



chatham islands council

Chatham Islands Council

BOARD PACK

for

Council Meeting

Thursday, 13 August 2026

9:00 am (+1245)

Held at:

Chatham Islands Council

13 Tuku Road, Chatham Islands

INDEX

Cover Page

Index

Agenda

Attached Documents:

1.3 a	Interests Register.....	10
1.4 a	Action List.....	12
2.1 a	25 Jun 2026 Public MinutesCouncil Meeting (1).pdf.....	14
2.1 b	2.1 Minutes 25 June 2026.pdf.....	23
2.2 a	2.2 Interim Chief Executive Report.pdf.....	24
2.2 b	2026-08-13-Interim-CE-Report-to-Council.pdf.....	26
3.1 a	3.1 CIC draft end of year financials 2026.pdf.....	31
3.2 a	3.2 CIC Going Concern Assessment.pdf.....	40
3.2 b	CIC going concern assessment 2026 (002).pdf.....	42
4.1 a	4.1 Stantec Report1.pdf.....	50
4.1 b	Stantec Report.pdf.....	51
4.2 a	4.2 Fulton Hogan Road Maintenance Report .pdf.....	62
4.2 b	Maintenance Monthly Report July 26 .pdf.....	63
4.3 a	4.3 Fulton Hogan Water & Wastewater Contract .pdf.....	74
4.3 b	Water and Wastewater Report - July 26.pdf.....	75
4.4 a	4.4 FH Waste Management Report.pdf.....	82
4.4 b	Waste Minimisation Monthly Report July 2026.pdf.....	83
4.5 a	4.5 2027-30 NZTA Waka Kotahi Co-investment Funding Application.pdf.....	91
4.5 b	Memo - CIC 27-30 Funding.pdf.....	93
4.5 c	27-30 LTP Funding - CIC.xlsx	**
5.1 a	5.1 MOU Chatham Islands Shipping Service.pdf.....	96

—Continued—

** File not integrated in this board pack. Click on file name to download from BoardPro.

5.1 b	MoU relating to Chatham Islands Shipping Services - DRAFT.dotx.....	99
6.1 a	6.1 Dog Control Report 30 June 2026.pdf.....	104
6.1 b	Dog Control Report 30 June 2026.pdf.....	105
9.1 a	9.1 Dark Sky Proposal.pdf.....	109
9.1 b	Lighting Regulation Requirements for Chatham Islands IDSR.docx.....	110
9.1 c	Chatham Islands Dark Sky Message (1) (2).docx.....	111
10.1 a	10.1 Endorsement of Staff Code of Conduct 2026.pdf.....	113
10.1 b	DRAFT CIC Code of Conduct 2026.pdf.....	119
10.2 a	10.2 Draft Councillor and Staff Interaction Policy 2026.pdf.....	130
10.2 b	DRAFT CIC Councillor and Staff-Interaction Policy - 2026.pdf.....	135
10.3 a	10.3 Adoption of CIC Significance & Engagement Policy 2026.pdf.....	140
10.3 b	Attachment A - Draft Sig & Engagement Policy 2026.pdf.....	143
10.3 c	Attachment B - Schedule of Changes.pdf.....	149
10.4 a	10.4 Adoption of the CIC Disciplinary Policy 2026.pdf.....	152
10.4 b	DRAFT Disciplinary Policy 2026.pdf.....	156
10.4 c	Disciplinary Policy Schedule of Changes.pdf.....	175
11.1 a	PE Cover Page 28 May 2026.pdf.....	178
12.1 a	PE 12.1 Minutes PE Meeting 25 June 2026.pdf.....	179
12.1 b	25 Jun 2026 PE MinutesCouncil Meeting (1).pdf.....	180
12.2 a	PE 12.2 Interim Chief Executive Report Pt2.pdf.....	183
12.2 b	Procurement Support Proposal - June 2026 Final.pdf.....	185
12.2 c	Services Agreement - CIC.pdf.....	189
12.3 a	PE 12.3 CE Recruitment Process - Recommendation from CERC.pdf.....	195

AGENDA

COUNCIL MEETING



Name:	Chatham Islands Council
Date:	Thursday, 13 August 2026
Time:	9:00 am to 11:00 am (+1245)
Location:	Chatham Islands Council, 13 Tuku Road, Chatham Islands https://teams.microsoft.com/meet/45005609897047?p=veX8RADZT8OZCS1n00
Board Members:	Mayor Greg Horler, Cr Celine Gregory-Hunt, Cr Keri Day, Cr Bridget Gibb, Cr Graeme Hoare, Cr Jenna Hoverd, Cr Jacqui Southcombe, Cr Nathaniel Whaitiri
Attendees:	Mr Bob Penter, Ms Mereraina Hemara, Ms Jo Guise

1. Opening Meeting

1.1 Meeting Opening

9:00 am (5 min)

Kia hora te marino
Kia whakapapa pounamu te moana
Hei huarahi mā tātou i te rangi nei
Aroha atu, Aroha mai
Tātou i a tatou katoa
Hui e! Tāiki e!

1.2 Apologies

9:05 am (2 min)

1.3 Interests Register

9:07 am (2 min)

For Information

Review and update the interests register of board members and key executives.

Supporting Documents:

1.3.a Interests Register	10
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1.4 Action List

9:09 am (5 min)

For Noting

Review the progress of action items from previous meetings and discuss any pending tasks.

Supporting Documents:

1.4.a Action List	12
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2. Democracy

2.1 Ordinary Minutes 25 June 2026

9:14 am (3 min)

For Decision

Review and confirm the minutes of the previous meeting.

Supporting Documents:

2.1.a	25 Jun 2026 Public MinutesCouncil Meeting (1).pdf	14
2.1.b	2.1 Minutes 25 June 2026.pdf	23

2.2 Interim Chief Executive Report Pt 1

Supporting Documents:

2.2.a	2.2 Interim Chief Executive Report.pdf	24
2.2.b	2026-08-13-Interim-CE-Report-to-Council.pdf	26

3. Finance

3.1 Financial Report

9:17 am (5 min)

Mr Bob Penter

For Noting

Supporting Documents:

3.1.a	3.1 CIC draft end of year financials 2026.pdf	31
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3.2 CIC Going Concern Assessment

9:22 am (10 min)

Mr Bob Penter

For Noting

Supporting Documents:

3.2.a	3.2 CIC Going Concern Assessment.pdf	40
3.2.b	CIC going concern assessment 2026 (002).pdf	42

4. Works & Services

4.1 Stantec Report

9:32 am (5 min)

For Information

Information to be received.

Supporting Documents:

4.1.a	4.1 Stantec Report1.pdf	50
4.1.b	Stantec Report.pdf	51

4.2 Fulton Hogan Road Maintenance Report

9:37 am (5 min)

For Noting

Information to be received.

Supporting Documents:

4.2.a	4.2 Fulton Hogan Road Maintenance Report .pdf	62
4.2.b	Maintenance Monthly Report July 26 .pdf	63

4.3 Fulton Hogan Water & Wastewater report

9:42 am (5 min)

For Noting

Information to be received.

Supporting Documents:

4.3.a	4.3 Fulton Hogan Water & Wastewater Contract .pdf	74
4.3.b	Water and Wastewater Report - July 26.pdf	75

4.4 Fulton Hogan Waste Management report

9:47 am (5 min)

For Noting

Information to be received.

Supporting Documents:

4.4.a	4.4 FH Waste Management Report.pdf	82
4.4.b	Waste Minimisation Monthly Report July 2026.pdf	83

4.5 NZTA Funding

Supporting Documents:

4.5.a	4.5 2027-30 NZTA Waka Kotahi Co-investment Funding Application.pdf	91
4.5.b	Memo - CIC 27-30 Funding.pdf	93
4.5.c	27-30 LTP Funding - CIC.xlsx	

5. Community

5.1 MOU Chatham Islands Shipping Service

Supporting Documents:

5.1.a	5.1 MOU Chatham Islands Shipping Service.pdf	96
5.1.b	MoU relating to Chatham Islands Shipping Services - DRAFT.dotx	99

6. Regulatory

6.1 Dog Control Report 30 June 2026

9:52 am (5 min)

For Noting

To update Council on Dog and Animal welfare as at 30 June 2026. Council's Dog Control officer will be present to speak to the report.

Supporting Documents:

6.1.a	6.1 Dog Control Report 30 June 2026.pdf	104
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Supporting Documents:

6.1.b	Dog Control Report 30 June 2026.pdf	105
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7. Emergency Management

8. Government

9. Chatham Islands

9.1 Chathams Dark Sky Proposal

Supporting Documents:

9.1.a	9.1 Dark Sky Proposal.pdf	109
9.1.b	Lighting Regulation Requirements for Chatham Islands IDSR.docx	110
9.1.c	Chatham Islands Dark Sky Message (1) (2).docx	111

10. Bylaws & Policies

10.1 Endorsement of the Staff Code of Conduct 2026

Supporting Documents:

10.1.a	10.1 Endorsement of Staff Code of Conduct 2026.pdf	113
10.1.b	DRAFT CIC Code of Conduct 2026.pdf	119

10.2 Adoption of the Draft CIC Councillor and Staff Interaction Policy 2026

9:57 am (5 min)

For Decision

The purpose of this report is to present the draft CIC Councillor and Staff Interaction Policy 2026 to Council for adoption.

Supporting Documents:

10.2.a	10.2 Draft Councillor and Staff Interaction Policy 2026.pdf	130
10.2.b	DRAFT CIC Councillor and Staff-Interaction Policy - 2026.pdf	135

10.3 Adoption of CIC Significance & Engagement Policy 2026

Supporting Documents:

10.3.a	10.3 Adoption of CIC Significance & Engagement Policy 2026.pdf	140
10.3.b	Attachment A - Draft Sig & Engagement Policy 2026.pdf	143
10.3.c	Attachment B - Schedule of Changes.pdf	149

10.4 Adoption of the CIC Disciplinary Policy 2026

Supporting Documents:

10.4.a	10.4 Adoption of the CIC Disciplinary Policy 2026.pdf	152
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Supporting Documents:

10.4.b	DRAFT Disciplinary Policy 2026.pdf	156
10.4.c	Disciplinary Policy Schedule of Changes.pdf	175

11. Move to Public Excluded

11.1 Move to Public Excluded

Supporting Documents:

11.1.a	PE Cover Page 28 May 2026.pdf	178
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12. Public Excluded

12.1 Public Excluded Minutes 25 June 2026

10:02 am (5 min)

For Decision

Confirmation of Minutes from the previous meeting.

Supporting Documents:

12.1.a	PE 12.1 Minutes PE Meeting 25 June 2026.pdf	179
12.1.b	25 Jun 2026 PE MinutesCouncil Meeting (1).pdf	180

12.2 Interim Chief Executive Report Pt 2

10:07 am (10 min)

Mr Bob Pentter

For Noting

To provide Council with an update on key organisational activities, performance, and emerging issues. The Interim Chief Executive will provide a verbal update on the current situation with the Council building lease agreement.

Supporting Documents:

12.2.a	PE 12.2 Interim Chief Executive Report Pt2.pdf	183
12.2.b	Procurement Support Proposal - June 2026 Final.pdf	185
12.2.c	Services Agreement - CIC.pdf	189

12.3 CE Recruitment Process - Recommendation from CERC

10:17 am (10 min)

Mayor Greg Horler

For Decision

To present Council with the recommendation of the Chief Executive Review Committee following its consideration of the Chief Executive recruitment process, including the applications received and the Joint Executive proposal submitted by Mr Bob Pentter.

Supporting Documents:

12.3.a	PE 12.3 CE Recruitment Process - Recommendation from CERC.pdf	195
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12.4 Close the meeting

10:27 am

Next meeting: Council Meeting - 24 Sept 2026, 9:00 am
There being no further business the meeting closed.

Interests Register

Chatham Islands Council



As of: 13 Aug 2026

Person	Organisation	Active Interests	Notice Date
Cr Bridget Gibb	CIC	Distant whanau link to proposed Interim CE	4 Mar 2026
Cr Cèline Gregory-Hunt	CIC	6.4 Applicant	27 Sept 2024
Cr Jenna Hoverd	CI Shipping	Employee of CI Shipping	28 May 2026
Cr Keri Day	Chatham Islands Council	Interested party - Item 7.1 Water Tank Project Update	1 Feb 2024
Cr Nathaniel Whaitiri	CIC	Distant whanau links to suggested Interim CE	27 Feb 2026
	x	x	4 Mar 2026
Mayor Greg Horler	Chair, Chatham Islands Ports	Water - Chatham Islands Shipping Ltd	7 Apr 2026
	Chair, Chatham Islands Ports Ltd	Surplus Water - Chatham Islands Shipping Ltd	26 Mar 2026
	CIC	6.8 Whanau member of applicant	27 Sept 2024
Mr Bob Penter	CEO - Enterprise Trust / Interim CEO Chatham Islands Council	Surplus Water - Chatham Islands Shipping Ltd	26 Mar 2026

Chatham Islands Enterprise Trust	- Group CEO and Executive Deputy Chair, Chatham Islands Enterprise Trust	26 Mar 2026
	- Board of Governors, Rangi Ruru Girls School	
	- Advisory Board Chair, Tambo Limited	
	- Recruit Firefighter, Chatham Islands Volunteer Fire Brigade	
	- CI Landscape Restoration Trust - Board Member	

Action List

Chatham Islands Council



As of: 10 Aug 2026

Community Engagement Document

In Progress

CE to complete a community engagement document to outline Council's funding situation and other factors impacting the Council.

Due Date: 30 Jun 2026

Owner: Mr Bob Penter

Meeting: 26 Mar 2026 Council Meeting, 3.5 Annual Plan 2026/27 – draft budget

Latest Update:

Continue development of the Community Engagement Document following budget finalisation.

Ms Jo Guise | 3 Jun 2026

Community wharf meeting at Owenga

In Progress

Schedule Community wharf meeting at Owenga including engagement with the fishing sector.

Due Date: 31 Jul 2026

Owners: Mr Bob Penter, Ms Jo Guise

Meeting: 28 May 2026 Council Meeting, 1.4 Action List

Council Asset inspection

In Progress

Progress planning for the Council asset inspection trip.

Due Date: 31 Jul 2026

Owners: Mr Bob Penter, Ms Jo Guise

Meeting: 28 May 2026 Council Meeting, 1.4 Action List

Council CCTV Assessment

In Progress

Arrange inspection and assessment of Council CCTV cameras and report back on required repairs or upgrades.

Due Date: 31 Jul 2026

Owner: Mr Bob Penter

Meeting: 28 May 2026 Council Meeting, 1.4 Action List

Dark Sky & Bird-friendly lighting

On Hold

Staff to consider dark-sky and bird-friendly lighting principles when planning and implementing future lighting projects.

Due Date: 31 Jul 2026

Owner: Mr Bob Penter

Meeting: 28 May 2026 Council Meeting, 2.3 Chief Executive Report

Latest Update:

Dark Sky application continuing to be discussed.

Ms Jo Guise | 25 Jun 2026

Waste Management**In Progress**

Schedule a Council workshop on waste management and waste minimisation initiatives.

Due Date: 31 Jul 2026

Owner: Mr Bob Penter

Meeting: 28 May 2026 Council Meeting, 4.4 Fulton Hogan Waste Management report

Medical Relief Fund Request**Not Started**

1. Arrange payment of the approved \$2,000 contribution.

2. Notify the Medical Relief Fund of Council's decision.

Due Date: 13 Aug 2026

Owners: Mr Bob Penter, Ms Jo Guise, Ms Mereraina Hemara

Meeting: 25 Jun 2026 Council Meeting, 5.1 LATE ITEM - Medical Relief Fund Request

Fulton Hogan Waste Management Report**Not Started**

Arrange a future Council site visit to the transfer station and landfill.

Due Date: 31 Aug 2026

Owners: Mr Bob Penter, Ms Jo Guise

Meeting: 25 Jun 2026 Council Meeting, 4.4 Fulton Hogan Waste Management report

MINUTES (in Review)

COUNCIL MEETING



Name:	Chatham Islands Council
Date:	Thursday, 25 June 2026
Time:	9:00 am to 10:32 am (+1245)
Location:	Chatham Islands Council, 13 Tuku Road, Chatham Islands
Board Members:	Mayor Greg Horler, Cr Celine Gregory-Hunt, Cr Bridget Gibb, Cr Graeme Hoare, Cr Jenna Hoverd, Cr Jacqui Southcombe, Cr Nathaniel Whitiri
Attendees:	Mr Bob Penter, Ms Mereraina Hemara, Ms Jo Guise, Ms Tanya Clifford, Mr Nigel Lister, Ms Rebecca Tinga, Mr Jack Boyd, Mr Shingy Torga, Ms Kirsten Norquay
Apologies:	Cr Keri Day
Guests/Notes:	Nolwenn Lagadec, Watercare Services Ltd Members of the Public - Mr Alfred Johansen

1. Opening Meeting

1.1 Meeting Opening

1.2 Apologies



Apologies

THAT the apologies be accepted.

Decision Date:	25 Jun 2026
Mover:	Cr Jenna Hoverd
Seconder:	Cr Graeme Hoare
Outcome:	Approved

1.3 Interests Register

1.4 Action List

Due Date	Action Title	Owner(s)
31 Mar 2026	Options for Speed Reduction outside Te One School Status: Completed on 9 Jul 2026	Ms Mereraina Hemara
30 Jun 2026	Contact NKMR re Project Status: Completed on 10 Jun 2026	Mr Bob Penter
30 Jun 2026	Community Engagement Document Status: In Progress	Mr Bob Penter
30 Jun 2026	Webinars Status: Completed on 10 Jun 2026	Ms Jo Guise
31 Jul 2026	Community wharf meeting at Owenga Status: In Progress	Mr Bob Penter, Ms Jo Guise
31 Jul 2026	Council Asset inspection Status: In Progress	Mr Bob Penter, Ms Jo Guise

Due Date	Action Title	Owner(s)
31 Jul 2026	Council CCTV Assessment Status: In Progress	Mr Bob Penter
31 Jul 2026	Dark Sky & Bird-friendly lighting Status: On Hold	Mr Bob Penter
31 Jul 2026	Waste Management Status: In Progress	Mr Bob Penter



Action List Updates

THAT Chatham Islands Council receive the Action List updates.

Decision Date: 25 Jun 2026
Mover: Cr Bridget Gibb
Seconders: Cr Jacqui Southcombe
Outcome: Approved

2. Democracy

2.1 Ordinary Meeting Minutes 28 May 2026



Minutes 28 May 2026

THAT the minutes from 28 May 2026 be a true and accurate record.

Decision Date: 25 Jun 2026
Mover: Cr Jenna Hoverd
Seconders: Cr Nathaniel Whaitiri
Outcome: Approved

3. Finance

3.1 Financial Report



Financial Report

THAT the Financial report be received.

Decision Date: 25 Jun 2026
Mover: Cr Jenna Hoverd
Seconders: Cr Graeme Hoare
Outcome: Approved

The Financial Report was presented by Tanya Clifford.

The Council's current cash position remains strong due to grant funding received but not yet spent. These include funding for the Norman Kirk Memorial Reserve seed funding, feasibility studies, water tanks, and TIF projects.

It was noted that the 2026/27 Annual Plan budget has been adjusted to reflect the unspent grant funds. As a result, future monthly financial reports may show expenditure exceeding budget as previously received grant funding is expended.

The Interim Chief Executive requested an update on the expected financial position as at 30 June. Tanya advised Council was forecasting:

- Revenue of approximately \$11 million
- Operating expenditure of approximately \$7 million
- Capital expenditure of just over \$3 million; and

- A positive cash movement of approximately \$710,000 for the year.

Members noted this represents a significant improvement from the previously forecast \$323,000 deficit and acknowledged the positive financial outcome, while recognising that some grant commitments will be carried forward into the next financial year.

3.2 CIC 2026/27 Annual Plan Adoption



Annual Plan 2026/27

That the Council:

1. Receives the draft 2026/27 Annual Plan.
2. Approves the underlying assumptions applied in the 2026/27 Annual Plan.
3. Approves the proposed capital expenditure programme for 2026/27, noting that additional expenditure may occur where external funding is secured.
4. Notes that a financial surplus is expected and confirms the balanced budget requirement is met in accordance with section 100(1) of the Local Government Act 2002.
5. Approves the 2026/27 Annual Plan and budget.
6. Delegates authority to the Chief Executive to approve and implement minor editorial amendments to the final document.

Decision Date:	25 Jun 2026
Mover:	Cr Nathaniel Whaitiri
Seconder:	Cr Jacqui Southcombe
Outcome:	Approved

The Council noted that the Draft Annual Plan 2026/27 had been considered at a workshop held the previous week.

3.3 Rates Setting 2026/27



Rates Setting 2026/27

That Council:

1. Sets the rates (inclusive of GST) for the financial year commencing 1 July 2026 and ending 30 June 2027, in accordance with the Local Government (Rating) Act 2002 and as set out in the Funding Impact Statement of the 2026/27 Annual Plan.
2. Sets the due dates for payment of rates by four instalments, in accordance with section 24 of the Local Government (Rating) Act 2002.
3. Authorises the application of penalties on unpaid rates, in accordance with sections 57 and 58 of the Local Government (Rating) Act 2002.
4. Approves rates postponements and remissions in accordance with Council's adopted policies.
5. Delegates authority to the Chief Executive to:
 - Implement and administer this rates resolution;
 - Apply penalties in accordance with legislation and Council policy; and
 - Carry out all administrative functions necessary to give effect to this resolution.

Land Use	Differential	Rate (GST Inclusive)	cc
Infrastructure	5.0% of the General Rate	0.00396799	
Industrial	14.5% of the General Rate	0.00460724	
Commercial	11.0% of the General Rate	0.00231075	
Rural & Residential	69.5% of the General Rate	0.00159055	
Total general rates collected			

Rates based on the capital value of each rating unit (per \$1 of capital value)

a. Targeted rates

Targeted rates fund services that benefit specific users and are applied as follows:

- Rooding: Fixed charge per rating unit
- Water supply: Fixed charge per connection
- Wastewater: Fixed charge per pan
- Waste management: Fixed charge per rating unit (varies by land use)

These rates will be set in line with the activity funding requirements detailed in the 2026/27 Annual Plan.

Targeted rates cannot be applied to purposes other than for which they were raised.

Council uses the number of connections for funding the water supply activities, a per pan rate for funding sewerage activities, and a rating unit basis for funding waste management activities and the roading activities.

Decision Date: 25 Jun 2026
Mover: Cr Jenna Hoverd
Secondor: Cr Graeme Hoare
Outcome: Approved

4. Works & Services

4.1 Stantec Report



Stantec Report

THAT the report be received.

Decision Date: 25 Jun 2026
Mover: Cr Jenna Hoverd
Secondor: Cr Bridget Gibb
Outcome: Approved

Mr Nigel Lister gave an update on the Stantec report. He provided updates on roading activities, with no further comments from Rebecca Tinga.

Jack Boyd provided a brief update on the asset condition assessment, advising that funding was now available to repair the leaking contact tank. Kirsten Norquay advised there were no further operational updates, noting that several audit queries were being worked through. She also

advised staff are working closely with Fulton Hogan to deliver works as quickly as possible and maintain evidence of progress for future funding audits.

Jack confirmed the water notice had been lifted and operations had returned to normal, with Kirsten advising formal confirmation would be provided to Council.

4.2 Fulton Hogan Road Maintenance Report



Fulton Hogan Road Maintenance Report

THAT the report be received.

Decision Date:	25 Jun 2026
Mover:	Cr Bridget Gibb
Seconded:	Cr Nathaniel Whaitiri
Outcome:	Approved

Shingy Torga advised that significant improvements have been made at the transfer station, including a major clean-up and operational changes. Consultation is underway to open the transfer station on Fridays, while retaining Monday as a closure day for cleaning and maintenance, with the aim of improving public access and service. Similar improvements have been completed at the landfill, with enhanced organisation and functionality to support operational efficiency and audit readiness. Photos of the improvements were included in the report. Council acknowledged the positive progress and indicated it would look to arrange a future site visit to view the works.

4.3 Fulton Hogan Water & Wastewater report



Fulton Hogan Water and Wastewater Report

THAT the report be received.

Decision Date:	25 Jun 2026
Mover:	Cr Graeme Hoare
Seconded:	Cr Bridget Gibb
Outcome:	Approved

Mr Shingy Torga gave an update to the report.

4.4 Fulton Hogan Waste Management report



Fulton Hogan Waste Management Report

Mr Shingy Torga gave an update to the waste manager report.

Decision Date:	25 Jun 2026
Mover:	Cr Graeme Hoare
Seconded:	Cr Jenna Hoverd
Outcome:	Approved



Fulton Hogan Waste Management Report

Arrange a future Council site visit to the transfer station and landfill.

Due Date:	31 Aug 2026
Owners:	Mr Bob Penter, Ms Jo Guise

4.5 Water Services Delivery Plan update



Water Services Delivery Plan update

That Council

- a) Receives the report of Nolwenn Lagadec, Programme Manager, Watercare Services Ltd, titled "Water Services Delivery Plan Update"
- b) Approves the submission of the Water Services Condition Assessment Report to the Department of Internal affairs in response to the LG Secretary letter 1 December 2025. WSCA Report to be submitted by 30 June 2026.
- c) Notes that an assessment of implications of the WSCA Report findings on the capital programme has not been completed in Stage 1 and is to be undertaken in Stage 2.
- d) Notes that further investigation is required to confirm extent and funding of potential public health and environment risks identified in WSCA Report.
- e) Notes that further work is required as part of Stage 2 to resubmit a final WSDP to demonstrate financial sustainability. Updated Plan to be resubmitted to DIA by 30 June 2028.

Decision Date: 25 Jun 2026
Mover: Cr Nathaniel Whaitiri
Seconders: Cr Jenna Hoverd
Outcome: Approved

The Water Services Delivery Plan was taken as read. Bob Penter advised that Council approval was required to meet the conditions of funding provided by the Department of Internal Affairs (DIA). He noted that DIA funding enabled the asset condition assessment to be completed at no cost to Council, freeing up approximately \$115,000 for critical water infrastructure works.

Kirsten Norquay advised that Council staff and Fulton Hogan had been closely involved in the asset condition assessment to ensure it reflected local conditions. She highlighted that the funding also enabled the development of a GIS-based digital asset management system, providing a strong foundation for future asset management and regulatory reporting, including to the Commerce Commission. Kirsten noted that while the condition assessment identified a number of assets as being in poor or very poor condition, some ratings are based on limited-quality data and further work is required to improve data accuracy and confirm priorities.

5. Community

5.1 LATE ITEM - Medical Relief Fund Request



LATE ITEM - Medical Relief Fund Request

THAT the late item 'Medical Relief fund Request' be considered as a late item.

Decision Date: 25 Jun 2026
Mover: Cr Graeme Hoare
Seconders: Cr Nathaniel Whaitiri
Outcome: Approved



Medical Relief Fund Request

That Council:

1. Receives the report titled "Late Item – Request for Financial Contribution: Medical Relief Fund"; and
2. Approves a contribution of \$2,000 to the Medical Relief Fund, to be funded from [insert relevant budget, discretionary fund, or unallocated grants provision]; and
3. Authorises the Chief Executive, or their delegate, to arrange payment and advise the Medical Relief Fund of Council's decision.

Decision Date: 25 Jun 2026
Mover: Mayor Greg Horler
Second: Cr Graeme Hoare
Outcome: Approved

Council first agreed to receive the Medical Relief Fund request as a late item.

The report sought Council approval for a one-off contribution of \$2,000 to the Medical Relief Fund as a bridging payment until the fund's next funding allocation, with payment to be made from the relevant budget or discretionary fund and delegated to the Chief Executive to arrange.

Members discussed how the Medical Relief Fund operates, with an explanation provided that assistance is available to community members travelling for medical treatment, subject to confirmation of their hospital appointment and approval by the committee. Discussion also covered support provided for emergency life flights and the overlap with assistance available through Whānau Me.

Councillors considered the importance of supporting the community while also discussing perceptions, precedent, and the need to assess future funding requests on their individual merits. It was noted that Council's current financial position enabled the application to be supported and that the request was intended as a one-off bridging contribution rather than an ongoing funding commitment.

Council resolved to approve the \$2,000 contribution to the Medical Relief Fund, with authority delegated to the Chief Executive to arrange payment and advise the fund of Council's decision.



Medical Relief Fund Request

1. Arrange payment of the approved \$2,000 contribution.
2. Notify the Medical Relief Fund of Council's decision.

Due Date: 13 Aug 2026
Owners: Mr Bob Penter, Ms Jo Guise, Ms Mereraina Hemara

6. Regulatory
7. Emergency Management
8. Government
9. Chatham Islands

10. Bylaws & Policies

10.1 Adoption of the Draft CIC Conflict of Interest Policy 2026 (Staff)



Adoption of draft Conflicts of Interest Policy 2026 (Staff)

XX

Decision Date: 25 Jun 2026
Mover: Cr Graeme Hoare
Second: Cr Nathaniel Whaitiri
Outcome: Approved

11. Move to Public Excluded

11.1 Move to Public Excluded



Move to Public Excluded

THAT the meeting move to Public Excluded.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
PE.12.1	PE Minutes 28 May 2026	Good reason to withhold exists under Section 7	Section 48(1)(a)
PE 12.2	Chief Executive Report	Good reason to withhold exists under Section 7	Section 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987, and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by holding the whole or relevant part of the proceedings of the meeting in public, are as follows:

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	SECTION	SUBCLAUSE AND REASON
PE.1 2.1	PE Minutes 23 April 2026	7(2)(b)(ii)	Would be likely to prejudice the commercial position of the person or persons who are the subject of the information To maintain legal professional privilege.

