



PUBLIC COPY

AGENDA

Meeting of the
Finance, Risk and Audit Committee

Wednesday 16 February 2022
commencing at 3.00pm

To be held:
Via ZOOM
Due to COVID-19 restrictions

Finance Risk & Audit Committee

Reports to: The Council

Chairperson: Sharon Roche

Membership: The Mayor, all Councillors and Maori Representative

Meeting Frequency: Monthly

Quorum: A majority of members (including vacancies)

Purpose

The Finance Risk & Audit Committee is responsible for:

1. Monitoring Council's financial strategy, and financial performance against the Long Term Plan and Annual Plan.
2. Determining financial matters within its delegations and Terms of Reference and making recommendations to Council on financial matters outside its authority.
3. Guiding and monitoring Council's interests in its Council Controlled Organisations (CCOs),
4. Providing objective advice and recommendations to the governing body on the adequacy and functioning of the Council's risk management, control and governance frameworks and processes.
5. Monitoring Council's compliance with legislation.
6. Monitoring the Council's external and internal audit process.
7. Ensuring the independence and effectiveness of Council's Internal Audit processes.
8. Monitoring existing corporate policies and recommending new or amended policies to prevent and prohibit unethical, questionable or illegal activities.
9. Providing a communication link between management, internal auditors/external auditors and Council.
10. Supporting measures to improve management performance and internal controls.
11. Monitor the Council's approach to risk identification and management, access the steps undertaken to control and treat the identifiable risks.
12. Review the Chief Executive Office's performance, remuneration and other matters relating to the employment.
13. Such other Matters referred to it by Council.

In addition to the common delegations on page 9 the Finance Risk & Audit Committee is delegated the following Terms of Reference and powers:

Terms of Reference

1. To monitor Council's financial strategy, and performance against that strategy.
2. To monitor Council's financial and non-financial performance against the Council's 10 Year Plan.
3. To approve deferred capital expenditure.
4. 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
5. To monitor the probity of processes relating to policies developed by the Finance Risk & Audit Committee.
6. To provide clear direction to Council's CCOs on Council's expectations, including feedback on draft statements of intent.
7. To receive Quarterly reports of Council's CCOs, including on board performance.
8. To undertake any reviews of CCOs and agree CCO-proposed changes to their governance arrangements, except where reserved for Council's approval by Council.
9. To monitor Council's investments External Audit.
10. Engage with Council's external auditors (includes Mayor & CEO) regarding the external audit work programme and agree the proposed terms and arrangements of the external audit.
11. Recommend to Council the terms and arrangements for the external audit programme.
12. Review the effectiveness of the Annual Plan audit and 10 Year Plan audit.
13. Assess management response to audit reports and the extent to which external audit recommendations concerning internal accounting controls and other matters are implemented.
14. The committee must make recommendations to Council on all matters relating to the employment of the Chief Executive Officer, include performance measures and remuneration.

Internal Audit

15. In conjunction with the Chief Executive Officer, agree the scope of the annual internal audit work programme.
16. Monitor the delivery of the internal audit work programme to ensure the effectiveness of the Council's internal control framework.
17. Assess whether Internal Audit's recommendations have been properly implemented by management.
18. Review the annual Internal Audit Plans to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place.

Other Matters

19. 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 and report 6 monthly to Council.

20. Review the effectiveness of the systems for monitoring the Council's compliance against legislation, regulation, policy and guidelines (including health and safety).
21. Engage with internal and external auditors on any specific one-off audit assignments.
22. 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.
23. Provide an annual review of Council's risk management framework and amend as required.
24. Review and monitor integrity of interim and annual reports and recommend to Council for adoption.
25. Review and monitor business continuity planning.

The Committee is delegated the following powers to act:

- Approval of:
 - Appointments to and remove from, CCO Boards; and
 - A mandate on Council's position in respect of remuneration proposals for CCO board members to be presented at Annual General Meetings.
- Approval of letters of expectation for each CCO
- Approval of statements of intent for each CCO
- Approval of proposed major transactions of CCOs.
- Approval or otherwise of any proposal to establish, wind-up or dispose of any holding in, a CCO.
- Approval of operating and/or capital expenditure within the Long Term Plan or Annual Plan that exceeds the Chief Executive's delegation, excluding expenditure which:
 - contravenes the Council's Financial Strategy; or
 - significantly alters any level of service outlined in the applicable Long Term Plan or Annual Plan; or
 - impacts Council policy or practice, in which case the delegation is recommendatory only and the Committee may make a recommendation to the Council for approval.
- Approval of contractual and other arrangements for supply and services, and revenue generating contracts, which:
 - exceed the Chief Executive's delegations, but
 - Approval of contractual and other arrangements for supply and services, and revenue generating contracts.

The Committee is delegated the following recommendatory powers:

- The Committee may make recommendations to Council.
- The Committee may make recommendations to other Committees.

Special Notes:

- In fulfilling their role on the committee, members shall be impartial and independent at all times.
- The Committee may request expert advice through an independent advisor when necessary for the Chief Executive Officer performance and remuneration review.
- 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 Group Manager Commercial and Corporate Services 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 shall review the travel and other reimbursed expenses of the Chief Executive Officer and confirm compliance with Council policies. 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 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.
- Written updates may be requested to be provided to Council meetings from the FRAC Chair & Group Manager Commercial & Corporate from time to time.

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*

Finance, Risk and Audit Committee



Venue: Clocktower Chambers, Palmerston Street, Westport

16 February 2022 03:00 PM - 05:00 PM

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FINANCE, RISK AND AUDIT COMMITTEE

16 FEBRUARY 2022

AGENDA ITEM 1

Prepared by Rod Fox
Group Manager Commercial and Corporate Services

APOLOGIES

1. REPORT SUMMARY

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

FINANCE, RISK AND AUDIT COMMITTEE

16 FEBRUARY 2022

AGENDA ITEM 2

Prepared by Rod Fox
Group Manager Commercial and Corporate Services

MEMBERS INTEREST

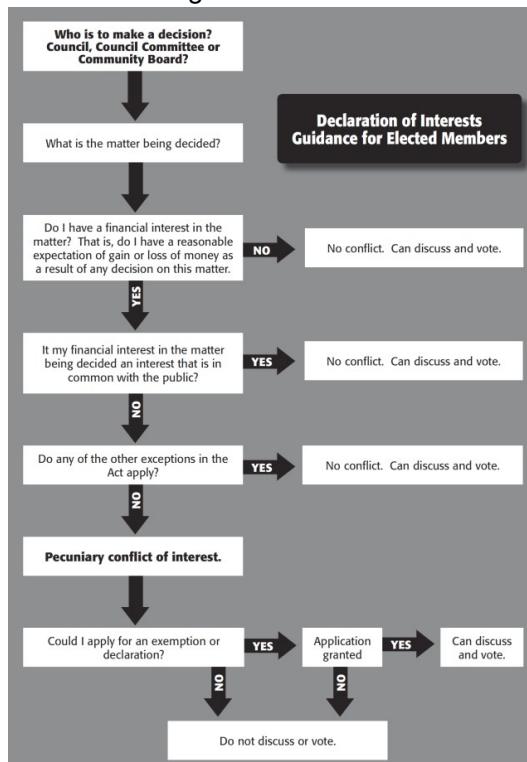
Members are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.

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.



FINANCE, RISK AND AUDIT COMMITTEE

16 FEBRUARY 2022

AGENDA ITEM 3

Prepared by Rod Fox
Group Manager Commercial and Corporate Services

CONFIRMATION OF MINUTES

1. DRAFT RECOMMENDATION

That the Finance, Risk and Audit Committee receive and confirm minutes from the meeting of 15 December 2021.

MEETING OF THE FINANCE, RISK AND AUDIT COMMITTEE, 3:00PM ON WEDNESDAY 15 DECEMBER 2021, CLOCKTOWER CHAMBERS, PALMERSTON ST, WESTPORT

PRESENT: Deputy Mayor S Roche (Chair), Mayor J Cleine, Councillors J Bougen, D Hawes, J Howard, M Montgomery, R Nahr, P Rutherford, R Sampson, G Weston and Iwi Representative N Tauwhare.

APOLOGIES: No apologies

IN ATTENDANCE: S Mason (Chief Executive Officer), R Townrow (Deputy Chief Executive Officer), R Fox (Group Manager Commercial & Corporate Services), G Martyn (HR & H&S Advisor) (Via ZOOM), V Hill (Governance Assistant)

MEDIA:

E Curnow (Westport News)

MEETING DECLARED OPEN AT: 3.00 pm

1. APOLOGIES (p8)

Discussion:

No apologies were received by the meeting.

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

DM S Roche/Cr M Montgomery

11/11

CARRIED UNANIMOUSLY

2. MEMBERS INTEREST (p9)

Discussion:

Nil.

RESOLVED that Finance, Risk and Audit Committee members disclose any financial or non-financial interest in any of the agenda items.

DM S Roche/Cr J Howard

11/11

CARRIED UNANIMOUSLY

3. CONFIRMATION OF MINUTES (p10)

Discussion:

Cr P Rutherford suggested wording should be changed at the top of page 14 to say "how long the Punakaiki community facility funding would be rolled over."

RESOLVED that the Finance, Risk and Audit Committee receive and confirm minutes from the meeting of 17 November 2021 with the noted minor amendment.

Cr P Rutherford/Mayor J Cleine

11/11

CARRIED UNANIMOUSLY

4. ACTION POINTS (p23)

Discussion:

Item 184 – DM S Roche suggested the date for the next Strategic Risk Register update be rolled over to February 2022

Item 161 – Apologies have been received from Angela Oosthuizen for the delay. This will be received at the February 2022 Finance, Risk and Audit Committee meeting.

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

DM S Roche/Cr J Bougen

11/11

CARRIED UNANIMOUSLY

5. FINANCIAL PERFORMANCE – FOUR MONTHS TO 31 OCTOBER 2021

(p26)

Discussion:

Cr J Howard had provided a question in advance regarding Capital Sponsorship (deposits from V2010 sponsors) Development West Coast. There is a difference of \$200,000 in Source of Funds page 33.

As a reply hadn't been received at the time of the meeting, DM S Roche suggested this matter be put aside for the time being.

S Mason (CEO) added that in some of the areas around Regulatory and Roading and Urban Development, the dollar differences are primarily due to timing. These variances are not expected to be carried through to the end of the year

Some of this was around invoicing and receipt of income, particularly Regulatory and Ms Mason assured councillors this was a timing issue only.

DM S Roche queried a permanent variance in Roading that was listed of \$168,000 and had not received an answer to this question that was asked in advance.

S Mason (CEO) advised that some of those variances could be offset and Ms Mason understands it is related to the timing of the NZTA funding being received.

DM S Roche had asked a few other questions in advance with regards to income at the airport being down \$29,000 on budget with no variance expressed for the full year and asked how that deficit would be made up during the year.

With the Amenities and Reserves variance of \$55,969, part of the narration refers to the Punakaiki Campground, DM Roche asked if this was a timing issue as it has only just been resolved to charge rent.

S Mason (CEO) confirmed that this was correct.

Answers to these questions would be circulated by email.

Cr P Rutherford expressed concern that the Finance, Risk and Audit Committee meeting is a public area and although the answers to questions will be circulated to councillors, there needs to be a wider circulation. It is only fair and reasonable these answers be made available to a wider audience than councillors.

DM S Roche said this was duly noted.

Cr R Sampson queried whether harbour income includes wharfage fees and how the harbour income is calculated.

S Mason (CEO) confirmed that this is primarily work with regard to the dredge and gravel extraction. Wharfage fees are in the final stages of negotiation.

Cr R Nahr pointed out the difference between wharfage and berthage.

RESOLVED That the Finance Audit and Risk Committee receive the report for information

Cr R Nahr/Cr M Montgomery

11/11

CARRIED UNANIMOUSLY

6. INVESTMENTS AND BORROWINGS – November 2021 (p29)

Discussion:

Cr J Howard raised the previous issue of Capital Sponsorship in the Source of Funds from Development West Coast again, noting an answer will be provided at a later time.

RESOLVED that the Finance, Risk and Audit Committee receive the Investments and Borrowings report for information

**Cr G Weston/Cr J Bougen
11/11
CARRIED UNANIMOUSLY**

7. HEALTH AND SAFETY REPORT (p38)

Discussion:

G Martyn (HR & H&S Advisor) advised that the announcement on Monday throughout the country moving from red to orange alert levels hasn't affected the South Island and that the recommendation regarding campgrounds still stands.

There is a need to allow a six week period for vaccinations to be completed.

Other Councils around the top of the South Island have been consulted, however there are some unknowns with some of the campgrounds having a high volume of guests.

There is uncertainty about campgrounds on the West Coast, but that is the reason why vaccine passes are required.

Grey District Council is not requiring vaccine passes under Ministry of Health guidelines and masking, sanitising and social distancing are being followed.

All campgrounds have updated their cleaning regimes in the shared public facilities.

The reason for the recommendation for Option 2 is that in the recent workshop there was a split amongst councillors and guidelines from the government recommends we don't need to have mandates and can operate without the My Vaccine Pass requirement at any of the campgrounds.

Risk assessments for staff are going well and customer facing staff will be required to receive a vaccination. This process is being worked through. There are four staff who will need to be vaccinated to continue in their roles.

DM S Roche queried the date front facing employees within the offices are required to have a My Vaccine Pass.

Ms Martyn replied full vaccination would have been 17 January 2022 however Council started the process back before 3 December, so they have been given six weeks notice.

DM Roche continued saying she was not referring to permanent residents and asked why not align campground staff with Council's own employees.

As it stands, campground staff would require a My Vaccine Pass (MVP) by 18 December, however this would not be a requirement for other staff until 17 January 2022.

As far as Ms Martyn is aware, all campground employees are fully vaccinated.

DM Roche wanted to make sure it is fair to all employees and it needs to be duly noted that this is the reason.

As Council is not required under any mandate to have campgrounds check MVP, DM Roche would like to have seen in the report what was discussed in relation to the crossover with hospitality which makes her wonder if a vaccine pass should be required. It would be good to get all the facts on paper that lead to the decision and have that recorded in the minutes.

S Mason (CEO) advised that in terms of workshop discussion, part of the challenge around kitchen facilities was that they are communal kitchen facilities for preparing and eating food.

This is a sufficiently grey area that it would warrant an element of concern and campground managers had mentioned this as well. That was an important consideration and tilted towards making the recommendation for the MVP requirement.

It would be hard to monitor and unreasonable to expect campsite managers to police this.

DM Roche thanked Ms Mason and asked that this rationale be recorded in the minutes.

Mayor J Cleine asked if the recommended Option 2 requiring employees and visitors to present an MVP would be sufficient to include permanent residents.

Ms Martyn responded that under advice received, permanent residents are deemed to be permanent residents and not visitors to the campgrounds.

Mayor Cleine would like the wording to be clear as there will be public interest in the topic and suggested the first paragraph should include permanent residents, mandating the MVP for employees, visitors and permanent residents from 18 December 2021

DM S Roche pointed out that this would not allow permanent residents enough time to become full vaccinated and this is the reason 31 the January 2022 date applies to them.

DM Roche suggested breaking down the resolution for Option 2 with another resolution “allow permanent residents the opportunity to become fully vaccinated by 31 January 2022”.

Cr M Montgomery suggested not having the word visitors, it should be “guests and semi permanent residents.”

Or “employees and all guests staying, including semi permanent residents”.

G Martyn will work on the resolutions around a third option now during discussions, to incorporate Cr Montgomery’s suggestion.

Cr D Hawes commented that identifying visitors will be difficult and surely all people on the site will require an MVP.

DM S Roche summarised saying Resolution 2 needs to be broken down. We endorse Option 2 for an MVP to be mandated for employees, guests and visitors from 18 December.

Cr P Rutherford was of the opinion that whether “permanent” or “semi permanent” was simply semantics and he is more concerned with the word “allowing” and believes this should be “requiring” to be fully vaccinated.

DM Roche suggested “allowing time to be fully vaccinated by 31 January 2022”

N Tauwhare (Iwi Representative) commented that as the Buller has such a low vaccination rate, Council should look at how they can increase that number and he agreed with the need to split the resolution into two parts.

Allowing unvaccinated permanent guests into the same hospitality zone which is requiring a vaccine pass in the first place was a concern for Cr J Bougen.

A temporary process will need to be put into place and S Mason (CEO) said it was her understanding that the majority of permanent residents have cooking facilities of their own, so this should not be so much of a challenge around permanent guests. Rather it is the ones who get together and mix.

Cr R Sampson has had a call from the Seddonville campground managers who are not happy with the mandate and they are asking to be exempt. In this way they would be the one camping ground in the Buller that would be exempt. Cr Sampson asked if councillors would consider this request.

Reefton have contacted every future guest who has a reservation and with the exception of one, all have been delighted that a vaccine pass will be required, according to Cr J Bougen.

