

Risk & Assurance Committee

1 October 2026

Report for Agenda Item | Rīpoata moto e Rāraki take [2]

Department: Assurance, Finance & Risk

Title | Taitara: Compliance Update, October 2026

Purpose of the Report | Te Take mō te Pūroko

The purpose of this report is to provide a governance update regarding the status of the Queenstown Lakes District Council's (QLDC) compliance programme and report on compliance with legislation and consents.

Recommendation | Kā Tūtohuka

That the Risk & Assurance Committee:

1. **Note** the contents of this report.

Prepared by:



Name: Gareth Noble

Title: Assurance & Risk Manager
3 September 2026

Reviewed and Authorised by:



Name: Katherine Harbrow

Title: General Manager, Assurance, Finance & Risk
7 September 2026

Context | Horopaki

1. This report seeks to support the governance role of the Risk & Assurance Committee (the Committee/RAC) by providing updates on the following topics:
 - Compliance Work Programme
 - Compliance with Legislation and Consents
 - Status of Policy reviews
2. The report informs the Committee to enable it to discharge its roles and responsibilities as provided for in the Compliance Management Policy:
 - Assists the Council in discharging its responsibilities for the robustness of compliance management systems, processes and practices;
 - Reviews whether management has in place a current and appropriate compliance management framework and associated procedures for effective identification and management of the Council's compliance obligations;
 - Reviews whether a sound and effective approach has been followed in developing compliance control plans for major projects, undertakings and other significant compliance risks;
 - At least annually assesses the effectiveness of the implementation of the compliance management framework/control plans; and
 - Recommends the Compliance Management Policy to Council for adoption.

Analysis and Advice | Tatāritaka me kā Tohutohu

Compliance Work Programme

3. In October 2025, Council approved QLDC's first Compliance Management Policy ('the Policy'), establishing a formal framework for the identification, management, monitoring and reporting of compliance obligations across the organisation. The Policy confirms Council's commitment to meeting its legal and regulatory obligations and is aligned with recognised compliance management standards, including ISO 37301 Compliance Management Systems.
4. The Policy establishes clear accountability for the management of compliance obligations. The Assurance & Risk Team is responsible for maintaining the central register of legislative, regulatory and bylaw obligations, while General Managers are responsible for identifying, documenting and managing compliance obligations arising from consents, permits, authorities, contractual

commitments and other obligations within their areas of responsibility. The Policy also requires the progressive identification and recording of mandatory obligations arising from internal policies, systems, processes and procedures, with full implementation scheduled by December 2027.

5. The compliance programme continues to mature, with ongoing development of the obligations register, compliance assurance activities and the systematic identification of mandatory obligations across Council's policy framework.
6. At present the obligations register is an excel spreadsheet with limited functionality to support effective obligations and associated controls management. However, in 2027 it is intended that a new compliance module is implemented building on the existing Risk Register module in TechOne (CiA). The new module will provide improved functionality for documenting compliance controls, and associated roles and responsibilities for ensuring compliance with both external and internal obligations.

Policy Reviews

7. In 2022, a Policy audit identified the need for an organisation-wide policy register. In response, the Policy Dashboard was launched in June 2025, providing a central source of information on the status, ownership and review cycle of Council policies.
8. Since the dashboard's implementation, the Assurance & Risk, Information Management and Policy Teams have continued to work with policy owners to review policies, clarify ownership arrangements, revoke redundant policies and update policies where required.
9. At the time of writing, QLDC has 100 active policies, of which 55 are overdue a review. Fourteen policies are currently under active review, with policy owners continuing to progress updates and identify opportunities to streamline and improve the policy framework.

Compliance

10. A compliance report is considered by the Executive Leadership Team every quarter and included within QLDC's publicly available Quarterly Report every six months. The reports include the following:
 - Non-compliance with consents
 - Compliance with legislation (not included in quarterly reports)
11. At the time of writing, the most recent information received from across the business covered the period April to June 2026, as reported in the June 2026 Quarterly Report (Compliance section attached as **Attachment A**). To provide the Committee with more current reporting on existing

compliance matters relating to three waters assets, the Infrastructure Operations Team has supplied an updated status report (**Attachment B**).

12. Options have not been presented, as this report is provided for the Committee to note.

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

13. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because it has:

- A lower impact on the importance to the Queenstown Lakes District, providing an increased level of assurance at little additional cost;
- A lower significance in relation to community interest, as it does not provide for material changes in how services are delivered;
- A lower significance in relation to consistency with existing policies and strategies, as the overview of compliance matters provides improved Governance oversight, and maintains existing controls;
- A lower impact on the Council's capability and capacity, as the matters outlined in the report provide increased assurance regarding QLDC's compliance framework;
- A lower impact in relation to climate change, supporting the management of risks in this regard; and
- A lower impact in relation Mana Whenua, supporting the management of risks in this regard.