		7(2)(h) 7(2)(i)	To enable the Council holding the information to carry out, without prejudice or disadvantage, commercial activities.
PE 12.2	Chief Executive Report	7(2)(b) (ii) 7(2)(h)) 7(2)(i)	Would be likely to prejudice the commercial position of the person or persons who are the subject of the information To maintain legal professional privilege. To enable the Council holding the information to carry out, without prejudice or disadvantage, commercial activities.

and that appropriate officers remain to provide advice to the Committee.

Decision Date: 25 Jun 2026
Mover: Mayor Greg Horler
Seconder: Cr Jenna Hoverd
Outcome: Approved



2. Democracy

2.1 Minutes of Ordinary Meeting 25 June 2026

Date of meeting	25 June 2026
Agenda item number	2.1
Author/s	Jo Guise, Executive Assistant

Purpose

For the Council to receive and confirm the minutes of the Ordinary Meeting held on 25 June 2026.

Recommendations

1. **THAT the minutes from the Ordinary meeting held on 25 June 2026 be a true and accurate record.**

2. Democracy

2.2 Interim Chief Executive Report

Date of meeting	25 June 2026
Agenda item number	2.2
Author/s	Bob Penter, Interim Chief Executive

Purpose

The purpose of this report is to provide Council with an update on key activities, projects and operational matters progressed since the Interim Chief Executive's report presented to Council on 25 June 2026.

Recommendations

That Council:

- 1. Receives the Interim Chief Executive Report.**
- 2. Notes the progress made on key organisational priorities, projects and operational matters since the previous report presented on 25 June 2026.**

Background

This report provides an update on the Interim Chief Executive Report presented to Council on 25 June 2026 and records the principal work undertaken since that time.

The reporting period has seen several significant work programmes progress from the planning and procurement phases into completed projects or operational arrangements. The report also provides an overview of key organisational activities, governance matters, infrastructure projects, funding initiatives and other strategic work currently being progressed across the Council.

The report is intended to keep Council informed of progress against organisational priorities, identify any emerging issues requiring Council's attention, and provide transparency regarding the implementation of Council decisions and operational activities.

Financial Implications

Any financial implications arising from matters contained within the report are identified within the relevant sections of the Interim Chief Executive Report or will be presented to Council through separate reports where decisions or approvals are required.

Legal Considerations

There are no direct legal implications arising from receiving this report. Any statutory obligations associated with individual projects or activities are addressed within the relevant sections of the report.

Strategic Alignment

The Interim Chief Executive Report supports good governance by providing Council with regular updates on organisational performance, strategic priorities, service delivery and operational activities. It enables Council to monitor progress, oversee implementation of its decisions, and remain informed of significant matters affecting the organisation.

Attachments

1. Interim Chief Executive Report – August 2026

Interim CE Report to Council

13 August 2026

Prepared by: Interim Chief Executive

1. Overview

This report updates the Interim CE Report presented on 25 June 2026 and records the main work progressed since that report. The period has seen several important workstreams move from planning or procurement into completed or operational arrangements.

The 2026/27 Annual Plan has been printed, the Environment Canterbury contract extension and work programme have been completed, the resource management planning panel has been appointed, and the financial services RFT is well advanced. The Maipito Bridge upgrade has also been completed. These developments materially improve Council's operating position for 2026/27.

Additionally, we have received a response from Hon Mark Patterson, Associate Minister for Regional Development, to our 26 March 2026 letter putting forward a joint reform proposal for Council and the Enterprise Trust.

2. Joint Reform Proposal to Hon Mark Patterson, Associate Minister for Regional Development

On 31 July 2026, Mayor Greg Horler and Chatham Islands Enterprise Trust Chair Hamish Chisholm received a formal response from Hon Mark Patterson on the joint governance reform proposal submitted on 27 March 2026 and the subsequent discussions with officials. This has been circulated to councillors.

The Minister's letter acknowledges the proposed streamlined structure, including rationalisation of the Trust's operating-company structure and the establishment of a Regional Development Entity responsible for infrastructure oversight, asset management and major investment oversight. It also recognises that the RDE would not operate as a stand-alone organisation with its own executive and staffing structure but would use existing Council and Trust resources for administrative support. Its commercial skills-based board would provide infrastructure oversight, procurement discipline, delivery assurance and financial scrutiny.

Minister Patterson advised that Ministers are prepared to consider the proposal, subject to receiving a detailed implementation plan showing how the model would operate, how roles and responsibilities would be allocated, and how it could be established and sustained within existing operational budgets. Council and the Trust have been invited to prepare a detailed project plan and timetable covering the establishment stages, financial forecasts, establishment and transition costs, any assumptions about Crown support or in-kind assistance, and the expected efficiencies and governance benefits.

This is a significant and constructive development. It does not constitute approval of the model or a commitment to Crown funding, but it provides a clear pathway for the proposal to progress to detailed design. The next step is for Council and the Trust to prepare the requested implementation plan and demonstrate that the model can be delivered without additional ongoing cost, unnecessary governance complexity or unmanageable capacity pressure.

3. Key work achieved since the June report

The main developments since the June report are summarised below:

- Completed printing of the 2026/27 Annual Plan;

- Managed the operational implications of Rana Solomon's resignation and continued discussions with NEMA on the future structure of CDEM for the Chathams;
- Completed the 12-month Environment Canterbury contract extension and agreed the detailed 2026/27 work programme;
- Received Audit New Zealand's completed interim report to management for the year ending 30 June 2026 and commenced the associated response actions;
- Completed the Maipito Bridge upgrade;
- Completed the resource management planning services procurement and appointed a provider panel;
- Advanced the financial services RFT through evaluation and moderation, with commercial clarification and appointment steps now under way; and
- Participated in the first meeting of LGNZ's Resilient Communities, Economies, and Environments Reference Group, with a draft work programme now being prepared.

4. 2026/27 Annual Plan

The adopted 2026/27 Annual Plan has now been printed. This completes the formal publication step and provides Council and the community with the final record of the work programme, budgets, rates and service priorities for the current financial year.

5. Civil Defence and Emergency Management

Rana Solomon has resigned from her position with Council. Council is continuing discussions with the National Emergency Management Agency about both immediate support and how the Chathams' CDEM arrangements should be structured going forward.

The aim is to establish a model that is proportionate to the Chathams, provides clear local accountability and practical on-island capability, and is aligned with the changing national emergency management framework. The agreed Environment Canterbury work programme provides for CDEM support only on an as-requested basis and assumes support will be provided by NEMA. This makes it important that the future structure and respective roles are settled clearly.

6. Environment Canterbury contract extension and work programme

The extension of Council's Contract for Services with Environment Canterbury has now been completed. It extends the existing agreement for 12 months, from 1 July 2026 to 30 June 2027, and is supported by an agreed work programme and budget. The contract extension and work programme are attached to this report.

The work programme covers navigation safety, biosecurity transition, CDEM support when requested, marine oil spill readiness, environmental data collection, compliance monitoring, communications, payroll and transitional financial services. Resource management planning is excluded because Council has now appointed its own provider panel. Financial services are provided for an estimated three-month transition, with separate support continuing for the 2025/26 Annual Report and audit process.

The indicative base budget is \$310,950, with \$75,500 of identified contingencies, giving a total work programme provision of \$386,450 excluding GST. The budget is to be managed holistically and work outside the agreed programme or overall budget requires prior written approval. Environment Canterbury will invoice quarterly for actual services delivered.

The agreement also records important transition obligations, including a documented transition plan, regular progress meetings and quarterly performance reporting. It requires Council's health and safety management system to be operational by October 2026. Implementing this requirement is now a priority and we have accepted a proposal from a H&S consultancy recommended by Environment Canterbury to support Council.

7. Audit New Zealand interim report to management

Audit New Zealand completed its interim report to management for the year ending 30 June 2026 on 17 July 2026. The report is attached. This completes the interim audit work recorded in the management report; the 2025/26 year-end audit and audit opinion remain to be completed.

Audit New Zealand found the interim roading valuation to be materially reasonable and identified no material misstatements. It also identified impairment indicators for Council's water assets. Management will complete an impairment assessment as at 30 June 2026 using the condition assessment, valuation information and advice from Stantec and Council's financial reporting advisers. This will be considered as part of the year-end audit.

The report contains five internal-control recommendations: one high-priority recommendation to establish a central contract register (underway), and four medium-priority recommendations covering a management interests register (completed), timely expenditure claims, pre-approval of sensitive expenditure, and stronger claim documentation.¹ Management has accepted the recommendations. Several controls took effect from 1 August 2026, with the remaining register, policy and guidance actions targeted for completion by 30 September 2026.

8. Maipito Bridge upgrade

The Maipito Bridge upgrade has been completed. This closes an important infrastructure project and improves the reliability and resilience of the local roading network. Normal project close-out and final financial reconciliation will now be completed.

9. Resource management planning services

The procurement process for resource management planning services has been completed and a provider panel appointed. The panel arrangement gives Council access to a broader range of planning capacity and expertise and reduces reliance on a single provider. Contract mobilisation and allocation of work can now proceed under the new arrangement following completion of contracts.

10. Financial services RFT

Significant progress has been made through the RFT process to appoint a financial services provider. Tender responses have been evaluated and the non-price attributes moderated. Pricing and commercial clarifications are now being completed before the preferred provider recommendation and appointment are finalised.

The process remains aligned with the transition period agreed with Environment Canterbury. The priority is to secure a provider that can support the provide the capability and continuity Council requires for the 2027-37 Long-Term Plan and normal financial management services.

¹ Keep in mind the report covers the entire financial year.

11. LGNZ reference group

I have been appointed to LGNZ's Resilient Communities, Economies, and Environments Reference Group. The group supports LGNZ's policy, advocacy and government relations work across resource management, climate resilience, emergency management, economic development and the natural environment.

One meeting has been held to date and a draft work programme is being prepared. The proposed work programme includes resource management reform, implementation of the new emergency management framework, climate adaptation and resilience, and the integration of economic development into regional planning. Participation provides a direct opportunity to ensure the circumstances of small and remote councils, including the Chathams, are reflected in LGNZ's advice and advocacy.

12. Priorities before the next Council meeting

The main priorities before the next CE report are:

- Finalise the appointment and mobilisation of the new financial services provider;
- Progress the 2025/26 Annual Report and year-end audit, including the water-asset impairment assessment;
- Complete the required transition plan with Environment Canterbury and continue the biosecurity transition work;
- Confirm with NEMA the preferred structure and interim support arrangements for CDEM;
- Mobilise the resource management planning panel and allocate any current work;
- Progress the health and safety management system and external support arrangements; and
- Implement the actions arising from the Audit New Zealand report to management.

12. Recommendation

It is recommended that Council:

- Receives the Interim CE Report;
- Notes that the 2026/27 Annual Plan has been printed and the Maipito Bridge upgrade completed;
- Notes Rana Solomon's resignation and the continuing discussions with NEMA on the future structure of CDEM;
- Receives the attached Environment Canterbury contract extension and 2026/27 work programme, and notes the associated transition and health and safety obligations;
- Receives the attached Audit New Zealand interim report to management for the year ending 30 June 2026 and notes the response actions under way;
- Notes the appointment of the resource management planning panel and the significant progress made through the financial services RFT; and
- Notes the Interim Chief Executive's appointment to the LGNZ Resilient Communities, Economies, and Environments Reference Group and the preparation of its draft work programme.

Bob Penter

Interim Chief Executive



3. Finance

3.1 Financial Report - draft financial statements for the year ended 30 June 2026

Date of meeting	13 August 2026
Agenda item number	3.1
Author/s	Tanya Clifford, corporate reporting accountant

Purpose

To present the draft financial statements for the year ended 30 June 2026 and provide Council with an overview of the key financial results, financial position, and strategic risks facing the Council.

The draft financial statements will form part of the 2026 Annual Report and remain subject to completion of the external audit process and any resulting adjustments.

Recommendations

That Council:

- 1. Receives the draft Financial Statements for the year ended 30 June 2026.**
- 2. Notes that the financial information presented is draft and unaudited and remains subject to further financial review and potential audit adjustments prior to adoption of the final audited financial statements.**

Background

The draft financial statements have been prepared for Council review prior to completion of the external audit process for adoption prior to 31 October 2026. The draft financial statements comprise:

- Statement of Comprehensive Revenue and Expense;
- Statement of Changes in Equity;
- Statement of Financial Position; and
- Statement of Cash Flows.

All figures are preliminary and may be adjusted following completion of year-end financial review procedures and external audit.

Financial performance summary

Council recorded a draft operating surplus of \$2.17 million, which is \$736,000 ahead of budget and significantly stronger than the prior year surplus of \$871,000.

While revenue remained broadly consistent with prior years, the favourable result was achieved largely through expenditure restraint. Council entered the year facing a constrained financial position and a risk of exceeding its approved overdraft limit. As a result, management implemented measures to reduce expenditure across a number of activities.

This approach has successfully improved Council's short-term financial position and cash reserves. However, there is a risk that some expenditure reductions may have consequences for service delivery and performance outcomes. Several performance measures relating to regional council activities are now unlikely to be achieved and this will be reflected within the Annual Report.

Council should therefore view the surplus as evidence of difficult funding and service prioritisation decisions made during the year rather than purely a positive financial result.

Revenue trends:

Total revenue for the year was \$11.36 million, compared with a budget of \$11.76 million and \$11.58 million in 2024/25. Revenue remained largely consistent with the previous year.

Grant revenue was below budget, reflecting lower than anticipated funding support during the year. Given historical funding received through Better Off Funding and growing obligations arising from Local Water Done Well reforms, higher levels of external support had been anticipated. The lower grant funding highlights an ongoing risk for Council. Future financial planning assumes that external funding opportunities will continue to be available; however, there is increasing uncertainty around the level and nature of future Crown support.

Encouragingly, lower grant revenue was partially offset by stronger than expected revenue from user fees, charges and other income streams, demonstrating some diversification of revenue sources for Council.

An important consideration when assessing the operating result is that approximately \$550,000 of grant funding has already been received in cash but relates to projects that are not yet complete. These projects include: Norman Kirk seed funding and feasibility work; water tank works; and Tourism Infrastructure Fund projects. While these funds improve Council's current cash balance, they do not represent unrestricted funds available for general use. Council remains obligated to either:

- Complete the relevant projects and incur the associated expenditure; or
- Return funding where project requirements are not met.

This represents a future call on cash reserves and should be a consideration when assessing Council's available liquidity.

Expenditure trends:

Total expenditure was \$9.19 million, compared with a budget of \$10.46 million, resulting in favourable expenditure variances of approximately \$1.26 million.

Council commenced the year in a difficult position, needing to make additional savings compared with budget to ensure the Council did not exceed its bank overdraft level of \$500,000 by year end. Council has managed to achieve this result primarily by reducing expenditure on regional council activities. Noting also that minor savings occurred over several overhead activities including insurance, travel and payroll. While this has resulted in a healthier bank balance, it may result in some unintended consequences reflective of reduced service levels.

Financial Position summary

Council's reported net assets increased from \$99.4 million to \$110.8 million during the year. While this is a significant increase, it is important to recognise that most of the movement relates to asset revaluation gains rather than improved operational performance.

The revaluation of infrastructure assets resulted in a \$9.22 million increase in reserves. An asset revaluation is budgeted to occur every five years, but due to high levels of fluctuation in infrastructural indexes and audit pressure, a revaluation occurred this year, one year before budget, meaning there will be some timing differences related between actual and budget for some balances.

Accordingly, while the balance sheet has strengthened, the increase has not generated any additional cash, nor does it lessen the future requirement to renew, maintain, or replace Council's ageing infrastructure.

Cash position:

Council closed the year with cash and cash equivalents of \$747,000, compared with \$237,000 at the same time last year.

Importantly, the Annual Plan had forecast a year-end overdraft position of \$510,000, meaning the actual result represents a considerable improvement on expectations. This outcome reflects:

- Reduced operating expenditure compared with budget;
- Lower-than-budgeted capital spending;
- Grant projects funding received in advance; and
- Reduced creditor balances.

While encouraging, Council should remain cautious when interpreting the cash position due to the previously noted grant-funded projects that remain incomplete. Once those project commitments are delivered, the available cash balance will reduce accordingly.

Receivables:

Receivables increased from \$639,000 to \$736,000. Although not currently considered significant, the increasing level of debtor balances warrants monitoring.

Collectability of outstanding balances, including rates receivables, remains an area where Council may wish to focus additional effort during 2026/27. In a constrained economic environment, outstanding debts can become increasingly difficult to recover and may eventually require impairment or write-off.

Property, equipment and intangible assets:

Property, infrastructure and intangible assets increased from \$100.0 million to \$110.0 million. The increase primarily reflects the asset revaluation rather than significant new capital investment. Most of the capital expenditure relates to roading works as part of the NZTA approved roading programme.

Of more strategic importance are the observations arising from the valuation process. The valuation identified ongoing concerns regarding ageing infrastructure, particularly within water and wastewater networks.

This reinforces an issue that has been highlighted in previous Long-Term Plan discussions that Council's infrastructure replacement requirements are continuing to grow while funding capacity remains constrained. Without additional investment, there is a risk of:

- Increased asset failures;
- Higher maintenance costs;
- Reduced levels of service; and
- Greater difficulty achieving future regulatory compliance standards.

Other assets:

The investment in associate remains recorded at \$131,000. The valuation has not yet been updated for the current financial year for the Council's share of the housing trust but is expected to reduce further once updated information becomes available. The associate continues to face challenges relating to building contract termination issues and construction quality matters. These matters may impact the future recoverability of Council's investment.

Funds held in trust of \$345,000 relate to funding to be made available to Norman Kirk, this money has been separated from Council funds.

Other liabilities:

Total liabilities reduced to \$1.13 million, compared with \$1.93 million in the previous year and \$2.20 million budgeted. Key movements included:

- Current liabilities reduced from \$1.84 million to \$1.04 million.
- Payables reduced by approximately \$799,000. This is likely reflective of Council's reduced expenditure approach.
- No bank overdraft was required at year end despite a budgeted overdraft position of \$510,000.

- Long-term liabilities remained stable at approximately \$89,000. The balance primarily relates to a suspensory housing loan, which requires repayment if certain conditions have not been met. This loan expires in 2029, where it will be transferred to revenue, the cash balance has already been received.

The reduction in liabilities has strengthened Council's liquidity and overall financial sustainability.

Cash flow performance summary

Council generated a net increase in cash of \$508,000 during 2025/26. This compares favourably to the Annual Plan, which forecast a decrease in cash of \$620,000. This result demonstrates improved liquidity management and is one of the most positive aspects of the year's performance.

Council generated a positive cash movement from operating activities of \$3.35 million. Operating cash is the primary funding source for Council activities.

Council invested \$2.84 million in capital projects during the year. This was \$1.42 million below budget, reflective of some capital roading works being delayed and others being delivered below budgeted levels. Roding works continues to work within the three-year NZTA roading agreement, with projects split between years and capital and maintenance works as required.

Financing activity remained limited, with no new borrowings raised; and all outstanding loans now repaid.

The closing cash balance was \$745,000, compared with \$237,000 at 30 June 2025; and a budgeted overdraft position of \$510,000. The improved cash position reflects a combination of positive operating cash flows, lower capital expenditure than budgeted, and reduced liabilities. Noting approximately \$550,000 remains earmarked for grant funded projects.

Strategic risks and future challenges

While the draft financial statements present a positive result, several strategic risks remain.

Financial Sustainability:

The draft 2025/26 financial statements demonstrate a significantly improved financial position compared with both the Annual Plan and the previous year. Council has achieved a stronger cash position, reduced liabilities and delivered an operating surplus despite a challenging financial environment.

However, the results also highlight several longer-term challenges. The operating surplus has been supported by expenditure restraint, a significant portion of available cash is committed to grant-funded projects yet to be completed, and the condition of critical infrastructure continues to require attention. In addition, compliance obligations associated with Local Water Done Well are expected to place increasing pressure on Council's finances over the coming years.

Overall, subject to audit completion and any resulting adjustments, Council remains financially stable in the short term, but continued focus will be required to address

infrastructure investment, revenue sustainability and future regulatory compliance obligations.

Local Water Done Well:

One of the most significant emerging challenges remains implementation of the Local Water Done Well reforms. Council faces increasing compliance obligations and infrastructure expectations at a time when funding capacity remains limited. Without additional funding support or alternative delivery arrangements, Council may face difficulties meeting future regulatory requirements. Potential consequences include:

- Increased compliance costs;
- Reduced ability to achieve water-related performance measures;
- Greater operational risks; and
- Potential impacts on public health outcomes, including the need for boil-water notices where standards cannot be met.

Going Concern and Audit Risk:

Audit New Zealand is expected to continue focusing on Council's ability to operate as a going concern and its capacity to respond to increasing regulatory requirements.

A draft going concern assessment has been prepared separately for Council consideration. While Council's financial position has improved, underlying challenges remain, including:

- Limited funding capacity;
- Significant future infrastructure investment requirements;
- Dependence on external funding support; and
- Increasing compliance costs.

It is therefore possible that Audit New Zealand will again include an Emphasis of Matter relating to going concern, as has occurred in previous years.

Such an opinion would not indicate that the financial statements are incorrect but would highlight uncertainty regarding Council's long-term financial sustainability and operating environment.

Attachments

Appendix A Draft financial statements

Appendix A Draft financial statements

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2026

	Actual 2025/26 \$000	Annual Plan 2025/26 \$000	Actual 2024/25 \$000
Revenue			
Rates	916	873	843
Grants & subsidies	8,942	9,673	9,259
Council Dues	276	291	264
Petrol	470	553	446
User pays, fees & charges	285	177	175
Interest	51	47	17
Other revenue	424	141	571
Total revenue	11,364	11,755	11,575
Expenditure			
Depreciation and amortisation	2,028	2,317	2,590
Personnel costs	1,007	969	1,070
Financial costs	5	-	5
Other expenditure	6,154	7,171	6,802
Total expenditure	9,194	10,457	10,467
Share of surplus/(loss) of associate	-	136	(237)
Total surplus/deficit	2,170	1,434	871
Comprehensive revenue and expense			
Increase/(decrease) in revaluation reserve	9,223	-	63
Total other comprehensive revenue and expense	9,223	-	63
Total comprehensive revenue and expense	11,393	1,434	934

Statement of changes in equity for the year ended 30 June 2026

	Actual 2025/26 \$000	Annual Plan 2025/26 \$000	Actual 2024/25 \$000
Equity at the start of the year	99,442	100,223	98,508
Total comprehensive revenue and expense	11,393	1,434	934
Equity at the end of the year	110,835	101,657	99,442

Statement of financial position as at 30 June 2026

	Actual 2025/26 \$000	Annual Plan 2025/26 \$000	Actual 2024/25 \$000
Current assets			
Cash & cash equivalents	747	-	237
Cash funds held in trust	345	-	345
Cash investments	-	-	-
Receivables and other financial assets	736	764	639
Inventory	-	-	50
Total current assets	1,828	764	1,271
Non-current assets			
Investment in associate	131	487	131
Property, equipment & intangible assets	110,001	102,605	99,965
Total non-current assets	110,132	103,092	100,096
Total assets	111,960	103,856	101,367
Current liabilities			
Bank overdraft	-	510	-
Payables and other financial liabilities	1,036	1,599	1,835
Total current liabilities	1,036	2,109	1,835
Non-current liabilities			
Other long term financial liabilities	89	90	90
Total non-current liabilities	89	90	90
Total liabilities	1,125	2,199	1,925
Net assets	110,835	101,657	99,442
Public equity			
Accumulated funds & reserves	110,835	101,657	99,442
Total public equity	110,835	101,657	99,442

Statement of cash flows for the year ended 30 June 2026

	Actual 2025/26 \$000	Annual Plan 2025/26 \$000	Actual 2024/25 \$000
Cash flow from operating activities			
Receipts from rates revenue	916	834	834
Receipts from grants and subsidies	8,942	9,554	9,843
Receipts from Council Dues	220	312	262
Interest received	51	47	17
Receipts from other revenue	1,188	838	1,889
Payments made to employees	-	(949)	(1,048)
Interest paid	(5)		(5)
Other payments to suppliers	(7,959)	(6,973)	(7,483)
Net cash flow from operating activities	3,353	3,663	4,309
Cash flow from investing activities			
Purchase of fixed assets	(2,844)	(4,261)	(3,699)
Sale/(purchase) of other assets	-	-	103
Net cash flow from investing activities	(2,844)	(4,261)	(3,596)
Cash flow from financial activities			
Loans raised	-	-	-
Repayment of loans	(1)	(22)	(19)
Net cash flow from financial activities	(1)	(22)	(19)
Increase/(decrease) in cash held	508	(620)	694
Opening cash balance	237	110	(111)
Closing cash balance	745	(510)	583



chatham islands council

3. Finance

3.2 CIC Going Concern Assessment

Date of meeting	13 August 2026
Agenda item number	3.2
Author/s	Tanya Clifford – Ecan / Bob Penter, Interim Chief Executive

Purpose

The purpose of this report is to present Council with the Chatham Islands Council Going Concern Assessment for consideration and endorsement.

The assessment has been prepared in accordance with ISA (NZ) 570 – Going Concern and PBE IPSAS 1 – Presentation of Financial Statements, and evaluates Council's ability to continue operating as a going concern for a period of at least twelve months from the expected signing date of the 2025/26 Annual Report in October 2026.

Council is asked to consider the assessment and confirm its support for the conclusion that the going concern basis of accounting remains appropriate for the preparation of the 2025/26 Annual Report.

Recommendations

That Council:

- 1. Receives the report titled "Chatham Islands Council Going Concern Assessment".**
- 2. Notes that the Going Concern Assessment has been prepared in accordance with ISA (NZ) 570 – Going Concern and PBE IPSAS 1 – Presentation of Financial Statements.**
- 3. Endorses the Going Concern Assessment and confirms that, having considered the information presented, Council is satisfied that the Chatham Islands Council remains a going concern for a period of at least twelve months from the expected signing date of the 2025/26 Annual Report.**
- 4. Confirms that the going concern basis of accounting is appropriate for the preparation of the 2025/26 Annual Report.**

Background

Please see attached report.

Chatham Islands Council (CIC) Going Concern Assessment

Assessment of CIC's ability to continue as a Going Concern for 12 Months following signing of the 2025/26 Annual Report

In accordance with ISA (NZ) 570 *Going Concern* and PBE IPSAS 1 *Presentation of Financial Statements*, Management, the Performance and Risk Committee (PARC), and Council have considered the Council's ability to continue operating as a going concern for a period of at least twelve months from the expected signing date of the 2025/26 Annual Report in October 2026.

In making this assessment, consideration has been given to factors that may impact the Council's financial viability and ability to continue delivering its statutory responsibilities. This includes the ongoing reliance on Central Government funding - including the adequacy of that funding, operating results and cashflows for the current and future years, legislative and regulatory obligations, and other known risks and uncertainties facing the Council.

While Council continues to face financial sustainability challenges, particularly arising from static funding levels, increasing operating costs, and deferred infrastructure investment; Management, PARC and Council are satisfied that appropriate budgeting, cashflow management, and ongoing Crown funding support provide a reasonable basis to conclude that the Council will remain operational and able to meet its obligations for at least one year following the signing of the 2025/26 Annual Report.

Based on this assessment, Management considers that the going concern assumption has been met and that it remains appropriate for the 2025/26 Annual Report to be prepared on a going concern basis.

Considerations

Central Government Funding

The Council remains highly dependent on Central Government funding to support its operations. The annual Crown appropriation makes up most of the Council revenue. Continued Government support remains critical to the Council's ability to meet its statutory obligations and maintain service delivery to the Chatham Islands community.

The 2026/27 funding appropriation was confirmed at approximately [\\$4.2 million](#); consistent with funding received in recent years. While there is an ongoing expectation that Central Government will continue to provide operational financial support, there remains uncertainty regarding the future level of that support. Funding is confirmed annually through the Government budget process and, in recent years, requests for increased funding have generally not been approved.

At the same time, Council continues to operate in a challenging financial environment characterised by:

- sustained inflationary pressures;
- increasing fuel, freight and transport costs associated with the island's remote location;
- rising contractor and professional services costs and service uncertainties;
- increasing compliance and regulatory obligations; including additional responsibilities arising from water reform, environmental management requirements, and other legislative changes.

The current level of Crown support has not kept pace with rising costs, increasing compliance obligations, or the growing investment required to maintain and renew Council infrastructure. Funding arrangements also do not account for inflationary pressures or depreciation cost associated with Council assets.