One was not entirely happy as they were awaiting their second vaccination and will have to defer their trip.

Cr Sampson informed councillors that some of the Seddonville Reserve staff say they have had people coming off the Old Ghost Road who are not vaccinated, and Seddonville would be the one camping ground in the district that was available to them.

Cr M Montgomery observed that these regulations are district and nationwide. DOC, NZ Motor Caravan Association, Top Ten and nearly all Kiwi parks require the MVP, and it is becoming unusual not to have that requirement.

If there is to be a rule it should be across the district and Cr D Hawes said the district can't compromise health and safety to accommodate some. He would not like to make different rules for different parts of the district.

DM S Roche thanked G Martyn (HR & H&S Advisor) for sending amended resolutions, saying these would be taken separately.

There would also be a resolution around the Seddonville request to be exempt from the MVP mandate.

1. **RESOLVED** that the Finance, Risk and Audit Committee receive the Health and Safety report for information.

Cr J Howard/N Tauwhare (Iwi Representative)
11/11
CARRIED UNANIMOUSLY

2. **RESOLVED** that the Finance, Risk and Audit Committee endorse 'My Vaccine Pass' to be mandated for employees, guests and visitors to the campgrounds from 18 December 2021.

Cr D Hawes/Cr J Bougen
10/1
MOTION CARRIED
For: Deputy Mayor S Roche, Mayor J Cleine, Crs J Bougen, D Hawes, J Howard, M Montgomery, R Nahr, P Rutherford, R Sampson, G Weston, N Tauwhare (Iwi Representative)
Against - Cr R Nahr

DM S Roche read the next resolution (Resolution 3) before G Martyn (HR & H&S Advisor explained the amended resolution.

3. **Recommendation:** That the Finance, Risk and Audit Committee Endorse 'My Vaccine Pass' to be mandated for all permanent residents to the

campgrounds to receive their first vaccination by 18 December 2021 and be fully vaccinated by 31 January 2022.

Ms Martyn explained that six weeks is the recommended period between the first and second vaccinations. This would require the first vaccination to be received by Saturday 18 December 2021 and the second by 31 January 2022.

DM Roche expressed unease about the specific date for the first vaccination as some people may not be able to get their first vaccination by Saturday 18 December 2021. DM Roche was reluctant for the date for the first vaccination to be written into the resolution and asked that the wording be changed to:

"That the Finance, Risk and Audit Committee endorse 'My Vaccine Pass' to be mandated for all permanent residents of the campgrounds to be fully vaccinated by 31 January 2022."

Cr P Rutherford pointed out that his understanding is that what is currently legally defined the term fully vaccinated is two weeks after the second injection, so the window is more like eight weeks than six.

DM Roche asked for clarification of the timeframe to be legally termed fully vaccinated and when MVPs are issued.

S Mason (CEO) advised that in terms of looking at the traffic light system, it is after receiving the second vaccination. An application for an MVP may be made 24 hours after the second vaccination.

Mayor J Cleine observed that it may be necessary to allow for other vaccines besides Pfizer as Astra Zeneca for instance may have different protocols.

DM Roche asked that the words "and be fully vaccinated" be removed as they are superfluous.

3. RESOLVED that the Finance, Risk and Audit Committee endorse 'My Vaccine Pass' to be mandated for all permanent residents of the campgrounds by 31 January 2022.

DM S Roche/Cr D Hawes

10/1

MOTION CARRIED

For: Deputy Mayor S Roche, Mayor J Cleine, Crs J Bougen, D Hawes, J Howard, M Montgomery, R Nahr, P Rutherford, R Sampson, G Weston, N Tauwhare (Iwi Representative)
Against - Cr R Nahr

Following discussion, it was agreed that the following fourth recommendation was not required:

4. Recommendation that the Finance Risk and Audit Committee endorse the use of face coverings, track and tracing, distancing and hand hygiene must be followed in all communal areas of the campground.

S Mason (CEO) advised this is a legal public health measure anyway and was not required.

Cr R Sampson requested a resolution be made that the Seddonville Reserve campground be exempt from the My Vaccine Pass mandate and moved a motion in this way, which was seconded by Cr P Rutherford.

Cr J Bougen pointed out that the Old Ghost Road has mandated that all users of accommodation on the track over 12 years old must be vaccinated after 14 December 2021.

Cr D Hawes will be voting against this resolution as he does not agree with different rules within the district.

N Tauwhare (Iwi Representative) believes this will set a precedent.

RESOLVED that the Finance, Risk and Audit Committee allow the Seddonville Reserve campground to be exempt from the My Vaccine Pass mandate.

Cr R Sampson/Cr P Rutherford

2/9

MOTION LOST

For – Crs R Sampson, R Nahr

Against – DM S Roche, Mayor J Cleine, Crs J Bougen, D Hawes, J Howard, M Montgomery, P Rutherford, G Weston, N Tauwhare (Iwi Representative)

8. LETTER OF EXPECTATION TO BULLER HOLDINGS LTD (p42)

Cr J Howard commended the letter saying it aligns with the Council's strategic vision and Annual Plan.

Cr P Rutherford reported it was a pleasure attending the Annual General Meeting and acknowledged it was in a timeframe that generally didn't suit councillors. Cr Rutherford was glad to attend under proxy for the Mayor J Cleine, with Deputy Mayor S Roche.

It was a pleasant annual meeting and it is clear the directors are committed to doing the best for the district. The letter clearly sets out what Council's expectations are and Cr Rutherford is quite sure they will happily take this forward.

Cr G Weston pointed out a typographic error at the bottom of the page.

RESOLVED that the Finance, Risk and Audit Committee endorses the Letter of Expectation to Buller Holdings Limited

**DM S Roche/Cr P Rutherford
11/11
CARRIED UNANIMOUSLY**

9. PROJECTS IN PARTNERSHIP – MONTHLY UPDATE REPORT (p46)
Discussion:

S Mason (CEO) reported on the Community Services portfolio saying the planting project should be coming to an end soon, if it hasn't already.

The screen at the Reefton Community Hall should be in place which completes the project.

The Waimangaroa Reserve Hall project has completed and signed off a variation with the Provincial Development Unit, and there is now a project person in place who will see this project through to fruition.

N Tauwhare (Iwi Representative) asked for a progress update on the community kitchen. A funding application for this had been received by the Mayoral Relief Fund however nothing has happened as yet.

R Townrow (Deputy CEO) provided a full update on flood recovery.

An application has been made through the Department of Internal Affairs Lottery Grants and Ms Townrow understands the application has been successful.

Funding will go to the Potikohua Trust who will operate the programme utilising the Salvation Army kitchen.

A person appointed to run the project should start in the new year.

Cr P Rutherford observed that Stafford Street land vesting is back on the table and asked if there was a requirement for Council vesting with the resilience trust and when will this happen.

Ms Townrow responded that this will be happening and a funding agreement with Buller Resilience Trust will require some work to prepare. This will not be able to happen before Christmas and it will be more like February next year.

Cr J Howard had emailed questions prior to the meeting and referred to Reefton Water Supply on page 120 with regard to the budget, asking what was the cost to date. Cr Howard asked if this was an oversight or why was it not included in

the budget, where external funding is being sought for the budget shortfall and if there was likely to be an impact on the annual budget.

S Mason (CEO) apologised that she had missed the emailed question. In terms of the Reefton project this has taken slightly longer than expected and there has potentially been some overrun with the contractor. An opportunity has been provided through Crown Infrastructure Agency funding related to water that became available a couple of weeks ago.

N Tauwhare (Iwi Representative) queried discussion with Community Energy Action regarding insulation for flood affected homes.

R Townrow indicated conversations are being held with Community Energy Action regarding purchasing the insulation and getting it installed. There is a need to clarify the process of the criteria for eligibility. Instead of taking a decile rating, it may be broken down on a street by street, block by block basis in terms of qualification of the criteria.

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

**Cr J Howard/Cr M Montgomery
11/11
CARRIED UNANIMOUSLY**

10. AUDIT MANAGEMENT ACTION POINTS (p134)
Discussion:

R Fox (GM Commercial & Corporate Services) reported that in terms of PAYE and WHT tax compliance, performance measures and evidence of year-end review of journals items with dates for December won't be able to be achieved due to the delay with the audit.

This will be available in January 2022.

DM S Roche noted that even though we have the audit opinion, the management letter is received later.

RESOLVED that the Finance, Risk and Audit Committee receive the Audit Management Action Point report for information

**Cr D Hawes/Cr G Weston/
11/11
CARRIED UNANIMOUSLY**

11. COMMERCIAL AND CORPORATE SERVICES WORK PLAN (p140)

Discussion:

DM S Roche discussed this report with R Fox (GM Commercial & Corporate Services) prior to the meeting today.

RESOLVED that the Finance, Risk and Audit Committee receive the Commercial and Corporate Services Work Plan for information.

Cr J Howard/Cr J Bougen

11/11

CARRIED UNANIMOUSLY

12. PUBLIC EXCLUDED (P142)

RESOLVED that the public be excluded from the following parts of the proceedings for this meeting

Item No.	Minutes/Report of:	General subject	Reason for passing resolution Section 7 LGOIMA 1987
14	Sharon Mason, Chief Executive Officer	Project Partnership – Whitebait Aquaculture Project	Section 2(b)(ii) - Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. Section 7(2)(i) - Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations, including commercial and industrial negotiations.

Cr R Nahr/Cr D Hawes

11/11

CARRIED UNANIMOUSLY

Virginia Hill

Subject: RE: Questions and answers from last FRAC by Councillors Howard and Roche

From: Deputy Mayor Sharon Roche <sharon.roche@bdc.govt.nz>

Sent: Tuesday, 8 February 2022 8:43 pm

To: Rod Fox <Rod.Fox@bdc.govt.nz>

Subject: RE: Questions and answers from last FRAC by Councillors Howard and Roche

Thanks for the clarification Rod.

Sharon Roche | Deputy Mayor

Mobile 027 659 9050 | Email sharon.roche@bdc.govt.nz

Buller District Council | www.bullerdcc.govt.nz

PO Box 21 | Westport 7866

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From: Rod Fox <Rod.Fox@bdc.govt.nz>

Sent: Tuesday, 8 February 2022 5:08 pm

To: Deputy Mayor Sharon Roche <sharon.roche@bdc.govt.nz>

Cc: Rod Fox <Rod.Fox@bdc.govt.nz>

Subject: RE: Questions and answers from last FRAC by Councillors Howard and Roche

Hi Sharon

I have just had an opportunity to clarify the \$100k with Lynn.

You are correct that is not part of the Economic Stimulus Fund. It was part of the Corporate sponsorship but is not available for distribution.

I will put the answers into FRAC as an addendum.

Rod

3.2: 3.2 Appendix 1 - Answers to Questions re: Minutes 15 November 2021

Rod Fox | Group Manager Commercial and Corporate Services
DDI 03 788 9629 | Email rod.fox@bdc.govt.nz

Buller District Council | Phone 0800 807 239 | www.bullerdcc.govt.nz
PO Box 21 | Westport 7866

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From: Rod Fox <Rod.Fox@bdc.govt.nz>
Sent: Tuesday, 25 January 2022 6:36 pm
To: Deputy Mayor Sharon Roche <sharon.roche@bdc.govt.nz>
Cc: Rod Fox <Rod.Fox@bdc.govt.nz>
Subject: RE: Questions and answers from last FRAC by Councillors Howard and Roche

Hi Sharon

Thank you for that. I have asked Bernard for clarification and will let you know when the answer is when it comes in.

Rod

Rod Fox | Group Manager Commercial and Corporate Services
DDI 03 788 9629 | Email rod.fox@bdc.govt.nz

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BULLER
DISTRICT COUNCIL
Te Kaunihera O Kawatiri



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From: Deputy Mayor Sharon Roche <sharon.roche@bdc.govt.nz>

Sent: Tuesday, 25 January 2022 4:17 pm

To: Rod Fox <Rod.Fox@bdc.govt.nz>

Subject: RE: Questions and answers from last FRAC by Councillors Howard and Roche

Hi Rod

Thank you for the reminder today regarding the answers to the questions from the FRAC meeting.

With regard to the answer to the DWC question, I don't think the \$100k per year relates to the \$1m Economic Stimulus Fund. However if it is, does that mean we have \$200k available for distribution?

Can you please follow up on this with Bernard?

Once we have confirmation about the above, can we please include the questions and answers in the FRAC minutes.

Kind Regards
Sharon

Sharon Roche | Deputy Mayor
Mobile 027 659 9050 | Email sharon.roche@bdc.govt.nz

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PO Box 21 | Westport 7866

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3.2: 3.2 Appendix 1 - Answers to Questions re: Minutes 15 November 2021

states them to be the views of Buller District Council.



From: Rod Fox <Rod.Fox@bdc.govt.nz>
Sent: Tuesday, 21 December 2021 6:18 pm
To: BDC Councillors <Councillors@bdc.govt.nz>
Cc: Sharon Mason <sharon.mason@bdc.govt.nz>; Rod Fox <Rod.Fox@bdc.govt.nz>
Subject: Questions and answers from last FRAC by Councillors Howard and Roche

Hi all

Sorry for the delay.

Trying to ascertain answers amongst the busyness that is Audit, Annual report and Annual Plan has proved challenging.

From Councillor Roche

1. Income from the Airport has a negative variance to date of \$29,330, but not a predicted variance for the full year. Is this just a timing issue? If not, how are we anticipating making up the shortfall by year end? Yes, it is a timing issue to a certain degree but there will be a year-end shortfall of \$25k income, due to the reduced flights during the flood aftermath and COVID shutdown. It will not be made up but can be mitigated by a reduction in the planned R & M spend.
2. Income from Amenities & Reserves has a negative variance to date of \$55,969. How much of this is in relation to the Punakaiki Camp Ground? Is this a timing issue and will this be resolved now that Council has resolved not to grant rent relief? \$28k of the Variance relates to Camp. An adjustment will be made to the projected budget in line with the council resolution.
3. Income from Regulatory has a positive variance of \$72,795, however there is a negative variance in expenditure of \$204,672. Further explanation is required, please. The variation is primarily due to (a) Civil Defence salaries being \$81.5k over budget due to the flood, and consultancy fees for Resource Consents, Building Consents, Building Earthquake Assessments being over budget \$102k over budget .
4. Expenditure Roading – what is causing the permanent negative variance of \$168k? Yes a permanent difference as a result of an adjustment to the roading programme by NZTA. The Adjusted programme will be updated to the projected position in the next report

From Councillor Howard

Pages 28 and 33 of agenda. The \$200,000 capital sponsorship from DWC? What is this tagged to?

The \$200k is apparently two lots of \$100k, being the payment they make each year of \$100k but which they did not process last year. It is tagged for the development of business in the Buller as per the below explanation from Bernard :

Development West Coast provided \$1m of funding to the Buller District for Economic Stimulus Funding. The purpose of this Fund was to stimulate business development and growth in the District in light of the current economic challenges. The Buller District Council was charged with administering the fund on behalf of the district, and the fund was instructed to be applied in such a way so as to leverage additional funding from other funding sources.

3.2: 3.2 Appendix 1 - Answers to Questions re: Minutes 15 November 2021

The funding was initially made available from 1st October 2015. Applications for funding were to be received by DWC by 30 June 2016, however this timeline was later extended by DWC.

Criteria to apply to the fund were:

All projects and proposals must:

- Comply with the Objects of the DWC Deed of Trust ("the Deed");
- Provide a minimum of 10% equity pursuant to the Deed;
- Demonstrate how the project will promote employment opportunities and/or generate sustainable economic benefit for the District;
- Demonstrate how the project will support business;
- Must demonstrate leverage of additional funding from other sources;
- And funding must flow via the respective District Council.

Reasons that applications to the fund would not be accepted were:

- Projects that have received other DWC funding;
- Feasibility studies;
- Compliance and regulatory costs (e.g. obtaining certification or resource consent); and
- Public/community projects, such as:
 - Sport and recreational facilities and buildings;
 - Community halls;
 - Theatres;
 - Museums;
 - Art Galleries;
 - Memorials.

Priority was to be given to applications that:

- Have employment opportunities as a direct effect of the distribution; and
- Leverage other funding.

The Economic Development Working Party reviewed the applications and put recommendations to all of council for the applicants selected, and DWC made the final decision if the applicant would be funded.

Pg 120 Reefton Water supply upgrade - re budget. Was not including "costs to date" in approved budget an oversight? What/where from is the external funding being sort for variance shortfall? Will there be an impact on annual budget?

This is being looked at as to why the costs were not included, and to what the answers are to your other two questions. We hope to be able to establish the answers early in the New Year, with work currently being done on them.

