



AGENDA

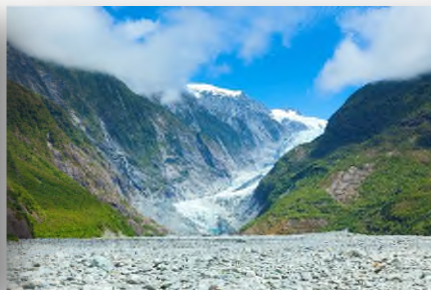
RĀRANGI TAKE

NOTICE OF THE INAUGURAL MEETING OF

Risk and Assurance Committee

to be held on **Thursday 9 February** commencing at **1.00 pm** in the Council Chambers,
36 Weld Street, Hokitika and via Zoom

Chairperson:	Rachael Dean
Members:	Her Worship the Mayor
	Deputy Mayor Gillett
Cr Neale	Cr Baird
Kw Tumahai	Kw Madgwick



In accordance with clause 25B of Schedule 7 of the Local Government Act 2002, members may attend the meeting by audio or audio-visual link.

Council Vision

We work with the people of Westland to grow and protect our communities, our economy, and our unique natural environment.

Purpose

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) To promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

1. NGĀ WHAKAPAAHA APOLOGIES

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a member thinks they may have a conflict of interest, they can seek advice from the Chief Executive or the Group Manager: Corporate Services (preferably before the meeting). It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

3. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

Section 46A of the Local Government Official Information and Meetings Act 1987 states:

- (7) An item that is not on the agenda for a meeting may be dealt with at the meeting if –
 - (a) the local authority by resolution so decides, and
 - (b) the presiding member explains at the meeting at a time when it is open to the public, -
 - (i) the reason why the item is not on the agenda; and
 - (ii) the reason why the discussion of the item cannot be delayed until a subsequent meeting.
- (7A) Where an item is not on the agenda for a meeting, -
 - (a) that item may be discussed at the meeting if –
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
 - (b) No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.

4. NGĀ MENETI O TE HUI KAUNIHERA MINUTES OF MEETINGS

The minutes of the previous meeting were circulated separately via Microsoft Teams.

- **Risk and Assurance Committee Meeting Minutes – 11 August 2022** (Pages 6-10)

5. ACTION LIST

Independent Chair, Rachael Dean (Page 11)

6. NGĀ TĀPAETANGA PRESENTATIONS

No Presentations

7. PŪRONGO KAIMAHI STAFF REPORTS

- **Risk and Assurance Committee – Terms of Reference** (Pages 12-17)
Group Manager, Corporate Services and Risk Assurance, Lesley Crichton
- **Quarterly Report – Q2 – October-December 2022** (Pages 18-74)
Finance Manager, Lynley Truman, and Strategy & Communications Advisor, Emma Rae

8. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

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

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Minutes – 11 August 2022	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

2.	Information Technology Penetration Security Testing Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
3.	Quarterly Report on Whistleblower Services at 31 December 2022	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
4.	Risk Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
5.	Financial Year End 2021-22 Audit Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

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

Item No.	Interest
1	Protect the privacy of natural persons, including that of deceased natural persons
1	Protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b)).
1	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
3	Maintain the effective conduct of public affairs through – (i) the protection of such members, officers, employees, and persons from improper pressure or harassment; or (Schedule 7(2)(f))

Item No.	Interest
1	Protect the privacy of natural persons, including that of deceased natural persons
1	Protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b)).
1	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
3, 4	Maintain legal professional privilege (Schedule 7(2)(g))

Item No.	Interest
3, 4	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or (Schedule 7(2)(h))
2	Prevent the disclosure or use of official information for improper gain or improper advantage (Schedule 7(2)(j))

**DATE OF NEXT RISK AND ASSURANCE COMMITTEE MEETING – 10 AUGUST 2023
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**



AUDIT AND RISK COMMITTEE MEETING MINUTES

MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY 11 AUGUST 2022 COMMENCING AT 1:00 PM

The Committee Meeting was live streamed to the Westland District Council YouTube Channel and presentations are made available on the council website.

1. MEMBERS PRESENT AND APOLOGIES

Chairperson	Rachael Dean – Independent Chair	
Members	Deputy Mayor Carruthers	
	Cr Neale	Cr Hart

NGĀ WHAKAPAAHA APOLOGIES

His Worship the Mayor
Kw Madgwick
Kw Francois

Moved Cr Carruthers, seconded Cr Hart and **Resolved** that the apologies from His Worship the Mayor, Kw Madgwick and Kw Francois be received and accepted.

STAFF PRESENT

L. Crichton, Group Manager: Corporate Services; T. Cook, Group Manager, Regulatory and Community Services; S. Baxendale, Group Manager District Assets; D. Maitland; Executive Assistant, E. Rae, Strategy and Communications Advisor; S. Johnston, Governance Administrator.

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated via Microsoft Teams and available on the Council Chambers table. There was one declaration of interest to be noted:

Independent Chair Rachael Dean has been asked to be an Independent member on the Masterton District Council Civic Centre Working Group.

3. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

There were no urgent items of business not on the Agenda.

4. NGĀ MENETI O TE HUI KAUNIHERA MINUTES OF MEETINGS

The Minutes of the previous Meeting were circulated separately via Microsoft Teams.

- **Audit and Risk Committee Meeting Minutes – 12 May 2022**

Moved Acting Mayor Carruthers seconded Cr Hart and **Resolved** that the Minutes of the Audit and Risk Committee Meeting held on the 12 May 2022 be confirmed as a true and correct record of the meeting.

The Chair **Approved** that their digital signature be added to the confirmed Audit and Risk Committee Meeting Minutes of 12 May 2022

5. ACTION LIST

The Group Manager, Corporate Services - Lesley Crichton spoke to the Action List and provided the following updates:

1. Insurance review of the Airport:

The Chief Executive met with Destination Westland Ltd (DWL) Chief Executive and asked about getting the insurance evaluations done. DWL Chief Executive advised that this will most likely be done towards the end of the year.

2. Workshop: Evaluation of the Performance of the Committee:

There has been no movement on this, and no arrangements have been made.

Rachael Dean (Independent Chair) offered to send out a list of questions to the Committee and when responses/results come back in, could write up a summary report - providing the Committee is happy with this solution. The Committee members agreed to this.

3. Westland District Council Policy Review on Police Vetting:

Has been taken off the agenda for today at the last minute as it is not fully completed. This policy however will be brought to the September Council meeting

4. WDC Staff Working from Home / Risk / Privacy:

WDC has an ICT Acceptable Use Policy – which contains information regarding working from home, leaving the computer unattended and unlocked as well as a section around family/friends using WDC equipment. We do expect staff to abide by this policy. The Committee agreed that this action can be removed from the Action List.

5. Reporting to Council by Chair of A&R Committee:

Completed – this process has now started.
The Committee agreed that this action can be removed from Action List.

6. Reporting to Council by Chair of A&R Committee – Annual Report:

This item can be removed once this meeting has taken place which will be at the August Council meeting.

Moved R. Dean (Chair), seconded Acting Mayor Carruthers and **Resolved** that the Action List be received and that point 4 and point 5 be removed from the Action List now and point 6 be removed from the Action list once the August Council meeting has taken place.

6. NGĀ TĀPAETANGA PRESENTATIONS

No Presentations

7. PŪRONGO KAIMAHI STAFF REPORTS

• **Workplan**

Group Manager, Corporate Services, Lesley Crichton spoke to this item and advised the purpose of this report is:

- Rolling workplan has one final month on it due to the conclusion of the Triennium. This is the last Committee Meeting for this Triennium.
- **External Audit:** It is not clear if we are going to be getting an Interim Audit Report from Ernst and Young. Ernst and Young carried out an Interim audit, however we are unsure of how that has gone. They received everything they needed to carry out the audit. We may get a final audit report after the final audit.
- **Financial Reporting:** Due to the yearend adjustments needed to carry out the financial accounts, there is no financial report to review today. The results given to the Committee at this time wouldn't reflect the year end balances.
- **Insurance renewals:** Won't be received until September / October. Underground Insurance Information has already started to be supplied to the Insurers.
- **Risk Management Report:** Full register is in the confidential section of the agenda today to review as an annual process.
- **Health & Safety Report:** is in the confidential section of the agenda
- **Whistle blower report:** Is in the confidential section of today's agenda.
- **Policy review** is a new reworked protected disclosures policy to reflect the new act that came into force on the 1st July 2022.

Moved Chair Dean seconded Acting Mayor Carruthers and **Resolved** that the Workplan Report from the Group Manager, Corporate Services, Lesley Crichton be received.

• **Protected Disclosures Policy**

Group Manager, Corporate Services, Lesley Crichton spoke to this item and advised the purpose of this report is:

1. The purpose of this report is to provide an update to the Audit and Risk Committee on the required changes to Protected Disclosures policy and request the Audit and Risk Committee (A&R Committee) review the updated Policy.

Tracked change version is on the agenda today. The clean version is also available (easier to read), and the summary guidance is attached that has been used to build this policy.

Acting Mayor Carruthers questioned the second sentence in the policy and queried whether it was necessary.

Where it states:

"This Policy applies to current and former employees, contractors, consultants, secondees and volunteers at Council. This Policy also applies to any persons concerned (or previously concerned) in the management of the Council, including elected or appointed members"

The word 'concerned' and elected / appointed wording.

Group Manager, Corporate Services, Lesley Crichton agreed to look at the Public Service Commission guidance.

The Chair asked for the Escalation Process to be explained. Group Manager, Corporate Services advised that there is an Escalation Policy – depending on who finds something/an issue, and it is about where they go to from there. I.e.: staff member to manager, or Councillor depending on the issue/situation and the timing of escalation.

Moved Acting Mayor Carruthers, seconded Cr Hart and **Resolved** that:

1. That the report be received.
2. That the Protected Disclosures Policy be reviewed and approved to be widely published.

8. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Moved R. Dean (Chair), seconded Acting Mayor Carruthers and **Resolved** that the Audit and Risk Committee confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 1:15 pm.

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

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Minutes – 12 May 2022	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Whistleblower Report	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
3.	Risk Report	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

4.	Health & Safety Report	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
5.	ACFE Global Fraud Study	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

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

Item No.	Interest
1,4	Protect the privacy of natural persons, including that of deceased natural persons (Schedule 7(2)(a))
1,4	Protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b)).
1	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
2	Maintain the effective conduct of public affairs through – (ii) The protection of such members, officers, employees and persons from improper pressure or harassment; or (Schedule 7(2)(f)).
2,3	Maintain legal professional privilege; or (Schedule 7(2)(g))
2,3,4	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or (Schedule 7(2)(h))

Moved R. Dean (Chair), seconded Acting Mayor Carruthers and **Resolved** that the business conducted in the 'Public Excluded Section' be confirmed and accordingly, the meeting went back to the open part of the meeting at 1:50pm

THIS WAS THE LAST MEETING OF THE AUDIT & RISK COMMITTEE OF THE TRIENNium



MEETING CLOSED AT 1:50PM

Confirmed by:

Rachael Dean
Chair
Date:

Lesley Crichton
Acting Chair
Date:

09.02.23 – AUDIT AND RISK COMMITTEE – ACTION LISTING

Date		COMPLETED IN PROGRESS OVERDUE	Item	Action Required	Status	Lead Officer
1	10.08.21		Insurance review of the Airport.	This assets value will need to be reviewed and amendment once the renovations are completed.	Destination Westland (DW) need to take the lead on this. The Chief Executive has advised he will follow up with DW on this.	CE
2	09.11.21		Workshop: Evaluation of the performance of the Committee	Workshop to be scheduled with the first meeting of 2022.		Chair

Report to Committee



DATE: 9 February 2022
TO: Risk and Assurance Committee
FROM: Group Manager Corporate Services and Risk Assurance

RISK AND ASSURANCE COMMITTEE – TERMS OF REFERENCE

1. Summary

- 1.1. The purpose of this report is for the Risk and Assurance Committee to receive the Terms of Reference (ToR) adopted by Council on 24 November 2022.
- 1.2. This issue arises from the ToR needing to be adopted at the Inaugural meeting of the Committee.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 31.
- 1.4. This report concludes by recommending the Committee receive the Terms of Reference for the Risk and Assurance Committee adopted by Council on the 24 November 2022.

2. Background

- 2.1 The reason the report has come before the Committee is due to the adoption of the ToR by the Council at their Inaugural meeting. The Council determined that a committee structure would be more relevant and effective than a portfolio system as there was a lack of clarity around the purpose and expected outcomes of the portfolio system.
- 2.2 In terms of best practice, Council determined that the Risk and Assurance Committee would have an Independent Chair.
- 2.3 Appointment of an Independent Chair is also considered best practice by various agencies including Local Government New Zealand and the Office of the Auditor-General.