14. The persons who are affected by or interested in this matter are all residents/ratepayers of the Queenstown Lakes district community, as the matters outlined in this report provide increased assurance regarding QLDC's compliance framework.

15. The Council has not undertaken consultation in relation to matters outlined in this report, because the matters are of low significance.

Māori Consultation | Iwi Rūnaka

16. As the significance of this matter is low, no consultation with the community or local iwi is required.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

17. This matter relates to the Regulatory/Legal/Compliance risk category. It is associated with RISK10029 Ineffective compliance management practices within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.
18. Residual risk is the estimated level of risk that will exist after the recommended treatment plans are implemented.
19. The development of an effective compliance framework will allow the Council to implement additional controls for this risk.

Financial Implications | Kā Riteka ā-Pūtea

20. There are no financial implications associated with this report.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

21. The following Council policies, strategies and bylaws were considered:
- Strategic Framework including the Vision Beyond 2050: Our Strategic Framework | Queenstown Lakes District Council has been considered during risk identification, analysis, evaluation and treatment planning considerations regarding QLDC's insurance strategy;
 - QLDC Risk Management Policy;
 - QLDC Compliance Management Policy;
 - Climate & Biodiversity Action Plan;
 - QLDC Long Term Plan 2024-2034;
 - QLDC Spatial Plan; and
 - 30 Year Infrastructure Strategy.
20. The recommended option is consistent with the principles set out in the Compliance Management Policy.
21. This matter supports the Long Term Plan and Annual Plan through ensuring that an effective compliance frameworks is in place to provide assurance regarding the delivery of planned programmes.

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka

22. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. This report provides assurance regarding QLDC's compliance framework and as such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act.

23. The recommendation:

- Can be implemented through current funding under the Long Term Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council.

Attachments | Kā Tāpirihaka

A	June 2026 QLDC Quarterly Report Compliance Content
B	Compliance Report, June – August 2026
C	Compliance Management Policy, 2025

Compliance with Consents



Compliance with Consents

June 2026

ITEM	CONSENT NUMBER	DESCRIPTION	STATUS
WATER SUPPLY (water take)			
Nothing to report			
WASTEWATER (discharge to land/air)			
Shotover Waste Water Treatment Plant - Non Compliance with Discharge to Land Consent	RM13.215.03 2008.238v2	Enforcement Order in place as a result of the failure of the treatment plant's disposal field, which when in use was resulting in ponding and surface discharge beyond designated site.	Emergency works undertaken in March 2025 to revert to a direct river discharge in response to the challenges with the drainage field and risk to aviation safety. Enforcement order has been agreed between ORC, Queenstown Airport and QLDC. QLDC is carrying out actions identified in this order and is providing monthly progress reports. A Resource Consent application has been submitted to authorise the direct discharge to the Shotover River of treated effluent for a period of up to 5 years (until Dec 2030). This allows time for a long-term solution to be designed, consented, constructed and commissioned. Mediation has been completed and an Environment Court hearing set down for November 2026. Monthly effluent results are currently fully compliant. Using the historical data to calculate the rolling mean and percentiles results in exceedances with the discharge limits set in 2008.238v2, but full compliance with RM13.215.03. A true rolling mean or percentile cannot be calculated until 2008.238v2 has been in effect for 12 months, which is 1 January 2027.
Hāwea Wastewater treatment Plant – Discharge to Land Consent	RM22.178.02	Abatement Notice has been issued by ORC 18 March 2025 due to breaches associated with the mean Total Nitrogen concentration in the treated wastewater and the total mass of Nitrogen discharged from the plant.	QLDC has taken steps to limit additional loading on the existing plant as well as to optimise its treatment performance. In support of a permanent resolution of this matter works have commenced on the connection of the Hāwea wastewater scheme to the Wānaka treatment facility, with completion expected in early 2027.
Project Pure/Wānaka Wastewater Treatment Plant - Non Compliance with Discharge to Land Consent	2005.484	The treatment plant is currently subject to two abatement notices. One associated with the quality of the treated wastewater and the other associated with the performance of the disposal field.	The treatment plant is now running normally and achieving effluent quality consistent with the requirements of the Resource Consent. However, due to the consent being based on a rolling 12-month 80th percentile, full compliance will not be achieved until approx. October 2026. Temporary soakage trenches have been constructed within the disposal field to enable management of peak flows over the summer period and support remediation efforts. The trenches are draining quickly and are dry when not in operation. Longer term planning for the comprehensive remediation and expansion of the disposal fields is ongoing.
Glendhu Bay camp-ground Wastewater Treatment Plant	210.239	Abatement Notice has been issued by ORC on 16 August 2023 due to breaches associated with wastewater discharge.	The WWTP is now fully compliant with the discharge limits in the consent. Further sampling will be carried out before the abatement notice is requested to ORC to be cancelled.