Rod Fox | Group Manager Commercial and Corporate Services

DDI 03 788 9629 | Email rod.fox@bdc.govt.nz

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FINANCE, RISK AND AUDIT COMMITTEE

15 DECEMBER 2021

AGENDA ITEM 4

Prepared by Rod Fox
Group Manager Commercial and Corporate Services

ACTION POINTS

1. DRAFT RECOMMENDATION

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

Finance, Risk and Audit Committee
- CURRENT Action Points

No.	Meeting of:	Action Point	Responsible?	Progress:	Update: by:	Date required by:
161	20 November 2021	Rating Policy Review: review timing of the rating policy review project.	GM Commercial & Corporate Services	Paper delayed to be received at February Council	Feb-22	
184	20 October 2021	Strategic Risk Register G Martyn (HR & H&S Advisor) to review cybersecurity in the Strategic Risk Register and a business continuity plan if there is a breach.	HR & H&S Advisor	• Preparation has commenced with regards to reviewing and detailing the current status around mitigations for cybersecurity. Note that this will be brought to FRAC April 2022 in the next quarterly Strategic Risk Report	Apr-22	
185	20 October 2021	Report be prepared for Council showing Profit and Loss to determine the viability of holding the Punakaiki camp ground as an asset. Detail of income and expenses and options going forward are to be provided, bearing in mind the lease expires in November	GM Commercial & Corporate Services	•	Mar-22	

Finance, Risk and Audit Committee
- CURRENT Action Points

No.	Meeting of:	Action Point	Responsible?	Progress:	Update:	Date required by:
		2022, with a right of renewal.				
188	17 November 2021	Infrastructure material damage insurance options workshop to be held in February 2022	CEO and GM C&CS	Discussion has been held in December with Aon who have advised that, to move the cover from Indemnity Value to Replacement Value, proof would have to be given of the increased value having been added e.g., earthquake strengthening	Aon has advised that Replacement Value would only be available if we were to expend funds to validate granting Replacement Value/	Feb-22

FINANCE RISK AND AUDIT COMMITTEE

16 FEBRUARY 2022

AGENDA ITEM 5

Prepared by: Julia Gear
Trainee Financial Accountant

Lynn Brooks
Manager Finance

Reviewed by: Rod Fox
General Manager Commercial and Corporate Services

HALF YEAR REPORT: 31 DECEMBER 2021

1. REPORT SUMMARY

To provide Council with a financial performance update for the six-month period ending 31 December 2021.

2. DRAFT RECOMMENDATION

That the Finance, Risk and Audit Committee receive the half year report for the six months ended 31 December 2021 for information.

3. ANALYSIS & DISCUSSION

3.1 Statement of Financial Performance

Operating Result

Council has budgeted for a six month surplus of \$0.414 million. The actual result is a surplus of \$2.557 million which is a favourable difference of \$2.143 million.

Analysis of this result is detailed below.

Operating Revenue

Overall operating revenue is \$25.476 million compared to a budget of \$16.893 million, a positive variance of \$8.583 million. The main contributor is Subsidies and Grants income which is over budget due to receipt of unbudgeted grant income totalling \$11.122 million. This variance includes flood recovery grants, port precinct and floating jetties grants and funding from Ministry of Business Employment and Innovation for purchase of shares in NZ Whitebait Limited. Other unbudgeted income relates to insurance proceeds from the July flood event and building fees and contributions related to increased building activity in the district.

The increase in grant income is offset by a shortfall in roading income relating to budget phasing, which is expected to be resolved by the end of the financial year. Note that subsequent to 31 December balance date, it was determined that the Whitebait project would not progress due to insufficient private equity funding.

Operating Expenditure

Operating expenditure totals \$22.919 million compared to a budget to date of \$16.480 million, a variance of \$6.439 million.

Employment costs are \$907k greater than budget to date, due to emergency response and flood recovery wages which were not anticipated when setting the budget. Corresponding grant income offsets this expenditure.

The variance of \$5.385 million for other expenses includes unplanned emergency response costs and port projects expenditure, both funded by external grant revenue.

3.2 Statement of Financial Position

As at 31 December 2021 Council reports a sound position.

Current Assets and Liabilities

A provision for grants revenue received in advance is included in trade and other payables, and this is reflected in the cash and cash equivalents showing in current assets. Net debt (being external debt less term deposits) is \$15.617 million. By the end of year it is budgeted net debt will be \$21.394 million to fund assets and infrastructure additions.

Non Current Assets

Other investments include LGFA Borrower Notes (required to be held as part of the loan funding agreement with LGFA) and other small bonds held.

3.3 Cash Flow Statement

Net operating cash inflow of \$9.024 million from operating activities was positive during the six months to 31 December 2021, with cash inflow exceeding the full-year budget due to grants. The net Investing cash outflow of \$7.140 million was the result of fixed asset purchases. Overall Council's cash position has increased by \$3.324 million since 1 July 2021.

4.1 Non- Financial Key Performance Indicators

A well-balanced reporting system includes both financial and non-financial reporting measures. Ideally non-performance reporting measures should provide information on key risk areas for Council to enable it to manage those risks more effectively.

The table of non-performance measures has been collated from the key performance indicators (KPIs) which were revised in each activity section of the 2021-2031 Long Term Plan.

Just the vital key performance indicators have been included in the table, not all of the KPIs that are included in the Long Term Plan. The rationale being that these selected KPIs highlight key risk areas of Council and to help monitor organisational efficiency within Council. Refer to the Performance section of the attached quarterly report for details.

5.0 CONSIDERATIONS

5.1 Strategic impact

The quarterly financial reports provide an overview of Council's financial performance and position during the financial year. This allows Council to monitor trends and evaluate progress against the strategies, financial budgets and service delivery adopted in the 2021-2031 Long Term Plan.

5.2 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 for the purpose of public consultation but is an important component of monitoring progress against the 2021-2031 Long Term Plan.

5.3 Values assessment

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

A performance reporting system aligns most strongly with Integrity.

Public reporting of Council's performance against budgets and key performance indicators encourages open and honest discussion and decision making.

5.4 Risk analysis

Risk is assessed by considering the likelihood of an event occurring and the result of that event.

Council prepares financial budgets to balance income and spending for each financial year. Budgets are based on the best information available at the time, but subsequent financial performance will be affected by events outside Council's control during the year. Regular monitoring of financial performance reduces the risk of financial pressure on Council because income and expenditure variances are identified early and mitigating actions can be put in place as required.

5.5 Policy / legal considerations

The Local Government Act (2002) and associated regulation govern the activities of Buller Council including preparation of Long Term and Annual Plans, financial prudence requirements and annual financial reporting.

The terms of reference of Finance and Audit Committee include monitoring financial performance to budgets.

5.6 Tangata whenua considerations

Not applicable.

5.7 Views of those affected

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

5.8 Costs

Because this report is for information purposes it does not generate activity or any associated costs.

5.9 Benefits

The benefits of a quarterly financial reporting regime include early identification of budget variances and intervention measures at a Council wide level.

5.10 Media / publicity

There are no media or publicity opportunities with this report.

BULLER DISTRICT COUNCIL

Financial Report (unaudited)

For the Period Ending 31 December 2021

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Parent Dec-21 Actual \$000	Parent 2021/2022 Budget \$000	Parent 2020/2021 Budget \$000
CURRENT ASSETS			
Cash and Cash Equivalents	5,166	997	837
Trade and Other Receivables	2,436	5,834	5,638
Derivative Financial Instruments	0	0	0
Inventories	16	18	16
Other Current Assets	219	186	35
Short Term Investments	17,597	15,413	17,501
Assets Held for Sale	5	0	0
Total Current Assets	25,438	22,448	24,027
NON CURRENT ASSETS			
Investment in Council Controlled Organisations	19,382	20,404	20,541
Other Investments	657	0	0
Investment Property	10,101	7,943	8,317
Infrastructural Assets	355,783	375,221	347,501
Other Non-Current Assets	23,969	36,041	25,723
Derivative Financial Instruments	0	0	0
Deferred Tax	0	0	0
Intangible Assets	28	199	273
Total Non-Current Assets	409,918	439,808	402,355
Total Assets	435,357	462,256	426,382
CURRENT LIABILITIES			
Cash and Cash Equivalents	0	0	0
Trade and Other Payables	3,958	6,584	4,543
Derivative Financial Instruments	0	552	0
Tax Payable	0	0	0
Employee Benefits	687	741	515
Provisions	0	41	0
Current Portion of Borrowings	0	313	5,000
Total Current Liabilities	4,644	8,231	10,058
NON CURRENT LIABILITIES			
Derivative Financial Instruments	1,668	2,404	2,122
Provisions	1,620	1,485	1,208
Bond Deposits	214	88	82
Employee Entitlements	161	161	140
Deferred Tax	0	0	0
Borrowings	33,214	36,807	31,233
Total Non-Current Liabilities	36,876	40,945	34,785

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Parent Dec-21 Actual \$000	Parent 2021/2022 Budget \$000	Parent 2020/2021 Budget \$000
EQUITY			
Accumulated Funds	176,875	179,576	171,489
Reserves	5,972	4,100	4,319
Asset Revaluation Reserve	210,989	229,404	205,731
Total Equity	393,836	413,080	381,539
Total Liabilities & Equity	435,537	462,256	426,382

**STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Parent Dec-21 Actual \$000	Parent Dec-21 Budget \$000	Parent 2021/2022 Budget \$000
<u>CONTINUING OPERATIONS</u>			
OPERATING REVENUE			
General Rates	4,720	4,732	9,465
Targeted Rates (excluding Metered Water)	3,298	3,285	6,593
Metered Water Charges	46	64	150
Rate Penalties	87	103	232
Subsidies and Grants	13,642	5,381	8,749
Investment Income	588	558	1,449
Other Income	1	0	0
Development and Financial Contributions	62	20	52
Fees & Charges	3,033	2,751	5,203
Gain on Sale of Investment Property	0	0	0
Vested Assets	0	0	50
Total Operating Revenue	25,476	16,893	32,076
OPERATING EXPENDITURE			
Employment Costs	4,184	3,277	6,727
Depreciation & Amortisation	3,366	3,366	6,743
Finance Costs	540	396	818
Other Expenses	14,829	9,441	17,292
Assets Written Off	0	0	481
Total Operating Expenditure	22,919	16,480	32,061
Net Surplus (Deficit) from continuing operations	2,557	414	15
Net Surplus (Deficit) before Taxation	2,557	414	15
Income Tax Expense	0	0	0
Net Surplus (Deficit) after Taxation	2,557	414	15
Other Comprehensive Revenue & Expense			
Gain on Revaluations of Assets Held for Sale	0	0	0
Increase/(decrease) in Infrastructure Revaluation Reserves	0	0	12,727
Gain/(Loss) on Investment Recognised in Asset Revaluation Reserve	0	0	0
Total Comprehensive Revenue & Expense	2,557	414	12,742

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Parent Dec-21 Actual \$000	Parent Full Year Budget \$000
Equity as of 1 July	391,279	400,338
Total Comprehensive Income	2,654	12,742
Transactions with Owners recorded directly in Equity	0	0
Total Equity at End of Year	393,933	413,080
 Components of Equity		
Accumulated Funds	176,972	179,576
Reserves	5,972	4,100
Asset Revaluation Reserve	210,989	229,404
Total Equity at End of Year	393,933	413,080

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Parent Dec-21 Actual \$000	Parent 2021/2022 Budget \$000
CASHFLOWS FROM OPERATING ACTIVITIES		
<i>Cash was provided from:</i>		
Rates	9,134	16,208
Other Income	22,190	14,236
Interest Received	614	149
Tax Received	0	0
Dividends & Subvention Payments Received	0	1,300
	31,939	31,893
<i>Cash was applied to:</i>		
Payments to Suppliers and Employers	22,661	23,376
Interest Paid	540	818
Income Tax Paid	0	0
Net GST Movement	(286)	0
	22,915	24,194
<i>Net Cash From Operating Activities</i>	9,024	7,699
CASHFLOWS FROM INVESTING ACTIVITIES		
<i>Cash was provided from:</i>		
Disposal of Fixed Assets	0	0
Investment Realised	10,229	3,160
	10,229	3,160
<i>Cash was applied to:</i>		
Purchase of Fixed Assets	8,121	10,794
Purchase of Investments	9,248	602
Purchase of Intangibles	0	0
	17,369	11,396
<i>Net Cash from Investing Activities</i>	(7,140)	(8,236)
CASHFLOWS FROM FINANCING ACTIVITIES		
<i>Cash was provided from:</i>		
Loans Raised	0	0
<i>Cash was applied to:</i>		
(Drawdown)/repayment of loans	(1,440)	230
<i>Net Cash from Financing Activities</i>	1,440	(230)
NET INCREASE (DECREASE) IN CASH	3,324	(767)
OPENING CASH AS AT 1 JULY	1,842	1,764
CLOSING CASH AS AT 31 DECEMBER	5,166	997

KPI met	●
KPI not met	■

Segment	Key performance indicator	Target	Achievement
Regulatory services	Quality assurance requirements for building consent are met.	≥ 100% of building consents are technically correct and granted within statutory timeframes.	<ul style="list-style-type: none"> ● Achieved 100% for the quarter.
		≥ Continue to retain accreditation by passing the biennial IANZ Audits.	<ul style="list-style-type: none"> ● December 2021 Audit 'Passed'.
Roading & transport	Maintaining safety quality of the road network	No changes or reduction in the safety quality of the roading network from the previous financial year.	Achieved for the quarter. Required extra unsealed road maintenance due to extreme changes in weather.
Water supplies	Maintain safe drinking water standards.	≥ Full compliance (100%) with part 4 (bacteria compliance criteria)	<ul style="list-style-type: none"> ● Not achieved. Punakaiki UV non-compliance. ■ Westport chlorine pump failed.
Wastewater	Wastewater and sewerage systems provide adequate capacity in relation to dry weather overflows.	≥ Full compliance (100%) with part 5 (protozoa compliance criteria)	<ul style="list-style-type: none"> ● Not achieved. No water supply has met protozoa compliance.
		Less than five sewerage overflows per 1,000 connections.	

Segment	Key performance indicator	Target	Achievement
Stormwater	The number of flooding events in the stormwater systems is managed to a target level of service set in the performance measure.	For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected Council stormwater system) is not more than five houses flooded for each event.	100% compliance to date. Operating and closed landfills, transfer stations, Material Recovery Facilities and kerbside collection services operating within the national regulations and resource consents.
Solid waste	Ensure ethical, economical, and efficient waste management service	100% compliance with regulations set in the RMA, and the resource consents and environmental national regulations.	60% compliance to date. Community events are in progress to be developed during Q3 and Q4 (Illegal dumping and AgFestival). Two Sustainability projects have been developed to date (e-waste recycling in Westport and Reefton and batteries recycling In Karamoa, Westport and Reefton). AgRecovery project to be delivered in Reefton during Q3. Recycling educational campaigns have been undertaken by Social Media, radio and Council Website. Rejection bins project to be developed during Q3 and Q4. Enviroschool programme is being developed in 6 schools. Karamoa school has been involved in the programme since October 2021.
Community services	The community feels informed, included, and empowered to access Council services and resources.		A biennial customer satisfaction survey will be carried out, and will ask how satisfied the community is with the information they receive from Council and their opportunities to engage with Council.

Segment	Key performance indicator	Target	Achievement
Governance, representation	Provide annual budgeting and financial planning processes.	<ul style="list-style-type: none"> ≥ Meet statutory deadlines for councils LTP, AP before 30th June in each respective year. 	<ul style="list-style-type: none"> ● Achieved
Support Services	High functioning Health and Safety committee that empowers employees, contractors, and visitors.	<ul style="list-style-type: none"> ≥ Meet statutory obligations for requests for information under LGOIMA, greater than or equal to 90% of the time. ≥ To meet legislative requirements for strategic planning workshop held with Councillors. 	<ul style="list-style-type: none"> ● Achieved
Property	The district's parks, reserves, cemeteries and other amenities are maintained to ensure we are providing compliant, safe and vibrant social spaces for the Community and visitors.	Receive and review monthly reports from the Reserves and Public Amenities Contractor. An up-to-date register of Council owned and operated buildings and associated infrastructure is maintained.	<ul style="list-style-type: none"> ● Due for review with new Community Services Team when onboarded
Commercial infrastructure- airport	An airport facility that is safe, compliant and available for use. Providing a high level of customer service and community opportunity.	Complete and annual customer survey. Retain CAA certification 100% of the time. Judged against projected income and expenses	<ul style="list-style-type: none"> ● Achieved
Buller Holdings Limited	<ul style="list-style-type: none"> Achieving budget revenue and expenditure. Delivery of unaudited quarterly reports by due date. 	<ul style="list-style-type: none"> Operate within budget Provision of quarterly reports to Council by due dates. 	<ul style="list-style-type: none"> Awaiting BHL board meeting approval Awaiting BHL board meeting approval

FINANCE, RISK AND AUDIT COMMITTEE

16 FEBRUARY 2022

AGENDA ITEM 6

Prepared by Julia Gear
Trainee Financial Accountant

Lynn Brooks
Manager Finance

Reviewed by Rod Fox
General Manager Commercial and Corporate Services

INVESTMENTS AND BORROWINGS – December 2021

1. REPORT SUMMARY

This report summarises Council's cash investments and borrowings for the month ending December 2021, and compliance with Council treasury management policy.

