

# Compliance plan for Invercargill City Council DUML– 2019

| Deriving submission information  |   |                        |
|--|---|------------------------|
| Non-compliance   | Description   |                        |
| <p>Audit Ref: 2.1</p> <p>With: Clause 11(1) of Schedule 15.3</p> <p>From: 01-Apr-19</p> <p>To: 30-Sep-19</p>   | <p>Database is not confirmed as accurate with a 95% level of confidence as recorded in <b>section 3.1</b>.</p> <p>19 items of load with either an incorrect lamp description or wattage or ballast applied resulting in an estimated 974kWh under submission.</p> <p>Festive lights connected to unmetered circuits not tracked in the database resulting in an estimated minor volume of load not being reconciled.</p> <p>The monthly database extract provided does not track changes at a daily basis and is provided as a snapshot.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Three times previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 9</p> |                        |
| Audit risk rating  | Rationale for audit risk rating   |                        |
| <b>High</b>  | <p>The controls are rated as weak as the level of error found in the field indicates that quality controls in place do not ensure an acceptable level of accuracy.</p> <p>The impact is assessed to be high based on the database accuracy detailed in <b>section 3.1</b>.</p>  |                        |
| Actions taken to resolve the issue   | Completion date   | Remedial action status |
| <p>ICC staff have carried out a complete field audit and a desk top cleansing to correct these issues. Tests have been arranged to check the loading of the festive lights and a procedure has been drawn up so these can be added to the DB when required. The ICC DB does incorporate the day in which an item is added or altered but how this is reported to TP on a monthly basis so TP can accurately bill the changes</p> | 25/10/2019  | Identified             |
| Preventative actions taken to ensure no further issues will occur  | Completion date   |                        |
| <p>The contractor and Asset Manager have both introduced monthly procedures as new controls to ensure that these issues will not re-occur in the future. We will monitor progress to ensure that preventative actions is effective.</p>  | 30/10/2019  |                        |

| Location of each item of load   |   |                 |                        |
|---|---|-----------------|------------------------|
| Non-compliance  | Description   |                 |                        |
| Audit Ref: 2.3<br>With: Clause 11(2)(b) of Schedule 15.3<br>From: 01-Apr-19<br>To: 30-Sep-19  | Two items of load with insufficient details to locate them.<br>Potential impact: None<br>Actual impact: None<br>Audit history: None<br>Controls: Strong<br>Breach risk rating: 1  |                 |                        |
| Audit risk rating   | Rationale for audit risk rating   |                 |                        |
| <b>Low</b>  | The controls are rated as strong as location details are captured using GPS co-ordinates to ensure items of are locatable, but this has been missed in two instances.<br>The impact is assessed to be none as only two lights were affected but this is recorded as low as none is not an available option. |                 |                        |
| Actions taken to resolve the issue  |   | Completion date | Remedial action status |
| The contractor has been instructed to update the complete DB with the correct locations for all items   |   | 8/11/2019       | Identified             |
| Preventative actions taken to ensure no further issues will occur   |   | Completion date |                        |
| The Asset Manager and contractor have been given a new procedure to monitor and record each new dispatch request. We will monitor progress to ensure that preventative action is effective. |   | 30/10/2019      |                        |

| All load recorded in database  |   |                        |
|--|---|------------------------|
| Non-compliance   | Description   |                        |
| Audit Ref: 2.5<br>With: Clause 11(2A) of Schedule 15.3<br>From: 01-Apr-19<br>To: 30-Sep-19   | Six additional lights were found in the field.<br>Potential impact: Medium<br>Actual impact: Low<br>Audit history: Twice previously<br>Controls: Weak<br>Breach risk rating: 3  |                        |
| Audit risk rating  | Rationale for audit risk rating   |                        |
| <b>Low</b>   | The controls are rated as weak, as the level of error found in the field indicates that quality control in relation to what is entered into the database and what is in the field is not identifying discrepancies.<br>The impact is assessed to be low based on small number of additional lights found in the field compared to the overall sample checked. |                        |
| Actions taken to resolve the issue   | Completion date   | Remedial action status |
| ICC has completed a field audit to address all these issues  | 25/10/2019  | Identified             |
| Preventative actions taken to ensure no further issues will occur  | Completion date   |                        |
| The Asset Manager and contractor has been given a new procedure to monitor and record each new dispatch request. We will monitor progress to ensure that preventative action is effective. | 30/10/2019  |                        |

