

## ARF007 Compliance – NRC Abatements

### Risk Status Progress Report June 2019

#### Description of risk and impact

FNDC has 9 abatement notices due to non-compliance with resource consent conditions for district infrastructure issued by Northland Regional Council.

Many of these notices are over two years old, and six involve expensive wastewater assets. NRC lodged an Enforcement Order application with the Environment Court for ongoing non-compliance at the Paihia Wastewater Treatment Plant (ammonia levels), and FNDC are now under suspended orders requiring delivery of solid remedial action to avoid further litigation.

#### Existing Treatments

High level treatment plan:

- Establishment of new role solely focused on compliance (Infrastructure Compliance Planner)
- Creation of an Infrastructure Compliance Strategy – two year strategy with goals and deliverables to actively increase the level of compliance. This strategy directly informs the work programme of the Infrastructure Compliance Planner.
- Relationship building with NRC – monthly activity level compliance meetings are held between FNDC / NRC as well as six monthly group level compliance meetings to provide an update on the Infrastructure Compliance Strategy.
- CouncilMark Improvements:
  - 18. Asset Management Improvement
  - 19. Three Waters Alliance Improvement
  - 29. Capital Project Life Report Improvement
  - 34. Process Management Framework Improvement

As detailed in the Infrastructure Compliance Strategy, a plan is now in place with timeframes to reduce the risk to FNDC associated with infrastructure non-compliance. Over the next 2 years significant focus will be placed on identifying what is needed for FNDC's wastewater schemes to not only achieve compliance but to stay there in future. Affordability and the issue of how to fund an increase in the quality of wastewater treatment will be a challenge. Staff will work to obtain all information, options and costings associated with the required upgrades so effective decisions can be made.

### Where are the gaps? / what more could we be doing?

Far North Waters Alliance is responsible for operational compliance with water and wastewater resource consents and FNDC must rely on Far North Waters to take ownership of this area. This includes having sound processes, systems and quality management in place, as well as having the technical capability to provide informed, cost effective and viable recommendations on improvements / upgrades needed to our water and wastewater assets to become and remain compliant.

Lastly, while NRC will not rule out future enforcement action, in a recent meeting early June they appeared satisfied with the actions being undertaken and the plan presented to them. They have indicated that they see their role as regulatory body to sometimes issue enforcement action in order to escalate the funding requirement for particular assets. Staff will endeavour to actively increase FNDC's level of infrastructure compliance without further enforcement action; however in some instances where funding and affordability are an issue, enforcement action may be unavoidable.

Inherent Risk:	Trend	Residual Risk:	Accountable:	CEO	Date raised:	29/11/18	Report frequency:
	↓		Responsible:	GM IAMs	Date accepted:	30/05/19	Six monthly