2. DRAFT RECOMMENDATION

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

3. ISSUES AND DISCUSSION

3.1 Investments

Investments have increased by \$400K since 30 November 2021. This is reflected in an increase in the Call Account.

3.2 Bank Balance

Council's trading bank balance closing balance was \$392k.

3.3 Interest Revenue

Interest revenue to the end of December 2021 is \$109k with a full year budget of \$359k.

Council will continue to reinvest term investment funds at the most favourable interest rate when deposits are available for renewal. However, the current low interest rate environment will continue to impact the returns from these investments.

3.4 Borrowings and Net Debt Position

There has been no change in the total borrowings. Term loans remain at \$33.213m. Net debt (borrowings less term investments and call account balance) has decreased by \$400K to \$10.949m.

4. CONSIDERATIONS

4.1 Strategic impact

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

4.2 Significance assessment

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

4.3 Values assessment

The Buller District 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

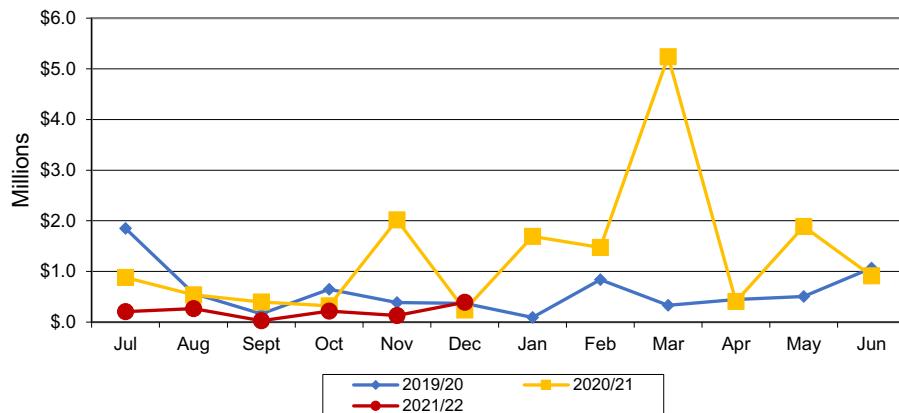
Tab 6: Investments and Borrowings - January 2022

INVESTMENTS AND BORROWINGS REPORT

1. BANK BALANCE

	This Month 31-Dec-21	Last Month 30-Nov-21	Last Year 31-Dec-20
Council	\$391,813	\$131,515	\$389,641

2. MONTH END BANK BALANCE



3. SUMMARY OF INVESTMENTS

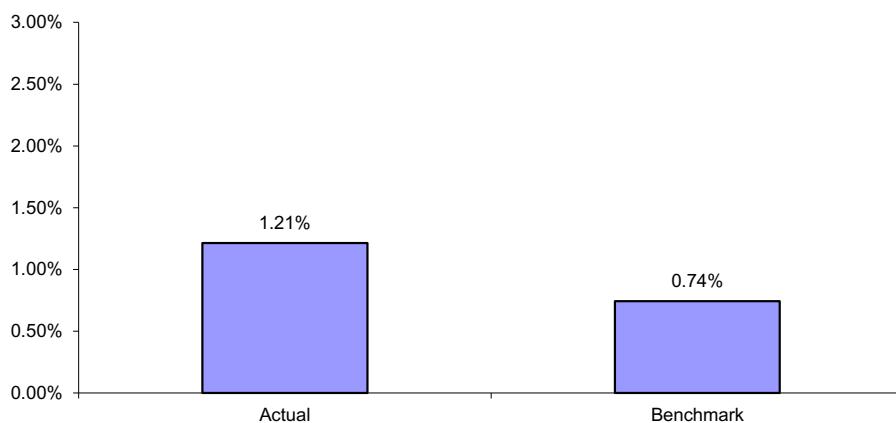
	This Month 31-Dec-21	Last Month 30-Nov-21	Last Year 31-Dec-20
Term deposits (includes Call Account)	22,264,121	21,864,121	19,614,121
Other loans (includes loan to Holding Company)	1,500,809	1,500,809	1,503,596
Total Investments	\$23,764,930	\$23,364,930	\$21,117,717

Tab 6: Investments and Borrowings - January 2022

4. SOURCE OF FUNDS

	This Month 31-Dec-21	Last Month 30-Nov-21	Last Year 31-Dec-20
Depreciation Funds	1,530,000	1,530,000	1,000,000
West Coast Package - Govt subsidy for halt to logging	3,396,596	3,396,596	4,003,314
Harbour - profit from past harbour operations	2,388,150	2,388,150	3,011,432
Freeholding Proceeds (sale of leasehold land)	3,540,838	3,540,838	3,540,838
Capital Sponsorship (deposits from V2010 sponsors)	5,334,038	5,334,038	5,834,038
Reserves Contribution Funds	1,214,500	1,214,500	1,214,500
Short Term Funds - rates income plus term deposits pending debt reduction	4,450,000	4,050,000	600,000
LGFA Borrower Notes	410,000	410,000	410,000
	\$22,264,121	\$21,864,121	\$19,614,122

5. INVESTMENTS PORTFOLIO PERFORMANCE (12 Month Average)



6. INTEREST REVENUE

	Actual YTD	Budget YTD	Budget Full Year
Interest Revenue	\$109,910	\$47,589	\$359,546

7. COMPLIANCE WITH INVESTMENT 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 which represents 15.58% 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.

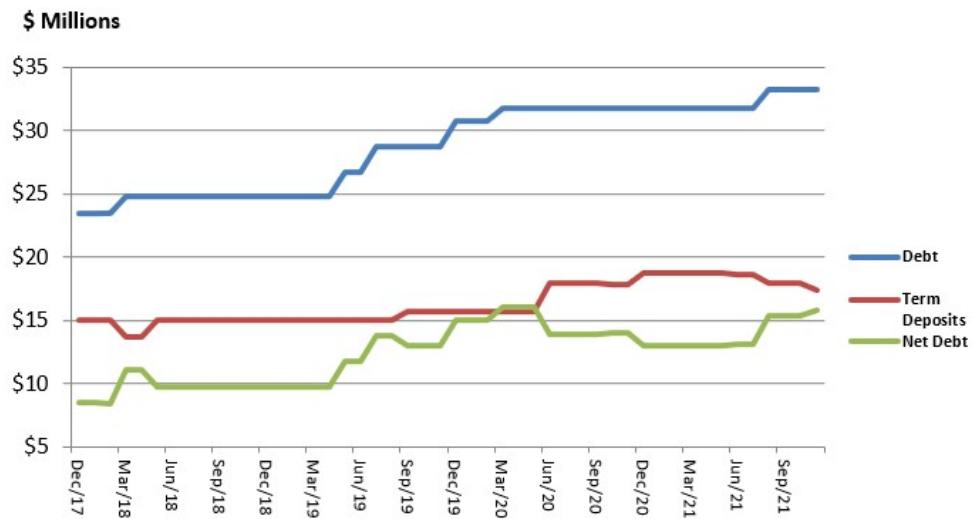
8. SUMMARY OF BORROWINGS

	This Month 31-Dec-21	Last Month 30-Nov-21	Last Year 31-Dec-20
External Debt			
Westpac Loan Facility	13,213,860	13,213,860	11,773,860
LGFA Loan Facility	20,000,000	20,000,000	20,000,000
	\$33,213,860	\$33,213,860	\$31,773,860
Weighted Average Interest Cost	2.69%	3.14%	3.90%

Net Debt			
Total Borrowings	33,213,860	33,213,860	31,773,860
Less: Term deposits (including Call Account)	22,264,121	21,864,121	19,317,292
	\$10,949,739	\$11,349,739	\$12,456,568

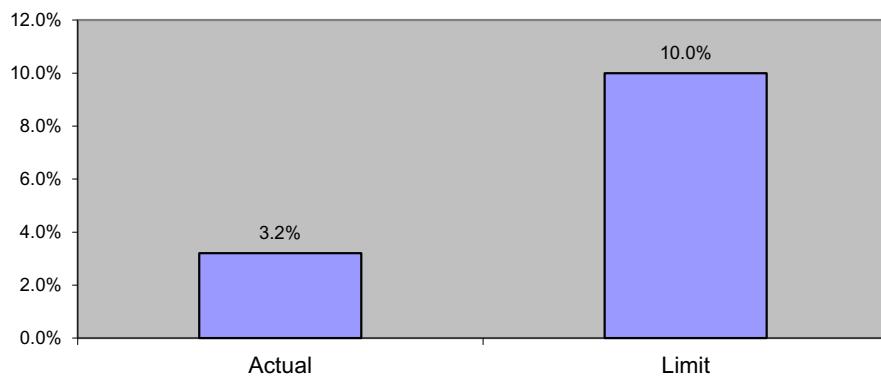
Tab 6: Investments and Borrowings - January 2022

9. DEBT AND INVESTMENTS 3-YEAR TREND



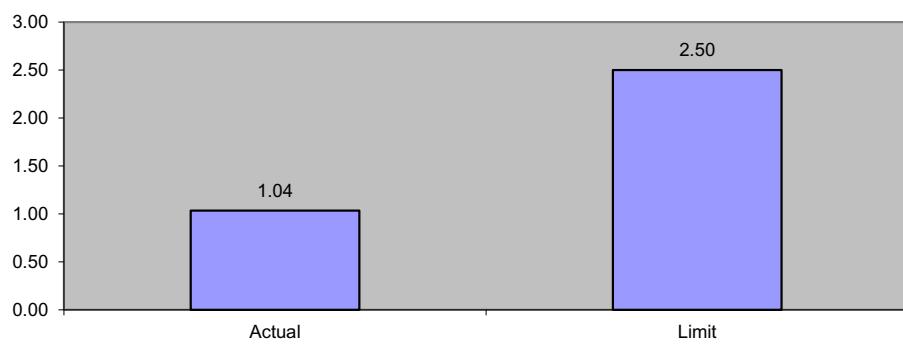
10. COMPLIANCE WITH TREASURY POLICY

10.1 Interest Expense / Total Income

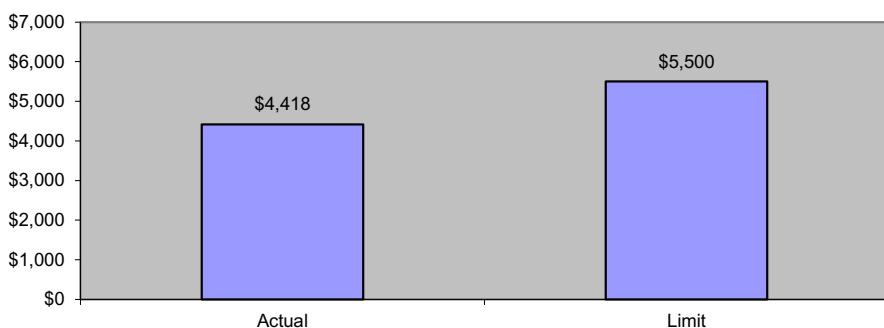


Tab 6: Investments and Borrowings - January 2022

10.2 Gross Debt / Total Income

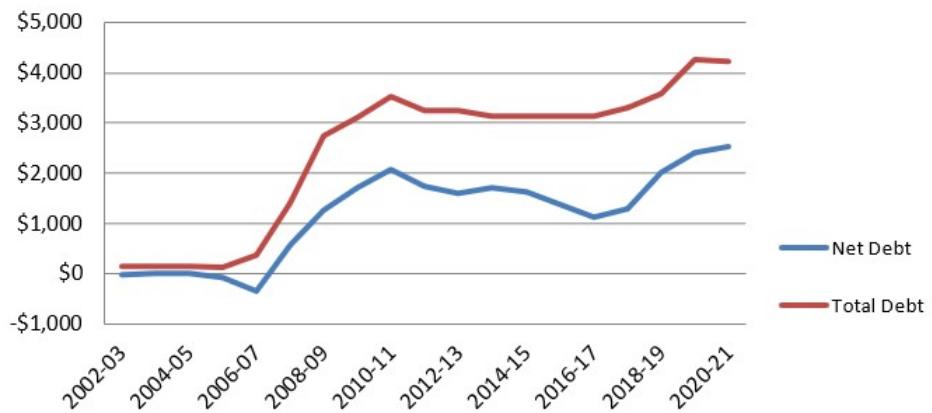


10.3 Gross Debt per Rateable Property

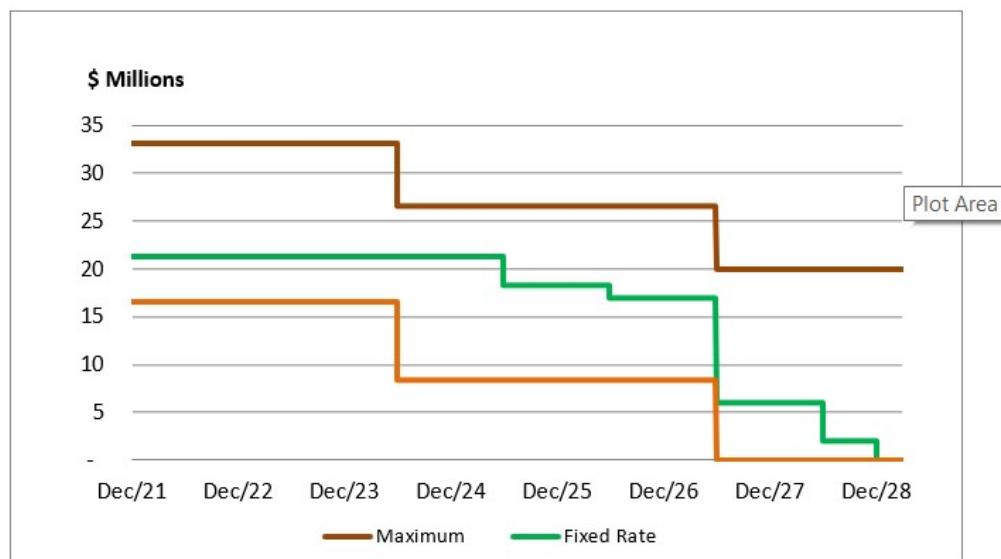


Tab 6: Investments and Borrowings - January 2022

10.4 Debt and Net Debt per Rateable Property



10.5 Fixed Rate Debt - Compliance with Treasury Policy



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

FINANCE, RISK AND AUDIT COMMITTEE

16 FEBRUARY 2021

AGENDA ITEM 7

Prepared by Sharon Mason
Chief Executive

MONTHLY REPORT – PROJECTS IN PARTNERSHIP UPDATE REPORT

1 REPORT SUMMARY

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

Note: some reports are verbal updates only or may be provided at a later date due to the recent Buller weather events.

