

# **AGENDA:**

Meeting of the  
**FINANCE and AUDIT COMMITTEE**

**Wednesday 15 August 2018**

commencing at 5:00pm

*at:*

Clocktower Chambers,  
Palmerston Street, Westport

**Finance & Audit Committee Members:**

- His Worship the Mayor Garry Howard
- Cr J Cleine
- Cr D Hawes
- Cr S Roche (Chair)
- Cr R Nahr
- Cr P Rutherford
- Cr R Sampson

# Terms of Reference

## Finance and Audit Committee

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### Purpose

The Finance and Audit Committee will monitor and assess the following:

- The correct level of service is being delivered within the approved financial parameters.
- External financial funding is on track to be received within the budgeted financial year.
- Council's level of borrowing is financially sustainable and intergenerational equity requirements are achieved.
- Council's investments are growing as predicted and invested as per Treasury Management Policy and that all breaches of policy are reported and approved by Council.
- Rates are being collected and that debt recovery is under control.
- Monitoring of Council's fiscal prudence indicators.
- Both external and internal audit requirements are met.

### Delegated Powers

- The Finance and Audit Committee has authority to undertake the following functions and to make recommendations to Council as required:

### Financial and Performance Monitoring

- Monitoring financial performance to budgets
- Monitoring service level performance to key performance indicators
- Monitoring of Rates and General Debt collection

### External Reporting and Accountability

- Enquire of external auditors for any information that affects the quality and clarity of the Council's financial statements, and assess whether appropriate action has been taken by management.
- Satisfy itself that the financial statements are supported by appropriate management signoff on the statements and on the adequacy of the systems of internal control (ie letters of representation), and recommend signing of the financial statements by the Chief Executive and Mayor and adoption by Council.

### External Audit

- Confirm the terms of the appointment and engagement, including the nature and scope of the audit, timetable and fees, with the external auditor.
- Receive the external audit report(s) and review action to be taken by management on significant issues and audit recommendations raised
- Enquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risks. Internal Audit
- Review the internal audit coverage and annual work plans.

### Frequency of Meetings

Monthly

### Reporting To

Council

### Reporting Timeline

Monthly dashboard report

### Membership

Chair:

- Sharon Roche

Members:

- Garry Howard
- Robyn Nahr
- Phil Rutherford
- Dave Hawes
- Jamie Cleine
- Rosalie Sampson

# FINANCE and AUDIT COMMITTEE MEETING

15 AUGUST 2018

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# FINANCE AND AUDIT COMMITTEE

15 AUGUST 2018

Agenda Item No 1

Prepared by - Dean Phibbs  
- Manager Corporate Services

## MEMBERS INTEREST

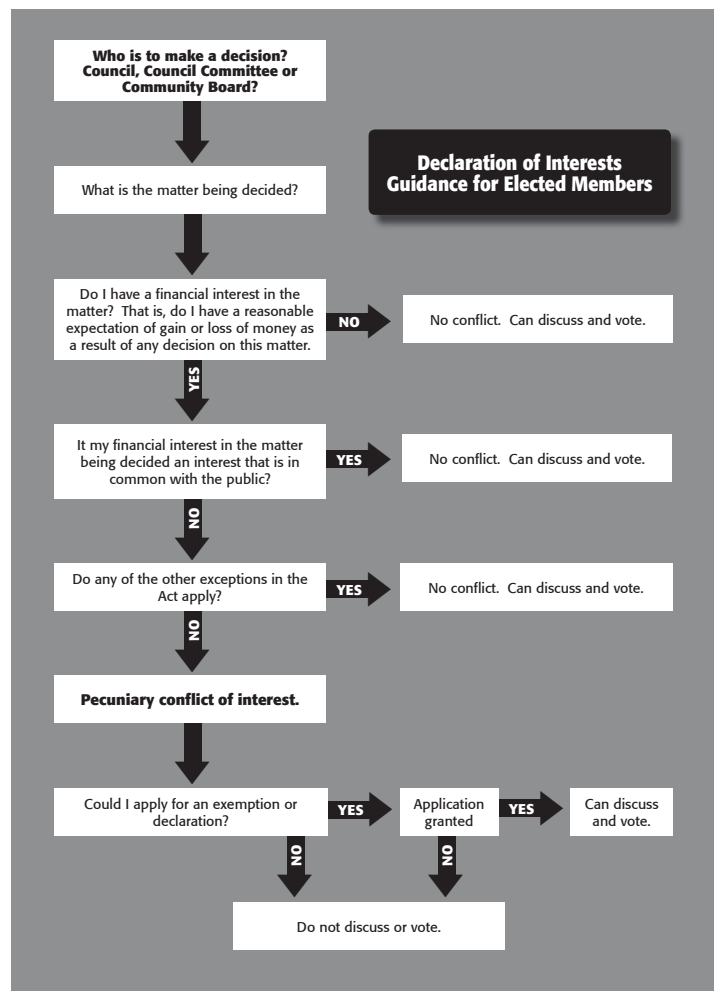
Councillors are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.

Councillors are encouraged to advise the Personal Assistant, Corporate Services, of any changes required to their declared Members Interest Register.

The follow flowchart may assist Councillors in making that determination (Appendix A from Code of Conduct).

## DRAFT RECOMMENDATION

**That Councillors disclose any financial or non-financial interest in any of the agenda items.**



**FINANCE AND AUDIT COMMITTEE**

**15 AUGUST 2018**

**Agenda Item No 2**

**Prepared by - Dean Phibbs  
- Manager Corporate Services**

**CONFIRMATION OF MINUTES**

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**DRAFT RECOMMENDATION**

**That the minutes from the meeting held 11 July 2018 are confirmed.**

**MEETING OF THE BULLER DISTRICT COUNCIL FINANCE AND AUDIT COMMITTEE,  
COMMENCED AT 5pm, 11 JULY 2018, AT BROUGHAM HOUSE, BROUGHAM STREET,  
WESTPORT.**

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**PRESENT:**

Mayor G Howard, Councillors S Roche (Chairperson), P Rutherford, R Nahr, J Cleine and D Hawes.

**IN ATTENDANCE:**

Chief Executive Officer (K Marshall), Manager Corporate Services (D Phibbs) AND EA to CEO (G Martyn).

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**APOLOGIES:**

An apology was received from Councillor R Sampson.

**P Rutherford/J Cleine  
CARRIED UNANIMOUSLY**

**1. MEMBER'S INTEREST**

No Members Interests were disclosed.

**2. CONFIRMATION OF MINUTES**

Change to minutes: A report on the ~~three~~ **six**-yearly representation review is included in Council's June agenda.