Compliance with Consents

June 2026

ITEM	DESCRIPTION		STATUS
STORMWATER (discharge)			
Shotover Country Wetlands - Discharge to a regionally significant wetland	RM15.277.01	Historical issues associated with the construction of the stormwater management system deviating from consent (by developer).	An audit report in 2023 highlighted that there were inconsistencies between the pond design applied for in consent RM15.277 and with the pond design applied for in the land development consent, resulting in the three ponds not being constructed as per the discharge consents. A second discharge consent is currently still in the Developers name, with the intention of this consent also being transferred to QLDC in the future. QLDC has approached the Developer requesting that the third pond be made compliant prior to transfer of the consent to QLDC. QLDC is investigating options to support the current planting efforts surrounding the ponds, and in parallel scoping the work required to achieve full compliance.
Rockabilly Gully Storm-water Discharge – Non-Compliance with Permitted Activity Rule	N/A	Abatement notice received associated with the erosion caused in the gully and discolouration of Clutha River.	Detailed design completed and resource consent lodged. Procurement activities for the physical works will commence shortly.
Alpha Series Storm Water Discharge – Non-Compliance with Permitted Activity Rule	N/A	Abatement notice received associated with flooding on the downstream property (recreational area owned by Otago Fish & Game).	An interim solution has been agreed with Fish & Game (the landowner) and physical works have now been completed.
WASTE (discharge to land)			
Tucker Beach closed landfill	2004.29	Exposed waste has been identified on the northern slope of the site suggesting that the cover over the historic landfill is insufficient and requires remediation.	Remedial capping of the closed landfill has been completed.

Disclaimer: The non-compliances outlined may not be exhaustive and situations where compliance is restored in the short term may not be captured.

KPI Data Disclaimers

KPI	DATA DISCLAIMER
CORE INFRASTRUCTURE AND SERVICES	
Average consumption of water per person per day	Calculation is inclusive of visitor numbers to the district. Visitor numbers are extracted from the Ministry of Business, Innovation and Employment funded Accommodation Data Programme, which is not available in time of the reporting period, so the previous year's numbers are used. The resident population is derived from our Demand Projection which can be found here on our website. The medium scenario is used and the percentage of projected growth over 5 years is added to calculate this year's number of 54,440.
Requests for service - 3 Waters, Rooding, Solid waste	Monthly stats provide a snapshot of performance and only include completed RFSs at time of reporting. The final result is subject to change as some requests will be closed following month end.
Percentage of Material Recovery Facility (MRF) recycling contaminated	Does not include contamination of public litter bins.
Percentage of total household waste placed at kerbside diverted from landfill	Contaminated recycling and organic waste, which is subtracted from diverted household waste, is estimated.
Total waste diverted from landfill	Calculations of totals only include waste taken to QLDC landfills.
Total waste sent to landfill	Calculations of totals only include waste taken to QLDC landfills.
COMMUNITY SERVICES	
Total library borrowing (including books, e-books, e-audio and magazines)	The e-materials are shared between Queenstown Lakes District and Central Otago District. The result includes total checkouts of electronic items from all members across both districts.
Total number of Sport & Recreation participation visits per 1,000 residents	a) Some figures are estimated where a precise count is not possible. b) A mixture of automated and manually collected data is used. For example, pool/gym entries recorded by the gates vs. casual (free) court play or pool spectators recorded by the reception team and gym programme attendance recorded by instructors. c) The resident population is derived from our Demand Projection which can be found here on our website. The medium scenario is used and the percentage of projected growth over 5 years is added to calculate this year's number of 54,440.
Percentage of Freedom Camping RFS resolved within 20 working days	Freedom Camping RFS are categorised between enforcement requests and signage / bylaw enquiries. The KPI result is calculated using 20 working days for all RFS, however requests for enforcement are mostly resolved within five working days.
REGULATORY FUNCTIONS & SERVICES	
Percentage of building consents processed within statutory timeframes	Quality Assurance of data for Ministry of Environment reporting can result in updated figures.
Percentage of resource consents processed within statutory timeframes	Quality Assurance of data for Ministry of Environment reporting can result in updated figures.
HEALTH & SAFETY	
TRIFR (Total Recordable Injury Frequency Rate)	The Total Recordable Injury Frequency Rate (TRIFR) KPI target was incorrectly published as <8 in the Long Term Plan 2024-2034 adopted by Council on 19 September 2024. The KPI target for TRIFR is <9. The KPI target is therefore shown as intended in these reports, with the published error clearly acknowledged.