2 DRAFT RECOMMENDATION

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

3. REPORTS

1) Whitebait Aquaculture Project – verbal update

2) Westport Flood Recovery Programme – verbal update

3) Infrastructure Services Portfolio Reports

- *District Revitalisation Programme (Westport Waterfront)*

4) Commercial & Corporate Services Portfolio Report

- *Buller District Port Package*

5) Community Services Portfolio (*verbal updates only*)

- *Buller Planting Project*
- *Community Halls and Memorials*

4. THREE WATERS REFORM PROGRAMME UPDATE

1) Three Waters Reform Funded:

- *Westport Water Supply Trunk Main Stage 1*
- *Westport Water Supply Trunk Main Stage 2*
- *Punakaiki Water Supply Trunk Main Renewal*

2) Council Funded:

- *Reefton Water Supply Upgrade*
- *Waimangaroa Water Supply Upgrade*

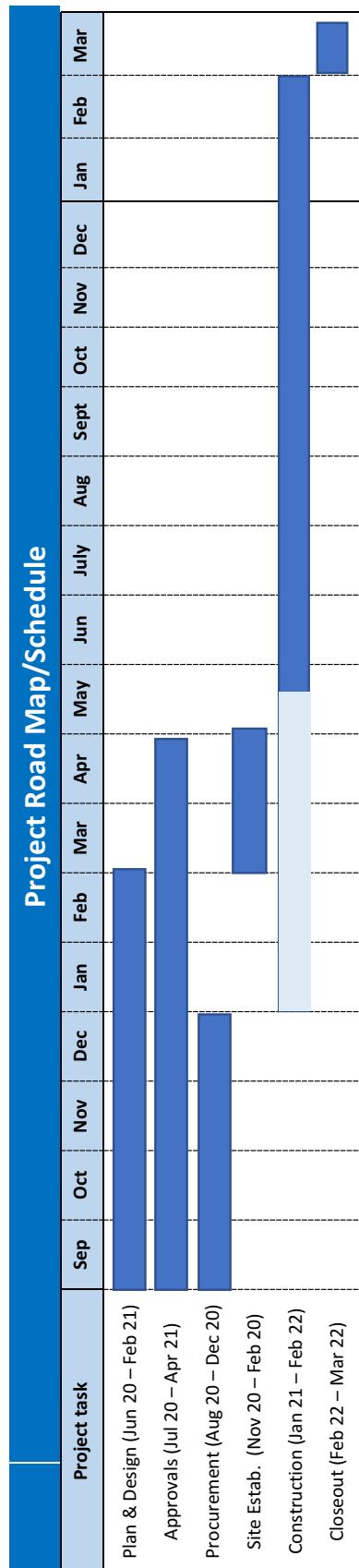
Infrastructure Programmes – District Revitalisation – Monthly Status Report – January 2022		
Reporting Period:	For the month ending 31 st January 2022	
Project Principal:	Buller District Council (BDC)	
Project Partner(s):	MBIE via Provincial Development Unit, KiwiRail	
Programme Manager:	Mike Duff (Acting)	
Project Manager/s	<ul style="list-style-type: none"> • Westport Waterfront “The Riverbank”: <ul style="list-style-type: none"> ◦ Stages 1 & 2 – Glenn Irving ◦ Stage 3a – Vannessa Anderson & Brendan Hills ◦ Stage 3b – Glenn Irving 	

Project aspect	Status	Comments
Overall:	G	Toki Bridge Grand Opening Day scheduled for 23rd February 2022.
Budget:	A	PGF Stage 3a \$1.86M for Toki Bridge complemented by BDC 2018 & 2021 LTP's Stage 1 \$305K, Stage 2a \$260K, Stage 2b \$300k and TIF Stage 3b \$300k. Total available budget \$3.025M. Value Engineering and Phasing of Works has kept construction contract for Toki Bridge and embankment on budget. Forecast estimate to complete will inform the priority and completion of remaining scope items.
Scope:	G	Stage 3a: Phase 1 – Toki Bridge and embankment, Phase 2 – Additional riverside landscaping, town precinct parking. Stage 3b connector trails (south to Buller Bridge, north to Floating Basin). Future stages including town precinct Brougham St pedestrian plaza currently seeking additional funding.
Resource:	G	All key integrated owners team appointments completed as per resource plan.
Schedule:	G	Stage 3a: Phase 1 scheduled for completion mid-February 2022 for Toki Bridge grand opening. Phase 2 and Stage 3b scheduled for completion by June 2022, incorporating riverside landscaping, town precinct parking and connector trails.
Risks / Issues:	A	Maintained in Risk Register, summary key risks all under management. Further Covid Considerations – Now under Red Protection Framework

Last Month (December & January)		State of Play		Next Month (February)	
<ul style="list-style-type: none"> ▪ Installation of bridge balustrades, ramp panels and footpaths ▪ Commencement of site clean and landscaping ▪ Preparations for bridge inspections and QA review 				<ul style="list-style-type: none"> ▪ Engineering certification and KiwiRail approvals ▪ Toki Bridge Grand Opening scheduled for 23rd February 2022 ▪ Completion of embankment and landscaping works ▪ Continuation of additional riverside landscaping and town precinct parking ▪ Continuation of TIF connector trails 	

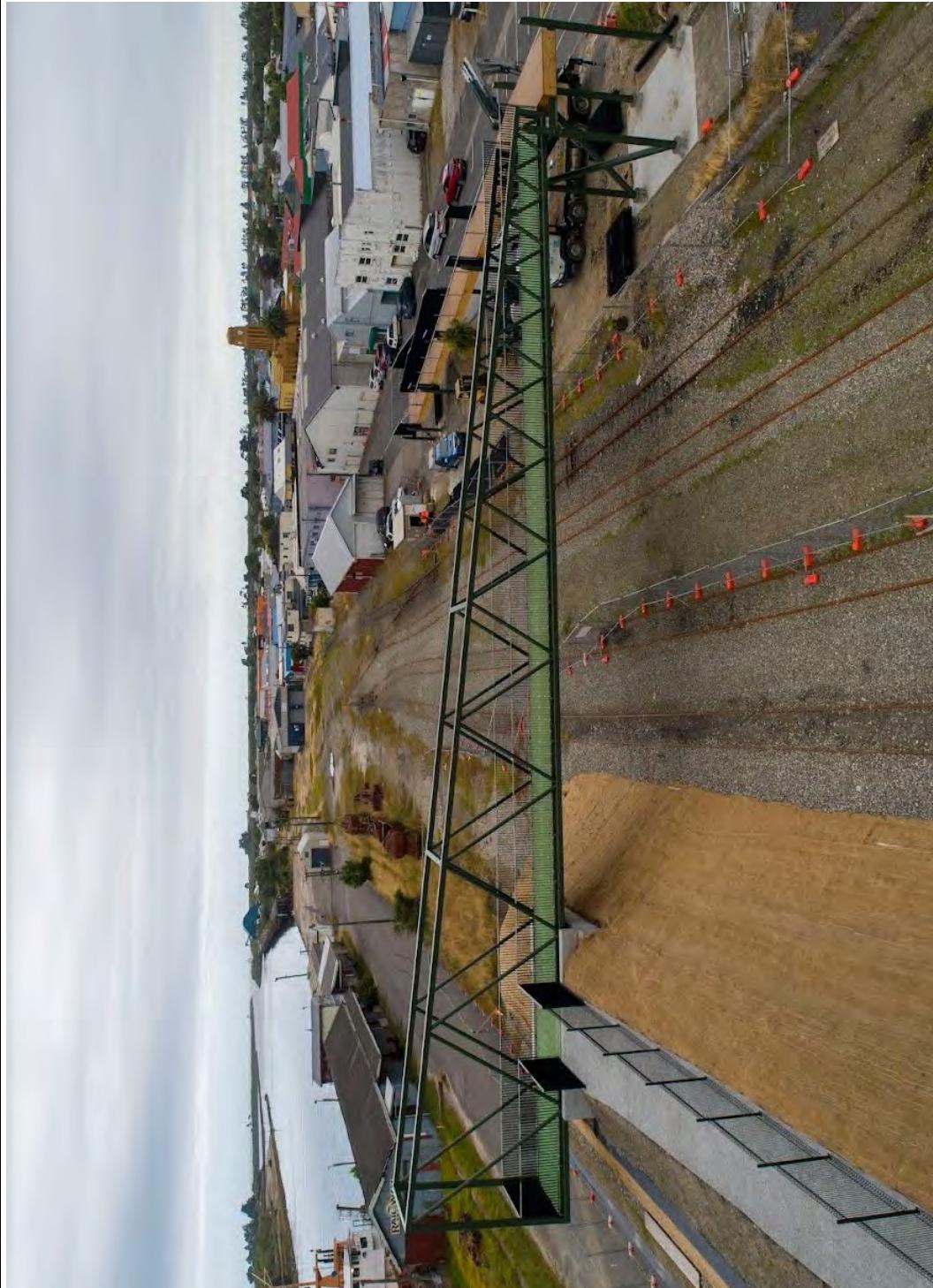
Financials					
Approved Budget	Spend to Date	Forecast cost at completion	Project Variance	Commentary	
<i>What is the approved budget?</i>	<i>What is the project spend to date (as at Reporting date)?</i>	<i>How much will it cost to complete this project? date?</i>	<i>Forecast position (surplus/deficit) at completion</i>	<i>Explanation for variance and what is needed.</i>	
Stage 1 - \$305K (part)	\$305K	\$305K	0	2018 LTP Part Years 1 & 2 (42255509)	
Stage 2a - \$260K	\$260K	\$260K	0	2018 LTP Year 3 (42255509)	
Stage 2b - \$300K	\$280K	\$300K	0	2021 LTP Year 1 (42255509)	
Stage 3a PGF - \$1.86M	\$1.60M	\$1.86M	0	PGF Funding Agreement – Toki Bridge (4225558001)	
Stage 3b TIF - \$300K	\$40K	\$300K	0	TIF Funding Agreement – Connector Trails (42135509)	
Totals	\$2.485M	\$3.025M			

Milestones					
Milestone	Baseline Date	Actual Date	% Complete	Comment	
1) Planning and initial site investigations	29/06/20	29/06/20	100	Project initiation, concept designs and site investigations	
2) Finalise design	6/11/20	12/11/20	100		
3) Secure statutory and other necessary approvals	30/04/21	21/05/21	100		
4) Complete construction procurement	30/12/20	20/04/21	100	Contract executed	
5) Complete initial site works	24/01/21	24/05/21	100		
6) Complete construction	09/08/21		95		
7) Project closeout	23/09/21				

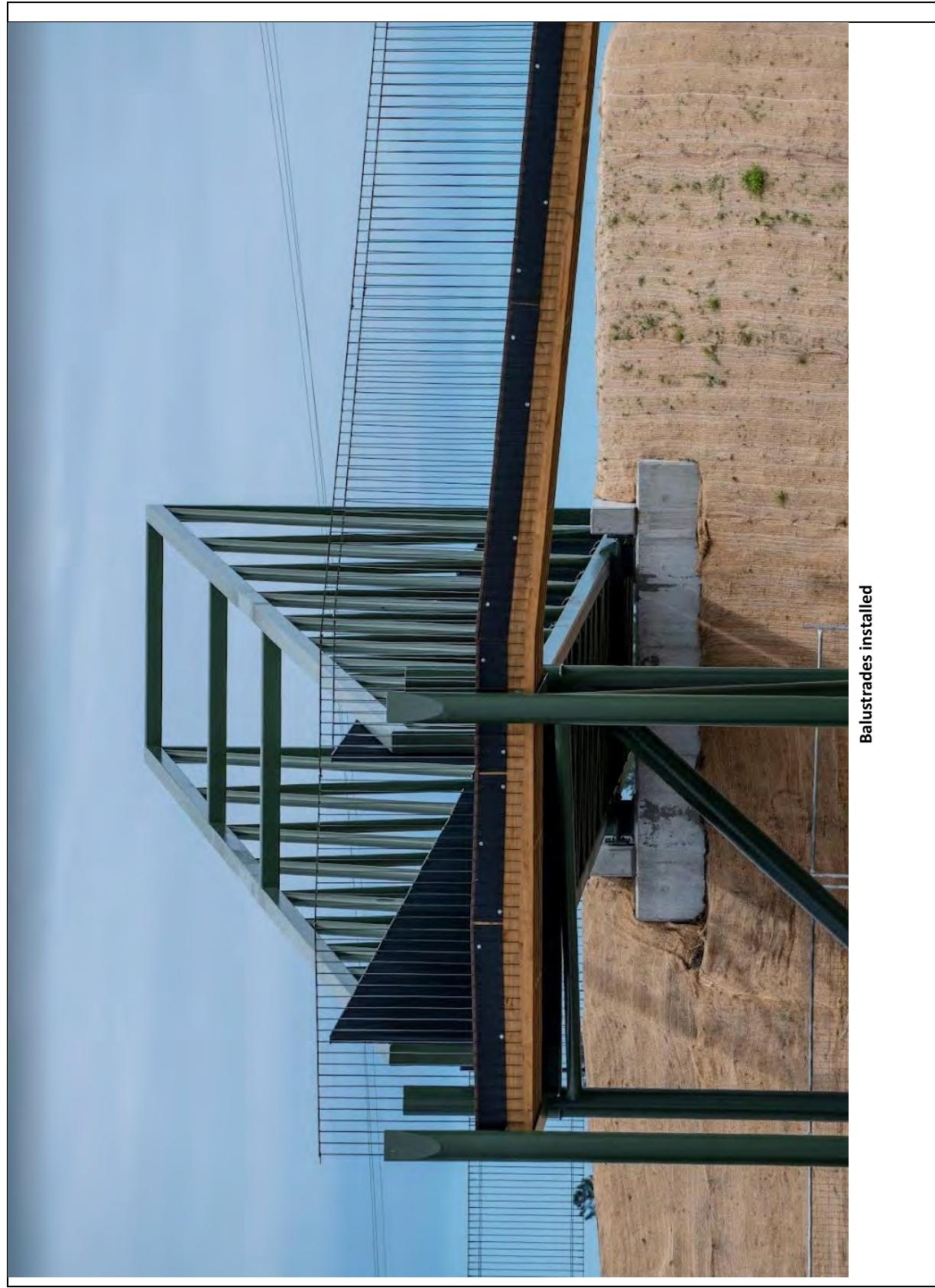


Productivity Outputs (for Provincial Development Unit)	
What is the number of people who worked on this project in any capacity this month as a result of PGF funding?	30
How many of these are Contractors – building, construction, project management	25
How many of these are Consultants – advisory services, feasibility studies	5
How many of these are part time (Less than 30 hours per week)	20
How many of these are full time? (30 + hrs per week)	10

Project Images



Toki Bridge



Balustrades installed



View towards Kawatiri Buller River

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 31 st January 2022
Project Principal/Recipient:	Buller District Council
Project Partner(s):	Ministry for Business, Innovation & Employment (MBIE)
Project Manager:	Phil Rositer
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:	A	The project is following its planned trajectory, albeit with delays in several key project components that will require the first half of 2022 to conclude. Component A (Gravel Extraction) is set to resume in the next reporting period.
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 is considered sufficient to achieve the project intent. Additional private investment is expected to follow this catalyst funding.
Scope:	A	The project intent is clear and a detailed scope has been evolving in response to unforeseen changes (i.e., the July 2021 flood) that has caused a rethink in the focus of work in the bulk shipping precinct.
Resource:	A	Contractor resourcing and availability is constrained and is having an impact on timeliness.
Schedule:	A	Delays in project execution have meant several milestones have passed before the Funding Agreement was executed and the impact of high contractor workloads are becoming more apparent. Current project scheduling indicates a modest extension to the project agreement (currently March 2022) will be required to enable completion of some key tasks (i.e., gravel extraction; harbour office R&M; Port gatehouse security redevelopment).
Risks / Issues:	G	No significant/acute project risks have been identified at this stage other than project timeframes (i.e., completion by March 2022).

State of Play		Last Month	Next Month					
		<ul style="list-style-type: none"> Quiet month (as planned) with contractor standdown for the festive season. On-going planning of bulk precinct works, with engineering and repair concept for Holcim and Kawatiri wharf received. Ablution facility construction commenced. On-going planning work for port entry/exit civil works. Inspection of Talley's wharf area to understand possible repairs required. 	<ul style="list-style-type: none"> Complete a dredging roster in the Buller River using the Kawatiri Dredge. Complete the Ablutions Facility installation. Finalise concept for new Port entry arrangements off Bright Street. Receive timing and estimate for repair of harbourmaster office. 					
Project Road Map/Schedule								
Programme/Project task	Jan '22	Feb '22	Mar '22	Apr '22	May '22	Jun '22	Jul '22	Comments
Work Programme A: Westport gravel removal and seawall repairs								Detailed scoping required to determine accurate schedule. Funding agreement forecast completion by March 2022. Will require until mid-year to complete
Work programme B: Westport bulk shipping and fishing precincts								Upgrade/repair work already underway (some complete). Funding agreement Funding agreement forecast completion by March 2022. Will require until mid-year to complete

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	60	Underway and on-going	
Opening event	31/03/2022	31/07/2022	0		
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	31/12/2021	40	Innumerable tasks and therefore not setting up for one procurement contract. Tasks being procured in-line with scale and complexity and procurement guidelines. Milestone may need to be redefined	
Obtain all consents	31/12/2020	31/05/2021	0	Yet to be defined/commence	
Obtain all property rights	31/12/2020	31/05/2021	0	Yet to be defined/commence	
Award construction contract	28/02/2021	31/10/2021	40	Some construction/repair/maintenance tasks already underway	
Complete construction	28/02/2022	30/06/2022	0		
Opening event	31/03/2022	31/07/2022	0		

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	\$87,640	\$35,000	\$47,640	Additional planning and task coordination required
Engineering assessments and design	\$35,000	\$16,945	\$25,000	\$6,945	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	\$5,000	-\$15,000	Less legal/procurement input forecast
Civils works/site works for gravel extraction	\$1,400,000	\$600,000	\$930,000	\$130,000	Significant gravel volumes identified requiring extraction
R&M to seawalls/wharf back-sheathing	\$460,000	\$17,980	\$150,000	-\$292,020	Nil variance forecast at this stage. Project estimate considered realistic.
Component Total	\$2,000,000	\$722,565	\$1,145,000	-\$132,435	Project tasks being managed to work with available budget
Work Programme B: Westport bulk shipping and fishing precincts					
Project management and coordination	\$40,000	\$21,410	\$42,500	\$23,910	Additional planning and task coordination required
Procurement, legal and tenders	\$20,000	\$14,984	\$5,000	-\$16	Less legal/procurement input forecast
Design and engineering assessment and consents (building consent for ablation block)	\$30,000	\$92,912	\$40,000	\$102,912	Intensive engineering design and assessment input required
Civil works/site works	\$1,210,000	\$294,936	\$800,000	-\$115,064	Nil variance forecast at this stage. Project estimate considered realistic.
Component Total	\$1,300,000	\$424,242	\$887,500	\$11,742	Project tasks being managed to work with available budget
PROJECT Total	\$3,300,000	\$1,474,307	\$1,822,500	-\$3,193	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	No dredging during reporting period
B (Bulk and Fishing Precinct)	12	0	12	0	0	0	1	3 BDC staff; 9 contractors/ consultants; (all part-time)
Total	12	0	12	0	0	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
12	Nil (for the reporting period)	Approximately 15 further roles/jobs are forecast to be involved in subsequent stages/tasks of the project. These will be reported as the project progresses.

