



AGENDA

Meeting of the
Risk and Audit Committee

Wednesday 14 December 2022
commencing at 1.30pm

To be held:
Clocktower Chambers,
Palmerston Street, Westport

Risk and Audit Committee

Reports to:	The Council
Chairperson:	Mayor Jamie Cleine (interim)
Membership:	The Mayor, all Councillors and Māori Representative
Meeting Frequency:	Monthly
Quorum:	A majority of members (including vacancies)

Purpose

The Risk and Audit Committee is responsible for:

1. Monitoring Council's financial strategy, and financial performance against the Annual and Long Term Plans.
2. Monitoring Council's interests in its Council Controlled Organisations (CCOs).
3. Reviewing the Council's risk register and associated process for managing current and emerging risk.
4. Ensuring the independence and effectiveness of Council's External and Internal Audit processes.
5. Monitoring existing corporate policies and recommending new or amended policies as required.
6. Ensuring that council policies and practices will prevent unethical, questionable or illegal activities.
7. Providing a communication link between management, internal auditors/external auditors and Council.
8. Supporting measures to improve management performance and internal controls.

In addition to the common delegations (refer appendix attached) the Risk and Audit Committee is delegated the following Terms of Reference and powers:

Terms of Reference:

1. To receive regular reports regarding Council's financial and non-financial performance against Annual and Long Term Plans.
2. To consider reports related to significant expenditure outside of the Annual and Long Term Plans and make appropriate recommendations to Council.
3. To develop and monitor policy related to the following matters:
 - a) Financial management;

- b) Revenue generation;
 - c) Procurement and tendering; and
 - d) The appointment and remuneration of directors and CCOs
4. To monitor the probity of processes relating to policies developed by the Risk and Audit Committee.
 5. To provide clear direction to Council's CCOs on Council's expectations, including feedback on draft statements of intent.
 6. To receive Quarterly reports of Council's CCOs, including board performance.
 7. To undertake any reviews of CCOs and make appropriate recommendations for approval by Council.
 8. Review CCO requests for major transaction approval and recommend appropriate actions to Council.
 9. To monitor Council's debt and investments to ensure compliance with Council policy.
 10. To monitor the Council's outstanding debtors' positions.
 11. Engage with Council's external auditors regarding the external audit work programme and agree the proposed terms and arrangements of the external audit.
 12. Assess management response to audit reports and the extent to which external audit recommendations concerning internal accounting controls and other matters are implemented.

Internal Audit

13. Agree the scope of internal audits.
14. Monitor the delivery of the internal audit work programme and results
15. Assess whether Internal Audit's recommendations have been properly implemented by management.
16. Review the annual Internal Audit Plans to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place.

Other Matters

17. Review the effectiveness of the risk control environment established by management to safeguard Council's financial and non-financial assets, including the adequacy and appropriateness of insurance policies in place and management's actions to mitigate risks
18. Review the effectiveness of the systems for monitoring the Council's compliance against legislation, regulation, policy, and guidelines (including health and safety).
19. Conduct and monitor special investigations in accordance with Council policy and approved budget or in response to material matters raised by staff or committee members, including engaging expert assistance, on matters within its Terms of Reference.
20. Provide an annual review of Council's risk management framework and amend as required.
21. Review and monitor business continuity planning.

The Committee is delegated the following powers:

- The Committee may make recommendations to Council.
- The Committee may make recommendations to other Committees.
- The Committee will provide three-monthly reports to Council on its activities with appropriate recommendations.

Special Notes:

- In fulfilling their role on the committee, members shall be impartial and independent at all times.
- The Chairperson will be an independent appointment, not an elected member, to strengthen the independent nature of the Committee's monitoring responsibility of Council activities.
- Members are appointed for an initial term of no more than three years that aligns with the triennial elections, after which they may be eligible for extension or reappointment.
- The Chief Executive Officer and Chief Financial Officer are required to attend all meetings but are not members and have no voting rights. Other Council officers may attend the Committee meetings, as required.
- The Chairperson of the Committee shall review the travel and other reimbursed expenses of the Chief Executive Officer and confirm compliance with Council policies and practice. This information will be provided to the Chairperson on a monthly basis.
- The Chairperson shall review the travel and other reimbursed expenses of the Mayor and confirm compliance with Council policies. This information will be provided to the Chairperson on a monthly basis.
- The Chief Executive Officer (Principal Advisor) shall be responsible for drawing to the Committee's immediate attention to any material matter that relates to the financial condition of Council, any material breakdown in internal controls, and any material event of fraud or malpractice.
- The Chairperson shall present an annual Audit and Risk Self Review to Council summarising the Committee's activities during the year and any related significant results and findings.

Oversight of Policies:

- *Risk Management Framework*
- *Freeholding of Leasehold Land*
- *Revenue and financing*
- *Rates remission*
- *Development and financial contributions*
- *Significance and engagement*
- *Treasury Management*
- *Sensitive Expenditure*

Appendix - Common Delegations

The following delegations from Council are common to the Risk and Audit Committee, the Community, Environment and Services Committee and the Regulatory, Hearings and Planning Committee within their respective areas of responsibility.

General Principal

1. The work of these Committees will be in accordance with the priorities and work programme agreed by the Council.
2. These Committees have the powers necessary to perform the Committee's responsibilities, in accordance with the approved Long Term Plan and Annual Plan budgets. Subject to confirmation of compliance with the financial strategy.

These Committees will:

Strategy, plans and policy

1. Develop and agree to strategies, plans and policies for the purposes of consultation and/or engagement with community.
2. Recommend to Council for adoption.
3. Monitor and review as and when required.

Bylaws

1. Develop and agree to the statement of proposal for new or amended bylaws for consultation.
2. Recommend to Council new or amended bylaws for adoption.

Consultation and engagement

1. Ensure appropriate, effective and transparent engagement with the community, tangata whenua and other stakeholders.
2. Conduct any public engagement required on issues before the Committee, in accordance with Council's Significance and Engagement Policy.
3. Conduct hearings, where appropriate, to consider submissions from members of the public and external organisations, making determinations on such matters unless they are reserved for Council to decide.

Submissions and legislation

1. Approve submissions to external bodies/organisations on legislation and proposals, related to the Committee's areas of responsibility, that impact governance policy or matters.
2. Monitor and oversee strategic projects and programmes.
3. Monitor Council's Asset Management Plans/Strategic Infrastructure Plan.

Contracts

1. Approve and monitor contracts and other legally binding arrangements provided that such contracts/arrangements:
 - a) Do not require the approval of the whole of Council; and
 - b) Fall within the budget approved under the Long Term Plan or Annual Plan and have a value exceeding the Chief Executive's financial delegation.

Other

1. Consider and make decisions which are within the Chief Executive Officer's delegations, and which the Chief Executive Officer has referred to the Committee for recommendation to Council.
2. Consider and make decisions on operational matters that fall within a Committee's area of responsibility that are outside of delegations to the Chief Executive Officer or other Council officers.
3. Commission new Committee reports and work required to respond to significant or compliance issues, or to complete the agreed programme of Council.
4. Monitor Audit recommendations and ensure completion.

Risk and Audit Committee

Clocktower Chambers,
Palmerston Street, Westport



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RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 1

Prepared by Douglas Marshall
Chief Financial Officer

APOLOGIES

1. REPORT SUMMARY

That the Risk and Audit Committee receive any apologies or requests for leave of absence from elected members.

2. DRAFT RECOMMENDATION

That there are no apologies to be received and no requests for leave of absence.

OR

That the Risk and Audit Committee receive apologies from *name* and accepts *name* request for leave of absence.

RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 2

Prepared by Douglas Marshall
Chief Financial Officer

MEMBERS INTEREST

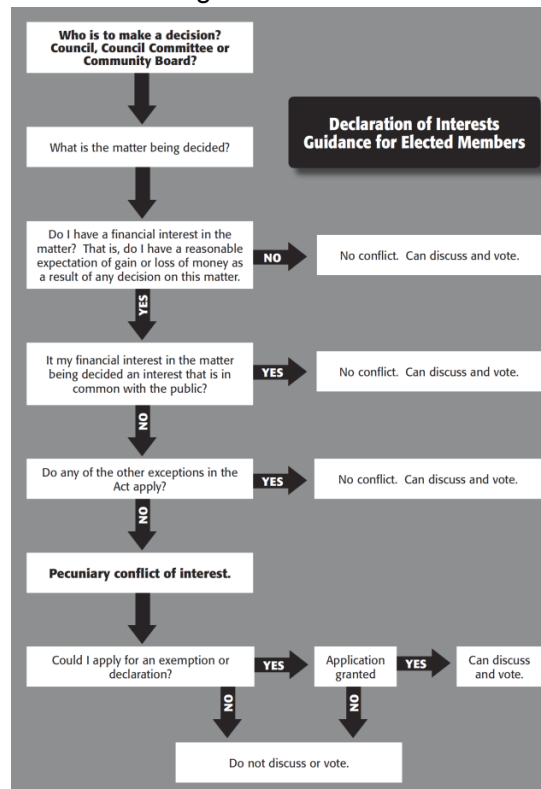
Members are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.

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

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

DRAFT RECOMMENDATION:

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



RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 3

Prepared by Douglas Marshall
Chief Financial Officer

CONFIRMATION OF MINUTES

1. DRAFT RECOMMENDATION

That the Risk and Audit Committee receive and confirm minutes from the meeting of 23 November 2022.

**MEETING OF THE RISK AND AUDIT COMMITTEE, HELD AT 3.30PM ON WEDNESDAY
23 NOVEMBER 2022 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET,
WESTPORT.**

PRESENT: Mayor J Cleine, DM A Basher, Councillors P Grafton, Cr J Howard, Cr G Neylon, Cr T O'Keefe, Cr A Pfahlert, Cr C Reidy, Cr R Sampson, Cr L Webb,

IN ATTENDANCE: S Mason (CEO), R Townrow (Deputy CEO), D Marshall (Chief Financial Officer), L Brooks (Finance Manager)

MEDIA: Ellen Curnow (Westport News)

MEETING DECLARED OPEN AT: 3.30PM

1. APOLOGIES (Page 7)
Discussion:

N Tauwhare, Cr G Weston

RESOLVED that the Risk and Audit Committee receive apologies from N Tauwhare and Cr G Weston.

Cr A Pfahlert/Cr L Webb
10/10
CARRIED UNANIMOUSLY

2. MEMBERS INTEREST (Page 8)
Discussion:

Nil

RESOLVED that Members disclose any financial or non-financial interest in any of the agenda items.

Mayor J Cleine/DM A Basher
10/10
CARRIED UNANIMOUSLY

Mayor J Cleine noted that there would be an additional agenda item relating to the expense sign off for himself and the CE whilst Mr Cleine is acting Chair in the RAC Committee. This item will be addressed as Agenda Item 10.

3. CONFIRMATION OF MINUTES (Page 9)

Discussion:

As advised to G Barrell by Cr J Howard - *noted and amended*.

RESOLVED that the Risk and Audit Committee receive and confirm minutes from the meeting of 21 September 2022 with the above amendment.

Cr J Howard/Cr R Sampson

3/3

CARRIED UNANIMOUSLY

4. ACTION POINTS (Page 26)

Discussion:

RESOLVED that the Risk and Audit Committee receive the Action Point Report for information.

Mayor J Cleine/Cr A Pfahlert

10/10

CARRIED UNANIMOUSLY

5. FINANCIAL PERFORMANCE REPORT TO SEPTEMBER 2022 (Page 28)

Discussion:

Douglas Marshall spoke to the report providing the Committee with an update on the financial performance for the three months ending 30 September 2022.

It was noted that there would be more consistency with the terminology in reporting.

It was also noted that some variances were due to budget timings.

RESOLVED that the Risk and Audit Committee receive the Report for information.

Cr A Pfahlert/Cr J Howard

10/10

CARRIED UNANIMOUSLY

6. QUARTERLY FINANCIAL REPORT TO 30 SEPTEMBER 2022 (Page 32)

Discussion:

Douglas Marshall spoke to the report to provide Council with an update of whole of Council financial results for the three-month period ending 30 September 2022.

RESOLVED that the Risk and Audit Committee receive the Quarterly Report for the three months ended 30 September 2022 for information.

DM A Basher/Cr R Sampson

10/10

CARRIED UNANIMOUSLY

7. BULLER HOLDINGS LTD QUARTERLY FINANCIALS (Page 40)

Discussion:

Douglas Marshall spoke to the report which presents the quarterly (unaudited) financial statements for the three-month period ended 30 September 2022 including the budget for this period. The report also presents results against the Statement of Intent targets which are non-financial measures.

RESOLVED that the Risk and Audit Committee receives the quarterly Financial Report for the period ending September 2022 for information

Cr T O'Keefe/Cr A Pfahlert

10/10

CARRIED UNANIMOUSLY

8. COUNCIL REPORT ADOPTION WAA 2021 (Page 57)

Discussion:

Douglas Marshall spoke to the report for Council to adopt the audited 2020 / 2021 Annual Report for the Westport Airport Authority as required by section 67 of the Local Government Act 2002; and to receive for information purposes the 2020 / 2021 Annual Report for the Buller Health Trust.

Cr Reidy noted previous reference to the rock wall; in former Finance Risk and Audit Committee minutes referred to the sea wall being treated as R&M rather than an asset. He asked for clarification on the accounting treatment as the asset has been capitalised at year end.

Mr Marshall clarified that rock walls are a unique asset that is enduring over many years into the future. Unlike all council assets, it is not depreciated because it is connected to land. However, it is subject to regular condition assessments which may require funding provisioning allocated. Similar to the other airport assets such as the runway and terminal building; there will be a requirement to fund repairs and maintenance.

Mayor J Cleine noted that regarding the Buller Health Trust Covid was tough for both practices. Cashflows now are looking more comfortable and more positive.

ACTION POINT: S Mason will check and clarify regarding the large difference in the wages for the dental practice between 2021 and 2020.

RESOLVED that the Risk and Audit Committee

1. Adopt the Annual Report for the Westport Airport Authority for the year ending 30 June 2021.

Cr G Neylon/DM A Basher

10/10

CARRIED UNANIMOUSLY

2. Receive the Annual Report for the Buller Health Trust for the year ending 30 June 2021 for information purposes.

Cr A Pfahlert/Cr L Webb

10/10

CARRIED UNANIMOUSLY

9. RAC WORKPLAN (Page 113)

Discussion:

Douglas Marshall spoke to the RAC Workplan.

RESOLVED that the Risk and Audit Committee receive the Risk and Audit Work Plan for information.

Mayor J Cleine/Cr P Grafton

9/10

CARRIED

NEW AGENDA ITEM 10: EXPENSE SIGN OFF FOR CHIEF EXECUTIVE AND MAYOR

Discussion:

Mayor J Cleine spoke that a paper will come to Council to determine an independent RAC Chair. A shortlist will come to the December Council meeting for consideration.

RESOLVED that Council notes that whilst the Mayor is interim Chair of the Risk and Audit Committee, expense sign off of the Chair and CE is to be completed by Deputy Mayor Andrew Basher.

Mayor J Cleine/Cr J Howard

10/10

CARRIED UNANIMOUSLY

- There being no further business the meeting concluded at **4.03PM**
- **Next meeting:** TBC, Clocktower Chambers, Westport

Confirmed: **Date:**

RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 4

Prepared by Douglas Marshall
Chief Financial Officer

ACTION POINTS

1. DRAFT RECOMMENDATION

That the Risk and Audit Committee receive the Action Point report for information.

No.	Meeting Of / Action Point	Responsible	Update:	Date Required By:
202	21 September 2022 - Agenda Item 15 Punakaiki Campground Update Add Punakaiki Campground to the Strategic Risk Register	D Marshall	<p>To be updated in December RAC meeting</p> <p>There are two risks identified at the Punakaiki Campground that need monitoring. These are</p> <ol style="list-style-type: none"> 1. Wastewater systems and ensuring future compliance with resource consent conditions 2. Ensuring that the income from the leasee is adequate to meet councils share of annual maintenance costs and repaying debt incurred in building a rock wall 3. Monitoring the health of the campground operator to ensure the council's exposure to non-payment is minimised <p>The council had been considering including these issues in the Strategic Risk Register.</p> <p>Staff have considered this request, and their view is that although the issues need to be monitored, the monitoring role would be better achieved through the regular financial reporting that comes to the Risk and Audit Committee.</p> <p>From an operational perspective, the matters are important to check but even as a group of items, they do not pose a strategic risk to Council.</p> <p>Accordingly, staff do not support adding the item to the Strategic Risk Register.</p>	<p>14 December 2022</p> <p>Completed</p>

RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM: 5

Prepared by - Rachel Townrow
- Acting Chief Executive

Attachments - 1 Projects in Partnership Agenda Meeting Pack - 5 December 2022

MONTHLY REPORT – PROJECTS IN PARTNERSHIP UPDATE REPORT

1 REPORT SUMMARY

This report provides an update on the progress of the Projects in Partnership Steering (PiP) Committee. It will be provided to the Risk and Audit Committee on a regular basis until the projects are completed. See attached for progress reports as listed below.

2 DRAFT RECOMMENDATION

That the Risk and Audit Committee receive the Projects in Partnership Update Report for information.

3. NEMA Reports

- *NEMA claims paper (T1) for endorsement*
- *NEMA Financials*
- *NEMA Quarterly report to 30 Sept*

PiP Reports

- *Port*
- *3 Waters*
- *Betterment*
- *Tiphead*
- *Reefton Stopbank*
- *Reefton Landfill*
- *Dredge (verbal update to PiP committee only)*

Commercial & Corporate Services Portfolio Report

- *Buller District Ports Package*

Projects in Partnership Meeting

Monday 5 December 4pm to 5pm,

Clocktower Chambers (Westport)

Or via Zoom

Agenda - Part 1

Item No:	Subject	Time
1.	Welcome and introduction (verbal)	4.00pm to 4.05pm
2.	Previous meeting minutes (<i>refer attached</i>)	4.05pm to 4.04pm
3.	Update on news/developments/issues from government (Warren)	4.05 pm to 4.10pm
4.	NEMA (<i>refer attached</i>) <ul style="list-style-type: none"> NEMA claims paper (T1) for endorsement NEMA Financials NEMA Quarterly report to 30 Sept (FYI – submitted to NEMA on 16 Nov) 	4.10 – 4.20 pm
5.	PiP Reports (<i>refer attached</i>) <ul style="list-style-type: none"> Port 3 Waters Betterment Tiphead Reefton Stopbank Reefton Landfill Dredge (<i>verbal update only</i>) 	4.20 – 4.35 pm
6.	Commercial & Corporate Services Portfolio Report - Buller Ports Package (<i>refer attached</i>)	4.35 pm to 4.40pm
7.	Other business/matters (verbal)	4.40pm to 4.45pm

Agenda Item 2

Previous meeting minutes

Projects in Partnership Meeting – DRAFT Minutes
Monday 7 November 2022
4.00 – 5.00 pm, Clocktower Chambers and via Zoom

Present:

- Chairperson and Mayor Jamie Cleine (JC); Councillor Phil Grafton (PG); BDC CEO Sharon Mason (SM); BDC Acting Group Manager Infrastructure Services Mike Williams (MW); Project Controls Support Phil Rossiter (PR) Minute Taker Kirstin McKee
- Attending via Zoom: Warren Gilbertson (Kanoa) WG; Suzy Paisley (NEMA) (SP); BDC CFO Douglas Marshall (DM); BDC Manager Economic Recovery Penny Bicknell (PB);
- Apologies – BDC DCEO Rachel Townrow (RT); Ngāti Waewae Ned Tauwhare (NT);

Meeting started at 4.06 pm.

1. Welcome and Introduction

Welcome to Cr Phil Grafton as the new councillor to form part of this committee.

Apologies noted.

Noted that these Tranche 2 (T2) meeting papers are more operational for reporting to NEMA. Higher level reporting is required to this committee for future meetings, with externally funded projects only, coming to this committee. Council funded projects will report through to council.

2. Previous Meeting Minutes

No issues raised, clarified, or corrected.

Minutes accepted as tabled

3. Update on news/developments/issues from government

WG met with BDC recently to discuss rewritten rules around the Kanoa funding, with some examples on projects on Kanoa's radar and what may align, and what will not.

WG – not council related, but Buller related enquires coming to Kanoa also – Ray Mudgway, Westland Mineral Sands (WMS), re some potential capex borrowings, some conversations re potential Buller based initiatives. Also have had conversations with Federation Mining.

Discussion re the horticultural option looking favourable for funding, however this is unlikely to make this funding window.

5. NEMA Tranche 2 (T2) Funding

PB spoke to these reports

NEMA financials

Previously these claims were endorsed by the steering group for Tranche 1 (T1) before we could submit claims to NEMA. This is not necessary for T2, or for infrastructure projects.

This paper is looking to claim \$51.8K for immediate response costs and \$512,736 for the temporary village. Temporary village - \$650K appropriation was given to us for council infrastructure to the

boundary of the temporary village. This claim will complete that appropriation, there will be no further claims on this one.

Final claim for the last piece of waste management, however waiting for final invoices on this, this will come to the next PiP meeting.

Discussion re the immediate response for recovery costs - \$1.45m originally. Currently working to finalise the budget to take us through to project end, however there will be no opportunity to reappropriate these funds. It was thought BDC could put other costs put against this appropriation, which was not correct. BDC will be unlikely to spend all of the appropriation.

Community Hub/navigators costs has now been completely drawn down. Remaining money is from DIA, not NEMA.

Recommendation to note and approve the claims against the NEMA appropriation and endorsing the current claim before the committee of \$51,802, with immediate response recovery costs appropriation and full draw down of the temporary village Infrastructure costs of \$512,736.

All in favour/carried

Flood Recovery

Summary of expenditure across all of T1's to finalise this, including Westport water. T2 – these reports are straight out of project accounting. Infrastructure Claim 1 which was pre T2 approval, is not included in this first page. There was \$647K costs approved. Claimable proportion of this (as prior to T2 approvals), was 60% of the eligible costs, plus deducting the first threshold payment. Therefore for the July event it was \$173,850, claim paid out around April/May was \$283K.

T2 programme page, differs from application worksheet, NEMA requested 3 waters to be broken down into categories and work programmes, then report against these work programmes. Emergency Westport water is not included in T2.

Work packages 1 – 5 (3 Waters, pg 12). These are approximately 90% completed with 6 remaining minor works contracts to be issued. Now looking at remainder and putting together betterment packages to go back to NEMA for sign off. Cabinet allows packages to be moved around within T2, subject to NEMA approval.

A recommendatory report will be provided to this committee to agree to the reappropriation of the remaining contingency amount.

Reefton Historic Landfill

Budget for landfill just over \$1M. Some initial river training was carried out after the event and in August when warnings went out for August event. The Offer of Service from WSP design of remedial works has been approved with short form agreement sent today. Once designed the work commences to reinstate the rock protection for that site and then landscape accordingly.

Reefton Campground

The campground had a threat due to some of the stop banks being washed away, with most work complete. This was river training work with some vegetation work still to be done once weather improves. \$150K budget with ~ \$50K variance as a contingency.

Tiphead

\$1M approx.. Currently there is a direct tender to Rosco's and Averys. This should be complete early next year with rock work going ahead once this tender is in.

Verbal Updates Only**3 Waters Betterment Projects - \$1.582m**

Finalised lists of these projects will be put to NEMA tomorrow, with most being in the original application. Procurement plan being put together this week which comprises of various pieces of work going into various packages.

Overview of areas where we had faults created by various reasons from the flood events; eg collapsed pipes through to electrical boxes that got flooded due to their height.

Part of the repair was; Could repair where they were. The Betterment was; lifting them to a higher level.

There is strict criteria around betterment which we have to apply for, with multiple areas where betterment will benefit us. We are not able to make major improvements on what we already have.

Port

Wharf repairs - \$5.92m budget. P Rossiter is Project Manager.

- Geotech investigation is completed, awaiting final report.
- Chris Coll engaged for detailed ground survey
- W2 standing by to complete detailed assessments to enable preliminary design
- PR has been in touch with KiwiRail re future of the building on the wharf – June next year.

PR updated – have more costs in the system that haven't been paid. Engineer has been to look at wharf to understand that designs are fit for purpose. Next steps, finalise design, working with markets. KiwiRail will have quotes in for demolition for buildings. Tracking as expected.

Discussion re how this impacts Westland Mineral Sands. PR is liaising with WMS, no issues at present but important for BDC to hit timelines.

Have had discussions with NEMA team to ensure whatever repairs are done, the wharf could withstand a reasonable earthquake as it could potentially serve as an essential transport function and add to Buller resilience.

Dredging

PB – \$4.71m of funding. Dredge is currently in Nelson for maintenance. Due to Nelson floods dredge has carried out some contract work on the Matai River, due back in December. Will need to do undertake another survey on the river before they commence dredging the Buller to advise NEMA what level of dredging is required and what it will cost. WMS do not need dredge until 2023 calendar year.

Information noted**6. Infrastructure Services Portfolio Reports****Revitalisation Programme – Bridge**

MW spoke to the report. Project will be finished this month, fully completed and on budget. Still a number of other revitalisation parts that will connect this all together out of the council funded revitalisation fund. This will occur in the new year due to contractor availability.

This will be the last report to this committee, email to be provided to WG to close out this project.

The report was accepted as tabled

7. Commercial and Corporate Services Portfolio Report

Buller Ports Package

PR – spoke to the project. Recap - this is a \$3.3m govt funded project with two components:

- a) \$2m gravel extraction – completed (155,000 m3 has been removed in last 11 months)
- b) \$1.3m programme - safety functional improvements to fishing precinct and bulk precinct.
 - Fixing harbour master office, significant issues, asbestos removal, new windows, seismically at risk, roof leaks, new floor, exterior paint job and new steel bracing members to get up to 80% for NBS seismic performance.
 - December - finish security for port access. Controllable port entrance for authorised access only, gates to be installed this week. Chip sealing for carpark and final fencing, occurs before Xmas. On target to finish by the end of this year.

SM – key aim for BDC when applying for provincial growth funding, was around having a public/private partnership, BDC asked for a small amount of capital funding to entice private business here. i.e. Westland Minerals Sands, and relationship with Talleys. Security status assists with international port status, important to WMS.