Attachment B: Compliance Report (June - August 2026)

APPENDIX A

Consent Compliance Summary:

Item	Consent number	Description	Status
Water Supply (water take)			
Nothing to report			
Wastewater (discharge to land/air)			
Shotover Wastewater Treatment Plant - Non-Compliance with Discharge to Land Consent	RM13.215.03 008.238v2	Enforcement Order in place as a result of the failure of the treatment plant’s disposal field, which when in use was resulting in ponding and surface discharge beyond designated site.	Emergency works undertaken in March 2025 to revert to a direct river discharge in response to the challenges with the drainage field and risk to aviation safety. Enforcement order has been agreed between ORC, Queenstown Airport and QLDC. QLDC is carrying out actions identified in this order and is providing monthly progress reports. A Resource Consent application has been submitted to authorise the direct discharge to the Shotover River of treated effluent for a period of up to 5 years (until Dec 2030). This allows time for a long-term solution to be designed, consented, constructed and commissioned. Mediation has been completed and an Environment Court hearing set down for November 2026. Monthly effluent results are currently fully compliant. A true rolling mean or percentile cannot be calculated until 2008.238v2 has been in effect for 12 months, which is 1 January 2027.
Wanaka Wastewater Treatment Plant (Project Pure) - Non-Compliance with Discharge to Land Consent	2005.484	The treatment plant is currently subject to two abatement notices. One associated with the quality of the treated wastewater and the other associated with the performance of the disposal field.	Temporary soakage trenches have been constructed within the disposal field to enable management of peak flows over the summer period and support remediation efforts. The trenches are draining quickly and are dry when not in operation. Longer term planning for the comprehensive remediation and expansion of the disposal fields is ongoing. In late July 2026, a failure of the chemset anchors securing the decanter drive arm to the reactor was discovered in SBR-2. SBR-2 was isolated to allow the repair works to be undertaken, leaving the remaining two reactors online. The treatment plant should have adequate capacity to manage the current average daily flows with only two reactors. In the short period the plant was operating with reduced capacity there was a larger than expected degradation in treatment performance and the August compliance sample has exceeded the 80th percentile limit. The treatment plant has recovered quickly and recent results from the in-house lab are within the consent limits. As the consent is based on a rolling 12-month 80th percentile, full compliance will not be achieved until approx. October 2026.
Hāwea Wastewater Treatment Plant – Discharge to Land Consent	RM22.178.02	Abatement Notice has been issued by ORC 18 March 25 due to breaches associated with the mean Total Nitrogen concentration in the treated wastewater and the total mass of Nitrogen discharged from the plant	QLDC has taken steps to limit additional loading on the existing plant as well as to optimise its treatment performance. In support of a permanent resolution of this matter works have commenced on the connection of the Hawea wastewater scheme to the Wanaka treatment facility, with completion expected in early 2027.
Glendhu Bay Campground	2010.239	Abatement Notice has been issued by ORC on 16 August 2023 due to breaches associated with wastewater discharge	The WWTP is now fully compliant with the discharge limits in the consent. Further sampling will be carried out before the abatement notice is requested to ORC to be cancelled.
Stormwater (discharge)			
Shotover Country Wetlands - Discharge to a regionally significant wetland	RM15.277.01	Historical issues associated with the construction of the stormwater management system deviating from consent (by developer).	An audit report in 2023 highlighted that there were inconsistencies between the pond design applied for in consent RM15.277 and with the pond design applied for in the land development consent, resulting in the three ponds not being constructed as per the discharge consents. A second discharge consent is currently still in the Developers name, with the intention of this consent also being transferred to QLDC in the future. QLDC has approached the Developer requesting that the third pond be made compliant prior to transfer of the consent to QLDC. QLDC is investigating options for renewals to the ponds in order to achieve full compliance, including a planting plan.

Compliance Report (June - August 2026)

Rockabilly Gully Stormwater Discharge – Non-Compliance with Permitted Activity Rule	N/A	Abatement notice received associated with the erosion caused in the gully and discolouration of Clutha River.	Detailed design completed and resource consent lodged. Procurement activities for the physical works will commence shortly.
Alpha Series Storm Water Discharge – Non-Compliance with Permitted Activity Rule	N/A	Abatement notice received associated with flooding on the downstream property (recreational area owned by Otago Fish & Game).	An interim solution has been agreed with Fish & Game (the landowner) and physical works have now been completed.
Waste (discharge to land)			
Tucker Beach Closed Landfill	2004.29	Exposed waste has been identified on the northern slope of the site suggesting that the cover over the historic landfill is insufficient and requires remediation.	Remedial capping of the closed landfill has been completed.