3. Current Situation

- 3.1. The current situation is that Council appointed Rachael Dean as an Independent Chair at the 24 November 2022 Council meeting.
- 3.2. Council adopted the ToR which prescribes how the committee will function and the responsibilities that will sit within that committee as follows:
 - Purpose
 - Responsibilities
 - Internal Control
 - Other matters

- Delegated Authority
- Committee meetings, records, and reporting structure.

3.3 It is expected that the Risk and Assurance Committee may recommend improvements to the ToR which can be taken back to Council for further review and adoption.

4. Options

4.1. Option 1: Receive the Terms of Reference for the Risk and Assurance Committee adopted by Council on 24 November 2022.

5. Risk Analysis

5.1. Risk has been considered and no risks have been identified.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being minor and administrative in nature.

7.1.1.No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – Receive the ToR for the Risk and Assurance Committee.

8.1.1.There are no financial implications to this option.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified as the preferred option is that the Committee cannot function without a Terms of Reference. This does not mean that further improvements cannot be made to the ToR.

10. Recommendation(s)

10.1. That the report be received.

10.2. That the Committee receive the Terms of Reference for the Risk and Assurance Committee adopted by Council on 24 November 2022.

Lesley Crichton
Group Manager Corporate Services and Risk Assurance

Appendix 1: Risk and Assurance Committee Terms of Reference

APPENDIX 1



TERMS OF REFERENCE FOR THE RISK & ASSURANCE COMMITTEE

Title	Risk and Assurance Committee
Authorising Body	Mayor/Council
Status	Standing Committee
Quorum	Chair plus 2 members (must include 1 Councillor)
Adopted by Council	24 November 2022
Administrative Support	Chief Executive Office

This document outlines the Terms of Reference for the Risk and Assurance Committee.

The Chief Executive (CE) will assign the Group Manager: Corporate Services (GMCS) to the Committee. The GMCS will be responsible for coordinating agendas and be the principal point of contact for committee members.

1. Purpose

The purpose of the Risk and Assurance Committee is to contribute to improving the governance, performance, and accountability of the Westland District Council by:

- Ensuring that the Council has appropriate financial, health and safety, risk management and internal control systems in place.
- Seeking reasonable assurance as to the integrity and reliability of the Council's financial and non-financial reporting.
- Provide a communication link between management, the Council and the external and internal auditors and ensuring their independence and adequacy.
- Promoting a culture of openness and continuous improvement.

2. Responsibilities

Risk Management

- Review the risk management framework, and associated manual to ensure they are current, comprehensive, and appropriate for effective identification and management of Council's risks.
- Assist Council with determining 'risk appetite'.
- Review the effectiveness of Council's risk management framework.
- Review the effectiveness of the risk assessment and management policies and processes.
- Review risk management reporting on a quarterly basis.

APPENDIX 1

Audit and External Accountability

- Engage with Councils external auditors regarding the external audit work programme and agree the terms and arrangements of the external audit
- Recommend to Council the terms and arrangements for the external audit programme
- Review of effectiveness of the annual audit and Long-Term Plan audit
- Oversee the preparation of and review key formal external accountability documents such as the Long-Term Plan and the Annual Report in order to provide advice and recommendation to Council in respect of the appropriateness of the documents and disclosures made.
- To review in depth the Council's annual report and recommend the adoption of the annual report to Council.
- Monitor the organisations response to the external audit reports and the extent to which recommendations are implemented.
- To engage with the external auditors on any one-off assignments.

Internal Control

- Review the existence and quality of cost-effective internal control systems and the proper application of procedures.
- Monitor the delivery of the internal audit work programme.
- Review the annual internal audit plans and assess whether resources available to internal audit are adequate to implement the plans, and
- Assess whether all significant recommendations of the internal audit have been properly implemented by management.
- Monitor existing corporate policies and recommend new corporate policies to prohibit unethical, questionable, or illegal activities. This also includes reviewing and monitoring of policies and procedures.
- Review the effectiveness of the control environment established by management including computerised information systems controls and security. This also includes reviewing and monitoring of the documentation of policies and procedures.
- Review the existence and quality of cost-effective health and safety management systems and the proper application of the health and safety management policy and processes.
- Review the Council's insurance policies on an annual basis.

Other Matters

- Review reports related to any protected disclosure, ethics, bribery, and fraud related incidents and assist in any investigations related to these matters.
- Review the process of the development of the financial strategy and infrastructure strategy as required by the Long-Term Plan.
- Monitor Council's treasury activities to ensure that it remains within policy limits, where there are good reasons to exceed policy, that this be recommended to Council.
- Review any other policies.
- Ensure compliance with applicable laws, regulations, standards, and best practice guidelines.
- The Risk and Assurance Committee will also periodically review its own effectiveness and report the results of that review to the Council.

APPENDIX 1

3. Delegated Authority

- The risk and assurance committee can conduct and monitor special investigations in accordance with Council policy, including engaging expert assistance, legal advisors, or external auditors, and where appropriate, recommend action (s) to Council.
- Subject to any expenditure having been approved in the Long-Term Plan or Annual Plan the Risk and Assurance Committee have delegated authority to approve:
 - Risk management and internal audit programmes.
 - The appointment of the internal auditor, risk management and internal audit programmes, audit engagement letters and letters of undertaking for audit functions, and additional services provided by the external auditor.
 - The proposal and scope of the internal audit.

The Risk and Assurance Committee can recommend to Council

- Governance policies associated with Council's financial, accounting, risk management, compliance and ethics programmes, and internal control functions, including the Liability Management Policy, Treasury Policy, Sensitive Expenditure Policy, Fraud Policy, and Risk Management Policy.
- Accounting treatments, changes in generally accepted accounting practice (GAAP).
- New accounting and reporting requirements.

Power to delegate

The audit and risk committee may not delegate any of its responsibilities, duties, or powers.

4. Committee Meetings, records, and reporting structure

- The committee will meet at least quarterly in each financial year.
- One meeting must consider the draft annual report prior to adoption of the annual report by Council
- Minutes of the committee be presented to the Council for its consideration
- Report to the Council at least twice a year on the effectiveness of internal controls, risk management and financial reporting, noting any recommendations for improvement.
- The committee will be attended by a representative of External Audit for one meeting each year

Role of Chair

The role of Chair is key to achieving committee effectiveness, to achieve this;

- The chair should meet with the GMCS before each meeting to discuss and agree the business for the meeting.
- The Chair should take ownership of, and have final say in, the decisions about what business will be pursued at any particular meeting.
- The Chair should ensure that after each meeting appropriate reports (minutes) are prepared from the Risk and Assurance Committee to the Council.
- Encourage good, open relationships between the Risk and Assurance Committee, CE, GMCS and internal and external auditors.

APPENDIX 1

Committee Membership

- Independent Chair
- Her Worship the Mayor
- Deputy Mayor Gillett
- Councillor Baird
- Councillor Neale
- Kw Madgwick
- Kw Tumahai

The Committee Chair will usually be the spokesperson on matters of public interest within the committee's scope of work. Some issues may be of such public interest that it is more appropriate for the Mayor to be the spokesperson. On technical matters or where the status is still at the staff proposal level, senior staff may be the appropriate spokesperson. Where necessary and practical the Mayor, Committee Chair and senior staff will confer to determine the most appropriate course of action for advising the public.

The Committee shall record minutes of all its proceedings.

Report to Committee



DATE: 9 February 2023
TO: Risk and Assurance Committee
FROM: Finance Manager and Strategy and Communications Advisor

Quarterly Report – Q2 – October – December 2022

1. Summary

- 1.1. The purpose of this report is to inform the Committee of Council's financial and service delivery performance for the six months ended 31 December 2022 (Q2).
- 1.2. This issue arises from a requirement for sound financial governance and stewardship with regards to the financial performance and sustainability of a local authority.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 2031. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Committee receive the Quarterly Report Q2 July – December 2022, attached as **Appendix 1**

2. Background

- 2.1 The reason the report has come before the Committee is due to the requirement for the Committee to have current knowledge of Council's performance both financial and non-financial. The quarterly report provides information for non-financial information against targets and objectives adopted in the Long-Term Plan 2021-2031, and the Annual Plan 2022/2023 for the financial performance.

3. Current Situation

- 3.1. The current situation is that the Committee receives a quarterly report in a consistent format.
- 3.2. The Quarterly Report Q2 July – December 2022 is attached as Appendix 1 and contains the following elements:
 - 3.2.1. Statement of Service provision.
 - 3.2.2. Sustainability report on Financial Prudence.
 - 3.2.3. Whole of Council Statement of Comprehensive Revenue and Expenditure, including variance analysis.
 - 3.2.4. Capital Expenditure 2022/2023.
 - 3.2.5. Treasury report including loans, internal borrowing, cash investments, and debtors.
 - 3.2.6. Reserve Funds report.

4. Options

- 4.1. Option 1: The Committee does not receive the Quarterly Report Q2 July – December 2022.

4.2. Option 2: The Committee receives the Quarterly Report Q2 July – December 2022.

5. Risk Analysis

5.1. Risk has been considered and the following risks have been identified:

5.1.1. Financial mismanagement through lack of awareness of the Council's financial position.

5.1.2. Poor activity performance through lack of oversight of how activity groups are tracking to their KPIs.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low. The report is an administrative document for the Committee's information.

7.2. No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1: If the Committee does not receive the report there will be no oversight of the financial position of Council or whether the activity groups are achieving the level of service that Council determined through the long term and annual plans.

8.2. There are no financial implications to this option.

8.3. Option 2: This report is for information only to ensure oversight of Council's financial position and activities. Staff welcome feedback for continuous improvement of the quality of the information provided.

8.4. There are no financial implications to this option.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 2.

9.2. The reason that Option 2 has been identified as the preferred option is that it provides the Committee with up-to-date information regarding Council's activities and financial position at the end of Q2. Doing nothing reduces the oversight offered by the Committee.

10. Recommendation(s)

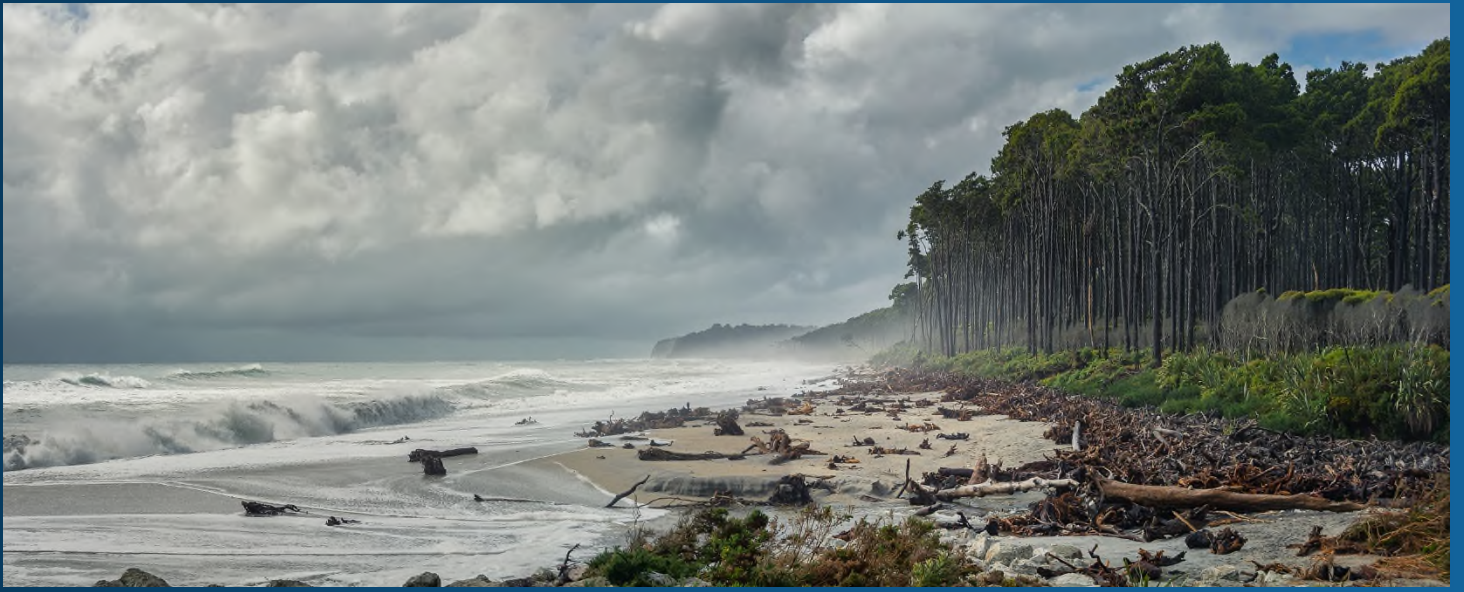
10.1. That the report be received.