Keen to stay in positive cash flow on this project. Claim to be done by end of week, PR has spoken to WG.

The report was accepted as tabled

9. Other business

Information noted

No other matters were raised. Part A of meeting closed at 4.51 pm

SP left meeting at 4.48 pm. PR and WG left meeting at 4.51 pm

Part 2 reports will be removed from the agenda as this is now BAU for council and will come back to full council.

Part 2

Council Funded:

Westport Water Supply Trunk Main Stage 2

MW spoke to report. Stage 1B (is Stage 2) is now under way, contractors are on site. Expected to finish in May 2023. Work taking place from Stephens Road along farmland and then go underneath railway section into Kew Road. Current road closure on Stephens Road, rest of project is going well. No financials updates as yet.

Council Funded:

Waimangaroa Water Supply Upgrade

On target, Truline Civil have portion of work still to complete. Currently working on DOC piece of road damaged in February storms. BDC is progressing this work as DOC are on a different timeline that doesn't fit in with BDC timeline with the vulnerability of Waimangaroa water supply. Approx \$75K budgeted. DOC has talked to BDC project manager.

BDC are supplementing DOC, short term, until they have their funding sorted. There is degree of risk to council around this. Need to look at the level of detail around this and will require a clear MoU to document this reimbursement in a timely manner

Council funded including the \$450K that WestReef will be finishing.

Two parts

- a) \$900K – from bottom up to, just past Conns Creek Road
- b) Continue with WestReef once they have access to other side.

Fixed out to where the washout was, cannot do any further work until the road is fixed.

Meeting finished at 5.00 pm

Agenda Item 4

NEMA Funding

- NEMA Claims Paper
- NEMA Financials
- NEMA Quarterly report to 30 September



Buller Recovery – Projects in Partnership

Title: Financial Update – NEMA Claim Request

Date: 5 December 2022

Principal Author: Penny Bicknell, Economic Recovery Manager

Authorised by: Rachel Townrow, Deputy Chief Executive

Purpose

To provide the Projects in Partnership Meeting with a summary of funding to date under the NEMA appropriations and request a claim for reimbursement

Recommendations

1. It is recommended that the Projects in Partnership Group:
 - **Notes** the summary of claims paid to date against the NEMA appropriations.
 - **Endorses** the proposed claims for reimbursement noting that all expenditure is subject to eligibility assessment for reimbursement by the NEMA Financial Assurance team.
 - i. \$15,559 for Immediate Response & Recovery Costs in addition to the \$51,802 endorsed by the Projects in Partnership Group in November (Total of \$67,361)
 - ii. \$56,118 for Solid Waste Management Costs

Summary

2. As a result of the 15th – 18th July 2021 flood, Central Government supported the Westport Community and Buller District Council (BDC) through the provision of funding for response and recovery purposes. BDC received two appropriations to enable response and recovery activities to occur:
 - An immediate \$1 million advance for welfare resulting in a claim of \$322,694. The balance of this advance has been offset against Infrastructure claims.
 - A subsequent \$8 million through Cabinet.
3. The first funding allocation request ('Tranche 1') was put to Cabinet to support BDC's ongoing service to the Westport community.
 - \$1.00m was allocated for Community Hub & Navigators costs – this has been drawn down
 - \$1.45m was allocated for Immediate Response & Recovery costs
 - \$1.5m was allocated for Solid Waste Management (\$270k has been reappropriated by Cabinet for February waste removal and \$380k for emergency Westport Water works). This will be finalised in December
 - \$650k was allocated for infrastructure costs to the boundary for the Temporary Village at Alma Road

4. Below is a summary of claims for the \$1.45m Immediate Response & Recovery costs appropriation

CLAIMS AGAINST \$1.45M IMMEDIATE RESPONSE & RECOVERY COSTS	
TOTAL CLAIMS REIMBURSED TO DATE	\$381,325
NET SURPLUS TO CARRY FORWARD	\$1,068,675
TOTAL FOR ENDORSEMENT (\$51,802 + \$15,559)	\$67,361
NET SURPLUS TO CARRY FORWARD	\$1,001,314

DETAILS OF CLAIM BY CRITERIA FOR \$1.45M IMMEDIATE RESPONSE & RECOVERY COSTS	
1. Wages for Response	
2. IT Equipment, office set-up, office operating costs, software and training for Recovery Office and surge staff. (Surge staff refers to those Council services that have increased as a result of the flood event e.g., finance)	
3. Rent and overhead costs for Recovery Teamwork space	\$1,864
4. Supporting well-being needs of affected communities	\$40,876
5. Operating costs to give effect to the Recovery Action Programme (RAP)	\$24,621
6. Technical and professional advice to inform the scope of the RAP	
7. Response costs not covered by existing policies	
8. Remediation work for Council owned assets affected by the flood	
9. Insurance excess costs for Council owned assets	
Total	\$67,361

5. Below is a summary of claims for the costs for the Solid Waste Management. This will be the final claim against this appropriation

CLAIMS AGAINST THE SOLID WASTE MANAGEMENT APPROPRIATION	
TOTAL CLAIMS REIMBURSED TO DATE	\$849,273
NET SURPLUS TO CARRY FORWARD	\$270,727
NEW CLAIM FOR ENDORSEMENT	\$56,118
NET SURPLUS	\$214,609

**NEMA Tranche 1 Programme
For Period 2022/23 - October**

	ORIGINAL BUDGET (Total)	TOTAL COST TO DATE	TOTAL REVENUE TO DATE	Claims to Submit	FORECAST COST TO COMPLETE	FORECAST AT COMPLETION	PROJECT VARIANCE	
Grand Total	0	4,428,431	(3,587,965)	0	0	6,491,694	53,791	
Community Hub							0	
Expenses	1,000,000	1,221,678			288,322	1,510,000	510,000	NEMA funding of \$1m finalised with \$8k claim in September. \$500k from DIA lotteries budgeted through to 31 January 2023
Revenue	(1,000,000)		(1,000,000)	0	(510,000)	(1,510,000)	(510,000)	
Immediate Response and recovery costs								
Expenses	1,450,000	405,236			1,044,764	1,450,000	0	Appropriation extended to FY23. Most expenses will be for Flood Recovery Events/Wellbeing
Revenue	(1,450,000)		(381,488)	(67,361)	(1,001,151)	(1,450,000)	0	
								\$284k used to fund Infrastructure costs and \$393k for Feb 22 Infrastructure
Initial Response							0	
Expenses	1,000,000	322,694			0	322,694	(677,306)	July and Feb welfare claims total \$322,694. The balance of the \$1m refunded through Infrastructure claims. This appropriation is closed
Revenue	(1,000,000)		(1,000,000)	0	0	(1,000,000)	0	
Solid Waste Management							0	
Expenses	1,500,000	905,391			(31,391)	874,000	(626,000)	July 21 appropriation - \$380k reappropriated to Westport Emergency Water & \$270k for February Waste removal. Final claim to be put to PiP for endorsement in December
Revenue	(1,500,000)		(849,273)	(56,117)	31,391	(874,000)	626,000	
Temporary Village Infrastructure - NEMA Funded							0	
Expenses	650,000	0			650,000	650,000	0	Time extended due to weather and supply issues. Final claim for endorsement and close out - November
Revenue	(650,000)		(137,264)	(512,737)	0	(650,000)	0	
Westport Water							(623,515)	\$393k funded through Initial Response funding
Expenses	1,685,000	1,033,561			651,439	1,685,000	0	60% eligible (subject to review). 40% appropriation through Cabinet. Claim finalised with NEMA in October \$489,605.
Revenue	(1,685,000)		(762,457)	(28,155)	(270,873)	(1,061,485)	623,515	
Eligible costs approved by NEMA	647,172							
Less BDC Threshold for July event	(173,850)							
Claimable Portion	473,322							
NEMA 60% contribution	283,993	(deducted from the \$1m advance)						

**NEMA Tranche 2 Programme
For Period 2022/23 - October**

	ORIGINAL BUDGET (Total)	TOTAL COST TO DATE	TOTAL REVENUE TO DATE	Claims to Submit	FORECAST COST TO COMPLETE	FORECAST AT COMPLETION	PROJECT VARIANCE	
WP1 Drinking Water Repairs	0	86,250	(73,350)	(12,900)	(12,900)	0	0	
Expenses	329,848	86,250			243,598	329,848	0	
Revenue	(329,848)		(73,350)	(12,900)	(256,498)	(329,848)	0	
WP2 Stormwater Repairs	0	96,263	(54,158)	(42,105)	(42,105)	0	0	
Expenses	456,600	96,263			360,337	456,600	0	
Revenue	(456,600)		(54,158)	(42,105)	(402,442)	(456,600)	0	
WP3 Wastewater Repairs	0	296,939	(108,569)	(188,370)	(188,370)	0	0	
Expenses	480,400	296,939			183,461	480,400	0	
Revenue	(480,400)		(108,569)	(188,370)	(371,831)	(480,400)	0	
WP4 CCTV and Cleaning	0	922,178	(481,378)	(440,800)	(440,800)	0	0	
Expenses	1,183,903	922,178			261,725	1,183,903	0	
Revenue	(1,183,903)		(481,378)	(440,800)	(702,525)	(1,183,903)	0	
WP5 3W Inspections	0	28,550	(21,127)	(7,423)	(7,423)	0	0	
Expenses	61,000	28,550			32,450	61,000	0	
Revenue	(61,000)		(21,127)	(7,423)	(39,873)	(61,000)	0	
Project Management WP 1-5	0	191,104	0	(191,104)	(191,104)	0	0	
Expenses		191,104			(191,104)			
Revenue	0		0	(191,104)	0	0	0	
WP6 3W Betterment Projects	0	26,353	0	(26,353)	(26,353)	0	0	
Expenses	1,582,000	26,353			1,555,647	1,582,000	0	
Revenue	(1,582,000)		0	(26,353)	(1,582,000)	(1,582,000)	0	
WP7 Westport Port Repairs	0	68,134	0	(68,134)	(68,134)	0	0	
Expenses	5,920,000	68,134			5,851,866	5,920,000	0	
Revenue	(5,920,000)		0	(68,134)	(5,920,000)	(5,920,000)	0	
WP8 Westport Dredging Project	0	0	0	0	0	0	0	
Expenses	4,716,000	0			4,716,000	4,716,000	0	
Revenue	(4,716,000)		0	0	(4,716,000)	(4,716,000)	0	
WP9 Inangahua River Projects	0	241,636	(173,557)	(68,079)	(68,079)	0	0	
Expenses	1,224,000	241,636			982,364	1,224,000	0	
Revenue	(1,224,000)		(173,557)	(68,079)	(1,050,443)	(1,224,000)	0	
WP10 Tiphead Repairs	0	93,104	(44,982)	(48,122)	(48,122)	0	0	
Expenses	1,000,000	93,104			906,896	1,000,000	0	
Revenue	(1,000,000)		(44,982)	(48,122)	(955,018)	(1,000,000)	0	
Programme Management	0	18,120	0	(18,120)	(18,120)	0	0	
Expenses	190,440	18,120			172,320	190,440	0	
Revenue	(190,440)			(18,120)	(190,440)	(190,440)	0	
TOTAL								
Expenses	17,144,191	2,068,630		0	0	15,075,561	17,144,191	0
Revenue	(17,144,191)		(957,121)	(1,111,509)	0	(16,187,070)	(17,144,191)	0
Threshold Deduction	174,914		174,914				174,914	
Total	174,914	2,068,630	(782,207)	(1,111,509)	0	(1,111,509)	174,914	



Quarterly report: Essential infrastructure recovery programme status

Council:	Buller District Council
For period to:	30 September 2022
Submitted by:	Penny Bicknell, Programme Manager Infrastructure Recovery
Date prepared:	14 November 2022

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Section 1 Background

The Buller District experienced multiple serious weather events over a 7-month period, from July 2021 through February 2022.

1.1.1 The July 2021 event.

Heavy rainfall from Thursday 15 July 2021 to Sunday 18 July 2021 caused significant flooding within Westport and across the Buller District, from both the Buller River and the Orowaiti estuary. At its peak, NIWA identified that the Buller River was flowing at 7,640 m³/sec, around 10 times its usual flow, being the largest river flow ever recorded in New Zealand.

The flow breached Westport's existing flood defences, with 826 properties and over 2,000 people requiring evacuation. Significant infrastructure damage occurred in and around Westport.

1.1.2 The February 2022 events.

On 1st of February Met Service issued a 'red' designation with forecasted rainfall predicted to exceed the July 2021 event. A State of Local Emergency was declared on the 2nd with voluntary evacuations commencing in "at risk" areas of Westport. Widespread local flooding occurred, many roads were closed, and some properties were inundated. The worst of the weather missed Westport and the Buller District, however.

A further 'orange' designation was issued by Met Service on February 9th, with a State of Local Emergency being declared on the 10th. Significant flooding occurred across the district, slips were evident, the Karamea highway was badly affected (31 slips and 8 slumps), farms were flooded with the Maruia and Inangahua Rivers from peak flows. All roads north and south of Westport were closed effectively cutting off the district. Further mandatory evacuations within Westport occurred.

This second February flood event caused extensive infrastructure damage across the district and affected communities from Springs Junction to Punakaiki, and north to Karamea. The Karamea Highway was unpassable for five days. The Westport and Waimangaroa water supplies were materially impacted. A week after the event, slips were still occurring due to saturated ground, with a major slip at Granity.

1.1.3 Government Funding

After the July 2021 event, Central Government commissioned an independent Health Check of Buller District Council. Key conclusions (abridged) were:

- Council is competent in the management of its finances and the development and adherence to a Financial Strategy. It is managing its resources reasonably well.
- The economic wealth within the community appears to be a hurdle for the community to fund its current programme outlined in Buller District Councils 2021-31 Long Term Plan. The risk of meeting recovery costs diverts Council resources from needed community economic gains including employment opportunities.
- There is a need to further scenario model the potential for how all the work can be funded, recognising the limit on the Buller community's ability to directly contribute and to assess the long-term ability of the community to afford maintenance of its expected levels of service.

Central Government also provided Buller District Council two appropriations, an immediate advance payment of \$1,000,000 for Welfare and a subsequent \$8,000,000 through Cabinet, being \$4,600,000 through NEMA and \$3,400,000 through DIA. Those appropriations were for the period through to 30



November 2021, to enable business-as-usual and recovery activities to occur whilst Council assessed their longer-term needs.

Those long-term needs were still being identified at the time of the February events, where further extensive damage to 3-Waters infrastructure occurred across the district.

Further Central Government emergency funding was secured to reinstate the Westport Water Supply (\$1,685,000) and to collect and dispose of flood affected waste from both domestic premises and the Reefton landfill washout (\$270,000).

Buller District Council progressed analysing the damage and determining its long-term financial and infrastructure needs. Those needs were documented in the Tranche 2 funding request, where a further \$17,144,191¹, which includes \$10,636,476² of additional Tranche 2 funding, to enable normal social and economic activities to resume and to return essential infrastructure assets to pre flood functionality was requested. Cabinet considered the Tranche 2 appropriation request on 9th of June, and Council received verbal confirmation of funding on June 13th.

¹ The \$17,144,191 is made up of: \$6,507,715 Central Government (NEMA) 60% share of eligible 60/40 repairs and a Tranche 2 funding request of \$10,636,476 that was approved by cabinet.

² The \$10,636,476 is made up of Buller District Councils 40% share (\$4,338,476) to be met by government which was approved by cabinet; the cost of dredging (\$4,716,000) approved by cabinet; and betterment (\$1,582,000) approved by cabinet.



Section 2 Tranche 1 Funding Programme

2.1 Programme update summary

Social & Cultural items	Commentary
Community Hub and Connectors (Navigators) (\$1m)	<p>Completed</p> <ul style="list-style-type: none"> The Navigator and Community Hub programme was completed at the end of June 2022. This programme has been extended to 31 January 2023 with funding from DIA Lotteries. Navigators/Community Connectors continue to work with TAS, MSD, Health Services and RAS around client needs and identifying any new issues, ensuring people have access to the support they need. The Hub and Navigators has become a place of information for people with anxieties and concerns around future community resilience.
Immediate response and recovery costs (\$1.45m)	<p>In-progress</p> <ul style="list-style-type: none"> Appropriation extended into FY2023 – event programme for flood affected residents to continue to January 2023 with the extension of the Navigator Connector team and Community Hub programme
Initial Welfare Response Advance (\$1m)	<p>Completed</p> <p>Remaining advance offset against eligible infrastructure claims</p>
Infrastructure items	Commentary
Temporary Village Infrastructure (\$650k)	<ul style="list-style-type: none"> Temporary village confirmed for Alma Road in December 2021. 3-Waters infrastructure installation completed after some delays due to covid and supply issues. Final draw down to be submitted November 2022.
Flood Affected Waste Management (July appropriation \$1.5m) (\$380k reappropriated to Westport Water emergency works. \$270k reappropriated for February flood affected Waste Management)	<ul style="list-style-type: none"> All domestic waste from the July and February floods / slips has been collected and disposed of to landfill. Final clean up from the Reefton Historic Landfill washout into the Inangahua River continues as weather conditions permit. Completed in October - Awaiting final costs of clean up from the historic Reefton Landfill – final drawdown to be submitted in December 2022
Westport Water Emergency Works (\$1.685m)	<ul style="list-style-type: none"> Access road stabilisation completed with the repair and grading of slips, and replacement of culverts and the repair of the ford crossing. Initial intake damage to weir, gates, screens, and associated infrastructure has been repaired. Ongoing damage was managed. Ongoing pumping of raw water from usable sources was undertaken. Programme completed September 2022



Section 3 Tranche 2 Funding programme

3.1 Approved Projects

Subject to Work scope eligibility

Asset	Cost	Total Cost	Funding - Insurance	NEMA 60% if eligible	40%	Total	Required Funding (40% + non eligible)
Port							
Wharf	\$5,920,000			\$ 3,552,000	\$ 2,368,000	\$5,920,000	\$ 2,368,000
Harbour Dredging	\$ 4,716,000			\$ -	\$ -	\$ 4,716,000	\$ 4,716,000
Total Port		\$ 10,636,000					
Tiphead							
Estimated cost of repair (July and Feb)		\$ 1,000,000					
Total Tiphead				\$ 600,000	\$ 400,000	\$ 1,000,000	\$ 400,000
River Protection Reinstatement							
Estimated Cost of Repair - Reefton		\$ 150,000					
Total River Protection Reinstatement				\$ 90,000	\$ 60,000	\$ 150,000	\$ 60,000
Three Waters							
Repair Costs (July excluding Westport Water supply)	\$ 1,226,010		?				
Repair Costs (Feb excluding Westport Water supply)	\$ 1,285,741		?				
Total Three Waters		\$ 2,511,751		\$ 1,507,051	\$ 1,004,700	\$ 2,511,751	\$ 1,004,700
Betterment							
July 2021 - 3 Waters	\$ 1,290,000						
February 2022 - 3 Waters	\$ 292,000						
Total Betterment		\$ 1,582,000		\$ -	\$ -	\$ 1,582,000	\$ 1,582,000
Reefton Landfill							
Estimated cost of repair		\$ 1,074,000					
Total Reefton Landfill				\$ 644,400	\$ 429,600	\$ 1,074,000	\$ 429,600
Programme Manager (30hrs/wk @ \$120/hr + accomm)		\$ 190,440		\$ 114,264	\$ 76,176	\$ 190,440	\$ 76,176
TOTAL COSTS				\$ 6,507,715	\$ 4,338,476	\$ 17,144,191	\$ 10,636,476
Less insurance on 60/40 eligible assets			?				
TOTAL FUNDING REQUIRED							\$ 10,636,476

3.2 Programme update summary

Infrastructure items	Commentary
<p>The programme has been split into Work packages (WP).</p> <p>WPs 1-5 include all Three Water Repairs:</p> <p>Drinking Water repairs (excluding Westport Emergency Water supply repairs, Stormwater repairs, Wastewater repairs, CCTV and</p>	<p>WP1 – Drinking water repairs 87% complete</p> <p>WP2 – Stormwater repairs 65% complete</p> <p>WP3 – Wastewater repairs 84% complete</p> <p>WP 4 - CCTV and Cleaning 84% complete</p> <p>WP 5 – 3 Waters Inspections 100% complete</p>



Cleaning, and 3-Waters Inspections. It covers both the July and February events with a total programme value of \$2,511,751	Six remaining Minor Works contracts to be issued early November to cover final scope of works which will be completed early 2023
WP 6 Betterment – total programme of works for both July and September \$1,582,000	Project Manager has worked with BDC infrastructure assets team to scope and cost the priority list of projects. There are minor differences to the list of projects that were estimated and submitted in the application for funding. BDC will seek NEMA approval for eligibility of this list of projects and the procurement plan in early November. Construction to take place during the summer months and scheduled to be completed by 31 March 2023
WP 7 Port – Wharf repairs – total programme of works \$5,920,000	<ul style="list-style-type: none"> - An experienced Project Manager appointed – Phil Rossiter of Dextera who has worked with BDC on Port projects for the last 3 years. - Geo-tech investigations have been carried out on site. - Survey engaged for next stage for detailed ground and structure survey which will enable preliminary designs for completion by mid-December. - Discussions are taking place with KiwiRail around the demolition of a building on the wharf which currently restricts access for any construction work at the Kawatiri end of the wharf. - Construction estimated to commence mid 2023 with a duration of approximately 240 days.
WP 8 Dredging – total programme \$4,716,000	The Kawatiri dredge has been undergoing scheduled slippage (repairs and maintenance) in Nelson. She is due back in Westport in December to commence dredging the shipping channel.
WP 9 Reefton / Inangahua River stopbank; Reefton historic landfill	<ul style="list-style-type: none"> - River training has been carried out to protect the stopbank. Remaining work to be completed is minor vegetation removal which will take place over the summer months. - WSP has been engaged to carry out consenting work and design concept work for the reinstatement of the historic landfill. Completed Concept designs are expected to be delivered in January with a parallel procurement process to ensure work commences in early 2023
WP 10 Tiphead	Investigations and design are complete. Survey under way to determine final rock volumes and extent of works. Tender to go out early November. Programme of works approximately 6 weeks to commence mid-January.

3.3 Health and safety

All projects are managed and delivered in accordance with Councils standard Health and Safety policies, processes, and contractor requirements.

3.4 Environment and heritage

All works either comply with West Coast Regional Council permitted activity requirements, or resource consent, or retrospective resource consents, are obtained. All resource consents granted are currently overseen by the contractors in liaison with the West Coast Regional Council.



3.5 Quality

Support from the Buller District Councils Infrastructure Services team, as asset owner, is informing the design and methodology of all contracts developed by the Project Management Office.

Job specifications and design are included as part of the procurement and approval process of all contracts overseen by the Project Management Office with final authorization from the GM Infrastructure or Deputy Chief Executive.

3.6 Communications / community and stakeholder engagement

Ongoing communication is occurring in accordance with the Communication Strategy that covers:

- Liaison with community leaders and Community Boards.
- Progress summaries within the local newspapers, Council Newsletter, Council's website and Buller Flood Recovery website and Facebook pages
- The project page within Council's website and the Facebook page are regularly monitored and updated.

3.7 Procurement

The Recovery work programme is highly dependent on access to resources - materials and contractors, and the management of staff during the Covid-19 pandemic. All contracts have been let in accordance with Council procurement and delegation policies.

3.8 Tranche 2 Programme delivery

Number of infrastructure projects in the programme: 6

The table below shows the number of infrastructure projects in each phase leading to final completion.