As a result, the Council is required to deliver a broader range of services and meet higher regulatory expectations with relatively less funding in real terms. To manage this funding constraint, Council's approach has generally been to operate within available funding levels rather than draw extensively on limited cash reserves or borrow short term. In practice, this may result in the deferral of planned work programmes, infrastructure investment, or activities necessary to achieve compliance with legislative requirements or other good practice initiatives.

Council continues to actively manage expenditure and seek operational efficiencies. However, the underlying structural funding challenge remains, with operating cost increases continuing to overtake forecast revenue growth. Previous requests for additional operational funding, or for funding arrangements that better reflect the Council's assessed needs, have generally been unsuccessful. There is significant uncertainty around future changes to the funding model, particularly regarding potential support for investment in non-operational assets.

Management considers it likely that ongoing Crown support will continue during the assessment period. However, the adequacy and future level of that support remain uncertain and continue to present a key financial risk to the Council's long-term sustainability. The lack of funding certainty, combined with the annual funding negotiation process and the absence of a clear long-term funding strategy from the Department of Internal Affairs (DIA), remains a source of ongoing concern for the Council.

Vote extract of Council's funding level for 2026/27:

Non-Departmental/ Other Expenses		
Chatham Islands Council	4,205	4,205
This category is limited to contribution to the cost of the Chatham Islands Council meeting its statutory responsibilities.		
Crown-owned Assets at Lake Taupo - Depreciation and Maintenance Costs	1,521	1,499
This category is limited to depreciation and maintenance costs associated with Crown-owned assets at Lake Taupo.		
Non-Departmental/ Capital Expenditure		
Capital Investments - Lake Taupo	80	80
This category is limited to upgrading of boating facilities at Lake Taupo.		

[*Vote Internal Affairs - Vol 4 Finance and Government*](#)

[*Administration Sector - The Estimates of Appropriations 2026/27 - Budget 2026*](#)

Infrastructure Investment and Asset Management Challenges

A continuing area of concern, identified in both the Long-Term Plan and independent reviews commissioned by the Department of Internal Affairs (including the McGredy Winder reports), is the significant level of investment required in Council infrastructure, particularly water supply and wastewater assets. This issue has become more noteworthy following the introduction of the Local Water Done Well reforms, which are expected to increase future regulatory and investment requirements.

For several years, investment in non-roading infrastructure has been constrained by limited funding availability. As a result, asset renewals and upgrades identified as critical have been deferred, contributing to the overall deterioration of asset condition and an increasing reliance on reactive maintenance and emergency repairs.

Water and wastewater infrastructure remain the Council's most significant asset management challenge. The Council is required to meet increasing regulatory expectations while continuing to operate ageing infrastructure with limited capital funding support. Historically, the Council has been required to issue drinking water advisories, including boil water and do-not-drink notices in response to water supply and quality issues affecting both Waitangi and Kaingaroa. These events demonstrate the increasing risks associated with ageing infrastructure and reinforce the need for continued investment in critical water and wastewater assets.

Engineering assessments and the Long-Term Plan have identified several critical renewal and upgrade projects. However, the timing and affordability of these projects remain uncertain due to funding constraints. Continued delays in investment increase the risk of:

- asset failures and service interruptions;
- escalating maintenance and repair costs;
- difficulty meeting regulatory requirements and community service expectations;
- constraints on housing, commercial development, and future growth opportunities; and
- significant future funding pressures as major renewal works become unavoidable.

While these matters do not present an immediate going concern risk within the assessment period, they continue to represent a significant strategic, operational, and financial challenge for the Council.

Management acknowledges that addressing these infrastructure challenges will require additional external funding support and/or long-term funding commitments to enable the renewal and replacement of critical water, wastewater, and other community infrastructure assets.

Expected financial performance and cashflow for 2026/27

The Council continues to operate within a constrained financial environment and maintains limited cash reserves. Notwithstanding these challenges, the 2026/27 Annual Plan indicates that the Council is expected to remain financially viable throughout the year and continue meeting its obligations as they fall due.

The 2026/27 budget is based on several key assumptions, including:

- receipt of the annual Crown appropriation of approximately \$4.2 million;
- expenditure with Stantec and Fulton Hogan occurring in accordance with agreed contract rates and expected service delivery requirements during the year;
- regional council and corporate support costs being broadly consistent with historical expenditure levels of approximately \$1.0 million, acknowledging there remains some uncertainty regarding future service delivery arrangements;
- employee costs are based on current staffing levels, adjusted for anticipated inflationary increases; and
- all other operating costs are estimated based on 2024/25 actual expenditure, adjusted for expected inflationary movements.

Based on these assumptions, the Annual Plan forecasts a surplus of approximately \$407,000 for the 2026/27 financial year, capital additions of \$3.0 million, depreciation expense of \$2.6 million, and a positive cash movement of approximately \$23,000. *An extract of budgeted information in the 2026/27 Annual Plan is provided at the end of this document.*

The budget assumed an opening cash balance of approximately \$93,000 and that grant funding received in advance during 2025/26 would have been spent by 30 June 2026. This did not occur, with several grant-funded projects carrying over into 2026/27. As a result, both the actual opening cash balance and the associated expenditure expected to occur in 2026/27 are approximately \$500,000 higher than assumed in the Annual Plan. The net impact of this timing difference is not expected to materially affect the Council's overall financial position.

While budget forecasts indicate that Council can continue to meet its financial obligations during 2026/27, cashflow pressures are expected to remain throughout the period under review. Historically, the greatest cashflow pressure occurs in the final months of each financial year, immediately prior to the receipt of the annual Crown appropriation in July.

Management's cashflow forecasts indicate that the Council is expected to remain within its approved overdraft and investment limits throughout the forecast period. However, maintaining liquidity will continue to require active financial management, including ongoing monitoring of expenditure, implementation of cost control measures where appropriate, and careful management of creditor payments.

The Council's ability to respond to significant unplanned expenditure remains limited due to its constrained cash position. As in previous years, the annual Crown appropriation remains a critical source of funding and a key factor in maintaining liquidity throughout the year.

Although the Council's working capital position remains weak and is not expected to materially improve in the short term, cashflow forecasts indicate that the Council has sufficient resources and management strategies in place to meet its obligations as they fall due. The underlying challenge remains the ongoing disparity between the growth in operating costs and the level of funding available to the Council.

In assessing going concern, Council's primary assessment period remains the period to 30 June each year. Due to the timing of the annual Crown appropriation, a significant cash inflow is typically received in July, shortly after year end. Accordingly, if the Council remains financially viable and operational as at 30 June 2027, Management considers it reasonable to conclude that the Council will also remain operational through to 31 October 2027, being at least twelve months after the expected signing date of the 2025/26 Annual Report.

Notwithstanding the ongoing funding and cashflow challenges outlined above, Management considers that the Council has sufficient resources and mechanisms available to manage short-term liquidity requirements and continue normal operations throughout the assessment period.

Previous Reviews and Ongoing Concerns

The findings of previous organisational reviews, including the funding review financial health checks commissioned by the Department of Internal Affairs (DIA) and undertaken by Peter Winder (McGredy Winder), continue to remain relevant. The most recent review largely reiterated concerns identified in an earlier assessment and concluded that the Council faced a range of ongoing financial sustainability challenges.

Key issues identified included insufficient long-term funding certainty, underinvestment in infrastructure, limited cash reserves, pressure on cashflow and working capital, increasing compliance obligations, and challenges maintaining expected levels of service within existing funding arrangements.

The review advocated for increased Crown funding support, a long-term and sustainable funding agreement with Central Government, and revenue increases aligned with inflation and increasing service delivery costs. While Council has received approximately \$1 million of additional funding annually since 2020/21, the anticipated benefits have not been fully realised. The funding was originally intended to improve the Council's financial position and support infrastructure investment by funding debt servicing costs. However, increasing operational expenditure requirements, including the NZTA - Waka Kotahi funding shortfall, lease costs for the new Council office, and the operation of the waste management facility, have largely consumed this additional funding. Consequently, limited progress has been made towards addressing the infrastructure investment backlog or the underlying structural funding challenges identified in the McGredy Winder review.

Many of the concerns raised continue to apply. Despite ongoing discussions with Central Government, limited progress has been made towards establishing a sustainable long-term funding arrangement that reflects the true cost of delivering local government services on the Chatham Islands. Funding negotiations continue to occur on a largely annual basis, providing limited certainty for long-term planning and investment decisions.

Similarly, there has been limited progress in securing an agreed funding approach for the renewal and development of critical infrastructure assets. Investment in non-roading infrastructure, particularly water and wastewater assets, continues to be deferred or constrained due to funding limitations, resulting in increasing asset condition and service delivery risks.

The Council's ability to respond to emergency events or other significant unexpected expenditure also remains constrained by limited cash balances and financial reserves. Historically, emergency response costs have generally been reimbursed by Central Government following an event; however, Council must initially fund these costs itself. The Council therefore has limited capacity to absorb major unforeseen expenditure without additional external support.

While improvements have been made in several operational and financial management areas, the underlying structural challenges identified by previous reviews remain largely unresolved. These challenges continue to present risks to the Council's long-term financial sustainability and reinforce the importance of securing a more sustainable funding and infrastructure investment framework.

Conclusion

Management has considered all available information for the period extending at least twelve months from the expected signing date of the 2025/26 Annual Report. The assessment identifies ongoing financial sustainability challenges arising from:

- static Crown funding in an inflationary operating environment;
- increasing costs associated with service delivery and statutory compliance;
- significant infrastructure investment requirements, particularly in water and wastewater assets; and
- constrained cash reserves and working capital pressures.

Notwithstanding these matters, management believes that:

- Central Government funding support will continue during the assessment period;
- Council has adopted appropriate budgets and cashflow management strategies;
- forecast cashflows indicate Council can continue meeting its obligations as they fall due; and
- there is no intention or requirement to cease operations or materially curtail service delivery.

Accordingly, management has concluded that the use of the going concern basis of accounting remains appropriate and that the Council is expected to remain operational and financially viable for at least twelve months from the date of signing the 2025/26 Annual Report. While material uncertainties relating to long-term funding adequacy and infrastructure investment remain, these are not considered sufficient to cast significant doubt on the Council's ability to continue as a going concern over the assessment period.

Financial extracts 2026/27 Annual Plan

Statement of Comprehensive Revenue and Expense						
	Actual 2024/25 \$'000	Long-Term Plan 2024/25 \$'000	Long-Term Plan 2025/26 \$'000	Long-Term Plan 2026/27 \$'000	Annual Plan 2026/27 \$'000	Variance 2026/27 \$'000
Revenue						
General Rates	417	381	406	431	437	6
Targeted Rates	426	436	463	493	497	4
Grants & Subsidies	9,259	9,214	9,761	9,146	8,806	(340)
Council Dues	264	309	318	327	281	(46)
User Pays, Fees & Charges and Other Income	1,192	374	388	396	452	56
Interest	17	42	44	45	40	(5)
Total Revenue	11,575	10,756	11,380	10,838	10,513	(325)
Expenditure						
Depreciation and Amortisation	2,590	2,210	2,317	2,364	2,573	209
Employment Benefits	1,070	1,060	1,091	1,122	1,286	164
Financial Costs	5	1	-	-	-	-
Other Expenditure	6,802	6,333	6,400	6,570	6,247	(323)
Total Expenditure	10,467	9,604	9,808	10,056	10,106	50
Total Surplus/Deficit	1,108	1,152	1,572	782	407	(375)
Comprehensive Income						
Increase/decrease in Revaluation Reserve	63	-	-	21,086	-	(21,086)
Share of surplus of associate	(237)	109	112	116	-	(116)
Total Other Comprehensive Income	(174)	109	112	21,202	-	(21,202)
Total Comprehensive Income	934	1,261	1,684	21,984	407	(21,577)
Statement of Financial Position						
	Actual 2024/25 \$'000	Long-Term Plan 2024/25 \$'000	Long-Term Plan 2025/26 \$'000	Long-Term Plan 2026/27 \$'000	Annual Plan 2026/27 \$'000	Variance 2026/27 \$'000
Current Assets						
Cash & Cash Equivalents	237	-	-	-	116	116
Cash Investments	345	187	193	199	-	(199)
Current Trade And Other Receivables	689	731	774	737	626	(111)
Total Current Assets	1,271	919	967	936	742	(194)
Non-Current Assets						
Investment in associate	131	351	463	579	131	(448)
Property, Plant & Equipment	99,965	102,509	104,267	126,222	123,397	(2,825)
Total Non-Current Assets	100,096	102,860	104,730	126,801	123,528	(3,273)
Total Assets	101,367	103,779	105,697	127,737	124,270	(3,467)
Current Liabilities						
Bank Overdraft	-	189	402	425	-	(425)
Payables and other financial liabilities	1,835	1,297	1,319	1,353	1,756	403
Total Current Liabilities	1,835	1,487	1,721	1,777	1,756	(22)
Non-Current Liabilities						
Term Liabilities	90	90	90	90	90	-
Total Non-Current Liabilities	90	90	90	90	90	-
Total Liabilities	1,925	1,577	1,811	1,867	1,846	(22)
Net Assets	99,442	102,202	103,886	125,870	122,424	(3,446)
Public Equity						
Accumulated Funds & Reserves	99,442	102,202	103,886	125,870	122,424	(3,446)
Total Public Equity	99,442	102,202	103,886	125,870	122,424	(3,446)

Statement of Cash Flows						
	Actual	Long-Term Plan	Long-Term Plan	Long-Term Plan	Annual Plan	Variance
	2024/25	2024/25	2025/26	2026/27	2026/27	2026/27
	\$000	\$000	\$000	\$000	\$000	\$000
Cash Flow from Operating Activities						
Receipts from rates revenue	834	816	865	927	919	(8)
Receipts from grants and subsidies	9,462	9,204	9,726	9,176	8,821	(355)
Receipts from Council Dues	262	309	316	328	280	(48)
Interest received	17	42	44	45	40	(5)
Receipts from other revenue	1,889	372	380	403	592	189
Cash provided from Operating Activities	12,464	10,742	11,332	10,880	10,652	(228)
Payments made to employees	(1,048)	(1,060)	(1,091)	(1,122)	(1,265)	(143)
Interest paid	(5)	(1)	-	-	-	-
Other payments to suppliers	(7,103)	(5,944)	(6,367)	(6,540)	(6,375)	165
Cash required for operating activities	(8,156)	(7,005)	(7,458)	(7,662)	(7,640)	22
Net Cash Flow from operating activities	4,308	3,737	3,874	3,218	3,012	(206)
Cash Flow from Investing Activities						
Purchase of Fixed Assets	(3,699)	(3,748)	(4,075)	(3,235)	(2,989)	246
Sale (Purchase) of Other Assets	103	-	-	-	-	-
Net Cash Flow from Investing Activities	(3,597)	(3,748)	(4,075)	(3,235)	(2,989)	246
Cash Flow from Financial Activities						
Loans Raised	-	-	-	-	-	-
Repayment of Loans	(19)	(22)	(5)	-	-	-
Net Cash Flow from Financial Activities	(19)	(22)	(5)	-	-	-
Increase/(Decrease) in Cash Held	693	(33)	(206)	(17)	23	40
Opening Cash Balance	(111)	31	(3)	(208)	93	301
Closing Cash Balance	582	(2)	(209)	(226)	116	342



4. Works & Services

4.1 Stantec Report – June 2026

Date of meeting	13 August 2026
Agenda item number	4.1
Author/s	Stantec New Zealand

Purpose

To update and inform Council about its Engineering Services contract.

Recommendations

THAT the reports be received.

Background

Members from the Stantec team will teleconference in to the meeting to give a verbal report on monthly activities.

Attachments

1. Stantec Monthly Report June 2026

CIC Engineering Services Contract: Monthly Report

Financial update – June 2026

Financial Position: Roothing

The total roading budget allocated for the 2025/26 financial year is \$5.8M. The approved budget for the subsidised Continuous Maintenance Programme is \$5.7M.

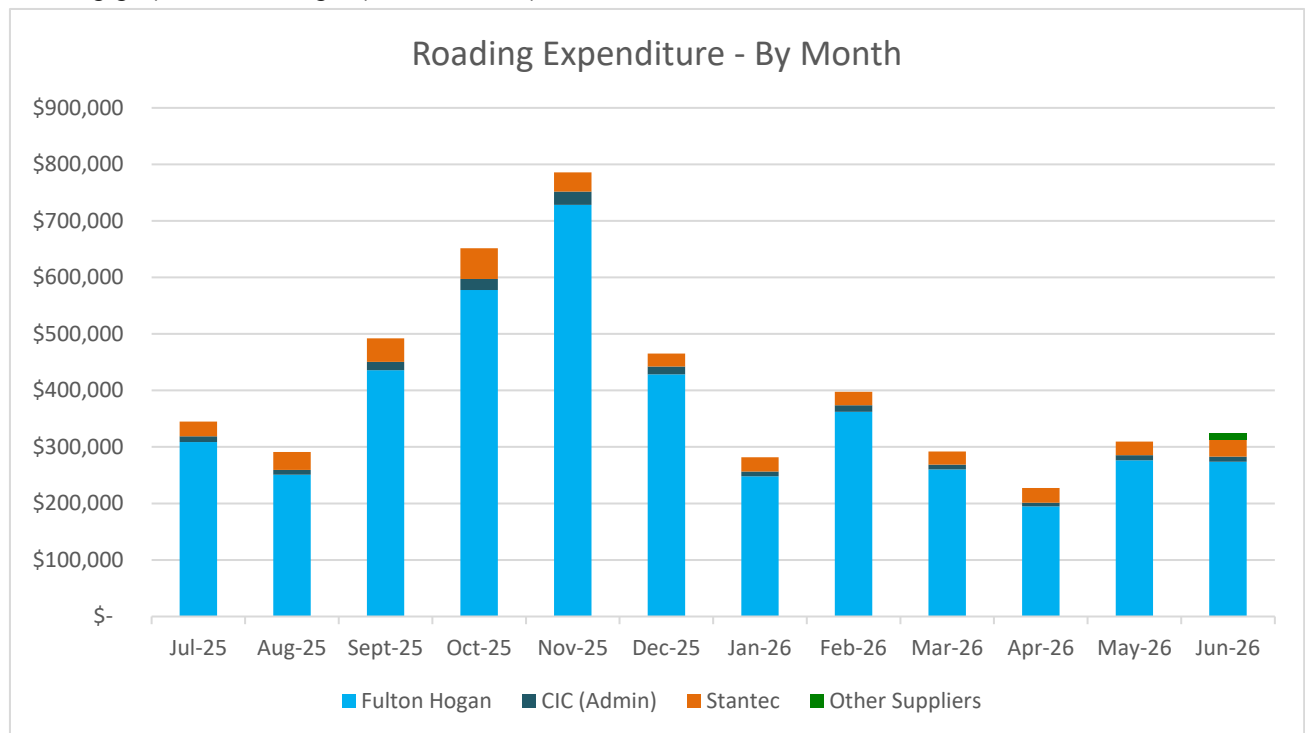
The June roading claim totalled \$324k.

Expenditure of the Continuous Maintenance Programme has used 88% of the funding allocated for 25/26 and we are 100% of the way through the 2025/26 financial year. The unspent NZTA funding is to be carried over into 26/27.

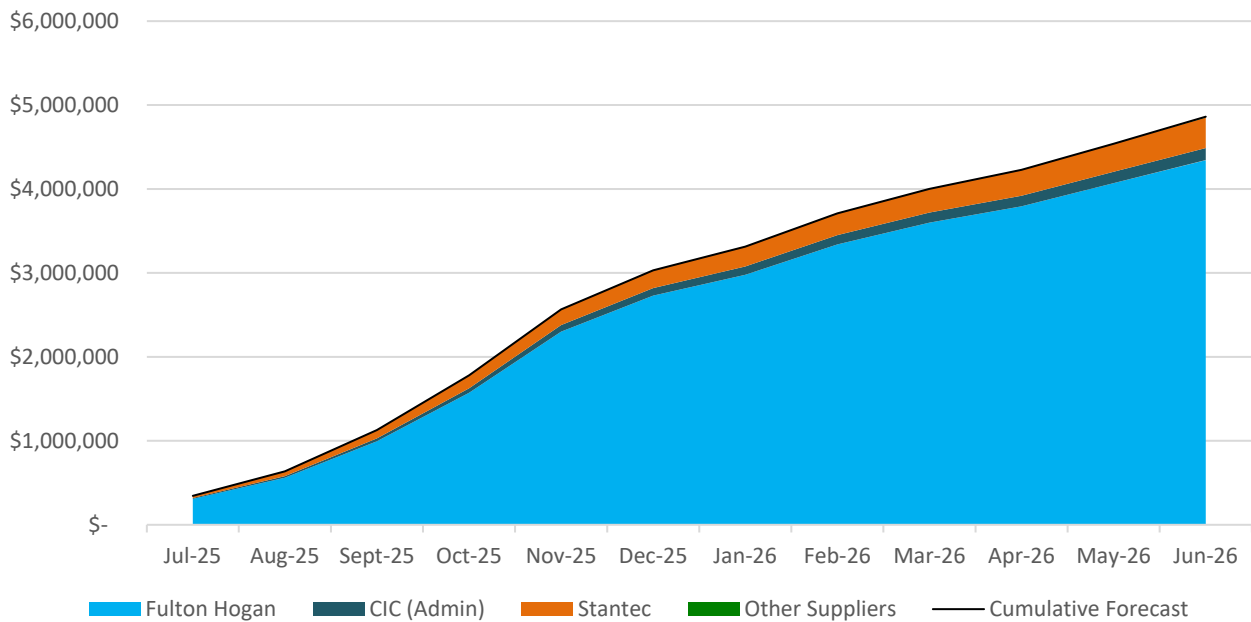
The largest construction costs in June were for the installation of the new Maipito Bridge deck and beam components, and the largest engineering cost was for the annual licence fees for the Asset and Works Manager asset database which NZTA requires Council to use.

Expenditure Tracking of Waka Kotahi Funding

Tracking graphs for roading expenditure are presented below.



Roading Expenditure - Cumulative



Financial Position: Water and Wastewater

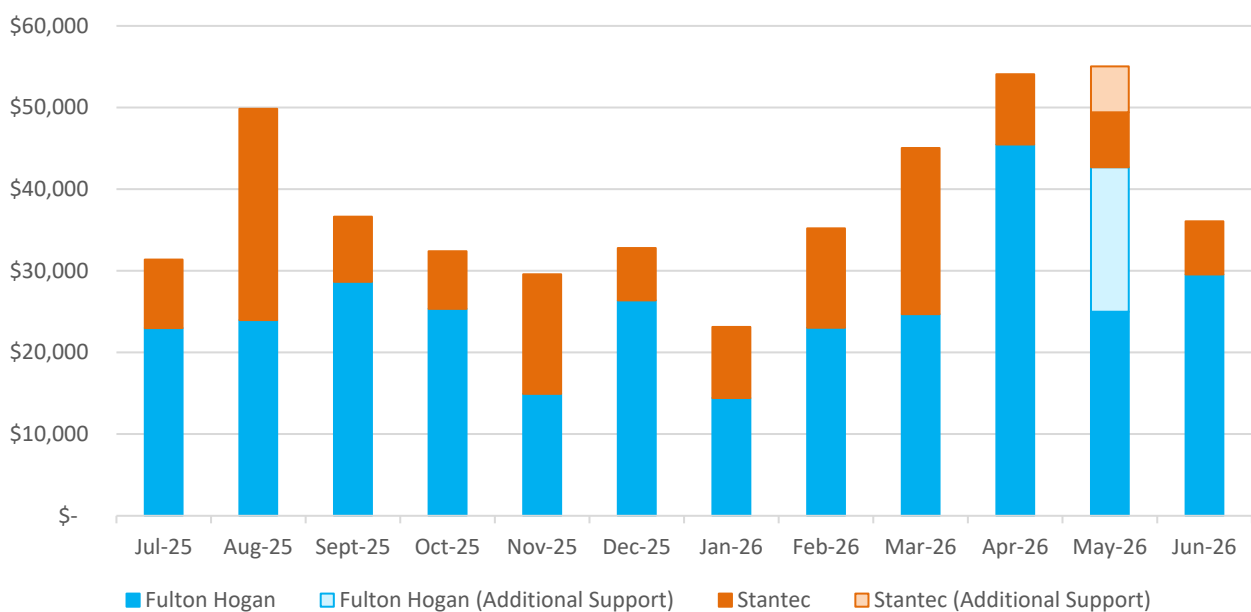
The June water claim totalled \$36k

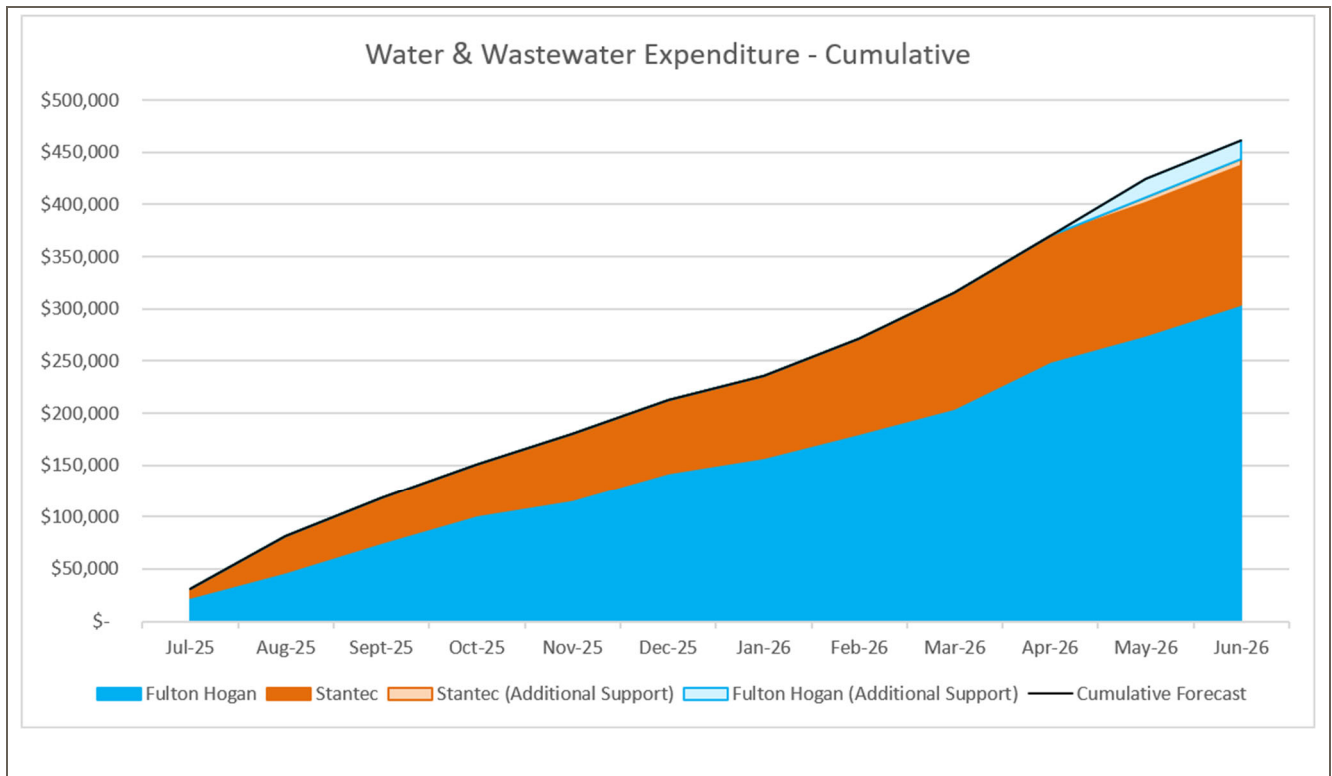
The largest engineering costs were for ongoing asset condition data collection and working with WaterCare. The largest construction cost was for the Kaingaroa raw water intake issues.

Expenditure Tracking of Water & Wastewater Funding

Tracking graphs for the W+WW expenditure are presented below.

Water & Wastewater Expenditure - By Month





Roading Update – June 2026

Short- & Medium-Term Roothing Forward Work Programme	
Bridges and Structures	Minor and non-invasive Bridge maintenance items will continue after Maipito is completed
Drainage	Winter drainage maintenance including clearing swales and replacing damaged and undersized culverts
Network & Asset management	Submission of funding support application to NZTA for the NLTP 2027-30 investment period
Long Term Roothing Forward Work Programme	
Network & Asset management	- Clarify how NZTA's One Network Framework will apply to the Chathams Islands - Begin transition of CIC's asset data to the new Asset Management Data Standard (AMDS)
Pavement Renewals	The next round of unsealed pavement strengthening will start after winter is finished, to avoid half-finished work being rained off
Maintenance Contract	Tender for New Maintenance Contract in Mid-2027.