10.2. That Committee receive the Quarterly Report Q2 July – December 2022, attached as Appendix 1

Lynley Truman
Finance Manager

Emma Rae
Strategy and Communications Advisor

Appendix 1: Quarterly Report Q2 July – December 2022



WESTLAND DISTRICT COUNCIL
Q2 REPORT – 1 JULY – 31 DECEMBER 2022



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Statement of Service Performance

Leadership

Democracy

Council and Committee meetings are publicly notified under the Local Government Official Information and Meetings Act 1987 (LGOIMA), which provides the public with an opportunity to attend. Only matters where there are specific grounds under section 48(1) of the LGOIMA are excluded from the public section of the meetings.

All meetings are livestreamed using Zoom and saved to the Council's Youtube channel for public viewing.

The following meetings and workshops were held during the period 1 October 2022 to the 31 December 2022:

Date	Name of Committee/Subcommittee	Formal Meeting or Workshop
20 October 2022	Councillor Induction – Part 1	Workshop
27 October 2022	Councillor Induction – Part 2	Workshop
27 October 2022	Council meeting	Inaugural meeting of the 2022-2025 triennium.
2 November 2022	LGNZ Elected Member induction	Workshop
7 & 8 November 2022	Councillor Induction – strategic and group overview	Workshop
23 November 2022	Councillor Induction – Hokitika Museum and CCOs	Workshop
24 November 2022	Council meeting	Ordinary Council meeting
8 December 2022	Councillor Induction - Briefing from Development West Coast	Workshop
8 December 2022	CE's Review Committee	Inaugural meeting
8 December 2022	Council meeting	Ordinary Council meeting
14 December 2022	Hokitika Wastewater Treatment Plant Project Oversight Subcommittee	Inaugural Subcommittee Meeting
15 December 2022	Extraordinary Council meeting - to adopt the Annual Report 2021/2022	Council meeting

Three Waters Reform

Considerable work has been undertaken regarding the transitional process preparing both WDC and the new Three Waters Entity. The work is spilt across multiple portfolios all of which require council staff to provide detailed information in a format that can be utilised for the National Transition Unit (NTU). The portfolios are:

- Policy
- Governance and Appointments
- Asset Management Plans
- Finance, Commercial & Legal
- People & Workforce.

Council completed all of the Three Waters projects (43) that were aligned with the Tranche 1 funding to the value of \$6.9M. These projects will go a long way to ensure our 3 waters assets are resilient and deliver a consistent quality service.

Better Off Funding

Council has been allocated \$2.79M from the Better Off Funding Fund. Council put the across 5 different portfolios: Civil Defence, Community Halls, Township Improvements, Culture & Heritage and \$500K towards a contestable Community Projects. An application was successful and council will proceed to award the projects early 2023

Northern Ward By-Election

Councillor Elect Ian Hustwick tendered his resignation from Westland District Council in October 2022. A by-election is currently underway to fill the vacant position in the Northern Ward in early 2023.

Citizenship Ceremony

Eight new citizens attended the 24 November 2022 Council meeting to undertake their Form of Oath and Allegiance in the presence of the Mayor, Councillors, Iwi and family members and friends.

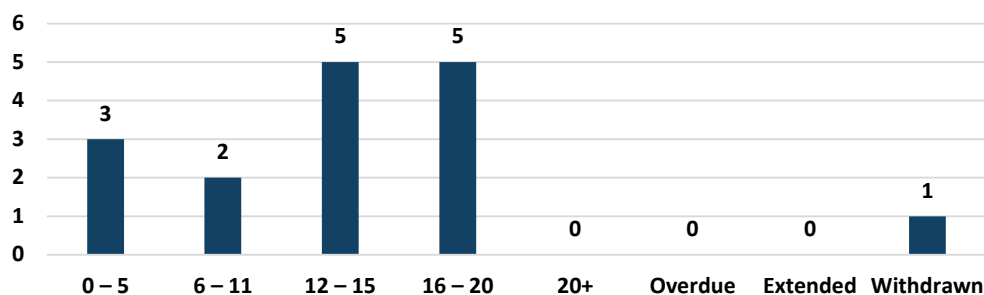
Hokitika Lions Club Awards Presentations

Five Young Achiever Awards and Four Civic Awards were presented at the 8 December 2022 Council meeting. The awards were jointly presented by the Hokitika Lions Club and Westland District Council.

LGOIMA

There were 16 requests for information under the Local Government Information and Meetings Act during this quarter. Information requested included: information on building consent statistics, staffing, and resource consent information.

Days taken to complete requests*



* Not including media requests to Communications, which are typically answered on the same day.

28 requests were sent from the media directly to the Strategy and Communications Advisor for response. Information requested included: Elections, weather warnings, Annual Report, infrastructure works.

How this activity contributes to Community Outcomes & Well-being

In this quarter the Democracy activity contributed to the Resilient Communities outcome through maintaining open governance and transparency. This supports the cultural wellbeing of the district.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
Resilient Communities	Responsible leadership	65% of residents satisfied with Council's leadership	45% - Biennial Residents' Satisfaction Survey February 2022.
Resilient Communities	The community understands what Council does	70% of residents who understand how Council make decisions	75% - Biennial Residents' Satisfaction Survey February 2022.

Corporate Services

Finance

Completing the Annual Report 2021/2022 kept the Finance team busy in this quarter, working with a new Audit firm – EY (Ernst & Young). While a fresh team was welcome, there were inherent challenges as the team was not experienced with Local Government operations so the supporting information required to assist them was extensive. The position of Financial Accountant was also vacant from 9th July until a Graduate Accountant was finally welcomed to the team on 31st October 2022.

Focus for the Finance Team switched towards the end of December to the Annual Plan for 2023/24, with Budget managers attending a workshop with Finance staff for training on how to update their operations budgets in the IBIS Breeze system. A further workshop for Capex budgets is planned for early 2023. On-going training and process improvement are also high on the agenda.

Strategy and Communications

The main focus for this quarter was working with the Finance Team and the Auditors to complete the Annual Report 2021/2022 and Summary Annual Report for the statutory deadline of 31 December 2022. The Annual Report was adopted on 15 December 2022 and the Summary Annual Report was authorised for issue on 21 December 2022.

Preparations have begun for the Annual Plan 2023/2024, with a project plan put in place and staff preparing their budgets.

Two submissions are due in early 2023:

- the Water Services Economic Efficiency and Consumer Protection Bill (Water Services), and
- the Future For Local Government Draft Report (Draft Report).

Council will make a submission in support of the Communities 4 Local Democracy group on the Water Services Bill. Work has been undertaken in the quarter to understand the Draft Report and begin to formulate a submission.

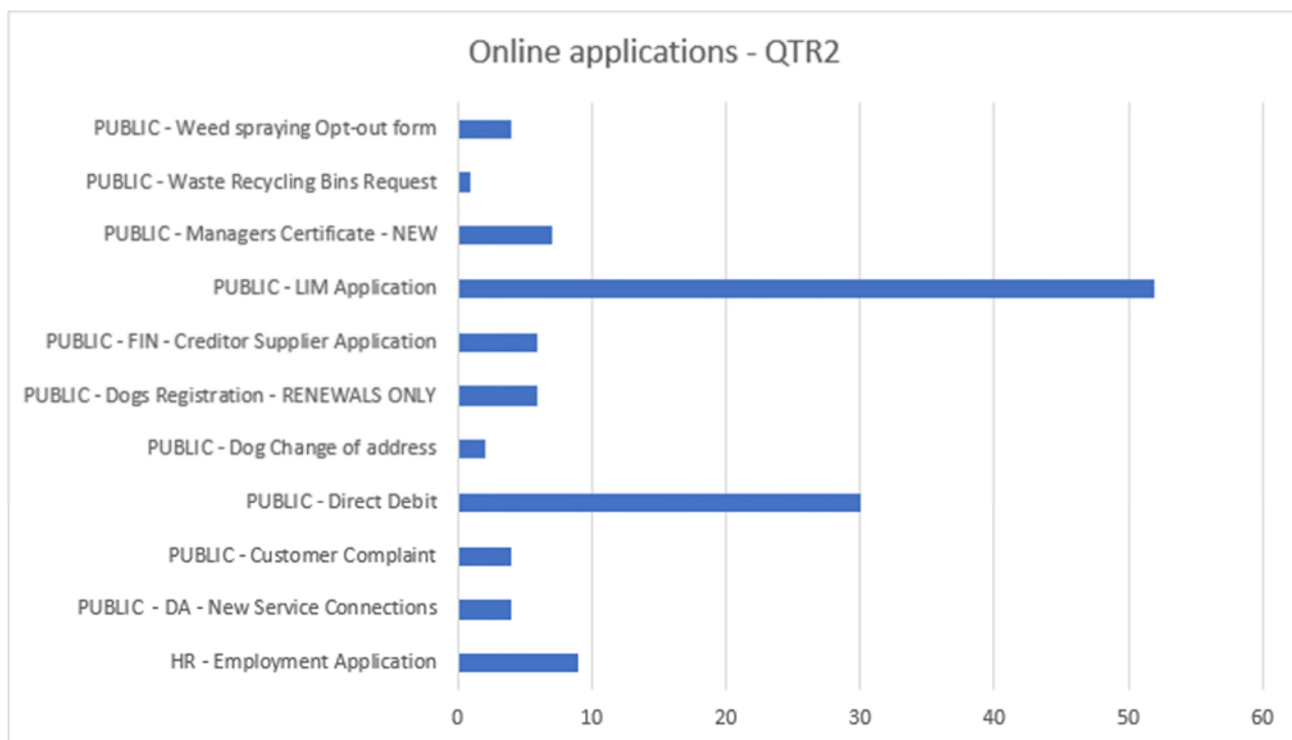
Support was provided early in the quarter to ensure that information about the Elections and the outcome was communicated to the public. Further information continues to be communicated about the by-election to be held early in 2023.

Information Management

The Information Management team has made good progress this quarter on several fronts. A Public Kiosk is live and running at the Customer Service Centre where it is being trialled with customers. Customers can submit digital forms and lookup council information with ease. Dependent on the success of this trial, Kiosks could be distributed across the district.

Digitisation of processes continues, with the most recent work being focused on HR functions, including an online job application form (public), and an internal workflow for recruitment being refined. Behind the scenes, technical efficiencies have been realised with a much-improved performance from our online systems. Historical plans continue to be scanned, with critical records being stored at the secure Iron Mountain facility in Christchurch.

Use of our online forms continues to increase:



Information Technology

This has been a busy and disruptive quarter for the IT team with one staff member moving on and a new one coming on board. Managed backups have been introduced which cannot be overwritten. These backups are utilising an outside vendor and are not managed internally.

There are several major projects that are underway now or will be started shortly.

- 3 waters – data preparation ready for transfer
- Network Infrastructure upgrade – which includes WIFI, firewalls, and switches.
- Business continuity plan
- Replacement/upgrade of the current Geographic Information System and public portal
- Server consolidation – the current servers are nearing end of life. This project is also considering the best options around whether these services are better being moved to the cloud or to continue with in-house servers.

How this activity contributes to Community Outcomes & Well-being

The Corporate Services activity contributes to community outcomes and well-being through supporting the Council to run its business. In working towards improved digitisation and improved customer service and outreach the community has opportunity to participate in Council processes more easily.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
Resilient Communities	Provide accountability about Council activities	<p>Legally compliant financial plans and reports adopted</p> <p>a. 100% LTP, Annual Plans and Reports adopted on time.</p> <p>b. 100% LTP and Annual Reports receive unqualified Auditor's Opinions.</p>	<p>a. 100%: The Annual Report 2021/2022 was adopted on 15 December 2022 as allowed by the amendment to the Local Government Act. The Annual Plan 2022/2023 was adopted on 30 June 2022.</p> <p>b. 100%: The Long Term Plan 2021 – 2031 received an unqualified Auditor's opinion. The Annual Report 2021/2022 received an unqualified Auditor's opinion.</p>
Resilient Communities	Effective engagement of the community during public decision making opportunities	65% of residents that believe they have been appropriately consulted	29% - Biennial Residents' Satisfaction Survey February 2022.
Resilient Communities	A comprehensive Customer Service Centre	80% of residents satisfied with the service they receive	76% - Biennial Residents' Satisfaction Survey February 2022.

Planning and Regulatory Resource Management

During this quarter, the Government released the first two of three Bills that will replace the Resource Management Act 1991 (RMA). These are the Natural and Built Environment (NBE) Bill and the Spatial Planning (SP) Bill. A key element of the RMA reform will introduce an outcomes-based system instead of just assessing and mitigating adverse environmental effects as part of the consenting process. A Joint submission between West Coast Regional Council (WCRC), Buller District Council and Grey District Council has been drafted. Westland District Council supports the current submission in its draft form and this has been noted in the submission. Submissions close on the 19th of February.