Project phase	Number of projects (As reported for previous quarter)	Number of projects (For this quarter)
Concept Design	0	1
Detailed Design	0	2
Procurement	0	2
Construction	0	1
Handed over to Council	0	0
Defects Liability Period	0	0
Total:	0	6
Projects completed:	0	0



3.9 Programme completion

Baseline programme completion date As determined at the commencement of the programme	28 July 2022 - July Flood 30 June 2022 - Emergency Activities 31 March 2023 – Tranche 2
Programme forecast completion date As reported in previous quarterly report	31 March 2023
Current programme completion date	With the exception of the Port and Dredging work, all other projects scheduled to be completed by 31 March 2023



Section 4 Financial

4.1.1 Tranche 1

NEMA Tranche 1 Programme For Period 2022/23 - September							
Group 9	ORIGINAL BUDGET (Total)	TOTAL COST TO DATE	TOTAL REVENUE TO DATE	Claims to Submit	FORECAST COST TO COMPLETE	FORECAST AT COMPLETION	PROJECT VARIANCE
Grand Total	0	4,428,431	(3,587,965)	0	0	6,491,694	53,791
Community Hub							0
Expenses	1,000,000	1,220,742		0	(220,742)	1,510,000	510,000
Revenue	(1,000,000)		(992,002)	(8,000)	(8,000)	(1,510,000)	(510,000)
Immediate Response and recovery costs							
Expenses	1,450,000	400,864		0	1,049,136	1,450,000	0
Revenue	(1,450,000)		(336,576)	(44,912)	(1,113,424)	(1,450,000)	0
Initial Response							0
Expenses	1,000,000	322,694			0	322,694	677,306
Revenue	(1,000,000)		(1,000,000)		0	(322,694)	(677,306)
Solid Waste Management							0
Expenses	1,500,000	887,908			612,092	874,000	(626,000)
Revenue	(1,500,000)		(849,273)		(650,727)	(874,000)	626,000
Temporary Village Infrastructure - NEMA Funded							0
Expenses	650,000	650,000		0	650,000	650,000	0
Revenue	(650,000)		(137,264)	(512,737)	(512,737)	(650,000)	0
Westport Water							(623,515)
Expenses	1,685,000	946,223			738,777	1,685,000	0
Revenue	(1,685,000)		(272,851)	(489,606)	(1,412,149)	(1,061,485)	(623,515)
July Infrastructure claim							
Eligible costs approved by NEMA		647,172					
Less BDC Threshold for July event		(173,850)					
Claimable Portion		473,322					
NEMA 60% contribution		283,993	deducted from the \$1m advance				



4.1.2 Tranche 2

NEMA Tranche 2 Programme For Period 2022/23 - September							
	ORIGINAL BUDGET (Total)	TOTAL COST TO DATE	TOTAL REVENUE TO DATE	Claims to Submit	FORECAST COST TO COMPLETE	FORECAST AT COMPLETION	PROJECT VARIANCE
T2 WP1 Drinking Water Repairs	0	86,250	(73,350)	0	(12,900)	0	0
Expenses	329,848	86,250			243,598	329,848	0
Revenue	(329,848)		(73,350)		(256,498)	(329,848)	0
T2 WP2 Stormwater Repairs	0	96,263	(54,158)	0	(42,105)	0	0
Expenses	456,600	96,263			360,337	456,600	0
Revenue	(456,600)		(54,158)		(402,442)	(456,600)	0
T2 WP3 Wastewater Repairs	0	294,184	(108,569)	0	(185,615)	0	0
Expenses	480,400	294,184			186,216	480,400	0
Revenue	(480,400)		(108,569)		(371,831)	(480,400)	0
T2 WP4 CCTV and Cleaning	0	800,776	(481,378)	0	(319,397)	0	0
Expenses	1,183,903	800,776			383,127	1,183,903	0
Revenue	(1,183,903)	0	(481,378)		(702,525)	(1,183,903)	0
T2 WP5 3W Inspections	0	28,550	(21,127)	0	(7,423)	0	0
Expenses	61,000	28,550			32,450	61,000	0
Revenue	(61,000)		(21,127)		(39,873)	(61,000)	0
Project Management WP 1-5	0	163,358	0	0	(163,358)	0	0
Expenses (Budget included in WP 1-5)		163,358			(163,358)		
T2 WP6 3W Betterment Projects	0	22,363	0	0	(22,363)	0	0
Expenses	1,582,000	22,363			1,559,637	1,582,000	0
Revenue	(1,582,000)		0		(1,582,000)	(1,582,000)	0



NEMA Tranche 2 Programme For Period 2022/23 - September							
	ORIGINAL BUDGET (Total)	TOTAL COST TO DATE	TOTAL REVENUE TO DATE	Claims to Submit	FORECAST COST TO COMPLETE	FORECAST AT COMPLETION	PROJECT VARIANCE
T2 WP7 Westport Port Repairs	0	2,069	0	0	(2,069)	0	0
Expenses	5,920,000	2,069			5,917,931	5,920,000	0
Revenue	(5,920,000)		0		(5,920,000)	(5,920,000)	0
T2 WP8 Westport Dredging Project	0	0	0	0	0	0	0
Expenses	4,716,000	0			4,716,000	4,716,000	0
Revenue	(4,716,000)		0		(4,716,000)	(4,716,000)	0
T2 WP9 Inangahua River Projects	0	225,605	(173,557)	0	(52,048)	0	0
Expenses	1,224,000	225,605			998,395	1,224,000	0
Revenue	(1,224,000)		(173,557)		(1,050,443)	(1,224,000)	0
T2 WP10 Tiphead Repairs	0	73,228	(44,982)	0	(28,246)	0	0
Expenses	1,000,000	73,228			926,772	1,000,000	0
Revenue	(1,000,000)		(44,982)		(955,018)	(1,000,000)	0
T2 Programme Management	0	10,320	0	0	(10,320)	0	0
Expenses	190,440	10,320			180,120	190,440	0
Revenue	(190,440)				(190,440)	(190,440)	0
Total	0	1,802,964	(957,121)	0	(845,842)	0	0
Threshold Deduction	0	0	0		0	0	0
Revenue deducted	174,914		174,914				
Grand Total	174,914	1,802,964	(782,207)	0	(845,842)	0	0

**Forecast costs**


Estimated total programme cost (The baseline cost determined at the commencement of the programme):	\$17,144,191
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	As reported for previous quarter	Current forecast for this quarter
Total forecast programme cost	NA	\$1,103,056
Council forecast share of the costs	NA	0
Crown forecast share of the costs	NA	\$1,103,056
Estimated betterment cost	NA	\$ 85,000
Costs to be fully funded by the Council	NA	0

Actual costs

	As reported for previous quarter	Current forecast for this quarter
Council share of costs to date	0	0
Total Actual costs to date	\$1,802,964	\$1,103,056
Crown share of costs to date (claims)	\$ 782,207	\$ 845,843
Betterment total cost	\$ 22,363	\$ 85,000
Betterment: Council share of costs to date	0	0
Betterment: Agreed Crown share of costs to date	\$ 22,363	\$ 85,000
Costs fully funded by Council	0	0
WP 1-5 3 Waters	\$1,469,380	\$480,000
WP 6 Betterment	\$ 22,363	\$ 85,000
WP 7 Port – Wharf repairs	\$ 2,069	\$ 64,825
WP 8 Dredging	0	\$220,500
WP 9 Reefton Campground	\$ 31,658	\$ 10,000
WP 9 Reefton Landfill Reinstatement	\$ 193,947	\$119,331
WP 10 Tiphead	\$ 73,228	\$100,000
Programme Management	\$ 10,320	\$ 23,400

Section 5 Programme risks and issues by Work Package

Risk Register																	
Version 10.4																	
11-Oct-22	Stage 1 - Risk Identification				Stage 2 - Analysis of Uncontrolled Risk				Stage 3 - Risk Controls and Analysis of Controlled Risk								Stage 4 - Risk Acceptance
	Risk				Consequence	Uncontrolled Risk Score			Risk Controls			Controlled Risk Score					Risk Ownership
Project	Risk ID	Risk Title (Chance that...) Brief and uncomplicated	Risk Description & Impact Clear, unambiguous, brief description of the risk event and what the impact to Council would be (i.e. what the loss or gain will be if the event occurs)	Date of Review The most recent date of review of the risk event and its control plan	Details of Consequences (Resulting in...)	Overall Consequence Score	Likelihood Score	Inherent Risk Level (1-25)	Risk Control Option	Key Controls In Place Description of existing controls	Overall Consequence Score	Likelihood Score	Residual Risk Level (1-25)	Control Plan Description of further controls (if required) from the detailed control plan developed by the risk owner	Treatment Due Date Due date that treatment from control plan must be in place	Escalation Pathway To whom the Risk Owner / Control owner should escalate the risk should it exceed tolerance level	
																	
Flood Recovery Return to Service Work Packages 1 - 5																	
Flood Recovery Return to Service Work Packages 1 - 5	1	CCTV - Major Faults Discovered	BDC will be forced to utilise AP funds to remedy (unplanned works)	1/10/2022	Financial Risk	4	3	12	Share	Ensure BDC IS Coordinators are aware of financial risks to their budget if work is not eligible - no reimbursement	3	3	9	No proceeding until BAU Funds are ear-marked as backup.	Coordinators already advised (July, 2022)	Project Manager	
Flood Recovery Return to Service Work Packages 1 - 5	2	Repair Costs are In-eligible for NEMA Reimbursement	BDC will be forced to utilise AP funds to remedy (unplanned, possibly unbudgeted works)	1/10/2022	Financial Risk	4	3	12	Share	Ensure BDC IS Coordinators are aware of financial risks to their budget if work is not eligible - no reimbursement	3	3	9	No proceeding until BAU Funds are ear-marked as backup.	Coordinators already advised (July, 2022)	Project Manager	
Flood Recovery Return to Service Work Packages 1 - 5	3	Project Delivery Delays	Project Delivery is delayed due to limited sign off capacity within PMO System (including Financial Delegations)	1/11/2022	Project Delays	4	4	16	Share	Communicate the resource and approval process risk to Management to address/expedite issue	4	3	12	Advise Management (IS and Programme Manager)	15/11/2022	Programme Manager	
Flood Recovery Return to Service Work Packages 1 - 5	4	Inclement Weather	Potential delays at certain flood 'repair' sites due to inclement weather (E.g. Reefton Access Track)	1/11/2022	Project Delays	2	2	4	Avoid	Manage scheduling of works around available weather windows to minimise risk of delays	2	1	2	Manage the contractors schedule	Ongoing	Project Manager	
Flood Recovery Return to Service Work Packages 1 - 5	5	Records of work for work completed prior to 01/07/22	Risk that information or records of work may not be suitable for the Planning Team (AssetFinder Input)	1/11/2022	Planning Team not receive records of work (OPEX only)	2	2	4	Modify	Work with suppliers and BDC AP Team to close out any outstanding items	2	1	2	Identify the items required with the BDC Planning Team and discuss with suppliers in first instance	24/12/2022	Project Manager	
Flood Recovery Return to Service Work Packages 1 - 5	6	Completion of work within NEMA time frame	Westport Waste Treatment Plant - long lead time on parts	1/11/2022	Financial Risk	4	4	16	Share	Discuss with NEMA pre-commitment of funds	4	1	4	Discuss with Pgm Manager to raise with NEMA for consideration	15/11/2022	Programme Manager	
Flood Recovery Return to Service Work Package 10 - Tiphead Revetment Wall Repair																	
Flood Recovery Return to Service Work Package 10 - Tiphead Revetment Wall Repair	7	Tender Responses Return Unfavourable Responses with Respect to Timing and Budget	Tender responses (lowest price conforming) could indicate cost/timing/quality risk and has potential to delay the job.	1/10/2022	Financial Risk/ Operational Risk	5	3	15	Share	BDC have been made aware of the inherent risks (of opening the Tender up at the late stage) of delays due to unfavourable Tender responses VS Direct Negotiation.	5	3	15	Nil	BDC already made aware	General Manager	
Flood Recovery Return to Service Work Package 10 - Tiphead Revetment Wall Repair	8	Public Interaction (Worksites)	The position of the site is open to Public interaction, and a heightened risk profile	1/10/2022	Safety/ Reputational Risk	5	3	15	Share	Strict protocols allowed for within the tenderer/contractor HSE and Methodology to mitigate public interaction	5	2	10	Nil	Following Tender, Pre-Site Works	Project Manager	
Flood Recovery Return to Service Work Package 10 - Tiphead Revetment Wall Repair	9	Flood Risk During Construction	Elevated Risk of Flood Damage During Construction	2/10/2022	Safety/ Reputational Risk	5	5	25	Share	The Methodology needs to remain fluid enough to protect works at short notice.	5	2	10	Nil	Following Tender, Pre-Site Works	Project Manager	



Te Kaunihera Q Kawatiri																
Reefton Campground	10	Stop bank failure during flood event	Flooding of the Inangahua River means that the river reverts towards the campground stopbank	5/10/2022	Failure of campground stopbank	5	3	15		Ongoing monitoring of river levels and predicted flows	5	2	10	On going maintenance required on the temporary stop bank	ongoing until further notice	Programme Manager
Reefton Campground	11	Insufficient water to Reefton intake	Reefton township water intake is found to have reduced capacity due to river retrainment and Reefton water supply is reduced	5/10/2022	Reefton township water intake is found to have reduced capacity due to river retrainment	5	3	15		Monitoring in place to determine issue. Works may be required to reconstruct	5	2	10	none	ongoing until further notice	Programme Manager
Reefton Campground	12	Resource consent	Retrospective resource consent delays works or requires further works	5/10/2022	Project delays or additional works	3	3	9		Undertaken works as quickly as possible, close contact with resource consent resource	3	2	6	Maintain close comms with resource consent manager	Until RC is issued	Programme Manager
Reefton Historic Landfill and Campground																
Reefton Historic Landfill and Campground	13	Temporary stop bank failure during flood event	Caused by flooding of the Inangahua River combined with the temporary nature of the current stop bank	5/10/2022	Further landfill waste washing into the river, resulting in another river bank clean up operation, pollution of	5	3	15		Temporary stop bank is maintained before and after flood events as a temporary measure until the permanent design is built	5	2	10	On going maintenance required on the temporary stop bank	ongoing until further notice	Programme Manager
Reefton Historic Landfill and Campground	14	Contamination to river bed	Caused by excavation of contaminated ground	5/10/2022	Contamination of the river and river bed	5	4	20		Contaminated ground to be capped with clean material before being protected by the rip rap wall. Minimal to no need to excavate/move any contaminated ground	5	2	10	Agree method with contractor then follow up with regular site inspections by BDC	Once construction starts	Programme Manager
Reefton Historic Landfill and Campground	15	Project delays caused by consenting timeframes	resource consent will be required for this project before commencement	5/10/2022	Project start date delays	3	4	12		WSP designer and planner working simultaneously on this project.	3	2	6	Monitor outputs and seek early warning on any issues	ongoing until further notice	Programme Manager
Port																
Wharf Repair Project	16	Chance that the repair design turns out to be unaffordable (i.e. exceeds the capped budget)	Because there is insufficient consideration or estimation of cost effective repair/construction approaches and materials and/or collaboration with the construction/repair market	9/11/2022	Resulting in re-design, delays, value-erosion, stakeholder upset	5	3	15	Share	1. Risk awareness discussion and planning with Engineer 2. Planned engagement with construction supplier(s) when design concept developed to ensure optimisation 3. Planned retention of QS to develop shadow estimate for additional assurance	3	2	6	Monitor and communicate	28/02/2023	Programme Manager
Wharf Repair Project	17	Chance that a significant portion of the repair design turns out to be unworkable due to lack of access to wharf area for plant and equipment	Because Kiwirail has dilapidated buildings immediately behind some of the wharf area and may not remove (demolish) the buildings (or demolish them in time) to enable cost-effective repair of the section of adjacent wharf	9/11/2022	Resulting in an inability to repair part of the damaged wharf, re-design and/or methodology change, delays, stakeholder upset	5	3	15	Share	1) Early engagement with Kiwirail to establish intent 2) Open exploration with Kiwirail about available budget for demolition and received quotes 3) Early planning within BDC to determine of financial contribution (from beyond the project) is possible 4) Early go-no decision on whether to forego repair of wharf section that might not be accessible, and seek agreement with NEMA to reinstate wharf function further upstream where it can be freely accessed	3	2	6	Monitor, communicate, and adjust repair scope early, if building removal not likely	31/01/2023	Programme Manager
Wharf Repair Project	18	Chance that the design cannot be constructed in a reasonable timeframe	Because the materials specified in the repair design are scarce and/ or have very long-lead times	9/11/2022	Resulting in an inability to repair all of part of the damaged wharf, delays, re-design and/or respecification, additional cost associated with changes, stakeholder upset	5	3	15	Share	1. Risk awareness discussion and planning with Engineer 2. Planned engagement with construction supplier(s) when design concept developed to materials selection is free of critical supply items	4	2	8	Monitor and communicate	31/05/2023	Programme Manager
Wharf Repair Project	19	Chance that the repair design compromises delivery, cost, and/or contractor uptake	Because it is more complicated than necessary and unfit-for-purpose.	9/11/2022	Resulting in delays, elevated contractor pricing, limited contractor uptake, increased costs	5	3	15	Share	1. Risk awareness discussion and planning with Engineer 2. Early engagement with construction supplier(s) to validate and optimise and validate methodology, materials selection, and key construction success factors	4	2	8	Monitor and communicate	31/03/2023	Programme Manager
Wharf Repair Project	20	Chance that insufficient/none quality contractors bid on the repair phase of the project	Because the project is seen as too hard, or too distant, or not interesting enough relative to other market opportunities at the time	9/11/2022	Resulting in delays, re-tendering, lack of competitive tension, increased costs, stakeholder upset, port function impacts	5	3	15	Share	1. Early notice publishing on GETS 2. Additional market engagement activity to alert prospective suppliers to the upcoming opportunity 3. Construction supplier engagement to optimise 'constructability' and identify important aspects of presenting to the market 4. Equitable risk-sharing in tender stage	3	2	6	Monitor and communicate	28/02/2023	Programme Manager



Section 6 Expected progress in the next quarter

- 3 Waters – six remaining final contracts to be issued
- Betterment – Procurement plan to be authorised and contracts tendered/let
- Resource consents will be applied for if required
- Concept designs for Port Wharf repairs being prepared
- Dredging of the shipping channel to commence prior to Christmas
- Final designs for Reefton Landfill reinstatement being prepared and parallel procurement
- Final vegetation removal for Reefton stopbank
- Tender results for Tiphead programme (for commencement in January 2023)
- A further Tranche 2 claim to be submitted by 30 November 2022



Section 7 Insurance

Insurance claims below are under assessment by Aon. Final paperwork will be submitted to NEMA when available.

Three Waters	Damage Cost	Insurance Excess	Net Figure	40% Settlement
Repair Costs (July excluding Westport Water supply)	\$ 1,226,010	\$1,000,000	\$226,010	\$90,408
Repair Costs (Feb excluding Westport Water supply)	\$ 1,285,741	\$1,000,000	\$285,741	\$114,296
Total Three Waters	\$ 2,511,751	\$2,000,000	\$511,751	\$204,700



Buller District Council
Quarterly Report on NEMA Tranche 1 and Tranche 2 Funding Programmes

Agenda Item 5

Projects in Partnership

- *Port*
- *3 Waters*
- *Betterment*
- *Tiphead*
- *Reefton Stopbank*
- *Reefton Landfill*
- *Dredge*

Project Status Report – NEMA-Funded Wharf Repair & Reinstatement – 31 October 2022



Project Details

Location and Region:	Westport, Buller district
Project Budget:	\$5,919,577
Reporting Period:	For the month ending 30 November 2022
Project Principal:	Buller District Council (BDC)
Project Partner(s):	National Emergency Management Agency (NEMA)
Project Manager:	Phil Rossiter, Dextera Limited
Project Outcome/Objective:	The principal objective is to address wharf failure and unsafe conditions produced by the July 2021 and February 2022 Buller River flood events and restore wharf service levels so that it is fit for existing and on-going operations. Specifically, this includes repairing the underlying retaining wall such that further ground failure and damage to the wharf structure is resolved; repairing and/or reinstating vertical piles on the outside face of the wharf; and repairing/replacing the wharf deck to remove unsafe conditions and to ensure it is trafficable and remains so.

Project Overview/High-Level Summary (G = Green- Good; A = Amber- Warning; R = Red - Issue)

Aspect	Status	Comments
Overall:	G	Project planning well underway and on track. Initial investigation and design work advanced. Current scheduling indicates physical works should commence around May 2023.
Budget:	G	The budget of \$5,919,587 was based on an estimate which introduces some risk, however planning and risk mitigation work is underway to ensure this budget is sufficient and there are no red flags or indications at this point that it will not be.
Scope:	G	A high-level scope has been developed based and is being refined based on a combination of user-input and a recently completed detailed structural site inspection.
Resource:	G	Resources required for this initial stage of the project are secured. Additional resources will be required as the project progresses.
Schedule:	G	A programme has been developed and is currently on target. The programme indicates project completion by May 2024. Several milestones (Importance Level decision for repair work and Kiwirail building demolition) need to be satisfied in the next reporting period to avoid schedule pressure and a potential 'traffic light' change to amber.
Risks / Issues:	G	A number of risks have been identified and mitigations and management actions are underway and on-going.

State of Play

Last Month (October 2022)

- Detailed topographical survey completed.
- Detailed geotechnical site assessment and investigation report completed.
- Detailed structural site inspection completed.
- Preliminary engineering repair design on-going.
- Liaison with Kiwirail regarding adjacent building demolition on-going.
- Project documentation and control development on-going.

Next Month (December 2022)

- Draft preliminary design to be issued.
- Draft consideration document to inform Importance Level options for repair works (leading to a Council:NEMA decision).
- Early market engagement work (publishing of GETS Notice) in relation to repair work next year.
- Establish Kiwirail position on building demolition and implications for the project.

Programme and Milestones



Financials					
A summary of expenditure to date against actuals for each Project item is shown in the table below (includes actuals and accruals)					
Project Aspect	Allocated budget	Actual Spend (as at the reporting date)	Forecast (remaining) cost to complete	Forecast Variance	Commentary
Project management, coordination, and delivery	\$134,400	\$8,700	\$125,700	\$0	N/A
Investigation and planning	\$87,720	\$43,719	\$44,001	\$0	N/A
Design	\$150,000	\$20,285	\$129,715	\$0	N/A
Statutory approvals	\$31,200	\$0	\$31,200	\$0	N/A
Procurement and legal	\$30,000	\$0	\$30,000	\$0	N/A
Construction	\$5,477,267	\$0	\$5,477,267	\$0	N/A
User acceptance, handover, and closeout	\$9,000	\$0	\$9,000	\$0	N/A
Total	\$5,919,587	\$72,704	\$5,846,883	\$0	

Risks/Issues/Outcomes			
Key risks and/or issues arising are detailed			
Risk title	Risk description and impact	Mitigation	Residual risk rating
Chance that the design cannot be constructed in a reasonable timeframe	Because the materials specified in the repair design are scarce and/ or have very long-lead times	1. Risk awareness discussion and planning with Engineer 2. Planned engagement with construction supplier(s) when design concept developed to materials selection is free of critical supply items	Moderate (8)
Chance that the repair design compromises delivery, cost, and/or contractor uptake	Because it is more complicated than necessary and unfit-for-purpose.	1. Risk awareness discussion and planning with Engineer 2. Early engagement with construction supplier(s) to validate and optimise and validate methodology, materials selection, and key construction success factors	Moderate (8)
Chance that the repair design turns out to be unaffordable (i.e., exceeds the capped budget)	Because there is insufficient consideration or estimation of cost-effective repair/construction approaches and materials and/or collaboration with the construction/repair market	1. Risk awareness discussion and planning with Engineer 2. Planned engagement with construction supplier(s) when design concept developed to ensure optimisation 3. Planned retention of QS to develop shadow estimate for additional assurance	Moderate (6)
Chance that a significant portion of the repair design turns out to be unworkable due to lack of access to wharf area for plant and equipment	Because Kiwirail has dilapidated buildings immediately behind some of the wharf area and may not remove (demolish) the buildings (or demolish them in time) to enable cost-effective repair of the section of adjacent wharf	1) Early engagement with Kiwirail to establish intent 2) Open exploration with Kiwirail about available budget for demolition and received quotes 3) Early planning within BDC to determine of financial contribution (from beyond the project) is possible 4) Early go-no decision on whether to forego repair of wharf section that might not be accessible, and seek agreement with NEMA to reinstate wharf function further upstream where it can be freely accessed	Moderate (6)
Chance that insufficient (or no) quality contractors bid on the repair phase of the project	Because the project is seen as too hard, or too distant, or not interesting enough relative to other market opportunities at the time	1. Early notice publishing on GETS 2. Additional market engagement activity to alert prospective suppliers to the upcoming opportunity 3. Construction supplier engagement to optimise 'constructability' and identify important aspects of presenting to the market 4. Equitable risk-sharing in tender stage	Moderate (6)

Redeployment Outcomes								
The following table shows the number of people working to deliver the project in the current reporting period.								
Project Element	Total people working	No. previously unemployed	No. local	No. aged 15-24	No. Māori	No. Pasifika	No. Women	Job Type (full-time vs part-time and contractor vs consultant)
Project management	1	0	1	0	0	0	0	Part time contractor
Geotechnical investigation and assessment	1	0	0	0	0	0	0	Part time consultant
Engineering inspection and design	2	0	0	0	0	0	0	Part time consultant
Topographical survey	2	0	2	0	0	0	0	Part time contractor
Total	6	0	3	0	0	0	0	
The following table shows total current, past, and expected future jobs								
Current Jobs		No. of people previously but no longer employed on the project				Expected jobs in the future		
6		0				20		
Communications								
An update on media, marketing and communication activity for the programme/project								
Information provided to support local media article provided to the Westport News.								

Project Status Report – NEMA Tranche 2 – 3W Repairs, Workpackages 1-5 – October 2022



Programme/Project Details

Location and Region:	Westport and Reefton 3W Reticulated Networks
Project Budget:	\$2,511,000
Reporting Period:	For the month ending 30 October 2022
Project Principal:	Buller District Council (BDC)
Project Partner(s):	Westreef Services Ltd, Buller Electricity
Project Manager:	Nick Gear, Calibre Consulting Ltd
Programme Outcomes:	The project objective is to repair flood damaged components across the 3W reticulated networks (Stormwater, Wastewater and Drinking Water), and return them to their pre-flood conditions.

Project Overview/traffic Light Status/High-Level Summary (G = Green- Good; A = Amber- Warning; R = Red - Issue)

Aspect	Status	Comments
Overall:	G	The Programme is now 92% complete, with only a small number of faults to repair over the summer months.
Budget:	G	\$2,511,000
Scope:	G	This programme of works includes the following repairs spanning both the July 2021 and February 2022 flood events: <ul style="list-style-type: none"> - CCTV and cleaning of 60% of the stormwater and wastewater underground networks in Westport (including some sites in Reefton) - Cleaning open water SW drains throughout the region - Clearing grit and repairing grit (flood) damaged components from the Westport Wastewater Treatment Plant. - Repair and replacement of various flood damaged electrical components across the Wastewater network. - Various Drinking Water repairs
Resource:	G	Westreef Services Ltd, Buller Electricity
Schedule:	G	Works started immediately following the July 2021 flood event 17/07/21, completion anticipated prior to 31/03/23
Risks / Issues:	G	Risk register updated and included as part of this report.

Current Updated Programme	
Last Month (October)	Current Month (November) & Next Month (December)
1) CCTV completed (15 mth programme covering 60% of the SW and WW network) 2) Wastewater Treatment Plant diffusers parts ordered (delivery December 22)	1) Final Minor Works agreements issued 2) Brougham Street Brick Arch (SW) method being finalised 3) Reefton reservoir access track repair method being finalised 4) Domett Street SW repair scheduled for completion prior to 23/12/22 5) Orawaiti SW outfall repair scheduled for January/February 23

Project tasks	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Comments
Westport WWTP Diffusers Replacement						CONCEALED FAULT – only discovered in September 2022. Replacement parts ordered, scheduled for installation February-March 23.
Westport WWTP Grit Cleaning						Two cleans undertaken during 2022, final clean will coincide with the diffuser replacements.
Westport Waste Pump Stations - Remaining Electrical Repairs						Buller Electricity will undertake the final electrical component repairs across the flood affected wastewater pump stations in Westport.
Waimangaroa Drinking Water Repair						Temporary repair undertaken in March 22 following the February flood event. The Permanent replacement trunk main replacement will be undertaken between January – March 23 depending on DOC access.
Reefton Reservoir Access Track						20% of repairs undertaken following the February weather event. Remaining repairs to be undertaken during December/ January.
Orawaiti SW Outlet						Seawall repair.
Brougham St Brick Arch repair						Method being finalised. Anticipated repairs to take place Jan-March 23.