**RESOLVED that the minutes of the 20 June 2018 meeting be confirmed with the amendment to page 4, item 6 to be correct to:**

**J Cleine/R Nahr  
CARRIED UNANIMOUSLY**

**3. ACTION POINTS**

111. Leases & Licences to Occupy: to be monitored quarterly. Report required September 2018.

Also discussed: Mayor G Howard, expressed concern that a Council Policy is required to be able to set Lease Fees and there is currently no formal process for management to implement fees. Councillor P Rutherford to include in the Risk and Policy action list requirements.

137. Report required September 2018

147. Report required September 2018

149. Report provided at this meeting – action now complete.

Previous actions points not included from previous minutes:

1. Flood Planning: Mayor G Howard & Councillor S Roche to attend West Coast Regional Council (WCRC) meeting 10 July 2018.

Councillor S Roche advised that WCRC will present to Council information with regards to Flood Planning at the August 2018 full Council meeting.

Councillor D Hawes made comment on the public unrest with WCRC. Consideration should be given with regards to the representation on WCRC. Buller District Council may make a submission to the West Coast Regional Council LTP when it opens. Councillor D Hawes made mention that the 2015 WCRC LTP stated that the Westport Flood Plan was an item at the top of the list, three (3) years later there has not been any progress. Mayor G Howard advised that he will distribute the Draft LTP consultation document around to all Councillors. Submissions are closing on 26 July 2018.

2. Rural Fire - Review lease of rural fire trucks to Fire and Emergency NZ. Manager Corporate Services (D Phibbs) provided an update and correspondence will be sent within the month of July 2018.

**RESOLVED that the Finance and Audit Committee receive this report for information and discussion.**

**S Roche/Mayor G Howard  
CARRIED UNANIMOUSLY**

#### **4. FINANCIAL PERFORMANCE**

An overview of the report was given by Manager Corporate Services (D Phibbs).

Councillor R Nahr, sought further clarification on the under budgeting of dog registrations. Manager Corporate Services (D Phibbs) advised that this has been addressed in the 2018/2019 budget.

Mayor G Howard, queried the Port being a separate line item. Manager Corporate Services (D Phibbs) advised that this will occur as of 1 July 2018.

Councillor J Cleine sought further clarification with regards to the Airport expenditure. Chief Executive Officer (K Marshall) has advised that actions are taking place to review the current issues and alternative options are currently being sought.

Manager Corporate Services (D Phibbs) advised that the implementation of the parking costs is potentially a \$10,000 income and could be a benefit to council.

Councillor P Rutherford sought further clarification around the library depreciation of \$31,000 - Manager Corporate Services (D Phibbs) will provide committee with this information.

**RESOLVED that the Finance and Audit Committee receive this report for information and discussion.**

**Mayor G Howard/D Hawes  
CARRIED UNANIMOUSLY**

## 5. INVESTMENTS AND BORROWINGS

**RESOLVED that the Finance and Audit Committee receive this report for information and discussion.**

**S Roche / J Cleine  
CARRIED UNANIMOUSLY**

## 6. SIGNIFICANT PROJECTS REPORT

**ACTION POINT:** Assets & Infrastructure for Punakaiki Water intake Easement and Supply stage 2; an update to be provided by Group Manager Assets and Infrastructure (M Duff) to the committee.

**TO BE UPDATED:**

The Urgent Tourism and Infrastructure Fund for Freedom Camping to be included and placed under Community & Environment list.

Reefton Pool & Toilet; currently sitting under Community and Environment and requires input from Assets & Infrastructure. Councillor D Hawes, would like to ensure that an Officer is assigned to this project for a preliminary work-plan to be circulated including a timetable. Chief Executive Officer (K Marshall) provided background of the full council work-plan. The new work-plan may replace this report in the future.

District Signage that sits under the Significant Projects list; Mayor G Howard advised the project was not completed and there may be budget left for the lighting on the signage to complete the project; if this can be confirmed.

Significant Projects list, IT/Information Technology Projects; Councillor S Roche sought further clarification on the internal information management project; Manager Corporate Services (D Phibbs) advised that previous preferred vendor is currently under suspension with government contracts. The project will be sent back to market to find a new vendor and resources to cover the implementation of the project are currently in hand. With the new IT equipment that will be installed in the Council Chambers, the room will be unavailable to public bookings. Notification to be sent to regular users. This project is to be changed to an orange light and the action list needs to be updated.

**RESOLVED that the Finance and Audit Committee receive this report for information and discussion.**

**J Cleine/Mayor G Howard  
CARRIED UNANIMOUSLY**

## 7. DEBT RECOVERY REPORT

Mayor G Howard voiced concern regarding the Abandoned Land Tender project and believes that this could be resourced externally.

**ACTION POINT:** A report to be provided to the November 2018 Council meeting regarding the Abandoned Land Status and how this can be progressed.

**RESOLVED that the Finance and Audit Committee receive this report for information and discussion.**

**Mayor G Howard/P Rutherford  
CARRIED UNANIMOUSLY**



**8. TIMETABLE: 2017/2018 ANNUAL REPORT**

Manager Corporate Services (D Phibbs) provided a brief overview of the timeline.

**RESOLVED that the Finance and Audit Committee receive this report for information and discussion.**

**S Roche/P Rutherford  
CARRIED UNANIMOUSLY**

**9. WESTPORT HARBOUR**

Chief Executive Officer (K Marshall) provided a brief overview regarding the Provincial Growth Fund and advised that a councillor's workshop will most likely be scheduled for October 2018. A feasibility study may occur and an announcement will be made in the next two (2) weeks.

Mayor G Howard sought clarification on points 1, 2 & 3 on page 36 regarding the Dredge. Chief Executive Officer (K Marshall) advised that these items will sit with him to manage at this point. Manager Corporate Services (D Phibbs) highlighted the costs detailed on page 37 under item 4.3.

Further discussion was held with regards to the possible PGF funding and the joint feasibility study that may occur with Grey District Council. Responsibility of the operations of the harbour lies with the Regional Council of the district. This was vested to BDC some time ago and BDC have the ability to provide Regional Council ninety (90) days notification.

**RESOLVED that the Finance and Audit Committee receive this report for information and discussion.**

**R Nahr/D Hawes  
CARRIED UNANIMOUSLY**

**10. AUDIT MANAGEMENT ACTION POINTS**

**RESOLVED that the Finance and Audit Committee receive this report for information and discussion.**

**S Roche/R Nahr  
CARRIED UNANIMOUSLY**

**11. FINANCE WORK PLAN**

**RESOLVED that the Finance and Audit Committee receive this report for information and discussion.**

**Mayor G Howard/S Roche  
CARRIED UNANIMOUSLY**

Council P Rutherford sought clarification on the Procurement Policy review and how this was progressing? Item to be followed up with both Risk & Policy and Finance & Audit Committees as there is crossover with this item.

