,395	17,395	0
Water Supply	1,301	2,608	(1,307)	8%	8%	14,842	466	15,308	15,308	0
Total Operating Income by LTP Group	20,988	23,593	(2,604)			138,579	7,449	146,028	146,049	22
Expenditure										
Customer Services	1,507	1,648	141	15%	15%	9,755	0	9,755	9,755	0
District Facilities	2,443	2,507	64	15%	15%	15,732	32	15,764	15,764	0
Environmental Management	2,413	2,275	(138)	17%	16%	14,233	0	14,233	14,733	(500)
Governance & Strategic Administration	2,469	1,953	(517)	32%	33%	7,687	0	7,687	7,431	256
Roading and Footpaths	5,823	5,721	(102)	14%	14%	40,332	0	40,332	40,332	0
Solid Waste Management	796	932	136	14%	14%	5,649	0	5,649	5,649	0
Stormwater	656	625	(30)	14%	14%	4,698	0	4,698	4,698	0
Strategic Planning & Policy	876	1,131	254	12%	11%	7,318	6	7,324	7,653	(329)
Wastewater	2,513	2,085	(428)	19%	19%	13,549	0	13,549	13,549	0
Water Supply	1,496	1,547	51	16%	16%	9,208	0	9,208	9,208	0
	20,994	20,424	(570)			128,160	38	128,198	128,771	(573)
Gain/Loss on Disposal	(65)	0	65			0	0	0	0	0
Total Operating Expenses by LTP Group	20,929	20,424	(505)			128,160	38	128,198	128,771	(573)
Net operating surplus/(deficit)	59	3,169	(3,109)			10,419	7,411	17,830	17,278	595

3. Statement of Financial Performance



3. Statement of Financial Performance

INCOME - Variance Commentary is based on the actual income compared to the Budget time for the current reporting period. Significant variance based on either \$ value and/or % of Total Budget received, these are reviewed and commented below.

For the month of August, where activities are predictable we would expect to see approximately 17% of budget received.

Rates Penalties is under budget

- Penalties charged against outstanding accounts.

Fees & charges (inc water supply rates) is under budget

- Water by meter charges is lower than usual due to lower consumption.

Central Govt Subsidies - Operational is over budget

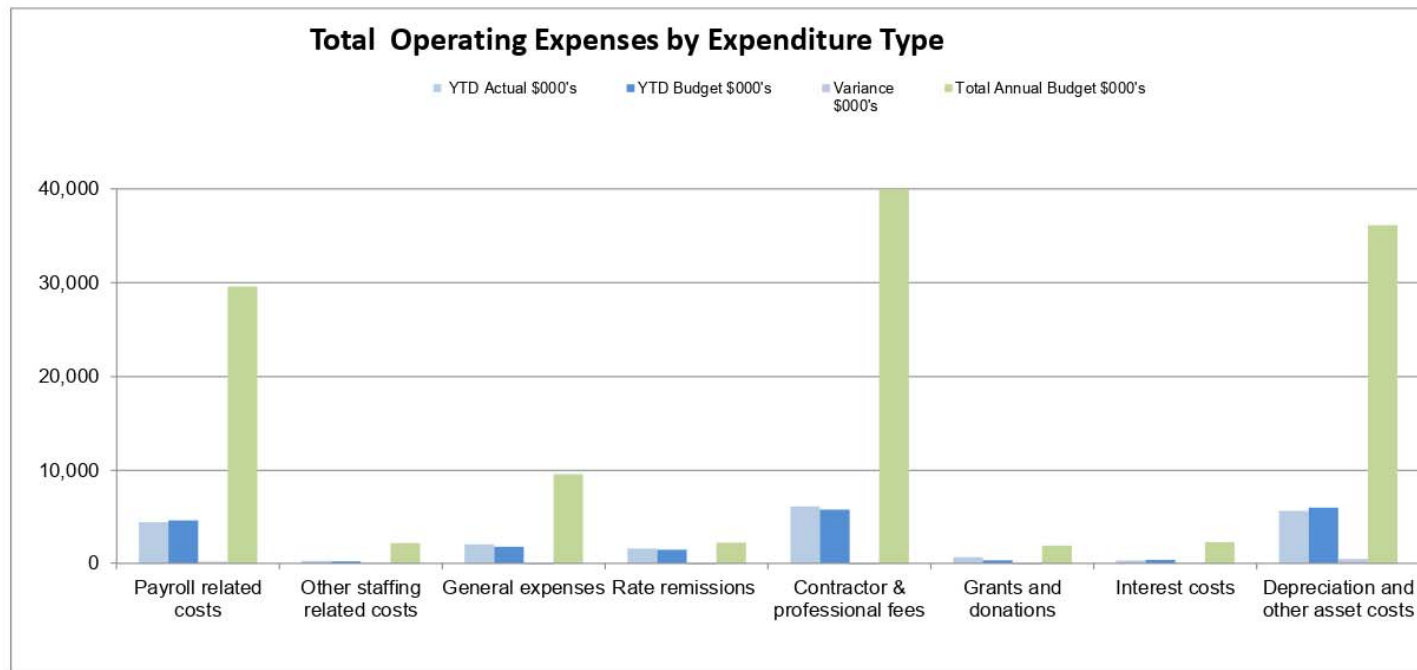
- Tourism Infrastructure Fund (TIF) received in advance from Ministry of Business, Innovation & Employment (MBIE) for the Responsible Camping Working Group for seasonal public toilets in the eastern and northern areas.