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 – Early Schedule Slippage) – As signalled in the Funding Agreement, this project will involve a large number of design tasks and construction workstreams. Many are straight forward, however detailed and coordinated planning takes time and some of the proposed project milestones were technically overdue before the Funding Agreement was executed. Current forecasting indicates a modest time extension will be required to complete some components.	Low-Moderate	High	Proactive communication (risk has been flagged and communicated to Kānoa for months. Agreed to monitor and respond as required.

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	10 of the 12 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 practices that enable the project to be delivered sustainably, including by: - 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. A number of 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

Communication planning and roll-out scheduled to follow scope and construction staging definition.

Additional/Other Information

Nil.

Project Status Reports Report – Westport Water Supply – Stage 1 Trunk Main Renewal (Terrace) – January 2022		
Programme/Project Details		
Location and Region:	Westport Trunk Main - Terrace Section – West Coast	
Project Budget:	\$1,070,980	
Reporting Period:	For the month ending 31st January 22	
Project Principal:	Buller District Council (BDC)	
Project Partner(s):	WestReef Services Ltd	
Project Manager:	Gia Kristel Algie, Calibre Consulting Ltd – Project Manager	
Programme Outcomes:	New PE Trunk Main from water treatment plant to bottom of escarpment	

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

Aspect	Status	Comments
Overall:	G	Successfully installed all PE pipe. Separable Portion 1 works completed. Separable Portion 2 design ongoing. Works commencing on site December 2021.
Budget:	R	An approved variation and other costs have caused an overrun in budget. Options being explored about reducing scope etc. for cost savings.
Scope:	G	Separable Portion 1 (SP1) Original Works has achieved Practical Completion. SP2 (SP2) Variations works including extension of pipeline (600mm), Giles Creek pipe bridge design and construction yet to complete
Resource:	G	(WestReef) Design and Build Contractor. Gia Kristel Algie (Calibre) Project Manager. John Black technical advisor (WSP)
Schedule:	A	Physical works related to the second separable portion will be able to commence around December 2021. Awaiting revised programme from WestReef noting variation related to vehicle crossing requirements near the PRV end of pipeline.
Risks / Issues:	G	Risk & opportunities register included within report.

State of Play	Last Month January	Next Month February
	<p>Separable Portion 1 works completed.</p> <p>Detailed design (bridge section) for Separable Portion 2 ongoing.</p> <p>Separable Portion 2:</p> <ul style="list-style-type: none"> - PE pipe has been welded and strung out along the length from the bottom of terrace to the bridge - Excavation has been completed for the final placement of the pipe - Terrace main has been drained and staff are connecting this main to the new PE 240m on 28th Jan 22 	<p>Received revised programme and contractor documentation for Separable Portion 2</p> <p>Install pipeline extension</p> <p>Bridge crossing design confirmed. Fabricate fittings</p> <p>Contractor to send through pictures and a list of materials procured as part of Separable Portion 1 that can be used elsewhere (next stage).</p>

Updated Project Road Map/ Schedule																					
Project task	May	Jun	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Comments
Tender																					Contract signed end of May 2020 with WestReef Services.
Design																					Design Ongoing for Separable Portion 2.
Site Establishment																					Completed
Construction																					SP2 Construction to commence Physical Works December 2021
Commissioning, Testing Closeout																					Current Contract completion date TBC. SP1 completed. SP2 programme TBC Pressure Testing Commissioning and Close-out by first week of Feb 2022 (TBC)

Milestones					
Milestone	Baseline Date	Actual Date	% Complete	Comments	
0) Letter of intent	14 April 2020	100%			
1) Contract awarded	21 May 2020	100%			
2) Planning and initial site investigations			100%	Site Investigation (Inc. two Geotech visits) Complete	
3) Finalise design		18 December 2020	100%	Updated Detailed design approved	
4) Commence work on site	24 Nov 2020	11 Jan 2021	100%		
4) Pipeline Installation Complete	April 2021	Oct 2021	80%	Separable Portion 1 (Original Contract pipeline installation complete).	
5) Commissioning & Practical Completion	30 April 2021	TBC	N/A	Commissioning by first week of Feb 2022 (TBC)	

Financials (GL 7301556015)

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 to 31 January 2021	Accruals to 31 January 2021	Forecast cost to complete	Project Variance	Commentary
Funding					\$543,500 from Three Waters Reform Grant	
Funding					\$527,480 from BDC annual plan 2020/21	
Westport Terrace Section Trunk Main Contract	\$778,172.00	\$829,463.91	\$0	\$147,242.09	\$0	
Project Delivery		\$184,562.00			\$0	
Total	\$1,070,980	\$1,014,025.91		\$180,242.09	\$122,767.58	Exploring options to bring this in on budget currently

Risks/Issues/Opportunities				
Key risks and/or issues arising are detailed below				
Risk/Issue	Magnitude	Likelihood	Mitigation	
Environmental	medium	low	Contractor has submitted an environmental plan as part of their submissions.	
Slope Stability through site	medium	low	Design has been updated by WestReef to remove any supports from the Terrace Face Geotech and Designer to attend site to confirm design parameters still applicable.	
Increased risk of losing control of PE pipe when laying down the terrace PE pipe	medium	low	WR to lay pipe from top down and will have detailed, methodology plan and H&S plan for installation down the terrace. H&B to provide constructability review of WR methodology	
Delay due to weather	low	low	Works undertaken in Summer months.	
Poor quality Welds to Pipe	medium	low	Comprehensive QA systems and regular testing of welds & reporting	
High Pressure Watermains – causing injury or damage	low	low	WestReef submitted Project Plan confirms staff are trained, qualified and experienced in maintaining /working with high pressure water reticulation systems.	
New Pipeline fails Commissioning testing	medium	low	Addressed in Contractors submitted Methodology - Contractor consideration to pressure testing in section, note complex testing regime for large diameter PE pipes due to pipe expansion.	
Chlorination, surface water contamination	low	low	Addressed in Contractors submitted Methodology - Contractor to control large volumes of discharge of super chlorinated water.	
Construction delay resulting from defective welding machine	low	low	Contractors early reaction to unsatisfactory weld QA data. Machine sent to Christchurch for repair.	
Risk: Change of NZS4129 meaning tendered PE fittings no longer can be certified at the required PN	Medium	Medium	Contractor has proposed alternative fittings. This has been reviewed by John Black of WSP and approved by BDC.	
Risk: Contract at large	Medium	Medium	For variation works, separable portions undertaken. Estimated completion date TBC	
Opportunity: Strengthen Giles creek crossing	Medium	Medium	Scope confirmed and NTC issued. Additional valves to be installed to enable temporary bypass if required as part of emergency plan/ resilience of pipeline	

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
								- Full-time - Part-time - Contractor - Consultant
Westport Trunk Main Terrace								
Buller District Council	1	0	0	0	0	0	0	Full Time
Calibre Group	2	0	0	0	0	0	0	Consultant
WestReef	5	0	4	0	0	0	0	Contractor Fulltime Consultant
Total	8	0	0	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 Note Considering July only
7	0	9

Communications

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

Nothing at this stage.

Project Status Report - Westport Water Supply – Stage 2 Trunk Main Renewal – January 2022			
Programme/Project Details			
Location and Region:	Westport Trunk Main – West Coast		
Project Budget:	\$3,500,000		
Reporting Period:	For the month ending 31 st January 2021		
Project Principal:	Buller District Council (BDC)		
Project Partner(s):	Hadlee & Brunton (Early Contractor Involvement model) Gia Kristel Algie, Calibre Consulting Ltd – Project Manager		
Project Manager:			
Programme Outcomes:	Upgrade the Trunk Main from the PRV to Westport		
Project Overview/traffic Light Status/High-Level Summary (G = Green- Good ; A = Amber- Warning; R = Red - Issue)			
Aspect	Status	Comments	
Overall:	G	Design completed, final design workshop completed, and construction drawings issued for all open trench works. Some value engineering left for the PRV. Drilling works is dependent on design still to be confirmed. Received confirmation from WCRC that Trunk Main works will fall under the permitted activity rules and will not require Resource Consent Work related to easement agreements continues, anticipating close-out in the next few weeks (TBC with Mike Duff). Cleared alignments of scrub and vegetation and commenced preparation of pipe laydown area. Site establishment underway with transport of equipment and machinery. 450mm Pipe delivery underway. Pipe welding management discussions undertaken with specialist contractor and pipe welding has commenced.	
Budget:	G	\$3,500,000	
Scope:	G	Design and Construction to replace the existing Trunk Main from the bottom of the escarpment to the Westport township.	
Resource:	G	David Brunton (Hadlee & Brunton EC), Gia Kristel Algie (Calibre) Project Manager, Fletcher Vautier Moore (S Ritchie), Review legal status of land parcels for proposed alignment.	
Schedule:	A	Targeting Completion end of June 2022 - Awaiting detailed programme, which run concurrently with other works on site, specific to drilling works.	
Risks / Issues:	G	Risk & opportunities register included within report.	

Current Updated Programme		Last Month January	Next Month February
t		<ul style="list-style-type: none"> t Final ground investigations and survey were undertaken. t Carried final design workshop in Westport with Council and BDC to peer review final designs. t Design completed and construction drawings issued for all open trench works. Some value engineering left for the PRV. <i>Drilling works is dependent on design still to be confirmed.</i> t Received confirmation from WCRC that Trunk Main works will fall under the permitted activity rules and will not require Resource Consent t Work related to easement agreements continues, anticipating close-out in the next few weeks (TBC with Mike Duff). t Colls Surveying installed several control points for machine operated GPS equipment. t Cleared alignments of scrub and vegetation and commenced preparation of pipe laydown area. t Fencing reconfiguration done at PRV location and Utopia farms t Site establishment underway with transport of equipment and machinery. 450mm Pipe delivery underway. Pipe welding management discussions undertaken with specialist contractor and pipe welding has commenced. 	<ul style="list-style-type: none"> t Easements and access agreement formalized t Site establishment, ground works at PRV (expected) to commence t Deliver all the 450mm and 400mm pipe to site and continue welding into strings. t Get precast concrete covers constructed for swale crossings. t Create vehicle access and pipe laydown area in Cresswells t Receive final PRV Design – Construction Drawings from H&B

Project task	Updated Project Road Map/Schedule												Comments							
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Contractor Optioneering																				
Design Optioneering Workshop																				
Contractor Developed Design																				
BDC Approval of Developed design																				
Resource Consents and Easements and access Agreement																				Draft agreement to grant easement between the Council and landowners in place. Working on getting formalised agreements.
Detailed Design																				Detailed design for drilling works to continue concurrently with construction works.
Construction																				Awaiting Confirmation of specific programme
Commissioning																				Sequential testing of sections of new Pipe laid.
Draft Completion Date																			◆ 30 June 2022	

Milestones	Milestone	Baseline Date	Actual Date	% Complete	Comments
1) Signed ECI Contract		18 Dec 2021		100%	
2) Design Optioneering Workshop with BDC		12 Feb 2021	29 Jan 2021	100%	
3) Confirmation of Preferred method and material type		26 Feb 2021	30 March 2021	100%	
4) BDC Approval of Developed Concept design		5 March 2021	30 March 2021	100%	
					Note design process will continue beyond construction start date as work will be delivered in sections.
5) Detailed Design Commences		8 March 2021	01 April 21	90%	
					(Open Cut Sections)
					Dec 2021
					Drilling TBC
6) Design Process Complete		13 Aug 2021			
7) Resource Consents lodged		15 March 2021	NA		
8) Start Construction		12 April 2021	Dec 2021		Construction in Stages with overland jumper main to mitigate risk of damage to existing main during work.
9) Sequential testing and commissioning		7 July 2021	TBC		As Pipe sections are laid the pipes will be tested in sections
9) Construction completion		26 Nov 2021	TBC		
10) Final Commissioning and Testing		10 Dec 2021	TBC		

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 Budget Cost	Actual Spend to 31 January	Accruals to 31 January	Forecast cost to complete	Project Variance
Funding					\$3,500,000 from Three Waters Reform Grant
Westport Trunk Main Project	\$3,500,000	\$1,434,416.88	\$87,586.66	\$1,977,996.46	\$0
Project Delivery				\$0	
Total	\$3,500,000			\$0	

Risks/Issues/Outcomes		Key risks and/or issues arising are detailed below			
Risk/Issue	Magnitude	Likelihood	Mitigation		
Damage to existing watermain when installing new main	medium	low	Narrow Easements, use of temporary above ground jumper main, work in sections and isolate work, Renew in section and pressure test. New Alignment proposed to avoid Stephens Road and Kiwi Rail Land		
Ground Conditions – High Water table/orgamics	medium	low	Equipment Selection, Selection of Wrapped Ballast/bedding material, Pumping and Dewatering.		
Environmental Management Plan	low	low	Dewatering Issues and handling of super chlorinated water included in Assessment of Environmental Effects.		
Resource Consenting	medium	low	Early involvement of WCRC in Optioneering workshop to promote collaboration.		
Traffic Management /Rail Corridor	low	low	Investigation and suitable planning.		
Cost Escalation	medium	low	Estimates during Optioneering. May be mitigated by reduction in overall length of pipe or termination point under this project. Note current plan includes new pipe to Derby Street.		
Difficult Land Access	medium	low	Early consultation interaction by Council to enable mitigation through discussions with landowners / Iwi/ Kiwi Rail		
Archaeological	low	low	Check records and determine impact on consenting.		
Existing Easement Status	medium	medium	Early assessment of the Status of Easements requires confirmation and mitigated through Council assistance in clarifying existing status.		
Weather / Rain	medium	medium	Significance of Wet Weather will be determined by choice or method of construction. Open trench more significant than Lining Option or Trenchless Installation method.		
Earthquake-induced liquefaction (settlement and lateral spreading) based on a 1:500 ULS event	Medium	Medium	Additional geotechnical investigation conducted to refine assessments and provide options for best alignment shift and depth of pipeline. Review critical areas and review construction methodology. Pipe material performance in this type of event will also be considered. Build resilience in network design.		

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
BDC Council Staff	1	0	1	0	0	0	1	- Full-time
Hadlee & Brunton	2	0	0	0	0	0	0	- Part-time
Calibre Group	2	0	0	0	0	0	1	- Contractor
Total	5	0	0	0	0	0	2	- Consultant

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 Note Considering May only
5	0	5

Communications
An update on media, marketing and communication activity for the programme/project Affected Landowner consultation ongoing by Council and H&B.

Project Status Report – Punakaiki Water Supply – Trunk Main Renewal - January 2022



Programme/Project Details		
Location and Region:	Punakaiki – SH6 – West Coast	
Project Budget:	\$502,500.00 (Currently exploring options of a transfer of funds)	
Reporting Period:	For the month ending 31 st January 2022	
Project Principal:	Buller District Council (BDC)	
Project Partner(s):	West Reef (Early Contractor Involvement model), PDP with H&B as Integrated Owners team for design and constructability review	
Project Manager:	Lloyd Gauntlett, Callibre Group – Project Manager	
Programme Outcomes:	Stage 2&3 (1.3km) portion of 1.7km of Upgraded trunkmain from existing treatment plant to township	

Project Overview/traffic Light Status/High-Level Summary (G = Green; A = Amber; R = Red)		
Aspect	Status	Comments
Overall:	G	Practical completion walkover set for Wednesday 29 th November. Very little departure from updates last month
Budget:	R	\$502,500 confirmed (\$495,500 from Three Waters Reform Grant, originally \$40,000 from Council Annual Plan but overspend in 20/21 financial year has decreased available budget).
Scope:	G	Replace critical sections totalling 1.3km of the existing 2.3km pipeline, between Existing Treatment Plant near Hartmount Place to Bullock Creek Bridge. No creep of scope observed to date
Resource:	G	Pipe Sizing Design (PDP). Lloyd Gauntlett (Callibre) Project Manager. Hadlee & Brunton as Owners Engineers for Alignment Design. WestReef as ECI contractors and construction.
Schedule:	G	Physical works now complete, approximately 5 weeks of EOT observed over contract period.
Risks / Issues:	G	Risk & opportunities register included within report.