Milestone	Baseline Date	Actual Date	% Complete	Comments
1) CCTV and Cleaning	25 th November 22	18 th November 22	100%	CCTV and Cleaning programme now complete.
2) 3W Repair Programme Completion	31 st March 22	TBC	92%	The majority of the 3W Repair Programme is complete; all remaining work is scheduled to be completed by the end of March 2023.

Project Financials

Project Item	Project Budget	Costs to Date to 30/10/22	Forecast Cost to Complete	Variance from Project Budget	Commentary
WP 1 – Drinking Water	\$294,848	\$86,250	\$57,000	\$151,597	Projected \$157k surplus.
WP 2 – Stormwater	\$390,800	\$96,262	\$170,000	\$124,538	Projected \$124k surplus.
WP 3 – Wastewater	\$422,752	\$296,939	\$220,000	(\$94,187)	Due to additional WWTP Diffuser Repairs (concealed repair).
WP 4 – CCTV/ Cleaning	\$1,115,512	\$922,177	\$85,000	\$108,334	Projected \$108k surplus (Forecast Cost to Complete is an Accrual).
WP 5 – 3W Inspections	\$61,000	\$28,549	-	\$32,450	Projected \$32k surplus.
Project Management	\$226,836	\$186,423	\$40,413	-	N/A
Total	\$2,511,751	\$1,616,603	\$572,413	\$322,734	Projected \$322k surplus.

Risks & Issues			
Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)			
Risk/Issue	Consequence	Likelihood	Mitigation
Repair costs may be ineligible for NEMA reimbursement	Moderate	Unlikely	Ensure BDC IS Coordinators are aware of financial risks to their budget if work is not eligible, and AP funding will need to cover short fall.
QA and Asset records of work needed for all work completed prior to 01/07/22	Minor	Possible	Ensure all QA and Asset Management information is collected from contractors (CCTV footage, parts details for input into GIS and Asset Finder) prior to 23/12/2022.
Completion of works within NEMA funding timeframe	Moderate	Unlikely	Communicate and work with NEMA on project timelines that could potentially be delayed.
Inclement Weather	Minor	Unlikely	Inclement weather could delay some tasks (e.g., Reefton Access Track and Brougham St Brick Arch). Manage weather dependent tasks as high priorities during fine spells. Work regularly with contractors to identify potential issues.

Consequence	Risk Assessment Matrix					
	Catastrophic (5)	5	10	15	20	25
	Major (4)	4	8	12	16	20
	Moderate (3)	3	6	9	12	15
	Minor (2)	2	4	6	8	10
	Insignificant (1)	1	2	3	4	5
		Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost certain (5)
Likelihood						

Risk Rating		Action, Escalation & Review Timeframe Needed
20 – 25	Extreme	Risk Owner must immediately escalate risk to the SLT who considers escalating it to the Finance, Risk and Audit Committee.
10 – 16	High	Risk Owner immediately escalates risk to the Risk Leader, and to the SLT if required.
4 – 9	Moderate	Risk Owner monitors and reviews the effectiveness of risk controls and whether the risk rating has changed, on a monthly basis.
1 – 3	Low	Retain all risks on the risk register and review those with a combined score of 1 or 2 on a 6-monthly basis and those with a combined score of 3 on a quarterly basis to ensure that the risk rating has not changed.

Table 5: Likelihood of Occurrence

Likelihood	Score	Description
Almost certain	5	Event is expected to occur more than once in the next year
Likely	4	Event is expected to occur once in the next year
Possible	3	Event could occur at least once in the next two years
Unlikely	2	Event could occur at least once in the next 3 to 5 years
Rare	1	Event is unlikely to occur in the next 5 years

Project Status Report – NEMA Tranche 2 – 3W Betterment, Workpackage 6 – October 2022



Programme/Project Details

Location and Region:	Westport 3W Reticulated Networks
Project Budget:	\$1,582,000
Reporting Period:	For the month ending 30 October 2022
Project Principal:	Buller District Council (BDC)
Project Partner(s):	TBC
Project Manager:	Nick Gear, Calibre Consulting Ltd
Programme Outcomes:	The programme of works objective is to provide 3W flood resilience to select priority assets across the reticulated networks (Stormwater, Wastewater and Drinking Water) for Westport.

Project Overview/traffic Light Status/High-Level Summary (G = Green- Good; A = Amber- Warning; R = Red - Issue)

Aspect	Status	Comments
Overall:	G	The Programme has been prioritised (by BDC) and accepted by NEMA.
Budget:	G	\$1,582,000
Scope:	G	This programme of works includes the following projects from both the July 2021 and February 2022 flood events: <ul style="list-style-type: none"> - Lifting flood damaged Wastewater Pump Station electrical cabinets above the 1% AEP flood height (1 in 100yr) - Provide backflow prevention to 5no. Stormwater outfall locations - WWTP Grit and Sediment Removal Plant & Replacement Screen - Coates St SW Upgrade - Westport Domain SW Reinstatement - Alternative Drinking Water Supply Investigation - Mill St and Roebuck SW Upgrade
Resource:	G	TBC – subject to procurement by Panel Selection. Design to be Directly Appointed as resource availability is known.
Schedule:	G	Design will commence from 5/12/22. Physical works will start in January 2023.
Risks / Issues:	G	A brief risk register has been included as part of this report. *A more comprehensive Risk Register will be developed as project planning progresses*

Current Updated Programme	
Last Month (October)	Current Month (November) & Next Month (December)
1) Project feasibility and early investigation work undertaken (prior to October) 2) Project prioritisation completed with Asset owners (BDC IS Staff)	1) Final project prioritisation list submitted to NEMA 2) NEMA approval received (24/11/22) 3) Procurement Plan to be finalised (2/12/22) 4) Physical works procurement to start from 16/01/23 5) Design and investigation underway from 5/12/22

Project tasks	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Comments
Lifting Wastewater Pump Stations Above 1% AE Level		Design	Design	Physical Works	Physical Works	Lifting 7-9no flood damaged Wastewater Pump Station electrical cabinets above the 1% AEP flood height in Westport. *Project delivery will extend beyond June 2023*
SW Backflow Prevention - Install Wastops			Lead Time	Lead Time	Physical Works	Installation of 5no. backflow prevention devices within the Westport SW network.
WWTP – Grit/Sediment and Screen Plant		Design	Design	Design	Design	Installation of a new combined Grit/Sediment and Screen plant at the Westport WWTP. *Project delivery will extend beyond June 2023*
Coates Street SW Upgrade - Stage 1		Design	Design	Physical Works	Physical Works	Design and installation of Open Swale drains along Coates/ Forbes Street in Westport.
Westport Domain SW Reinstatement					Physical Works	Reinstatement of an old SW drain through the Westport Domain.
Alternative Drinking Water Supply Investigation			Design	Design	Design	Design and investigation of an alternative Drinking Water supply for Westport. *Project delivery will extend beyond June 2023*
Mill St and Roebuck SW Upgrade		Design	Design	Physical Works	Physical Works	Upgrading two weak nodes of Westport's SW network on Mill and Roebuck Streets. Installation of new manholes.

Milestone	Baseline Date	Actual Date	% Complete	Comments
1) Programme Completion	31 st March 23	TBC - subject to procurement	5%	

Project Financials

Project Item	Project Budget	Costs to Date to 30/10/22	Forecast Cost to Complete	Variance from Project Budget	Commentary
Lifting Wastewater Pump Stations Above 1% AE Level	\$360,000	-	\$360,000	-	-
SW Backflow Prevention - Install Wastops	\$205,000	-	\$205,000	-	-
WWTP – Grit/Sediment and Screen Plant	\$500,000	-	\$500,000	-	-
Coates Street SW Upgrade - Stage 1	\$250,000	-	\$250,000	-	-
Westport Domain SW Reinstatement	\$15,000	-	\$15,000	-	-
Alternative Drinking Water Supply Investigation	\$200,000	-	\$200,000	-	-
Mill St and Roebuck SW Upgrade	\$52,000	-	\$52,000	-	-
Project Management	\$152,800	\$26,352	\$126,448	-	Feasibility and investigation undertaken on Coates St and Lifting WW Pump Station projects.
Total	\$1,582,000	\$26,352	\$1,555,648	-	

Risks & Issues			
Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)			
Risk/Issue	Consequence	Likelihood	Mitigation
Completion of works within NEMA funding timeframe	Moderate	Unlikely	Communicate and work with NEMA on project timelines that could potentially be delayed.
Reduced scope due to available funding constraints	Minor	Possible	Each project can be reduced in scope if forecast costs are higher than anticipated.
Consent and Planning Delays	Unlikely	Unlikely	No Resource Consents are currently foreseen, but this may change as design progresses. Project team to manage timeline and scope within budgets and NEMA's funding timeframes.
Procurement Risk	Moderate	Possible	Current Procurement Plan relies on the use of a yet to be established Procurement Panel. Any risk that this may hold up delivery by mid-December will need to trigger a change in the Procurement Plan.

Consequence	Risk Assessment Matrix					
	Catastrophic (5)	5	10	15	20	25
	Major (4)	4	8	12	16	20
	Moderate (3)	3	6	9	12	15
	Minor (2)	2	4	6	8	10
	Insignificant (1)	1	2	3	4	5
Likelihood						
	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost certain (5)	

Table 5: Likelihood of Occurrence

Likelihood	Score	Description
Almost certain	5	Event is expected to occur more than once in the next year
Likely	4	Event is expected to occur once in the next year
Possible	3	Event could occur at least once in the next two years
Unlikely	2	Event could occur at least once in the next 3 to 5 years
Rare	1	Event is unlikely to occur in the next 5 years

Risk Rating		Action, Escalation & Review Timeframe Needed
20 – 25	Extreme	Risk Owner must immediately escalate risk to the SLT who considers escalating it to the Finance, Risk and Audit Committee.
10 – 16	High	Risk Owner immediately escalates risk to the Risk Leader, and to the SLT if required.
4 – 9	Moderate	Risk Owner monitors and reviews the effectiveness of risk controls and whether the risk rating has changed, on a monthly basis.
1 – 3	Low	Retain all risks on the risk register and review those with a combined score of 1 or 2 on a 6-monthly basis and those with a combined score of 3 on a quarterly basis to ensure that the risk rating has not changed.

Project Status Report – NEMA Tranche 2 – Tiphead Revetment Wall Repair – October 2022



Programme/Project Details

Location and Region:	Buller River Entrance, Westport (River Training Wall)
Project Budget:	\$1,000,000
Reporting Period:	For the month ending 30 October 2022
Project Principal:	Buller District Council (BDC), NEMA – funding partner
Project Partner(s):	TBC
Project Manager:	Nick Gear, Calibre Consulting Ltd
Programme Outcomes:	The project objective is to repair flood damage sustained to the harbour training wall. 5000 – 6000t of Rock will be used to remediate the eroded section of wall.

Project Overview/traffic Light Status/High-Level Summary (G = Green- Good; A = Amber- Warning; R = Red - Issue)

Aspect	Status	Comments
Overall:	G	Design and modelling completed. Closed Tender documents were released on 18/11/22, with tender close scheduled for 2/12/22. Physical works anticipated to commence mid-January 2023.
Budget:	G	\$1,000,000
Scope:	G	The Project includes enabling works, localised vegetation removal and subsequent reinstatement, geofabric clothe and filter rock installation, supply, and placement of between 5000 – 6000 tonnes of d50 700mm rock along 360m of the landside existing river training wall, a road tie in and native planting.
Resource:	G	Contractor TBC (currently at Tender), Landscaping company (TBC), NorthSurv Ltd
Schedule:	G	Contract start date 16/01/23.
Risks / Issues:	G	Risk register updated and included as part of this report.

Current Updated Programme	
Last Month October	Current Month November & Next Month December
1) Final design report received and accepted by project team 2) Site survey completed, pegs marking proposed extent of work installed	1) Tender released to market 18/11/22, close date 2/12/2023 2) Topo surveying and modeling completed 3) Resource Consent not required – WCRC confirmed repair and exotic vegetation removal are both permitted activities. 4) Tender Evaluation Panel will assess Tenders during December, seeking to award before the 16/12/2022 5) Contract check and eligibility check by NEMA during December

Project task	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Comments
<i>Design and Survey</i>						Design Report Finalised Survey and Modelling Undertaken
<i>Tender</i>						Tender Released 18/11/23 Tender Close: 2/12/22
<i>Construction</i>						Contract start date: 16/01/23
<i>Planting</i>						Native planting
<i>Practical Completion</i>						Project Close out

Milestone	Baseline Date	Actual Date	% Complete	Comments	
Pre – Tender Stage					
1) Design	1 st November 22	1 st November 22	100%	Design complete	
2) Survey and Modelling	25 th November 22	TBC	90%	All survey and modelling are complete. Final site Setout and ongoing QA/ survey conformance to be undertaken through the construction phase	
3) Tender	2 nd December 22	TBC	50%	Tender process underway	
Post-Tender Stage					
4) Physical Site Works Start	16 th February 23	TBC	0%	Contract Start Date 16/11/22	
5) Estimated Practical Completion	31 st March 2023	TBC	0%	Subject to Tender Response	
Project Financials					
Project Item	Project Budget	Costs to Date to 30/10/22	Forecast Cost to Complete	Variance from Project Budget	Commentary
Design, Investigation	\$70,000	\$44,509	\$25,491	\$0.00	All Design and Investigation complete
Construction	\$780,000	\$11,243	\$768,757	\$0.00	Drilling and Site Survey complete
Project Delivery	\$100,000	\$37,351	\$62,649	\$0.00	
Contingency	\$50,000	-	-	-	
Total	\$1,000,000	\$93,103	\$1,000,000	\$0.00	

Risks & Issues			
Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)			
Risk/Issue	Consequence	Likelihood	Mitigation
Tender Responses Return Unfavourable Responses with Respect to Programme and Cost	Moderate	Possible	Project Team have contacted both invited tenderers (Closed Tender) to ensure they are 'Ready, Willing and Able' to undertake the work in the required timeframe. The Tender document non-price attributes include weighting for both eventualities.
High-risk construction activities – Public Interactions	Moderate	Possible	High trafficked site. Emphasis on ensuring the site and construction activities is separated from the public utilising safety barriers. Consideration to be given to ALL stakeholders (traffic, pedestrians, mountain bikers).
Flooding During Construction	Moderate	Possible	Risk of a flooding event occurring during construction. Damage to the revetment and materials onsite. Methodology to ensure a 4-5 day makes-safe window is achievable at all times during construction.
Site Access and Vegetation Clearance	Moderate	Unlikely	Site access needs to consider the amount of vegetation that will be disturbed. Site survey has highlighted appropriate areas for site access.
NEMA Eligibility for Funding	Moderate	Unlikely	NEMA will be supplied with a copy of the contract for review prior to BDC signing to ensure eligibility and funding.

Consequence	Risk Assessment Matrix					
	Catastrophic (5)	5	10	15	20	25
	Major (4)	4	8	12	16	20
	Moderate (3)	3	6	9	12	15
	Minor (2)	2	4	6	8	10
	Insignificant (1)	1	2	3	4	5
		Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost certain (5)
Likelihood						

Risk Rating		Action, Escalation & Review Timeframe Needed
20 – 25	Extreme	Risk Owner must immediately escalate risk to the SLT who considers escalating it to the Finance, Risk and Audit Committee.
10 – 16	High	Risk Owner immediately escalates risk to the Risk Leader, and to the SLT if required.
4 – 9	Moderate	Risk Owner monitors and reviews the effectiveness of risk controls and whether the risk rating has changed, on a monthly basis.
1 – 3	Low	Retain all risks on the risk register and review those with a combined score of 1 or 2 on a 6-monthly basis and those with a combined score of 3 on a quarterly basis to ensure that the risk rating has not changed.

Table 5: Likelihood of Occurrence

Likelihood	Score	Description
Almost certain	5	Event is expected to occur more than once in the next year
Likely	4	Event is expected to occur once in the next year
Possible	3	Event could occur at least once in the next two years
Unlikely	2	Event could occur at least once in the next 3 to 5 years
Rare	1	Event is unlikely to occur in the next 5 years



Project Status Report – Reefton Campground Stopbank – October 2022

Programme/Project Details

Location and Region:	Reefton – West Coast
Project Budget:	\$150,000
Reporting Period:	For the month ending 31 October 2022
Project Principal:	Buller District Council (BDC)
Project Partner(s):	NEMA
Project Manager:	Brendon Russ – Project Manager - BDC
Programme Outcomes:	To provide protection to the existing Reefton Campground Stopbank to pre-flood condition

Project Overview/traffic Light Status/High-Level Summary (G = Green- Good ; A = Amber- Warning; R = Red - Issue)

Aspect	Status	Comments
Overall:	G	River training design has been completed by WSP. Resource consent application is underway by WSP. Stage One of the river training has been completed by Rosco Contracting. Stage two of the river training if required will take place February 2023
Budget:	G	\$150,000
Scope:	G	The toe of the Reefton Campground stop bank was eroded as a result of both the July 2021 and February 2022 flood events. The Inangahua Riverbed changed course which necessitates the need for recontouring of the river fairway (river training).
Resource:	G	Brendon Russ (BDC-Project Manager), Mark Healey (WSP-Design) & Anne McNoe (WSP-Resource consent application)
Schedule:	G	Design work completed by WSP, Resource consent application by WSP is underway and is expected to be completed by February 2023. Stage one of the river training works have been completed by Rosco Contracting. Stage two river training if required will commence in February 2023.
Risks / Issues:	G	Risk & opportunities register updated and included as part of this report.

Current Updated Programme	
Last Month October	Next Month December
<ul style="list-style-type: none">• OOS (Offer of Service) received from WSP for resource consent application.• Inspections of Stage One river training after flood events	<ul style="list-style-type: none">• WSP resource consent application• Inspections of stage one as required after flood events.

Updated Project Road Map/Schedule											
	2022						2023				
Project task	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Comments
Planning and BDC Approvals											
Resource Consent											WSP has been engaged for the resource consent application for river training and rock revetment works
Design											WSP have been engaged to design the proposed river training works
Construction Stage One – River Training											Completed By Rosco Contracting
Construction Stage Two – River Training											Will only take place if required
Handover and Asset Manager Acceptance											

Milestones				
Milestone	Baseline Date	Actual Date	% Complete	Comments
1) Planning and Scope Approval	1 August 2022	1 August 2022	100%	
2) Resource consent granted	28 February 2023	TBC	10%	WSP preparing and submitting resource consent application
3) Design	1 July 2022	1 July 2022	100%	WSP preparing design, construction plans
4) Contract awarded – Stage One	1 August 2022	1 August 2022	100%	Awarded to Rosco Contracting
5) Construction Commenced – Stage One	1 August 2022	1 August 2022	100%	
6) Construction Complete - Stage One	31 August 2022	31 August 2022	100%	Stage one work completed
7) Contract awarded – Stage Two	1 February 2023	TBC	0%	Will only take place if required
8) Construction Commenced – Stage Two	1 February 2023	TBC	0%	
9) Construction Complete - Stage Two	28 February 2023	TBC	0%	

Financials Reefton Campground							
A summary of funding received and expenditure to date actual against budgeted for each Project Element is shown in the table below.							
Programme/ Project Item	Project Budget	Original project estimate	Actual costs to 31 Oct 22	Accruals to 31 Oct 22	Forecast cost to complete	Variance	Commentary
Project Funding	\$150,000						
Consents and Approvals		\$10,000	\$0	\$0	\$10,000	\$0	
Design		\$5,000	\$0	\$0	\$5,000	\$0	
Construction		\$115,500	\$30,248	\$0	\$30,000	\$55,252	
Project Management		\$12,000	\$3,274	\$0	\$8,726	\$0	
Contingency		\$7,500	\$0	\$0	\$7,500	\$0	
Total	\$150,000	\$7,500	\$33,522	\$0	\$61,226	\$55,252	

Risks/Issues/Outcomes			
Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)			
Risk/Issue	Magnitude	Likelihood	Mitigation
Stop bank failure during flood event	medium	low	Monitoring of stage one of river training during and after floods events
Insufficient water to Reefton intake	medium	low	Monitoring in place to determine issue. Works may be required to reconstruct
Erosion to True Left Bank	medium	medium	Monitoring of stage one of river training during and after floods events. Stage two river training maybe required
Budget Overrun	medium	low	Target cost communicated with contractor. Early forecasting of fees to recognise achievable scope with target cost. Proactive monthly status reports and updates
Inclement weather disrupts construction	medium	medium	From H&S stop work until site is safe to work. Ensure site is secure. Ensure adequate allowance within contract period for inclement weather so Contractor has resourced sufficiently to meet completion date
High-risk construction activities	medium	medium	Ensure Contractor has a comprehensive health and safety plan in place prior to works commencing on site and regular reviews in place to reassess site conditions should things change. Ensure any health and safety documentation and work permits have been received by Engineer to the Contract (ETC) prior to relevant activities commencing.

Consequence	Risk Assessment Matrix					
	Catastrophic (5)	5	10	15	20	25
	Major (4)	4	8	12	16	20
	Moderate (3)	3	6	9	12	15
	Minor (2)	2	4	6	8	10
	Insignificant (1)	1	2	3	4	5
		Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost certain (5)
Likelihood						

Risk Rating		Action, Escalation & Review Timeframe Needed
20 – 25	Extreme	Risk Owner must immediately escalate risk to the SLT who considers escalating it to the Finance, Risk and Audit Committee.
10 – 16	High	Risk Owner immediately escalates risk to the Risk Leader, and to the SLT if required.
4 – 9	Moderate	Risk Owner monitors and reviews the effectiveness of risk controls and whether the risk rating has changed, on a monthly basis.
1 – 3	Low	Retain all risks on the risk register and review those with a combined score of 1 or 2 on a 6-monthly basis and those with a combined score of 3 on a quarterly basis to ensure that the risk rating has not changed.

Table 5: Likelihood of Occurrence

Likelihood	Score	Description
Almost certain	5	Event is expected to occur more than once in the next year
Likely	4	Event is expected to occur once in the next year
Possible	3	Event could occur at least once in the next two years
Unlikely	2	Event could occur at least once in the next 3 to 5 years
Rare	1	Event is unlikely to occur in the next 5 years

Redeployment Outcomes								
The following table shows the number of people working to deliver the project in the current reporting period.								
Programme/Project Element	Total people working	No. previously unemployed	No. local	No. aged 15-24	No. Māori	No. Pasifika	No. Women	Job Type - <i>Full-time</i> - <i>Part-time</i> - <i>Contractor</i> - <i>Consultant</i>
Project & Programme Manager	2		2				1	Consultant
WSP	3	0	1	0	0	0	2	Consultant
Total	5	0	3	0	0	0	3	
The following table shows total current, past, and expected future jobs								
Current Jobs		No. of people previously but no longer employed on the project				Expected jobs in the future		
5		5				10		
Communications								
An update on media, marketing and communication activity for the programme/project								
An update on the project is being prepared for the next Inangahua Committee Board Report								



Project Status Report – Reefton Historic Landfill – October 2022

Programme/Project Details

Location and Region:	Reefton – West Coast
Project Budget:	\$1,074,000
Reporting Period:	For the month ending 31 October 2022
Project Principal:	Buller District Council (BDC)
Project Partner(s):	NEMA
Project Manager:	Brendon Russ – Project Manager - BDC
Programme Outcomes:	To provide protection to the Historic Reefton Landfill from the Inangahua River to pre-flood condition

Project Overview/traffic Light Status/High-Level Summary (G = Green- Good ; A = Amber- Warning; R = Red - Issue)

Aspect	Status	Comments
Overall:	G	Design & resource consent application is underway by WSP. Contractors on the BDC "Return to Service Approved Contractors Panel" currently on GETS will be invited to tender for this project. Physical works anticipated to commence mid-February 2023.
Budget:	G	\$1,074,000
Scope:	G	The Reefton Historic Landfill was scoured out as a result of the February 2022 flood event. The Inangahua River watercourse is now exposed to the contents of the historic landfill, with the landfill sidewall now requiring reinstatement to return it to its pre-flood condition.
Resource:	G	Brendon Russ (BDC-Project Manager), Mark Smith (WSP-Design) & Anne McNoe (WSP-Resource consent application)
Schedule:	G	WSP design to be completed early February 2022. Work to commence onsite mid-February.
Risks / Issues:	G	Risk & opportunities register updated and included as part of this report.

Current Updated Programme	
Last Month October	Next Month December
<ul style="list-style-type: none"> • OOS (Offer of Service) received from WSP for design and resource consent application. • BDC "Return to Service Approved Contractors Panel" ROI documentation completed and loaded onto GETS 	<ul style="list-style-type: none"> • WSP design and resource consent application • Inspections of site as required after flood events.

