Audit, Risk & Finance - Updates on Recommendations from Audits Received 2018-2020

Report Title Date	Recommendations	Completed / Not Started / In Progress	Response
NZTA Investment Audit Report 12 December 2018	**Q4 b)** Completes exemption declarations when it considers a road safety audit is not required for a construction period or renewal	Completed/On-going	21/08/20 NTA have a dedicated safety team comprising of four people, who ensure safety audits are done as per NZTA Standards and exemptions from the same where an audit is not required
Barker & Associates Report August 2019	**Technology:**		
	• Integrate technological systems across Council.	Complete	Te Aka migration due for completion week commencing 22nd February 2021
	• Provide reliable technology for Council asset management and engineering plan approvals.	In Progress	Development Engineers in Infrastructure have sought alignment of technology used by customers submitting plans so that updates and training of systems are aligned. Progress through review of engineering standards but generally subject to Infrastructure budgets
	Consultants		
	Consolidate the consultant base, based on skills, experience and local knowledge.	In Progress	Planning Panel establishment in progress.
	Contractually bind consultants to delivering quality professional services in a timely and cost certain manner.	In Progress	Planning Panel establishment in progress
	Consent conditions		
	Undertake an annual audit of the standardised conditions and update as necessary	Completed/On-going	Principal Planner tasked with review
	Communication and Customer Service		

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	• Implement standardised emails to inform customers that their communications have been received and state a clear and realistic timeframe for response.	Completed/On-going	Complete
	• Create consistency in the tone and approach to managing customers to reflect that customers have been listened to, understood and that action will be taken, where appropriate.	Completed/On-going	Resource Consent Co-Ordinator appointed to further provide this customer service.
	Templates and Checklist		
	• Enforce the use of templates and checklists by staff and consultants.	Completed/On-going	Template reports with conditions available and being used at present by staff and consultants
	• Undertake an annual audit of the templates and checklists and update as necessary.	Completed/On-going	Templates revised and updated as system improvement identified.
	Mentoring and Training		
	• Support and encourage staff to utilise external NZPI mentoring opportunities.	In progress	Barkers & Associates have included staff in 2 updates which has been beneficial. Networking opportunities to be investigated
	• Continue the identification of training programmes and courses for staff in the individual performance development plans.	Completed/On-going	In-house training (Know How Tuesday's) as well as online opportunities and NZPI courses being used successfully.
	• Develop personalised KPIs for all staff.	Completed/On-going	
	Workstream Prioritisation, Workloads and Work-Life Balance		
	• Undertake quarterly strategic forward planning sessions between executive team, managers and team leaders to project focus and allocate resources and timeframes.	Completed/On-going	
	Governance and Management of External Enquiries		
	• Ensure clarity with respect to the processes for political involvement in planning processes and the answering of enquires	Completed/On-going	GM working with Resource Consent Manager to involve her in reporting for Council

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	• Improve staff education and protocols around responding to enquiries	Completed/ Ongoing	Resource Consents Help Desk Co-Ordinator engaged and referring to planners for technical response.
	Geographical Context		
	• Hold regular whole department meetings in varying locations to share travel, time and distances for staff	Completed/ Ongoing	Regular quarterly group meetings and fortnightly department meetings. Use of teams has improved communication between policy and planning. Resource Consents Manager with greater presence in Dargaville
Cyber Security Audit March 2020	• Develop effective and documented procedures and processes that meet the requirements of the stated Policy and Standards	In progress	Still in progress. New service desk system allow us to create SOPS Staff training is required to progress. ETA 31/12/21
	• Develop and maintain information systems risk strategy	Not started	
	• Implement formalised IT asset management system for external, hardware and software assets.	In progress	Nearly complete. ETA 30/6/21
	• Formalise IT network documentation and diagrams	In progress	Work in progress as network diagrams are 'live' documents liable to change. ETA 30/6/21
	• Develop and maintain information asset register	In progress	As above. Nearly complete. ETA 30/6/21
	• Develop and maintain information systems standard operating procedures	In progress	Still in progress. New service desk system allow us to create SOPS but staff training is required. ETA 31/12/21
	• Develop and maintain information asset register for critical infrastructure	In progress	Nearly complete. ETA 30/6/21
	• Develop and maintain information asset register for risk	In progress	Nearly complete. ETA 30/6/21