State of Play		Updated Project Road Map/Schedule																
Last Month January		Next Month February																
Practical completion final walkover Completing defects outstanding that prevent practical completion AsBuilt drawings completed		Asbuilt drawing issued to BDC Practical completion Certificate issued Enter Defects liability period 50% release of retentions once Practical Completion is issued																
Project task	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Comments
Planning																		
Design																		Designers engaged November. First design submitted to BDC 22 nd December 2020
Approvals																		As ECI
Procurement																		Construction Contract to be Undertaken by WestReef as ECI
Site Establishment																		As per NZTA and ECI
Construction																		Commence Early April 2021, completion stage 2 early August 2021. Contract completion delayed due to Flooding and Covid-19 (Contact completion end October 2021)
Closeout																		Defects Notification Period and as-built will follow Construction Completion

Milestones					
Milestone	Baseline Date	Actual Date	% Complete	Comments	
1) Planning and initial site investigations	22 Sep 2020		100%	PDP and H&B engaged; site meetings held	
2) Principals Requirements	18 Dec 2020		100%	Pipe size confirmed by PDP memo 17/12/2020 BDC requirements confirm in email dated 24/11/2020	
3) Submitted Design	19 Jan 2021	19 Jan 2021	100%	100 % of the pipeline designed and reviewed by BDC	
4) Design approved by BDC	26 Jan 2021	28 Feb 2021	100%		
5) Contractor to Start Construction	1 Feb 2021	03 May 2021	100%	Pipes purchased commence install early May	
6) Complete construction	1 June 2021	29 October 2021	100%	Stage 3 complete	
7) Project closeout	30 June 2021		98%	Initial Defects walkover Friday 5th November. Follow up defect's walkover 29 th November. Awaiting final drawings, Practical completion expected 11 th Feb.	

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 + Accrual Spend to January 22	Forecast cost to complete	Project Variance	Commentary
Funding					\$496,500 from Three Waters Reform Grant
Funding					Was \$40,000 from BDC Annual Plan 2020/21 minus \$34,000 expended in 20/21 year.
Site works	\$412,921	\$31,005.90			Withholding retentions once Practical Completion issued 50% release of retentions.
Project Delivery	\$172,579	\$6,400.00			Actual spend includes approx. \$60K pre contract works
Total	\$502,500	\$559,451.18	\$4,431	-\$94,357.08	Overspend (currently exploring options of a transfer)

Risks/Issues/Opportunities See risk register below				
Key risks and/or issues arising are detailed below				
Risk/Issue	Magnitude	Likelihood	Mitigation	
Budget Exceeded or Budget inadequate	medium	medium	Reduce scope of works on amount of pipe laid. BDC to consider if shortfall can be made up from additional funding from Annual Plan to enable WRSL to lay total 1.3km stage 2 & 3	
Pipe size not confirmed, or delay in approving by BDC	medium	low	Pipe size confirmed by designers and contractors. Order placed with supplier and pipes now on site.	
Pipe not laid before NOC Footpath construction	medium	low	WRSL are undertaking both contracts therefore any potential issues are raised quickly. Calibre team to respond quickly to variation requests	
NZTA communication	low	low	Hadlee & Brunton to be point of contact with local NZTA project manager for footpath works and manage relationship.	
Incorrect Public awareness and messaging	medium	low	Council maintains newsletters and update currency of information on Council website.	
Existing Fragile Pipe to be kept in service until new pipe sections installed	medium	medium	Prior to any works commencing adjacent to the existing PVC line, a detailed methodology plan has been submitted, and meeting held with Engineer to ensure methodology plan is accepted. Pipe repair materials kept onsite, and Klip Tanks maintained at approx. 80% full.	
Pipe installed in all areas where footpath is to be constructed over pipeline	medium	medium	WRSL laid additional 90m of pipe beneath stage 4 footpath. Sequencing of stage 3 at treatment plant to ensure that pipework is installed beneath west side of road footpath at tie in with Hartmount Place	
Shutdowns and stage liveining	medium	medium	Plan of shutdowns and living to be supplied by WRSL	
Service Connection 5 within stage 2	low	low	Existing lateral within SH berm to tie into service connection 4 road crossing. Shutdown to be included within stage 2	
Completion of stage 3 to a point of commissioning	low	low	Additional funding sought to complete Provisional Items. This will allow complete construction of Stage 3. Plan in place to leave Hartmount PI unconstructed to enable full connection to treatment plant.	

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
								- Full-time - Part-time - Contractor - Consultant
Punakaiki Trunk Main Renewal								
Buller District Council	1	0	1	0	0	0	0	Part Time
Calibre Group	2	0	0	0	0	0	0	Consultant
WestReef	3	0	3	0	0	0	0	Contractor
Hadlee and Brunton	0	0	0	0	0	0	0	Contractor
Total	6	0	4	0	0	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 Note Considering February only
6	0	0

Communications

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

No further updates as the project is expected to be practically complete by 11th February.

Project Status Report – Reefton Water Supply Upgrade – January 2022



Programme/Project Details		
Location and Region:	Reefton – Township – West Coast	
Project Budget:	\$1,440,000	
Reporting Period:	For the month ending 31 st January 2022	
Project Principal:	Buller District Council (BDC)	
Project Partner(s):	ERPRO, Tru-Line Civil	
Project Manager:	Lloyd Gauntlett, Calibre Group – Project Manager	
Programme Outcomes:	Four work packages; (B) Renew existing large reservoir, (D) Construct a Dedicated Rising main, (E) Construct a new Falling Main and (F) Construct a New Pressure Water Main and Pressure Controlling Infrastructure	

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

Aspect	Status	Comments
Overall:	G	Construction progressing well. Commissioning of full system due first week of December.
Budget:	R	A number of desirable variations not carried out due to funding constraints. Funds spent on chlorination to date to be journalized to respective job.
Scope:	G	Project nearing completion and in line with scope. Further power and telemetry upgrades required at time of chlorination works.
Resource:	G	TLC physical works nearing completion. Some tidying works required when all telemetry componentry received from supplier.
Schedule:	A	Practical completion scheduled for 11 th February 2021. Contractual completion date is currently 16 th September. EOT has not been granted although may need to be negotiated. Risk of delays causing water shortage over the summer months is minimal due to reservoir now in operation.
Risks / Issues:	A	Updated Risk & opportunities register included within report. PCN closeout required to mitigate risks

State of Play		Last Month January												Next Month February											
Booster pump testing and commissioning Construction of flow meter and earthquake valve enclosures Grass seeding of slip faces. Remediation of site for Practical Completion TLC as-builting												Practical completion targeting for issue on 4 th February AsBuilds handed over to BDC Entering into defects and liability period once practical completion is issued													

Project Road Map/Schedule

Project task	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Comments
Planning																Ongoing throughout design build project
Design																Ongoing – Design #3 submitted and reviewed.
Approvals																Ongoing – Design changes being tracked
Site Establishment																Establish for work packages B, D and E on acceptance of design
Construction																Work packages B, D and E anticipated to start mid-July
Closeout																Disestablishment 11 th February

Milestones	Milestone	Baseline Date	Actual Date	% Complete	Comments
0) Contract awarded	0) Contract awarded	06 October 2020	06 October 2020	100%	
1) Planning and initial site investigations	1) Planning and initial site investigations	March 2021	March 2021	100%	Site Investigations including Geotechnical investigations of Donovan Street completed
2) Finalise design	2) Finalise design	01 July 2021	14 July 2021	100%	Design Revision 3 submitted and reviewed by EPRRO. BDC to approve complete design package
3) Construction through Campground area	3) Construction through Campground area	8 Dec 2020	18 Dec 2020	100%	
4) Construction Buller Road Main	4) Construction Buller Road Main	18 Jan 2021	April 2021	100%	Infrastructure installed and sealed between Elisabeth Street and Potter Street. Pressure and Chlorine testing completed and passed.
5) Construction Reservoir Improvements (Package B)	5) Construction Reservoir Improvements (Package B)	1 Nov 2021		99%	Bladder placed and reservoir operational. Some outstanding remediation works
6) Construction of watermains up Donovan St to reservoir (Package D & E)	6) Construction of watermains up Donovan St to reservoir (Package D & E)	09 Sept 2021		99%	Remediation works to be complete
7) Construction of boosting pump station and retention vessel (Package F)	7) Construction of boosting pump station and retention vessel (Package F)	8 Nov 2021		99%	Booster pumps commissioned. Some remediation works
8) Project Close Out	8) Project Close Out	09 Dec 2021		80%	Date based on TLC Programme. Target Practical Completion early 4 th of February 22.

Financials (~10019~ GI 7311556009)

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

Programme/Project Item	Indicative Final Cost	Actual Spent to 20 Jan 2022	Accrual Spend to 20 Jan 2022	Forecast cost to complete	Project Variance to Budget +ve over -ve under	Commentary
Financial					\$1.44 M BDC 2020/21 budget	
Reefton Water Supply Upgrade Contract	\$1,253,102	\$1,065,841.13	\$12,990.90			Six progress claims to date. Anticipated total cost to complete. Some OPEX cost & works associated with power and Telemetry could be removed from this contract and retain original scope, and a large proportion of the current estimated overrun could be deferred to later and be done as part of the Chlorination project
Project Delivery	\$315,068	\$359,622.22				
Total	\$1,440,000.00	\$1,425,463.35	\$12,990.90	\$199,307.12	\$184,770.47	Overspend

Risks/Issues/Opportunities				
	Key risks and/or issues arising are detailed below			
Risk/Issue	Magnitude	Likelihood	Mitigation	
Risk: The Community acceptance and perception regarding Chlorination	high	medium	Council due process in considering the requirements to Chlorinate from a public health perspective. Need to implement a good communication strategy to inform the community of progress. This will be managed as a standalone sub project of the main upgrade works	
Risk: Public awareness and messaging is not working	medium	medium	Council issues regular newsletters informing the community of progress and update currency of information on Council website maintaining consistent messaging.	
Risk: Public users of DOC access track to upper walking tracks unhappy that access track off limits during construction	medium	medium	Council issues media release informing the track users of alternative routes in lieu of DOC access tract that are still available to be used to access the upper walking tracks	

Risk/Issue	Magnitude	Likelihood	Mitigation
Opportunity to replace existing old laterals that connect into the proposed new watermain in Buller Road	low	medium	Variation approved for up to 30 properties.
Opportunity: To utilise Donovan Street for rising falling main access to the treatment plant	medium	medium	Communications to update with adjacent landowners conducted once designs and site investigations are completed and approved. Contractor to apply for temporary access to DOC portion of access track.
Opportunity: Install new sealed water bladder membrane in the existing water reservoir	medium	medium	Contractor design submitted and approved by ERPRO and BDC. TLC to confirm maintenance requirements of bladder system.
Risk: Service strike during construction	Medium	Medium	Tru-Line Civil are using local maintenance contractor to mark out existing services prior to excavations.
Risk: Scope creep	Medium	Medium	BDC Project Change Notice in audit by BDC
Risk: Information not issued to relevant parties	High	Medium	ERPRO design review #2 not issued to Engineer to contract. Lines of communication now agreed and documentation to be submitted to the PMO group.
Risk: PCN 02 Donovan St Alignment. Geotechnical failure risk to pipeline and properties below. Stormwater flows may worsen flooding to properties	High	Medium	Design statements supplied by Geotechnical Engineer that the works will not worsen the current slope stability.
Opportunity: PCN 04 Bladder proposal. Increase in resilience and reduction in maintenance.	Low	Medium	Maintenance requirements provide by TLC

Risk/Issue	Magnitude	Likelihood	Mitigation
Risk: PCN 05 Pressure reduction valve. Risk damage to reticulation system if crossover valves are opened and a link formed between the rising to reticulation.	High	Medium	Clarification gained from TLC and their designer that pressures cannot exceed current operating pressures if the cross over valve is opened.
Risk: PCN 06 Removal of balance tanks. Chlorination controls need a feed from pre and post HRT within close proximity of controls.	Medium	Medium	Confirmation sought from ERPRO that retention times are available to Donavan Street where a Telemetry analyser will send readings back the dosing equipment at the WTP
Risk: PCN 12 Direct Chlorine dosing of the reservoir. With the introduction of bladder, no provision for improved dosing available	High	Medium	Alternate backup dosing point to be provided at the WTP in case of primary dosing failure. Reticulation to reservoir highly resilient and sealed therefore reducing risk of recontamination.
Risk: PCN 13 Installation of earthquake valves. No proposed protection against the rising main	Medium	Medium	TLC designer intended to protect against failure in the reticulation system as new rising main is a robust pipe and unlikely risk to failure. BDC desire to add earthquake valve to rising main if the budget permits.
Risk: Reservoir works delayed until summer during peak demand	Medium	Medium	Conformation regarding design acceptance to be given as quick as possible. TLC prepared to commit onsite resource mid-July.
Risk: network failures beyond the control of the works causes inability to meet demand during critical phases of changeovers etc.	High	Medium	Sequencing of changeovers thoroughly planned, and methodology presented by TLC to ensure critical changeovers do not compromise the network for extended periods of time. Reservoir to be near full when any works carrying risk of prolonged outage or accidental discharge are to be undertaken.
Failure of reservoir access track due to slope exposure or weakening during construction	High	High	TLC remains actively responsible for maintaining the access track to current condition and level of service throughout contract. Checks completed by the delivery team are ongoing. At completion of contract, TLC are to provide a statement via their Geotechnical Engineers that the access track is left in existing condition and not worsening the hillside stability.

Electronic componentry extensive lead time which may push the booster pump commissioning date beyond November	Medium	Medium	Order for componentry placed by subcontractor beginning of October. If booster pumps are not operational, system may be run with a minimum of existing capacity without the additional filters in the WTP. Continued leak remediation through reticulation increases system resilience
Overwork pumps when making up shortfall in water over changeover period	Low	Low	2 pumps available in Well. One shut down over the period of filling reservoir to offer redundancy with second pump. A third pump is located within Reefton for change out if required. Pumps not operated beyond their specified duty cycle.

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
								- Full-time - Part-time - Contractor - Consultant
Reefton Water Supply Upgrade								
Buller District Council	1	0	1	0	0	0	1	Part Time
Tru-Line Civil	4	0	5	0	0	0	0	Contractor
Calibre Group	2	0	0	0	0	0	0	Consultant
ERPRO	0	0	0	0	0	0	0	Consultant
Total	7	0	6	0	0	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 Note Considering February only
10	3	0

Communications

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

No more project updates expected as completion is 4th February. Media release about project completion.