Updated Project Road Map/Schedule

ATTACHMENT 1

	2022					2023					
Project task	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Comments
Planning and BDC Approvals											Project Budget approved July 2022.
Resource Consent											WSP has been engaged for the resource consent application for river training and rock revetment works. WSP have already been involved in this project giving guidance on river training and temporary protections works.
Design											WSP have been engaged to design on the remedial works required for the Historic Reefton Landfill
Contract Award											
Construction											Construction is expected to take 2-3 months
Handover and Asset Manager Acceptance											

Milestones				
Milestone	Baseline Date	Actual Date	% Complete	Comments
1) Planning and Scope Approval	30 July 2022	30 July 2022	100%	
2) Resource consent granted	31 January 2023	TBC	30%	WSP preparing and submitting resource consent application
3) Design	31 January 2023	TBC	30%	WSP preparing design, construction plans, specification, and schedule of quantities
4) Tender (Return to Service Approved Contractors Panel)	13 February 2023	TBC	30%	BDC – Return to service Approved Contractors Panel to be finalised in December. Approved Contractors will then be able to price this project.
5) Contract awarded	13 February 2023	TBC	0	
6) Construction Commenced	13 February 2023	TBC	0	
7) Construction Complete	30 April 2023	TBC	0	
8) Handover and Asset Manager Acceptance	1 May 2023	TBC	0	

Financials Reefton Historical Landfill							
A summary of funding received and expenditure to date actual against budgeted for each Project Element is shown in the table below.							
Programme/ Project Item	Project Budget	Original project estimate	Actual costs to 31 Oct 22	Accruals to to 31 Oct 22	Forecast cost to complete	Variance	Commentary
Project Funding	\$1,074,000						
Planning		\$10,515	\$10,515	\$0	\$0	\$0	
Consents and Approvals		\$30,000	\$0	\$0	\$30,000	\$0	
Design		\$106,225	\$0	\$0	\$106,225	\$0	
Construction		\$787,640	\$179,924	\$0	\$607,716	\$0	
Project Management		\$85,920	\$17,674	\$0	\$68,246	\$0	
Contingency		\$53,700	\$0	\$0	\$53,700	\$0	
Total	\$1,074,000	\$53,700	\$208,113	\$0	\$865,887	\$0	

Risks/Issues/Outcomes			
Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)			
Risk/Issue	Magnitude	Likelihood	Mitigation
Further landfill waste washing into the river, resulting in another river bank clean up operation, pollution of the water way, breach of	medium	low	Temporary stop bank and river training are maintained before and after flood events as a temporary measure until the permanent design is built
Contamination of the river and river bed	medium	low	Contaminated ground to be capped with clean material before being protected by the rip rap wall. Minimal to no need to excavate/move any contaminated ground
Project start date delays	medium	medium	WSP designer and planner working simultaneously on this project.
Budget Overrun	medium	low	Target cost communicated with contractor. Early forecasting of fees to recognise achievable scope with target cost. Proactive monthly status reports and updates
Inclement weather disrupts construction	medium	medium	From H&S stop work until site is safe to work. Ensure site is secure. Ensure adequate allowance within contract period for inclement weather so Contractor has resourced sufficiently to meet completion date
High-risk construction activities	medium	medium	Ensure Contractor has a comprehensive health and safety plan in place prior to works commencing on site and regular reviews in place to reassess site conditions should things change. Ensure any health and safety documentation and work permits have been received by Engineer to the Contract (ETC) prior to relevant activities commencing.

Consequence	Risk Assessment Matrix					
	Catastrophic (5)	5	10	15	20	25
	Major (4)	4	8	12	16	20
	Moderate (3)	3	6	9	12	15
	Minor (2)	2	4	6	8	10
	Insignificant (1)	1	2	3	4	5
		Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost certain (5)
Likelihood						

Risk Rating		Action, Escalation & Review Timeframe Needed
20 – 25	Extreme	Risk Owner must immediately escalate risk to the SLT who considers escalating it to the Finance, Risk and Audit Committee.
10 – 16	High	Risk Owner immediately escalates risk to the Risk Leader, and to the SLT if required.
4 – 9	Moderate	Risk Owner monitors and reviews the effectiveness of risk controls and whether the risk rating has changed, on a monthly basis.
1 – 3	Low	Retain all risks on the risk register and review those with a combined score of 1 or 2 on a 6-monthly basis and those with a combined score of 3 on a quarterly basis to ensure that the risk rating has not changed.

Table 5: Likelihood of Occurrence

Likelihood	Score	Description
Almost certain	5	Event is expected to occur more than once in the next year
Likely	4	Event is expected to occur once in the next year
Possible	3	Event could occur at least once in the next two years
Unlikely	2	Event could occur at least once in the next 3 to 5 years
Rare	1	Event is unlikely to occur in the next 5 years

Redeployment Outcomes								
The following table shows the number of people working to deliver the project in the current reporting period.								
Programme/Project Element	Total people working	No. previously unemployed	No. local	No. aged 15-24	No. Māori	No. Pasifika	No. Women	Job Type - <i>Full-time</i> - <i>Part-time</i> - <i>Contractor</i> - <i>Consultant</i>
Project & Programme Manager	2		2				1	Consultant
WSP	5	0	3	0	0	0	1	Consultant
Total	7	0	5	0	0	0	2	
The following table shows total current, past, and expected future jobs								
Current Jobs		No. of people previously but no longer employed on the project				Expected jobs in the future		
7		0				16		
Communications								
An update on media, marketing and communication activity for the programme/project								
An update on the project is being prepared for the next Inangahua Committee Board Report								

Agenda Item 6

Commercial & Corporate Services Portfolio Report

- *Buller Ports Package*

Buller District Port Package (R07.02907.02/03)

Project Details

Location and Region:	Westport, Buller district, West Coast
Contracted Amount:	\$3,300,000 excl. GST
Reporting Period:	For period ending 30 th November 2022
Project Principal/Recipient:	Buller District Council
Project Partner(s):	Ministry for Business, Innovation & Employment (MBIE)
Project Manager:	Phil Rossiter
Programme Outcomes:	(a) new employment, the preservation of jobs and the redeployment of workers in communities and within the infrastructure sector hit by COVID-19; and (b) investment toward a more productive, sustainable, and inclusive economy, enabling our regions to grow and support a modern and connected New Zealand.

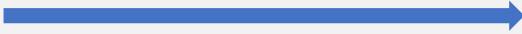
Project Overview (High-Level Summary)

Aspect	Status	Comments
Overall:	G	The project is following its planned trajectory, albeit with known and accepted delays in several key project components due to Covid-19 and Westport flood factors. Work on the final two major project tasks is underway and remain on target to be practically completed by the end of this year (December).
Budget:	G	\$3.3M has been secured from the COVID-19 Response and Recovery Fund for two key strategic areas: 1) \$2M for Westport gravel removal and wharf back-sheathing repairs; and 2) \$1.3M for investment and repairs, maintenance and upgrades to the bulk shipping and fishing precincts. The budget will be sufficient to achieve the overall project intent (Component A budget will support completion of Component B), with a small surplus forecast. Additional private investment is following this catalyst funding.
Scope:	G	The project intent is clear, and a detailed scope has been evolving in response to unforeseen changes (i.e., the July 2021 and February 2022 floods) that have changed the focus and sequencing of work in the bulk shipping precinct. Two key tasks remain (and are substantially complete at the time of reporting), namely 1) Major port entry/exit/security upgrade and reconfiguration; and 2) Harbourmaster office repair and upgrade.
Resource:	G	Contractor resourcing and availability is constrained and is having an impact on timeliness. This is not just Covid-related, but more so because of July 2021 and February 2022 flooding. Contractor resourcing has been secured for the final two tasks.
Schedule:	G	The project remains on target to be practically completed in December 2022, with the only current uncertainty relating to chip sealing of the Port entry/exit (being very weather dependent). Project wash-up and close-out will occur in the New Year.
Risks / Issues:	G	No significant/acute project risks have been identified at this stage, other than the issues declared later in this report.

State of Play

Last Month	Next Month
<ul style="list-style-type: none"> The harbourmaster office upgrade was substantially progressed, with internal seismic bracing completed, painting underway, and external scaffolding taken down. The site entry/exit upgrade was also substantially progressed to establish a modern, fit-for-purpose, and futureproof Port access control system. Significant data and security works were completed, including more concrete formwork and fencing necessary to accommodate the new gate and access control systems. Payment claim #3 developed and submitted to maintain cashflow. 	<ul style="list-style-type: none"> Practically complete the harbourmaster office upgrade, with remaining work focusing on replacement of the external stairwell and balustrade and access ladder. Convene an engineering inspection of harbourmaster upgrade works for engineering sign off. Practically complete construction and upgrade of Port entry/exit redevelopment with a focus on livening the gateway, connecting and livening the electronic security system, fencing work, and carpark chip-sealing (the last requiring suitable weather).

Project Road Map/Schedule

Programme/Project task	Aug '22	Sep '22	Oct '22	Nov '22	Dec '22	Comments
Work Programme A: Westport gravel removal and seawall repairs						Component A was completed as at the end of June 2022.
Work programme B: Westport bulk shipping and fishing precincts						Forecast practical completion date is December 2022. Project close-out to occur in early 2023.

Milestones				
Milestone	Baseline Date	Actual/Target Date	% Complete	Comments
Work Programme A: Westport gravel removal and seawall repairs				
Award design contract	30/09/2020	21/12/2020	100	Engineer (WSP ChCh) appointed for expert input and advice on wharf structures. Hydrological and survey input appointed for gravel extraction
Award procurement contract	30/10/2020	1/04/2021	100	Gravel extraction is river based; therefore, dredge is required and will be used
Obtain all consents	30/11/2020	1/04/2021	100	Consents in place for river-based dredging
Award construction contract	30/11/2020	30/04/2021	100	Gravel extraction is river-based; therefore, dredge is required
Complete construction	30/04/2021	30/06/2022	100	Complete. 155,720m ³ of gravel removed
Opening event	31/03/2022	31/08/2022	0	To be determined/confirmed
Milestone	Baseline Date	Actual/Target Date	% Complete	Comments
Work Programme B: Westport bulk shipping and fishing precincts				
Award detailed design contract	30/10/2020	31/01/2021	100	Innumerable design tasks – not one design contract
Award procurement contract	30/10/2020	30/06/2022	100	Final tasks (harbourmaster office upgrade and site entry/exit upgrade) assigned to contractors
Obtain all consents	31/12/2020	30/06/2022	100	Building consent secured for harbourmaster office upgrade
Obtain all property rights	31/12/2020	31/05/2021	100	No issues
Award construction contract	28/02/2021	10/07/2022	100	Final construction elements awarded
Complete construction	28/02/2022	20/12/2022	80	Forecast for completion in December 2022
Opening event	31/03/2022	20/01/2023	0	To be determined/confirmed

Financials

A summary of funding received and expenditure to date actual against budgeted for each Project Element is shown in the table below.

Programme/Project Item	Indicative Cost	Actual Spend	Forecast (remaining) cost to complete	Project Variance	Commentary
Work Programme A: Westport gravel removal and seawall repairs					
Project management and coordination	\$75,000	\$114,985	\$0	-\$39,985	Additional planning and task coordination required
Engineering assessments and design	\$35,000	\$36,945	\$0	-\$1,945	Additional engineering assessment and design required
Consents	\$10,000	\$0	\$0	\$10,000	No consents identified as required
Procurement, legal and tenders	\$20,000	\$0	\$0	\$20,000	Less legal/procurement input forecast
Civils works/site works for gravel extraction	\$1,400,000	\$1,662,500	\$0	-\$262,500	Significant gravel volumes identified requiring extraction
R&M to seawalls/wharf back-sheathing	\$460,000	\$17,980	\$0	\$442,020	Nil variance forecast at this stage. Project estimate considered realistic.
Component Total	\$2,000,000	\$1,832,410	\$0	\$167,590	Forecast surplus to be used to support Component B
Work Programme B: Westport bulk shipping and fishing precincts					
Project management and coordination	\$40,000	\$25,535	\$25,000	-\$10,535	Additional planning and task coordination required
Procurement, legal and tenders	\$20,000	\$15,829	\$0	\$4,171	Less legal/procurement input forecast
Design and engineering assessment and consents	\$30,000	\$99,977	\$5,000	-\$74,977	Intensive engineering design and assessment input required
Civil works/site works	\$1,210,000	\$775,625	\$480,000	-\$45,625	Modest (5%) variance forecast.
Component Total	\$1,300,000	\$916,966	\$510,000	-\$126,966	Forecast deficit supported by surplus from Component A
PROJECT Total	\$3,300,000	\$2,749,376	\$510,000	\$40,624	Minor positive variance (surplus) forecast at this stage

Employment Outcomes

The following table shows the number of people working to deliver the project in the current reporting period

Programme/Project Element	Total people working	No. previously unemployed	No. local	No. aged 15-24	No. Māori	No. Pasifika	No. Women	Job Type (Full-time; Part-time; Contractor; Consultant)
A (Gravel extraction)	0	0	0	0	0	0	0	Component completed
B (Bulk and Fishing Precinct)	23	0	21	0	1	0	1	2 BDC staff; 21 contractors/ consultants
Total	23	0	21	0	1	0	1	

The following table shows total current, past, and expected future jobs

Current Jobs	No. of people previously but no longer employed on the project	Expected jobs in the future
23	Nil (for the reporting period)	Approximately 15 roles/jobs are forecast to be required for the remaining project tasks

Additional narrative to explain the above table or to give other relevant information

Nil

Risks/Issues/Opportunities

Key risks and/or issues arising are detailed below

Risk/Issue	Magnitude	Likelihood	Mitigation
(Issue – Schedule Slippage) – Component B require contractors that are very stretched due to the knock-on effect of local flooding events and Covid. Contractor resourcing has now been secured for remaining tasks, and all should be completed by the end of 2022. Funding Agreement has been varied to reflect this timeline	Low-Moderate	High	Maintain close communication with contractors and communicate and report outcomes.

Social Procurement Outcomes

The following table shows achievements to date against the Social Procurement Objectives agreed to

Outcome	Measure	Status/Comments
Employment of targeted workers	Prioritising workers identifying as: 1) Local (in-region) workers; 2) Māori or Pasifika; 3) Employment of women prioritised where possible	21 of the 23 personnel involved in the project for the reporting period were local. One identified as a targeted worker in relation to gender. The extent to which the measure can be controlled by the project is somewhat limited and is significantly influenced by contractor workforce composition.
Local businesses	75% of the direct contracts and sub-contracts associated with the project will be awarded to businesses owned and operated by people who reside and operate in the region	Local business involvement is tracking above the target threshold.
Worker conditions	100% of workers engaged on the project will be paid the living wage or greater and 100% of employees will be covered and managed by a fit-for-purpose and current health and safety system	Target fully met to date and is expected to be achieved for project duration. This measure will be monitored and reported as the project progresses
Environmental responsibility	Adoption of practises that enable the project to be delivered sustainably, including by: <ul style="list-style-type: none"> - protecting or enhancing the local ecosystem and its indigenous biodiversity - actively seeking to minimise the carbon impact of project delivery, to support the transition to a net zero emissions economy - minimising waste, re-using materials, and where possible incorporating the principles of the circular economy - using water resources efficiently - using low-impact, sustainably and locally sourced materials and products; and/or - including resilience to the impacts of a changing climate 	In-progress. Biggest impact and contribution to environmental responsibility will be delivered via the construction (and operational) phase of the project. Several planned works relate specifically to environmental risks. This measure will be monitored and reported as the project progresses

Communications

An update on media, marketing, and communication activity for the programme/project

Completion of the project and Component B by the end of this year provides an opportunity for external communications in the New Year celebrating the achievements.

Additional/Other Information

Nil.

Agenda Item 7

Other Business/matters

RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 6

Prepared by Douglas Marshall
Chief Financial Officer

Attachment 1 - Buller Holdings Ltd Letter of Expectation

LETTER OF EXPECTATION TO BULLER HOLDINGS LIMITED

1. REPORT SUMMARY

The Letter of Expectation to Buller Holdings Limited (BHL) communicates Council's expectations of BHL and their business.

The proposed letter has a new addition being the proposal for the company to measure carbon production from its activities. This addition is consistent with the council's objective of measuring carbon generation and identifying methods by which carbon generation will be reduced in the future.

The balance of changes between the years are minor.

Full changes in the letter are highlighted.

2. DRAFT RECOMMENDATION

That the Finance, Risk and Audit Committee endorses the Letter of Expectation to Buller Holdings Limited for information.



15 December 2022

Steve Grave
Buller Holdings Ltd
80 Russell Street
WESTPORT 7825

Dear Steve

BULLER HOLDINGS LTD – LETTER OF EXPECTATION FOR 2023/2024

PURPOSE: this Letter of Expectation (the Letter) provides Buller Holding Ltd (BHL) annual direction to its subsidiary companies outlining expectations of the parties' respective accountabilities, roles, and responsibilities. The Letter confirms expectations and forms the basis and provides the draft for the development of the Statement of Intent. The Letter does not create any legal or binding obligations on the parties. It is intended to create an opportunity for dialogue between the parties and to support an open, positive, and co-operative working relationship, resulting in the achievement of BHL's policy and performance expectations in a transparent and accountable manner.

CORPORATE GOALS: we have outlined the direction of travel and options Buller District Council would like to explore with BHL:

- Working in with Council's strategic vision and Annual Plan. Aligning Council and BHL in the same direction.
- Where possible, growing the business by increasing outside business and to maximise returns for the shareholder.
- Maximising the distribution to Council as the shareholder in order to help keep district rates affordable. Provide a distribution for 2023/2024, with a target of \$1.3m or greater.
- Working in with Council's desire to have a focus on systems and process improvement opportunities, efficiencies, and customer service satisfaction.
- Providing assurance to Council that robust health and safety systems, mitigations and monitoring are in place in line with the requirements of the Health and Safety at Work Act 2015 and BHL responsibilities as a Person Conducting a Business or Undertaking (PCBU).

Council's expectations are attached in more detail as an appendix to this letter. They focus on the roles of Council and BHL and reflect the strengthening relationship between the parties with a stronger clarity on how both parties undertake business.

We look forward to working with the BHL directors throughout the 2022 year, continuing to build on the relationship foundations which have developed over the past twelvemonths.

Yours sincerely

Jamie Cleine
MAYOR/ACTING CHAIRPERSON RISK AND AUDIT COMMITTEE

ATTACHMENT 1

APPENDIX 1

COUNCIL EXPECTATIONS OF BULLER HOLDINGS LIMITED

1. Roles and responsibilities

- a. **Council:** As the shareholder Council will engage with the Board to:
 - i. Ensure that the Councils strategic objectives are clear and communicated so that the company can ensure alignment with the goals of the Company.
 - ii. Build and maintain a relationship of mutual respect and trust with the Board.
 - iii. Respect that some information shared by BHL may be commercially sensitive.
- b. **The Board:** The Board will run the company in accordance with the Local Government Act 2002, the Constitution and the Statement of Intent and fulfil its objective of the company being:
 - i. To monitor performance of each portfolio, taking into account system and process improvement opportunities and customer service satisfaction.
 - ii. To ensure that each portfolio has in place active and effective health and safety policies and procedures which provide a safe operating environment for all employees, contractors and affected parties.
 - iii. To ensure that each portfolio operates economically and efficiently, and in accordance with an agreed Statement of Intent (SOI), and to optimise the returns from, and the value of, the portfolios within the parameters set by Buller District Council (BDC).
 - iv. To ensure, insofar as it is lawfully able and commercially practicable, that the SOI of each of BHL portfolios reflect the policies and objectives of BDC.
 - v. To keep BDC informed of matters of substance affecting BHL, insofar as it is practical and reasonable in the opinion of the directors, provide the opportunity
 - vi. To ensure that there is regular and informative reporting of the financial and non-financial performance and risk exposures of BHL.
 - vii. To report to BDC on CCO establishment opportunities, and other investment opportunities that have the potential to enhance the economic and social well-being of the Buller district and the West Coast region and provide an adequate return.
 - viii. To maintain and improve good governance by regularly and constructively appraising the performance of the BHL portfolios, maintaining an appropriate monitoring framework and working with the Chair Finance, Risk and Audit, BDC to appoint new directors.

ATTACHMENT 1

2. Ongoing expectations

- a. Council expects that the Board will operate on a no surprises basis, particularly on matters where there is a political, financial, health and safety or other risk.
- b. Regular reporting of performance to Council's Risk and Audit Committee, on at least a quarterly basis. More regular reporting may be required to ensure no surprises to Council.
- c. Reporting should consist of unique activities identified separately rather than being bundled into general activity groups.
- d. The undertaking of any activity not provided for under the SOI requires the prior approval of BDC, specifically:
 - No subsidiary companies are to be formed by BHL without the prior approval of BDC.
 - No shares are to be acquired by BHL or the subsidiaries without the prior approval of BDC.
 - No shares held by BHL or the subsidiaries are to be sold or otherwise disposed of without the prior approval of BDC.

3. Key focus areas – 2023-2024

- a. Engage with the Council to ensure alignment between the Councils strategic goals, Annual Plan and the aims of the Company.
- b. Build a relationship of mutual respect and trust with Council.
- c. Add value to the company, whilst ensuring that conduct of the company is in accordance with generally accepted standards.
- d. Ensure that the company returns a distribution to the Council in accordance with the distributions policy.
- e. Manage the BHL portfolios in accordance with sound business practice.
- f. Manage health and safety risks in a proactive manner and in line with responsibilities of a PCBU.
- g. Implement carbon use reporting to ensure that company activities are reducing their use of carbon over time. The council is working to achieve certification under the Toitu Envirocare programme which also be appropriate for BHL.

RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 7

Prepared by: Neil Engelbrecht
Financial Accountant

Lynn Brooks
Finance Manager

Reviewed by: Douglas Marshall
Chief Financial Officer

Attachment 1: RAC Monthly Operational Report to the period end 30 October 2022

OPERATIONAL PERFORMANCE – FOUR MONTHS TO 31 OCTOBER 2022

1. REPORT SUMMARY

This report provides the Committee with an update on the financial performance for the four months ending 31 October 2022. To help explain the variances this report is presented in three sections including “Operational Business as Usual”, “Additional Grants”, and “Flood Event” sections.

The Business-as-Usual result to date is a loss of \$1.306m against a budgeted surplus of \$2.021m, a negative variance of \$3.329m. This difference is mostly due to a timing variance in expenditure which is expected to resolve as the year progresses. Otherwise, revenue and expenditure is mainly on budget.

The additional grant revenue and expenditure shows a surplus of \$0.531m, as a portion of grants relate to capital expenditure which is not included in this operations report.

The flood event result to date is an overall surplus of \$6.545m, it should be noted a portion of the flood event revenue relates to capital expenditure of \$6.554m which is not included in this Operations Report.

The total reported surplus to October 2022 \$7.952m compared to a budgeted surplus of \$2.182m. The main reason for this variance is grant and flood recovery revenue and expenditure. It is also due to timing differences between when the budget anticipated the revenue or expenditure would occur and the actual timing of the revenue and expenses.

2. RECOMMENDATION

That the Risk and Audit Committee receive the report for information.

3. OPERATIONAL FINANCIAL PERFORMANCE

A summary of the results is set out below, along with greater details in the following pages.

	Actual YTD	Annual Plan	YTD Variance		Projected Full Year	Annual Plan Full Year	Projected Variance Full Year
Operational Revenue	11,923,928	12,164,736	(240,808)	■	32,072,726	32,032,726	40,000
Operational Expenditure	11,209,127	10,143,070	(1,066,057)	■	31,893,010	31,831,010	(62,000)
TOTAL OPERATIONAL VARIANCE			(1,306,865)	■			(22,000)
Additional Grant Revenue	997,059	183,832	813,227	●	913,052	913,052	0
Additional Grant Expenditure	304,748	23,421	(281,327)	■	77,552	77,552	0
TOTAL ADDITIONAL GRANT VARIANCE			531,900	●			0
Flood Event Revenue	7,941,477	0	7,941,477	●	0	0	0
Flood Event Expenditure	1,395,598	0	(1,395,598)	■	0	0	0
TOTAL FLOOD EVENT VARIANCE			6,545,879	●			0
TOTAL PROFIT / (LOSS)			5,770,913	●			(22,000)
Net Profit / (loss)	7,952,990	2,182,077	5,770,913	●	1,015,216	1,037,216	(22,000)

Key: ● Favourable Variance + \$50k ■ Unfavourable Variance - \$50k ▲ Neutral Variance +/- \$50k

3.1 Operational Performance Report – Summary of Results to October 2022 and Projection for the Year Ahead

Overall, operating revenue is \$0.240m lower than budgeted with the variance due to timing. \$40k of additional funding is expected to be received from the Ministry of Transport for Airport capital expenditure by the end of the year.

Because the corresponding Airport expenditure is not reported in this Operations Report, this additional revenue will be reported as a favourable difference for the remainder of the accounting year.

Operational expenditure is \$1.125m higher than budgeted mainly due to rehabilitation work on the dredge which was expected to be completed prior to 30 June 2022.

The work was delayed to allow for completion of dredging in Westport prior to June 2022 and to occur when a dredging contract in Nelson was secured. The Nelson work was undertaken in August / September 2022.

The cost of this work, as well as the operating cost of dredge, is all funded via the Tranche 2 Central Government service contract.

The dredge slipping expenditure will be a mixture of capital expenditure and repairs, and this work is being completed in line with the 2021-2031 Long-Term Plan which sets out that the work on the dredge would only be completed if a sound business case was developed, and it was.

To date, additional grant revenue consists of advance funding from Provincial Growth Fund (PGF) for the ongoing port projects, Mayors Taskforce for Jobs, and National Transition Unit and Department of Internal Affairs. PGF grants will be spent on a combination of capital expenses and repairs.

Council will receive significant funding over the next 12 months for flood recovery works. As more information is confirmed regarding grant funding this will be included in future reports.

The report includes confirmed grant funding from the National Emergency Management Agency (NEMA) (Tranche 2) projects for the port projects.

NEMA are also funding flood recovery water infrastructure projects, and Ministry of Business and Innovation are providing funding for the temporary housing development at Alma Rd.

Waka Kotahi have funded flood recovery roading costs for both capital and operational costs, and Department of Internal Affairs have funded wages costs for flood recovery salaries.