Other Income is over budget

- Received Northland Regional Council (NRC) operational grant towards stormwater improvements in Moerewa.

- A private contribution has been made towards stormwater improvements at a residential property in Opononi.

3. Statement of Financial Performance



3. Statement of Financial Performance

EXPENDITURE - Variance Commentary is based on the actual expenditure compared to the Budget timed for the current reporting period. Significant variances based on either \$ value and/or % of Total Budget spent, these are reviewed and commented on below.

For the month of August, where activities are predictable, we would expect to see approximately 16% of budget spent.

Payroll related costs is under budget

- A number of vacancies have not yet been filled across the organisation.
- Accrued leave is not being used by staff due to resourcing across the organisation.

General expenses is over budget

- Power supply provided to the Kerikeri Wastewater Treatment Plant and Rawene/Omanaia Water Treatment Plant.
- Overall, there are a number of budgets that have not yet been spent.

Rates remissions is over budget

- Approved remission applications have been applied under the current policies.

Contractor & professional fees is over budget

- Annual management fee for the Kaitia Airport.
 - Water and Wastewater Alliance contract have had overruns in electricity, internal labour and direct plant costs.
 - A number of software licences have been renewed.
- offset by;
- The number of consultants have not yet been engaged across the organisation.

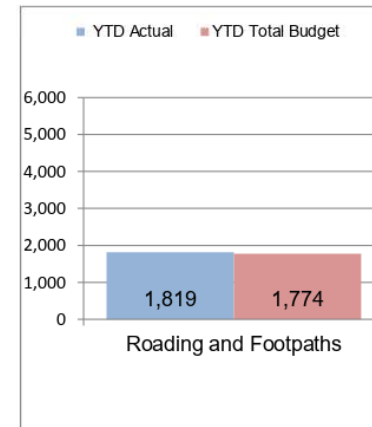
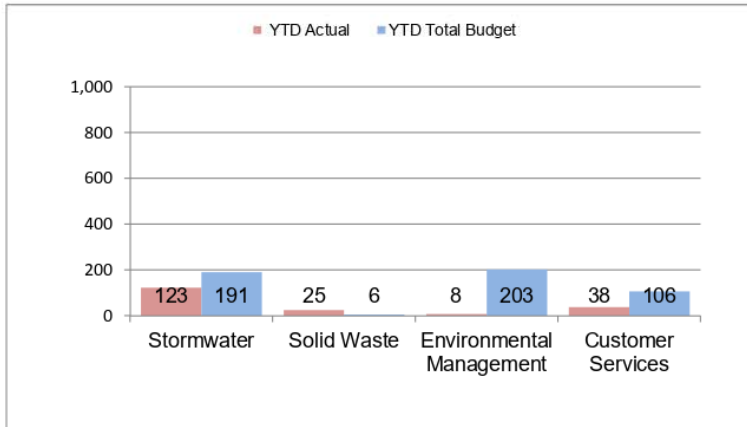
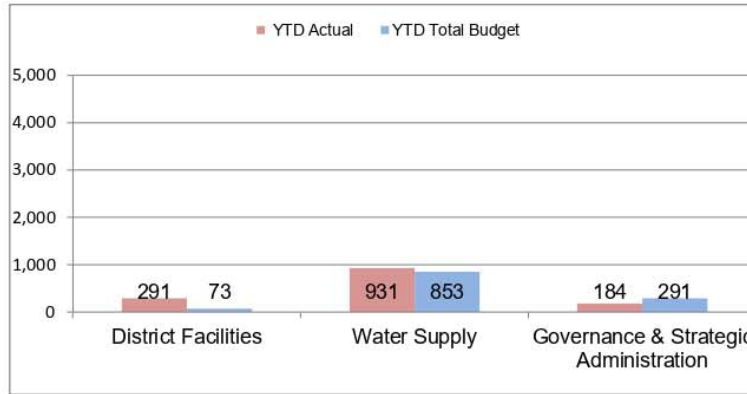
Grants & donations is over budget

- Approved grant applications have been paid to a number of applicants earlier than planned.


**Statement of Capital Financial Performance
for the period ending
31-August-2019**

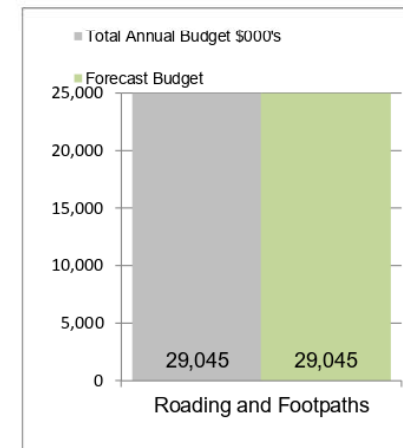
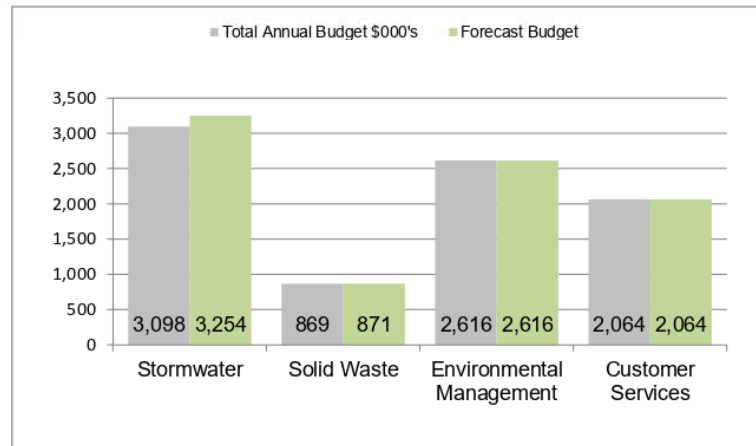
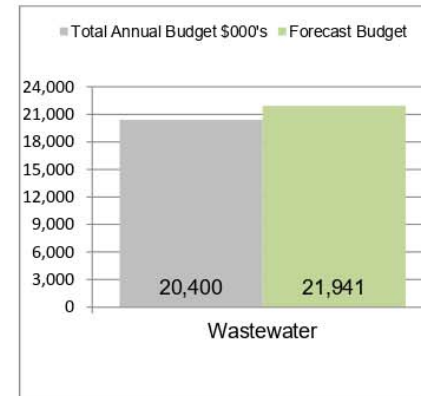
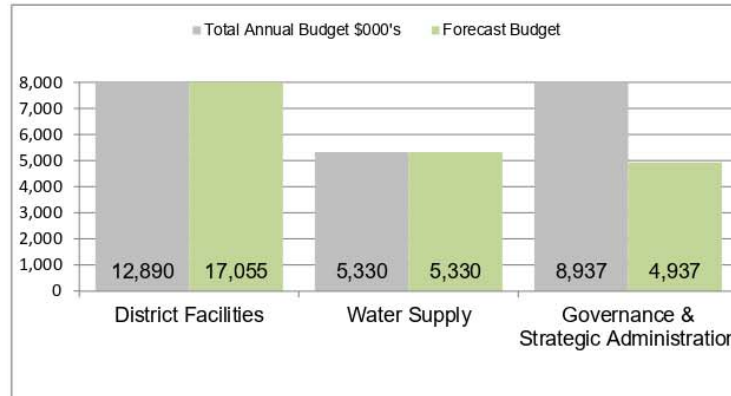
Actuals v Budget (Carry Forward + AP Budget)						
	Year to Date \$000's					Progress to Date against full year Total Budget
	YTD Actual	Carry Forward Budget	AP Budget	YTD Total Budget	Variance	
Capital Works						
District Facilities	291	63	10	73	(219)	2%
Stormwater	123	146	45	191	68	4%
Solid Waste	25	4	2	6	(19)	3%
Wastewater	2,476	4,530	1,647	6,177	3,701	12%
Water Supply	931	793	61	853	(78)	17%
	3,847	5,535	1,764	7,299	3,452	2%
Roading and Footpaths	1,819	287	1,487	1,774	(45)	6%
Environmental Management	8	203	0	203	195	0%
Governance & Strategic Administration	184	109	182	291	108	2%
Customer Services	38	15	91	106	68	2%
Total Capital Works	5,896	6,149	3,525	9,674	↓ 3,778	7%