Project Status Report – Waimangaroa Water Supply Upgrade – January 2022	
Programme/Project Details	
Location and Region:	Waimangaroa Water Supply Upgrade, West Coast
Project Budget:	Current revised budget approved by Council \$1.95M as at 30 Aug 2021 + Existing Costs of \$350K
Reporting Period:	For the month ending 31 st January 22
Project Principal:	Buller District Council (BDC)
Project Partner(s):	ERPRO, Terra Forma, Colls Surveying, Stantec - ECI – Raw Water Main- West Reef Services Ltd, W2, WSP Opus
Project Manager:	David Chung, Calibre Group – Project Manager
Programme Outcomes:	Upgrade the existing raw water supply and install a water treatment plant to improve resilience and water quality

Project Overview/traffic Light Status/High-Level Summary (G = Green- Good ; A = Amber- Warning; R = Red - Issue)		
Aspect	Status	Comments
Overall:	A	The project is in its delivery readiness phase. Tender awarded to WestReef Services Ltd for the Raw Water Component that encompasses Alternative C Value Engineered Option reduced budget of \$400K . WTP Request for Tender in the open market closed on the 18 November 201. Tender evaluation has been completed and draft tender Evaluation report issued to Council staff for review. CAP funding application is no longer available with the Council's decision to go with the value engineered Alternative C. Resource Consent application for raw water components being finalised, and target for submission end of November 21
Budget:	R	Council Funded. Budget approved by the Council at the meeting on the 26 th of August 2021 confirmed acceptance of the \$1.95M budget + sunk costs to date of \$350K. Council resolved an approved total project inclusive of sunk costs to date up to 31 Aug 21 of \$2.3M. Going forward from the 31 Aug 21 there is \$1.95M allocated and is comprised of a \$450K allowance (contingency) for estimate and event risk. \$400K will be invested into the most critical elements of the raw water system, and up to \$900k has been budgeted for the WTP. The balance of \$200k is allocated for project delivery. Currently no Council approval to change budget, but it will be important to see what comes back in terms of tender prices for the WTP
Scope:	G	Waimangaroa Water Supply Conns Creek Upgrade - Initiated the process to commence work to prepare the necessary consenting for the project which can now be finalised with Council's decision of the 26 August, so that the scope of works can now be confirmed with WRSI, based on their initial tender submission. Now that raw water scope confirmed, revised preliminary information has now been supplied to WSP to complete the Resource Consent application. Total max value of the of raw water components to enable of raw water scope to meet current budget of \$422K (includes a contract contingency) has been agreed with WRSI. WTP tender has been evaluated but awaiting Council response to tender evaluation report. Until we get a direction from Council the resource consent application for this phase of the project cannot get underway, since it will be dependent on the preferred tenderers concept design.
Resource:	G	David Chung (Calibre) Project Manager. EPRO & Stantec (process engineers), Terra Forma (geotechnical), Colls (surveying) West Reef Services ECI Contractor, W2 Subconsultant to WRSI, WSP Opus (Planning Consultants for consenting)
Schedule:	G	Draft BDC project timeline supplied and updated to reflect consenting on critical path and WTP potential delivery.
Risks / Issues:	A	Risk & opportunities register updated, and currently main risk is lack of extensive water quality data that affects the quality of the tenders for the WTP and extensive tender tags. Current market is also very tight so there may only be limited number of tenders received for this contract If WTP tenders exceed \$900K approved allocation so Council will need to decide what to do with the project
		Waimangaroa Community Stakeholder unhappy with the process and costs to date

State of Play	Last Month's December & January 2022	Next Month February 2022
	<p>Completed tender evaluation for WTP design and construct tender</p> <p>Raw Water Contractor commenced planning of permitted site works and submission of H&S plans and insurances</p> <p>Resource Consent for Raw Water Contract submitted</p>	<p>Commence any raw water site works as a permitted activity under regional plan that does not require a resource consent</p> <p>Finalize raw water design components, and order materials</p> <p>Council decision on WTP Tender Evaluation</p>

Project Road Map/Schedule Update as of 26 Jan 22																					
Project task	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sept 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	Jun 22	Jul 22	Comments
Due Diligence and Site Investigation.																					
CAP Funding																					ERPRO re-submit funding application 22 April 21
ECI Raw Water Contract and Develop Detailed Design																					Validation Workshop held on 22 Mar 21 3 No. Additional Tender Event mtgs held with ECI WRSL to confirm award
Council Approval																					Date - 30 August 2021
Resource Consenting																					Commence work for RC application in April, reliant on conformation of methodology and disturbance as part of application . High Heritage value sand conservation area
Procurement of WTP																					WTP tender closes in November / Award Jan 22
Construction Raw Water																					Reliant on Resource Consent approved
Construction WTP																					Reliant on Council direction to award tender & Resource Consent approvals
Commissioning																					
Closeout																					July 2022

Milestones	Baseline Date	Actual / Anticipated Date	% Complete	Comments
1. Planning and initial site investigations	25 Jan 2021	100%		Site Investigation and Concept design almost complete – summary report being produced for Council
2. Application for CAP funding \$400K	26 March 2021	22 April 2021	100% Complete	A funding application to the Ministry of Health Capital Assistance Programme (CAP) of \$400,000 that was previously approved has now lapsed and will require re-application to re-secure this additional funding
3. Design Workshop / Validation	26 Feb 2021	08 March 2021 & 22 March 2021	100%	Workshop with Early Contractor Involvement, Raw Water Indicative Date Only
4. Full Concept scheme design approval	21 May 2021	22 March 2021	100%	Now Changed based on Council Resolution 26 Aug 2021
5. Procurement of raw water ECI contract	12 May 2021		100%	Dependent on Council resolution of 26 Aug 2021 acceptance and due diligence with WRSI.
6. Raw water final design approval	Dec 2021	Feb 2022	80%	Indicative Date Only
7. Start Construction work- Raw water contract	Feb 2021	Nov 2021	10%	Indicative Date Only
8. Complete Raw Water Contract		June 2022		Indicative Date Only
9. Commence Procurement – WTP	August 2021	September 2021	100%	Indicative Date Only
10. Start Construction work- WTP contract	March 2022			Indicative Date Only
11. Complete construction	June 2022- July 2022	Dec 2022		Indicative Date Only Dependent on Tenders Received
12. Project closeout - Commissioning and Testing	July 2022	Dec 2022		Indicative Date Only

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 Budget	Actual Spend to 01 Jan inclusive of accruals	Forecast cost to complete	Project Variance	Commentary
Conns Creek WS Upgrade WTP & Storage & Rising/ Falling Mains Alternative C (Value Engineered)	\$900,000				This budget is very dependent on the final tender price accepted by Council, as the Open Market Tender Price could be quite different to the Council approved budget of \$900K
Conns Creek WS Upgrade Raw Water Component Alternative C (Value Engineered)	\$420,000				
Project Delivery	\$550,000	\$467,884.82	\$162,100	\$80,000	Contract Timeframes for the WTP construction completion could extend to end Dec 2022, which is 6 months more than originally programmed for. Additional consenting costs for separate WTP resource consent.
Contingency – Estimate & Event Risk	\$430,000				
Total	\$2,300,000	\$467,900	\$ 1,746,300	\$ 85,300	

Key risks and/or issues arising are detailed below for Alternative C Value Engineered			
Risk/Issue	Magnitude	Likelihood	Mitigation
Risk: Budget - WTP	High	medium	Actual Tenders for WTP & Storage & Rising and Falling mains exceeds the \$900K budget approved . Construction of Scheme might need to be staged, elements removed,
Issue: Insufficient quantity of Water Sampling data issued as part of WTP RFT , so risk of tenders being too high or too low or not appropriate for the water quality	medium	medium	Ensure robust RFT to ensure Tenderers provide as much detail on their proposed designs and limitations. Have a well detailed tender valuation plan and ensure water specialist (Stantec) is available to assist in the evaluation of the technical aspects of the tender submissions.
Risk: Slips/Debris blocking intake	medium	medium	Relocate intake to new location assessed by the Geotechnical consultant. Provide some protection to intake but allow for easy repair in lieu of a concrete structure
Risk: Local Slips effecting pipe route resilience	medium	low	Repair as and when required. Provision of access track under Value engineered option will enable easier access to the existing pipeline for urgent repairs
Risk: Community opposed Acceptance of proposed upgrade work	High	Medium	Council to provide transparent messaging to differentiate the work from negative aspects such as local rates increase. Community newsletter and Council Communications team to provide messaging.
Risk: Cost Estimate too low	medium	medium	The cost estimates for the Council approved budget have a \$50K contingency inbuilt into the overall budget to cover estimate and event risks. RFT for WTP allows them to flexibility in their tenders to propose their solutions to meet the end treatment targets, that could reduce final treatment capital costs.
Risk: Public Awareness / Consultation	medium	medium	Have robust stakeholder, communication & consultation plans and ensure that it is implemented and updated as required. Carry out regular contact with the Waimangaroa community
Risk: Timing of Work - Fish Passage	low	low	Consideration given to NZ Fish Passage Guidelines and timing for working in streams. Main Intake works are minor so much less impact to fish passage
Risk: Resource Consenting	medium	Medium	Timeframes for consent preparation and evaluation by WCRC to be factored into programme. Currently part of the areas in Conservation land administered by DOC where the existing pipeline is located has and has major historical significance to Heritage NZ and DOC. Revised scope has a lot less disturbance so should make consenting easier
Opportunity – Look at Suitable Alternative Intake Supply during works- No Name Creek	low	low	Plan for Alternative Intake Supply- No Name creek as a secondary source. Get WCRC to approve an additional water take from this source to act as back up to primary intake. Currently due to collapse of Primary intake this second source is being used to supply Waimangaroa.

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
								- Full-time
								- Part-time
								- Contractor
								- Consultant
Waimangaroa Water Supply Upgrade								
Buller District Council	2	0	2	0	0	0	0	Full Time
Contractor	3	0	3	0	0	0	0	Consultant
Calibre Group	1	0	0	0	0	0	0	Consultant
WSP OPUS	2	0	0	0	0	0	0	Consultant
Richard Nichol Ecology	1	0	1	0	0	0	0	Consultant
Stantec	2	0	0	0	0	0	0	Consultant
Total	11	0	6	0	0	0	4	

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
11	2	5

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

BDC (Eric De Boer) to maintain contact with Matt Creedon who is the contact for Waimangaroa Community Group. Newsletters coming out Feb

FINANCE, RISK AND AUDIT COMMITTEE

16 FEBRUARY 2022

AGENDA ITEM 8

Prepared by Rod Fox
Group Manager Commercial and Corporate Services

AUDIT MANAGEMENT ACTION POINTS

The Audit Management Letter has not yet been received from Audit New Zealand.

This information is expected to be delivered late next week and will be brought to the Finance, Risk and Audit Committee or Council as soon as it is available

T

1. DRAFT RECOMMENDATION

That the Finance, Risk and Audit Committee receive the existing Audit Management Action Point for information.

AUDIT NZ - MANAGEMENT ACTION POINTS

Priority	Explanation
Urgent	Needs to be addressed <i>urgently</i> . These recommendations relate to a significant deficiency that exposes the District Council to significant risk or for any other reason need to be addressed without delay.
Necessary	Address at the earliest reasonable opportunity, <i>generally within six months</i> . These recommendations relate to deficiencies that need to be addressed to meet expected standards of best practice. These include any control weakness that could undermine the system of internal control.
Beneficial	Address, <i>generally within six to 12 months</i> . These recommendations relate to areas where the District Council is falling short of best practice. In our view it is beneficial for management to address these, provided the benefits outweigh the costs.

Status of previous recommendations

Set out below is a summary of the action taken against previous recommendations.

Priority	Priority			Total
	Urgent	Necessary	Beneficial	
Open	0	6	0	6
Implemented or closed	0	2	0	2
Total	0	8	0	8

OPEN RECOMMENDATIONS

Recommendation	First raised	Responsible	Management comment	Status	Planned completion	
Necessary						
Rates review	Wholesale changes are needed in rates as there are antiquated differentials and many fixed amount targeted rates.	2013/2014 audit	Group Manager Commercial and Corporate Services	Council consulted during January/February 2021. The proposal was not adopted by Council. The rating database is to be reviewed. A report will be presented to Council in February 2022 to determine a direction forward.	In progress Public have been consulted regarding proposed rate changes but these have not been agreed upon. An audit of our rating is being undertaken and a report, with recommendations, will be presented to Council on completion.	June 2022
PAYE and WHT tax compliance	The Council should seek to address the recommendations raised by PwC at the earliest opportunity.	2018/2019 final audit	Group Manager Commercial and Corporate Services	Management has already implemented major recommendations from the advice provided based on risk. There are 2 recommendations still to be implemented.	In progress PwC raised 42 findings in their report for the District Council to consider. 40 of these have been completed and resolved and 2 are outstanding. There are no high-risk findings yet to be addressed.	December 2021
Performance measures	We made several recommendations to enhance the performance reporting of the District Council and reduce rework. We made the following recommendations for enhancements to the performance reporting of the District Council and to reduce the amount of rework required in preparing the annual report: Usefulness and wording of measures <ul style="list-style-type: none">Where performance is "achieved" and "not achieved", consider providing additional information helpful to the reader to provide context for significant variances. Detail of the	2018/2019 final audit	Group Manager Commercial and Corporate Services	Management will continue to improve quality assurance processes and will include management review of key performance measures reporting on Council activities. KPI's have been reviewed as part of the LTP process. Management has imbedded a practice of upwards review of the end-of-year performance information.	In progress Enhancements currently being made to fiscal reporting to show greater details and more frequently.	December 2021

Recommendation	First raised	Responsible	Management comment	Status	Planned completion
Necessary	<p>District Council's actions on how to resolve "not achieved" targets would also be beneficial.</p> <ul style="list-style-type: none"> • Ensure the reported result is aligned with the target and the measure. • Review the wording of measures to ensure they are understandable by the reader and add in any explanatory information via a footnote to clarify if required. <p>Other observations</p> <ul style="list-style-type: none"> • We encourage management to imbue a practice of upwards review of the year-end performance information. This will ensure discrepancies such as incorrect traffic light colours and other minor errors are identified and corrected early. <p>Setting of targets</p> <ul style="list-style-type: none"> • Review the targets to ensure they include realistic stretch; • Review the targets to ensure they are measurable, specific and are aligned with the measure; and • Once the target is set, ensure there are processes in place to measure the performance. We identified that some established targets were not measurable by the District Council. 				

Recommendation	First raised	Responsible	Management comment	Status	Planned completion
Necessary					
Reconciliations between the general ledger and asset management systems					
We recommend that the asset management systems are reconciled to the general ledger more regularly (at least quarterly).	2019/2020 interim audit	Group Manager Infrastructure Services	Noted.	Pending A reconciliation between the general ledger and asset management system was prepared at year-end. We will follow up on the implementation of quarterly reconciliations at our next interim audit visit.	TBA
Breach of Treasury Management policy					
We recommend that Council should ensure that it is compliant with its Treasury Management policy either by updating the policy or by ensuring its borrowings are in line with the limits in the Treasury Management policy.	30 June 2020 final audit	Group Manager Commercial and Corporate Services	Council has prudently managed debt so that savings are made. Holdings lines of credit which are not required increases the cost to Council. The risk is low because Council can access the facilities when they are needed, and it has sufficient cash reserves. In these times of low interest rates the refinancing limit of 40% is not seen as important. Again, the best approach has been used to minimise the cost of finance for Council. These parts of the policy will be an area of focus when this policy is next at scheduled review.	Pending Due for review in February 2022.	June 2022

Recommendation	First raised	Responsible	Management comment	Status	Planned completion
Necessary					
Evidence of year-end review of journals					
We recommend that the Management Accountant's review of the year-end journals should be evidenced.	30 June 2020 final audit	Group Manager Commercial and Corporate Services	All journals are peer reviewed and this is evidenced on the journals which are stored in hard copy with the supporting evidence for each journal. There is an additional end of year online review completed in spreadsheets which is done as a quality assurance step for the end of year accounts. Council is happy to add the reviewer name and date to this spreadsheet.	Pending Review will be completed when 30 June 2021 end of year results are finalised.	October 2021

FINANCE, RISK AND AUDIT COMMITTEE

16 FEBRUARY 2022

AGENDA ITEM 9

Prepared by Rod Fox
Group Manager Commercial and Corporate Services

COMMERCIAL AND CORPORATE SERVICES WORK PLAN

1. DRAFT RECOMMENDATION

That the Finance, Risk and Audit Committee receive the Commercial and Corporate Services Work Plan for information.

WORK PLAN

- Commercial and Corporate Services

	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
FRAC Reports												
- BDC Quarterly Financials		Quarterly				Half yearly EDC & MAA			Three quarterly			
- BDC Operational												
- BDC Treasury												
- BDC Debtors												
- BDC Capital												
- BHL Quarterly Financials		Quarterly			Half yearly			Three quarterly				
- Risk Register and Report						Quarterly		Quarterly				
- Health and Safety Report						Quarterly		Quarterly				
- Budget Carry Overs		2021 Carryovers										
- CCO Statements of Intent				Letter of expectation		Draft			Final			
Flood Recovery												
Flood Recovery monthly financials							Floor Recovery deferred to March					
2022/2023 Annual Plan												
- Annual Plan	Strategic Planning for Annual Plan		Workshop, budgets templates open		complete budgets, workshop	Workshop, including BHL inputs to AP	Final review of draft estimates, budget result	Adopt draft Annual Plan and Consultation Document	Submissions open, community consultation	Submissions close, hearing and deliberations	Interim Audit	Preparation of Annual Report
2020/2021 Annual Report												
- BDC Annual Report	Preparation of Annual Report		Final Audit		Adopt and publish Annual Report							Preparation of Annual Report
- BHL Annual Report					Receive CCO Annual Report's							
Rating Policy Review												
- Rating Policy Review		Review database and workshop		Under Review		Paper to Council	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review
Other Operating Projects												
- Insurance								Finalise			Workshop	Valuation complete
- Abandoned Land		Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review

FINANCE, RISK AND AUDIT COMMITTEE

16 FEBRUARY 2022

AGENDA ITEM 10

Prepared by Rod Fox
Group Manager Commercial & Corporate Services

PUBLIC EXCLUDED

1. REPORT SUMMARY

Subject to the Local Government Official Information and Meetings Act 1987 S48(1) right of Local Authority to exclude public from proceedings of any meeting on the grounds that:

2. DRAFT RECOMMENDATION

That the public be excluded from the following parts of the proceedings of this meeting:

Item No.	Minutes/Report of:	General subject	Reason for passing resolution Section 7 LGOIMA 1987
11	Rod Fox, Group Manager Commercial & Corporate Services	Westport Harbour Wharf Condition Report	LGOIMA s7(2)(c) protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; and LGOIMA s7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

Tab 10: Public Excluded

Item No.	Minutes/Report of:	General subject	Reason for passing resolution Section 7 LGOIMA 1987
12	Rod Fox, Group Manager Commercial & Corporate Services	Port and Dredge Financial Statements	Section 7(2)(i) - Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations, including commercial and industrial negotiations.