ATTACHMENT 1

BULLER DISTRICT COUNCIL Operating Report for the Three Months to October 2022

Prepared by: Neil Engelbrecht
Reviewed by: Lynn Brooks

	Actual Year to Date	Annual Plan Budget	YTD Variance	Status	Full Year Prediction	Annual Plan Budget	Variance Full Year Prediction	Explanation of Variances of \$50,000 or greater
Operational Revenue								
Community Services	180,493	101,116	79,377	●	341,119	341,119	0	NBS Theatre higher than predicted shop sales, admissions, and timing of external fundine.
Westport Harbour	456,979	918,236	(461,257)	■	2,766,000	2,766,000	0	Timing difference of dredging at port Nelson income to be received in coming months. Dredge completed scheduled work during November, to be invoiced in December.
Governance & Representation	0	0	0	▲	33,600	33,600	0	
Water Supplies	1,858,558	1,839,986	18,572	▲	3,877,579	3,877,579	0	
Airport	66,163	48,546	17,617	▲	198,538	158,538	40,000	Ministry of Transport additional funding
Community Facilities	254,599	282,422	(27,823)	▲	1,355,759	1,355,759	0	
Roading & Transport	1,218,308	1,258,320	(40,012)	▲	6,079,712	6,079,712	0	
Regulatory Services	650,309	502,272	148,037	●	1,365,695	1,365,695	0	Higher than predicted building activity.
Solid Waste	477,606	474,222	3,384	▲	1,012,696	1,012,696	0	
Support Services	24,096	22,633	1,463	▲	76,360	76,360	0	
Council - General Rates & Treasury	5,291,910	5,262,042	29,868	▲	12,043,974	12,043,974	0	
Wastewater	1,456,526	1,453,453	3,073	▲	2,916,676	2,916,676	0	
Stormwater	(11,619)	1,488	(13,107)	▲	5,018	5,018	0	
Total Operational Income	11,923,928	12,164,736	(240,808)	■	32,072,726	32,032,726	40,000	
Operational Expenditure								
Community Services	1,441,461	1,400,101	(41,360)	▲	4,121,329	4,121,329	0	
Westport Harbour	1,445,811	824,476	(621,335)	▲	2,535,881	2,535,881	0	Variance mainly due to timing of slipping costs (to date \$540k) incurred in advance of external fundine for Westport dredging.
Governance & Representation	603,417	633,064	29,647	▲	1,808,375	1,808,375	0	
Water Supplies	1,162,961	1,114,369	(48,592)	▲	3,731,799	3,669,799	(62,000)	Higher than budgeted repairs to date Westport Water \$91k and Inangahua Water \$8k, less underspends in other expenses and water supplies. Maintenance Contract review \$32k, pump hire for \$30k not able to be claimed from flood recovery, will be permanent overspend at end of year if unable to be mitigated in Westport Supply. Remainder of variance expected to be timing difference only.
Airport	177,106	159,904	(17,202)	▲	509,699	509,699	0	
Community Facilities	965,090	1,061,940	96,850	●	3,336,964	3,336,964	0	R&M less than budgeted. Timing only.
Roading & Transport	2,657,358	2,644,694	(12,664)	▲	7,912,099	7,912,099	0	
Infrastructure Delivery (income and expenditure netted off)	154,584	(25,143)	(179,727)	■	(27)	(27)	0	Timing Only.
Regulatory Services	947,590	909,112	(38,478)	▲	2,895,908	2,895,908	0	
Solid Waste	490,888	475,791	(15,097)	▲	1,475,992	1,475,992	0	
Support Services	115,992	(83,464)	(199,456)	■	234,783	234,783	0	Timing Only.
Wastewater	777,938	814,373	36,435	▲	2,645,599	2,645,599	0	
Stormwater	268,933	213,853	(55,080)	■	684,609	684,609	0	Timing Only.
Total Operational Expenditure	11,209,127	10,143,070	(1,066,057)	■	31,893,010	31,831,010	(62,000)	
OPERATIONAL PROFIT / (LOSS)	714,801	2,021,666	(1,306,865)	■	179,716	201,716	(22,000)	
Additional Grant Revenue								
Community Services	394,987	7,558	387,429	●	25,500	25,500	0	Mayors Taskforce for Jobs, \$75k KMTT Restoring flora and other small sundry grants.
Westport Harbour	171,337	0	171,337	●	0	0	0	Provincial Growth Fund Port projects grant.
Commercial and Corporate Services	154,750	0	154,750	●	0	0	0	National Transition Unit and Department of Internal Affairs funding.
Water Supplies	0	0	0	▲	0	0	0	
Community Facilities	172,873	119,502	53,371	●	587,552	587,552	0	Reefton TIF funding receivable only invoiced in November.
Roading & Transport	100,000	56,772	43,228	▲	300,000	300,000	0	
Solid Waste	3,113	0	3,113	▲	0	0	0	
Total Additional Grants Income	997,059	183,832	813,227	●	913,052	913,052	0	
Additional Grant Expenditure (excludes Capital Expenditure)								
Community Services	25,729	0	(25,729)	▲	0	0	0	
Westport Harbour	206,535	0	(206,535)	■	0	0	0	Provincial Growth Fund Port projects.
Commercial and Corporate Services	0	0	0	▲	0	0	0	
Water Supplies	0	0	0	▲	0	0	0	
Community Facilities	34,223	23,421	(10,802)	▲	77,552	77,552	0	
Roading & Transport	0	0	0	▲	0	0	0	
Solid Waste	38,260	0	(38,260)	▲	0	0	0	
Total Additional Grants Expenditure	304,748	23,421	(281,327)	■	77,552	77,552	0	
ADDITIONAL GRANTS PROFIT / (LOSS)	692,311	160,411	531,900	●	835,500	835,500	0	
Return to Service Funding								
All Flood Event Revenue	7,941,477	0	7,941,477	●	0	0	0	MBIE Housing, NEMA funding, DIA funding, Waka Kotahi flood events.
Total Unbudgeted Flood Event Revenue	7,941,477	0	7,941,477	●	0	0	0	
Flood Event Expenditure (excludes Capital Expenditure)								
Flood Event Operational Expenditure	1,395,598	0	(1,395,598)	■	0	0	0	Flood related operational expenditure to Oct including Mayoral Relief Fund payments. Projection is for operational expenses only, not capital.
Total Unbudgeted Flood Event Expenditure	1,395,598	0	(1,395,598)	■	0	0	0	
FLOOD EVENT PROFIT / (LOSS)	6,545,879	0	6,545,879	●	0	0	0	
TOTAL PROFIT / (LOSS)	7,952,990	2,182,077	5,770,913	●	1,015,216	1,037,216	(22,000)	

Key
● Favourable variance + \$50k or more
■ Unfavourable variance - \$50k or more
▲ Neutral variance within +/- \$50k

RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 8

Prepared by Neil Engelbrecht
Financial Accountant

Lynn Brooks
Finance Manager

Reviewed by Douglas Marshall
Chief Financial Officer

INVESTMENTS AND BORROWINGS – AS AT 31 OCTOBER 2022

1. REPORT SUMMARY

This report summarises Council's cash investments and borrowings for the month of October 2022, and compliance with Council treasury management policy.

2. DRAFT RECOMMENDATION

That the Risk and Audit Committee receive the Investments and Borrowings report for information.

3. ISSUES AND DISCUSSION

3.1 Changes to the Report

An additional graph has been included to illustrate the investments held with each trading bank by maturity date, amount and rate earned.

3.2 Investments

Investments have decreased by \$4m since the last report to 31 August 2022. The call account reduced from \$6.3m at 31 August 2022 to \$2.3m at 31 October 2022. The reason for the decrease is the first quarter rates instalment was held on call as at 31 August 2022 and has been drawn down as planned to fund Council operations.

3.3 Bank Balance

Council's trading bank closing balance was \$166k in funds.

3.4 Interest Revenue

Interest revenue to the end of October is \$173k against a YTD budget of \$145k and a full year budget of \$797k.

Council continues to reinvest term investment funds at the most favourable interest rate when deposits are available for renewal. The improving interest rates are reflected in the interest revenue for the year.

3.5 Borrowings and Net Debt Position

Total borrowings remains at \$33.2m. Net debt (borrowings less term investments and call account balance) has increased by \$4m since last reported to \$16.3m due to the net movements in investments noted above.

3.6 Compliance with Treasury Management Policy

The Treasury Management Policy of Council is that 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 Nelson Building Society (NBS) which is a breach of the Treasury Management Policy. The policy limits investments in Building Societies to a total of 10% of the portfolio and an individual Building Society to be no more than the lower of \$1m or 4% of its asset base. Currently investments in NBS total \$3.468m representing 25% of the total investment portfolio. This planned breach will continue as investments mature and are rolled over as this level of investment is part of a sponsorship agreement.

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 can 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 Council's 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

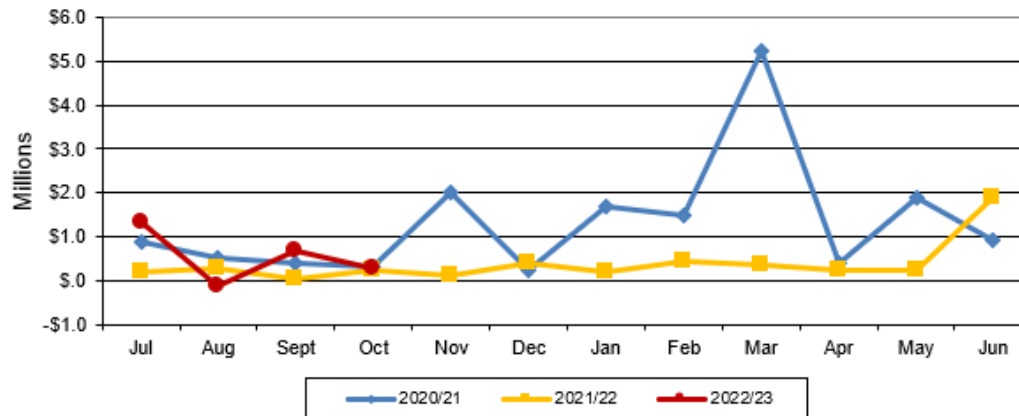
None identified

INVESTMENTS AND BORROWINGS REPORT

1. BANK BALANCE

	This Month 31-Oct-22	Last Report 31-Aug-22	Last Year 30-Jun-22
Trading Account Council	\$166,480	\$534,608	\$1,866,900

2. MONTH END BANK BALANCES



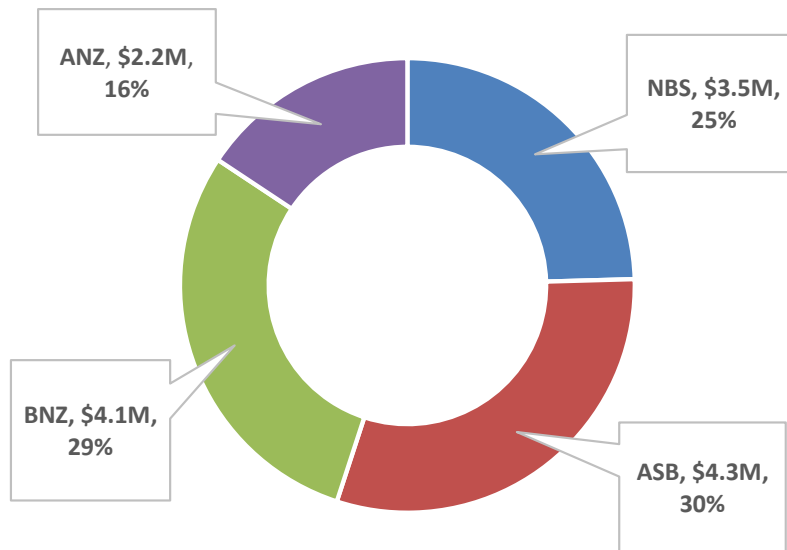
3. SUMMARY OF INVESTMENTS

	This Month 31-Oct-22	Last Report 31-Aug-22	Last Year 30-Jun-22
Term deposits (includes Call Account)	16,877,151	20,847,151	17,532,141
Other loans (includes loan to Holding Company)	1,610,982	1,610,982	1,610,982
Total Investments	\$18,488,133	\$22,458,133	\$19,143,123

3.1 Term Deposits

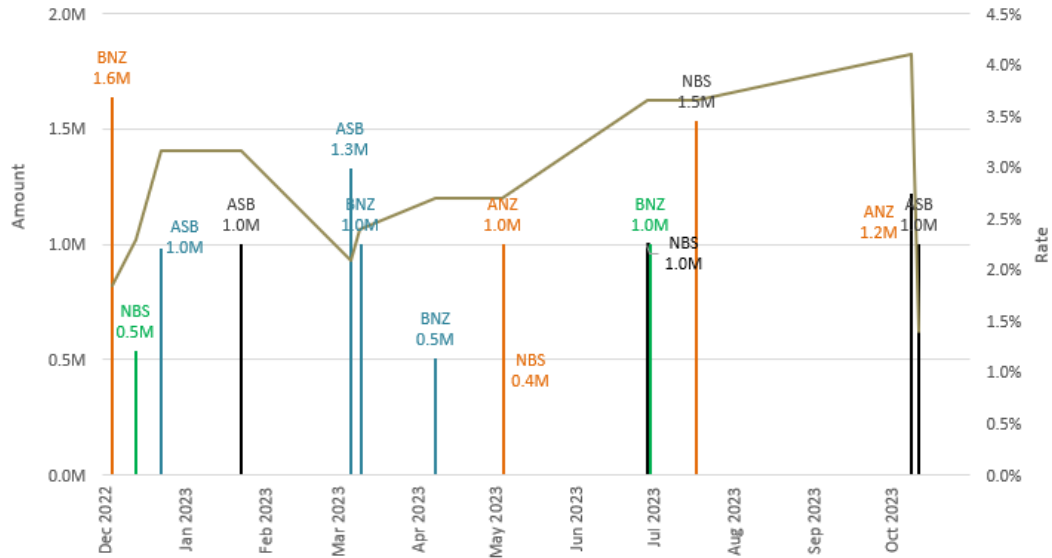
Investment Type	Counterparty	Amount	Start Date	Maturity Date	Fixed Interest Rate
Term Deposit	NBS	1,534,037.53	18-Jul-2022	18-Jul-2023	3.65%
Term Deposit	NBS	1,000,000.00	29-Jun-2022	29-Jun-2023	3.65%
Term Deposit	NBS	534,037.52	13-Jun-2022	13-Dec-2022	2.30%
Term Deposit	NBS	400,000.00	4-May-2022	4-May-2023	2.70%
Term Deposit	ASB	1,000,000.00	22-Jun-2022	23-Jan-2023	3.16%
Term Deposit	ASB	1,000,000.00	12-Oct-2022	12-Oct-2023	4.20%
Term Deposit	ASB	1,325,000.00	6-Mar-2022	6-Mar-2023	2.10%
Term Deposit	ASB	977,775.52	23-Jun-2022	23-Dec-2022	3.16%
Term Deposit	BNZ	1,000,000.00	10-Mar-2022	10-Mar-2023	2.40%
Term Deposit	BNZ	500,000.00	8-Apr-2022	8-Apr-2023	2.70%
Term Deposit	BNZ	1,636,800.00	4-Sep-2022	4-Dec-2022	1.85%
Term Deposit	BNZ	1,000,000.00	30-Jun-2022	30-Jun-2023	3.65%
Term Deposit	ANZ	1,000,000.00	4-May-2022	4-May-2023	2.70%
Term Deposit	ANZ	1,214,500.00	10-Oct-2022	9-Oct-2023	4.10%

3.2 Term Deposits Summary by Trading Bank



The maximum allowable investment per issuer is \$10m.

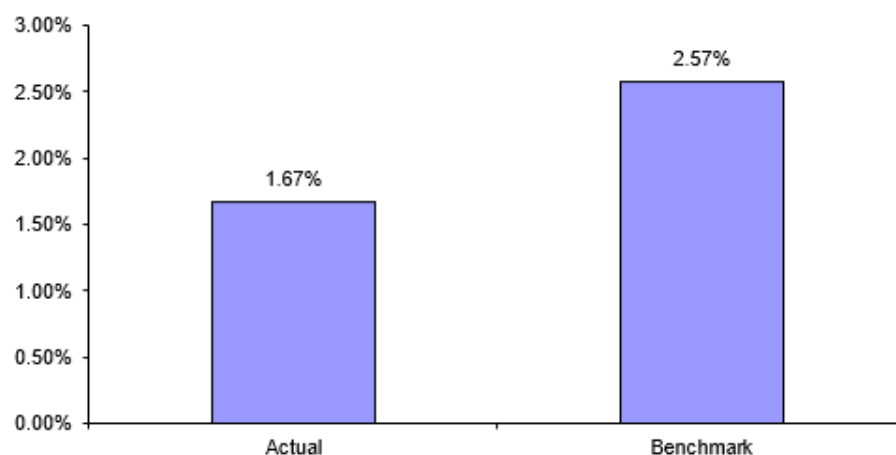
3.3 Term Deposits Summary by Maturity Date



3.4 Local Government Funding Agency Borrower Notes

Investment Type	Counterparty	Amount	Maturity Date	Floating Interest Rate
LGFA Borrower Note	LGFA	125,000	1-Mar-2024	3.01%
LGFA Borrower Note	LGFA	125,000	1-May-2026	2.70%
LGFA Borrower Note	LGFA	80,000	1-Mar-2023	3.53%
LGFA Borrower Note	LGFA	125,000	1-Mar-2027	3.20%

4. INVESTMENTS PORTFOLIO PERFORMANCE (12 Month Average)



5. INTEREST REVENUE

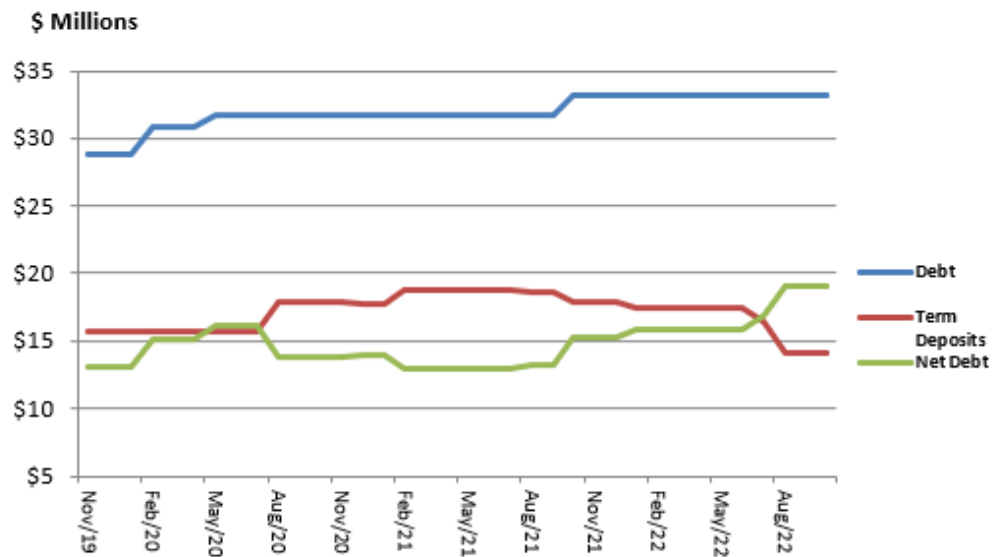
	Actual YTD	Budget YTD	Budget Full Year
Interest Revenue	\$177,577	\$144,888	\$796,699

6. SUMMARY OF BORROWINGS

	This Month 31-Oct-22	Last Report 31-Aug-22	Last Year 30-Jun-22
External Debt			
Westpac Loan Facility	13,213,860	13,213,860	13,213,860
LGFA Loan Facility	20,000,000	20,000,000	20,000,000
	\$33,213,860	\$33,213,860	\$33,213,860
Weighted Average Interest Cost	4.23%	4.23%	4.07%

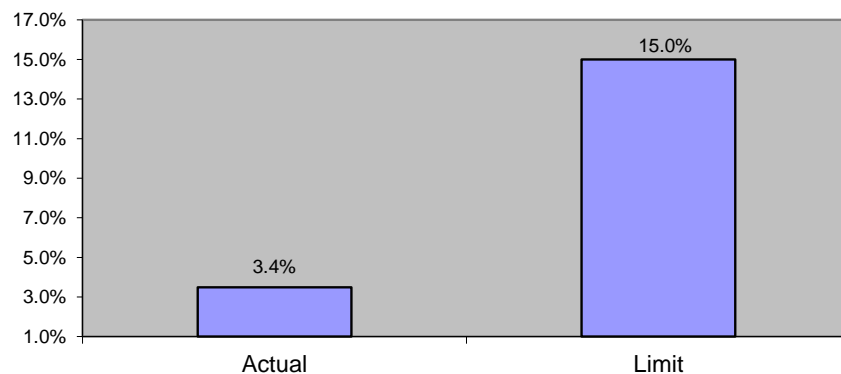
Net Debt			
Total Borrowings	33,213,860	33,213,860	33,213,860
Less: Term deposits (including Call Account)	16,877,151	20,847,151	17,532,141
	\$16,336,709	\$12,366,709	\$15,681,719

7. DEBT AND INVESTMENTS 3-YEAR TREND

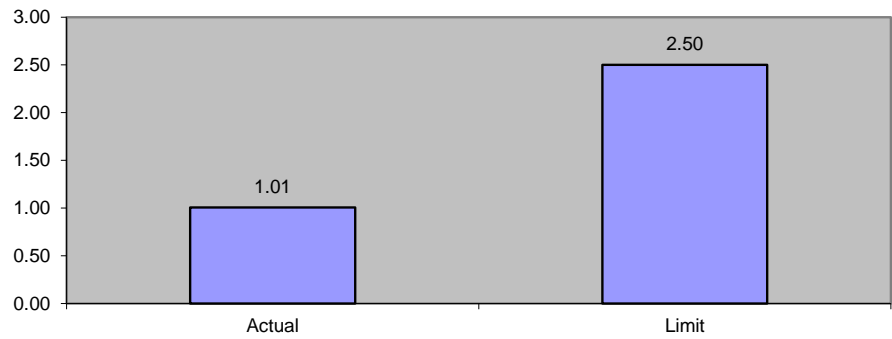


The above graph reports net debt as: gross debt held with external parties; less terms deposits excluding the call account. The definition used by this graph is in line with Council's Treasury Policy but differs from how investments and net debt are expressed in other parts of this report that include the call account.

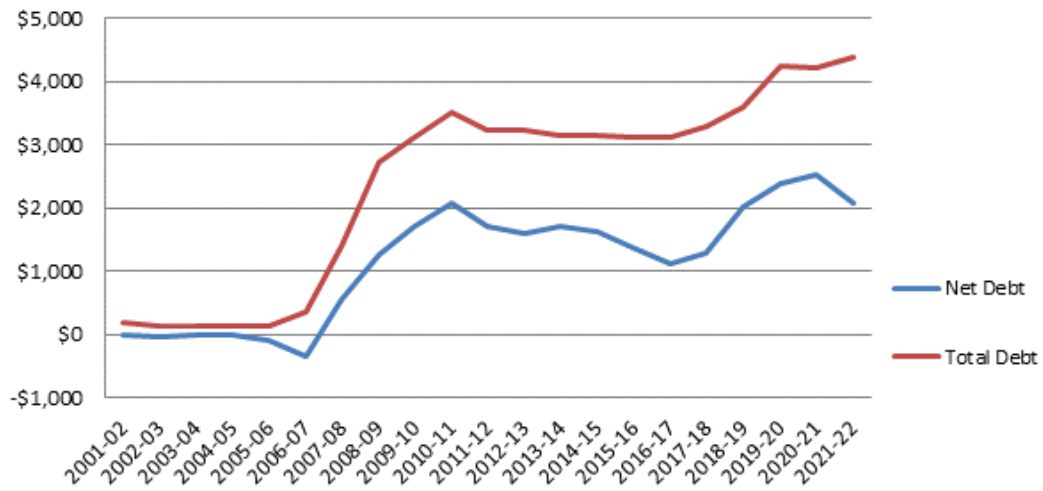
7.1 Interest Expense / Total Income



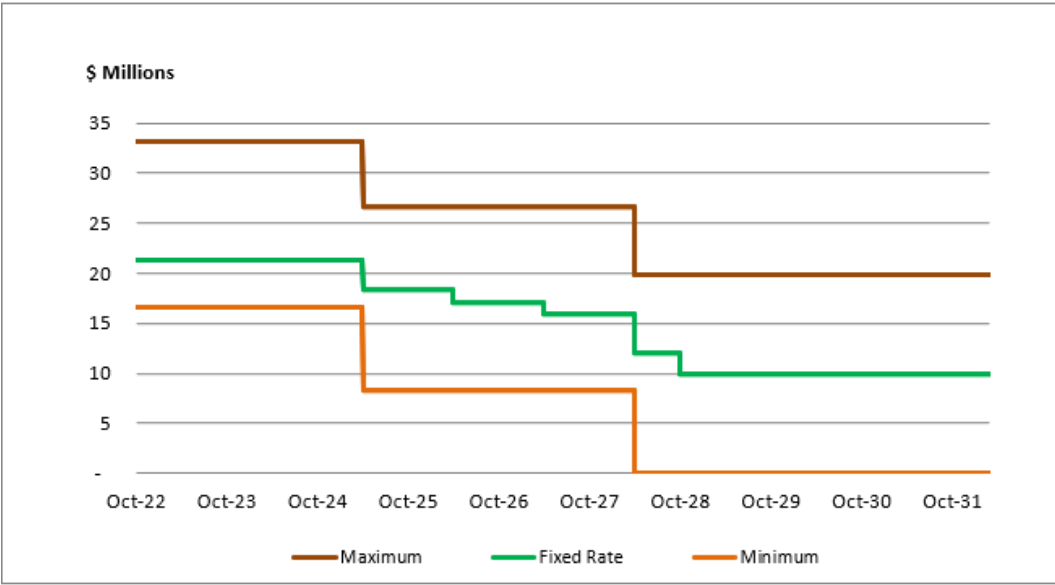
7.2 Gross Debt / Total Income



7.3 Debt and Net Debt per Rateable Property



7.4 Fixed Rate Debt - Compliance with Treasury Policy



RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 9

Prepared by: Douglas Marshall
Chief Financial Officer

Attachment 1: RAC Work Plan

RISK AND AUDIT WORK PLAN

1. DRAFT RECOMMENDATION

That the Risk and Audit Committee receive the Risk and Audit Work Plan for information.