The Te Tai o Poutini Plan (TTPP), being the one District Plan for Westland, Grey and Buller Districts, received over 500 public submissions to the Proposed Plan. These are currently being summarised by the project team at WCRC, with the aim for the completed summary to be presented at the next TTPP Committee meeting in February.

Council directed its representatives on the Te Tai Poutini Plan (TTPP) Committee that the preferred approach to Significant Natural Areas (SNAs) in the TTPP is to state that SNAs will be identified in Westland within 5 years of the TTPP notification. This work is ongoing.

Resource Consents

36 resource consent applications were received during this quarter. The most significant of these relate to:

- The application to undertake 12ha of vegetation clearance in Whataroa.
- A variation request for the Ross Top 10 campground to provide for the construction of four dome cabins, Ross.
- Helicopter landings consent for private recreation use on Haast-Jackosns Bay Road.
- 15 lot subdivision on Arthurstown Road, Hokitika.
- To establish a residential dwelling located within the mean high water springs in Okuru.
- A variation request for Silver Fern Farms to provide for the construction of a 118 car parking lot, Hokitika.
- For the operation of an industrial agricultural service and machinery display on Gold Links Road, Hokitika.
- The replacement of 6 existing transmission poles along the Coleridge to Otira transmission line, Otira.
- The construction of a vehicle service building on Greenstone Road, Kumara.
- A new classroom block at St Mary's school, including the demolition of an existing classroom block, Hokitika.
- The construction of an oversized non-farming building and two off-site signs for private use and community events located on the Taramakau Highway, Kumara.
- A variation request for the approved 10 lot subdivision on Sewell Street, Hokitika, to amend the footprint and location of the residential units, and to begin construction prior to s.224(c) Resource Management Act 1991 certification sign off.

Overall, 43 decisions were issued over this quarter, including 100% of these consents being granted under delegated authority. Twenty nine of these decisions related to land use consents, the remaining 14 were associated with subdivisions.

Three resource consent applications proceeded to limited notification. One of the outcomes to this notification was positive and no hearing was required. This consent was granted under delegated authority. The outcome of the remaining two notifications is yet to be determined. These applications are currently on hold at the applicants' request until confirmation is received on how to proceed.

At present there are 43 live resource consent applications with the Planning Department, which are being processed.

Other activities

Compliance monitoring continues, with this quarter focused to completing compliance checks for consents issued in 2016.

Three vacancies still exist within the Planning Team. The team relies heavily on external consultants to process resource consent applications. Recruitment is a priority for the next quarter.

Customer Satisfaction Surveys have not been undertaken during this quarter, with no surveys submitted by the public. The survey remains available within a link contained within the email signature of all Planning staff.

A joint submission was prepared and submitted on behalf of the West Coast Regional Council, Buller District Council, Grey District Council and Westland District Council on the Department of Conservation’s proposed options to streamline processes for reclassification and disposal of Stewardship land. The National and Mana Whenua Panel aim to present their final recommendations for stewardship land on the West Coast to the Minister of Conservation in early 2023.

How this activity contributes to Community Outcomes & Well-being

The assessment of applications and provision of resource consent decisions has contributed to the economic and social well-being of the Westland District whilst ensuring environmental and cultural well-beings are protected or enhanced through sustainable resource use.

The resource consent process enables applicants to undertake activities that would not otherwise be permitted by existing legislation through a decision process that factors in those who may be affected and the receiving environment, in an effort to ensure natural justice achieved.

The TTPP, being the future District wide statutory document for resource management, has ensured the four recognised well-beings are considered and provided for based on the values and priorities of the community.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
Sustainably Managed Environment	Resource consents processed in accordance with relevant legislation	100% of resource consents processed within statutory Time frames	79.19% of resource consents were processed within statutory time frames. 10 consents were not issued within the statutory timeframe.
Resilient Communities	Provide appropriate advice to customers	85% of users satisfied with the quality of the advice provided on resource management matters	No survey responses were received.

Inspections and Compliance

Building Control

It is refreshing to see a review of the Building Consenting system currently being undertaken in NZ. The first part of the review has been completed and the Ministry of Business, Innovation & Employment (MBIE) have released the summary of the submissions. There are a lot of consistent comments about the building consent process and council staff expect to see some big changes in the future around this process. As any legislative changes are established MBIE will publish guidance and documents to assist the industry.

Council received 56 building consent applications over this quarter, compared to 65 in the same quarter of 2021/2022. Inspection numbers are still strong and the demand for advice on buildings exempt from requiring a building consent remain high. MBIE have very clear guidelines around work that does not need a building consent, which can be found on their website and linked through the Council website. There has been an increase in buildings erected without a consent. Obtaining compliance after the fact can be a very costly and time consuming process.

During summer there is an increase of swimming pools all over the district. Certain pools require fencing and information is available to the public on the website and advertised in early summer. These rules were created to prevent unsupervised access by children into the pools. Council is required to inspect swimming pools and barriers every three years.

The department has recruited a Senior Building Control Officer, who starts early January. This will help to improve the team’s processing timeframes.

Environmental Health – Food and Alcohol Licensing

Food Licensing

Food premises are no longer inspected on a yearly basis, and 21 out of 95 registered businesses were inspected in this quarter. How a premises performs at each audit dictates the frequency of further inspections. Businesses that do well and have consecutive acceptable outcomes move to an 18 monthly inspection cycle. If their outcomes are poor they can be inspected between 3 monthly, which is very rare, 6 or 9 monthly. The inspector has found that many of the premises receive consecutive acceptable outcomes and are moving onto the longer audit schedule.

Alcohol Licensing

There have been no events of note in this quarter. Alcohol licensing activities continue as routine.

How this activity contributes to Community Outcomes & Well-being

This activity contributes to the diverse economy of the district by enabling business to be compliant to local and national laws and regulations.

This activity supports the social and economic well-being of the district by ensuring that buildings are built safely and to be long lasting. Businesses that serve food and alcohol are supported to ensure a safe and healthy environment for patrons.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
Diverse Economy	Timely processing of Building Consents.	100% of building consents processed within 20 working days as per the requirements of the Building Act	Consents issued = 43 93.55% issued within 20 day statutory timeframe.
Diverse Economy	Provide appropriate advice to customers.	85% of users satisfied with the quality of the advice provided on building consent, environmental health and Liquor Licensing matters	Building Consents 46% - Biennial Residents’ Satisfaction Survey February 2022. Note: small base of 41 respondents Environmental Health 40% - Biennial Residents’ Satisfaction Survey February 2022. Note: small base of 17 respondents.

Community Outcome	Level of service	Measure / Target	Current Performance
			Liquor Licencing 70% - Biennial Residents' Satisfaction Survey February 2022. Note: small base of 10 respondents.
Diverse Economy	Encourage compliance with health standards by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.	100% licensed and registered premises are inspected at least annually.	Food Premises 22% (21/95 – based on currently registered businesses) Liquor Premises 27% (12/45 – based on currently registered businesses)

Animal Control

Compliance

The animal control officer has been undertaking regular patrols around the district, both in the dog control vehicle and on foot. This has provided opportunities to speak to the public and provide education. There has been an increased focus on utilizing social media tools to increase education about responsible dog ownership.

Pound activities

In this quarter three dogs have been impounded and reunited with their owners. West Coast animal control officers from Buller, Grey and Westland Districts have worked together to support the region's impounded dogs. A dog from Westland was impounded in Buller, returned to Westland and successfully re-homed.

How this activity contributes to Community Outcomes & Well-being

This activity contributes to community resilience and sustainably managed environment, through the minimisation of harm from wandering dogs and stock. Education of owners ensures positive interactions for the community with dogs and stock.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
Resilient Communities	Keep the public safe from dogs and wandering stock	90% Residents satisfied with the response provided	29% - Biennial Residents' Satisfaction Survey February 2022. Note: small base of 24 respondents.
Sustainably Managed Environment		99% of known dogs registered by 30 June each year	99.39% - 1968/1980 known dogs registered – <i>2021/2022 Annual Report</i>
		Response times to Priority 1 callouts:	100% of response times to priority 1 callouts in 30 minutes or less

**30 minutes or less
(excluding travel time)**

Emergency Management

Due to staff vacancies a full report was not available.

How this activity contributes to Community Outcomes & Well-being

There is a direct link between helping communities to be more resilient in terms of not only resources but in the strength of their networks and ability to work together and coordinate themselves in emergency events. Individual and household preparedness continues to be a focus of Emergency Management messaging.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
Resilient Communities	Council is prepared for and maintains an effective response capacity to manage civil defence emergencies	Council's e-text alerting system is tested twice per annum. Achieved	This is an annual measure. The next round of data will be available in the 2022/2023 Annual Report.
		At least one Emergency Operations Centre (EOC) activation occurs annually (event or exercise). Achieved	This is an annual measure. The next round of data will be available in the 2022/2023 Annual Report.
		At least two training sessions are held annually for Council CDEM Incident Management Personnel Achieved	This is an annual measure. The next round of data will be available in the 2022/2023 Annual Report.
Resilient Communities	CDEM relationships with WC CDEM Group territorial authorities, emergency services, and life line utilities are maintained and strengthened	Council is represented at CDEMG Joint Committee meetings by the Mayor, or a nominated attendee. 80% of the time.	Achieved Mayor Helen Lash attended her first Joint committee on 9 th November 2022 and is scheduled to attend the first 2023 committee meeting on 1 st February.
		Council is represented at CEG meetings by the Chief Executive or a nominated attendee. 80% of the time.	Achieved Simon Bastion continues as CEG chair until the end of 2023 calendar year, and represents Council at meetings.

Community Development and Assistance

The work-programme for this quarter has focussed on achieving positive results for community funding through supporting applications for and administering:

- Three Waters Better Off Funding
- Creative New Zealand annual grants
- Sport NZ Rural Travel Fund
- Township Development Funding,
- Commemorating Waitangi Day
- MDI funding
- Community Capability and Awareness Funding
- Community Public Toilet Grant

Assistance was also provided to review and begin reaccreditation process for Social Services Accreditation, and processing an application by Hari Hari Hotel for Kiwi Gambling Venue consent.

Safer Westland

Safer Westland met in October, the first face-to-face bi-monthly meeting since Covid-19 measures began. Safety and well-being identifiers were confirmed and a new Governance Group was elected. New Councillor representatives were welcomed to the committee.

The Terms of Reference and Strategy for 2022-24 are being updated.

How this activity contributes to Community Outcomes & Well-being

Achieving positive results in funding applications encourages activities that build a sense of community, social inclusion and participation

Small Events funding encourages recreational and cultural celebrations and activities, which promote the acceptance of diversity with activities open to all life stages.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
Resilient Communities	Supporting Communities to improve their social and cultural wellbeing	<p>CDA co-ordinates funding and committee process for:</p> <ul style="list-style-type: none"> • Creative Community Scheme funding local arts. • Sport NZ Rural Travel Fund. • Funding to promote events for Community well-being and social connectedness. <p>Achieved</p>	<ul style="list-style-type: none"> • Creative Communities Committee allocated \$10,167 to eight successful applicants • Sport NZ Rural Travel Fund Committee allocated \$9,500 to eight successful applicants • Other funding: <ul style="list-style-type: none"> ○ Driftwood & Sand \$5,000 ○ Christmas Lights Grant allocated \$10,000, to six successful applicants.

Resilient Communities	Commitment to “Safer Westland”	Westland Safe Community Coalition maintains “Safer Westland” accreditation with NZ Safe Community Foundation. Achieved	Not achieved NZ Safe Community Foundation has dissolved and Safer Westland is going through a re-establishment phase.
		Safer Westland Community Coalition meets bi-monthly. Achieved	Not achieved The first bi-monthly meeting to re-establish the group was held in October.

Community Halls

Community Outcome	Level of service	Measure / Target	Current performance
Resilient Communities	Provide safe and useful community halls	80% of residents satisfied with the standard of their community hall	83% - Biennial Residents’ Satisfaction Survey February 2022.

Facilities, and Leisure Services

Cemeteries

The services being supplied by the maintenance contractor (Westroads) remains satisfactory.

A new contract which includes cemetery services is due to be released to the industry in Q3.

How this activity contributes to Community Outcomes & Well-being

Local cemeteries are an important part of the cultural fabric of communities. Ensuring that the cemetery provides a place for all cultural beliefs and practises improves the well-being and cultural connectedness of the community.