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- There being no further business the meeting concluded at 6:28pm
  - **Next meeting:** 5:00pm, Wednesday 15 August 2018, *Clocktower Chambers*, Westport.
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**Confirmed:** ..... **Date:** .....

**Name:** .....

**FINANCE AND AUDIT COMMITTEE**

**15 AUGUST 2018**

**Agenda Item No 3**

**Prepared by - Dean Phibbs  
- Manager Corporate Services**

**ACTION POINT LIST**

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**DRAFT RECOMMENDATION**  
**That the report be received for information.**

No.	Meeting of:	Action Point	Person Responsible	Progress:	Date required by:
111	11 May 2016	<b>Leases and Licences to Occupy:</b> Update register and provide report	Mike Duff	On-going. To be monitored quarterly.	September 2018
137	17 May 2017	<b>WestReef Services:</b> work with WestReef Services to tidy-up how H&S KPI's are measured to provide consistency to the reporting.	CCO Committee	WestReef and Council are both now using Vault H&S equipment and have staff dedicated to H&S roles.	September 2018
147	6 December 2017	<b>Westport airport grazing:</b> a full report to be presented to Council future use and lease options for the Westport Airport.	Keith Marshall Sonia Creswell	The current lease agreement with Landcorp expires March 2019. A meeting has been held with Landcorp, with one more expected to take place during May/June 2018.	September 2018
150	20 June 2018	<b>Westport flood planning:</b> Mayor G Howard and Councillor S Roche to attend the next WCRC meeting (10 July 2018) to discuss flood planning.	Garry Howard Sharon Roche	Council to make sub-mission to WCRC's draft LTP. Meeting attended with a report going to Council's full August 2018 meeting.	July 2018
151	20 June 2018	<b>Rural Fire update:</b> Review of rural fire truck leases to Fire and Emergency NZ to be carried out with conditions to be reported back to F&A.	Dean Phibbs	A letter has been sent to FENZ from Mayor G Howard.	July 2018
152	11 July 2018	<b>Abandoned land:</b> a report to be provided to the November 2018 Council meeting regarding the Abandoned Land status and how this can be progressed.	Lynn Brooks		November 2018
153	11 July 2018	<b>Punakaiki water:</b> provide an update to intake easement and supply stage 2.	Mike Duff		September 2018

## FINANCE AND AUDIT COMMITTEE

15 AUGUST 2018

Agenda Item No 5

Prepared by - Wendy Thompson  
- Financial Accountant

Reviewed by - Dean Phibbs  
- Manager Corporate Services

### INVESTMENTS AND BORROWINGS: JULY 2018

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#### 1. REPORT SUMMARY

This report summarises Councils cash investments and borrowings for the month ended July 2018, interest earned for the period from 1 July 2017 to 30 June 2018 and policy compliance.

#### 2. RECOMMENDATION/DRAFT RESOLUTION

That the report be received for information.

#### 3. ISSUES AND DISCUSSION

##### 3.1 Investments

Investments have decreased by \$0.7 million in total from the last report circulated to the end of June 2018. This is due to the cyclical effect of quarterly rates billing and monthly creditor payment obligations. The trading account closing balance is \$920,000.

##### 3.2 Interest Revenue

Interest revenue to the end of July 2018 is \$65,000 compared to a budget of \$56,000. Council will continue to reinvest term investment funds at the most favourable interest rate when deposits are up for renewal. There are often opportunities to take advantage of bank pricing differences to maximise returns even in time of low interest rates.

##### 3.3 Borrowings and Net Debt Position

Total borrowings are \$24,770,000 reflecting the pay down of the EECA loan. Net debt (borrowings less term investments) has increased to \$7,973,500 from the \$7,273,500 balance in June due to the movements in short term investments. (Note: this was overstated last month as the EECA loan was paid down in the 2018 financial year.)

#### 4. CONSIDERATIONS

##### 4.1 Strategic impact

It is important that Council retains suitable cash holdings and credit facilities to ensure its activities and capital projects are able to be funded in a timely and affordable manner.

#### **4.2. Significance assessment**

The significance policy sets out the criteria and framework for a matter or transaction to be deemed significant. The content included in this report is not considered significant because the matters disclosed are of a routine nature, and not large in terms of total assets and total annual operations of council.

#### **4.3. Values assessment**

The Buller District Councils values are: One Team; Community Driven; We Care; Future Focussed; and Integrity.

Treasury management functions and reporting align most strongly with the values of Future Focussed and Integrity.

Consideration of current and future cash requirements and intergenerational equity are required when managing cash deposits and credit facilities.

Public reporting of investments and borrowings encourages open and honest discussion and decision making.

#### **4.4 Risk analysis**

Risk is assessed by taking into account the likelihood of an event occurring and the result of that event.

Cash flow management is an integral part of ensuring Council is able to deliver the services and projects it has committed to in successive Long Term and Annual Plans.

This risk is mitigated by establishing policies and procedures, engaging staff to manage investment and borrowings and regular reporting to Council to ensure high level oversight.

#### **4.5. Policy / legal considerations**

The Local Government Act (2002) and associated regulations prescribe prudent financial management and nationwide benchmarks. The financial prudence benchmarks are now compulsory sections included in Council Long Term/Annual Plans and Annual Reports.

Council's Investment Policy and Treasury Policy govern the management of cash assets and borrowings.

#### **4.6. Tangata whenua considerations**

None identified

#### **4.7. Views of those affected**

Council's financial strategies, investment levels and borrowing projections are included in the Long Term Plan and Annual Plan consultation processes.

#### **4.8. Costs**

There are no extraordinary costs relating to investments and borrowings.

#### **4.9. Benefits**

The benefits of structured Treasury management include risk minimisation, prudent cash management and long term financial stability.