RAC Workplan	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
RAC Reports														
- BDC Quarterly Financials					Quarterly			Half yearly BDC & WAA			Three quarterly			
- BDC Operational Performancee														
- BDC Investments and Borrowings														
- BDC Debtors														
- BDC Capital Income and Expenditure														
- BHL Quarterly Financials					Quarterly			Half yearly			Three quarterly			
- Strategic Risk Register and Report	Quarterly		Quarterly			Quarterly			Quarterly			Quarterly	Quarterly	
- Health and Safety Report	Quarterly		Quarterly			Quarterly			Quarterly			Quarterly	Quarterly	
- Capital Report Multi-Year Projects						2022 Carryovers								
- CCO Statements of Intent						Letter of expectation			Draft			Final		
- CCO Director Appointments and Remuneration								Review Appointments						Remuneration
- PIP Reports and Minutes Monthly														
2023/2024 Annual Plan														
- Annual Plan				Strategic Planning for Annual Plan	Workshop, budgets templates open	Complete budgets, workshop including BHL inputs to AP		Final review of draft estimates, budget result workshop	Adopt draft Annual Plan and Consultation Document	Submissions open, community consultation	Submissions close, hearing and deliberations	Adopt final Annual Plan		
2021/2022 Annual Report														
- BDC Annual Report	Preparation of Annual Report	Preparation of Annual Report	Preparation of Annual Report	Preparation of Annual Report	Final Audit Adopt and publish Annual Report							Interim Audit	Preparation of Annual Report	Preparation of Annual Report
- BHL Annual Report				Receive CCO Annual Reports										
Rating Policy Review														
- Rating Policy Review	Under Review	Update Paper to FRAC	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review
Other Operating Projects														
- Insurance			Insurance Update Report			Finalise								
- Abandoned Land	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review

RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 10

Prepared by Douglas Marshall
Chief Financial Officer

Attachment 1 Council Strategic Risk Register

STRATEGIC RISK REGISTER

1. REPORT SUMMARY

The Strategic Risk Register was endorsed by the then, Finance Risk and Audit Committee (FRAC), 17 July 2019. This register identifies the organisational strategic risks and is monitored monthly by Senior Leadership Team and the Finance Risk and Audit Committee.

The register will be updated quarterly or when new strategic risks are identified or require changes.

2. RECOMMENDATION

That the Risk and Audit Committee agree to the amendments of the control plans of the strategic risk register as detailed below;

Changes to this report since the last report in September 2022 are in red.

1. Coastal Erosion and Sea Inundation of Westport Airport Runway

A seawall has been put in place to reduce possibility of effect of erosion from sea surge. A review of the effectiveness of the seawall will occur July 2023.
Progress update September 2023.

2. Climate Change and Flooding Impacts on Council Assets and Infrastructure (Other Than Airport)

A large amount of the Stormwater assets have been repaired or are currently in the process of remediation. NEMA have also now approved a number of the Betterment proposals submitted by BDC, which will be undertaken in 2023. Waka Kotahi have now confirmed \$13.2 million of funding for repairs on local

roads and the Karamaea SPR. Several tender packages will be issued in early 2023, with work commencing February 2023. *Progress update February 2023.*

3. Major Flooding of Westport Township

Following the August 2022 red weather warning declaration, additional bund works were carried out under emergency work. Tranche 2 funding activity has commenced, and a programme of work developed to repair infrastructure from July/February floods.

Central Government are reviewing the Co-Investment Business Case, anticipated timeframe for a response is **now expected in 2023**. Further flood mitigation assessment are being undertaken by BDC / WestReef staff to Coates Street and a cost benefit analysis is being undertaken to ascertain the purchase of pumps versus hiring of pumps. *Progress update February 2023.*

4. Central Government Three Waters Reform

No changes to control plan. *Progress update March 2023*

5. Climate Change Impacts Public Safety

A draft Westport evacuation plan has been developed, **has been peer review and made publicly available. Feedback from the public and peer review will be incorporated as appropriate.** The August red weather warning demonstrated an improved EOC, demonstrating lessons learnt from previous events. *Progress update February 2023.*

6. Information Management

Project is progressing with the appointment of a staff resource to project manage the day-to-day issues with document management, while Information Leadership have been engaged to lead the development of the systems and processes needed for the document management system.

The proposed completion date of the project is **March 2023. This will be extended into later in the year as the process of capturing documents is now part of business as usual and staff are using the opportunity to review more fully their document processes than the original “capture of documents” project anticipated. This does not change budget funding requirements at this time.** *Progress update March 2023.*

7. Failure to Attract Business and Industry to the District

Partnership Programme Governance Group is transitioning towards oversight of the Tranche 2 funding programme. The Co-Investment business case for multi model adoptions has been submitted to Central Government. BDC is a strategic operational partner with the Alliance coastal shipping group, the partnership will generate income associated with the Kawatiri dredge and port. Buller Environmental Improvement & Prosperity strategy continues with partnerships Kotahitanga mō te Taiao (KMTT) and the Nature Conservancy. Other projects have created up to \$2m funding and creation of local jobs. Westland Mineral Sands progressing the extractive business associated with Westport port. Local employment opportunities are created. The Mayors for

Jobs Taskforce has been funded for a further 12months albeit in a different format however this still provides opportunities to support apprenticeships etc. *Progress update February 2023.*

8 Financial Loss from Depreciate Assets and Unrealised Opportunities at Westport Port

Tranche 2 funding for the dredging of the harbour and river areas have been approved by Central Government, that projects funding totals \$4.7 million. A further dredge funding programme for the Westport harbour and river areas has been secured from Buller Port Limited totalling just over \$1.5 million.

These two funding programmes provide income until December 2024 while contracts with Nelson Port for dredging (currently being undertaken) provide further cash to keep the dredge operational until the Marpol regulations apply to the emissions from the dredges' engines, which means the dredge can't be operated from about March 2025.

From March 2025, decisions will need to be made as to how the Westport harbour is dredged with a different vessel. *Progress update March 2023.*

9. Lack of Key Infrastructure for Growing Tourism Demands

Council to consider through the District Plan (TToPP) and additional regulations. Other infrastructure options and funding opportunities to be explored, alongside strategic planning for growth and development, with considerations to reforms, rebuild programmes, resilience and climate change. *Progress update February 2023.*

17. Legal Compliance for Reserves

Regular meetings held with subcommittees. Terms of Reference in place for most, the others are under review. Health and safety requirements discussed, and any volunteer work now have records and risk assessments completed.

Currently working on developing AMPs / RMPs for all subcommittees – two members of BDC staff now have ongoing communications with the groups with oversight from Group Manager. *Progress update June 2023.*

18. Reefton Water Supply Non-Chlorination

With budget agreed in the 2022 / 2023 Annual Plan, work is currently underway to proceed with this project. *Progress update June 2023.*

3. ISSUES & DISCUSSION

Council developed and adopted a Risk Management Framework based on the International Standard ISO 31000:2018 Risk Management – Guidelines, and the previous version AS/NZS ISO 31000:2009 Risk Management Standard, as well as benchmarking against select local government authorities' Risk Management Frameworks.

An effective and efficient Risk Management Framework must be adequately resourced and supported at the very top of an organisation's hierarchy. The Finance, Risk and Audit Committee (comprising of full council) has been established with the purpose of endorsing management's risk approach, as well as assessing, monitoring and reporting on key risks. Effective risk management also requires a 'no blame' culture as well as clear lines of accountability and pathways for risk escalation.

Buller District Council's Risk Management Framework will be reviewed March 2023 to ensure that the practices are still fit for purpose.

Risk Assessment Matrix to Enable Easy Review.

Table 7: Risk Assessment Matrix

Consequence	Risk Assessment Matrix					
	Catastrophic (5)	5	10	15	20	25
	Major (4)	4	8	12	16	20
	Moderate (3)	3	6	9	12	15
	Minor (2)	2	4	6	8	10
	Insignificant (1)	1	2	3	4	5
		Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost certain (5)
	Likelihood					

Buller District Council Strategic Risk Register



#	Strategic Aspect	Risk Title	Risk Description & Impact	Risk Category	Risk Consequence	Risk Likelihood	Inherent Risk Rating	Key controls in place	Residual Risk Rating	Control Plan	Treatment date due	Escalation Pathway
	Potential strategic matter	Brief and uncomplicated	Clear, unambiguous, brief description of the risk event and what the impact to Council would be (i.e. what the loss or gain will be if the event occurs)	Based on the 8 risk categories in Table 6			Level of risk in the absence of controls	Description of existing controls	Level of risk that remains after taking the existing controls into account	Description of further controls (if required) from the detailed control plan developed by the risk owner	Due date that treatment from control plan must be in place	To whom the Risk Owner / Control owner should escalate the risk should it exceed tolerance level
1	Natural Disaster	Coastal erosion and sea inundation of Westport Airport runway	IF the airport is not protected against coastal erosion, THEN erosion and inundation may continue to occur leading to the presence of Unsafe Conditions and revocation of the airport's Operating Certificate and ability to offer air services	Operations & service delivery	3	3	9	Debris exclusion fence constructed (February 2019) to prevent incursion of debris onto runway strip and runway	9	Practical works completed, and final progress report received by FRAC 20 September 2020. All controls are currently in place.	Sep-22	GM CCS
2	Natural Disaster	Climate change and flooding impacts on Council assets and infrastructure (other than Airport)	IF Council does not protect its assets and infrastructure at risk from coastal erosion, sea inundation and flooding, THEN there may be significant loss and impact	Financial/Economic	5	3	15	Council assets at risk identified in LTP. Actively managing known risks e.g. storm water	15	July 21 & Feb 22 floods have impacted key infrastructure in Buller. Slips has impacted water assets, roading etc. and an assessment programme is underway with funding packages approved or being further formulated and submitted to central govt for support.	Sep-22	GM IS
3	Natural Disaster	Major flooding of Westport township	IF adequate flood mitigation planning and or protection works are not designed and undertaken, THEN a catastrophic flood of the township, resulting from increased high intensity storm events, may occur leading to potential loss of life and considerable financial loss and infrastructure damage	Financial/Economic	5	2	10	River stop banking in place. Flood warning (telemetry) systems. Property tags around flood levels and consideration in issuing of building consents	10	Post July 21 & Feb 22 floods an independent Buller Flood governance group and the Westport Joint Rating committee have been established and working towards a multi-pronged approach to dealing with flood risk. There is WRCG/BD/C and central govt partnership approach with elected member representation on both groups. Funding packages are being developed with regards to a multipronged approach of adaption, mitigation and migration. Interim emergency works put in place during the Feb 22 flood will remain in place until a permanent solution is identified.	Sep-22	CEO
4	Assets and Infrastructure	Central Government three-waters reform	IF Central Government water reforms are not fit-for-purpose, THEN there may be significant impact and/or uncertainty resulting in legal/regulatory risk	Reputational/stakeholders	3	4	12	Advocacy through LGNZ. Participation in DIA workshops to inform strategic approach. Regional collaboration to address Three Waters reforms.	12	Developments from DIA are being closely monitored, including direction for service delivery. Three Waters reform information continues to unfold, and Council will consider options and make decisions based on thorough assessment of risks and opportunities. Regular updates to be provided through to council via workshops and continued council reports as required	Sep-22	GM IS

Buller District Council Strategic Risk Register

	Strategic Aspect	Risk Title	Risk Description & Impact	Risk Category	Risk Consequence	Risk Likelihood	Inherent Risk Rating	Key controls in place	Residual Risk Rating	Control Plan	Treatment date due	Escalation Pathway
#	Potential strategic matter	Brief and uncomplicated	Clear, unambiguous, brief description of the risk event and what the impact to Council would be (i.e. what the loss or gain will be if the event occurs)	Based on the 8 risk categories in Table 6			Level of risk in the absence of controls	Description of existing controls	Level of risk that remains after taking the existing controls into account	Description of further controls (if required) from the detailed control plan developed by the risk owner	Due date that treatment from control plan must be in place	To whom the Risk Owner / Control owner should escalate the risk should it exceed tolerance level
5	Natural Disaster	Climate change impacts on public safety	If effective Civil Defence processes are not in place, THEN emergency response to an increasing number of civil defence events could be compromised, resulting in avoidable serious injury to, or loss of life of, a member or members of the public	Health & safety	5	3	15	Emergency Management Officer will continue working on 4 R's of emergency preparedness and response Staff training undertaken in emergency response (on-going) Public education and awareness Civil Defence exercises and simulations undertaken	10	West Coast Civil Defence Emergency Management continues to be actively governed via joint committee across the West Coast. A part time Emergency Management Officer (EMO) has now been appointed and will continue the work to facilitate training to local stakeholders including Council staff. Hazard mapping has been developed, and work has been conducted with WCJC, EMAT & NEMA to develop a draft national evacuation template that can then be tailored to the Buller District. There is a strong push to improve communications across the Buller which has seen new radio and communication equipment distributed.	Sep-22	CEO
6	Council systems	Information management	If a systematic approach to securing and accessing information is not established (including succession planning and staff retirements), THEN important information may be overlooked, undiscoverable or lost, leading to financial loss, lost opportunity, reputational impact or poor service delivery or service disruption	Operations & service delivery	5	2	10	Server back-ups	10	The Information Management project has been scoped and a Schedule of Works agreed upon with the preferred supplier. The project was initiated in October 2021 but has had to be trimmed back due to the inability to attract a Manager IM and Project Lead. It was further delayed due to the Feb 22 flood events. We have now been able to identify a Manager IM, with an intended start date of June 22, and have negotiated with our supplier to provide a Project Lead on a contract basis. The IM project will be recommenced in full in July 22 with an expected completion date of Mar 23.	Sep-22	GM CCS

Buller District Council Strategic Risk Register



#	Strategic Aspect	Risk Title	Risk Description & Impact	Risk Category	Risk Consequence	Risk Likelihood	Inherent Risk Rating	Key controls in place	Residual Risk Rating	Control Plan	Treatment date due	Escalation Pathway
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7	District Economic Vulnerability and Fragility	Failure to attract business and industry to the district	IF Council fails to identify and enable opportunities for economic growth in the district, THEN population decreases, job losses, and business closures may result, causing declines across various social indices and living standards	Reputational/stakeholders	3	3	9	Strengthened partnerships with PGF and DWC, Refresh of Economic Development Strategy, Ongoing advocacy.	9	Partnership Programme Governance group overseeing delivery of Central Government funded projects, Tranche 2 Economic Development plan with focus on environment opportunities and funding, Mayors Taskforce creating additional opportunities, Ongoing advocacy for new opportunities. Noting the Economic Recovery post the Westport Flood, has been identified as a key strand for the recovery programme. The risk that the hospitality accommodation continues to be a long term housing option, therefore minimising access to domestic tourism, which could result in cancellation of events. Tranche 2 appropriation application to Cabinet May 2022 This work is being considered with key stakeholders and the Buller Flood Steering Group that has been established to have direct oversight of this. BDC tranche 2 ED strategy progresses	Sep-22	CEO
8	Assets and Infrastructure	Financial loss from depreciating assets and unrealised opportunities at Westport Port	IF commercial opportunities are not investigated and realised for the Westport Port, THEN it will continue to cost ratepayers and depreciate in value, resulting in significant financial loss	Financial/Economic	3	3	9	Plan in place to source outport dredging business, Regular financial reporting to monitor progress.	9	Commercial opportunities have been identified and we are currently awaiting the outcome of consent hearings to see if one of these will be able to proceed. An increase to a current arrangement will see further revenue to the port at no extra cost to it. Both exercises are hoped to be completed by June 2022 and an assessment will be done then on the continued viability of the Port and dredge.	Sep-22	GM CCS
9	Assets and Infrastructure	Lack of key infrastructure for growing tourism demands	IF Council does not accurately prepare for the forecast ongoing growth of the domestic and international tourism industry, THEN Council-provided infrastructure may be inadequate for demand and not fit-for-purpose resulting in infrastructure failures	Reputational/stakeholders	4	2	8	Close working relationship with other key agencies and community.	8	Council to consider through the District Plan (TtoPP) and additional regulations, Other infrastructure options and funding opportunities to be explored, alongside strategic planning for growth and development, with considerations to reforms, rebuild programmes, resilience and climate change.	Sep-22	GM IS

Buller District Council Strategic Risk Register



#	Strategic Aspect	Risk Title	Risk Description & Impact	Risk Category	Risk Consequence	Risk Likelihood	Inherent Risk Rating	Key controls in place	Residual Risk Rating	Control Plan	Treatment date due	Escalation Pathway
	Potential strategic matter	Brief and uncomplicated	Clear, unambiguous, brief description of the risk event and what the impact to Council would be (i.e. what the loss or gain will be if the event occurs)	Based on the 8 risk categories in Table 6			Level of risk in the absence of controls	Description of existing controls	Level of risk that remains after taking the existing controls into account	Description of further controls (if required) from the detailed control plan developed by the risk owner	Due date that treatment from control plan must be in place	To whom the Risk Owner / Control owner should escalate the risk should it exceed tolerance level
10	Council Financial Vulnerability	Heavy reliance on rates income with a low and aging population base	IF Council fails to explore and secure external income opportunities, THEN reliance on rates income will continue to increase towards Council's rates revenue 65% upper limit	Reputational/stakeholders	4	2	8	Commercial & Corporate portfolio established. Strengthened partnership with Iwi, Central Govt and DWC. Refreshed Economic Development strategy. Ongoing advocacy.	8	Projects in Partnerships governance group has progressed projects well through this forum and will continue to do so. BDC continue to receive quarterly informetric reports and these continue to identify that Buller is "holding its own" in the current economic environment. Economic Development strategy continues to provide the framework. Ongoing advocacy through central government for the district and funding opportunities	Dec-22	CEO
11	Assets and Infrastructure	Business success of Buller Holdings Ltd	IF BHL is not commercially successful, THEN there could be a decrease in dividend available to Council that may result in an impact on ratepayers	Financial/Economic	4	2	8	Rigorous director appointment process to obtain the right focus and skillset. Regular review of strategic direction (input via Letter of Expectation & SOI process) and financial performance. Regular two way updates, reporting and communication.	6	Council & BHL Governors meet at least four times a year, on a more formal basis, with meeting minutes reported through to FRAC. Director appointments are undertaken with a view to diversify in service areas and future succession planning with board of directors. BHL through its contracting company WestReef Services Ltd are exploring opportunities for additional external contracting and traffic management services to grow the company.	Dec-22	Deputy Mayor and HR & H&S Advisor
12	Assets and Infrastructure	Leaching from historic uncontained waste sites	IF Council fails to comprehensively map and remediate historic waste disposal sites, THEN environmental contamination, public health concerns, community dissatisfaction and financial loss may occur	Environmental	3	2	6	No systematic controls in place	6	Continued monitoring of known locations to further determine risks of disturbance and any mitigating measures required. Site monitoring will provide a greater understanding of site history, contamination pathways, geological and hydrogeological connection and environmental receptors.	Dec-22	GM IS
13	Assets and Infrastructure	Costs associated with Special Purpose Road (SPR) to Karamea	IF Council fails to secure agreement with NZTA for alternative long-term funding for the Mokihinui to Karamea SPR by 2021/22, THEN rates will exceed affordability levels (due to a required rates increase of >\$300,000), resulting in ratepayer impact and dissatisfaction	Reputational/stakeholders	3	2	6	Funding agreement in place that secures 100% contribution by NZTA until 2021 (future funding arrangements are being negotiated)	6	Funding agreement in place that NZTA will fund 100% of the Karamea Highway Special Purpose Road costs until 2024. BDC put up a bid to NZTA for the work programme for the next 3 years, and NZTA agreed to fund 92% of the request. With regard to the SPR, there is no commitment from BDC to own the SPR. Ongoing negotiation with NZTA and development of the SPR Transition Plan advocating no additional burden for ratepayers.	Mar-23	GM IS

Buller District Council Strategic Risk Register



	Strategic Aspect	Risk Title	Risk Description & Impact	Risk Category	Risk Consequence	Risk Likelihood	Inherent Risk Rating	Key controls in place	Residual Risk Rating	Control Plan	Treatment date due	Escalation Pathway
#	Potential strategic matter	Brief and uncomplicated	Clear, unambiguous, brief description of the risk event and what the impact to Council would be (i.e. what the loss or gain will be if the event occurs)	Based on the 8 risk categories in Table 6			Level of risk in the absence of controls	Description of existing controls	Level of risk that remains after taking the existing controls into account	Description of further controls (if required) from the detailed control plan developed by the risk owner	Due date that treatment from control plan must be in place	To whom the Risk Owner / Control owner should escalate the risk should it exceed tolerance level
14	Human Resources	Failure to recruit key roles	IF Council does not develop an effective recruitment strategy, THEN key managerial or technical roles may not be filled resulting in significant operational disruption and/or stress to existing staff	Operations & service delivery	3	2	6	Appointment of HR & H&S Advisor to implement strategies for recruitment, retention and succession planning	3	Recruitment framework reviewed and updated. Noting the national skill shortage we are currently facing. Succession planning in key roles occurring throughout the organisation to grow and develop young locals. Career Opportunities booklet developed and vocational pathways presentation to BHS students. Student opportunities for work experience and paid holiday positions developed.	Dec-22	HR & H&S Advisor
15	Natural Disaster	Major earthquake impacts on employees and public health and safety	IF Council's buildings are not EQ code-compliant, THEN Council employees and public may be seriously injured or killed in the event of a major earthquake	Health & safety	5	1	5	Systematic assessment of key Council buildings undertaken Earthquake strengthening of key Council buildings where necessary	5	Systematic assessment of key Council buildings undertaken Earthquake strengthening of key Council buildings where necessary. Building assessments of other Council buildings are undertaken as projects occur at individual buildings, with required work being included in the project. Systemic review of all other Council buildings and structures to establish risks and compliance and determine forward plan and priorities. Work with reserve subcommittees to review buildings on reserves and determine forward plan and priorities.	Dec-22	GM CS
16	Health & Safety Financial	Major Pandemic impacts on employees and public health and safety as well as creating financial risk for Council	IF a nation wide pandemic is called by MoH, and Council's buildings closed, THEN Council may not be able to provide all services and potential impact on income	Health & safety	3	4	12	Pandemic Plan (PP) and Business Continuity Plan (BCP) have been created and will be maintained to a 'live' level at all times. Financial monitoring is a key component of our plan.	13	Continue to maintain the PP & BCP documents to ensure they are 'fit for purpose' in the current everchanging climate. Implementation of RAT testing for employees to reduce the likelihood to business closure. Continue to monitor employee's wellness and promote the 'if unwell stay home' message. Enable staff the ability to work from home where possible to maintain business continuity if facilities are closed.	Dec-22	HR & H&S Advisor

Buller District Council Strategic Risk Register



	Strategic Aspect	Risk Title	Risk Description & Impact	Risk Category	Risk Consequence	Risk Likelihood	Inherent Risk Rating	Key controls in place	Residual Risk Rating	Control Plan	Treatment date due	Escalation Pathway
#	Potential strategic matter	Brief and uncomplicated	Clear, unambiguous, brief description of the risk event and what the impact to Council would be (i.e. what the loss or gain will be if the event occurs)	Based on the 8 risk categories in Table 6			Level of risk in the absence of controls	Description of existing controls	Level of risk that remains after taking the existing controls into account	Description of further controls (if required) from the detailed control plan developed by the risk owner	Due date that treatment from control plan must be in place	To whom the Risk Owner / Control owner should escalate the risk should it exceed tolerance level
17	Legal Compliance	Legal compliance for reserves	If legal requirements for reserves and activities on them are not met, THEN the activities may not be able to continue and/or Council may be subject to legal enforcement action	Legal/Regulatory	3	3	9	Subcommittees established, first meetings held and subsequent meetings being scheduled. Council staff able to provide greater support to subcommittees as and when required	9	Support and training programme to be developed for subcommittees on legal requirements and responsibilities, including health and safety, the Reserves Act, building compliance etc. Overall operational risk register for reserves and halls to be developed and reported through the Community, Environment and Services Committee. Individual operational risk registers to be developed by each subcommittee, with support from Council staff.	Sep-22	GM CS
18	Legal Compliance	Reefton Water Supply Non - Chlorination	If the Reefton Water Supply remains unchlorinated, THEN the public health of residents remains at risk and Council may be subject to legal enforcement action	Health & safety - Legal - Regulatory	5	4	20	Precautionary Boil Water Notice. Water quality monitoring at reservoir, shock dosing the reservoir if there is a transgression.	20	The infrastructure upgrade project is now completed. Budget to proceed with residual disinfectant (Chlorination) will be considered in the 2022/23 Annual Plan, to manage the risk of re-contamination. The Water Safety Plan will be revised and resubmitted accordingly. Three water reform continues to progress by central government.	Sep-22	GM IS
19	Reputational / Stakeholder Engagement / Political	Failure to engage, consult and communicate with community and stakeholders	If Council fail to engage our community in significant consultation processes THEN the risk of community confidence and stakeholder dissatisfaction would increase with negative impact on BDC reputation	Reputational/stakeholders	3	3	9	We are committed to maintaining the highest standards of integrity, compliance and ethics. We will continue to develop our governance structures to ensure that we manage business risk, maintain good relationships with our stakeholders and meet Council's delivery expectations and commitments. We will endeavour to make every customer and stakeholder contact a quality one and we will consider the interests of the broader community, including iwi, in delivering our services.	9	Customer Satisfaction Survey conducted 2020 with positive results and will continue bi-annually. MOU with iwi reviewed May 2021, with committee voting rights introduced from 1 July 2021. Recovery programme communication continues through public meetings, newspaper, social media and survey's. Vote 22 election campaign commenced July 2022	Dec-22	SLT

Buller District Council Strategic Risk Register



#	Strategic Aspect	Risk Title	Risk Description & Impact	Risk Category	Risk Consequence	Risk Likelihood	Inherent Risk Rating	Key controls in place	Residual Risk Rating	Control Plan	Treatment date due	Escalation Pathway
	Potential strategic matter	Brief and uncomplicated	Clear, unambiguous, brief description of the risk event and what the impact to Council would be (i.e. what the loss or gain will be if the event occurs)	Based on the 8 risk categories in Table 6			Level of risk in the absence of controls	Description of existing controls	Level of risk that remains after taking the existing controls into account	Description of further controls (if required) from the detailed control plan developed by the risk owner	Due date that treatment from control plan must be in place	To whom the Risk Owner / Control owner should escalate the risk should it exceed tolerance level
20	Reputational / Stakeholder Engagement / Political	Delivery of Flood Recovery Action Programme	If Council fail to deliver the Flood Recovery Action Programme THEN the risk of community confidence, financial and economic loss, health, safety and wellbeing of the community and potentially employees would increase with negative impact on BDC reputation	Reputational/Stakeholders Health & Safety	5	4	20	Analysis of the main risks from the objectives from the RAP have been established, ensuring that the principles that guide recovery are considered: •Protect the health, safety and security of people, animals and property •Be locally-led, regionally co-ordinated, nationally supported •Be responsive to the community's concerns •Engage with the community in making recovery decisions	12	The Flood Recovery Action Programme (RAP) continues to be delivered through the Recovery Team, with a number of action items completed or nearing completion. The five environments, built, natural and rural, community, economic and partnerships continues to be reviewed and refreshed to monitor risks through the RAP, with engagement through key stakeholder and contractors. Ongoing connectivity with the community continues through public meetings and the community hub.	Dec-22	SLT
21	Financial Reputational Legal	Cyber Security	If Council fail to protect their electronic data against the risk of exposure to cyber terrorism THEN Council could be exposed to financial losses, legal and reputational impacts resulting in ratepayer information being accessed and Council subject to legal action.	Reputational/Stakeholders Financial Legal	4	4	16	Employees inducted with computer system security policy and phishing training. VPN's in place for all remote accesses on devices and only approved devices are able to access the network. Firewall and antivirus security along with backups conducted.	12	Multi Factor Authentication for all users to be investigated along with the implementation of the new information management system. Additional learning management systems to aid in staff training and understanding of cyber security	Dec-22	GM CCS & CEO
22	Infrastructure Recovery	Externally Funded Infrastructure Recovery Programmes	If there is undue delay in making successful reimbursement claims for the externally funded infrastructure recovery programmes, THEN there is a risk that the approved credit facility will not be sufficient and costs will fall to Council.	Financial/Economic	5	4	20	Strong working relationship established with funding agencies. Agreed processes in place based on best practice. Pre-approval process in place for letting contracts. Internal change management process in place. Regular project team meetings occurring.	15	Programme governance as per Cabinet's decision. Formal notification of funding conditions to be provided. Programme team and support resourcing to enable delivery.	Dec-22	DCEO
23	Infrastructure Failure	Westport Water Supply Outage	If there are prolonged periods of foul weather that do not enable the Westport water reservoirs to be recharged, THEN there is a risk what water supply may cease for Westport and Caters Beach consumers	Operations & service delivery	5	4	20	Operational monitoring of intake, response escalation via water restriction orders as required and management of water loss.	20	Contingency planning with support from the National Emergency Management Agency - response / short term. Westport water supply resilience options package - short, medium and long term	Dec-23	CEO

RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 11

Prepared by Julia Gear
Management Accountant

Lynn Brooks
Finance Manager

Reviewed by Douglas Marshall
Chief Financial Officer

Appendices A - Capital Report for Four Months to October 2022
B - CEO KPIs

CAPITAL RECEIPTS AND EXPENDITURE REPORT

1. REPORT SUMMARY

This report presents an overview of the capital income and expenditure results compared to the annual budget for the three months ending 30 October 2022. Any variances forecast for the following nine months to 30 June 2022 are highlighted.