Legislation Compliance Summary:

Item	commentary	next steps
Drinking Water (Quality Assurance Rules)- Taumata Arowai		
Luggate Water Supply	pH in the source water does not meet the Drinking Water Aesthetic Values (pH lower than desirable). Under the legislation a drinking water supplier must take all reasonably practicable steps to supply drinking water that complies with aesthetic values issued by Taumata Arowai. The pH of the water in the distribution zone is at an acceptable pH.	The pH correction equipment from the previous water treatment plant is being relocated to enable the pH of the source water to be increased into the desirable range.
Beacon Point WTP	Continuous monitoring data was not recorded at the required frequency between May and August 2026 due to a configuration error introduced during maintenance of the Remote Telemetry Unit (RTU). The issue resulted in only every second minute of data being captured, rather than the required one-minute interval. As the missing data was not recorded and cannot be recovered, the Water Treatment Plant (WTP) was non-compliant with DWQAR continuous data recording requirements for this period. The issue was identified in August 2026 and promptly rectified.	Review monitoring and assurance controls to determine why the issue was not detected earlier, and implement improvements to dashboards, automated alerts, and data quality monitoring. The incident further highlights the need for SCADA network and telemetry infrastructure upgrades to strengthen system resilience and ensure the integrity of compliance-related data.
Cardrona WTP	A fault with the treated water pH analyser resulted in unreliable pH measurements from 19 July 2026 until the replacement probe was installed on 11 August 2026. During this period, continuous pH monitoring at the frequency required by the DWQAR (every 30 minutes) could not be achieved, resulting in a period of non-compliance. While daily manual verification confirmed that pH remained within expected operating parameters, the absence of compliant monitoring data affected the calculation of FAcE and, consequently, the ability to demonstrate continuous C.t. compliance for the affected period.	Review contingency arrangements for critical water quality instrumentation failures to ensure compliance monitoring can be maintained during equipment outages. Assess opportunities to improve fault detection, spare equipment availability, and response time for replacement of key compliance monitoring instruments.
QLDC non-municipal water supplies	QLDC holds responsibility for a small number of non-municipal water supplies supplying water to community buildings, campgrounds and some residents. These supplies do not currently achieve compliance with the Drinking Water Quality Assurance Rules of New Zealand and as such present an elevated risk to public health in comparison to the municipal supplies. Users of these suppliers are advised to boil before use.	Continue to implement improvement programmes for non-municipal water supplies to achieve compliance with DWQAR requirements. Prioritise investment and risk-based upgrades to treatment, monitoring, and operational controls, while maintaining appropriate public health risk mitigation measures until compliance is achieved.

Compliance Management Policy

Team/Directorate	Assurance and Risk Team
Approved/Adopted by	Council
Effective date	10 October 2025
Next review	10 October 2027

1 PURPOSE

The purpose of this Compliance Management Policy (the Policy) is to:

- detail the mandatory obligations in relation to compliance management at Queenstown Lakes District Council's (QLDC)
- outline the responsibilities that are associated with compliance management governance, obligation ownership and control implementation in accordance with QLDC's Three Lines Model (as detailed in QLDC's [Risk Management Policy](#))
- define the guiding principles that support and embed the development of an effective and sustainable compliance management culture within QLDC
- describe the process that QLDC has adopted for the effective identification and recording of obligations
- outline the responsibilities for compliance obligation identification, compliance planning and compliance control implementation
- provide direction on the processes for the identification and management of obligations in a planned and coordinated manner
- define the reporting and monitoring requirements that help ensure that compliance management is effectively supported and controlled across the organisation
- help improve performance and add public value

2 OVERVIEW

Council is committed to fulfilling its legal and statutory obligations and implementing an efficient and effective compliance management framework.

This policy sets out mandatory requirements for compliance management. The Council is committed to keeping its compliance management framework relevant and applicable to all areas of operation by using the ISO 37301:2021 'Compliance Management Systems' (and where relevant, NZS/AS 3806:2006 Compliance Programmes) as its basis.

Compliance Management Policy

For compliance management to be effective it must be an integral part of the development of organisational strategy and day-to-day operations. The Policy outlines mandatory obligations to protect the continuity of core business activities by ensuring effective governance, obligations management, and internal control implementation, maintenance and review. By implementing consistent systems and practices the Council will have **assurance** regarding QLDC's compliance management framework, enabling the achievement of Council's vision, values and strategies. This model delineates responsibilities across three distinct lines of **assurance**, enhancing accountability and transparency in managing compliance obligations, prioritising control activities based on **risk**.