Maintenance, landscaping and adhering to the relevant legislation for burials contributes to a sustainably managed environment by providing a pleasant and environmentally sound asset.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
Resilient Communities	Council owned cemeteries are appropriately maintained	Customer Satisfaction: The number of service requests received per cemetery	Hokitika: 1 Kumara: X1 Ross: 0
Sustainably Managed Environment		Hokitika: ≤ 5 Kumara: ≤ 5 Ross: ≤ 5	
Resilient Communities	Burials adhere to the relevant legislation	Standards for burial adhere to Cemeteries and Cremations Act 1964 100%	100% 9/9 Internments Hokitika: 7 Kumara 1 Ross: 1
Sustainably Managed Environment			

Hokitika Museum

Throughout the months of November and December public workshops were held with communities and schools across Westland to re-introduce the public to the Museum collections and provide an opportunity to contribute to possible stories for presentation in the new galleries (the Ngā Whakatūrangā Project).

During Covid-19 peak infection periods in person visits have been moderated accordingly. However as Covid-19 case numbers have dropped in person visits and research requests have increased. Other pieces of work have included support of cultural, arts and heritage initiatives in Westland. These initiatives include: Westland 2023-2024 100 Years of Connecting, Driftwood and Sand 2023 and Inspire to Aspire 2023. The Museum team has been investigating funding streams to support priority projects.

How this activity contributes to Community Outcomes & Well-being

The Hokitika Museum's vision is 'Hei whakahaumako te tangata: Enriching today and tomorrow's people'. The Museum's mission is to tell the stories of Westland, the wider West Coast and its people. The collection reflects the life of our communities in the extreme and inspiring place that is Te Tai Poutini - West Coast, New Zealand.

The Museum's priority is to provide social, heritage, arts and cultural opportunities for the community and visitors. Those engaging with these opportunities will experience significant and sustained improvement in wellbeing.

This engagement can be through online and physical opportunities. In particular, creating a website and content for social media acts as an online conduit between the public and the Museum's heritage collections and initiatives.

To further support community cultural wellbeing, additional collection audits and targeted research has been conducted to support the Museum website, social media accounts, collection readiness priorities, Te Whatanui - Archives and Research Centre Project and Ngā Whakatūranga Project.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
Resilient Communities	Collections developed and maintained with access provided	Collections continue to grow, in line with Hokitika Museum policies.	Achieved
		Deaccessions and disposals are aligned with Hokitika Museum policies.	Achieved
		Backlog of records and documentation reduced.	Achieved

Land and Buildings

Westland District Council HQ and Pakiwaitara Buildings up to 100% National Building standards

Bringing the WDC HQ and Pakiwaitara Buildings up to 100% National Building standards is on hold while Elected Members workshop the future of the Pakiwaitara Building at 41 Weld Street and the Council Headquarters Building at 36 Weld Street, Hokitika. With the option of including Seddon House (Or Government House) into the equation Elected Members have requested a full review of potential options for the future of the current council building, Pakiwaitara and Seddon House.

Racecourse Development

Council was successful in their bid for funding from the Infrastructure Acceleration Fund to develop part of the Hokitika Racecourse property. Consultants have been engaged to develop a business case for Council. A workshop is planned in the next quarter to review the IAF funding with elected members, Iwi and Executive Team.

Carnegie Building

The refurbishment of the Carnegie Building has progressed to 100% NBS. The remaining work is external with the parapets being delayed due to supply issues. Next to complete is a fit out and development of exhibitions.

How this activity contributes to Community Outcomes & Well-being

Ensuring that the community has access to suitable facilities promotes resilient communities. Well maintained recreational and cultural facilities mean that the community has opportunities to take part in these activities, which can aid in inclusion and connectedness.

Performance in this activity

There are no non-financial performance measure for this activity. Instead, this activity is subject to financial accountability reporting for delivering capital programmes.

Parks and Reserves

The Parks and Reserves maintenance contract will be re-tendered in the third quarter, along with the cemetery services.

How this activity contributes to Community Outcomes & Well-being

Recreational facilities provide opportunities for the community to participate in outdoor activities and enhance health and well-being. Sports events bring additional visitors to the district, which contributes to the local economy.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
Sustainably Managed Environment	Reserves are pleasant, enjoyable and safe places	90% of residents satisfied with parks and reserves	66% - Biennial Residents' Satisfaction Survey February 2022.
Resilient Communities			

Public Toilets

Minimal service requests or complaints have been received regarding toilet facilities in the Westland district for Q2. Most public facilities established are reasonably new throughout the regional centres. The older units within Hokitika (Beach front / Museum) are due for some heavy maintenance & minor upgrading. The toilet block at Cass Square is due for replacement.

How this activity contributes to Community Outcomes & Well-being

Public toilets protect the environment by providing safe and clean facilities for visitors and residents. Increasing the availability in strategic locations reduces the likelihood of environmental contamination. Providing public toilets at or near recreation areas such as playgrounds allows the community to enjoy these areas more freely bringing the social benefit of recreation and socialisation.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
Sustainably Managed Environment	Provide public toilets throughout the district	85% of residents satisfied with the service.	63% - Biennial Residents' Satisfaction Survey February 2022.
Resilient Communities			

West Coast Wilderness Trail

Trail use has improved in this quarter as a result of increased visitors and tourists to the region, following the re-opening of the New Zealand borders to international tourists in mid-2022. This has contributed to the high percentage increase in trail use. Trail counter maintenance was undertaken pre-Christmas to ensure data integrity during the holidays. Recalibration maintenance undertaken with trail counters due to fault discovered.

How this activity contributes to Community Outcomes & Well-being

The West Coast Wilderness Trail contributes to the diverse economy by attracting visitors to the district who contribute to the economy by using tourism operators, accommodation, hospitality venues and retail outlets.

Recreational use of the trail contributes to the well-being of the community by providing opportunities for health and fitness, and to enjoy competitive events on the trail.

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
Diverse Economy	The cycle trail is well used	Numbers using the trail as measured by trail counters	Total users recorded in Q2 is 24,000.
Resilient Communities		increase by 10% per annum.	Increase / Decrease of 124% (10,703) on Q1.

Westland District Library

The gradual return to normal activities, reduction in pandemic-related fear, and the recovery of domestic and overseas tourism has seen footfall, programme and event attendance, computer usage, collection issues and room bookings all increasing, although not yet at pre-pandemic levels.

The Library's Book-A-Librarian service continues to be popular with patrons, particularly for help setting up new phones, apps and email. Outreach to preschools, schools and the Allen Bryant Rest Home has resumed and alongside regular programming, a Library Talk about Sustainable Living was held and a new Te Reo Māori conversation group was launched.

Staff have been reconnecting with local community organisations and developing new relationships to establish partnerships that promote the use of the library spaces as a community hub and maximise visibility and community use of both partners' resources. The library hosts a regular JP Service Desk, New Coasters Drop In (for migrants and new comers), a WINZ Connected-NZ Support Clinic (for job seekers and employment support) and the weekly PHO Walk and Talk Group meet at the library. However, the size of the library building continues to limit the numbers that can be hosted for events and more flexible spaces would enable better accommodation of programmes and external organisations requirements and bookings.

How this activity contributes to Community Outcomes & Well-being

The library continues to support literacy and offer activities that are inclusive, foster connection, reduce isolation and promote active citizenship. The library has maintained access to the recreational and cultural facilities it provides and continues to support the wellbeing and resilience of our communities across the district.

Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Resilient Communities	Provide the district with quality library services that are responsive to the needs and wellbeing of the diverse communities.	95% of residents satisfied with library services	91% - Biennial Residents' Satisfaction Survey February 2022.

Land Transport

Serious weather events over the preceding quarter have fortunately not produced any significant challenges for the roading network. This has allowed the maintenance contractor to be more forward thinking and less reactive to ongoing road maintenance. Preparations for the annual sealing programme are well underway and nearing completion. Resealing works are approximately 60% completed and the footpath maintenance and renewals programme is progressing well with more works scheduled for early 2023.

The annual bridge inspection programme is currently being developed with inspections set to start in the first quarter of 2023.

Coastal erosion along the Haast-Jackson Bay Road has been investigated and designs for remediation and resilience improvements are currently being prepared. A contract for this work will be tendered in the first half of 2023.

Pavement rehabilitation work on the Haast-Jackson Bay road has been put out for tender with construction to commence during March and April.

How this activity contributes to Community Outcomes & Well-being

Council staff are implementing the Combined West Coast Transportation AMP Improvement plan, which aims to identify and inform the next Land Transport Plan Funding Application in 2023. This is a significant body of development work and investigation that will involve community engagement to help identify the priority areas as perceived by the customers. This will greatly assist in Council's ability to anticipate and plan future improvement works that improve both social and economic factors within the community. Well-maintained, safe and efficient transportation networks are able to make a measurable contribution towards environmental improvements and sustainability for the wider community.

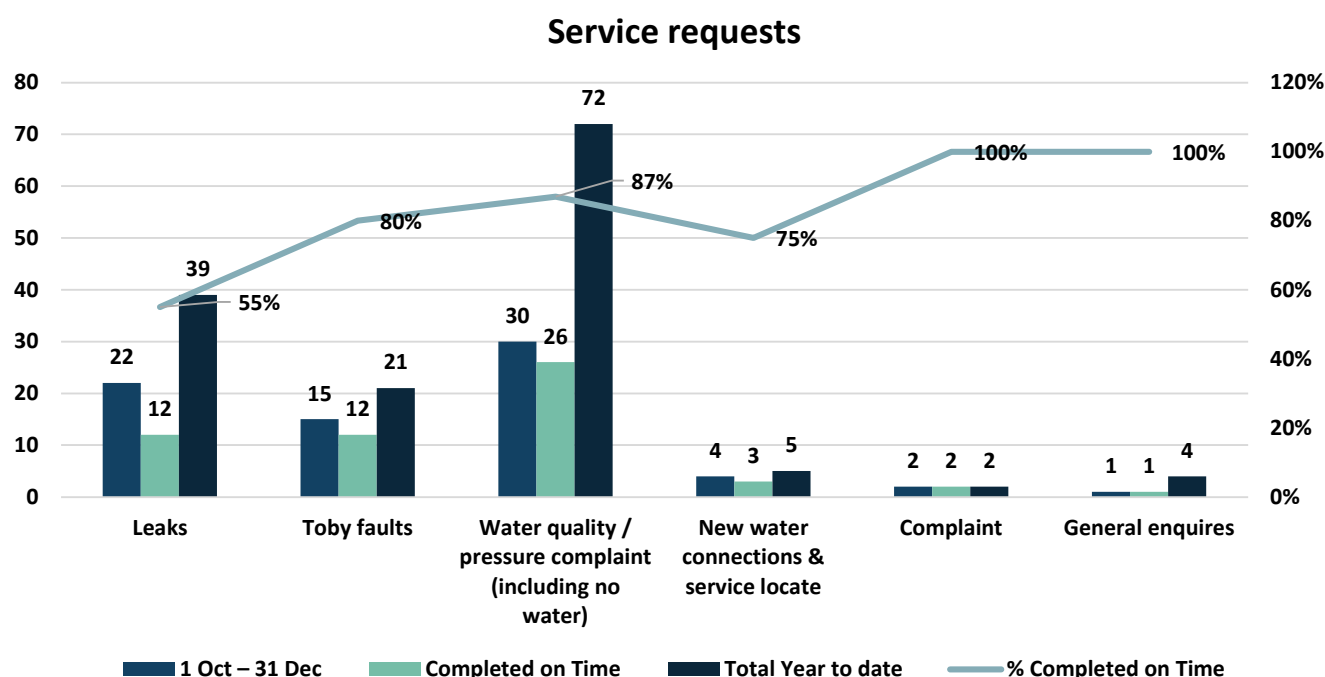
Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Diverse Economy Resilient Communities	The transportation network is safe for all users in Westland District	Road safety: The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number. 0 fatalities and serious crash injuries.	This is an annual measure. The next round of data will be available in the 2022/2023 Annual Report.
Diverse Economy Resilient Communities	The surface condition of roads in Westland is of good quality	Road Condition: The average quality of ride on a sealed local road network, measured by smooth travel exposure. Primary Collector >= 93% Secondary Collector >= 93% Access >= 90% Low Volume >= 89%	This is an annual measure. The next round of data will be available in the 2022/2023 Annual Report.

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Resilient Communities		>70% of residents are satisfied with the standard and safety of Council's unsealed roads.*	41% - Biennial Residents' Satisfaction Survey February 2022.
Diverse Economy Resilient Communities	The surface condition of roads in Westland is maintained to a high standard	Road maintenance: ≥ 6.5% of the sealed local road network that is resurfaced	This is an annual measure. The next round of data will be available in the 2022/2023 Annual Report.
Resilient Communities	Footpaths are maintained in good condition and are fit for purpose	Footpaths: 90% footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long term plan).	This is an annual measure. The next round of data will be available in the 2022/2023 Annual Report.
Resilient Communities	Response to service requests are dealt with promptly	Customer service requests: 100% within 3 days customer service requests relating to roads and footpaths to which the territorial authority responds.	This is an annual measure. The next round of data will be available in the 2022/2023 Annual Report.