Notes to the Graphs: What we have spent at report date i.e paid for works completed
 What we expected to have spent of the Annual Plan Budget at report date



Budget v Forecast Movements					
	Full Year \$000's				Progress to date against full year Forecast
	AP Budget	Carry forward budget	Reforecast Movement	Forecast Budget	
Capital Works					
District Facilities	10,309	2,582	(4,165)	17,055	2%
Stormwater	1,776	1,322	(156)	3,254	4%
Solid Waste	594	275	(2)	871	3%
Wastewater	9,415	10,985	(1,541)	21,941	11%
Water Supply	3,748	1,582	-	5,330	17%
	25,841	16,745	(5,864)	48,450	
Roading and Footpaths	27,400	1,644	-	29,045	6%
Environmental Management	2,093	523	-	2,616	0%
Governance & Strategic Administration	6,677	2,260	4,000	4,937	4%
Customer Services	1,760	304	-	2,064	2%
	63,771	21,477	(1,864)	87,112	7%

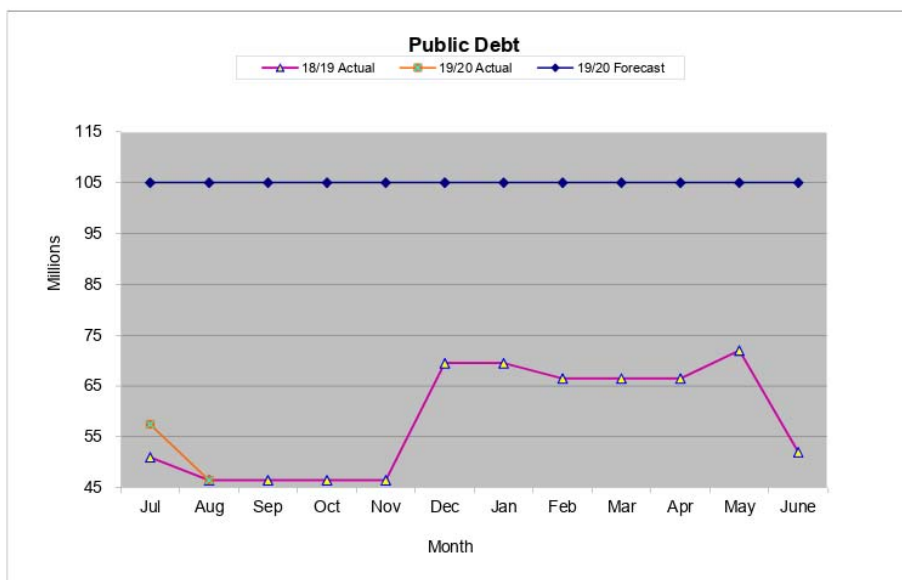
Notes to the Graphs:  Annual Plan Budget 2019/2020 (excludes Carry Forwards)
 Reforecast