Pavement Maintenance	
Previous Status: Unsealed rehabilitations will carry on after winter when conditions are more stable	Updates: - Maintenance grading, re-metalling, and pothole filling continues where weather conditions allow. - In wetter months some repairs need to be suspended when the pavement is too saturated to repair properly

Drainage Maintenance	
Previous Status: Swale maintenance and culvert replacements will continue over winter to ensure that road damage from rain events is minimised or avoided	Updates: Swale clearing and reestablishment is ongoing, as the most effective way to keep water off pavements and help try to avoid potholes

Bridge & Structures Maintenance	
Previous Status: - Some minor non-invasive bridge maintenance items were identified in the last biennial bridge inspections, and independently by FH recently, for completion - Maipito bridge beams in place, with the replacement works expected to be complete by end of June.	Updates: - Some shipping delays held up some components for the Maipito Bridge work, but the programme has not been significantly delayed from it - Some final Quality Assurance information is still outstanding, and then the bridge can be opened

Kaingaroa & Owenga Wharves	
Previous Status: - Stantec are pricing options for the remaining Better Off funding to be directed towards Kaingaroa wharf. - We are working through some lighting options, renewal of the fenders and mooring facilities, some structural member replacements, and considerations for the crane - Nothing will be committed until the RIF application outcome is known.	Updates: No Updates for June
Network & Asset Management	
Previous Status: - Rebecca attended a Rooding Efficiency Group workshop in early June, to help develop the funding bid and business case for the 2027-30 investment period - The traffic counting programme has resumed and there is noticeable growth in travel on the Chathams in the past few years	Updates: A draft of the funding levels we'd like to apply to NZTA with has been provided to Tanya to make sure the local share requirement will fit into the Long Term Plan funding levels
NZTA Waka Kotahi Updates	
Previous Status: - NZTA are looking into alternative freight options for later stages of the national fuel plan, this is unlikely to affect the Chathams given vehicle sizes are below the sizes NZTA are considering - NZTA do not expect a Government Policy Statement on transport to be released before the next election - They expect very little capital investment co-funding to be available for 2027-30, so the next three years of roading investment and management will likely be limited to maintenance and operation	Updates: The NZTA end of year procedures and annual reports are required in July and early August to close out FY 25/26
Stantec Site Visits	
Previous Status: Kirsten Norquay visited 24th – 27th March, Rebecca and Nigel visited from 25th – 28th May	Updates: Next Stantec visit will be in August

CIC Water and Wastewater O&M meeting – June 2026

Three Waters Funding		
Item	Current Status:	Action
General	- NTC will be issued later this week to document DIA funding requirements and formally record works are under the Contract. - NTC will be issued later this week to document communications procedure - JB to check ST email and confirm if any additional TA comms required. - ST meeting with Danny later today to confirm permanent Kaingaroa intake solution - JB to set up fortnightly meetings with MP to discuss DIA funded critical works. These critical works items will be removed from this agenda going forward. - As briefly raised at the April Council meeting, Council staff are working through a discrepancy recently identified in the 3W O&M budget. Until this is resolved, all financial reporting will not be included in these monthly reports. - The ship is currently operating on scheduled. No concerns. - The planned maintenance schedules seem to be working well so far and is live. Formalising report currently paused due to funding.	
Opportunities	<i>Opportunities:</i> - Utilizing full potential of Water Outlook for monitoring and reporting. - Asset condition assessment – JB to check dashboard and add in anything if required. FH happy to assist.	
Water Supply		
Project:	Current Status:	
Kaingaroa Water Supply Scheme	New Issues: - We discussed the capability of the existing M2M sensors, and whether these can send alarm. MP and JB continue discussion offline as part of the DIA funded critical works package. - JB to chase scoping document from M2M and the support package that M2M provide. - There is a risk that the water connection, which supplies the farm tanks on the raw water line, prevents raw water from reaching the treatment plant. RP explained that there is an historic agreement with the farmer which allows them to take water. However, there have been historic issues with the feed valve being left open without communication to operators. MP and PG asked whether flow monitoring and or remote control could be added to this connection. MP and JB continue discussion offline as part of the DIA funded critical works package. JB to try and find details of the original agreement.	MP/JB JB JB/MP
	Ongoing Issues - RP explained that the 60 L chlorine solution at Kaingaroa typically lasts about 10 days. When new chlorine arrives on island it is diluted straight away into two 20 L containers using water from Waitangi to reduce formation of chlorate. The chlorine dosing tank at Kaingaroa is emptied and flushed monthly. RP/PG to write methodology for chlorine dilution. - Need a methodology for cleaning the 30,000 L tanks at Kaingaroa. This methodology is only for the raw tank and is now a lower priority now that drain valves have been installed. Possible options include pool cleaners, trash pump, or a remote cleaning unit. JM explained that FH have a remote unit at another site which works well and is relatively inexpensive. There may be an option to hire	RP/PG PG

	the unit? FH to have a separate meeting to confirm a methodology that is practical & can be done by one person (ideally) on island. ○ Kaingaroa school (MoE) plans to remove their 30m³ tanks and add a direct connection to the Kaingaroa scheme. Stantec to keep in touch with school and track progress. JB to find update for next meeting.	JB
	• Work in Progress: ○ Key critical works item. Lake Rangitai intake extension (not invoiced). Approval to install when lake levels allow. Methodology reviewed. Next step is for FH to find the end of the existing pipe which is planned for next week. ○ New intake structure, Synoflex couplers, and other materials to be shipped to island as part of critical works package. ○ JB to send critical spares lists to PG ○ Order critical spare for WTP pump. JB to talk to Andrew – there might already be a pump on island that is sized for additional GAC units. ○ FH to confirm diesel motor type for critical spare and liaise with supplier. This is being completed as part of the critical works package ○ New critical spares to be stored in Waitangi and labelled. FH are currently having a tidy and are preparing a register to record what is on island.	ST JB JB ST
	• Completed: ○ New sampling tap at the treatment plant installed. ○ Critical works scoping ○ Temporary intake pump ○ Ongoing operations and maintenance	
	• Critical Works Updates ○ All critical works (outside of the DIA funded package) currently paused due to funding constraints.	
Waitangi Water Supply Scheme	• New Issues: ○ RP explained that the pH and chlorine analyser control unit is locking up/freezing and can't read screen. This has been happening since Friday. Filtec supplied the original unit, RP to talk to Filtec and price a replacement. ○ The chlorine contact tank is leaking at a rate of around 5,000 L/day. Discussed options to drain and repair tank or find a replacement tank on island. PG asked whether we could reduce levels in tank by lowering the probes? RP to check and confirm. JB noted that Stantec would need to check the reduced contact tank volume is acceptable. ○ None	RP RP
	• Ongoing Issues: ○ Waitangi reservoir sensor and level alarms added to DIA funded critical works list. ○ Water usage is around low 40m³. No major leaks found this month.	
	• Work in Progress: ○ Chlorine make up water filter material was replaced during the annual service. FH to ensure the filter is added to maintenance plans on Water Outlook to make sure it is not missed in the future. RP has shared a list with the media required for each filter with Stantec. Stantec to add typical replacement frequencies for each media type.	JB
	• Completed: ○ Ongoing operations and maintenance	

	• Critical Works Updates ○ None	
Compliance Monitoring May 2026	May 2026 Monthly Water Quality Compliance: • <i>Waitangi (18-05-2026)</i> ○ No E. coli or Total Coliforms detected in raw, treated, or network samples. ○ Treated water turbidity (0.06 NTU) was below the operational target (0.3 NTU). ○ The UVT for treated water was satisfactory at 98.3%. ▪ Protozoa compliance is being met. • <i>Kaingaroa (18-05-2026)</i> ○ Low levels of Total Coliforms and E.coli were detected in the raw sample, but as expected with a lake water source. ○ No E. coli detected in the treated water or network samples. ○ Low level of total coliforms detected in one network sample (1 MPN/100mL). ○ Chlorate measured at 0.39 mg/L, below the 0.8 mg/L MAV. A drop from recent months post chlorine supplier change. ○ Treated water turbidity (0.21 NTU) was above the operational target (0.3 NTU). ○ The UVT for treated water was not satisfactory on the day of sampling at 57.7%. ▪ Protozoa compliance may not be being met. • <i>Recycling Center Supply (18-05-2026)</i> ○ No E. coli or Total Coliforms detected in treated sample • <i>Council Office Supply (not a CIC supply) 18-05-2026</i> ○ No E. coli or Total Coliforms detected in treated sample. ○ The UVT was good at 98.6%	
Wastewater		
Project:	Current Status:	
Waitangi Wastewater Scheme	• New Issues: ○ None	
	• Ongoing Issues: ○ RP explained that the irrigation tank has significant growth with water lily type plants on the surface. The Irrigation tank needs to be emptied before end of financial year. Currently waiting on the sucker truck to be available. ○ One of the wastewater pumps is currently stuck in balance tank. RP explained that they suspect the lifting chain is wrapped around bottom of the pump. FH to develop SWP for someone to access the tank to untangle the pump chain. FH to inspect tank when drained and photograph for record. PG noted that FH could probably manufacture a gasket cheaper in the future. Agreed cost saving would be minimal, progress with reliant gasket when works are approved. PG to forward specification to MP to order.	PG
	• Work in Progress: ○ Flow jumps from 20m³ to 100m³ over rain events, pumps have kept up so far. FH to investigate sources of stormwater infiltration to the wastewater network next rain event. Phil had suspected flows came from Met Lane and the Hospital. This may help identify critical works. ○ FH to produce a list of properties which have known stormwater connections to the wastewater network no new investigations at this stage .	TM / DW TM / DW
	• Completed: ○ Ongoing operations and maintenance	



	• Critical Works Update ○ None	
Compliance Monitoring May 2026	May 2026 Monthly Compliance Monitoring • All parameters were below the annual median except for total nitrogen (7 mg/L higher). The land application system will further reduce nitrogen and micro-organisms prior to reaching groundwater.	
AOB	None	

Solid Waste Update – June 2026

Landfill Operation	
Current Status. - CIC has approved for Fulton Hogan to hire a 20-tonne excavator for use at the landfill. FH staff suggest placing it under cover at the landfill and are to investigate options for this. - The excavator is expected in the Chathams by mid-August. - FH staff to provide information for the Owenga Landfill Annual Report. - Firebreaks are to be mowed when the tractor is repaired. - A Pest & Weed Survey is needed for this monitoring year. FH is to arrange for this to be done as soon as possible. - FH are to arrange for a survey of the landfill to be done when its surveyor comes over to survey aggregate stockpiles.	Actions – Stantec - To continue working with CIC and FH on operational matters. - Stantec to complete the Owenga Annual Report. Actions – Council - No actions noted. Actions – Fulton Hogan - FH staff to accompany ECan staffer in the field to learn where the sampling locations are. - FH staff to investigate options for providing shelter for the 20t excavator. - FH staff to provide photos and reports for the Annual Report. - FH to mow the firebreaks. - FH to arrange for a Pest & Weed Survey of the landfill. - FH to arrange for landfill survey to be done in next couple of months.
Te One Operations	
Current Status. - FH staff have neatened up the facilities at Te One and will advise of any new signs needed. - Metal skip bins are being manufactured, rust-proofed and painted. They are expected by mid-August. FH will create stands to keep them out of the wet and dirt. - FH to provide price for mesh covers to the skip bins. - FH to provide a quotation for supplying and installing solar-powered security cameras at Te One. - FH and CIC to discuss messaging for signs, and then FH to get a quotation for signs about what is acceptable for disposal at the TS. - A gantry trailer for handling skip bins was due at the end of June. - FH staff believe the compactor truck should be scrapped since it is not fit for purpose. Waste to be transported in skip bins. - FH staff to investigate reasons for the blockages in the wastewater disposal system at Te One. - FH staff to investigate internet service at Te One (for security cameras) since service is sporadic. - FH staff noted potholes in the metal roading area which will be filled using AP65.	Actions – Stantec - Work with Council and Fulton Hogan staff to identify a solution for the waste scrap metal. Actions – Council - To discuss messaging for signs required at Te One with FH. Actions – Fulton Hogan - Follow up with recyclers in NZ about the acceptance of recyclable materials. - To deliver the gantry trailer and metal skip bins. - To make stands for the new metal skip bins. - To provide a price for mesh covers to skip bins. - To investigate wastewater blockages at Te One. - To investigate internet service at Te One. - To fill potholes in roading areas.
Other Waste Management Matters	
Current Status: - Monthly solid waste matters meetings have been re-scheduled for 2nd Wednesday of every second month. Next meeting is on 12 August 2026. - FH staff reported that CIC's Hino truck needs attention and will probably require replacement within 6 to 12 months' time. It is needed to pull the gantry trailer. - There has been an oil spill at the Kaingaroa TS which needs to be dealt with. - FH to find out what charges were levied previously for accepting house demolition waste.	Actions – Stantec - None noted. Actions – Council - Council to determine further action regarding Solid Waste Charging. - To consider replacement of Hino truck. Actions – Fulton Hogan - To continue to identify waste sources in OWLS returns. - To clean up an oil spill at Kaingaroa TS.



- | | |
|---|---|
| <ul style="list-style-type: none">• FH to work with a Napier contractor regarding shipping and processing of recyclables. All bales must be "uncontaminated", e.g., no steel cans mixed with aluminium cans.• FH to work out method for dealing with scrap metals. | <ul style="list-style-type: none">• To check on house demolition waste acceptance charges.• To work with recycling contractor for arrangements to ship and process recyclables.• To work out a solution for the scrap metals. |
|---|---|



4. Works & Services

4.2 Fulton Hogan Road Maintenance Report

Date of meeting	13 August 2026
Agenda item number	4.2
Author/s	Fulton Hogan Contract Manager

Purpose

To inform and update the Council on the Chatham Islands Road Maintenance programme.

Attached is the monthly report from Fulton Hogan.

Recommendation

THAT the report be received.



MAINTENANCE CONTRACT REPORT JULY 2026



Work Summary

Outline of work conducted during

month Routine Maintenance and

Operations Pavement Renewals

Sealed Road Resurfacing

Drainage Renewals

Bridge and Structure

Renewals Traffic

Services

Minor

Improvements

Vegetation

Control

Dayworks

Programmed Work for following month

Schedule of Work by Road Name

1. Maintenance Grading
2. Unsealed Maintenance Metaling

Next Month's Target

Crash Damage Report

Summary Monthly Safety

Report and Statistics

Safety

Engagements

Metal Stockpiles

CIC Owned

Materials Signs

Culvert Pipes

Environmental Compliance &

Feedback Environmental Compliance

Stakeholder Complaints Register

Public Relations & Community

Involvement Innovation

When conditions allow, we will continue with the blended maintenance material and continue to monitor areas already done to gauge how they perform in the wet/dry conditions.

Summary of Monthly Progress Claim by Work Category

1. Miscellaneous
2. Traffic Counting
3. Pitt Island
4. Wind Damage

Work Summary

Outline of work carried out during the month.

July was a productive month across the network, with significant progress made on infrastructure improvements, routine maintenance, and asset resilience initiatives. Key achievements included the near completion of the Maipito Bridge Replacement Project, continued road maintenance activities, and ongoing support for essential community services.

Maintenance of the sealed pavement shoulders progressed throughout the month to help prevent seal edge deterioration and extend the life of the road surface. Works were completed from Pages Corner through to the end of the sealed road, covering approximately 33km. Fulton Hogan thanks the community for their patience and cooperation while travelling through work sites during these activities.

The Maipito Bridge Replacement Project is now nearing completion. Approval was granted to reopen the road to traffic while final tidy-up works are undertaken ahead of the official bridge opening. Reusable materials recovered from the original bridge have been retained for future roading projects where appropriate. In addition, bridge off-cuts were repurposed into a table and seating, which will be installed at a Council-nominated park or reserve for public use.

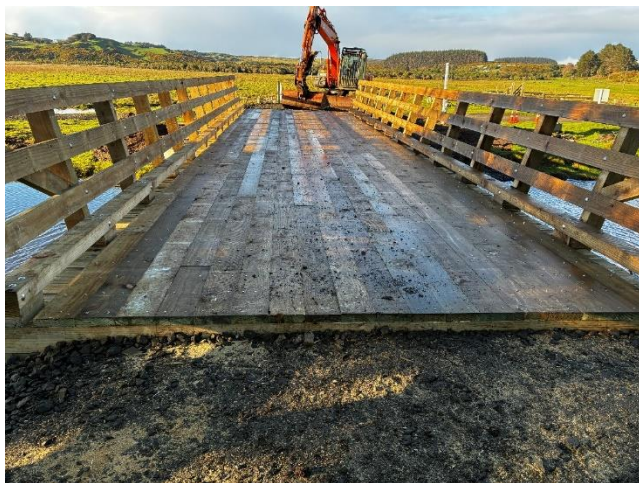


Routine network maintenance activities were also completed across the district, including mowing and vegetation trimming operations where weather conditions permitted.

Fulton Hogan continued to support the Council's water supply operations throughout the month. Portable water remains available for public collection from the Waitangi Yard.

Overall, these activities contribute to a safer, more resilient transport network and support the ongoing delivery of essential services to the Chatham Islands community.

Maipito Bridge Photos:



Routine Maintenance and Operations:

Low Shoulder Maintenance

Edge marker posts Installation

Waitangi Road – Wharf – clearing mud on the carriageway

Pavement Renewals:

N/A

Sealed Road Resurfacing:

N/A

Drainage Renewals:

Bridge and Structure Renewals:

Structural works on the Maipito Bridge Replacement Project are now complete, with final site clean-up and finishing works currently underway ahead of the official opening.

Weather conditions contributed to delays during the final stages of the project. While the bridge was anticipated to be completed approximately one and a half weeks earlier, adverse weather affected travel arrangements and delayed the arrival of specialist bridge personnel required to complete the works.

Fulton Hogan worked closely with the project engineers throughout construction to ensure the bridge was built in accordance with the approved design and specification. All quality assurance (QA) documentation requested by Stantec was submitted for review, and approval was subsequently granted, subject to conditions relating to the official opening and ongoing maintenance requirements for the new structure.

The successful completion of the bridge represents an important investment in the district's transport network, providing a safer and more resilient connection for the community for years to come.

Traffic Services:

Road Signage straightening and cleaning.
Edge marker post inspection

Minor Improvements:

In Te One maintenance work fixing low shoulder pavement is now underway to protect the pavement seal from edge breaks

Vegetation Control:

Facilities Mowing
General Mowing

Dayworks:

Nothing this Month

Programmed Work for following month.

Culvert Installation as directed by Engineer

Schedule of Work by Road Name

1. Maintenance Grading

- Carried out as required during the month on the following roads:

Road ID	Dispatch	Road ID	Start RP	End RP	Quantity M
WAITANGI WHARF - OWENGA ROAD	6393	11	16300	20400	4100
NORTH ROAD	6449	21	12400	18223	5823
NORTH ROAD	6450	21	7160	12000	4840
NORTH ROAD	6451	21	12000	18260	6260
NORTH ROAD	6455	21	18260	25340	7080
NORTH ROAD	6440	21	4580	7160	2580
NORTH ROAD	6412	21	5777	8049	2272
				Total	32955
					32.95km

2. Unsealed Maintenance Metalling

Road	Dispatch	Road ID	Start RP	End RP	Quantity m3	
NORTH ROAD	6456	11	39900	41480	32	
TE MATARAE ROAD	6438	21	6000	7400	32	
NORTH ROAD	6439	21	5293	10786	8	
NORTH ROAD	6452	21	16550	22891	8	
PORT HUTT ROAD	6453	21	1470	1756	32	
RAPANUI ROAD	6454	21	241		80	
WAITANGI WHARF - OWENGA ROAD	6424	21	789	987	56	
TE MATARAE ROAD	6430	11	3556	4587	32	
TE MATARAE ROAD	6432		4861	5661	32	
		Totals		This Month	424	m3

Next Month's Target

562m3 behind budget.

Crash or Damage Report Summary

Date	Event	Action	Repaired Y/N
25/07/26	Maipito Rd – 40km sign stolen/missing	To replace	Y

Network Inspections

Month	Inspection Type	Faults Identified	Inspected By
July 2027	Day	Drive around and check the network condition to program any maintenance work required.	Shingy
August	Day	Full network check after extreme weather conditions	Tom
August	Day	Full network check for grading program.	Tom
September	Day	Waitangi West Road Inspection from Beach Road.	Shingy

Monthly Safety Report and Statistics

Nothing to report

1. Safety Engagements

Date	Near Miss	Incident	Lost Time Injury	Plant Damage	Depot/Worksite Inspections
01/07/26	N	N	N	N	Maipito Bridge Replacement
07/07/26	N	N	N	N	North Road Low shoulder restoration
25/07/26	N	N	N	N	Meeting with crew catching up and update on safety and well being.
28/07/26	N	N	N	N	Waitangi Wharf Road dirt/clay removal on carriageway

Metal Stock

31/07/2026							
Site	AP40 Schist	AP65	AP32 Basalt	AP100 Schist	AP20	G3 Chip	G5 Chip
Waitaha Schist	2021	0	0	74	0		
Waitaha Basalt	0	5248	8,313	195	818	593	730
Paritu	1204	0	0	599	0		
Stoney Crossing	0	5130	7,000	0	1952	197	88
FH Yard	16	0	98	0	19		
Ohinemama	0	0	0	0	0		
Muirsons Schist	2,865	0	0	1,478	0		
MPA Yard	0	0	0	0	0	88	36
	6106	10378	15,411	2346	2770	878	854

CIC Owned
Materials
Signs

Item Description	Unit	Purchased	Used Dec 2025	End Measure	Comments
Signs					
PW2	ea			2	
PW10	ea.			1	L&R
PW10.1	ea			9	
PW11	ea.			1	L
PW12	ea.			1	R
PW18	ea.			1	L&R
PW21	ea.			1	L&R
PW23	ea.			1	L&R
PW24	ea.			2	Next 2KM
PW25	ea.			8	
PW26	ea.			4	Concealed
PW27	ea.			5	
PW28	ea.			2	
PW31	ea.			2	
PW34	ea.			2	
PW34.1	ea.			1	
PW34.2	ea			2	
PW37	ea.			1	
PW41	ea.			3	
PW41.3				2	
PW49	ea.			1	
PW53	ea.			2	
PW54	ea.			2	
PW54	ea.			2	
PW55	ea.			1	
PW67	ea.			2	
RS1	ea.			16	
RH4	ea.				
RG6	ea			2	
RG17	ea			2	
RG19	ea			3	
RG19.1	ea			11	

Item Description	Unit	Purchased	Used Dec 2025	End Measure	Comments
RP1	ea			4	
Marker pegs					
EMP	ea.			656	
CULVERT MARKERS	ea.			80	
WHITE RAPID MARKERS	ea.			40	
Misc. Items					
ACROW PROPS	ea.			6	
ROAD COUNTER	ea.			1	
ROUGHOMETER	ea.			1	

Culvert Pipes

ALUFLOW

Item Description	Unit	Used	Purchased	End Measure
375mm	m			5
450mm	m			0
600mm	m			0
750mm	m			6

Civilboss

225mm	m			5
300mm	m			5
375mm	m			4
450mm	m			
525mm	m			2
600mm	m			10
700mm	m			1
900mm	m			4
1000mm	m			

Builders Mix

CEMENT	T			0
GEOGRID Triax 160 3.8 x 75	Rolls			62
BIDIM CLOTH 3.9m x 100m	Rolls			
BIDIM CLOTH 3.9m x 50m	Rolls			35

Environmental Compliance

Date	Site Inspected	Compliant Y/N	Abatement Order Issued	Corrective Action Required	Completed By
Jul 26	Maipito Bridge Replacements	Y	N	N	Tom
Jul 26	WWO Road Clay on the road blocking the culvert	Y	N	N	Bruce
Jul 26	WWO Road Clay on the carriageway around the Port	Y	N	N	Tom

Stakeholder Complaints Register

Month	Council/ Public Complaint	Complaint	Repair Undertaken	Response Time
July 26	Public	Numerous potholes throughout the unsealed network.	Very wet conditions graders doing the best they can.	Ongoing.
July 26	Public	Potholes in North Rd	Filled up potholes on the area of concern and wider area	Same Day = Nothing Done
July 26	Public	Potholes on Airbase Road.	Holes filled	1 Days
July 26	Public	Dead wild pig Kaingaroa Rd	Collected and sent to landfill.	Same Day

Public Relations & Community Involvement

Donated Metal to Kopinga Marae to fix potholes

Portable Water collection is still available at Waitangi Fulton Hogan yard.

Innovation

N/A

Summary of Monthly Progress Claim by Work Category

<i>Jul-26</i>	<i>Seperable Portion One - Roading</i>			
<i>CIC GL Code</i>	<i>Value For Month</i>	<i>Value YTD</i>	<i>Annual Budget</i>	<i>% Of Annual Budget</i>
CIC GL Code		\$		
201.2111.0144 - Sealed Pavement Maintenance	\$ 45,860.98			
201.2112.0144 - Unsealed Pavement Maintenance	\$ 61,771.56			
201.2113.0144 - Routine Drainage Maintenance	\$ 4,000.00			
201.2114.0144 - Structures Maintenance	\$ 6,552.06			
201.2121.0144 - Environmental Maintenance	\$ 14,408.41			
201.2122.0144 - Traffic Services	\$ 4,539.52			
201.2181.0144 - Council Facilities Maintenance	\$ 499.11			
202.9485.0214 - Traffic Services Renewal	\$ 813.12			
202.9511.0214 - Unsealed Road Metalling	\$ 35,340.31			
202.9513.0214 - Drainage Renewals	\$ 43,161.66			
202.9516.0214 - Structural Component Replacement	\$ 51,669.30			
SP1 - Split Codes	\$ 74,143.29			
Total:	\$ 342,759.32		\$ -	

2. Miscellaneous

N/A

3. Traffic Counting

N/A

4. Pitt Island

N/A

5. Wind Damage

Nil this month.

Report Prepared by:

Shingy Torga

Department Manager – Fulton Hogan Chatham Island



4. Works & Services

4.3 Fulton Hogan Water and Wastewater Operation Contract Report

Date of meeting	13 August 2026
Agenda item number	4.3
Author/s	Fulton Hogan Contracts Manager

Purpose

To inform and update the Council on the Chatham Islands Water and Wastewater Operation programme.

Recommendations

THAT the reports be received.

Background

Attached is the latest Water & Wastewater report from Fulton Hogan.



CHATHAM ISLAND WATER AND WASTEWATER OPERATIONS CONTRACT MONTHLY REPORT JULY 2026



Monthly Report – July 2026

Work Summary

Funding constraints continue to impact several planned improvement projects and critical works, with non-DIA funded projects remaining on hold pending budget confirmation for the 2026/27 financial year. Compliance monitoring generally showed satisfactory performance, however ongoing attention is required for Kaingaroa water quality parameters, Waitangi sampling compliance requirements, and wastewater inflow and infiltration issues.

Water Supply Operations

Kaingaroa Water Supply Scheme

Operational Activities

Routine operations and maintenance were completed throughout July. Fulton Hogan continued preparations for the installation of the new intake pump, including cleaning and organising the intake pump shed.

The chlorine dilution methodology has been completed and remains available on site for operational staff use.

Key Issues

Investigations into the location of the end of the new intake pipe continued. Despite previous efforts, the termination point has not yet been identified. Fulton Hogan undertook another investigation using compressed air to assist in locating the installed pipe and the pipe was located.

A suitable methodology for cleaning the two 30,000-litre raw water storage tanks is still being developed. Following the installation of drain valves, this issue has become a lower priority; however, a practical solution is still required. Potential options include the use of pool cleaning equipment, a trash pump, or a remote cleaning system. Fulton Hogan will investigate options suitable for single-person operation on the island.

Stores and Critical Spares

A review and organisation of critical spare parts is underway. Fulton Hogan is undertaking a stocktake and developing a register of critical spares held on the island. Existing stock remains to be labelled and formally documented.

Critical Works

All non-DIA funded critical works remain paused due to funding constraints.

Waitangi Water Supply Scheme

Operational Activities

Routine operations and maintenance were completed throughout July. Water demand remained relatively stable at approximately 40 m³ per day, with no significant leaks identified within the distribution network.

Key Issues

Recent compliance reporting identified that the required frequency of free available chlorine (FAC) sampling within the network was not achieved during the reporting period. A revised sampling plan is being developed to ensure compliance with DWQAR requirements.

An issue was also identified with the turbidity meter data not transferring correctly to the online monitoring platform. The instrument appears to be functioning correctly onsite and further investigation is planned.

Staff observed higher than normal chlorine usage during the month, potentially caused by a batching error during preparation. Procedures are being reviewed to minimise the risk of recurrence.

Operational staff also identified limitations in flushing the transmission main between Tiki Tiki and the township. Installation of additional valves or modifications to the existing manifold may improve future flushing capability.

Work in Progress

- Replacement pH and FAC analyser control unit has been ordered following issues with the existing unit freezing and becoming unreadable.
- Stantec is preparing a Value Planning Report (VPR) for improvements to the contact tank.
- Information relating to filter media replacement requirements is being developed to support future maintenance planning.

Critical Works

No critical works updates were reported during the month.

Drinking Water Compliance

Waitangi Water Supply

July compliance monitoring results indicated the scheme continues to perform well.

Key results included:

- No E. coli detected in raw, treated, or network samples.
- No total coliforms detected in raw, treated, or network samples.
- Treated water turbidity remained below the operational target.
- UV transmittance levels remained satisfactory.
- Protozoa compliance requirements continue to be achieved.