#### **4.10. Media / publicity**

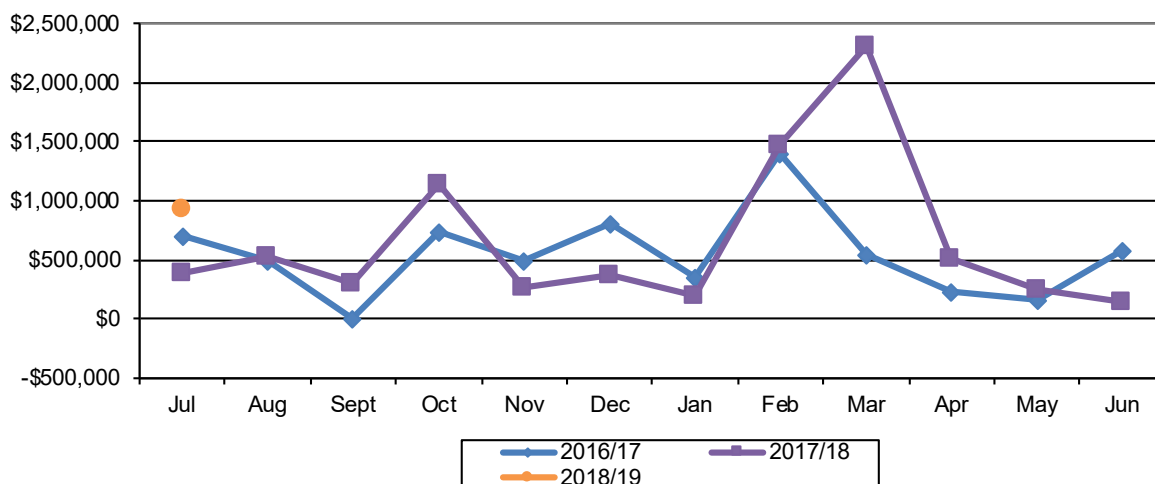
None identified.

## INVESTMENTS AND BORROWINGS REPORT

### 1. BANK BALANCE

	This Month 31 Jul-18	Last Month 30 Jun-18	Last Year 30 Jun-18
Council	\$919,898	\$139,474	\$139,474

### 2. MONTH END BANK BALANCE



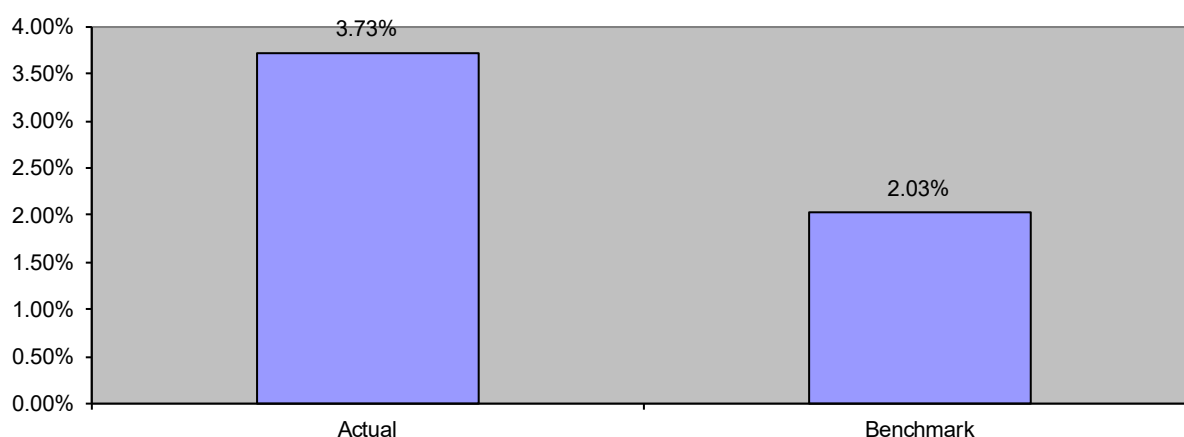
### 3. SUMMARY OF INVESTMENTS

	This Month 31 Jul-18	Last Month 30 Jun-18	Last Year 30 Jun-18
Term deposits (includes Call Account)	16,800,382	17,500,382	17,500,382
Other loans (includes loan to Holding Company)	2,441,937	2,443,187	2,537,348
<b>Total Investments</b>	<b>\$19,242,318</b>	<b>\$19,943,569</b>	<b>\$20,037,730</b>

### 4. SOURCE OF FUNDS

	This Month 31 Jul-18	Last Month 30 Jun-18	Last Year 30 Jun-18
Depreciation Funds	1,000,000	1,000,000	1,000,000
West Coast Package (Govt subsidy for halt to logging)	2,831,785	2,831,785	2,831,785
Harbour (profit from past harbour operations)	1,979,092	1,979,092	1,979,092
Freeholding Proceeds (sale of leasehold land)	2,840,838	2,840,838	2,840,838
Capital Sponsorship (deposits from V2010 sponsors)	5,034,038	5,034,038	5,034,038
Reserves Contribution Funds	1,314,630	1,314,630	1,314,630
Short Term Funds (rates income plus term deposits pending debt reduction )	1,800,000	2,500,000	2,500,000
	<b>\$16,800,382</b>	<b>\$17,500,382</b>	<b>\$17,500,382</b>

## 5. INVESTMENTS PORTFOLIO PERFORMANCE (12 Month Average)



## 6. INTEREST REVENUE

	Actual YTD	Budget YTD	Budget Full Year
Interest Revenue	\$65,269	\$56,244	\$1,344,928

## 7. COMPLIANCE WITH INVESTMENT POLICY

All term deposits are held with New Zealand Registered banks with no more than \$10 million with any one institution. The terms and maturity dates of investments are spread to minimise Council's exposure to interest rate fluctuations while still aiming to optimise interest earned.

Council has approved the investment in NBS which sees us in breach of the Treasury Management Policy. This breach will continue as investments mature and are rolled over.