Drinking Water

There were 74 water related service requests recorded between 1 October 2022 – 31 December 2022.



Water reticulation upgrades have continued district-wide, providing a sustainable water supply for townships. The upgrades have included replacement and upsizing of the watermains.

The new Arahura water treatment plant became operational in December 2022 and is providing compliant drinking water to the Arahura Pa. The next stage will be to connect a new water pipeline to the Marae water tanks which will ensure the Marae has a consistent compliant drinking water supply.

On November 15th 2022, the new Drinking Water Quality Assurance Rules (DWQAR) came in to force. Reporting on the new DWQAR will begin from 1st January 2023. The new Rules include reporting on National Performance Measures set by Taumata Arowai along with differing compliance periods. The reporting timeframes to the water regulator now cover the calendar year and not financial year.

It is now a mandatory requirement within the DWQAR for each water supply to provide residual disinfection (chlorine) within the reticulation. Projects are underway within each supply to install chlorination units to meet this section of the DWQAR.

How this activity contributes to Community Outcomes & Well-being

The following project improvements are aligned with ensuring a sustainably managed environment and resilient communities:

- The new Arahura WTP.

Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Resilient Communities	Council supplied	Safety of drinking water:	Q2: (a) To date, 8 out of the 9 supplies are fully compliant with bacterial compliance criteria at both the

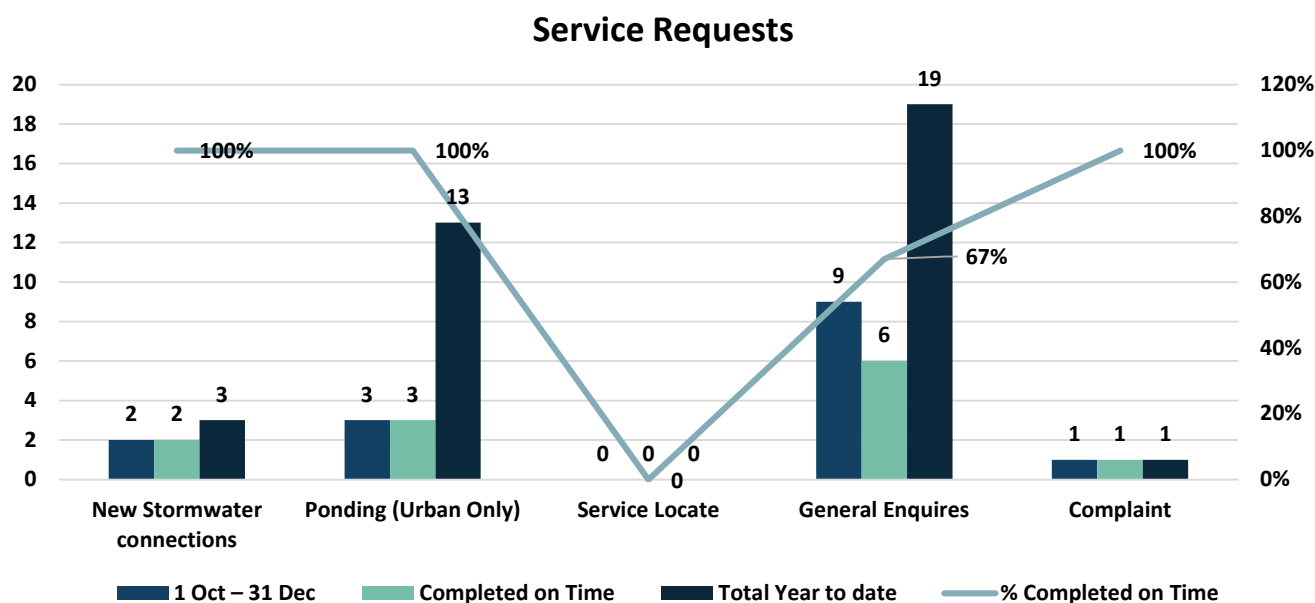
Community Outcome	Level of service	Performance measures (KPI)	Current performance
	potable water is safe to drink	<p>The extent to which the local authority's drinking water supply complies with:</p> <p>a) Part 4 of the drinking water standards (bacteria compliance criteria), 90% and</p> <p>b) Part 5 of the drinking-water standards (protozoal compliance criteria) 90%</p>	<p>water treatment plant and in the distribution zone.</p> <p>Fox Glacier is on a permanent boil water notice until the new WTP is operational.</p> <p>(b) 0 out of the 9 supplies are compliant with protozoal compliance criteria, which involves providing the required data to prove that the plant components were operational within their limits for the specified time.</p> <p>Whilst WDC has barriers in place and treatment processes for protozoal treatment we currently do not have the capability of provided the required data to prove compliance. The 3 Waters Team is currently preparing a business case for implementation of a data analyser programme to meet requirements of the Drinking Water Quality Assurance Rules.</p>
Resilient Communities	Requests for service are dealt with promptly	<p>Fault response times:</p> <p>Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:</p> <p>a) 95% attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (2 hours) , and</p> <p>b) 100% resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. (12 hours)</p> <p>c) 100% attendance for non-urgent call-outs: from the time that the local</p>	<p>a) 23% (16/70)</p> <p>b) 87% (61/70)</p> <p>c) 47% (29/62)</p> <p>d) 66% (41/62)</p>

Community Outcome	Level of service	Performance measures (KPI)	Current performance
		<p>authority receives notification to the time that service personnel reach the site (24 hours) , and</p> <p>d) 100% resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (72 hours).</p>	
<p>Sustainably Managed Environment</p>	<p>Council supplied water is reliable</p>	<p>Maintenance of the reticulation network:</p> <p>The percentage of real water loss from the local authority’s networked reticulation system (including a description of the methodology used to calculate this).</p> <p>Council does not intend to measure this as it will impose an unreasonable cost.</p>	<p>Not measured</p> <p>Monitored in a number of ways including; telemetry, water meters, repair program, mains replacements and pressure management. This is in context with the Benchloss NZ Manual.</p>
<p>Sustainably Managed Environment</p>		<p>Demand management:</p> <p>The average consumption of drinking water per day per resident within the territorial authority district is < 500l/day.</p>	<p>Not measured.</p> <p>Council does not have the equipment to measure average consumption hence a new three yearly measurement has not been performed since 2016/2017.</p> <p><i>Most recent measurement was 2016/2017: Winter 253l per head, Summer 480l per head</i></p>
<p>Resilient Communities</p>	<p>Customers are generally satisfied with the Council supplied water</p>	<p>Customer satisfaction:</p> <p>The total number of complaints received by the local authority about any of the following:</p> <ul style="list-style-type: none"> a) Drinking water clarity b) Drinking water taste c) Drinking water odour d) Drinking water pressure or flow e) Continuity of supply, and 	<ul style="list-style-type: none"> (a) 2 (b) 0 (c) 0 (d) 2 (e) 68 (f) 2 <p>Total number of complaints = 74</p> <p>Complaints per 1000 connections = 26.2 (2824 connections)</p>

Community Outcome	Level of service	Performance measures (KPI)	Current performance
		<p>f) The local authority's response to any of these issues.</p> <p>Expressed per 1000 connections to the local authority's networked reticulation system.</p> <p>25 per 1000 connections</p>	

Stormwater

There were 15 Stormwater related service requests recorded between 1 October 2022 – 31 December 2022.



The project to install a new stormwater pipeline along Town Belt East, which will receive stormwater from the racecourse and discharge to the river is progressing after a delay in manufacturing specialised manholes. Contractors have now returned to site to continue with the installation. The new pipeline will provide sufficient capacity to cater for all future stormwater discharge from the racecourse development.

How this activity contributes to Community Outcomes & Well-being

The following project improvements are aligned with ensuring a sustainably managed environment and resilient communities.

- Town Belt East stormwater upgrade

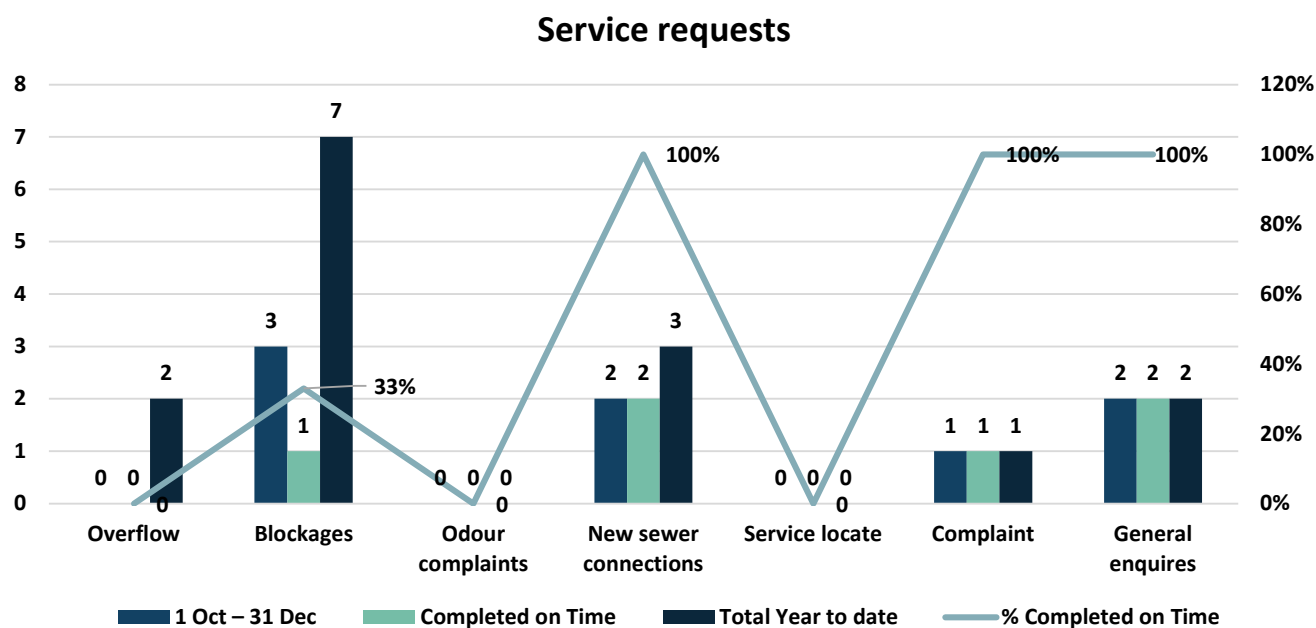
Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Sustainably Managed Environment	Council Stormwater systems have the capacity to resist major storms and flooding events	System adequacy: a) The number of flooding events that occur in a territorial authority district. No more than 2. b) For each flooding event, the number of habitable floors affected. 10 per 1000 properties connected to the territorial authority's stormwater system.	a) 0 – flooding events affecting habitable floors within the Council reticulated stormwater system. b) Total habitable floors = 0 Per 1000 connections = 0 (530 connections)

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Sustainably Managed Environment Resilient Communities	Requests for service are dealt with promptly	Response times: The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site. (95% within 2 hours)	No flood events in Q2
Sustainably Managed Environment Resilient Communities		Customer Satisfaction: The number of complaint received by a territorial authority about the performance of its storm water system, expressed per 1000 properties connected to the territorial authority's storm water system. 10 per 1000 connections	Total number of complaints = 14 Complaints per 1000 = 26 (530 connections)
Sustainably Managed Environment Resilient Communities	Council storm water systems protect the natural environment	Discharge compliance: 100% Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: a) Abatement notices b) Infringement notices c) Enforcement orders; and d) convictions	100% compliance.

Wastewater

There were 8 Wastewater related service requests recorded between 1 October 2022 – 31 December 2022.



Council staff and iwi representative are continuing to work together, along with Councils consultants Stantec, on preferred options and locations for the new Hokitika wastewater treatment plant. This project will span approximately four years with the outcome being an environmentally sustainable process for treatment and disposal of wastewater.

How this activity contributes to Community Outcomes & Well-being

The following project improvements are aligned with ensuring a sustainably managed environment and resilient communities.

- Sewer pipeline upgrade (“Z line”)

This project involved a section of new pipeline to replace the existing aged one from Park Street – Hokitika, to a location just short of Hampden Street. This is expected to be completed in February 2023.

- Hokitika Wastewater Treatment Plant

Partnering with iwi in a co-governance structure is aligned with Resilient Communities relating to community engagement.

Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Resilient Communities	Council wastewater systems are managed without risk to public health	System and adequacy: The number of dry weather sewerage overflows from the territorial authority’s sewerage system. 10 per 1000 connections	Total number of complaints =6 Complaints per 1000 connections = 2.8 (2172 connections)
Sustainably Managed Environment	Council wastewater	Discharge compliance:	100% compliance

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Sustainably Managed Environment	systems are safe and compliant	<p>100% Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:</p> <ul style="list-style-type: none"> a) abatement notices b) infringement notices c) enforcement orders, and d) convictions. <p>Received by the territorial authority in relation those resource consents.</p>	
Resilient Communities Sustainably Managed Environment	Customers are generally satisfied with the Council wastewater systems	<p>Fault response times: Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:</p> <ul style="list-style-type: none"> a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site (2 hours), 95% and b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (4 hours) 90%. 	<ul style="list-style-type: none"> a) 50% (1/2) b) 50% (1/2)
Resilient Communities Sustainably Managed Environment		<p>Customer satisfaction: The total number of complaints received by the territorial authority about any of the following:</p> <ul style="list-style-type: none"> a) sewage odour b) sewerage system faults 	<ul style="list-style-type: none"> a) 0 b) 2 c) 4 d) 0 <p>a) New measure – this measure should not have been</p>

Community Outcome	Level of service	Performance measures (KPI)	Current performance
		<p>c) sewerage system blockages, and</p> <p>d) the territorial authority's response to issues with its sewerage system,</p> <p>a) 2 - <i>this measure should not have been included in the LTP and will not be reported on.</i></p> <p>b) 25 per 1000 connections</p>	<p>included in the LTP and will not be reported on.</p> <p>b) Total number of complaints = 6</p> <p>Complaints per 1000 connections = 2.8 (2172 connections)</p>

Solid Waste

There have been no significant service initiatives put in place for the second quarter of the year. The existing services are continuing to provide good outcomes, with Westland District leading the regional group on viable recycling figures. A body cam was provided to the recycling inspector to capture residents' aggressive and threatening behaviour. Staff and contractor safety remains a top priority.

How this activity contributes to Community Outcomes & Well-being

These activities contribute to Council's focus on sustainable waste management practices:

- Increasing the quantity of recyclable material extracted from the waste stream.
- Monitoring of recycling bin materials.
- Educating residents on improved waste management practises.

Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Sustainably Managed Environment	Solid waste is managed appropriately	All necessary consents for solid waste activities and capital projects are applied for, held and monitored accordingly.	100% consents in place and monitored.
Sustainably Managed Environment	Maximised recycling efficiency	Reduce incidents of recycling bin contamination.	7% contamination (averaged)

Whole of Council Financial Summary

Sustainability Report

Total revenue	Total expenditure	Total surplus/(deficit)
\$16.43M	\$15.41M	\$1.03M
Is -1.75% less than the total budget of \$16.73M	Is 2.55% more than the total budget of \$15.02M	Against a budget of \$1.7M

SUSTAINABILITY

Rates to operating revenue **58.03%**

Rates Revenue	\$9.54M
Operating Revenue	\$16.43M

58.03% of operating revenue is derived from rates revenue. Rates revenue includes penalties, water supply by meter and is gross of remissions. Operating revenue excludes vested assets, and asset revaluation gains.

Balanced budget ratio **106.66%**

Operating revenue	\$16.43M
Operating expenditure	\$15.41M

Operating revenue should be equal or more than operating expenditure. Operating revenue excludes vested assets and asset revaluation gains. Operating expenditure includes depreciation and excludes landfill liability and loss on asset revaluations. Year to date revenue is 106.66% of operating expenditure.

Interest to rates revenue (LGFA Cov.) **4.18%**

Net interest and finance costs	\$0.4M
Rates Revenue	\$9.54M

4.18% of rates revenue is paid in interest. Our set limit is 25% of rates revenue. Net interest is interest paid less interest received. Rates revenue includes penalties, water supply by meter and gross of remissions.

Interest to operating revenue 2.43%

Net Interest and finance costs	\$0.4M
Operating revenue	\$16.43M

2.43% of operating revenue is paid in interest. Our set limit is 10% of operating revenue. Net interest is interest paid less interest received.

Liquidity Risk (LGFA Cov.) 175%

Gross debt	\$29.82M
Undrawn committed facilities	\$3.98M
Cash and cash equivalents	\$16.22M

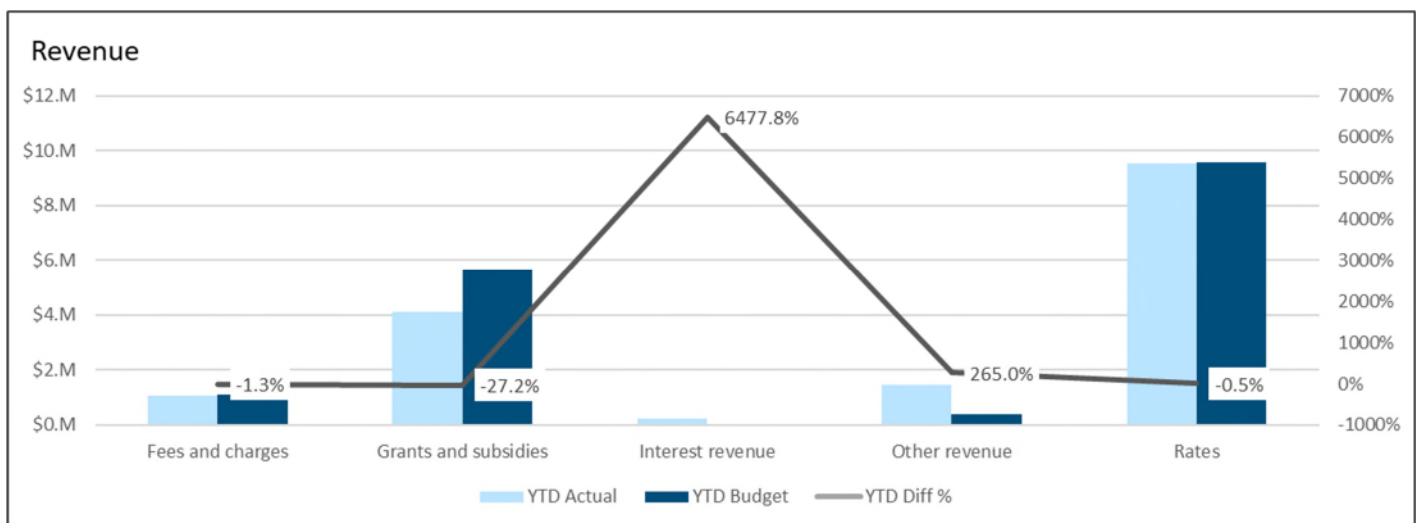
The liquidity risk policy requires us to maintain a minimum ratio of 110% which is also an LGFA covenant. Council's current liquidity risk is 175%. Gross debt includes pre-funding of \$3m invested in term deposit.

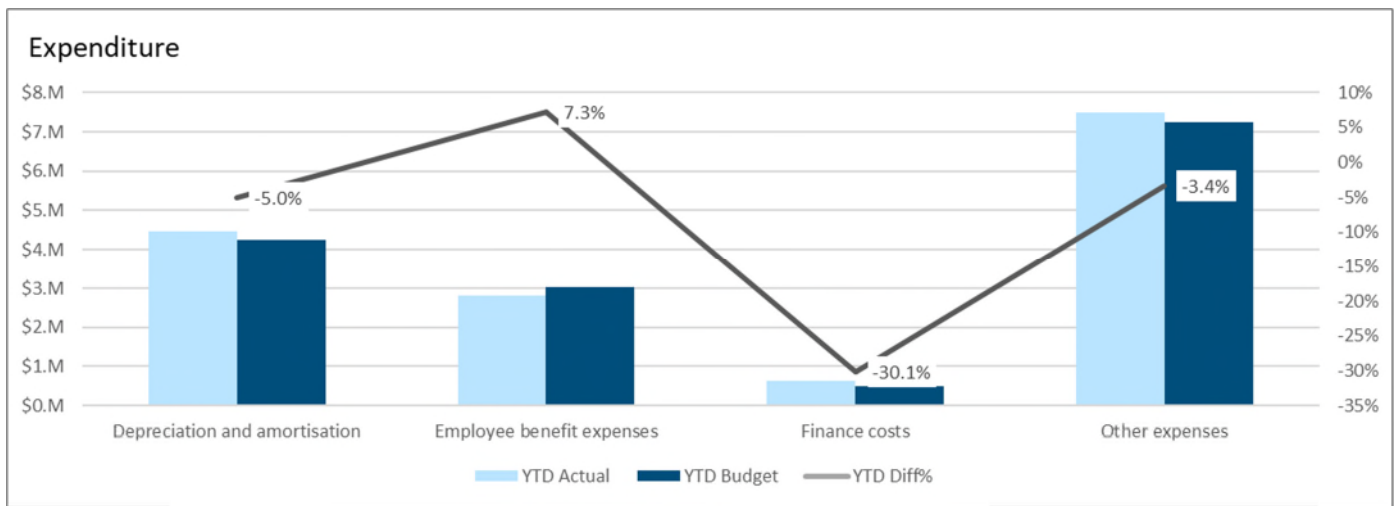
Essential services ratio 73.46%

Capital expenditure	\$2.63M
Depreciation	\$3.58M

Capital expenditure should be equal to or more than depreciation for essential services. Year to date capex is 73.46% of depreciation. Essential Services are Water Supply, Wastewater, Stormwater, and Roading. Adverse ratio in December continues to be a result of the lag in processing capital works invoices. The ratio continues to improve. Forecast depreciation is \$6.9M and forecast essential services capital spend (excluding Hokitika WWTP) is \$12.8M.

Revenue and Expenditure





Statement of Comprehensive Revenue and Expenditure

Statement of Comprehensive Revenue and Expense							
	Notes	Full Year Forecast (\$000)	Full Year Budget (\$000)	YTD Budget (\$000)	Actual YTD (\$000)	Variance YTD (\$000)	Var/Bud %
Revenue							
Rates	01	19,178	19,227	9,585	9,536	(49)	-0.51%
Grants and subsidies	02	9,758	11,291	5,646	4,112	(1,534)	-27.17%
Interest Revenue	03	247	7	4	243	239	6477.77%
Fees and Charges	04	2,163	2,177	1,089	1,074	(15)	-1.35%
Other revenue	05	2,256	1,189	402	1,469	1,066	264.99%
Total operating revenue		33,600	33,893	16,726	16,434	(292)	-1.75%
Expenditure							
Employee Benefit expenses	06	5,858	6,079	3,030	2,809	(221)	-7.29%
Finance Costs	07	1,135	987	493	642	149	30.15%
Depreciation	08	8,727	8,515	4,258	4,470	212	4.97%
Other expenses	09	14,110	13,867	7,243	7,486	244	3.36%
Total operating expenditure		29,831	29,448	15,024	15,407	383	2.55%
Operating Surplus/(Deficit)		3,769	4,445	1,702	1,026.285	(676)	-39.69%

Notes to the Statement of Comprehensive Revenue and Expenditure

Comments are provided on permanent variances over \$25,000 only.

Note 1 - Rates							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (000's)	Var/Bud %	Notes
Rates	19,178	19,227	9,585	9,536	(49)	-1%	Rates income continues to be lower than planned mainly due to metered water usage in Franz Josef and Fox Glacier (\$46k). the returning tourism numbers has brought Hokitika metered water rates back in line with budget.
Total - Rates	19,178	19,227	9,585	9,536	(49)	-1%	

Note 2 - Grants and Subsidies							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (000's)	Var/Bud %	Notes
Grants & Contributions	3,100	2,135	1,067	2,033	965	90%	Timing - mainly receipt of NZTA funding \$1.3M
Capital Subsidies	6,658	9,156	4,578	2,079	(2499)	-55%	Timing - received \$2.9M grants, offset by net accrual/(deferral) from 2021/22 of \$0.9M. Major funding received was \$1.4M for Hokitika swimming pool.
Total - Grants and Subsidies	9,758	11,291	5,646	4,112	(1534)	-27%	

Grant income brought forward from 2020-21 is recognised as it is expensed.