Kaingaroa Water Supply

Compliance monitoring demonstrated that treatment processes are effectively removing microbial contamination from the source water.

Key results included:

- Low levels of E. coli and total coliforms were detected in raw water, consistent with expectations for a lake source.
- No E. coli or total coliforms were detected in treated water or network samples.
- Chlorate concentrations remained well below the Maximum Acceptable Value.
- Treated water turbidity exceeded the operational target.
- UV transmittance was lower than expected.
- Protozoa compliance may not be fully achieved and requires ongoing monitoring.

Wastewater Operations

Waitangi Wastewater Scheme

Operational Activities

Routine wastewater operations and maintenance continued throughout July.

The irrigation storage tank was successfully emptied and cleaned during the month, improving operational reliability and access for inspection.

Key Issues

UV Performance

UV transmittance values remain lower than historic levels. Cleaning of the irrigation tank has not produced significant improvements, and further investigation may be required.

Old Balance Tank

The old balance tank remains scheduled for drainage and decommissioning. The intention is to slowly drain the tank during a period of suitable dry weather before leaving valves open to prevent future rainwater accumulation.

Wastewater Pump Retrieval

One wastewater pump remains trapped within the balance tank. Initial investigations suggest the lifting chain may be tangled beneath the pump. A Safe Work Procedure is being developed before staff enter the tank to undertake recovery activities.

Inflow and Infiltration

Wet weather continues to significantly increase flows entering the wastewater network, with flows rising from approximately 20 m³ to over 100 m³ during rainfall events.

Known infiltration sources include:

- 10 Met Lane
- 12/14 Met Lane

- Chatham Islands Hospital area

Additional infiltration sources are suspected but further investigations remain on hold pending funding availability.

Critical Works

No critical wastewater works were reported during the month.

Wastewater Compliance

Monthly wastewater monitoring results indicated that overall treatment performance remains satisfactory.

Key findings included:

- All monitored parameters remained below annual median values except total nitrogen.
 - Total nitrogen concentrations were approximately 5 mg/L above the annual median.
 - The existing land application system continues to provide additional treatment and reduction of nitrogen and microorganisms before reaching groundwater.
-

Opportunities and Future Priorities

The following opportunities remain under consideration:

- Increased utilisation of Water Outlook for monitoring, reporting, and asset performance management.
- Completion of asset condition assessments, including below-ground water reticulation assets.
- Development of a comprehensive critical spares register and inventory.
- Resolution of Kaingaroa turbidity and UV transmittance concerns.
- Investigation and reduction of wastewater inflow and infiltration within the Waitangi network.
- reduction of nitrogen and microorganisms before reaching groundwater

Site Safety Report

Date	Near Miss	Incident	Lost Time Injury	Plant Damage	Depot/Worksite Inspections
01/07/26	N	N	N	N	WWWT Plant check daily
01/07/26	N	N	N	N	Water & WWWT plant checks after services.

Monthly Stocktake of Supplies

Stock Purchased		Stock End of Previous Month	Stock Used	Stock Remaining End of Month
Salt	50	104	18	86
Chlorine	60	40	10	30

Conclusion

The July 2026 reporting period was characterised by stable operations across the water and wastewater networks, with compliance generally being maintained. Key operational priorities remain focused on water quality improvements at Kaingaroa, ensuring ongoing compliance with drinking water monitoring requirements, and managing wastewater infiltration issues within the Waitangi network. Progress on several improvement projects remains dependent on confirmation of future funding and budget allocations.

Report Prepared by:

Shingy Torga

Department Manager – Fulton Hogan Chatham Island



4. Works & Services

4.4 Fulton Hogan Waste Management Operation Contract Report

Date of meeting	25 June 2026
Agenda item number	4.4
Author/s	Fulton Hogan

Purpose

To inform and update the Council on the Chatham Islands Waste Management Operation programme.

Recommendations

THAT the report be received.

Background

Attached to this report is the latest Waste Management report from Fulton Hogan.



CHATHAM ISLANDS WASTE MINIMISATION CONTRACT MONTHLY REPORT JULY 2026



Waste Minimisation Monthly Report

July 2026

Overview

The Transfer Station continued to operate effectively throughout July 2026, with several improvements made to site infrastructure, equipment, operational efficiency, and health and safety practices. Significant investment in fleet and equipment has strengthened operational capability across all three waste management sites, improving reliability and supporting day to day service delivery while major repairs to the Hino truck are underway.

The month was characterised by consistently high volumes of incoming material across the network. Despite these increased volumes, the team successfully maintained service levels and continued to achieve positive waste diversion outcomes through resource recovery initiatives. The ongoing separation and recovery of reusable and recyclable materials highlight the value of the Council's waste minimisation programme and the continued support of the local community.

Overall, July was a productive month across the waste management operation, with continued investment in equipment, staff training, site improvements, and resource recovery activities. These efforts have further strengthened operational resilience and positioned the team well to meet future service demands.



Operational Highlights and Achievements

Te One Transfer Station

Several site improvements were completed during the month to enhance safety, operational efficiency, and site presentation.

Entry and exit signage were installed to improve traffic management and provide clearer direction for site users. These improvements contribute to a safer and more organised environment for staff, contractors, and members of the public.



The dangerous goods storage area was upgraded through the relocation of shipping containers to a more suitable position within the site. This has improved accessibility and enhanced the management of hazardous materials.

The removal of a redundant vehicle from within the Materials Recovery Facility (MRF) has created additional space for equipment storage and improved workflow throughout the facility. This change has increased operational efficiency and provided greater flexibility for day-to-day activities.

A major focus this month has been the ongoing clean up and organisation of the Te One Transfer Station. Significant efforts have been made clearing out an old shipping container that had accumulated unwanted materials.

The site's commitment to producing high-quality recyclable material continues to deliver positive outcomes. During the month, a P1 bale weighing 280 kilograms was produced from 20 wool packs of carefully collected and sorted recycling. This achievement reflects the dedication of staff and the ongoing efforts of the Chatham Islands community to recycle responsibly.



Owenga Landfill

The new gantry trailer and Toyota Hilux, which arrived at the end of June, have quickly become valuable additions to the fleet. The equipment has already been utilised successfully for transporting and tipping skips at the Owenga Landfill, significantly improving operational efficiency and reducing the time and resources required to undertake these tasks.

A highlight for the team this month was the arrival of our new excavator. The new machine offers increased capability, greater efficiency, and a wider range of hydraulic auxiliaries, allowing us to complete landfill operations more effectively and safely. The team is excited to put the new equipment into service, and it is expected to make a significant positive impact on productivity across our operations.

The introduction of this equipment has increased operational flexibility and improved the team's ability to safely manage waste handling activities across multiple sites.



Kaingaroa Transfer Station

Several maintenance and improvement activities were completed at the Kaingaroa Transfer Station during July.

Accumulated waste oil and scrap metal were removed from the site, ensuring the facility remains safe, compliant, and well kept. In addition, fresh metal was applied to key access areas, improving surface conditions and site accessibility during the winter months.

Despite disruptions associated with public holidays, scheduled servicing and routine operational tasks were completed as planned. As a result, the community continued to receive a reliable and uninterrupted waste management service throughout the reporting period.



Health and Safety

Health and safety, alongside staff development, remains a key priority for the waste management team.

Staff continue to participate in training programmes, including Wheels, Tracks and Rollers endorsements and machinery-specific competency training. These initiatives are improving workforce capability, supporting compliance with licensing requirements, and ensuring staff are equipped to operate machinery safely and efficiently.

The continued investment in training reinforces the organisation's commitment to maintaining a safe workplace while developing a skilled and competent workforce.

Sustainability Initiative

A sustainability project was successfully completed during the month through the construction of a park bench and seating area for Council using recycled bridge materials.



This project demonstrates the practical application of waste minimisation principles by repurposing materials that would otherwise have required disposal. It also supports wider Council sustainability objectives while showcasing opportunities for innovative resource recovery within the community.

Key Challenges

The primary challenges experienced during July were scheduled power outages and reduced staffing levels. While these factors created some operational pressure, the team worked collaboratively to minimise disruption and maintain service delivery across all sites.

Valuable support was provided by staff from the Waitangi Yard, whose assistance across the waste management network helped ensure services continued without significant interruption. Their contribution was greatly appreciated and was instrumental in maintaining operational continuity throughout the month.

Key Performance Indicators

During the reporting period, a total of 38 tonnes of material was managed, including both incoming waste and accumulated stock in an ongoing effort to remove accumulated waste from our sites.

Quantities Details - July 26

Owenga Landfill:

- 4,010 kg Timber waste
- 2,400 kg of non-recyclable plastics
- 17,680 kg Miscellaneous waste
- 9,980 kg of General waste, processed into 19 compacted bails, significantly reducing the volume of landfill space required

Jul-26	
General solid waste	9.98
Glass	1.7
Cardboard	0
Plastic 1,2,5	0
Tin	0
Aluminium	0
Woody Waste	4.01
Scrap Metal	0
Tyres	0
Rope	0
Batteries	0
Oil containers	0
Gas cannisters	0
Heavy plastics	2.06
Misc	17.68

35.43ton

Te One Transfer Station:

- 820 kg Tyres
- 400 kg Rope
- 7,140 kg Scrap Metal

Waste diversion efforts continued to produce positive results, with the following materials recovered for reuse and recycling:

- 1 P1 bail containing 20 wool packs of recyclable plastics, weighing 280kg
- 7 Wool packs of a mixture of clothing, books and homewares collected for Mitre12
- 13 Wool packs of recyclable materials including aluminium, tin, P1, P2 and P5 plastics

These figures demonstrate the continued focus on waste minimisation, resource recovery and reducing the volume of material requiring landfill disposal.

Jul-26	
General solid waste	9.98
Glass	1.26
Cardboard	0
Plastic 1,2,5	0.28
Tin	0
Aluminium	0
Woody Waste	3.8
Scrap Metal	7.14
Tyres	0.82
Rope	0
Batteries	0
Oil containers	0
Gas cannisters	0
Paint	2.06
36.22ton	

Report Prepared by:

Shingy Torga

Department Manager – Fulton Hogan Chatham Island

4. Works & Services

4.5 2027–30 NZTA Waka Kotahi Co-Investment Funding Application

Date of meeting	13 August 2026
Agenda item number	4.5
Author/s	Bob Penter, Interim Chief Executive

Purpose

The purpose of this report is to present the proposed draft funding submission for the 2027–30 National Land Transport Programme (NLTP) investment period and seek Council endorsement to submit the application to NZTA Waka Kotahi.

Recommendations

That Council:

1. **Receives the report titled 2027–30 NZTA Waka Kotahi Co-Investment Application.**
2. **Endorses the proposed draft funding submission for the 2027–30 National Land Transport Programme.**
3. **Approves the proposed co-investment funding split between NZTA Waka Kotahi and the Chatham Islands Council as outlined in this report.**
4. **Authorises the Interim Chief Executive to submit the draft funding application to NZTA Waka Kotahi by 28 August 2026.**

Background

NZTA Waka Kotahi has invited all local authorities to submit early draft funding proposals for the 2027–30 National Land Transport Programme (NLTP) investment period.

The draft submissions provide NZTA with an indication of each local authority's anticipated funding requirements and investment priorities over the next three-year programme. These submissions will assist NZTA in developing the draft National Land Transport Programme and determining indicative funding allocations.

Draft submissions are required to be lodged with NZTA Waka Kotahi by 28 August 2026.

Discussion

Council staff have prepared a draft funding proposal based on the anticipated transport maintenance, renewal and improvement programmes for the 2027–30 investment period. The proposed submission identifies the funding sought from NZTA Waka Kotahi together with the Council's proposed co-investment contribution.

The proposed funding split is summarised below:

Funding Source	Proposed Contribution
NZTA Waka Kotahi	\$16,336,584
Chatham Islands Council	\$2,227,716
Total Programme	\$18,564,300

The proposed programme has been developed to support the continued maintenance and operation of the Chatham Islands' transport network while recognising Council's financial capacity to contribute its share of the programme costs.

Following Council endorsement, the draft submission will be forwarded to NZTA Waka Kotahi by the required deadline. The funding request will continue to be refined through the NLTP development process before the final programme is submitted.

Financial Implications

The Council's proposed co-investment contribution will be incorporated into future Long Term Plan and Annual Plan budgeting processes, subject to confirmation of the approved NLTP funding allocation.

Strategic Alignment

The proposed funding application supports Council's objective of maintaining a safe, reliable and resilient transport network for the Chatham Islands community.

Consultation

No public consultation is required at this stage. This report relates to the submission of an early draft funding proposal to NZTA Waka Kotahi.

Risks

Should Council not submit a draft funding proposal by the requested deadline, there is a risk that the Council's transport funding requirements may not be adequately reflected during the development of the 2027–30 National Land Transport Programme.

Next Steps

Following Council approval:

- The draft submission will be lodged with NZTA Waka Kotahi by 28 August 2026.
- Officers will continue to work with NZTA during the assessment process.
- Any amendments required before submission of the final NLTP programme will be reported to Council as appropriate.



Memo

To: Bob Penter

From: Rebecca Tinga

Project: Chatham Islands 2027-30 Investment Levels

Date: 3 August 2026

Reference: 2027-30 NZTA Co-Investment Application

NZTA Waka Kotahi are inviting early draft funding submissions from Local Authorities for the 2027-30 National Land Transport Programme (NLTP) and investment period. The draft funding submissions are required by the 28th of August.

This memo sets out the proposed funding level for submission later this month, including how the funding will be split between NZTA and CIC.

Draft Programme 27-30:

We are proposing to apply for a total funding value of **\$18,564,300** for the 2027-30 investment period.

The NZTA assists CIC at an 88% funding assistance rate, where of the total cost of any works NZTA contributes 88% of the value and CIC contributes the remaining 12%.

Table 1: NLTP 27-30 Funding Levels

	<i>FY 2027/28</i>	<i>FY 2028/29</i>	<i>FY 2029/30</i>	<i>Total Cost 2027 - 2030</i>
Programme Total	\$5,943,400	\$6,195,100	\$6,425,800	\$18,564,300
<i>NZTA Share</i>	\$5,230,192	\$5,451,688	\$5,654,704	\$16,336,584
<i>CIC Share</i>	\$713,208	\$743,412	\$771,096	\$2,227,716

The funding levels have been developed using the following assumptions:

- The Maintenance, Operations, and Renewals continuous programme is proposed to be the same size as the previous two investment periods, with an adjustment for inflation. The inflationary adjustment applied for 27-30 is 4% per year.
- A further adjustment is applied to the first year of the funding application, as the expected jump in the value of the Physical Works Term Supply Agreement was shifted to the FY 27/28. We have allowed 15% growth between 26/27 and 27/28.
- The Road Safety Promotion programme will be sized against the funding granted for the 24.27 investment period and inflated using the same 4% per year rate.
- No capital funding has been applied for, as there are no capital projects that would meet the funding requirements due between 2027 and 2030.

Reference: 2027-30 NZTA Co-Investment Application

At the initial assessment stage Waka Kotahi are reviewing funding submissions across the country to establish an impression of the overall level of funding requested by Road Controlling Authorities (RCAs) nationally to maintain and improve their respective networks and establish how this will fit into the projected budgets proposed for the next National Land Transport Fund (NLTF).

The final funding submissions are not required to be confirmed until December 2026, and final submission is not required to be the same as the draft funding submission - as we continue to develop our own Long Term Plan budgets.

The Roothing Activity Management Plan (AMP) is being updated to reflect the pertinent discussion that supports the funding requested for 2027-30, and the nuance of operating the roading network in the Chatham Islands. A draft of the developed AMP will be presented to Council later in the year for review and comment.

There is a chance of Governmental change between the draft and final funding submissions, though CIC is less likely to be acutely affected by this due to the type of works we are requesting to fund, and the relative size of the total programme.

If Council are satisfied that the proposed funding level is adequate and the local share is affordable, the funding set out in this memo will be submitted to the NZTA in August.

The distribution of funding across the activity classes, works categories, and financial years within the investment period is shown below.

Table 2: NLTP 27-30 Funding Levels - Operations Activity Class

Work Category		2027/28	2028/29	2029/30
114	Structures Maintenance	146,000	152,000	158,000
121	Environmental Maintenance	300,000	312,000	324,000
122	Network Services Maintenance	118,000	123,000	128,000
151	Network & Asset Management	145,000	151,000	157,000
215	Structures Component Replacements	137,000	142,000	148,000
222	Traffic Services Renewals	63,000	66,000	69,000
TOTAL		909,000	946,000	984,000

Table 3: NLTP 27-30 Funding Levels – Pothole Prevention Activity Class

Work Category		2027/28	2028/29	2029/30
111	Sealed Pavement Maintenance	311,000	323,000	336,000
112	Unsealed Pavement Maintenance	1,178,000	1,225,000	1,274,000
113	Routine Drainage Maintenance	121,000	126,000	131,000

Reference: 2027-30 NZTA Co-Investment Application

Work Category		2027/28	2028/29	2029/30
211	Unsealed Road Metalling	2,762,000	1,207,000	2,983,000
212	Sealed Road Resurfacing	29,000	661,000	31,000
213	Drainage Renewals	565,000	588,000	612,000
214	Sealed Pavement Rehabilitation	57,000	1,107,000	62,000
TOTAL		5,023,000	5,237,000	5,429,000

Table 4: NLTP 27-30 Funding Levels – Walking & Cycling Activity Class

Work Category		2027/28	2028/29	2029/30
125	Footpath Maintenance	1,900	2,300	2,700
225	Footpath Renewals	2,000	2,100	2,200
TOTAL		3,900	4,400	4,900

Table 5: NLTP 27-30 Funding Levels – Safety Activity Class

Work Category		2027/28	2028/29	2029/30
432	Road Safety Promotion	7,500	7,700	7,900

Yours sincerely

Stantec New Zealand



Rebecca Tinga

Senior Transportation Engineering Technologist

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Attachment: 27-30 LTP Funding – CIC.xlsx

c.



chatham islands council

5. Community

5.1 MOU Chatham Islands Shipping Service

Date of meeting	13 August 2026
Agenda item number	5.1
Author/s	Bob Penter, Interim Chief Executive

Purpose

The purpose of this report is to present to Council a proposed Memorandum of Understanding (MOU) between the Ministry for Cities, Environment, Regions and Transport, 44 South Shipping Limited Partnership (44 South), Chatham Islands Council (CIC), and Chatham Islands Enterprise Trust (CIET) relating to the Chatham Islands shipping service.

The MOU establishes a framework for the Parties to work collaboratively to support the delivery of a reliable and sustainable shipping service to the Chatham Islands.

Council is asked to consider and approve the MOU for signing on behalf of Chatham Islands Council.

Recommendations

That Council:

1. **Receives the report titled Memorandum of Understanding – Chatham Islands Shipping Service.**
2. **Notes the proposed Memorandum of Understanding between the Ministry for Cities, Environment, Regions and Transport, 44 South Shipping Limited Partnership, Chatham Islands Council and Chatham Islands Enterprise Trust.**
3. **Notes that the purpose of the MOU is to establish how the Parties will work together to support the delivery of a reliable and sustainable shipping service to the Chatham Islands.**
4. **Notes that the MOU is not intended to be legally binding, except for the confidentiality provisions contained in clause 6.**
5. **Notes that the MOU does not limit or affect the statutory independence, functions or legal obligations of any of the Parties.**
6. **Approves Chatham Islands Council entering into the Memorandum of Understanding.**
7. **Authorises the Mayor and Chief Executive, or their authorised delegates, to sign the MOU on behalf of Chatham Islands Council.**

Background

The provision of a reliable and sustainable shipping service is critical to the economic and social wellbeing of the Chatham Islands community.

The proposed MOU brings together the Ministry for Cities, Environment, Regions and Transport, 44 South Shipping Limited Partnership, Chatham Islands Council and Chatham Islands Enterprise Trust to establish a shared framework for cooperation in relation to the future delivery of the Chatham Islands shipping service.

The MOU provides a mechanism for the Parties to work collaboratively, recognising the different roles, responsibilities and statutory functions of each organisation.

The proposed arrangement builds on the work undertaken to secure a long-term shipping solution for the Chatham Islands and provides a framework for ongoing collaboration between the key organisations involved.

Memorandum of Understanding

The MOU sets out the Parties' shared intention to work together to support a reliable and sustainable shipping service.

Clause 1 of the MOU confirms that its purpose is to establish how the Parties will work together in support of the shipping service.

Importantly, the MOU expressly provides that it is not intended to be legally binding, with the exception of the confidentiality provisions in clause 6, which will be legally binding on the Parties.

The MOU also confirms that nothing in the agreement is intended to limit or affect the independence of any Party or its requirement to fulfil its statutory functions and legal obligations.

The MOU therefore provides a framework for cooperation rather than creating new statutory obligations or contractual commitments for Council.

Council's Role

As a party to the MOU, Council will continue to represent the interests of the Chatham Islands community in matters relating to the shipping service.

Council's participation provides an important connection between the shipping service arrangements and the community it serves.

The MOU also provides an opportunity for Council to work directly with central government, 44 South and CIET on matters affecting the reliability, sustainability and future development of the shipping service.

Strategic Considerations

A dependable shipping service is fundamental to the Chatham Islands' connectivity and supports:

- the movement of freight and essential goods;
- economic activity and local businesses;
- access to supplies and services;
- tourism and visitor activity;
- the movement of vehicles and equipment; and
- the overall resilience and sustainability of the Chatham Islands community.

Participation in the MOU supports Council's strategic interest in ensuring the Chatham Islands has a reliable and sustainable shipping connection.

Financial Implications

The MOU does not, in itself, create a financial commitment or contractual obligation for Council.

Any future financial commitments arising from activities associated with the shipping service would be subject to separate consideration and approval in accordance with Council's delegations, policies, budgets and statutory obligations.

Legal Considerations

The MOU is expressly stated to be non-legally binding, except for clause 6 relating to confidentiality.

The MOU also confirms that each Party remains independent and responsible for fulfilling its own legal functions and obligations.

Council should ensure that any future decisions or commitments arising from the MOU are considered separately where required and comply with the Local Government Act 2002 and other applicable legislation.

Risks and Mitigation

The principal risk associated with entering into the MOU is that the document may create expectations between the Parties regarding future cooperation or outcomes, notwithstanding its non-binding nature.

This is mitigated by the express wording of the MOU confirming that it is not legally binding, except for confidentiality, and does not affect the independence or statutory obligations of the Parties.

Consultation

The MOU has been developed between the four Parties to provide a shared framework for cooperation in relation to the Chatham Islands shipping service.

No separate community consultation is proposed in relation to Council entering into the MOU, noting that the document is a non-binding framework for cooperation and does not itself create a new financial or contractual commitment for Council.

Conclusion

The proposed MOU provides a framework for continued cooperation between the Ministry for Cities, Environment, Regions and Transport, 44 South Shipping Limited Partnership, Chatham Islands Council and Chatham Islands Enterprise Trust in support of a reliable and sustainable shipping service to the Chatham Islands.

Council's participation will ensure that the interests of the Chatham Islands community continue to be represented as the Parties work together on the future shipping service.

Council is therefore asked to approve the MOU and authorise its signing on behalf of Chatham Islands Council.

Attachment

Attachment 1: Memorandum of Understanding – Chatham Islands Shipping Service.



MEMORANDUM OF UNDERSTANDING (MOU) RELATING TO CHATHAM ISLANDS SHIPPING SERVICE

BETWEEN Ministry for Cities, Environment, Regions and Transport (“the Ministry”);
44 South Shipping Limited Partnership (“44 South”);
Chatham Islands Council (“CIC”); and
Chatham Islands Enterprise Trust (“CIET”),
(each a “Party” and together, the “Parties”)

DATED [INSERT]

1. PURPOSE

- 1.1. The purpose of this MOU is to set out how the following parties will work together to support the delivery of a reliable and sustainable shipping service to the Chatham Islands.
- 1.2. This MOU is not intended to be legally binding, with the exception of clause 6 (confidentiality) which will be binding on the Parties. Nothing in this MOU is intended to limit or affect the independence of each Party or the requirement that each Party act to fulfil its legal functions and obligations.

2. BACKGROUND AND CONTEXT

- 2.1. The Chatham Islands rely on a safe, reliable and resilient shipping service to support the social and economic wellbeing of the community.
- 2.2. The Ministry of Transport entered into a Funding Agreement in relation to Chatham Islands shipping services with 44 South dated 20 February 2026 (the “Funding Agreement”). On 1 July 2026 the Ministry of Transport was disestablished and its functions transferred to the Ministry for Cities, Environment, Regions and Transport. By operation of law, the Funding Agreement transferred over to the Ministry. Under the Funding Agreement, the Ministry provides funding in the amount of \$24.3 million to 44 South (with 44 South funding the balance) to enable 44 South to procure the build of a suitable vessel and to provide long-term freight shipping services between mainland New Zealand and the Chatham Islands.
- 2.3. This MOU sits alongside the Funding Agreement. It does not replace or amend the Funding Agreement, but describes how the Parties will work together in practice to support the long-term success of the shipping service and positive outcomes for the Chatham Islands community. In the event of any inconsistency between the terms of this MOU and the Funding Agreement, the terms of the Funding Agreement shall prevail to the extent of any inconsistency.

3. OBJECTIVES

- 3.1. The objectives of this MOU are to:
 - (a) support the successful establishment and ongoing operation of the new Chatham Islands shipping service;

- (b) promote a shared understanding of roles and responsibilities;
- (c) support effective communication, engagement and coordination between the Parties; and
- (d) help ensure the service works for both 44 South and the Chatham Islands community over the long term.

4. ROLES AND RESPONSIBILITIES

44 South

4.1. 44 South is the shipping service provider and:

- (a) is responsible for procuring the vessel and delivering the shipping service in accordance with the Funding Agreement;
- (b) is solely responsible for all operational and commercial decisions relating to the shipping service; and
- (c) engages directly with customers and manages day-to-day service delivery.

Ministry

4.2. The Ministry:

- (a) has provided funding to 44 South under the Funding Agreement and is responsible for monitoring performance and compliance against the Funding Agreement;
- (b) exercises approval and decision-making roles specified in the Funding Agreement;
- (c) acts as the primary interface within central government on matters relating to the shipping service; and
- (d) supports and facilitates constructive relationships between 44 South and the Chatham Islands community, while not directing operational decisions.

CIC

4.3. CIC:

- (a) represents the Chatham Islands community in its role as the local authority;
- (b) supports coordination on-island, including in relation to port operations, infrastructure and emergency response;
- (c) provides local government input into discussions about service performance and community impacts; and
- (d) works with CIET and others to represent community perspectives.

CIET

4.4. CIET:

- (a) represents the interests of the Chatham Islands community as a key end-user of the shipping service;

- (b) provides local insight on freight demand, economic activity and community needs;
- (c) coordinates locally with businesses and stakeholders to support effective use of the service;
- (d) works with the other parties to identify opportunities to improve outcomes for the Chatham Islands; and
- (e) owns and operates the incumbent shipping service, through its subsidiary Chatham Islands Shipping Limited.

5. PRINCIPLES

5.1. The Parties agree to work together in accordance with the following principles:

- (a) Shared success – A successful and sustainable service must work for both 44 South and the Chatham Islands community;
- (b) Good faith – The Parties will engage openly, honestly and constructively;
- (c) No surprises – The Parties will raise emerging issues early, particularly where matters may affect service delivery, the community or public confidence;
- (d) Respect for roles – Each Party will respect the distinct roles and responsibilities of the others, including 44 South's responsibility for operational decisions; and
- (e) Continuous improvement – The Parties will look for opportunities to improve service outcomes over time.

6. CONFIDENTIALITY

- 6.1. The Parties will treat information exchanged under this MOU which is not publicly available as confidential ("Confidential Information") and, except where required by law or with prior written consent, will not disclose it to any person other than the recipient's employees, subcontractors, agents, officers and representatives who need the information for the purpose for which it was provided by the disclosing Party.
- 6.2. The Parties will only use Confidential Information shared under this MOU only for the purposes of this MOU. If disclosure is required by the Official Information Act 1982 or the Local Government and Official Meetings Act 1987 (as applicable), the disclosing Party will inform the other Parties prior to disclosure.
- 6.3. The Parties will comply with applicable New Zealand laws and public sector information management requirements. The Parties will establish and maintain effective security measures to safeguard the Confidential Information from unauthorised access, use, copying or disclosure.
- 6.4. The Parties' confidentiality obligations in this clause 6 shall continue in force notwithstanding any expiry or termination of this MOU.

7. ENGAGEMENT AND COMMUNICATION

- 7.1. Each Party will nominate a primary contact person for matters relating to this MOU. The primary contact person should be appropriately empowered to speak on behalf of the organisation they represent.
- 7.2. The Parties will engage with each other as required on matters relating to the shipping service, but agree to meet at least twice per year to:
 - (a) Discuss service performance and community experience;

- (b) Share information and perspectives; and
- (c) Identify any issues, risks or opportunities for improvement.

7.3. Meetings may be held in person or remotely, as agreed.

7.4. The Ministry will act as the secretariat for any meetings and will be responsible for preparing agendas and minutes of any agreed actions.

8. CONTRACT MANAGEMENT AND COMMUNITY INPUT

8.1. The Funding Agreement specifies a number of circumstances in which 44 South is required to seek the Ministry's approval before taking certain actions.