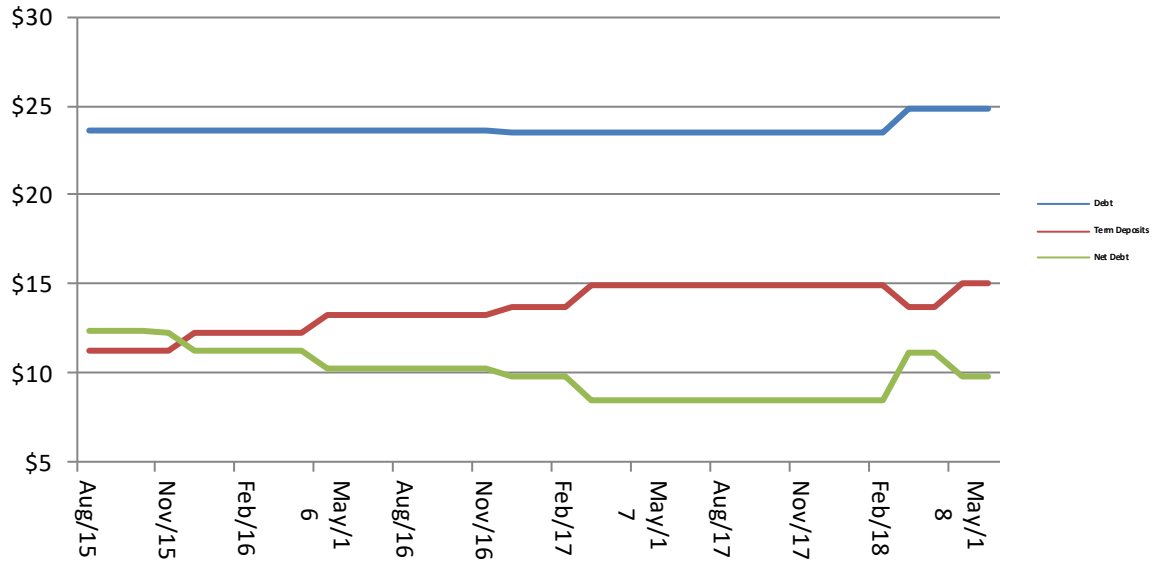
## 8. SUMMARY OF BORROWINGS

	This Month 31 Jul-18	Last Month 30 Jun-18	Last Year 30 Jun-18
<b>External Debt:</b>			
Westpac Loan Facility	4,773,860	4,773,860	4,773,860
LGFA Loan Facility	20,000,000	20,000,000	20,000,000
EECA Loan	0	0	0
	<b>\$24,773,860</b>	<b>\$24,773,860</b>	<b>\$24,773,860</b>
Weighted Average Interest Cost	4.00%	4.00%	4.60%
<b>Net Debt:</b>			
Total Borrowings	24,773,860	24,773,860	24,773,860
Less: Term deposits (including Call Account)	16,800,382	17,500,382	17,500,382
	<b>\$7,973,478</b>	<b>\$7,273,478</b>	<b>\$7,273,478</b>