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	• Implement formalised IT user and account management	In progress	Nearly complete. ETA 30/4/21
	• Replace legacy remote access system	Not started	Funding provided in LTP. ETA End FY 21/22
	• Secure data at rest and at transit	Not started	
	• Implement edge or boundary protections for all sites. Intrusion detection and prevention. Web filtering, data exfil, traffic monitoring	Not started	Funding provided in LTP ETA End FY 21/22
	• Develop and maintain data and system backup and recovery plan	In progress	No ETA
	• Develop and establish cybersecurity awareness programme for continuous training, education and • awareness (TEA)	In Progress	Outsource to approved 3rd party vendor, funding provided in LTP
	• Implements centralised logging and analysis system	In progress	Central logging server installed and operational. ETA 31/3/21
	• Implements centralised vulnerability analysis system	Not started	
	• Replace static signature-based endpoint protection with advanced persistent threat protection	In progress	Vendor selection ETA 30/4/21
	• Develop and establish cybersecurity incident response plan	In progress	ETA 30/6/21
	• Develop effective and documented BCP plans and procedures that meet the requirements of Council when responding to a wide range of scenarios	In progress	No ETA

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Land Information Memorandum Audit September 2020	Direct input of information from each department to a shared LIM report database will speed up the process and eliminate the possibility of errors caused by double-handling information.	Completed/on going	Council's Magiq software is a shared system however it is not used by all departments. Digitalising the property and consent files and having them available in Te Aka will speed up the process. A separate shared system is not possible currently.
	Regular training and collaboration of all staff involved in producing LIM reports will be beneficial.	In progress	Meeting with the waters team has resulted in updated stormwater information. With LIM numbers being incredibly high since November last year training across all departments hasn't been easy.
	Improved usage of hyperlinks to relevant information on the KDC website will provide a higher level of customer service by making information more accessible.	Completed	Links to the specific documents on the website i.e. The Wastewater Drainage Policy and Bylaw have been included. Page numbers for larger documents have also been added.
Recognised Agency Assessment Report – Food Health September 2020	KDC is recommended to update their verification procedures to include Remote Checks, in case a requirement to conduct such verifications arises in future.	Completed	Documented in EHA Quality Manual Section 2.2.17
	In considering how to manage food businesses who do not cooperate with verifiers for closing out corrective actions, KDC is recommended to consider what their options are and document these accordingly. For example, a visit to the food business, temporary suspension, etc. A review of the relevant legislation would assist in determining what KDC's rights and responsibilities are in this regard.	Completed	Documented in EHA Quality Manual Section 2.3, and improved performance has been reported by MPI in our monthly stats
	It is anticipated that it would be unlikely for a verifier to have to "change hats" to the role of Food Safety Officer, now that a second full-time verifier had been appointed. KDC had indicated that they will be looking at a procedure to follow should this be required, and they are recommended to document such instances on the conflict of interest register in the unlikely event that they occur.	Completed	Documented in EHA Quality Manual Section 2.3
	If process-based audits are to be undertaken, it would be recommended that process maps be developed which would indicate how the different processes interact, and how the different procedures relate to the identified processes. Objectives would need to be specified, since process audits focus on results and evaluate outcomes; an	Completed	The EHA team have reverted back to procedural based audits which are backed up with audit checklists to ensure a more objective approach