8.2. Where Ministry approval is required under the Funding Agreement, the Ministry will, where practicable and appropriate:

- (a) consult with CIC and CIET prior to making a decision;
- (b) seek feedback from CIC and CIET on behalf of the Chatham Islands community, including likely impacts on end-users; and
- (c) take that feedback into account when exercising its approval role.

8.3. Examples of approval matters under the Funding Agreement include (without limitation):

- (a) Changes to mainland port(s) of call;
- (b) Material changes to service frequency or scheduling;
- (c) Changes to vessel arrangements that may affect service reliability or capacity; and
- (d) Other significant changes identified in the Funding Agreement as requiring Ministry approval.

8.4. Nothing in this section limits the Ministry's ability to make decisions in accordance with the Funding Agreement, nor does it give CIC or CIET decision-making authority in respect of operational matters.

9. ISSUES AND DISPUTE RESOLUTION

9.1. This MOU is not legally binding and does not create enforceable obligations, with the exception of clause 6 (confidentiality) which will be binding on the Parties.

9.2. Where issues or disagreements arise, the Parties will:

- (a) raise them early and directly with the relevant Parties;
- (b) use reasonable endeavours to resolve matters collaboratively and in good faith ; and
- (c) focus on practical, mutually beneficial solutions that support the objectives of the shipping service.

9.3. Nothing in this MOU limits or replaces the formal dispute resolution processes set out in the Funding Agreement.

10. REVIEW AND DURATION

10.1. This MOU takes effect on the date it is signed by all Parties.

10.2. The Parties may review this MOU from time to time and make amendments to the MOU by mutual agreement in writing.

- 10.3. Any Party may withdraw from this MOU at any time by providing 30 days' notice to the other Parties.

SIGNATURES

Signed for and behalf of Ministry for Cities,
Environment, Regions and Transport

James Turner

Acting Manager, Programme
Monitoring and Investment
Management
Signature
Date:

Signed for and on behalf of 44 South Shipping Limited
Partnership by its general partner 44 South Shipping GP
Limited:

Callum Fraser McCallum

Director

Signature
Date:

Signed for and on behalf of Chatham Islands Council by:

[Name]

[Title]

Signature
Date:

Signed for and on behalf of Chatham Islands Enterprise
Trust by:

[Name]

[Title]

Signature
Date:



6. Regulatory

6.1 Dog & Stock Control Update

Date of meeting	31 July 2026
Agenda item number	6.1
Author/s	Nadia Thomas, Dog & Stock Control Officer

Purpose

To provide an update on the services being performed by the Dog & Stock Control Officer.

Recommendations

THAT Chatham Islands Council

1. **Receives the report.**

Background

The attached report provides an update on activities by the Dog & Stock Control Officer for the 12 months to 30 June 2026.



Chatham Islands Council

Dog Control Report

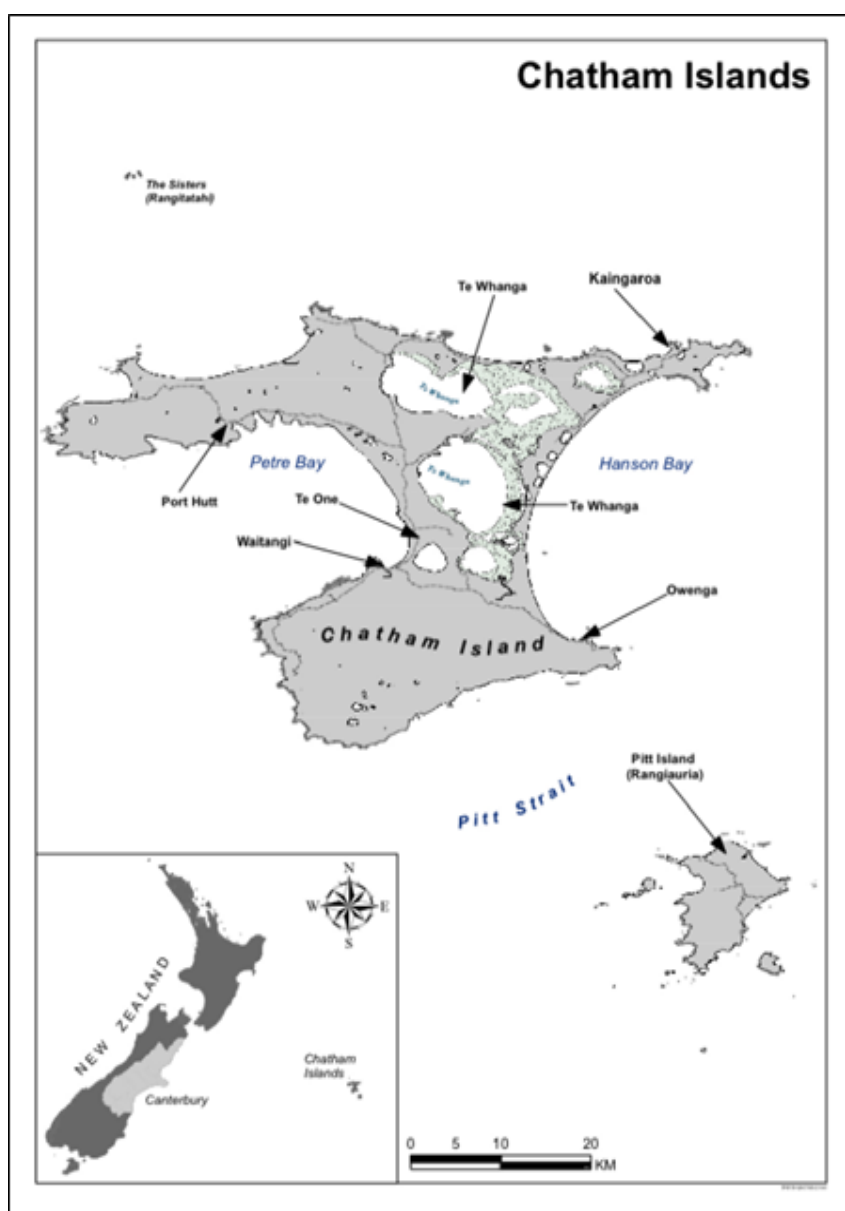
for the year ending 30 June 2026



The Chatham Islands

The Chatham Islands and its people are a unique community, isolated by 800 kilometres of ocean from mainland New Zealand. The Chatham Islands consist of two main inhabited islands, Chatham Island and Pitt Island. Pitt Island lies 23km south east of Chatham Island and both islands are surrounded by a number of smaller islands, all within a radius of approximately 50km. The main island, Chatham, has an area of 90,000 hectares. Pitt Island has an area of 6,300 hectares.

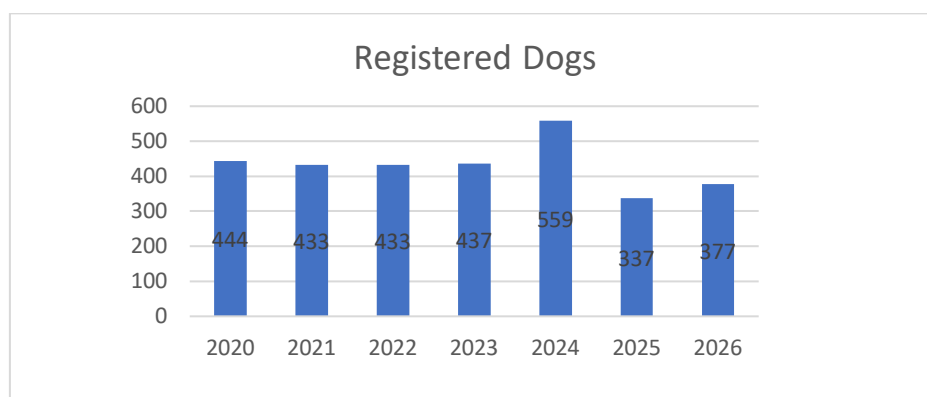
There are five settlement areas on the main island - Waitangi, Te One, Owenga, Port Hutt and Kaingaroa. Pitt Island is a small rural community consisting of a small number of farms. Dog control is administered on both Chatham and Pitt Islands. All dogs within the Chatham Islands territory are classified as 'working dogs'.



Dog Control Officer/s

The Chatham Islands Council employed one Dog Control Officer who was warranted under section 13 of the Dog Control Act 1996.

Dogs Registered as at 30 June 2026.



-A total of 377 dogs were registered as at 30 June 2026, an increase of 40 dogs since 2025.

Probationary and Disqualified Owners:

-There were no probationary or disqualified owners during the financial year ending 30 June 2026.

Dangerous Dogs:

There is only 1 dangerous dog reported during the financial year ending 30 June 2026. The dog is not aggressive in general, but a little girl went to pat him while he was lying down by a truck, as she went to pat him, he barked at her- she got a fright and went to jump up to run away when he bit her on the arm leaving a full circle of teeth marks. The owner and parents of the child have talked about the issue. It has been noted the dog has bitten a human, so is considered a dangerous dog.

Menacing Dogs:

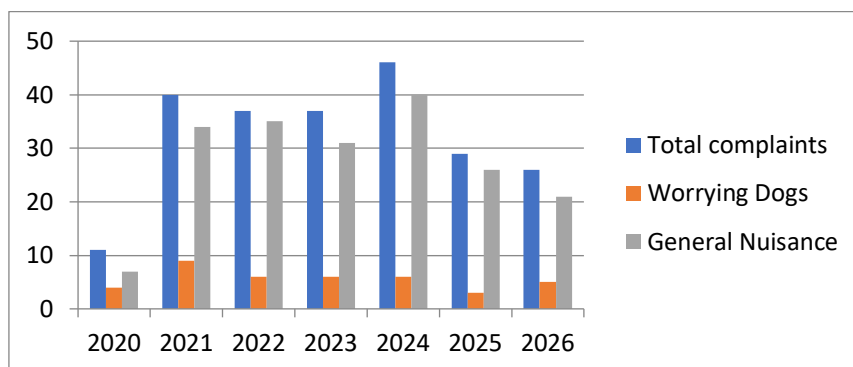
There were 14 complaints about menacing dogs reported during the financial year ending 30 June 2026.

Dog Infringement Notices:

-There were no dog infringement notices issued during the financial year ending 30 June 2026.

Dog Complaints:

-There were 26 complaints received during the financial year ending 30 June 2026. 5 complaints related to worrying dogs, although none of the dogs were seen or caught. 21 complaints related to general nuisance. 14 menacing and 1 dangerous. There has been a decrease in total dog complaints by 3 since 2025.



Prosecutions:

-There were no prosecutions during the financial year ending 30 June 2026. Although 2 dogs were put down due to owners not wanting them anymore.

Public Information:

-Council's Dog Control Bylaw 2002 is available at the Council office during working hours Monday – Friday 8.30am - 4.30pm. A copy can also be viewed on Council's website www.cic.govt.nz.

-The Dog Control activity is reported annually in terms of performance and resident satisfaction through Council's Annual Report. Copies of this report can also be obtained at the Council Office and on Council's website www.cic.govt.nz.

Chatham Islands Dog Control Bylaw 2022 and Chatham Islands Dog Control Policy 2022:

-The Chatham Islands Dog Control Bylaw and the Chatham Islands Dog Control Policy was adopted on the 23rd May 2022.



9. Chatham Islands

9.1 Dark Sky Proposal

Date of meeting	13 August 2026
Agenda item number	9.1
Author/s	Bob Penter, Interim Chief Executive

Purpose

The purpose of this report is to seek Council's support to progress a proposal for the Chatham Islands to pursue recognition as a Dark Sky destination/region, recognising the exceptional quality of the night sky experienced across Rēkohu / Wharekauri.

The proposal provides an opportunity to protect and promote the Chatham Islands' naturally dark skies while supporting environmental, cultural, educational and tourism outcomes for the community.

Recommendations

That Council:

1. **Receives the report titled "Dark Sky Proposal".**
2. **Supports, in principle, the development of a proposal to seek appropriate Dark Sky recognition for the Chatham Islands.**

Background

The Chatham Islands has exceptionally low levels of artificial light pollution and offers an outstanding natural night-sky environment.

Dark skies are an increasingly valued environmental and tourism asset. Formal recognition could provide an opportunity for the Chatham Islands to promote its night sky as part of its unique natural environment and visitor experience.

A Dark Sky proposal could also support wider objectives relating to environmental protection, sustainable tourism, science and education, and the protection of the night-time environment for residents, wildlife and manu.

It is proposed that Council support the development of a more detailed Dark Sky proposal, including consideration of the appropriate accreditation or recognition pathway, consultation with the community and relevant stakeholders, potential costs, lighting considerations, and opportunities for external funding or partnership support.

Mr Hamish Chisholm will attend the meeting to speak to the Dark Sky proposal.

Lighting Regulation Requirements to become a Dark Sky Reserve

The Lighting Regulations must contain at least the following minimum provisions and must apply to all public and private landowners within the area of protection:

- 1) The use of outdoor light at night is only allowed when it is strictly needed, where it is needed, and in the appropriate amount for a specific task. The purpose of outdoor light that is allowed under the policy should be specifically to ensure public safety.
- 2) All outdoor lighting fixtures >500 initial lamp lumens must be fully shielded and make appropriate use of timers and motion sensors. Lighting of ≤500 initial lamp lumens may be left unshielded for special purposes, such as historical preservation.
- 3) Lighting must be chosen to minimize the amount of short-wavelength light emitted into the nighttime environment. The lighting regulations must restrict lighting in this respect to ensure the correlated colour temperature (CCT) of lamps does not exceed 3000 kelvins.
- 4) Visitor activities with respect to the introduction of unnecessary artificial light at night into **the core** environment must be regulated. This must include reasonable limits on the lighting of camping equipment and recreational vehicles, as well as a general prohibition of inappropriate "light painting," the use of searchlights, and similar activities. Note that this requirement is in no way intended to compromise visitor safety; lighting required in emergency situations may be exempted from compliance.
- 5) Illuminated signs must be regulated as follows:
 - A) Sign illumination is permitted only while the associated activity is taking place. For businesses within the Reserve, sign illumination must be extinguished completely during the hours the business is closed; and
 - B) Displays must be single-color on a black background; and
 - C) Luminance of the sign as a whole after sunset must not exceed 100 nits (100 candelas per square meter); and
 - D) The luminous/illuminated surface area of an individual sign must not exceed 18.6 square meters (200 square feet).
- 6) All lighting controlled by motion-activated sensors and which limit the duration of illumination to less than five minutes after activation is exempt from these regulations.
- 7) There must be a policy governing the installation of temporary lighting in **the core** requiring that any such installation will adhere to the regulations to the greatest possible extent and whose duration will be limited to the shortest possible time.

Chatham Islands Dark Sky Message

The Chatham Islands are a land apart for people, plants and birds, with unique wildlife and ecosystems found nowhere else on Earth. Our remote community's identity, wellbeing and way of life are deeply intertwined with the natural environment that surrounds us.

Yet, like many special places around the world, the beauty and balance of our natural night environment are increasingly being threatened by artificial light pollution. This affects not just how we see the stars — it affects our health, the health of wildlife, our energy use, and the legacy we leave for future generations. With the Chatham Islands seeking international certification for some locations as “Dark Sky Places” you might ask the question ‘Why do we need to protect our night sky from **Artificial Light At Night (ALAN)?**’ Well, this is why it matters...

Why a Dark Sky Matters for the Chathams

1. Protecting Seabirds – Guardians of the Chathams Ecosystem

The Chatham Islands are one of the world's great seabird strongholds. 28 different seabird species breed here, making the islands one of the most diverse seabird assemblages on the planet. For thousands of years, seabirds were the engine of the Chathams ecosystem, connecting the ocean and the land as one integrated system. By foraging at sea and returning to land, seabirds transported rich marine nutrients onto the islands, depositing them in soils that became fertile and highly productive. This nutrient flow shaped the forests, plants and invertebrates of the Chathams and underpinned the health of the entire ecosystem.

Seabirds are, however, particularly vulnerable to **Artificial Light At Night (ALAN)**. Many species are strongly attracted to light and will instinctively fly towards it, often resulting in collisions, grounding, injury or death. Even low levels of poorly designed lighting can pose a serious risk during breeding, fledging and nocturnal movements. We can mitigate these risks quite easily, simply by implementing the **5 Responsible Lighting Principles** outlined below. Importantly, this can be achieved with no tangible inconvenience to our lives or livelihoods.

2. Reducing Energy Use and Costs – Supporting a Sustainable Future

The isolation of the Chatham Islands brings both challenges and advantages. Logistical constraints and transport costs make almost everything more expensive, contributing to a cost of living on average 40% higher than mainland New Zealand. Energy costs are particularly disproportionate — three times the average mainland prices and twice that of other rural communities in New Zealand. By adopting the **5 Responsible Lighting Principles** outlined below, we can significantly reduce our energy use and lower our monthly energy bills. This also strengthens our energy resilience, decreases our carbon footprint, and supports a more sustainable future for both the environment and our community. Thoughtful lighting allows us to protect our unique landscapes and ecosystems while ensuring that our energy resources are used wisely.

3. Better Human Health and Wellbeing

Humans evolved with natural light and darkness. Excessive or poorly designed night lighting can disrupt sleep and circadian rhythms and has been scientifically proven to impact negatively on both mental and physical aspects of human health, impacting overall health and quality of life. An improved understanding and implementation of the **5 Responsible Lighting Principles** outlined below supports natural circadian rhythms, promoting better sleep patterns and overall improved health. As the world around us keeps continuing to speed up, we can protect restful nights for families across our islands both now and into the future by embracing these simple principles.

4. Experiencing the Natural Night Sky

However, our isolation has also resulted in the preservation of the quality of our night sky and in turn helped create the unique circumstances outlined above that drive our deeply proud sense of identity and connection with this place. With minimal light pollution, the Chatham Islands offer stargazing experiences that few places on Earth can match. A dark night sky connects us with the universe, inspires wonder and reflection, and deepens our spiritual and cultural connection with this remarkable place. With no apparent light domes visible on the horizon, the extraordinary clarity of the night sky would not be overly dissimilar to that experienced by our ancestors here before artificial light was even invented.

5. A Legacy for Future Generations

It is easy to see how this pristine night sky would have played a role in shaping the beliefs and values of our ancestors to protect and preserve the natural world that are so central to our way of life. Protecting our dark skies is about preserving a core part of island life for our children and grandchildren — so that one day they too can enjoy standing under the Milky Way and being influenced by the very same starry night sky as we do now, and as many did before us. In doing so, we will also play a direct role in protecting our miheke/taonga species and preserving the ecological processes they support — for the benefit of both present and future generations of Chatham Islanders.

What We Can Do Together

To protect our dark skies and reap these benefits outlined above, we need only implement the **5 Responsible Lighting Principles** outlined below, ensuring our lights are:

1. **Useful** – light only when needed
2. **Targeted** – directed where it's needed, reducing spill
3. **Low Level** – no brighter than necessary
4. **Controlled** – timed or motion-activated to reduce waste
5. **Warm Coloured** – minimise blue light for ecological sensitivity

By acting together and valuing both our natural night skies and our ecological restoration work, we enrich the wellbeing of people, wildlife and the long-term sustainability of the Chatham Islands. Let's protect the night as a treasured part of our islands' heritage — for now and for generations to come.

10. Policies & Bylaws

10.1 Staff Code of Conduct – Review and Endorsement

Date of meeting	27 August 2026
Agenda item number	10.1
Author	Mereraina Hemara, Operations Manager

Purpose

The purpose of this report is to present the revised Staff Code of Conduct for the Council's endorsement and to seek authorisation for the Chief Executive to implement the Code throughout the organisation.

The revised Code replaces the existing Staff Code of Conduct adopted in 2020 and has been updated to reflect current legislation, recognised New Zealand local government good practice, and contemporary expectations of ethical conduct and professional behaviour.

Recommendation

That the Chatham Islands Council:

- 1. Receives the report titled "Staff Code of Conduct – Review and Endorsement".**
- 2. Notes that the Staff Code of Conduct has been comprehensively reviewed and updated to reflect current legislative requirements, recognised good practice, and the Council's organisational values.**
- 3. Endorses the Chatham Islands Council Staff Code of Conduct 2026 (Attachment 1).**
- 4. Confirms that responsibility for the management of Council employees, including the implementation and administration of the Staff Code of Conduct, rests with the Chief Executive in accordance with section 42 of the Local Government Act 2002.**
- 5. Authorises the Chief Executive to:**
 - **implement the Staff Code of Conduct 2026;**
 - **revoke the Staff Code of Conduct 2020 with effect from the implementation date;**
 - **make any minor administrative, formatting or legislative reference updates provided those amendments do not materially alter the intent or policy position endorsed by Council; and**
 - **ensure all employees acknowledge they have read and understood the Staff Code of Conduct.**

Executive Summary

The Staff Code of Conduct establishes the standards of behaviour expected of all Council employees while undertaking their duties on behalf of the Chatham Islands Council.

Since the current Code was adopted in 2020, there have been changes to legislation and evolving expectations regarding workplace behaviour, governance, ethical conduct, health and safety, information management, cyber security and public sector accountability.

The revised Code has been updated to:

- reflect current legislative requirements;
- strengthen expectations regarding integrity, professionalism and respectful behaviour;
- improve guidance on conflicts of interest, gifts and hospitality;
- include expectations relating to cyber security and social media;
- clarify reporting obligations for misconduct and protected disclosures;
- align with recognised New Zealand local government practice; and
- provide clearer responsibilities for employees, managers and the Chief Executive.

The revised Code provides a contemporary framework that supports a positive organisational culture and reinforces public confidence in the Council.

While responsibility for the management of Council employees rests with the Chief Executive under section 42 of the Local Government Act 2002, the Staff Code of Conduct establishes organisational expectations that support the Council's governance role, organisational values and commitment to ethical conduct.

Council endorsement demonstrates its commitment to these principles while implementation and administration remain the responsibility of the Chief Executive.

Background

The Council adopted its current Staff Code of Conduct in 2020.

A review was undertaken to ensure the Code remains current and continues to support:

- ethical decision-making;
- good governance;
- legislative compliance;
- a respectful and safe workplace; and
- consistent behavioural expectations across the organisation.

The review identified opportunities to modernise the document by improving clarity, incorporating legislative updates and aligning the Code with current best practice across New Zealand local government.

The revised document has been restructured and expanded to provide clearer guidance for employees while maintaining practical and accessible language.

Discussion

While the Staff Code of Conduct establishes behavioural expectations for Council employees, responsibility for managing employees rests with the Chief Executive under section 42 of the Local Government Act 2002.

Accordingly, it is appropriate that the Council endorse the revised Code as a governance document that supports the Council's values and expectations, while delegating responsibility for its implementation, administration and ongoing management to the Chief Executive.

This approach reflects the distinction between the Council's governance role and the Chief Executive's statutory responsibility for the management of the organisation and its employees.

Governance Implications

The revised Staff Code of Conduct supports the Council's governance role by promoting high standards of integrity, accountability and public confidence while recognising the statutory separation between governance and management established under the Local Government Act 2002.

Policy Implications

The Staff Code of Conduct forms part of the Council's internal governance framework and complements existing employment, health and safety, information management and organisational policies. It replaces the Staff Code of Conduct adopted in 2020.

Financial Implications

There are no significant financial implications arising from adoption of the revised Code. Implementation will be undertaken using existing organisational resources.

Strategic Alignment

Endorsement of the revised Staff Code of Conduct supports the Council's governance role by promoting integrity, accountability and public confidence, while implementation by the Chief Executive supports effective organisational management and legislative compliance.

Risk Assessment

A clear and contemporary Staff Code of Conduct is an important component of the Council's governance framework and organisational risk management.

Endorsement of the revised Code supports the Council's commitment to good governance by establishing clear expectations for ethical conduct, professionalism and accountability across the organisation. Implementation by the Chief Executive will assist in mitigating organisational risks by:

- promoting consistent standards of behaviour;
- supporting ethical decision-making and organisational integrity;
- strengthening awareness and management of conflicts of interest;
- reinforcing health, safety and wellbeing responsibilities;
- supporting compliance with applicable legislation and Council policies;
- reducing the risk of fraud, corruption and misuse of Council resources;
- promoting appropriate management of confidential and official information;
- and
- maintaining public confidence in the Council and its employees.

Failure to maintain a current Staff Code of Conduct may increase legal, operational, reputational and employment-related risks through unclear behavioural expectations or inconsistent application of organisational standards.

Overall, the revised Staff Code of Conduct is considered to reduce organisational risk by providing a contemporary framework for employee conduct and supporting the Chief Executive in meeting their statutory responsibilities for the management of Council employees.

Consultation

The revised Code has been prepared following a review of the existing Staff Code of Conduct, current legislation, recognised New Zealand local government good practice and contemporary workplace expectations.

Implementation

Subject to the Council's endorsement, the Chief Executive will:

- revoke the Staff Code of Conduct 2020;
- implement the Staff Code of Conduct 2026;
- communicate the Code to all employees;
- require all employees to acknowledge they have read and understood the Code;
- incorporate the Code into employee induction and onboarding processes;
- ensure managers discuss the Code with their teams; and
- review the Code periodically to ensure it remains current and consistent with legislative and organisational requirements.

Options

Option 1 – Adopt the revised Staff Code of Conduct (Recommended)

This option provides Council with a modern, comprehensive and legislatively current Code that supports good governance and organisational integrity.

Advantages

- Aligns with current legislation and good practice.
- Improves clarity for employees.
- Strengthens accountability.
- Supports consistent behavioural standards.
- Reduces organisational risk.

Disadvantages

- Requires implementation and staff awareness activities.

Option 2 – Retain the existing 2020 Code

This option would retain the current Code without amendment.

Advantages

- No implementation required.

Disadvantages

- Does not reflect current legislative developments or contemporary good practice.
- May create uncertainty regarding expected standards of behaviour.
- Does not address emerging issues such as cyber security and modern social media use.

Significance and Engagement

This matter has been assessed in accordance with the Council's Significance and Engagement Policy.

The adoption of an internal Staff Code of Conduct is an operational governance matter and does not require public consultation under the Local Government Act 2002.

Legal Considerations

While there is no statutory requirement for councils to maintain a Staff Code of Conduct, doing so supports compliance with a range of legislative obligations, including the Employment Relations Act 2000, Health and Safety at Work Act 2015, Privacy Act 2020, Protected Disclosures (Protection of Whistleblowers) Act 2022, Public Records Act 2005, and the Local Government Official Information and Meetings Act 1987.

Responsibility for the management of Council employees rests with the Chief Executive under section 42 of the Local Government Act 2002.

Organisational Impact

Implementation will involve:

- communication to all employees;
- updating induction material;
- obtaining employee acknowledgements;
- reviewing related organisational policies; and
- ongoing education where appropriate.

No additional staffing resources are required.

Delegation

The Council has authority to endorse the Staff Code of Conduct.

Responsibility for implementation, administration and employee compliance is delegated to the Chief Executive.

Conclusion

The revised Staff Code of Conduct provides a modern and comprehensive framework for ethical behaviour and professional standards across the organisation.

Endorsing the Code demonstrates the Council's commitment to integrity, accountability and good governance while recognising the Chief Executive's statutory responsibility for the management of Council employees. Authorising the Chief Executive to implement and administer the Code ensures the governance and management responsibilities established by the Local Government Act 2002 are maintained.

The Chief Executive will review the Staff Code of Conduct at least every three years, or sooner if legislative or organisational changes require.

Attachments

1. Draft Chatham Islands Council Staff Code of Conduct 2026.



Chatham Islands Council

Staff Code of Conduct

Purpose

The Chatham Islands Council is committed to maintaining the highest standards of integrity, professionalism and ethical behaviour in serving the people of the Chatham Islands.

This Code of Conduct establishes the standards of behaviour expected of all Council employees. It supports a workplace that is respectful, inclusive, safe and accountable while ensuring the Council maintains the confidence and trust of the community.

Every employee is responsible for understanding and complying with this Code.

Scope

This Code applies to:

- Permanent employees
- Fixed-term employees
- Casual employees
- Contractors and consultants where required by contract
- Volunteers acting on behalf of the Council
- Temporary staff

This Code should be read alongside:

- Employment Agreements
- Council Policies
- Council Procedures
- Applicable legislation

Our Values

Every employee will demonstrate the following values.

Integrity

We act honestly, ethically and transparently.

Respect

We treat everyone with dignity, fairness and courtesy.

Accountability

We take responsibility for our decisions and actions.

Service

We place our community at the centre of everything we do.

Collaboration

We work together to achieve the best outcomes.

Stewardship

We responsibly manage the Council's resources and protect the unique environment of the Chatham Islands for future generations.

Expected Standards of Behaviour

Employees are expected to:

- Act lawfully and ethically.
- Be honest and trustworthy.
- Treat everyone with respect.
- Carry out duties professionally.
- Follow lawful and reasonable instructions.
- Maintain confidentiality.
- Work cooperatively with colleagues.
- Deliver quality customer service.
- Accept responsibility for decisions and actions.
- Support a positive workplace culture.

Employees must not engage in conduct that could damage the reputation of the Council.