| Database accuracy   |   |                 |                        |
|---|---|-----------------|------------------------|
| Non-compliance  | Description   |                 |                        |
| <p>Audit Ref: 3.1</p> <p>With: Clause 15.2 and 15.37B(b)</p> <p>From: 01-Apr-19</p> <p>To: 30-Sep-19</p>  | <p>Database is not confirmed as accurate with a 95% level of confidence.</p> <p>19 items of load with either an incorrect lamp description or wattage or ballast applied resulting in an estimated 974kWh under submission.</p> <p>Festive lights connected to unmetered circuits not tracked in the database resulting in an estimated minor volume of load not being reconciled.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Twice</p> <p>Controls: Weak</p> <p>Breach risk rating:9</p> |                 |                        |
| Audit risk rating   | Rationale for audit risk rating   |                 |                        |
| <b>High</b>   | <p>The controls are rated as weak as the level of error found in the field indicates that quality controls in place do not ensure an acceptable level of accuracy.</p> <p>The impact is assessed to be high, based on the kWh differences described above.</p>  |                 |                        |
| Actions taken to resolve the issue  |   | Completion date | Remedial action status |
| ICC have confirmed that their database has been updated to reflect the recent field audit   |   | 30 Oct 2019     | Identified             |
| Preventative actions taken to ensure no further issues will occur   |   | Completion date |                        |
| The contractor and Asset Manager have both introduced procedures on a monthly basis so these issues will not re-occur in the future. We will monitor progress to ensure that preventative actions is effective. |   | Ongoing         |                        |

| Volume information accuracy   |   |                        |
|---|---|------------------------|
| Non-compliance  | Description   |                        |
| <p>Audit Ref: 3.2</p> <p>With: Clause 15.2 and 15.37B(c)</p> <p>From: 01-Apr-19</p> <p>To: 30-Sep-19</p>  | <p>Database is not confirmed as accurate with a 95% level of confidence as recorded in <b>section 3.1</b>.</p> <p>19 items of load with either an incorrect lamp description or wattage or ballast applied resulting in an estimated 974kWh under submission.</p> <p>Festive lights connected to unmetered circuits not tracked in the database resulting in an estimated minor volume of load not being reconciled.</p> <p>The monthly database extract provided does not track changes at a daily basis and is provided as a snapshot.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Three times previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 9</p> |                        |
| Audit risk rating   | Rationale for audit risk rating   |                        |
| <b>High</b>   | <p>The controls are rated as weak, as the level of error found in the field indicates that quality controls in place do not ensure an acceptable level of accuracy.</p> <p>The impact is assessed to be high based on the database accuracy detailed in <b>section 3.1</b>.</p>   |                        |
| Actions taken to resolve the issue  | Completion date   | Remedial action status |
| ICC staff have carried out a complete field audit and a desk top cleansing to correct these issues. Tests have been arranged to check the loading of the festive lights and a procedure has been drawn up so these can be added to the DB when required. The ICC DB does incorporate the day in which an item is added or altered but how this is reported to TP on a monthly basis so TP can accurately bill the changes | 25/10/2019  | Identified             |
| Preventative actions taken to ensure no further issues will occur   | Completion date   |                        |
| The contractor and Asset Manager have both introduced procedures on a monthly basis so these issues will not re-occur in the future. We will monitor progress to ensure that preventative actions is effective.   | 30/10/2019  |                        |