Borrowings and Investments

A2651102

**Public Debt
as at 31 August 2019**



End of Year Borrowing position

As at 31 August 2019, Council borrowings total \$46.5 million as profiled in the Loans by Maturity table below. This is down 5.5 million from 30 June 2019.

Total \$000's	Due within 3 months \$000's	Due within 6 months \$000's	Due within 1 year \$000's	Due within 2-3 years \$000's	Due within 3-5 years \$000's	Due greater than 5 years \$000's
46,500		6,500	10,000	20,000		10,000
	0.00%	13.98%	21.51%	43.01%	0.00%	21.51%

Council's total banking facility comprises the ASB facility of \$20 million. As at 31 August 2019, funds drawn down on Council's banking facility was nil, providing a \$20 million headroom.

The banking facility is used for cashflow management and as such is viewed as an extended overdraft facility. The total sum drawn down is reflected as being due within two years at any given time.

Treasury policy compliance

As at 31 August 2019 the following core policy compliance requirements were achieved as shown in the table below.

Ratio	Policy Limit	Actual	Compliance
Net debt as % total revenue	<175%	28%	Yes
Liquidity (access to funds)	>110%	146%	Yes
Notes: Total revenue is based on 2019/20 total forecast income excluding non government capital contributions (eg. developer contributions and vested assets). Liquidity is defined as external debt + committed loan facilities + liquid investments, including bank overdraft facility, divided by existing external debt.			

Public Debt

6.4 BUILDING CONSENT ACCREDITATION UPDATE

File Number: A2668605

Author: Trent Blakeman, Manager - Building Services

Authoriser: Dean Myburgh, General Manager - District Services

PURPOSE OF THE REPORT

To update the Audit Risk and Finance Committee on the Building Consent Authority's (BCA's) progress with preparation for the International Accreditation New Zealand (IANZ) audit scheduled for 30 September to 4 October 2019.

EXECUTIVE SUMMARY

This report provides an update on progress within the BCA in addressing the Building (Accreditation of Building Consent Authorities Regulations 2006) (the Regulations)) highlighted in the findings of the preliminary IANZ reports following visits in June 2019 and August 2019.

Fortnightly updates have been provided to the Accreditation Steering Group, the Strategic Leadership Team, IANZ and MBIE. In addition, monthly updates have been provided to either the Audit Risk and Finance Committee or Council (depending on the timing of scheduled meetings).

Work on the consolidated Work Schedule has largely been completed (92%). The two key areas that have not been completed are (1) Training Plans (Regulation 11) and (2) the clearing of the backlog of CCCs (back to 2005). These are currently being addressed and will be completed by 20 September 2019.

Key parts of the completed work within the Work Schedule are being audited by the Interim Quality Manager, with remedial actions being taken to address any remaining issues or non-compliances. working day timeframe.

RECOMMENDATION

That the Audit, Risk, and Finance Committee receive the report "Building Consent Accreditation Update".

BACKGROUND

During the past few months BCA has been preparing for the biennial IANZ audit. The focus has been on addressing the findings of preliminary reports following IANZ visits in June 2019 and August 2019.