The attached information also reports on the Chief Executive Key Performance Indicators.

Where variations to the budget are identified, Council approval is requested. Any such variations are due to extraordinary events or unforeseen matters arising throughout the year.

2. RECOMMENDATION

That the Risk and Audit Committee receive the report for information.

3. ISSUES & DISCUSSION

3.1 Total Results

Total results for the year to date are set out in the table below:

	YTD Actual	YTD Budget	YTD Variance	YTD Status	Full Year Prediction	Full Year Budget	Full Year Forecast Variance to Budget
Capital Funding, Subsidies & Grants	434,210	435,121	(912)	▲	9,948,142	9,062,123	110%
Total Capital Expenditure	10,189,094	15,825,808	5,636,715	●	28,338,350	27,492,331	103%
Unbudgeted Flood Recovery Funding, Subsidies & Grants	0	0	0	▲	0	0	N/A
Unbudgeted Flood Recovery Expenditure	6,545,879	0	(6,545,879)	■	0	0	N/A

A detailed schedule of capital receipts and expenditure with corresponding budgets is attached in Appendix A.

3.2 Variations

Council is asked to note the following variation to budget.

Revitalisation Projects:

The total available budget for the Riverbank and Toki Poutangata Bridge Projects and other District Revitalisation Projects was \$2.875m, consisting of \$1.86m from the Provincial Growth Fund for the Riverbank project and \$1.015m from the District Revitalisation four-year budget for multiple projects from 2018 to 2022. In May 2022, the Finance, Risk & Audit Committee resolved to loan fund a \$130k overrun bringing the total approved expenditure to \$3.005m.

Since the May resolution, there was a further \$94k unbudgeted expenditure to June 2022. The Riverbank project and most other district revitalisation projects were completed by June 2022. The two projects still in progress will be completed within this year's budget and the overspend can be mitigated by reducing expenditure on other district revitalisation projects in 22/23.

4. CHIEF EXECUTIVE KPIS

This report also includes details about the Chief Executive Key Performance Indicators (KPIs) which relate to capital expenditure.

The Chief Executive KPIs are in place to ensure significant capital expenditure is diligently managed.

The KPIs are:

- 1 Capital expenditure projects over \$750,000 must be achieved within +/- five percent.
- 2 Changes which are +/- five percent of a project must be approved by Council; and
- 3 The total capital expenditure budget must be achieved within +/- five percent.

KPI's 1-2 are detailed in Appendix B in Tables 1-2. KPI 3 is presented in 3.1 Total Results.

4. CONSIDERATIONS

4.1. Strategic Impact

The capital income & capital expenditure report provides an overview on the provision of capital expenditure projects and helps readers to understand if the position taken in the Long-Term plan (where the strategic overview is to build a strong economy with resilience, growth, providing quality infrastructure and investing to make our towns liveable and affordable) is apparent.

The provision of capital projects within timeframes and approved budgets provides a measure against this core strategic priority and its probable long-term impact on our community.

4.2. Significance Assessment

The significance and engagement 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 by nature as Council's capital programme is integral to service provision.

4.3. Risk Analysis

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

Capital projects are perceived to have some greater than usual potential to place council at risk as the funds involved are usually significant. The project may be an irregular or unusual kind; therefore, the costings may need to be revised as the work progresses. The scale of capital projects may result in project delays which result in Council not delivering the assets or services as envisioned in Long-Term or Annual Plans.

This risk is mitigated by the Senior Management Team receiving regular reports on the projects, therefore acting on any issues that arise early on to ensure project progress is well understood by staff and governance.

There is a much higher work programme this year due to the external funding that has been received. All the budgets for the projects have included provision for external assistance and support from qualified project managers to reduce the risk of delays due to capacity constraints.

4.4. Policy / Legal Considerations

The Local Government Act 2002 governs the activities of Buller District Council and sets out the requirement for consulting on the annual plan and Long-Term plan to agree the budget and the key performance indicators with the community.

This report assists with two key purposes of that Act (located at section 3) stating the purpose of the Act is to promote the accountability of local authorities to their communities and provides for local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach.

4.5. Values

The Buller District Council values are: We Care, Integrity, One Team, Community Driven and Future Focussed. This report aligns with those values as it presents information about the capital projects for our community.

4.6 Tangata Whenua Consultation Considerations

The contents of the report are not a matter requiring consultation with Tangata Whenua.

4.7 Views of Those Affected

Council's capital projects are consulted on with the community during Long Term and Annual Plan processes.

4.8 Costs

There are no extraordinary costs for the capital projects predicted at this stage of the financial year other than what has been included above.

4.9 Benefits

The benefits of reviewing the capital income and expenditure periodically are the capital projects and their funding are monitored at a Council wide level.

4.10 Media / Publicity

There are no media or publicity opportunities with this report.

Appendix A

BULLER DISTRICT COUNCIL
Capital Report for the Four Months to October 2022

Prepared by: Julia Gear
Reviewed by: Lynn Brooks

	YTD Actual	Net Available Budget as at 30 June 2022	YTD Budget	YTD Total Budget	YTD Variance	YTD Status	Full Year Prediction	Full Year Budget	Full Year Forecast Variance to Budget	Explanation of Variances of \$50,000 or greater
Capital Funding										
Community Services	0		0	0	0	▲	0	0	0	
Westport Harbour	0		0	0	0	▲	580,000	0	580,000	MBIE funded Port Precinct project
Water Supplies	0		0	0	0	▲	2,582,147	2,276,128	306,019	MOH funded Waimangaroa Water Supply \$206k. Loan funding Westport Trunkmain \$1.65m, Reefton whole of supply upgrade \$645k & Punakaiki, drawn down at completion of projects
Airport	0		0	0	0	▲	0	0	0	
Community Facilities	82,873		119,502	119,502	(36,630)	▲	587,552	587,552	0	MBIE grant Halls & War Memorials and TIF grant for Reefton Toilets to date. Full year includes Carnegie library funding of \$510K that will be matched by loan funding if external funding is granted
Roading & Urban Development	351,337		315,619	315,619	35,718	▲	3,666,743	3,666,743	0	Waka Kotahi funding and \$300K TIF funding for Westport Town Precinct & Pathways
Infrastructure Delivery	0		0	0	0	▲	0	0	0	
Regulatory Services	0		0	0	0	▲	0	0	0	
Solid Waste	0		0	0	0	▲	71,400	71,400	0	Loan funding Marua transfer station
Support Services	0		0	0	0	▲	219,300	219,300	0	Loan funding Information Management
Wastewater	0		0	0	0	▲	2,241,000	2,241,000	0	Loan funding Westport Wastewater
Stormwater	0		0	0	0	▲	0	0	0	
Total Capital Income	434,210		435,121	435,121	(912)	▲	9,948,142	9,062,123	886,019	
Capital Expenditure										
Community Services	74,388	35,000	45,795	80,795	6,407	▲	276,995	276,995	0	Website, library books, NBS Theatre roof
Westport Harbour	111,975	0	0	0	(111,975)	■	580,000	0	(580,000)	MBIE funded Port Precinct project
Water Supplies	6,575,457	7,682,272	647,672	8,329,944	1,754,487	●	11,310,822	11,104,803	(206,019)	Includes Westport Trunkmain projects. Full year prediction includes expenditure funded by MOH for Waimangaroa Upgrade.
Airport	1,357	0	24,136	24,136	22,779	▲	127,544	127,544	0	
Community Facilities	1,093,256	3,380,714	393,314	3,774,028	2,680,773	●	5,519,071	5,459,071	(60,000)	Reefton toilets expected to be over \$400k budget by \$60k
Roading & Urban Development	607,809	(59,839)	429,987	370,148	(237,660)	■	4,301,428	4,301,428	0	Variance relating to 3 year roading programme timing and district revitalisation overspend carried forward from 21/22 to be mitigated by underspend this year
Infrastructure Delivery	0	0	169	169	169	▲	890	890	0	
Regulatory Services	0	40,000	7,569	47,569	47,569	▲	80,000	80,000	0	2 vehicles
Solid Waste	79,961	159,464	42,466	201,930	121,969	●	383,864	383,864	0	Karamea Landfill Upgrade & Westport/Reefton Asset Maintenance work in progress
Support Services	357,286	442,428	78,006	520,434	163,148	●	354,648	354,648	0	IT projects
Wastewater	920,722	1,433,478	611,083	2,044,561	1,123,838	●	4,662,613	4,662,613	0	Includes wastewater consenting
Stormwater	366,883	360,112	71,982	432,094	65,210	●	740,475	740,475	0	
Total Capital Expenditure	10,189,094	13,473,629	2,352,179	15,825,808	5,636,715	●	28,338,350	27,492,331	(846,019)	
Flood Recovery Funding, Subsidies & Grants										
Unbudgeted Flood Recovery Funding, Subsidies & Grants	0		0		0	▲	0	0	0	All actual income treated as operational at time of review
Total Unbudgeted Flood Recovery Funding, Subsidies & Grants	0	0	0	0	0	▲	0	0	0	
Flood Recovery Expenditure										
Unbudgeted Flood Recovery Expenditure	6,545,879		0		(6,545,879)	■	0	0	0	
Total Unbudgeted Flood Recovery Expenditure	6,545,879	0	0	0	(6,545,879)	■	0	0	0	

Key
 Favourable ● Favourable variance + \$50k or more
 Unfavourable ■ Unfavourable variance - \$50k or more
 Neutral +/- \$50k ▲ Neutral variance within +/- \$50k

Table 1: KPI 1

Capital expenditure projects over \$750,000 must be achieved within +/- five percent				
Over \$750,000 Project	Project Budget	Project Expenditure to Date (October 2022)	Project Status or Percentage of Completion	Percentage of Budget Spent
Waimangaroa Water Upgrade	\$2,519,912	\$1,094,519	Project delays due to external events. \$207k MOH funding and \$13k unspent capital budget allocated to this project. To be completed this financial year within budget	43.43%
		Estimated additional cost to complete: \$1,425,393		
Reefton Whole of Supply Upgrade	\$1,540,000	\$1,531,316	Initial budget \$1.44m. Project complete. \$100K loan approved by Council to fund unbudgeted costs	99.44%
District Revitalisation including MBIE Funded Riverbank Project including Toki Bridge	\$3,005,352	\$3,098,987	Initial budget \$2,875,352. Additional \$130k loan funding approved in May 2022. Riverbank project and most other district revitalisation projects completed in FY 21/22. Other projects in progress to be funded from the 2022-2023 annual plan.	103.12%
Westport Trunkmain Terrace project	\$1,325,980	\$1,184,835	\$277k unspent Westport Capital budget allocated to this project. Nearing Completion. DIA and Council approved \$22k transfer to Punakaiki trunk main project, but expected to complete within remaining revised budget.	89.36%
		Estimated additional cost to complete: \$58,773		
Westport Trunkmain Town project	\$5,080,000	\$3,488,839	Project in progress. DIA and Council approved \$70k transfer to Punakaiki trunk main project but expected to complete within remaining budget.	68.68%
		Estimated additional cost to complete: \$1,583,774		
Carnegie Library Strengthening	\$1,020,000	\$27,157	Project continuing with engagement with working group.	2.66%
Westport Wastewater Pipeline & Pumpstation	\$2,274,048	\$165,195	30% complete. Will reach consent stage in March/April 23	7.26%
Temporary Village Alma Road	\$15,447,000	\$3,888,854	MBIE and NEMA funded. 74% complete	25.18%
Reefton Historic Landfill	\$1,074,000	\$208,113	NEMA funded. Project commenced	19.38%
Westport Water Emergency	\$1,685,000	\$1,059,749	NEMA funded. Project complete	62.89%
Tiphead rock revetment wall repair	\$1,000,000	\$93,104	NEMA funded. Design complete. At tender stage	9.31%
Buller River Dredging	\$4,716,000	\$0	Scheduled to start early December	0.00%

Table 2: KPI 2

Changes which are +/- five percent of a project must be approved by Council				
Project +/- five percent	Project Budget	Projected Expenditure	Project Status or Percentage of Completion to Date	Required Variation and Approval Status
District Revitalisation including Riverbank project/Toki bridge	\$3,005,352	\$3,098,987	Riverbank project and most other district revitalisation projects completed in FY 21/22. Remaining ther projects in progress with remaining costs to be funded from the 2022-2023 annual plan.	\$94k overspend will be mitigated by corresponding underspend in 22/23 revitalisation budget.
Punakaiki Land	\$0	\$261,537	Unbudgeted legal cost on land acquisition under Public Works Act. Not yet complete.	Unbudgeted costs require Council approval when completed.

RISK AND AUDIT COMMITTEE

14 DECEMBER 2022

AGENDA ITEM 12

Prepared by Julia Gear
Management Accountant

Lynn Brooks
Finance Manager

Reviewed by Douglas Marshall
Chief Financial Officer

Appendix A - BDC Multi-Year Projects Funding Schedule

BULLER DISTRICT COUNCIL MULTI-YEAR PROJECTS FUNDING REPORT

1. REPORT SUMMARY

Council budgets for annual operating and capital expenditure are prepared and approved during the Annual Plan or Long-Term Plan process each year.

At the end of each financial year, capital budgets planned for scheduled projects may not be spent in full as forecast.

Some capital projects may be re-budgeted in the following year Annual Plan or Long-Term Plan if they are not started by the end of the financial year.

Capital works which are underway at balance date, but not yet completed require the budget to be carried over to subsequent years.

This report provides Council with details of the Capital Budgets required to be carried over from the 2021 / 2022 Financial Year to the 2022 / 2023 year.

2. DRAFT RECOMMENDATION

That Council receive the Buller District Council Multi-Year Projects Funding Schedule (marked as Appendix A) for information.

3. ISSUES & DISCUSSION

The schedule attached to this report (marked as Appendix A) sets out the capital budgets required to be carried over from the 2021 / 2022 year which are required to complete the Council projects that are underway.

The Capital budget required to be carried over is the unspent portion of a prior year budget which is still required to be spent in order to complete a capital project.

If a project is not started at year end a budget carry over is not permitted for the following year. Instead, the budget required would need to be re-budgeted in the 2023 / 2024 year or a later financial year.

Net remaining budgets from prior years may be required to be transferred to the next financial year due to:

- Capacity constraints. When unexpected events occur projects must be re-prioritised and the resources available to continue with planned capital programs is reduced; or
- External factors beyond the control of management (such as Covid-19 or a flooding event); or
- Engagement in shared services with other West Coast Councils extends project planning and decision-making stages; or
- Projects contingent on strategic review or reconfiguration of the initial concept extend the project timeline.

Of the \$5.904m remainder budget required to be carried forward for use in the 2022 / 2023 financial year, this includes the following larger projects:

1. Brougham House Upgrade - \$1.664m net required due to this project being contingent on strategic review
2. Westport Wastewater Projects - \$546k net required. As signalled to Council prior to June 2022 year end, wastewater projects were expected to be underspent due to flooding impacts to the work programme. As a result, \$1m of capital works was re-budgeted in the 22/23 Annual Plan. A corresponding reduction in available budget has been applied.
3. Waimangaroa Water Supply Upgrade - \$1.487m due to weather delays.
4. Reefton Toilet Upgrade \$288k required to complete the project.
5. Information Management \$225k required to complete the project

A total budget of \$107k was carried into 21/22 for the Carnegie Library. That budget was for earthquake strengthening and upgrades. The budget has not been carried forward to 2022 / 2023. This is because a revised \$500k budget has been allowed for in the 2022 / 2023 annual plan, contingent upon achieving \$500k external funding.

It is noted that Appendix A does not include any roading and transport activity

items. The reason is because 2021 / 2022 was the first year in the three-year Waka Kotahi roading programme. Council accounts for the roading programme on a one-third division of the budget for each of the three years. However, in reality the spending often is not equal over each year as cost efficiencies can be gained by completing work at a different schedule. All unspent budget is available to spend in the final two years and there is no carry forward budget for roading and transport activity required.

The remainder of the carry over for Infrastructure Assets, Property, Plant and Equipment is for other smaller projects which have been delayed due to various reasons. Full details are included in Appendix A.

4. CONSIDERATIONS

4.1. Strategic Impact

The delivery of Capital Projects is important to meet the expectations of our community and complete the commitments made in our Long-Term Plans and Annual Plans.

Carrying over budgets to subsequent financial years enables the work on capital projects to continue seamlessly across balance dates for all departments of Council.

4.2. 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:

- a. The district;
- b. The persons who are likely to be particularly affected by, or interested in, the proposal or decision;
- c. The financial impact of the proposal or decision on the Council's overall resources; and
- d. 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 prior Long-Term Plan and Annual Plan processes.

The capital projects detailed in the carry over schedule have been included in previous Long Term or Annual Plan processes including public consultation. Some projects including the Punakaiki Community Building and Reefton Swimming Pool have included targeted consultation with the affected communities.

4.3. Risk Analysis

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

Capital 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.

Approving the capital budget carry overs extends project timelines to enable projects to be completed. Alternatively, capital projects would need to be re-budgeted during the next annual plan creating a twelve-month delay before work could recommence or continue.

4.4. Policy / Legal Considerations

The Local Government Act 2002 governs the activities of Buller District Council and sets out the requirement for consulting on the annual plan and Long Term plan to agree the budget and provision of services with the community.

This report assists with two key purposes of that Act (located at section 3) stating the purpose of the Act is to promote the accountability of local authorities to their communities and provide for local authorities providing local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach.

4.5. Values

The Buller District Council values are as follows: we care, integrity, one team, community driven and future focussed. This report aligns with those values as it presents information about the capital projects for our community.

4.6 Tangata Whenua Consultation Considerations

The contents of the report are not a matter requiring consultation with Tangata Whenua.

4.7 Views of Those Affected

Council's capital projects are consulted on with the community during Long-Term and Annual Plan processes.

4.8 Costs

There are no extraordinary costs for the capital projects predicted at this stage of the financial year. The amounts which may need to be carried forward to the next financial year are identified so they can be included in the next annual plan budget.

4.9 Benefits

Monitoring capital projects including the budget carry overs provides a snapshot of the position of Council, providing a decision-making tool and information for Councillors.

4.10 Media / Publicity

There are no media or publicity opportunities with this report.

Buller District Council Multi-Year Projects Funding Schedule

(Schedule A)

Project	Total Budget available as at 1 July 2021	Less Completed Projects as at 30 June 2022	Net Budget available to complete the project as at 30 June 2022	Less Total unfinished project costs incurred up to 30 June 2022	Net Remaining Budget available to complete the unfinished project for the year to 30 June 2023.	Comments
Website Redevelopment	\$35,000	\$0	\$35,000	\$37,119	-\$2,119	\$2k overspend in 21/22 means \$2k less budget is available in 22/23
Westport Town Precinct	\$20,000	\$0	\$20,000	\$162,831	-\$142,831	\$300k TIF funding allowed for in 22/23. Funding formally approved in 21/22 so project commenced in advance of published budget
District Revitalisation incl. Riverbank Project	\$2,753,227	\$2,833,066	-\$79,839	\$13,796	-\$93,635	Negative carry over budget as project is completed and overspend is to be mitigated with corresponding underspend in 22/23
Punakaiki Community Facility	\$102,000	\$0	\$102,000	\$35,971	\$66,029	Ongoing project
Reefton Public Toilets	\$400,000	\$0	\$400,000	\$111,988	\$288,012	Completed in November 2022
Punakaiki Camping Ground Effluent System	\$214,020	\$0	\$214,020	\$21,931	\$192,089	Ongoing project
Carnegie Library	\$27,157	\$0	\$27,157	\$27,157	\$0	No net budget carried forward as \$500k external funding sought + \$500K rebudgeted in 22/23 Annual Plan
Victoria Sq Complex Civil Defence HQ EQ Strengthening	\$168,000	\$0	\$168,000	\$6,053	\$161,948	Ongoing project
Brougham House Furniture & Fittings	\$36,900	\$684	\$36,216	\$23,550	\$12,666	Furniture purchases completed July/August
Brougham House Upgrade	\$1,932,562	\$0	\$1,932,562	\$268,377	\$1,664,185	Ongoing project
Westport Library Strengthening	\$275,000	\$0	\$275,000	\$8,263	\$266,738	Ongoing project
Westport and Reefton Transfer Station Assets Maintenance	\$80,000	\$536	\$79,464	\$5,776	\$73,688	Delays releasing tender for project
Karamea Landfill Upgrade	\$80,000	\$0	\$80,000	\$28,114	\$51,886	MfE funding agreed late 2022 financial year, project to be completed this year
NCS MagiQ	\$70,400	\$2,680	\$67,720	\$38,399	\$29,322	Cloud upgrade, Project Accounting, Electronic Purchase Orders and Timesheets, Customer Payment Portal
Aerial Photo LIDAR	\$26,317	\$0	\$26,317	\$20,000	\$6,317	Ongoing project
Geographic Information System Mapping Project	\$20,000	\$0	\$20,000	\$0	\$20,000	Costs committed in June 2022
Information Management	\$328,391	\$0	\$328,391	\$102,785	\$225,606	Ongoing project
District Wide Volunteer Projects	\$396,204	\$170,444	\$225,760	\$161,087	\$64,673	Various community led projects still in progress
General Inspection Vehicle	\$40,000	\$0	\$40,000	\$0	\$40,000	Vehicle ordered May 2022
	\$7,005,178	\$3,007,410	\$3,997,768	\$1,073,194	\$2,924,574	
Westport Wastewater	\$1,499,295	\$278,069	\$1,221,226	\$674,743	\$546,483	Sewer renewals, water recycling
Reefton Wastewater	\$244,244	\$55,974	\$188,270	\$21,428	\$166,842	Operational/maintenance manuals, WWTP telemetry & probes, service lanes
Little Wanganui Wastewater	\$25,000	\$1,018	\$23,982	\$0	\$23,982	\$25k budget approved by Council late 2022. Costs incurred this financial year
District Wide Stormwater	\$369,745	\$9,634	\$360,112	\$304,637	\$55,475	Main replacements, lines, model scoping
Westport Water	\$702,591	\$195,087	\$507,504	\$114,919	\$392,585	Backflow prevention, reticulation valves, lines, pou installation
Westport Water Trunkmains	\$4,755,980	\$0	\$4,755,980	\$4,517,205	\$238,775	Terrace and Town Trunkmains
Reefton Water	\$137,500	\$124,209	\$13,291	\$4,546	\$8,746	Backflow prevention
Reefton Whole of Supply Upgrade & Chlorination	\$1,540,000	\$1,575,173	-\$35,173	\$0	-\$35,173	\$15k relating to Whole of Supply Upgrade final underspend, -\$50k chlorination to be expensed 22/23 per council resolution
Little Wanganui Water	\$5,000	\$245	\$4,755	\$200	\$4,555	Subdivision connections
Mohikiniui Water Access Track	\$26,600	\$8,904	\$17,696	\$337	\$17,359	Water supply access track establishment and easement
Waimangaroa Water	\$2,326,173	\$0	\$2,326,173	\$838,692	\$1,487,481	Intake line upgrade, flow meter and backflow prevention
Cape Foulwind Water	\$5,890	\$0	\$5,890	\$5,890	\$0	No carry forward proposed. To be completed within 22/23 annual plan budget
Punakaiki Water	\$75,000	\$0	\$75,000	\$13,050	\$61,950	Klip tanks upgrade
Punakaiki Trunk Main	\$594,757	\$589,588	\$5,168	\$0	\$5,168	Final costs for DIA funded trunk main project
Inangahua Junction Water	\$5,988	\$0	\$5,988	\$0	\$5,988	Costs committed in June 2022. No project costs remaining
	\$12,313,763	\$2,837,901	\$9,475,861	\$6,495,645	\$2,980,216	
TOTAL	\$19,318,940	\$5,845,311	\$13,473,629	\$7,568,840	\$5,904,789	