Integrity and Ethical Conduct

Employees must:

- Act in the public interest.
- Make decisions fairly and impartially.
- Avoid favouritism.
- Never misuse their position.
- Never use Council information for personal benefit.
- Declare any situation that could create an actual, perceived or potential conflict of interest.

Employees should always consider:

"Would a reasonable member of the public believe my actions are fair and impartial?"

Relationships with Elected Members

Employees and elected members have different but complementary roles.

Employees will:

- Provide professional, objective and impartial advice.
- Implement lawful Council decisions.
- Respect the governance role of elected members.
- Avoid becoming involved in political matters.

Employees must not:

- Undermine Council decisions.
- Show political bias while performing their duties.
- Provide confidential information without authority.

Respectful Workplace

The Council is committed to providing a workplace free from:

- Bullying
- Harassment
- Sexual harassment
- Discrimination
- Victimisation
- Intimidation

Employees must:

- Treat others courteously.
- Value diversity.
- Respect cultural differences.
- Support an inclusive workplace.

Unacceptable behaviour will not be tolerated.

Health, Safety and Wellbeing

Every employee has responsibilities under the Health and Safety at Work Act 2015.

Employees must:

- Take reasonable care of their own health and safety.
- Take reasonable care that their actions do not adversely affect others.
- Follow Council safety procedures.
- Wear required PPE.
- Report hazards.
- Report incidents and near misses.
- Participate in health and safety initiatives.

No work is so urgent that it cannot be performed safely.

Conflicts of Interest

Employees must disclose:

- Financial interests
- Family interests
- Business interests
- Outside employment
- Relationships that could influence decision-making

Where a conflict exists, employees must not participate in related decisions unless authorised.

The Chief Executive may require a conflict management plan.

Gifts, Benefits and Hospitality

Employees must not solicit gifts or benefits.

Employees must decline any gift that could:

- Influence a decision
- Create an obligation
- Create the appearance of favouritism

Modest tokens of appreciation may be accepted where permitted under Council policy.

Significant gifts or hospitality must be declared and recorded.

Fraud, Corruption and Improper Conduct

The Council has zero tolerance for:

- Fraud
- Theft
- Corruption
- Bribery
- Misuse of Council funds
- Falsification of records

Employees must immediately report suspected wrongdoing.

Reports will be managed confidentially and in accordance with Council procedures.

Confidentiality and Privacy

Employees must protect confidential information obtained through their employment.

Information must only be accessed where required for legitimate Council business.

Employees must not:

- Share confidential information without authority.
- Discuss confidential matters in public places.
- Use confidential information for personal advantage.

Confidentiality obligations continue after employment ends.

Official Information and Records

Employees must:

- Create accurate Council records.
- Maintain records appropriately.
- Comply with the Public Records Act 2005.
- Assist with requests made under the Local Government Official Information and Meetings Act 1987 (LGOIMA).

Employees must never deliberately destroy, conceal or alter official records without authority.

Use of Council Property

Council assets include:

- Buildings
- Vehicles
- Equipment
- Computers
- Mobile phones
- Machinery
- Information
- Intellectual property

Employees must:

- Protect Council assets.
- Use them responsibly.
- Report damage or loss.
- Avoid unauthorised personal use.

Information Technology and Cyber Security

Employees will:

- Use Council systems responsibly.
- Protect passwords.
- Maintain cyber security awareness.
- Report suspicious emails or cyber incidents.
- Comply with Council ICT policies.

Employees must not install unauthorised software or use Council systems for unlawful purposes.

Social Media and Public Communication

Employees may express personal opinions in their private capacity but must not imply they are speaking on behalf of the Council unless authorised.

Employees must not:

- Release confidential information.
- Publish offensive or discriminatory content.
- Damage the reputation of the Council.
- Engage in online behaviour inconsistent with this Code.

Official Council communications may only be made by authorised staff.

Customer Service

Employees will:

- Be courteous.
- Be professional.
- Be responsive.
- Be impartial.
- Seek practical solutions.
- Treat everyone consistently and fairly.

The Council recognises that every interaction shapes public confidence.

Political Neutrality

Employees must remain politically neutral while undertaking Council duties.

Employees must not:

- Use Council resources for political purposes.
- Allow personal political views to influence Council decisions.
- Represent political opinions as those of the Council.

Nothing in this Code prevents employees from participating in the democratic process in their private capacity.

Protected Disclosures

Employees are encouraged to report serious wrongdoing.

The Council will:

- Protect employees making disclosures in good faith.
- Maintain confidentiality wherever possible.
- Investigate concerns appropriately.

Retaliation against a person making a protected disclosure will not be tolerated.

Reporting Concerns

Employees who become aware of misconduct should report concerns to:

- The Operations Manager
- The Chief Executive

Concerns will be managed fairly, confidentially and promptly.

Breaches of this Code

Failure to comply with this Code may result in:

- Informal guidance
- Coaching
- Performance management
- Formal disciplinary action
- Referral to external agencies where appropriate

Any action will be undertaken in accordance with:

- Employment Relations Act 2000
- Employment Agreement
- Council Policies
- Principles of natural justice

Legislative Framework

This Code should be read in conjunction with, but is not limited to:

- Local Government Act 2002
- Local Government Official Information and Meetings Act 1987
- Employment Relations Act 2000

- Health and Safety at Work Act 2015
- Privacy Act 2020
- Protected Disclosures (Protection of Whistleblowers) Act 2022
- Public Records Act 2005
- Human Rights Act 1993

Employees are expected to comply with all applicable legislation and Council policies.

Responsibilities

Employees

Employees are responsible for:

- Understanding this Code.
- Seeking advice where uncertain.
- Reporting misconduct.
- Acting ethically.
- Maintaining professional standards.

Managers

Managers are responsible for:

- Leading by example.
- Promoting ethical behaviour.
- Addressing inappropriate conduct promptly.
- Supporting employees to comply with this Code.
- Ensuring concerns are managed fairly.

Chief Executive

The Chief Executive is responsible for:

- Ensuring the Code is implemented.
- Reviewing the Code.
- Promoting an ethical organisational culture.
- Ensuring appropriate investigation of reported misconduct.

Review

This Code will be reviewed every three years or earlier if legislative or organisational changes require.

This Code of Conduct replaces the Chatham Islands Council Staff Code of Conduct adopted in 2020. From the effective date of this document, all previous versions of the Staff Code of Conduct are revoked and no longer apply.

Version	Description	Approved
1.0	Original Staff Code of Conduct	14 October 2020
2.0	Comprehensive review. Replaces the 2020 Staff Code of Conduct in its entirety.	27 August 2026

Employee Acknowledgement

I acknowledge that I have received and read the Chatham Islands Council Staff Code of Conduct.

I understand my responsibilities and agree to comply with the standards contained within this Code.

Employee Name: _____

Position: _____

Signature: _____

Date: _____

Operations Manager: _____

Signature: _____

Date: _____

10. Policies & Bylaws

10.2 Adoption of the Draft Councillor and Staff Interaction Policy 2026

Date of meeting	13 August 2026
Agenda item number	10.2
Author	Mereraina Hemara, Operations Manager

Purpose

The purpose of this report is to present the Draft Chatham Islands Council Councillor and Staff Interaction Policy 2026 for Council adoption.

The policy provides clear guidance on the expected standards of interaction between elected members and Council staff, supporting effective governance, respectful relationships, and the appropriate separation between governance and management functions.

Recommendation

That the Chatham Islands Council:

1. **Receives the report titled “Adoption of the Draft CIC Councillor and Staff Interaction Policy 2026.”**
2. **Adopts the Chatham Islands Council Councillor and Staff Interaction Policy 2026 (Attachment 1).**
3. **Revokes any previous policies or guidance relating to Councillor and staff interactions, effective from the implementation date of the new policy.**
4. **Confirms that the policy supports the governance framework of Council and the statutory responsibilities of the Chief Executive under section 42 of the Local Government Act 2002.**
5. **Authorises the Chief Executive to:**
 - **implement the Councillor and Staff Interaction Policy 2026;**
 - **make minor editorial or formatting changes that do not materially alter the intent of the policy; and**
 - **ensure elected members and staff are appropriately briefed on the policy requirements.**

Executive Summary

The Councillor and Staff Interaction Policy establishes clear expectations for how elected members and Council employees interact in the course of their respective roles.

The policy is designed to support:

- effective governance and decision-making;
- clear communication channels between elected members and staff;
- respect for the distinct roles of governance and management;
- avoidance of inappropriate direction or influence over staff; and
- a professional and respectful working environment.
- The policy reflects recognised good practice in New Zealand local government and reinforces the statutory responsibilities of the Chief Executive for the employment and management of Council staff.

Background

There is currently no standalone, consolidated policy specifically governing Councillor and staff interactions, or existing guidance requires updating to reflect current expectations.

Recent good practice guidance across New Zealand local government highlights the importance of clear protocols to ensure:

- elected members do not direct staff outside formal governance processes;
- staff provide advice through appropriate reporting lines; and
- interactions remain professional, transparent and consistent.
- The proposed policy consolidates expectations into a single document to provide clarity and reduce the risk of misunderstandings or inconsistent practice.

Discussion

The Councillor and Staff Interaction Policy sets out expectations regarding:

- roles and responsibilities of elected members and staff;
- appropriate channels of communication;
- requests for information and advice;
- participation in meetings and workshops;
- avoidance of operational direction to staff;
- respect for staff independence and professional obligations;

- confidentiality and sensitive information handling;
- conduct during formal and informal interactions; and
- resolution of concerns or disputes.

The policy reinforces the governance–management distinction established under the Local Government Act 2002, whereby:

- elected members are responsible for governance, strategy and decision-making; and
- the Chief Executive is responsible for the employment, management and leadership of staff.

Clear guidance in this area supports a constructive working relationship and reduces the risk of role confusion or undue influence.

Legislative Considerations

The policy has been developed having regard to the following legislation:

- Local Government Act 2002 (particularly section 42 – role of the Chief Executive)
- Employment Relations Act 2000
- Health and Safety at Work Act 2015
- Privacy Act 2020
- Local Government Official Information and Meetings Act 1987
- Protected Disclosures (Protection of Whistleblowers) Act 2022

The policy is consistent with statutory requirements and supports appropriate governance and employment practices.

Governance Implications

The policy strengthens Council governance by:

- clarifying the separation between governance and management;
- supporting elected members in their governance role;
- reducing the risk of inappropriate direction to staff;
- improving decision-making processes; and
- reinforcing accountability and transparency.

Organisational Impact

Implementation of the policy will include:

- briefing elected members and staff;
- updating induction materials for both staff and Councillors;
- incorporating the policy into governance training;
- reinforcing communication protocols; and
- ongoing support from the Chief Executive and leadership team.

No additional staffing or budget implications are anticipated.

Risk Assessment

Adoption of the policy reduces organisational risk by:

- clarifying expectations for Councillor and staff interactions;
- reducing the risk of role confusion;
- minimising the likelihood of inappropriate influence over staff;
- supporting compliance with employment and governance legislation; and
- strengthening organisational culture and professionalism.

Failure to provide clear guidance in this area may result in governance tensions, inconsistent practice, or reputational risk.

Options

Option 1 – Adopt the Policy (Recommended)

Adoption of the Councillor and Staff Interaction Policy 2026 provides clear guidance and strengthens governance practice.

Advantages:

- Clarifies roles and responsibilities
- Supports governance best practice
- Reduces operational and reputational risk
- Provides consistency across Council

Disadvantages:

- Requires initial communication and training

Option 2 – Do Not Adopt the Policy

Maintain current informal or existing guidance.

Advantages:

- No immediate implementation required

Disadvantages:

- Continued lack of clarity
- Increased risk of role confusion
- Inconsistent practice across Council

Consultation

The policy has been developed internally in consideration of current New Zealand local government governance practice and legislative requirements.

Following adoption, the policy will be communicated to all elected members and staff.

Implementation

If adopted, the Chief Executive will:

- implement the policy across the organisation;
- revoke any superseded guidance;
- ensure briefing sessions are provided to Councillors and staff;
- incorporate the policy into induction and governance training; and
- monitor compliance and application.

Conclusion

The Draft CIC Councillor and Staff Interaction Policy 2026 provides clear and practical guidance to support effective governance and professional working relationships within the Council.

Adoption of the policy will strengthen the distinction between governance and management roles, support legislative compliance, and promote a respectful and effective organisational culture.

Attachments

1. Draft Chatham Islands Council Councillor and Staff Interaction Policy 2026



Councillor and Staff Interaction Policy

1. INTRODUCTION

- a) The purpose of this policy is to outline the expectations on Chatham Islands Council (CIC) councillors and staff regarding how they interact with each other in the performance of their duties. It complements the Chatham Islands Council Code of Conduct (for both councillors and staff) and supports compliance with the *Local Government Act 2002* ('the Act').
- b) Compliance with this policy will assist Chatham Islands Council in being more efficient and effective, promoting high standards of governance and transparency.

2. GUIDING PRINCIPLES

- a) This policy supports compliance with the relevant provisions of the Act, such as:
 - The importance of maintaining open and transparent decision making and governance arrangements
 - the expected nature of the relationship between councillors and staff is effective and understood
 - the respective roles and responsibilities of councillors, the Chief Executive and staff.
- b) A key role of staff is to provide councillors with comprehensive advice to enable informed and competent decision-making. Therefore, a high level of cooperation and mutual respect between councillors and staff is essential for the council's effective performance.
- c) This policy recognises the responsibilities of CIC in ensuring that it meets the responsibilities of the relevant legislation to protect people from risks to their health and safety including harassment, bullying, violence and discrimination.
- d) Both staff and councillors are to approach their relationship with each other with professionalism and respect, and the appropriate level of confidentiality guided by the *Privacy Act 2020*, and the relevant Code of Conduct.

3. POLICY

Councillor Obligations

- a) To ensure such cooperation and trust is maintained, councillors are expected to:
 - Recognise the Chief Executive's role as the employer of council staff.
 - Be aware of the obligations Chatham Islands Council and its Chief Executive have as the employer and always observe those requirements.
 - Be mindful to keep individual requests to a minimum and recognise that the focus of the organisation must be on delivery of services to the community.
 - Treat all staff with courtesy and respect.
 - Observe any boundaries the Chief Executive puts in place regarding contact with staff, including those in this document.
 - Not do anything which compromises, or could be seen as compromising, a staff member's impartiality.
 - Avoid publicly criticising a staff member, especially in ways that reflect on the staff member's competence and integrity.
 - Raise concerns about the Chief Executive only with the mayor or the relevant committee.
 - Maintain confidentiality in the management of information received in the course of their duties, not disclosing without proper authority, regardless of whether they are still serving.
 - Access information only where it is necessary for them to perform their official duties (i.e., "need to know", not "want to know").

- b) Councillors must be aware that failure to observe the policy statements in this document compromises Chatham Islands Council 's obligations to act as a good employer, resulting in Chatham Islands Council being exposed to risk, such as civil litigation.
- c) The expectations of the behaviour of councillors are further set out in the councillor's Code of Conduct. Councillors must also adhere to the adopted Standing Orders by the Council.

Staff Obligations

- d) To ensure such cooperation and trust is maintained, staff are expected to:
 - Remain impartial in their dealings with councillors, including not sharing or leaking confidential information that could be seen as favouring one councillor over another.
 - Avoid expressing personal opinions on council decisions or policy in a way that undermines council integrity or trust.
 - Act in a professional way and treat all councillors with courtesy and respect and not engage in personal attacks on councillors.
 - Familiarise themselves with the Chatham Islands Council Employee Code of Conduct, employment agreement and other relevant Chatham Islands Council policies and procedures, and interact with councillors in a way that is consistent with these documents.
 - Provide elected members with accurate, honest, and timely information to support decision-making within legal and policy boundaries.
 - Not disclose confidential or "in-development" advice casually or socially with councillors.
 - Only share confidential information with councillors when authorised and to the extent necessary to support governance decisions, if required. Confidentiality obligations continue after the staff member leaves the Council.
 - Confidential documents must not be shared via unapproved channels (e.g. personal email, personal devices, USB drives).
 - First discuss with their manager if unsure whether information can be shared, who should then discuss with the Chief Executive if unsure.

Interaction Pathways

- e) The Mayor and Councillors only employ the Chief Executive, who is in turn responsible for the management of the organisation. The Chief Executive employs all Council staff. Councillors' primary point of communication is via the Office of the Chief Executive, with the exception being instances outlined in this policy.
- f) The mayor can go directly to Chatham Islands Council 's Communications Team in respect to media statements, requests and responses. All decisions stemming from this will be communicated to the Chief Executive or the relevant manager prior to any actions.
- g) Councillors seeking information or wishing to make comment on a specific organisational matter should do so either via the Chief Executive.
- h) Contact between councillors and staff responsible for work across Chatham Islands Council is to be established via the Operations manager, who should be copied in or otherwise formally advised of all communication between staff and councillors related to work issues.
- i) If a councillor has any concerns about the work or conduct of any staff members, this needs to be raised directly with the Chief Executive, as the employer, in the first instance.
- j) Outside of a formal Council meeting, councillors are not permitted to request staff to undertake any specific work or direct them to act other than with prior agreement with the Chief Executive.
- k) Contact between councillors and staff outside of this policy should not occur for work-related issues, such as complaints or other questions or concerns about work or conduct. Essentially

this means that the primary contact for all work-related queries and issues is the Operations manager or the Chief Executive. The exception is general interpersonal contact, which is inevitable in a small town, but should still be engaged with professionalism.

- l) Where a councillor, the mayor, or a staff member has concerns regarding communications, the matter will be referred to the Chief Executive who is responsible for the management of such interactions. This can be done by speaking with or in writing to the Chief Executive. Significant or on-going issues may be raised with the Chief Executive through the Chief Executive Review Committee.
- m) If staff inform their manager of contact by councillors outside of the boundaries established by this policy, that manager should immediately inform the Chief Executive who will manage the situation.
- n) If any staff member feels uneasy around any interaction with councillors, they will raise this with their manager and have the right to refuse any request until confirmed by the relevant manager.

4. DEFINITIONS

Councillor: a member of the governing body of the territorial authority elected under the *Local Electoral Act 2001*, including the mayor

Council: the collective governing body made up of the councillors and the mayor

Chatham Islands Council: is the total organisation, including councillors and staff

Mayor: means the mayor of Chatham Islands Council elected under the *Local Electoral Act 2001*

Staff/Staff member: paid employees or volunteers working for the Chatham Islands Council

5. LEGISLATION AND OTHER REFERENCES

For further information related to this policy see:

- *Local Government Act 2002*
- *Local Government Official Information and Meetings Act 1987 (LGOIMA)*
- *Privacy Act 2020*
- <https://www.privacy.org.nz/privacy-principles/> The *Privacy Act 2020* has 13 privacy principles that govern how agencies (organisations and businesses) can collect, store, use and share personal information. All New Zealanders regardless of age or circumstance have privacy rights. This link from the Office of the Privacy Commissioner outlines these principles.

Name of Policy:	Councillor and Staff Interaction Policy
Purpose of Policy:	To provide guidance to Chatham Island Council councillors and staff on how to interact with each other in the performance of their duties
Policy Applies to:	All councillors and staff
Approved by:	Council
Responsible for its Updating	Operations Manager
Final Approval by:	Chief Executive
Policy First Issued	27 August 2026
Date of Next Review (three yearly)	

Appendix A: Interaction Pathways Table

Interaction Type	Appropriate Response
Councillor has a concern or issue regarding the work or conduct of any staff member.	Contact the Chief Executive
Mayor has a media-related request	May contact the Communications Team directly
Councillor has a question for a specific Department	May contact the Operations manager directly
Councillor wants staff to engage in a project or a task	Contact the Chief Executive, unless there is agreement in a formal Council meeting.
Councillor contacts non-managerial staff in relation to ongoing work, after initial contact was established by Operations manager.	Must cc the Operations manager into all correspondence.
Councillor, the mayor, or a staff member has concerns regarding communications	Contact the Chief Executive
Councillor has concerns about the Chief Executive	Contact the mayor or raise at the relevant committee

10. Policies & Bylaws

10.3 Adoption of the Draft CIC Significance & Engagement Policy 2026

Date of meeting	13 August 2026
Agenda item number	10.3
Author	Mereraina Hemara, Operations Manager

Purpose

The purpose of this report is to present the Draft Significance and Engagement Policy 2026 to Council for consideration and adoption for public consultation.

The policy has been reviewed to ensure it continues to provide a clear framework for determining the significance of Council decisions and identifying the appropriate level of community engagement required, in accordance with the requirements of the Local Government Act 2002.

Recommendation

That the Chatham Islands Council:

- 1. Receives the report titled Draft Significance and Engagement Policy 2026.**
- 2. Approves the Draft Significance and Engagement Policy 2026 for public consultation.**
- 3. Authorises the Chief Executive to make any minor editorial or formatting amendments to the Draft Significance and Engagement Policy 2026 prior to public release, provided these do not alter the intent of the policy.**
- 4. Notes that following the consultation period, any submissions received will be considered before a final policy is presented to Council for adoption.**

Background

Section 76AA of the Local Government Act 2002 requires every local authority to adopt a Significance and Engagement Policy. The policy sets out Council's approach to assessing the significance of proposals and decisions and provides guidance on the level of engagement Council will undertake with the community when making decisions.

The policy is intended to promote transparent and consistent decision-making by providing a framework for determining when consultation or engagement with the community is appropriate.

The existing policy has been reviewed to ensure it remains fit for purpose, reflects current legislative requirements and governance practices, and continues to meet the needs of the Chatham Islands community.

Discussion

The Draft Significance and Engagement Policy 2026 outlines:

- Council's principles for engaging with the community;
- the criteria used to determine the significance of proposals and decisions;
- the levels of significance and the corresponding level of engagement expected;
- Council's approach to identifying affected and interested parties; and
- the circumstances where consultation may be required under legislation or where Council considers consultation appropriate.

The draft policy has been updated to improve clarity and readability while maintaining compliance with the Local Government Act 2002. The proposed significance matrix provides a practical tool to assist Council and staff in determining the appropriate level of engagement for future decisions.

Public consultation will provide the community with an opportunity to review the draft policy and provide feedback before it is finalised.

Options

Option 1 – Approve the Draft Policy for Public Consultation (Recommended)

Council approves the Draft Significance and Engagement Policy 2026 for public consultation.

Advantages

- Meets Council's legislative obligations.
- Enables community input before the policy is adopted.
- Ensures the policy reflects community expectations and promotes transparent decision-making.

Disadvantages

- Requires staff time to facilitate consultation and consider submissions.

Option 2 – Request Further Amendments Prior to Consultation

Council may request further amendments before releasing the draft for consultation.

Advantages

- Allows Council to refine the document before seeking public feedback.

Disadvantages

- May delay consultation and adoption of the policy.

Financial Implications

The costs associated with consultation can be met within existing operational budgets.

Legal Considerations

The Significance and Engagement Policy is required under section 76AA of the Local Government Act 2002. Adoption of the policy assists Council in meeting its statutory obligations relating to decision-making and community engagement.

Strategic Alignment

The policy supports good governance by promoting open, transparent and accountable decision-making and ensuring the community has appropriate opportunities to participate in matters that affect them.

Consultation

Subject to Council approval, the Draft Significance and Engagement Policy 2026 will be released for public consultation. Following the consultation period, submissions will be analysed and any recommended amendments incorporated before the final policy is presented to Council for adoption.

Attachments

1. Draft CIC Significance and Engagement Policy 2026.



Chatham Islands Council

Significance and Engagement Policy 2026

1. Purpose

This Policy sets out how the Chatham Islands Council determines the significance of issues, proposals, and decisions, and how it engages with the community in relation to those decisions.

It ensures that:

- Community views are considered in proportion to the importance of decisions
- Engagement is meaningful, practical, and appropriate to a small, remote island community
- Decision-making is transparent, consistent, and efficient
- Resources are used effectively in planning and consultation processes

2. Legislative Context

This Policy is prepared under the Local Government Act 2002, including:

- Section 76AA (Significance and engagement policy)
- Principles of local government decision-making
- Consultation requirements for significant matters

3. Policy Principles

The Council will:

- Encourage informed participation in decision-making
- Match engagement effort to the significance of the matter
- Recognise the unique geography, isolation, and communication constraints of the Chatham Islands
- Ensure transparency and accessibility in all engagement processes
- Use clear, plain-language communication wherever possible
- Respect community values, including cultural and environmental considerations
- Recognise and respect the unique status of Moriori as the indigenous people of Rēkohu / Wharekauri, and the enduring relationship of both Moriori and Māori with the Chatham Islands through meaningful and culturally appropriate engagement.

4. Determining Significance

A matter may be considered significant if it is likely to:

- Have a substantial impact on community wellbeing
- Affect a large proportion of residents
- Involve major financial expenditure or rates implications
- Change levels of service materially
- Impact culturally significant sites, values, or taonga
- Affect ownership or control of strategic assets or infrastructure

5. Significance Assessment Matrix

The following matrix is a practical tool to assist staff and elected members in determining significance consistently.

Factor	Low Significance	Medium Significance	High Significance
Community Impact	Limited or no noticeable impact on residents	Noticeable impact on a small group or locality	Widespread impact across the Chatham Islands community
Financial Impact	Minor operational cost within existing budgets	Moderate cost requiring budget adjustment or reprioritisation	Major expenditure, borrowing, or rates impact
Service Level Change	No change or very minor adjustment	Partial change to service delivery or access	Significant reduction, expansion, or redesign of core services
Asset / Infrastructure Impact	Minor maintenance or renewal	Upgrade or replacement of non-critical assets	Disposal, acquisition, or major change to strategic assets
Cultural / Environmental Impact	Minimal or no impact	Some localized cultural or environmental considerations	Significant impact on taonga, wāhi tapu, or environment
Public Interest / Sensitivity	Low public attention expected	Moderate community interest or stakeholder concern	High public interest, controversy, or political sensitivity

Factor	Low Significance	Medium Significance	High Significance
Engagement Requirement	Inform only	Targeted consultation or feedback	Full community engagement and early consultation required
Cultural / Environmental Impact	Little or no effect on cultural or environmental values.	Some impact on sites, practices or values important to parts of the community, including Moriori or Māori.	Significant impact on Moriori or Māori cultural values, wāhi tapu, taonga, heritage, customary interests, or the natural environment.

How to Use This Matrix

- Assess each factor relevant to the proposal
- If any factor is clearly in the High Significance column, the matter is treated as significant
- If most factors sit within Medium, structured consultation is required
- If all factors are Low, the matter may be treated as operational with limited engagement

6. Engagement Approach

The Council will apply engagement methods based on significance.

6.1 Low Significance

- Information sharing only
- Website updates or newsletters
- Operational notices

6.2 Medium Significance

- Targeted consultation with affected groups
- Surveys or written feedback
- Community meetings where appropriate

6.3 High Significance

- Early engagement before options are finalised
- Public consultation processes under the Local Government Act
- Workshops, hui, and stakeholder engagement

- Multiple communication channels to maximise participation

7. Engagement Principles

All engagement will be:

- **Early** – undertaken as early as practicable
- **Clear** – using plain language and accessible formats
- **Inclusive** – enabling participation from across the community
- **Relevant** – proportionate to the issue being considered
- **Transparent** – feedback will be recorded and considered in decisions

8. Engagement with Moriori and Māori

The Chatham Islands Council recognises the unique cultural heritage and enduring relationship of Moriori and Māori with Rēkohu / Wharekauri. The Council is committed to fostering respectful, constructive and meaningful relationships with both communities.

When making decisions that may affect the cultural, environmental, social, or economic interests of Moriori or Māori, the Council will seek to engage early and in good faith with the appropriate representatives and organisations.

The Council acknowledges that:

- Moriori are the indigenous people of Rēkohu / Wharekauri and have a unique and enduring connection to the islands.
- Māori also have longstanding historical, cultural, and contemporary connections to the Chatham Islands.
- Both Moriori and Māori have important perspectives that contribute to informed decision-making and the sustainable management of the islands.

Engagement with Moriori and Māori will be proportionate to the significance of the matter and may include:

- Early discussions before options are finalised.
- Sharing information in a timely and accessible manner.
- Providing genuine opportunities to express views and contribute to decision-making.
- Recognising cultural values, mātauranga, and the importance of protecting wāhi tapu, wāhi taonga, and other sites or matters of cultural significance.
- Maintaining ongoing relationships outside formal consultation processes.

Where legislation requires consultation or engagement with iwi, hapū, or other representative organisations, the Council will meet those statutory obligations.

9. Communication Methods

The Council may use a range of communication tools including:

- Community newsletters and mail drops
- Public meetings and hui
- Council website and digital platforms
- Direct engagement with community groups and stakeholders

Non-digital communication methods remain essential due to the island's geographic isolation and variable connectivity.

10. Policy Review

This Policy will be reviewed:

- At least every three years, or
- Earlier if required due to legislative change, operational need, or community feedback

11. Adoption and Review

This Policy is adopted by resolution of the Chatham Islands Council in accordance with section 76AA of the Local Government Act 2002. The Council will review the Policy from time to time, including as part of the preparation of each Long Term Plan or when legislative or organisational changes make a review appropriate.