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	understanding of what the objectives are, and whether or not they have been met, is therefore important. Specific checklists should also be developed, since without checklists findings could be interpreted as being a subjective account of what was being done, rather than an objective account of what is or isn't being done. Due to the limited resources that are usually available in Councils, KDC is encouraged to consider whether the above approach of process-based audits is suitable for them. Procedure-based audits can be just as effective as identifying potential or actual shortcomings and can be simpler to manage. KDC is reminded that the Food Act legislation does not specify whether process-based audits or procedure-based audits are a requirement, and they should therefore choose the system that most suits their operations. The vertical audits being conducted by KDC, which look at a particular food business, are already process-based audits, and there is scope to develop this type of audit into a much more thorough tool. Registration, records, verification outcomes and findings, reporting and timeframes, competencies, training records, peer reviews, etc. are all aspects that could be included in these audits. By combining a selection of these vertical audits along with the procedure-based audits during the year, KDC would ensure that their audits are systematic and thorough. It is strongly advised that detailed checklists be developed, which would assist with objectivity and consistency. KDC could also consider whether their audit procedure needs to be revised to reflect these practices.		
	Many of the findings from internal audits had been classified as minor findings. This was determined based on the risk to the business and how easy it would be to correct. It is recommended that this be documented, which would assist with consistency.	Completed	The audit form template includes guidance on classifications of findings actions required and associated timeframes for completion based on each classification
	It is recommended that for system improvements (where applicable) and for audit findings, that the actual causes of issues are investigated. This will allow for corrective action to be implemented which will prevent the non-conformance or issue from recurring. For example: SI 48 dealt with a food operator only submitting the first three pages of the registration form. A similar incident occurred for the food operator related to the verification for FP0190 on	Completed	The System Improvement Register now includes actual causes of issues and investigation outcomes.

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	22/01/2019, where only the alternate pages of the registration form had been scanned. If the root cause of such instances is identified, it will allow a procedure or process to be put in place to prevent such an occurrence from happening again.		
	The contractors had not previously been included in the team meetings. While it is acknowledged that the contractors will no longer be working for KDC, KDC are reminded that if any contracted verifiers are employed in future, they should be included in the team meetings. As would be the case for full-time employees, if the contractors are not able to be present, the minutes should then be forwarded to them.	Completed	Contractors now attend meetings and /or receive copies of meeting minutes for their review and feedback
	Verifiers are reminded that it is good practice to document all their observations, not just those cases where the operator was missing something. While the observations noted in the verification checklists were generally good, there were several instances when they could have been more detailed to provide evidence of what was actually covered during the verification. The documentation of more detailed notes also relates to the comments provided on the CPD forms. For example, both verifiers (for the allergens exercise) stated "conveying the importance of allergen management to the operator during a verification" for the question on "examples of how this has impacted your practice". Their evidence would have been more robust if they had stated which verification (name, date) they were referring to.	Completed	Verification form template has been modified to assist in ensuring the verifier observes and records all required topics including evidence to support this. Independent reviews of verification reports are undertaken internally based on a checklist
	KDC is recommended to reconsider what a partial verification is. While it is a requirement to consider the Mandatory topics and the Top 5 topics, it is expected that verifiers prioritise the other verification topics and should include at least one topic from each verification criterion. This implies that verifiers do not need to cover ALL topics for every verification.	Completed	Processes no longer allow for partial verifications
	Not all the verification reports which were compiled for the remote checks, indicated that they were done remotely (for example, FP0380, 12/05/2020). KDC is recommended to include a description in the reports when there has been a deviation to the standard verification practice, such as a remote check instead of an on-site verification.	Completed	Verification form template has been modified to ensure all remote checks are documented and classified