3 DEFINITIONS

TERM	DEFINITION:
<i>Italics</i>	Terms in bold italics in this Policy are defined in the Risk Management Policy
Compliance	Meetings (all) QLDC's Compliance Obligations
Compliance obligations	Requirements that QLDC mandatorily must comply with (via statute or consent/permit or other authority) as well as those that QLDC voluntarily chooses (commits) to comply with
Compliance Programme	A series of activities that when combined are intended to achieve compliance
Control	Measure that maintains and/or modifies a risk of non-compliance
Council	The Queenstown Lakes District Council (the Elected Members).
External mandatory obligations	Obligations imposed by statute and/or by a regulator or other authority, including, but not limited to legislation, regulations, consents, authorities and permits
External voluntary obligations	Obligations that are voluntary, but when adopted, place an obligation on QLDC. External voluntary obligations are those that QLDC has chosen to comply with (adopted), including but not limited to codes and standards
Internal mandatory obligations	Obligations that are imposed by QLDC management, including, but not limited to, Policies, systems, processes and procedures where designated mandatory (e.g. shall/must provisions)
Non-compliance	Non-fulfilment of compliance obligations

TERM	DEFINITION:
QLDC	Queenstown Lakes District Council (including Elected Members and staff, unless otherwise noted).
	Definitions here are taken from relevant standards, these standards include ISO37301:2021 and NZS/AS3806:2006 (as appropriate), with minor amendments as necessary to reference QLDC, or for consistency with Risk Management Policy Definitions.

4 SCOPE

This policy applies to the following (as provided for in Section 5 Compliance Management Responsibilities):

- QLDC employees
- Elected members
- Any person engaged or contracted under a contract for services to do work with QLDC
- Contractors (including subcontractors)
- Any person who is engaged as a volunteer by QLDC.

This Policy applies to the following types of obligations:

- External mandatory
- External voluntary; and
- Internal mandatory obligations

5 COMPLIANCE MANAGEMENT RESPONSIBILITIES

	Roles and Responsibilities
The Council	• Adopts the QLDC Compliance Management Policy • Accepts accountability to stakeholders for oversight of QLDC's compliance commitments • Nurtures a culture promoting ethical behaviour and accountability • Delegates compliance governance oversight to the Audit, Finance & Risk Committee as appropriate • Delegates responsibility and provides resources to management for achieving the objectives of the organisation • Exercises oversight of compliance management
Audit, Finance and Risk Committee (AFRC)	• Assists the Council in discharging its responsibilities for the robustness of compliance management systems, processes and practices • Reviews whether management has in place a current and appropriate compliance management framework and associated procedures for effective identification and management of the Council's compliance obligations • Reviews whether a sound and effective approach has been followed in developing compliance control plans for major projects, undertakings and other significant compliance risks • At least annually assesses the effectiveness of the implementation of the compliance management framework/control plans • Recommends the Risk Management Policy to Council for adoption

	Roles and Responsibilities
Chief Executive	• Maintains primary accountability to Council for compliance management activities • Provides adequate resources to enable the effective implementation of the Compliance Management Framework • Maintains situational awareness of the organisational compliance context • Promotes a culture of compliance including communication of ongoing commitment
Internal Assurance Lead	• Undertakes audit of compliance management activities, registers and control planning in accordance with the Internal Audit Programme and Risk Management Policy.
Executive Leadership Team	• Reviews and recommends the QLDC Compliance Management Policy for adoption • Maintains situational awareness of the organisational compliance context • Reviews obligations register and allocates adequate resources to control implementation and maintenance based on risk • Directs the periodic review of controls, to determine control effectiveness (targeted control effectiveness testing based on risk) • Receives compliance reports and provides direction in relation to control planning, effectiveness and prioritisation • Considers reports on the status of policy reviews and allocates resources as necessary to ensure policies are up-to-date and aligned with external obligations • Provides assurance that compliance obligations are being appropriately managed
Assurance & Risk Organisation Unit (Assurance & Risk Team)	• Develops and maintains the QLDC Compliance Management Policy • Develop and maintains the Obligations Register • Provides regular updates in relation to external mandatory obligations provided by legislation and regulations • Reviews and reports on the status of policy reviews (tracks due and overdue Policy reviews) • Consults with policy owners on the oversight of compliance performance to identify and implement actions to provide assurance • Coordinates periodic review cycles for compliance obligations and control planning • Undertakes periodic review of controls, to determine control effectiveness (targeted control effectiveness testing based on risk) • Champions the deployment of change management initiatives to support the development of an improved compliance management culture within the organisation • Provides systems, processes, expertise, support, monitoring and challenge to support the effective management of obligations • Holds quarterly compliance workshops with Organisation Unit Management to review compliance obligations and associated control plans • Provide advice and guidance regarding the response/learning from compliance incidents