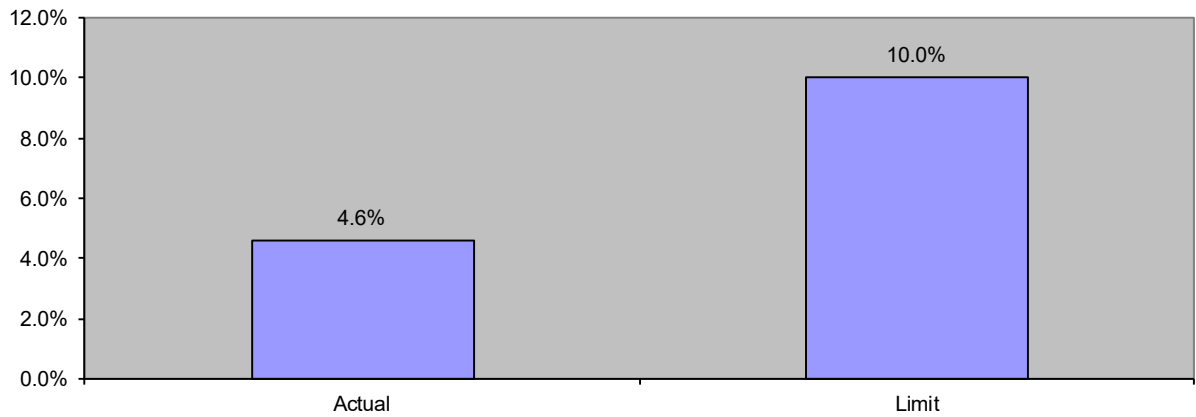
## 9. DEBT AND INVESTMENTS 3-YEAR TREND

\$ Millions

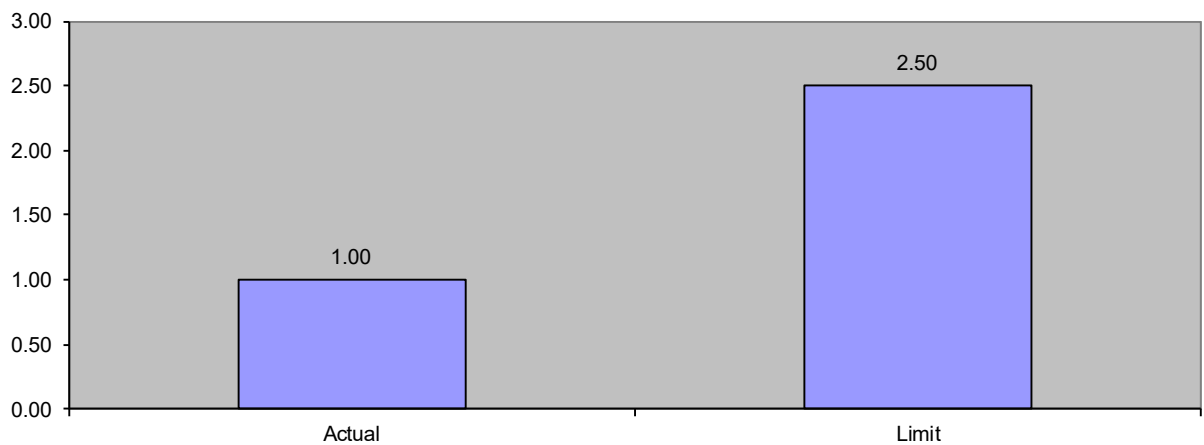


## 10. COMPLIANCE WITH TREASURY POLICY

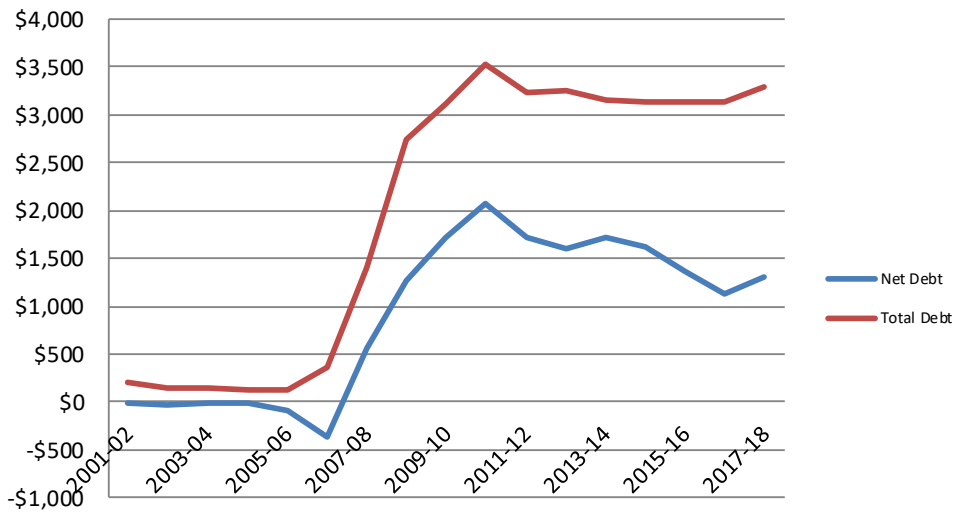
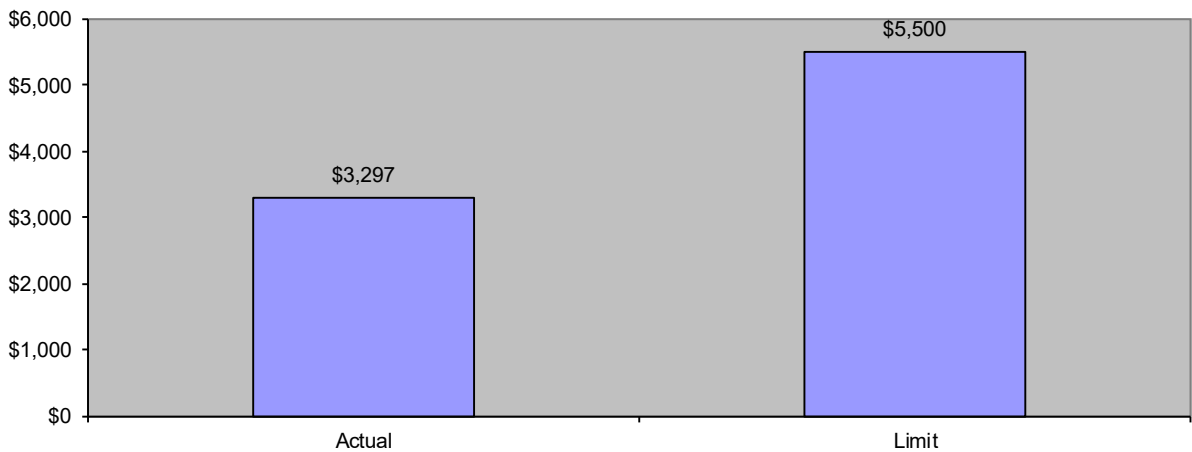
### 10.1 Interest Expense / Total Income



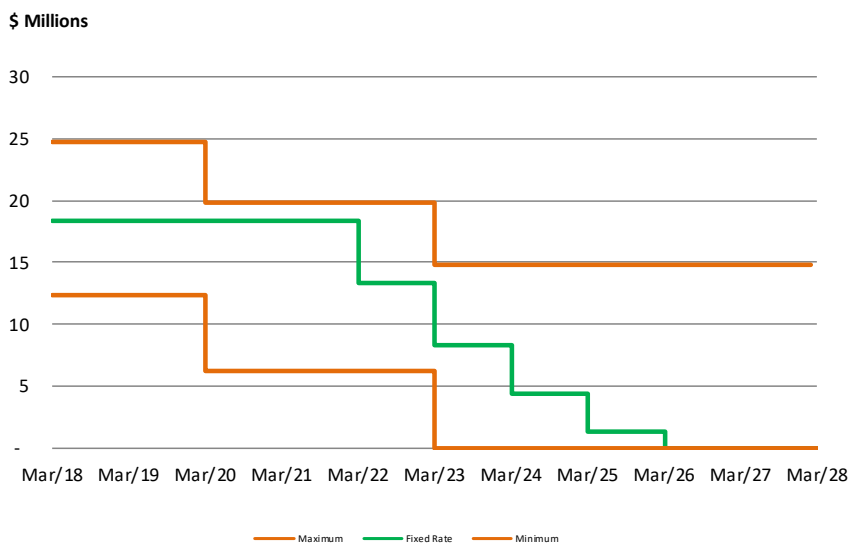
### 10.2 Gross Debt / Total Income



### 10.3 Gross Debt per Rateable Property



### 10.4 Fixed Rate Debt - Compliance with Treasury Policy



Current borrowings are in compliance with the limits specified in Council's Treasury Policy.

Investments are in breach of Council's Treasury Management Policy in respect that there is more than 10% of the portfolio invested in a Building Society. Council ratified this breach via resolution to obtain ongoing sponsorship proceeds for the NBS Theatre.

# FINANCE AND AUDIT COMMITTEE

15 AUGUST 2018

Agenda Item No 6

Prepared by - Lynn Brooks  
- Management Accountant

Reveiwed by - Dean Phibbs  
- Manager Corporate Services

## SIGNIFICANT PROJECTS REPORT

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### 1. REPORT SUMMARY

This report summarises significant projects and priorities of Council at June 2018. It records both current and future work streams, and is for discussion and monitoring purposes. It should be read in conjunction with the attached detailed report.

### 2. DRAFT RECOMMENDATION

**That the report be received for information and discussion.**

### 3. ISSUES AND DISCUSSION

The report provides a high summary of some projects and priorities of Council by each of the following sectors:

1. Mayor, Councillors and Chief Executive
2. Community and Environment
3. Corporate Services
4. Assets and Infrastructure
5. Significant Projects

This report does not include every task undertaken, such as routine roading contract work or other regular services provided by Council. Instead it highlights the high value projects at an aggregated level, and/or the non-routine projects which are very important for community and Council but may not have a dollar budget attributed to them, such as advocacy projects.

The Chief Executive and Council are to advise if there are other projects or priorities to be included in the next monthly report to Council.

The following table shows each section of the report as a high level overview. This is similar to other "traffic light" indicators used in Council documents such as the Annual Plan, Long Term Plan and other reports and is included for consistency with those formats.