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	Photographs were sometimes being used to record evidence at a food business. It is recommended that these are stored in the client files in MagiQ, rather than on the verifier's phone.	Completed / Ongoing	Photographs are now either recorded in the verification report and or uploaded into MagiQ
	Whiteout had been used on some of the forms. It is best practice that errors are crossed out by drawing a line through the error and writing the correction next to it. This relates to all records.	Completed	No longer practiced
	It is recommended that induction requirements be documented somewhere, to ensure consistency (e.g. induction checklist, which gets ticked off by trainer and trainee). In addition, the Competence procedure should include mention of induction.	Completed	Induction template developed and implemented which is linked to the training and development system
	It is recommended that general verification skill requirements are included somewhere in the quality system (e.g. HACCP, Tiritiri training modules, auditing, etc.). This will allow someone to see at a glance what competencies a new verifier would need when they are initially recruited.	Completed	Documented in the training and development template
	The Competency Review forms, which were sometimes being used for peer reviews, do not allow for recording of the verification details (food business, date, etc.). These details had been filled in for verifier (1)'s review on 21/0/2020, but not on verifier (2)'s review on 18/11/2019. One of the outcomes of peer reviews is the ability to monitor the consistency and reliability of verification outcomes, and this is only possible if the details of the relevant verification have been filled in.	Completed	Both forms have been amalgamated into a single form
	It had been noted in the previous Recognised Agency Assessment Report (JASANZ, 2/06/2019) that it would be beneficial to review the procedure for critical non-compliances to ensure consistency of processes across staff and contractors. This had not been investigated by KDC. During the previous year, one of KDC's contractors was the only verifier who had noted a critical non-compliance, and while it is possible that this may reflect the actual situation, it is suggested that this may be an opportunity for improvement. Options for consideration would be to research and document examples of critical non-compliances, develop a critical non-compliance procedure, provide training to verifiers, etc.	Completed	This was cancelled as it was in fact a KDC verifier who had noted the critical non-compliance and not that of the contractor as originally thought

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Monitoring Report – Territorial Authority Building Control Functions December 2020	KDC should consider reviewing and rewriting their policy and procedure document for administering the means of restricting access to residential pools' requirements. The policy should have high-level objectives followed by a series of procedures for performing the functions.	Completed/ Ongoing	Positive feedback from initial review by MBIE, and awaiting formal response to close
	Ensure public information on pool barriers is easy to locate and legislatively correct, up to date and covers off the key 'new' provisions.	Completed/ Ongoing	Positive feedback from initial review by MBIE, and awaiting formal response to close
	KDC have only carried out 76 pool barrier inspections (out of 470) in the last 3 years. It is a statutory requirement that TAs ensure inspections of pool barriers are carried out at least once every 3 years. This has not happened, which is a serious concern.	Completed/ Ongoing	KDC has 337 registered pools that require scheduled inspections. Since August 2020, we have completed 49 pool barrier inspections which MBIE has noted as a vast improvement on previous numbers, and this has been aided by the additional FTE now on board. We are confident we will now be able to complete all swimming pool / barrier inspections within the required timeframes
	It is strongly recommended that more full-time equivalent (FTE) resource be employed/assigned to carrying out pool barrier inspections in order to complete the remaining inspections and ensure all pool barriers are inspected during each 3-year cycle.	Completed/ Ongoing	MBIE has acknowledged KDC's efforts in appointing the second FTE
	KDC's 'how to guide' for compliance schedule and BWoF matters is limited to providing general guidance about these functions and would not be seen as a policy or procedure document. KDC should document and adopt a policy and procedure document for administering the compliance schedule and BWoF requirements. The policy should have high-level objectives followed by a series of procedures for performing the functions.	Completed/ Ongoing	Positive feedback from initial review by MBIE, and awaiting formal response to close
	The compliance schedules reviewed as part of the assessment did not comply with the Building (Amendment) Act 2012, lacked sufficient information and in many cases were not building-specific enough.	In progress	
	Ensure prescribed forms received from external parties comply with legislation and ensure council staff request any non-compliance to be corrected.	In progress	