	Roles and Responsibilities
General Managers	- Identifies and records external mandatory obligations provided by consents, authorities and permits - Reviews Compliance Obligations Register and allocates adequate resources to control implementation and maintenance based on risk - Reviews and provides oversight of Obligations Register - Establishes business process controls to meet Obligations - Escalates 'High Risk' of non-compliance to Executive Leadership Team - Provides expertise, support, monitoring, and challenge related to the management of obligations, including: - the development, implementation, and continuous improvement of compliance management practices (including internal controls) - the achievement of compliance management objectives, such as: compliance with laws, regulations, and acceptable ethical behaviour; internal controls, information and technology security, sustainability, and quality assurance. - Provides analysis and reports on the adequacy and effectiveness of compliance management (including internal controls).
Policy Owners	- Reviews policies (supported by the Policy Team as necessary) prior to Policy Review date expiration - On Policy review, identifies and records policy obligations (internal mandatory obligations) in accordance with the Obligations Management Register (mandatory by end December 2027) - Supports Directorates to establish business process controls to meet Policy obligations - Consults with the Assurance & Risk Team, on the oversight of compliance performance to identify and implement actions to improve assurance, and the implementation of policy compliance training and education programmes
All staff, contractors and volunteers	- Knows and understands all the relevant business processes that apply to their role and then complies with them - Seeks guidance from their manager where uncertain about their responsibilities in relation to QLDC's compliance requirements - Completes all relevant compliance training within the required timeframe - Implements and records controls to ensure compliance with obligations, and monitors control effectiveness.

6 COMPLIANCE MANAGEMENT PRINCIPLES AND PROCESS

6.1 PRINCIPLES

The QLDC Compliance Management Policy is aligned with the principles and processes described within ISO 37301:2021 Compliance Management Systems- Requirements with Guidance for Use:

- **Integrity-** we commit to integrating compliance management system requirements into our business processes, to ensure that we meet our compliance obligations
- **Good Governance-** we commit to the implementation and maintenance of a '[three lines model](#)' of **assurance** to provide **assurance** regarding our compliance performance
- **Proportionality-** we commit to customising our compliance management policy to reflect the context and **risk** profile in which we operate
- **Transparency-** we commit to being open about our compliance management performance and ensuring that our compliance management maturity develops based on our shared experiences; we learn from each other

- **Accountability** we commit to owning our compliance obligations, identifying and understanding requirements and taking responsibility for ensuring compliance
- **Sustainability**-we commit to a **risk** based approach to compliance obligations, with a continual focus on improvement of our compliance management framework to ensure it is tailored to reflect business needs

6.2 PROCESS

The following diagram, adapted from ISO37301, describes the structure of the QLDC compliance management process. This process represents a best practice approach to ensuring that effective compliance outcomes are achieved and is based on the Demming Cycle, 'a systematic process for gaining valuable learning and knowledge for the continual improvement of a process' (the Deming Institute).

Figure 1: Adapted Compliance Management Process based on ISO37301:2021 (as amended)



6.3 CONTEXT

The compliance context relates to the profile of the internal and external environment within which the organisation operates and the goals, plans, objectives and strategies which the organisation wishes to achieve. The more clearly this context is understood, the more effective and accurate the compliance management outcomes will be.

The internal and external context can be described as follows:

- **Internal context** is the internal environment in which the Council operates, including organisational structure, strategic plans, policies, roles, accountabilities, delegations, capabilities, capacity, information systems, interdependencies and interconnections, and culture
- **External context** covers the external environment which can include political, economic, social, technological, legal and environmental factors

QLDC must determine the internal and external issues that are relevant to its community outcomes, that affects its ability to achieve the intended result(s) of its compliance management system. For QLDC this context involves the challenges of keeping pace with the dynamic level of growth within the district without comprising our community outcomes, which are supported by our wellbeing outcomes framework and delivered everyday through our core activities and through additional focus on our strategic investment priorities. In order to deliver community outcomes, some degree of risk must be accepted, if not promoted, across the organisation, and this will be reflected in the decision to adopt, or not implement external voluntary obligations or internal obligations through the implementation of policies. **Compliance with external mandatory obligations is non-negotiable.**

6.4 IDENTIFY OBLIGATIONS

The following sections describe the roles responsibilities and process for identifying compliance obligations by type.