Activity	Indicator	Comment
<b>Mayor, Councillors and Chief Executive</b>	●	Advocacy for a range of projects is ongoing.
	●	Advocacy for the West Coast Regional Council Westport Flood Mitigation project continues. The future of the Westport Port is under continual review. Advocacy for water supplies which must meet Drinking Water Standards, but are very costly is ongoing.
<b>Community and Environment</b>	●	The current tasks are on plan and budget.
<b>Corporate Services</b>	●	The Long Term Plan has subsequently been adopted.
<b>Significant Projects</b>	●	<b>General Projects:</b> The District Plan Review progressed as planned to April 2018. Work continues on the Information Management project yet is unable to proceed due to supplier selection process. Rates Policy Review workshops are continuing Phase III after the decision to retain land based general rating system was made after consultation.
<b>Assets and Infrastructure</b>	●	<b>Roading and Urban Development:</b> District Signage has been completed and billboards have been installed. Roothing contracts have been completed as planned. Advocacy for the Karamea Highway Special Purpose Road designation continues.
	●	<b>Water Supplies:</b> The Westport water project is progressing. Investigation into the Waimangaroa Water treatment system continues, including options and cost.
	●	<b>Water Supplies:</b> Punakaiki Water Intake Easement progressing as planned.
	●	<b>Properties and Amenities:</b> Peel Street Yard, site testing, analysis and risk assessment is in progress. A Carnegie Library earthquake report is required.
Project on time and budget	●	
Project delays or budget overruns	●	

## Considerations

### 1. **Strategic impact**

The report helps to monitor the outcomes provided for the community against the strategic direction of Council. In particular, it reports on the effectiveness of the strategies set out in the 2018-2028 Long Term Plan.

### 2. **Significance Assessment**

The Significance and Engagement Policy sets out the criteria and framework for a matter or a transaction to be deemed significant. The Significance and Engagement Policy is written in accordance with The Local Government Act 2002 (LGA 2002) section 76AA. This part of the Act sets the general approach to determine if a proposal or decision is significant requiring the Council to make judgements about the likely impact of that proposal or decision on:

The district;

- a) The persons who are likely to be particularly affected by, or interested in, the proposal or decision;
- b) The financial impact of the proposal or decision on the Council's overall resources; and
- c) The capacity of the Council to perform its role and carry out its activities, now and in the future.

The content included in this report has been consulted on with the community through the Long Term Plan and Annual Plan process.

### 3. **Values assessment**

The Buller District Council values are: One Team; Community Driven; We Care; Integrity; and Future Focussed. This report presents the significant projects which are important for the community and the future of the district. Reporting on the significant projects provides an opportunity to review if the areas of focus align with our values.

### 4. **Risk Analysis**

Risk is assessed by taking into account the likelihood of an event occurring and the result of that event.

Significant projects are perceived to have some greater than usual potential to place Council at risk as the costs involved can be significant, or the project may have greater technical and legal issues. This risk is mitigated by engaging suitably qualified staff to monitor and regularly report on the projects therefore acting on any issues that arise early on, and to ensure the project progress is well understood by staff and governance.

### 5. **Policy/Legal Considerations**

The Local Government Act 2002 governs the activities of Council and sets out the requirement for consultation on the Annual Plan and Long Term Plan to agree the budgets and activities to be funded.

This report assists with two key purposes of that Act (refer to section 3) stating the purpose of the Act is to promote the accountability of local authorities to their communities; and provide for local authorities to play a broad role in meeting the current and future needs of their communities for good-quality local infrastructure, local public services, and performance of regulatory functions.

### 6. **Tangata Whenua Consultation Considerations**

The contents of the report are not a matter requiring consultation with tangata whenua or community groups.

**7. Views of those affected**

There is no need to consult with the public or affected parties due to the information being previously consulted upon through Annual Plan processes.

The community will have interest in the progress of the projects and priorities included in the report because new spending affects annual rates charges, and the effectiveness of advocacy has the potential to improve community wellbeing.

**8. Costs**

There are no extraordinary costs for the items included in this report, as these projects have been budgeted for in the annual plan. Some of the significant projects have no monetary cost to council as they are for advocacy.

**9. Benefits**

The benefits of reporting on reviewing the significant projects and priorities are understanding the timelines, budgets, resourcing and opportunities that exist for Council.

Reporting on the significant projects and priorities allows Council to compare the activities of Council against the core strategy of Council.

**10. Media/Publicity**

There are many media or publicity opportunities with the content of this report.

## Significant Projects Report

Indicator	Project Description	Project Manager	Carry Over (over)/under	2017/18 Budget	Total Budget	Actual Cost to 30 June 2018	Project Status	Scope, Design, etc	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
	<b>MAYOR, COUNCILLORS &amp; CEO</b>											
●	Little Wanganui/ Tapawera/ Wangapeka Road Advocacy	M + CEO	0	0			In progress		Nov-15			Per Council resolution - ongoing.
●	Ultra Fast Broadband Advocacy	M + CEO	0	0			In progress		Nov-15			Government Announcement with WC Projects 2019. Delivery by Chorus. Progressing with MDC, Creative Developments and BEL.
●	Integrated Family Health Centre Advocacy	M + CEO	0	0			ongoing		Nov-16	Nov-18		Advocacy for a fit for purpose build is ongoing, on behalf of the community.
●	Housing for Elderly - Advocacy	M + CEO	0	0					Jun-16	Dec-18		Full review of housing stock & ownership structure included on Council Action Point List.
●	Carters Beach Sea Erosion Advocacy	M + CEO	0	0					Aug-17			Community Meetings Held. Advocacy role only. Responsibility is with WCRC.
●	Ngakawau/Granity Sea Erosion Advocacy	M	0	0					Aug-17			Community Meetings Held. Advocacy role only. Responsibility is with WCRC.
●	Westport Flood Mitigation Advocacy	M	0	0			ongoing					WCRC project, BDC role is advocacy. WCRC Submissions on this issue closed 17 February 2017.
●	Future of Westport Port	CEO + MCS	0	0			under continual review		Dec-15	Jun-18		AP, LTP Strategy, CTO Committee and BHL as per August 2017 resolution assets purchased March 2018, management option in LTP 2018-2028.
●	Holcim Exit	M	0	0								Exit Plan.
●	17A Review - Local Government Act 2002	CEO	0	0			ongoing		Apr-17			Required to review cost effectiveness of current arrangements for meeting community needs.
●	Representation Review	CEO	0	0			ongoing		Jun-18	Apr-19		Work underway.
●	Shared Services Projects with Other Coast Councils	CEO	0	0			ongoing					Ongoing - Roading, Various IT Projects, Internal Audits, Civil Defence & Local Govt Commission, Economic Development, One (District) Plan, Policy Development.
●	Charleston/Cape Fouwind Cycleway	M	0	0			near complete		May-16	Dec-17		MOU completed. Continue advocacy.
●	Kawathi Sculpture Symposium	M	0	0								Sculptures installed and near completed.
●	Reefton Historic Power Generation Project	M	0	0			In progress		Dec-17			Advocacy with Greg Topp. Active discussions continuing.
●	Westport Gateway Sign	M	0	0			In progress		Nov-15	Dec-17		Lighting yet to be completed. Budget \$50,000. Spend to date \$48,082. No budget carried over for lighting.
●	Dolomite Point Advocacy- Punaikaiki Master Plan	M + CEO	0	0			In progress					Planning stage.
●	Costing Water Schemes and Funding Water Supplies, Advocacy	M + CEO+ IM&I	0	0		0	In Progress					Advocacy for water supplies costs imposed under Drinking Water Standards. Consider depreciation options.
●	Other Mayor, Councillors and CEO Projects		0	0		0						
	<b>COMMUNITY &amp; ENVIRONMENT</b>											
●	Local Alcohol Policy	MCE	0	0			In progress					Awaiting evidence from stakeholder groups to feed into policy development & legal outcomes Recommended this be put in the priority list for the Risk and Policy committee.
●	By-Law Reviews (all require review)	MCE	0	0			In progress					Four bylaw reviews completed in 2017, 16 bylaw reviews due in 2018, NOTE this will be a large workload. Risk and Policy Committee are prioritising and timetabling work on the reviews. Banning of Alcohol in Public Places Bylaw and Livestock Movements Bylaw amendments were completed as planned in January 2018.
●	Freedom Camping	MCE	0	0			In progress		Feb-17	Oct-18		Joint compliance and monitoring between all West Coast Councils. This must be completed by 30/08/19 or the bylaw will lapse.
●	Reefton Pool	not yet assigned	0	0					Jun-18	Dec-18		Review of asset and planning required to ensure appropriate facility for the community on Council Action Point List
●	Urgent Tourism & Infrastructure Fund for Freedom Camping	MCE	0	0			In progress					Underway.