Consultation will be undertaken where required by the Local Government Act 2002 or where the Council determines that consultation is appropriate, having regard to the significance of the proposed amendments.

Attachment A

Chatham Islands Council

Significance and Engagement Policy 2026

Schedule of Changes

Purpose

This schedule summarises the key changes between the current Significance and Engagement Policy (adopted as part of the 2024–2034 Long Term Plan, unchanged from the 2021 version) and the proposed Significance and Engagement Policy 2026.

The proposed policy represents a comprehensive modernisation of the existing policy while remaining consistent with the requirements of the Local Government Act 2002, particularly sections 76AA and 82.

Current 2021/2024 Policy	Proposed 2026 Policy	Reason for Change
High-level policy with limited practical guidance.	Complete policy restructure with clearer objectives, principles and operational guidance.	Makes the policy easier for elected members and staff to apply consistently.
Limited explanation of significance assessment.	Introduces a structured significance assessment process supported by a Significance Matrix.	Improves transparency and consistency in decision-making.
No decision-making matrix.	Includes a practical Significance Matrix with Low, Moderate and High significance thresholds.	Provides staff and elected members with a simple tool for assessing proposals.
Consultation requirements described in general terms.	Expanded engagement framework linked to the level of significance.	Ensures engagement activities are proportionate to the importance of the decision.
Minimal guidance on selecting engagement methods.	Provides examples of appropriate engagement techniques for different levels of significance.	Supports best-practice community engagement.
Limited reference to statutory engagement principles.	Greater alignment with sections 76AA and 82 of the Local Government Act 2002.	Reflects current legislative expectations and recognised good practice.

General references to iwi and Māori.	Dedicated section recognising engagement with both Māori and Moriori as Treaty partners and tangata whenua of Rēkohu/Wharekauri.	Better reflects the unique cultural context of the Chatham Islands and Council's commitment to meaningful relationships.
Limited explanation of factors determining significance.	Expanded criteria including financial impact, strategic importance, service levels, community interest, environmental, cultural and reputational impacts.	Provides a more comprehensive framework for assessing significance.
Asset decisions referenced broadly.	Clear guidance on strategic assets and decisions affecting ownership, control or service delivery.	Improves clarity around statutory significance requirements.
No specific guidance for officers.	Clear responsibilities for Council, committees, Chief Executive and staff.	Clarifies governance and operational responsibilities.
Community engagement discussed generally.	Introduces an Engagement Planning process including identifying stakeholders, objectives, methods and reporting back.	Encourages more effective and transparent engagement.
Limited reference to documenting decisions.	Requires significance assessments to be documented for major reports and recommendations.	Creates an auditable decision-making process.
Existing terminology reflects 2021 drafting style.	Updated terminology and formatting consistent with current local government policy standards.	Improves readability and usability.

Overall Effect of the Proposed Changes

The proposed policy:

- modernises the Council's approach to significance and engagement;
- improves consistency and transparency in decision-making;
- provides practical tools for staff and elected members;
- strengthens engagement with the community, Māori and Moriori;
- supports compliance with the Local Government Act 2002; and

- reflects current good practice across New Zealand local government while remaining proportionate to the size and resources of the Chatham Islands Council.

The proposed changes do not alter the statutory purpose of the policy. Rather, they provide greater clarity regarding how Council will determine significance and undertake community engagement.

10. Policies & Bylaws

10.4 Adoption of the CIC Disciplinary Policy 2026

Date of meeting	13 August 2026
Agenda item number	10.4
Author	Mereraina Hemara, Operations Manager

Purpose

The purpose of this report is to seek Council approval to adopt the new Chatham Islands Council Disciplinary Policy 2026, replacing the existing Disciplinary Policy adopted on 21 May 2018.

Recommendation

That the Chatham Islands Council:

- 1. Receives the report titled "Adoption of the Chatham Islands Council Disciplinary Policy 2026".**
- 2. Adopts the Chatham Islands Council Disciplinary Policy 2026 (Attachment A).**
- 3. Revokes the Chatham Islands Council Disciplinary Policy 2018, effective from the date the new policy comes into force.**
- 4. Approves the Schedule of Changes (Attachment B) as a record of the amendments made to the previous policy.**
- 5. Authorises the Chief Executive to make any minor administrative, formatting or legislative reference amendments that do not alter the intent or effect of the policy.**

Executive Summary

The Council's existing Disciplinary Policy was adopted in May 2018. While it has provided an appropriate framework for managing employee conduct, employment law and accepted human resource practices have continued to evolve.

The proposed Disciplinary Policy 2026 has been comprehensively reviewed and rewritten to provide a contemporary framework that:

- reflects current New Zealand employment legislation;
- incorporates principles of procedural fairness and natural justice;
- clearly separates misconduct from performance management;
- strengthens investigation and decision-making processes;
- recognises modern workplace risks, including cyber security, privacy and electronic communications;
- supports consistency in employment decision-making; and

- aligns with the Council's updated suite of employment and governance policies.

The revised policy is intended to promote a fair, respectful and accountable workplace while ensuring disciplinary matters are managed consistently and lawfully.

Background

The Council has undertaken a progressive review of its employment and governance policies to ensure they remain current, legally compliant and reflective of good governance practice.

As part of that programme, the 2018 Disciplinary Policy has been reviewed in its entirety.

Rather than making minor amendments to the previous document, the proposed policy has been completely rewritten to improve clarity, readability and alignment with current employment law.

The revised policy introduces a clearer distinction between conduct and capability issues, strengthens employee procedural rights, and provides managers with a more structured decision-making framework.

Discussion

The proposed policy incorporates a number of significant improvements over the 2018 version.

Key enhancements include:

- adoption of contemporary employment law principles of good faith and natural justice;
- expanded guidance on investigations and evidence gathering;
- improved employee representation rights;
- clearer provisions relating to suspension during investigations;
- enhanced confidentiality and privacy obligations;
- updated examples of misconduct and serious misconduct reflecting contemporary workplace risks;
- clearer disciplinary outcomes and warning processes;
- improved record management provisions;
- separation of performance management from disciplinary action; and
- strengthened governance responsibilities and policy review requirements.

These amendments provide greater certainty for both employees and managers while reducing organisational and legal risk.

Legislative Considerations

The proposed policy has been developed with reference to:

- Employment Relations Act 2000;
- Health and Safety at Work Act 2015;
- Privacy Act 2020;
- Human Rights Act 1993;
- Protected Disclosures (Protection of Whistleblowers) Act 2022;
- Public Records Act 2005;
- applicable employment agreements; and
- relevant New Zealand employment law principles and Employment Relations Authority and Court decisions.

The policy supports the Council's obligations to act as a fair and reasonable employer.

Financial Implications

There are no direct financial implications arising from adoption of the policy.

The policy is expected to reduce organisational risk by providing clear procedures for addressing employment issues, thereby assisting in minimising potential employment disputes and associated legal costs.

Strategic Alignment

The proposed policy supports the Council's strategic objectives by:

- promoting good governance;
- supporting organisational integrity;
- fostering a respectful and safe workplace;
- strengthening accountability; and
- ensuring employment practices reflect legislative requirements and recognised good practice.

Risk Assessment

Adoption of the revised policy will reduce organisational risk by:

- improving procedural fairness;
- strengthening consistency in employment decision-making;
- reducing exposure to employment disputes;
- supporting compliance with statutory obligations; and
- providing managers with clear procedural guidance.

Failure to review the existing policy may increase the risk of inconsistent employment practices and potential legal challenge.

Consultation

As this policy relates to internal employment management, there is no statutory requirement for public consultation.

The policy will be communicated to employees following adoption and incorporated into the Council's employment policy framework.

Where applicable, implementation will include manager briefings and employee awareness.

Options

Option 1 – Adopt the Policy (Recommended)

- Adopt the Chatham Islands Council Disciplinary Policy 2026.
- Advantages
- Modern, legally robust policy.
- Consistent with current legislation and employment practice.
- Improved clarity for employees and managers.
- Reduces organisational risk.
- Disadvantages
- Minor implementation and communication requirements.

Option 2 – Retain the Existing Policy

- Continue using the 2018 policy.
- Advantages
- No implementation work required.
- Disadvantages
- Does not reflect current employment best practice.
- Increased organisational and legal risk.
- Inconsistent with the Council's updated policy framework.

Conclusion

The proposed Disciplinary Policy 2026 represents a significant improvement on the existing policy.

It provides a clear, fair and legally robust framework for managing disciplinary matters while supporting the Council's commitment to good employment practices, procedural fairness and organisational accountability.

The policy is recommended for adoption.

Attachments

1. Attachment A – Chatham Islands Council Disciplinary Policy 2026
2. Attachment B – Schedule of Changes (2018 Policy to 2026 Policy)



CHATHAM ISLANDS COUNCIL DISCIPLINARY POLICY 2026

1. Purpose

The purpose of this Policy is to provide a fair, transparent and consistent process for managing employee conduct and disciplinary matters within the Chatham Islands Council.

The Council is committed to maintaining a workplace where employees conduct themselves professionally, ethically and safely while delivering high-quality services to the community.

This Policy establishes the principles and procedures that apply where concerns arise regarding employee conduct, behaviour or breaches of Council policies, procedures or employment obligations.

The Policy aims to:

- promote high standards of conduct and accountability;
- ensure employees are treated fairly and consistently;
- comply with New Zealand employment legislation and principles of natural justice;
- protect the wellbeing and safety of employees and the public;
- support early resolution of workplace issues where appropriate; and
- provide an appropriate framework for disciplinary action where necessary.

Nothing in this Policy limits the Council's obligations under employment agreements or applicable legislation.

2. Scope

This Policy applies to all employees of the Chatham Islands Council regardless of employment status, including:

- permanent employees;
- fixed-term employees;
- part-time employees;
- casual employees; and
- any other employee engaged under an employment agreement.

This Policy does not apply to elected members, contractors or volunteers unless specifically incorporated into another Council policy or contractual arrangement.

3. Legislative Framework

This Policy has been developed having regard to:

- Employment Relations Act 2000;
- Health and Safety at Work Act 2015;
- Privacy Act 2020;
- Human Rights Act 1993;
- Protected Disclosures (Protection of Whistleblowers) Act 2022;
- Holidays Act 2003;
- applicable employment agreements; and
- relevant New Zealand employment law principles and case law.

4. Related Policies

This Policy should be read together with:

- Staff Code of Conduct;
- Bullying and Harassment Policy;
- Drug and Alcohol Policy;
- Health and Safety Policy;
- Protected Disclosures Policy;
- Information Technology and Acceptable Use Policy;
- Privacy Policy;
- Conflict of Interest Policy;
- Social Media Policy (where applicable); and
- any applicable employment agreement.

5. Guiding Principles

When administering this Policy, the Council will act consistently with the principles of:

Good Faith

The Council and employees must deal with each other honestly, openly and constructively in accordance with the Employment Relations Act 2000.

Natural Justice

Employees will:

- be informed of the concerns;
- receive all relevant information relied upon by the Council (subject to legal obligations);
- have reasonable time to consider the information;
- have a genuine opportunity to respond;
- be entitled to seek advice and representation; and
- have their response genuinely considered before any decision is made.

Procedural Fairness

Each matter will be assessed on its own facts.

No predetermined outcome will be reached before all relevant information has been considered.

Confidentiality

All disciplinary matters will be handled confidentially.

Information will only be disclosed where necessary to conduct a fair process or where required by law.

Consistency

Similar situations will generally be treated consistently while recognising that every case depends on its individual circumstances.

Proportionality

Any disciplinary outcome will be proportionate to the seriousness of the conduct, taking into account:

- the circumstances;
- previous conduct;
- length of service;
- mitigating factors;
- any previous warnings; and

- the impact on the Council.

6. Definitions

Misconduct

Misconduct means behaviour that breaches an employee's employment obligations, Council policies, lawful and reasonable instructions or expected standards of behaviour but is not sufficiently serious to justify summary dismissal.

Examples include:

- repeated lateness;
- inappropriate behaviour towards colleagues or members of the public;
- misuse of Council equipment;
- failure to follow reasonable procedures;
- minor breaches of health and safety requirements;
- inappropriate use of Council vehicles;
- unauthorised personal use of Council resources; and
- failure to comply with Council policies.

These examples are not exhaustive.

Serious Misconduct

Serious misconduct is conduct that fundamentally destroys or seriously undermines the trust and confidence necessary for the employment relationship to continue.

Examples may include:

- theft or fraud;
- assault or violence;
- serious bullying, harassment or discrimination;
- deliberate or reckless breaches of health and safety obligations;
- working while impaired by alcohol or illegal drugs;
- serious breaches of confidentiality or privacy;
- unauthorised disclosure of sensitive Council information;

- deliberate falsification of Council records;
- serious conflicts of interest;
- corruption or bribery;
- accessing or misusing Council information systems without authority;
- cyber security breaches caused intentionally or recklessly;
- serious misuse of Council funds or property;
- refusal to follow lawful and reasonable instructions;
- conduct likely to seriously damage the Council's reputation; or
- any conduct amounting to serious wrongdoing under New Zealand employment law.

Whether conduct amounts to serious misconduct will depend on the circumstances of each case.

Performance Issues

Performance concerns arise where an employee is willing to perform their duties but is unable to consistently achieve the required standard.

Performance management is distinct from disciplinary action.

Performance issues will generally be managed through the Council's Performance Management Policy unless the circumstances involve misconduct.

Decision Maker

The Decision Maker is the Chief Executive or a manager formally delegated by the Chief Executive to undertake disciplinary processes.

Where the Chief Executive is the subject of the disciplinary process, the Mayor or another person authorised by the Council will determine the appropriate process.

7. Roles and Responsibilities

Council

The Council is responsible for:

- adopting and periodically reviewing this Policy;

- ensuring appropriate governance oversight of employment practices; and
- ensuring appropriate disciplinary processes are followed where the Chief Executive is the subject of a disciplinary matter.

Chief Executive

The Chief Executive is responsible for:

- implementing this Policy;
- ensuring managers understand and apply the Policy consistently;
- ensuring disciplinary matters are dealt with promptly and fairly;
- appointing investigators where appropriate;
- delegating authority where necessary;
- maintaining confidentiality; and
- ensuring accurate employment records are maintained.

Managers and Supervisors

Managers and supervisors are expected to:

- model appropriate workplace behaviour;
- address workplace issues early where possible;
- seek advice before commencing disciplinary action;
- maintain confidentiality;
- document relevant facts and decisions; and
- support employees throughout the disciplinary process.

Employees

Employees are expected to:

- comply with all Council policies;
- comply with lawful and reasonable instructions;
- perform their duties honestly and professionally;

- report misconduct or serious misconduct where appropriate;
- participate honestly in investigations; and
- treat colleagues, elected members, contractors and members of the public with respect.

8. Informal Resolution

Where appropriate, workplace concerns should be resolved informally before commencing a formal disciplinary process.

Informal resolution may include:

- coaching;
- counselling;
- clarification of expectations;
- additional supervision;
- mediation;
- further training; or
- facilitated discussions.

Informal action will generally be appropriate where:

- the matter is minor;
- there has been no previous similar behaviour;
- the employee accepts responsibility; and
- the relationship can reasonably be restored.

Nothing in this section prevents the Council commencing a formal investigation where the circumstances warrant.

9. Commencing a Formal Process

A formal disciplinary process may commence where there are reasonable grounds to believe:

- misconduct may have occurred;
- serious misconduct may have occurred;

- repeated misconduct has occurred;
- previous informal measures have been unsuccessful;
- employee behaviour presents an unacceptable risk to people, property or the Council; or
- a formal investigation is otherwise considered necessary.

The commencement of a disciplinary process does not mean any conclusions have been reached.

10. Preliminary Assessment

Before deciding whether a formal investigation is required, the Decision Maker may undertake a preliminary assessment.

The purpose of the preliminary assessment is to determine:

- the nature of the concerns;
- whether immediate action is necessary;
- whether the matter should be managed informally;
- whether an investigation is required; and
- who should conduct the investigation.

This assessment is not intended to determine whether allegations are substantiated.

11. Investigation

Where appropriate, the Council will undertake a fair and impartial investigation.

Depending on the circumstances, the investigation may be undertaken by:

- the Chief Executive;
- an appropriately authorised manager;
- an external investigator; or
- another suitably qualified person.

The investigator should be independent of the matters being investigated wherever practicable.

The investigator's role is to establish the relevant facts.

The investigator is not responsible for determining disciplinary outcomes unless specifically authorised.

Investigation Process

An investigation may include:

- interviewing the employee;
- interviewing witnesses;
- reviewing documents;
- reviewing electronic communications;
- examining Council records;
- reviewing CCTV or other available evidence where lawful;
- obtaining expert advice where necessary; and
- collecting any other relevant information.

Employees are expected to cooperate with lawful investigations.

12. Suspension

The Council may suspend an employee on pay while an investigation is undertaken where it is considered reasonably necessary.

Suspension is not disciplinary action.

Suspension may be appropriate where:

- there are health and safety concerns;
- there is a risk evidence may be compromised;
- there is a risk of interference with witnesses;
- there is potential for further misconduct;
- continued attendance may damage workplace relationships; or
- continued attendance may expose the Council to unacceptable risk.

Before deciding to suspend an employee, the Council will normally provide the employee with an opportunity to comment unless urgent circumstances make this impracticable.

Suspension will be reviewed regularly and remain in place only for as long as reasonably necessary.

13. Notice of Disciplinary Meeting

Where disciplinary action is being considered, the employee will receive written notice of a disciplinary meeting.

The notice will include:

- the allegations or concerns;
- sufficient details of the alleged conduct;
- copies of relevant information to be relied upon;
- the possible outcomes being considered;
- the date, time and location of the meeting;
- reasonable time to prepare; and
- advice that the employee may bring a representative or support person.

Where dismissal is a possible outcome, this will be clearly stated in the notice.

14. Employee Representation

Employees may be accompanied by:

- a union representative;
- an employment advocate;
- a lawyer;
- a support person; or
- another representative of their choosing.

The representative may:

- speak on behalf of the employee;
- seek clarification;
- present submissions;
- ask questions where appropriate; and

- assist the employee throughout the process.

The Council may also be represented.

15. Disciplinary Meeting

The purpose of the disciplinary meeting is to provide the employee with a genuine opportunity to respond before any decision is made.

During the meeting the employee may:

- respond to each allegation;
- present evidence;
- identify relevant witnesses;
- explain mitigating circumstances;
- raise procedural concerns;
- provide medical or other relevant information; and
- make submissions regarding any proposed outcome.

The Decision Maker may adjourn the meeting where further enquiries or additional information are required.

No final decision will normally be made until all relevant information has been considered.

16. Findings

Following the disciplinary meeting and consideration of all relevant information, the Decision Maker will determine whether, on the balance of probabilities, the allegations are:

- not substantiated;
- partially substantiated; or
- substantiated.

In making a decision, the Decision Maker will consider:

- all relevant evidence;
- the employee's explanation and any mitigating factors;
- the seriousness of the conduct;

- whether Council policies, procedures or employment obligations have been breached;
- the employee's disciplinary record, where relevant;
- consistency with previous decisions where appropriate; and
- any other relevant circumstances.

The Decision Maker will approach each matter with an open mind and will not predetermine the outcome.

17. Proposed Outcome

Before making a final decision where disciplinary action is being considered, the employee will be advised in writing of:

- the preliminary findings;
- the proposed disciplinary outcome;
- the reasons for the proposed outcome; and
- their opportunity to provide any further comments or information within a reasonable timeframe.

Any further information received will be genuinely considered before a final decision is made.

18. Disciplinary Outcomes

Depending on the circumstances, disciplinary action may include:

- no further action;
- informal counselling;
- additional training or coaching;
- mediation;
- a verbal warning (normally confirmed in writing);
- a first written warning;
- a final written warning;
- transfer to another role by agreement;
- demotion by agreement where appropriate;

- dismissal with notice; or
- summary dismissal without notice in cases of serious misconduct.

The outcome will be proportionate to the seriousness of the conduct and the circumstances of the case.

19. Warnings

Warnings are intended to clearly communicate the standards expected of employees and provide an opportunity to improve conduct.

A warning will normally include:

- details of the conduct giving rise to the warning;
- the expected standard of behaviour;
- any improvement required;
- any support to be provided by the Council;
- the consequences of further misconduct; and
- the period for which the warning will remain active.

Unless otherwise stated due to the seriousness of the matter:

- a first written warning will normally remain active for 12 months; and
- a final written warning will normally remain active for 12 months.

Warnings may remain relevant beyond their active period where there is a pattern of similar behaviour or where required by law.

20. Serious Misconduct and Summary Dismissal

Where serious misconduct is substantiated, the Council may determine that the employment relationship has been irreparably damaged.

Examples include, but are not limited to:

- theft or fraud;
- assault or threats of violence;
- serious bullying or harassment;
- serious breaches of confidentiality;

- corruption or bribery;
- deliberate misuse of Council funds;
- deliberate damage to Council property;
- serious health and safety breaches;
- serious intoxication at work;
- unlawful discrimination;
- deliberate misuse of Council information systems;
- serious privacy breaches; or
- any other conduct amounting to serious wrongdoing.

Summary dismissal without notice may occur only after a fair disciplinary process has been completed.

21. Performance Management

Where concerns relate primarily to an employee's capability or performance rather than misconduct, the Council will normally manage the matter under its Performance Management Policy.

Performance management may include:

- setting clear expectations;
- additional supervision;
- training;
- mentoring;
- performance improvement plans;
- regular review meetings; and
- reasonable opportunities to improve.

If performance concerns involve misconduct or a failure to comply with reasonable expectations, disciplinary action may also be considered.

22. Confidentiality

All disciplinary matters will be treated as confidential.

Employees involved in disciplinary processes must not disclose confidential information except:

- to their representative;
- where required by law;
- where authorised by the Council; or
- where necessary to obtain professional advice.

Breach of confidentiality may itself result in disciplinary action.

23. Records

The Council will maintain accurate records of disciplinary processes.

Records may include:

- complaints;
- investigation reports;
- meeting notes;
- correspondence;
- employee responses;
- decisions;
- warnings; and
- supporting evidence.

Records will be maintained in accordance with the Privacy Act 2020, the Public Records Act 2005 and the Council's records management practices.

Access to disciplinary records will be restricted to authorised persons.

24. Victimisation and Retaliation

The Council will not tolerate retaliation against any employee who:

- raises concerns in good faith;
- participates in an investigation;
- provides information honestly; or

- acts as a witness.

Any retaliation may itself constitute misconduct or serious misconduct.

25. False or Malicious Allegations

Employees are expected to raise concerns honestly and in good faith.

Knowingly making false, misleading or malicious allegations may constitute misconduct or serious misconduct.

This provision does not apply where an allegation is made honestly but is ultimately not substantiated.

26. Continuous Improvement

The Council will periodically review disciplinary trends to identify opportunities to:

- improve workplace culture;
- reduce misconduct;
- strengthen management capability;
- improve training; and
- ensure consistency in disciplinary decision-making.

27. Responsibilities

Chief Executive

The Chief Executive is responsible for:

- implementing this Policy;
- ensuring managers receive appropriate guidance;
- ensuring procedural fairness;
- maintaining appropriate records; and
- reporting significant employment risks to the Council where appropriate.

Managers

Managers are responsible for:

- identifying workplace issues early;
- applying this Policy consistently;
- maintaining confidentiality;
- seeking advice where appropriate; and
- supporting employees throughout disciplinary processes.

Employees

Employees are responsible for:

- complying with this Policy;
- maintaining expected standards of conduct;
- participating honestly in investigations; and
- supporting a respectful and safe workplace.

28. Monitoring and Review

The Chief Executive is responsible for monitoring the effectiveness of this Policy.

This Policy will be reviewed:

- every five years;
- following significant legislative change;
- following relevant Employment Relations Authority or Court decisions affecting Council practice; or
- earlier if required by the Council.

Minor administrative amendments that do not alter the intent of this Policy may be approved by the Chief Executive.

29. Policy Approval

This Policy was adopted by resolution of the Chatham Islands Council on [Date].

It replaces the Chatham Islands Council Disciplinary Policy adopted on 21 May 2018, which is revoked from the effective date of this Policy.

Policy Information**Item Details**

Policy Owner Chief Executive

Policy Contact Chief Executive

Approved By Chatham Islands Council

Date Adopted [Date]

Effective Date [Date]

Review Date Five years from adoption or earlier if required

Version 2026

CHATHAM ISLANDS COUNCIL**DISCIPLINARY POLICY 2026****SCHEDULE OF CHANGES**

(Comparison: Disciplinary Policy 2018 → Disciplinary Policy 2026)

#	2018 Policy Provision	2026 Policy Provision	Reason for Change
1	Limited structure and dated format	Fully restructured modern Council policy format	Aligns with current Council policy standards and improves usability
2	Operations Manager responsible for review	Chief Executive responsible, with Council oversight	Reflects current governance and accountability structure
3	General reference to Employment Relations Act	Expanded legislative framework including ERA 2000, HSW Act 2015, Privacy Act 2020, Protected Disclosures Act 2022	Ensures legal accuracy and completeness
4	Limited principles section	Comprehensive guiding principles (good faith, natural justice, procedural fairness, confidentiality, proportionality)	Strengthens legal defensibility and fairness
5	No clear separation between misconduct and performance	Clear distinction between misconduct, serious misconduct, and performance management	Reduces legal and procedural risk
6	Basic list of misconduct examples	Expanded and modernised examples including cyber security, privacy breaches, fraud, conflicts of interest, social media misuse	Reflects modern workplace risks
7	Investigation process briefly described	Structured investigation framework with independence requirements and procedural clarity	Improves fairness and consistency

#	2018 Policy Provision	2026 Policy Provision	Reason for Change
8	Suspension briefly referenced	Clear suspension provisions including pay status, grounds, and review requirements	Aligns with employment law expectations
9	Limited notice requirements	Detailed notice of disciplinary meeting requirements including allegations, evidence, and potential outcomes	Ensures natural justice compliance
10	Representation mentioned briefly	Expanded rights to representation including legal counsel, union, advocate or support person	Aligns with best practice
11	No structured disciplinary meeting process	Detailed disciplinary meeting procedure including opportunity to respond and adjournment provisions	Ensures procedural fairness
12	No structured findings process	Formal findings based on balance of probabilities with clear decision-making criteria	Improves legal robustness
13	Limited outcomes list	Expanded, structured range of outcomes including counselling, warnings, demotion, dismissal	Reflects modern HR practice
14	Warnings not time-limited	Warnings now typically active for 12 months unless otherwise stated	Provides clarity and consistency
15	Serious misconduct definition limited	Expanded definition including fraud, cyber security breaches, corruption, privacy breaches, and modern misconduct risks	Reflects contemporary risk environment
16	No clear separation of performance management	Dedicated performance management section separate from disciplinary process	Reduces confusion and legal risk
17	No confidentiality framework	Explicit confidentiality obligations for all parties	Protects privacy and organisational integrity
18	Limited record keeping detail	Expanded records management aligned with Privacy Act 2020 and Public Records Act 2005	Ensures compliance

#	2018 Policy Provision	2026 Policy Provision	Reason for Change
19	No retaliation protections	Explicit protection for employees raising concerns or participating in investigations	Encourages reporting and good faith participation
20	No false allegation provision	Introduced provision addressing malicious or knowingly false complaints	Protects integrity of process
21	No continuous improvement section	Added continuous improvement and trend monitoring	Supports organisational learning
22	Three-year review cycle	Five-year review cycle or earlier if required	Aligns with Council policy standards

Summary of Key Improvements

The 2026 Policy represents a comprehensive modernisation of the Council's disciplinary framework, including:

- strengthened procedural fairness and natural justice protections;
- alignment with current New Zealand employment legislation;
- clearer separation between misconduct and performance issues;
- improved investigation and decision-making processes;
- updated misconduct definitions reflecting modern workplace risks;
- enhanced employee rights and representation provisions; and
- improved governance, accountability and record-keeping standards.

Overall Effect

The updated policy provides a more robust, legally defensible and practical framework for managing employee conduct, while supporting a fair and consistent workplace culture across the Chatham Islands Council.

Public Excluded Agenda

Chatham Islands Council

13 August 2026

Mayor to Move

THAT the public be excluded from the following part of the proceedings of the meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
PE.12.1	Public Excluded minutes 25 June 2026	Good reason to withhold exists under Section 7	Section 48(1)(a)
PE 12.2	Interim Chief Executive Report Pt2	Good reason to withhold exists under Section 7	Section 48(1)(a)
PE 12.3	CE Recruitment Process – Recommendation from CERC	Good reason to withhold exists under Section 7	Section 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987, and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudice by holding the whole or relevant part of the proceedings of the meeting in public are as follows.

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	SECTION	SUBCLAUSE AND REASON
PE 12.1	Minutes 25 June 2026	7(2)(a)	Section 7(2)(a) – to protect the privacy of natural persons
PE 12.2	Interim CE Report Pt 2	7(2)(a)	Section 7(2)(a) – to protect the privacy of natural persons
PE 12.3	CE Recruitment Process – Recommendation from CERC	7(2)(a)	Section 7(2)(a) – to protect the privacy of natural persons

and that appropriate officers remain to provide advice to the Committee.