External Mandatory

It is the responsibility of the Assurance and Risk Team to identify and record external mandatory obligations provided by legislation, regulations and bylaws. Where they are relevant to QLDC, the Assurance and Risk Team must record external mandatory obligations provided by legislation and regulations in the [Obligations Register](#), working with the business to identify which Organisation Unit(s) the application applies to and for what associated activities the obligation applies. The Assurance and Risk Team will initially allocate obligation ownership to the relevant Tier 3 Manager. For each Directorate, it is the responsibility of the relevant General Manager to provide any updates or necessary changes to mandatory obligations affecting their Directorate, including applicability and ownership, when they become aware of any associated changes in requirements.

It is the responsibility of the relevant General Manager to identify and record external mandatory obligations provided by external mandatory obligations relating to consents, authorities and permits . General Managers must ensure that external mandatory obligations provided by consents, authorities and permits are recorded in the Obligations register, or an alternative obligations register (or system) approved by the Assurance and Risk Team. The General Manager must allocate the relevant obligation in the Obligations Register to an appropriate Obligation Owner, who will have responsibility for completing all other information regarding the obligation, as required by the Obligations Register.

External Voluntary

It is the responsibility of the relevant General Manager to identify and record external voluntary obligations. General Managers must ensure that external voluntary obligations are recorded in the Obligations Register, or an alternative obligations register (or system) approved by the Assurance and Risk Team. The General Manager must allocate the relevant obligation in the Obligations Register to an appropriate Obligation Owner, who will have responsibility for completing all other information regarding the obligation, as required by the Obligations Register.

Internal Mandatory

It is the responsibility of the Assurance and Risk Team to maintain the ECM Policies Index. General Managers must ensure that any Policy owned by their Directorate is reviewed, replaced, revoked and/or superseded by

the relevant review date (as determined by the Policy). It is standard practice for policies to be reviewed at least every three years.

It is the responsibility of General Managers, to ensure that internal mandatory obligations imposed by policies, systems, processes and procedures owned by their Directorate are recorded in the Obligations Register by the end of December 2027.

6.5 CONTROL PLANNING AND IMPLEMENTATION

The Obligation Owner is accountable for the overall management of an obligation, including the analysis, evaluation, control planning, control implementation, and monitoring.

The Obligation Owner must have the appropriate level of delegated authority that allows them to effectively manage both the obligation and the required controls. For obligations where significant control expenditure will be required (e.g. additional control assets) the financial delegations register may be consulted as a guide to assist with the allocation of obligation ownership.

The purpose of controls is to identify and implement a set of response actions that will drive a reduction in the **residual risk** of non-compliance.

Obligation Ownership will be allocated based on the following:

- Directorate: the obligation will be assigned to the directorate that will have primary responsibility for control management
- Organisation Level: the obligation will be assigned at a management level that is commensurate with the level of **Risk** and the level of delegated financial authority that will likely be required to approve any control expenditure and resource allocation

The Obligation Owner must plan, implement and control the processes needed to meet requirements, and to implement control actions that:

- Provide **assurance** that the controls implemented can achieve intended objectives (compliance)
- Prevent, or reduce, undesired effects in accordance with QLDC's **risk appetite** model, as outlined in the [Risk Management Policy](#)
- Achieve continual improvement

Control Planning must consider the **risk** of non-compliance in accordance with the [Risk Management Policy](#) and Control Plans must include the following:

- The objective of the control plan
- The status of controls
- Compliance **risks** (**inherent** and **residual risk** rating in accordance with the [Risk Management Policy](#))
- **Risk Register** references
- Approval of Control plan (based on 'Table 3: Mandatory Requirements relating to risk ownership and **Operational Risk** reporting' of the [Risk Management Policy](#))
- Proposed training and communication of controls, and associated roles and responsibilities

6.6 MONITORING AND REVIEW

All non-compliance with external mandatory obligations will be reported quarterly to the Executive Leadership Team and AFRC. A summary of material non-compliance will be reported 6-monthly via the QLDC Quarterly Report.

Compliance activities, control implementation and **risk** of non-compliance will be reviewed quarterly during regular workshops between Tier3 Managers and the Assurance & Risk Team.

The Assurance & Risk Team will undertake control effectiveness testing, based on **risk**.

6.7 RAISING CONCERNS

In general, normal management reporting lines will be appropriate for reporting a concern regarding non-compliance, or potential non-compliance with obligations. In most instances a satisfactory outcome will be achieved by reporting the alleged non-compliance, or potential non-compliance with the appropriate Manager, General Manager or Risk and Compliance Manager. For volunteers, the Council's contact point should be used for raising a concern.

QLDC's [Protected Disclosures \(Protection of Whistleblowers\) Policy](#) outlines the procedures for disclosing alleged serious wrongdoing.