## Significant Projects Report

Indicator	Project Description	Project Manager	Carry Over (over)/under	2017/18 Budget	Total Budget	Actual Cost to 30 June 2018	Project status	Scope, Design, etc	Quote, Tender, etc	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
●	Roading - Special Purpose Road Capital Works	MA&I	0	369,821	369,821	514,146	Completed			Jun-18			All works underway.
●	Earthquake Strengthening of Buildings	MA&I	0	0	0	0	0			Jun-18			Assessment of Carnegie Library completed. Civic buildings will be upgraded over the next 3 years as adopted in LTP.
●	Footpaths- Urban Development	MA&I	84,791	202,080	286,871	247,293	Completed			Jun-18			Footpath works plan for 2017/18 FY completed. Work plan for 2018/19 year underway.
	<b>Property, Amenities &amp; Reserves</b>												
●	Punakaiki Dickson Parade Status and Freedom Camping Issues	MA&I	0	0	0	0	In Progress						Temporary Road Closure following recent storm events and will remain closed until full risk assessment completed.
●	Peel Street Yard	MA&I	0	60,000	60,000	35,611	In Progress						Site testing analysis and risk assessment undertaken. Options workshop proposed for 2018/19.
●	District Signage (Seal Loop)	MA&I	125,000	0	125,000	89,014	Completed						Installation completed.
●	Punakaiki Building Project		100,000	0	100,000	4,777	On Hold						Draft Community Needs Assessment report received by BDC. Copy referred to DOC for consideration in the Dolomite Point spatial planning. On hold until DOC confirm whether Community Facility will be incorporated in their planning work.
●	<b>Other</b>												
●	Other Assets & Infrastructure Projects	MA&I	0	0	0	0	0						
			962,662	4,701,960	5,664,622	2,444,866							
<b>TOTAL SIGNIFICANT PROJECTS</b>			1,247,418	4,923,420	6,170,698	2,611,830							

**FINANCE AND AUDIT COMMITTEE**

**15 AUGUST 2018**

**Agenda Item No 10**

**Prepared by - Dean Phibbs  
- Manager Corporate Services**

**AUDIT MANAGEMENT ACTION POINTS**

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**RECOMMENDATION/DRAFT RESOLUTION:**

**That the report be received for information and discussion.**

## CURRENT AUDIT MANAGEMENT ACTION POINTS

2016/2017 Annual Report						
No.	Subject	Detail	Responsible	Status	Comments	Planned Completion Date
3	Disestablishment of Westport Harbour Limited	Audit request that Council and management keep them informed during the disestablishment process as Westport Harbour Limited transfers its assets and liabilities and winds down its operations during 2017/2018.	Manager Corporate Services		Council are working in partnership with Buller Holdings Limited to disestablish Westport Harbour Limited and will keep Audit NZ informed through the process.	September 2018
4	Asset management plans	This issue highlights the importance of the Council having good asset management plans in place with high-quality asset condition information underlying the plan.  The maintenance and replacement of aging infrastructure networks is likely to be a key issue for Council's upcoming Long Term Plan. Asset management plans will need to be updated to reflect the current and planned state of Council's assets.	Group Manager Assets and Infrastructure		Asset management plans will be implemented more efficiently through portfolio co-ordinators to own and drive their respective maintenance and renewal programs, as well as strategic alignment accountability by management.  Council intends to review and update existing Asset Management Plans in the process of compiling the 2018-2028 Long Term Plan. (on-going review for 2019/2020 AP).	June 2019

**FINANCE AND AUDIT COMMITTEE**

**15 AUGUST 2018**

**Agenda Item No 11**

**Prepared by - Dean Phibbs  
- Manager Corporate Services**

**FINANCE WORK PLAN**

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**RECOMMENDATION/DRAFT RESOLUTION:**

**That the report be received for information and discussion.**

**FINANCE WORK PLAN**

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-18	May-18	Jun-18
<b>Internal Reporting</b>												
<b>F&amp;A Reports</b>												
- BDC Quarterly Financials		Full year			Quarterly			Half yearly			Three quarterly	
- BDC Operational												
- BDC Treasury												
- BDC Debtors												
- BDC Capital												
- BDC Significant Projects												
- BHL Quarterly Financials												
<b>Council Reports</b>												
- Budget Carry Overs			2018 Carryovers									
<b>2017/2018 Annual Report</b>												
- BDC Annual Report			Audit	Adopt	Publish Summary & report				Systems Audit			
- BHL Annual Report		Audit	Group Figures	Annual Report								
<b>2019/2020 Annual Plan</b>												
- Annual Plan					Workshop	Workshop	Workshop	Workshop	Workshop + Adopt Draft Annual Plan			
<b>Rates Policy Review</b>												
- Rates Policy Review	Workshop	Workshop	Workshop	Workshop	Workshop	Workshop	Workshop	Finalise Consultation Documents	Consult with Annual Plan	Consult with Annual Plan	Deliberations	Adopt any changes
<b>Other Operational Projects</b>												
- Insurance											Negotiations	Finalise