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	Ensure sufficient staff resource to carry out functions in relation to compliance schedules and BWoFs. KDC has a ratio of 2350 compliance schedule per FTE which is very high. Over the last 3 years, KDC have only carried out 24 BWoF audits, which equates to about 3.4% of buildings per year.	Completed/ Ongoing	MBIE has acknowledged KDC's efforts in appointing the second FTE
	KDC could not advise how many of their compliance schedules need to be amended to comply with the Building Amendment Act 2012. 100% of compliance schedules were required to be updated to comply by 31 March 2013. MBIE recommends KDC do a scoping exercise to establish exactly how many of its 235 compliance schedules need to be amended and ensure this takes place immediately.	In progress	
Building Consent Authority IANZ Accreditation Assessment Report December 2020	**GNC 3)** Implementation of the procedure for managing receipt of RFI was not consistent. Specifically, the BCA was not always backdating the statutory clock and was not always aware when to restart/not restart the clock. Implementation was not appropriate where the BCA was not recording consideration of Specified Systems, Performance Standards and Inspection Maintenance and Reporting information during processing.	In progress	GNC 3.1 has been cleared by IANZ GNC 3.2 evidence is being submitted to IANZ for review and clearance
	GNC 4) Implementation was not effective when issuing a F5 with specified systems that must be covered by the compliance schedule. Specifically, the BCA was not attaching Draft CS to F5 as per BCA procedure.	Completed	Cleared by IANZ
	GNC 5) Compliance with statutory timeframes Implementation was not effective where the BCA was not initiating the clock when there was a complete application but there had been no final inspection. Implementation of procedures to establish compliance with the statutory clock was not reliable because of the previous finding. Therefore, the Assessors were not able to determine compliance with this requirement. Compliance schedules Implementation was not effective where the BCA was issuing Compliance Schedules with incorrect and/or non-specific Performance Standards. Implementation was not effective where the BCA was issuing CCCs without Fire Alarm Installation Certificates from an accredited Inspection Body	In progress	GNC 5.1/2/4/5/6 have all been cleared by IANZ GNC 5.3 evidence is being submitted to IANZ for review and clearance

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	GNC 6) Implementation was not effective where the BCA was not consistently recording specific evidence against 10(3)(a) in the Site Inspector Competency Assessments.	Completed	Cleared by IANZ
	GNC 7) Implementation was not effective where the BCA was not consistently recording specific evidence against 10(3)(b) in the Site Inspector Competency Assessments.	Completed	Cleared by IANZ
	GNC 8) Implementation was not effective where the BCA was not consistently recording specific evidence against 10(3)(c) in the Site Inspector Competency Assessments.	Completed	Cleared by IANZ
	GNC 9) Implementation was not effective where the BCA was not consistently recording specific evidence against 10(3)(d) in the Site Inspector Competency Assessments.	Completed	Cleared by IANZ
	GNC 10) Implementation was not effective where the BCA was not consistently recording specific evidence against 10(3)(e) in the Site Inspector Competency Assessments.	Completed	Cleared by IANZ
	GNC 11) Implementation was not effective where the BCA was not consistently recording specific evidence against 10(3)(f) in the Site Inspector Competency Assessments.	Completed	Cleared by IANZ
	GNC 12) Implementation was not effective where the BCA had not undertaken annual training needs assessment of all employees performing a building control function by doing a technical job since July 2018.	Completed	Cleared by IANZ
	GNC 13) Procedures and implementation were not effective where the Training Plans did not specify the outcome desired from any training.	Completed	Cleared by IANZ
	GNC 15) Implementation was not effective where a summary of complaints laid in relation to buildings, and the BCA's response were not retained in the Consent Files.	Completed	Cleared by IANZ
	GNC 16) Procedures and their implementation were not effective where the BCA was not specifically reporting progress against the objectives in their Quality Policy	Completed	Cleared by IANZ

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	GNC 17) Implementation was not demonstrated where the BCA is required as a result of any relevant outcome from management review or audit under regulations 17(2)(d), (h) or (5) to communicate QA matters to employees and contractors.	Completed	Cleared by IANZ