DISCUSSION AND NEXT STEPS

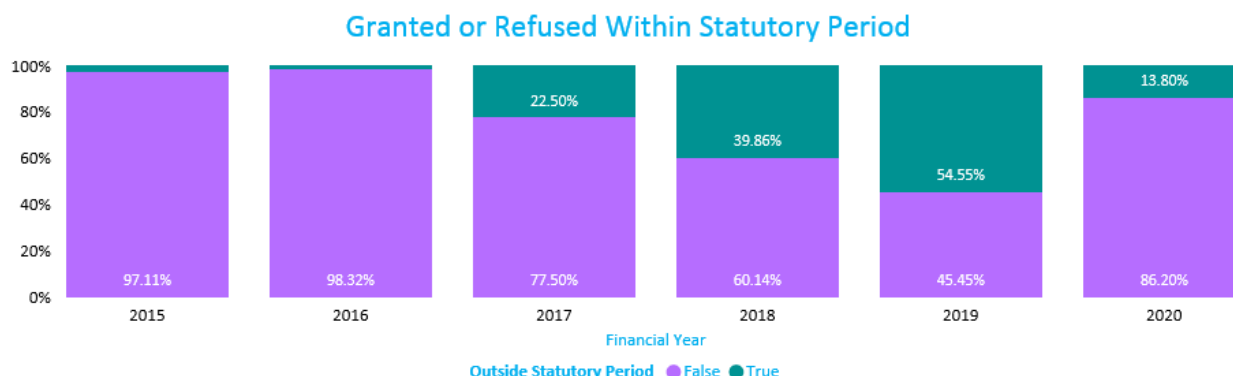
A review of the 'In progress' tasks was last undertaken on Tuesday 10 September to determine overall completion of tasks associated with IANZ audit readiness. Audits are being completed by the Interim Quality Manager on completed tasks as well as those that are underway within the 8% 'In Progress' category. The latest estimate of completion suggests that compliance tasks and actions will continue right up to the IANZ audit date.

There are two main items that need to be cleared before Audit, namely the Training plans and the CCC process for current and lapsed applications. Inappropriate stopping of the clock for PIM checks has also been addressed as an issue.

Work Schedule Status



20-day Compliance (as at 13 September 2019)



The upward trend from the start of April to September 2019 signals good progress in achieving compliance with the 20 working days timeframe.

The current backlog of consents over 20 days has virtually been cleared (currently only 5 BCs are showing as being over 20 days).

The processing of consents is being completed with the assistance of external contractors (building consultants), particularly for higher complexity work where the BCA currently does not have the relevant competencies.

Further urgent work has been completed to establish the same reporting capability for Code of Compliance Certificates (CCCs) and Inspections. This was highlighted in the IANZ post-August visit report.

The expectation is that, if there are no further breaches to the twenty day time frame, the compliance rate will increase dramatically. The challenge going forward will be the rebuilding of in-house capacity and competence and transitioning away from contractors, firstly in inspections and

later in processing. This should add to the capacity of the BCA and ensure that non-compliances, staff movements and fluctuations in the market can be pro-actively managed.

Current unissued Building Consents

29 August 2019

13 September 2019



The above traffic lights indicate the status of building consents in relation to statutory day compliance (green 0-15 days, amber 15-20 days and red >20 days).

The focus has been on clearing the red light ahead of the audit and ensuring no further breaches to the 20 day time frame. As can be seen from the traffic lights above, there are still some over runs in the red light, which leads to a lower compliance rate for Building Consents. The aim is to clear consents all the way to the green light and manage the system in the amber light only, this will allow a 5 day buffer.

As in-house capacity is re-built and more work is farmed out to contractors, the above will become a reality. Despite the current over runs the compliance rate for the year is currently at a three-year high.

Building Inspections

Good progress has been made in reducing the wait times for inspections from a high of 8-10 days a few months ago; the statistics are shown on the next page.

Inspection Statistics weekly report for 5-11 September

Kerikeri	20 km/insp.	4.8 insp./day	63%
Paihia	27 km/insp.	4.8 insp./day	74%
Kaitaia	26 km/insp.	5.1 insp./day	78%
Hokianga	35 km/insp.	4.6 insp./day	61%

Average pass is 69%

Wait times as at 2:30 16/11/19 was next day for Kerikeri and Kaitaia, and 1 days wait for Paihia and Hokianga.

Code of Compliance Certificates



The ccc backlog will be cleared before the IANZ audit.

FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial implications related to this update report.

ATTACHMENTS

Nil