Interest Revenue							
Note 3 - Interest Revenue							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (000's)	Var/Bud %	Notes
Interest Revenue	247	7	4	243	239	6478%	Unbudgeted interest received from term deposits, mainly from past grant funding receipts and prefunding. Also starting to receive interest on Swaps whereas in the past these have been a finance cost.
Total - Interest Revenue	247	7	4	243	239	6478%	

Fees and Charges							
Note 4 - Fees and Charges							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (000's)	Var/Bud %	Notes
Friends of the Library	2	2	1		(1)	-67%	
Inspection Fees	194	182	91	103	12	13%	
Amusement Device Licences					()	-60%	
Building Accreditation	24	26	13	12	(1)	-10%	
Building Checks	3	5	3		(3)	-100%	
Building Consents	75	72	36	39	2	7%	
Burial Fees	44	43	21	22	1	3%	
Camping Ground Licence Fees	3	7	3		(3)	-100%	
Cass Square Hire Char	6	13	6		(6)	-100%	
Compliance Certificates	49	43	21	27	6	26%	
Compliance Schedule Fees	35	28	14	21	7	52%	
DVD Rental	2	2	1	1		13%	
Land Information Memo	98	130	65	33	(32)	-49%	Potentially revenue expectations too high due to comparing previous years revenue.
Liquor Licences	86	98	49	36	(13)	-26%	
Monitoring Revenue	5	2	1	3	2	162%	
Photocopying Revenue	5	6	3	2	()	-14%	
Plant Hire	129	141	70	59	(12)	-17%	
Processing Fees	278	247	123	155	31	25%	Strong demand continues in the building sector with building processing fees being \$50k over budget but planning \$19k under budget.
Project Information						105%	
Refuse Site Fees	829	810	405	424	18	5%	
Resource Consents	171	175	87	84	(4)	-5%	
Trade Waste Fees	88	101	50	38	(13)	-25%	
Waste Levy	39	45	23	16	(6)	-27%	
Total - Fees and Charges	2,163	2,177	1,089	1,074	(15)	-1%	

Other revenue							
Note 5 - Other Revenue							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (000's)	Var/Bud %	Notes
Impounding Fees	3	5	3		(2)	-96%	
Nomination Fees	2			2	2	0%	
Petrol Tax Income	69	126	63	6	(57)	-90%	This is currently an accrual based on the last payment received (June).
Rental	67	60	30	37	7	25%	
Reserve Fund Revenue	197	44	22	175	153	697%	This is a result of continuing strong demand in the building sector
Capital Contributions	13	13	7	7		4%	
Dividends	770	470		300	300	0%	Timing difference - dividend received earlier than expected. Forecast is to be adjusted.
Dogs Registration	118	110	101	109	8	7%	
Fines	3	2	1	2	1	100%	
Food Premises Licences	16	20	10	6	(4)	-40%	
Gain on Swap	680	150	75	605	530	706%	Changes in SWAP values due to increasing interest rate.
Gain on Disposal	7	-4	-4	7	11	-278%	
Hairdressers Licences	3	3				0%	
Hawkers Licences	1	1			(1)	-39%	
Legal Fees Recovered	22	2	1	21	20	2045%	
LIBRAR - Donations	2	3	1		(1)	-100%	
Mobile Shop Licences	3	3	1	1		0%	
Research Income	1	1	1			0%	
Offensive Trade Licences	1	1	1		(1)	-100%	
PLBUILD - Commission	3	3	2	2		0%	
Recoveries	219	125	63	157	94	149%	Actual recoveries income is higher than planned mainly due to an unbudgeted claim to DIA for \$87.5k to recover costs associated with 3-Waters transition.
Retail Sales	8	6	3	5	2	72%	
Sundry Income	48	45	23	26	3	13%	
Total - Other Revenue	2,256	1,189	402	1,468	1,066	265%	

Employee Benefit expenses							
Note 6 - Employee Benefit Expenses							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (000's)	Var/Bud %	Notes
Salaries & Wages	5,668	5,884	2,942	2,726	(216)	-7%	Actual salary cost is lower than planned due to unfilled roles.
Superannuation	172	176	88	84	(4)	-5%	
ACC Levy	19	19				0%	
Total -Employee Benefit Expenses	5,858	6,079	3,030	2,809	(221)	-7%	

Finance Costs							
Note 7 - Finance Costs							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (000's)	Var/Bud %	Notes
Finance Costs	1,135	987	493	642	149	30%	Increasing interest rates. Offset by interest income, including interest on swaps now being received.
Total - Finance Costs	1,135	987	493	642	149	30%	

Depreciation							
Note 8 - Depreciation							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (000's)	Var/Bud %	Notes
Depreciation and Amortisation	5,474	5,534	2,767	2,707	(60)	-2%	Overall over-budget mainly as a result of higher than expected revaluations in June 2022 of infrastructure assets.
Unfunded Depreciation	3,253	2,982	1,491	1,763	272	18%	
Total - Depreciation	8,727	8,515	4,258	4,470	212	5%	

Other expenses

Note 9 - Other expenses

	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Administrative Expenses	775	770	385	391	6	1%	
Bad Debt Provision						0%	
Contractors	759	583	291	468	176	60%	
CCO Management	682	728	364	318	(46)	-13%	
Electricity	422	527	328	223	(105)	-32%	Timing of expected price increases.
Honorarium	340	336	168	172	4	3%	
Insurance	228	433	433	228	(205)	-47%	Timing - insurers slow in providing full insurance assessments for 2022/23
Loss on Swaps	342			342	342	0%	Offset by gains in Swaps of \$530k
Maintenance	5,474	5,173	2,586	2,887	301	12%	Roading maintenance: drainage and asset network maintenance
Management Contracts	908	955	477	431	(46)	-10%	Reduced refuse activity mainly in Franz Josef and Butlers landfill
Other Expenses	2,705	2,807	1,295	1,193	(102)	-8%	Mainly due to timing differences between audit budget and costs, \$160k
Professional Services	433	483	242	191	(50)	-21%	Timing of various activities (up and down) but the largest underspend to date is in Activity Management Planning Improvement (Land Transport expense) being \$50k under budget
Refuse Collections	676	798	399	277	(122)	-31%	Timing - administrative staff changes at Refuse site resulted in delayed invoices and costs were under-accrued
Rates	365	275	275	365	90	33%	Under-budgeted rates expense
Total - Other expenses	14,110	13,867	7,243	7,486	244	3.4%	
Grand Total	3,769	4,445	1,702	1,026	(676)	-40%	

Statement of Financial Position

Statement of Financial Position			
	December YTD 2022 \$000	Annual Plan 2022/23 \$000	Actual 2021/2022 \$000
Assets			
Current assets			
Cash & cash equivalents	13,238	2,436	9,389
Debtors & other receivables	1,875	2,819	5,029
Tax receivable	10	-	10
Derivative financial instruments	29	-	12
Other financial assets	3,048	-	3,048
Total Current Assets	18,200	5,255	17,487
Non-current assets			
Council Controlled Organisation	12,695	12,695	12,695
Deferred Tax	137	-	137
Intangible assets	125	392	136
Assets Under Construction	14,158	737	11,675
Derivative financial instruments	1,114	235	869
Other Financial Assets	615	825	617
Investment property	-	-	-
Property, Plant and Equipment	490,482	460,329	493,213
Term Inventory	-	-	-
Total Non-current assets	519,325	475,213	519,341
Total Assets	537,526	480,468	536,828
Liabilities			
Current liabilities			
Creditors & other payables	1,706	2,596	2,755
Employee benefit liabilities	534	384	489
Tax payable	-	-	-
Borrowings	3,000	-	3,000
Derivative financial instruments	-	94	-
Other	2,140	1,160	1,450
Total Current Liabilities	7,379	4,235	7,693
Non-current liabilities			
Deferred Tax	-	10	-
Employee benefit liabilities	32	42	35
Provisions	2,821	1,846	2,821
Borrowings	26,818	35,759	26,818
Derivative financial instruments	-	272	-
Total Non-Current Liabilities	29,671	37,928	29,674
Total Liabilities	37,050	42,162	37,367
Net Assets	500,475	438,305	499,461

	December YTD 2022 \$000	Annual Plan 2022/23 \$000	Actual 2021/2022 \$000
Equity			
Retained Earnings	171,598	182,545	170,583
Restricted Reserves	12,967	6,747	12,968
Revaluation reserves	315,733	248,926	315,733
Other comprehensive revenue and expense reserve	177	87	177
Total Equity	500,475	438,305	499,461

Capital Expenditure

Capital Projects 2022 23
As at 31/12/2022

				Legend - K€		
Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
	\$0	\$0	\$0			
LEADERSHIP						
Furniture Renewals	2,721	5,120	5,120			
Council HQ Earthquake strengthening & upgrade	0	250,000	250,000			
Council HQ - i-SITE room fitouts	0	60,920	60,920			
IT Equipment - Disaster Recovery Servers	0	32,768	32,768			Part of Business Continuity and Disaster Recovery Plan.
Hannahs Clearing Fire Station upgrade	0	71,680	71,680			
IT equipment Renewals	1,104	15,360	15,360			
IT Offsite Replication	0	40,960	40,960			
Replacement of vehicles	0	81,920	81,920			
	3,825	558,728	558,728			
Planning & Regulatory Services						
Civil Defence - Satellite Data & Voice	0	4,500	4,500			
Civil Defence - Emergency Operations Centre	0	1,396,398	1,396,398			
Civil Defence – Emergency containers	0	8,357	8,357			
Civil Defence – Emergency communications equipment	0	20,539	25,240			
	0	1,429,794	1,434,495			
LIBRARY & Museum						
Library - Resources	28,057	70,836	70,848			
Library Furniture & Equipment	0	9,508	13,050			
Museum – Museum archives	0	533,676	533,676			Part to complete full transferal between collection databases, concept design and 1/3 funding requirement for RCHF and Lotteries
Museum – Museum complex roller doors – H&S	0	2,000	2,000			
Museum – Packaging material	0	7,600	7,600			
Museum – Scissor lift H&S upgrades	0	8,200	8,200			
Collection Database-Axiell EMu	0	38,828	48,000			Museum Data Base, lease arrangement
Digital Interactive Package (pt of Museum fitout)	1,029	505,010	505,010			To be used for Ngā Whakatūrangā Project,
	29,086	1,175,658	1,188,384			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
WATER SUPPLY						
Kumara - WTP remedial work	0	48,710	48,710			Budget to be used for automation of duty / stand by valves (currently manual)
Kumara Replace Existing Reservoirs-investigation	0	25,000	0			Deferred until 24/25
Kumara Monitoring Equipment At WTP	11,342	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programme
Kumara Assessment reservoir	0	19,219	0			Deferred until 24/25
Kumara - Seismic valves	0	27,315	0			Deferred until 24/25
Kumara Water Mains Replacement	8,911	218,431	218,431			Pressure test and chlorination of mains completed. Programmed hook in new year.
Arahura Monitoring Equipment at WTP	11,342	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programme
Arahura Water Treatment Plant upgrade	58,754	123,884	123,884			Practical completion certificate awaiting for final "snag list" completion. Plant running and supplying water to township.
Hokitika Monitoring Equipment at WTP	11,997	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programme
Hokitika Seismic Valve (main outlet)	71,906	49,345	71,906			Now deferred until May / June 2023.
Hokitika Water Mains Replacement	354,338	309,724	354,338			Completed. Final invoices to come in.
Investigate Options for Brickfield Reservoirs	0	92,160	92,160			Not started
Hari Hari Monitoring Equipment at WTP	11,342	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programme
Hari Hari Water Mains Replacement	153,498	174,942	174,942			Final restoration to be completed before year end.
Ross Monitoring Equipment at WTP	10,930	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programme
Whataroa Monitoring Equipment at WTP	12,422	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programme
Franz Josef Monitoring Equipment at WTP	10,930	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programme
Fox Glacier Monitoring Equipment at WTP	10,930	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programme
Fox Glacier Plant Upgrade to DWSNZ	240,916	1,068,851	668,851			Membranes ordered. ETA Oct 2023. Meeting with contractors to discuss options of forward works.
Haast Monitoring Equipment at WTP	11,447	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programme
SCADA / Telemetry at WTP's	18,742	21,415	21,415			Budget to be used for SCADA set up on burst control valves.
WTP Chlorination	14,950	125,000	125,000			Deplox units with Filtec. Installation & commissioning early 2023.
	1,024,696	3,203,996	2,799,637			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
WASTE WATER						
Hokitika Water Mains Repl+G154:G166acement	0	66,473	66,473			Physical works completed last year. Budget to be used for easement finalization with James Scott.
General Contribution towards new developments	0	10,240	10,240			0
General Replacement of Wastewater Treatment Plant	0	20,480	20,480			Replacement of Haast WWTP outflow meter. Works progressing. Budget also used for PLC component at Fitzherbert St PS.
Hokitika WWTP - 3 Waters Funded Projects (100% funded)	160,808	171,294	315,574			Project completed. DA to review open PO associated with this work which is causing the forecast "overspend".
Hokitika WWTP Treatment and Disposal	2,075	6,110,487	6,110,487			Next working group meeting in the new year.
Hokitika - Z-line section replacement	159,230	302,381	399,719			Final pressure testing and hook in, followed by restoration week beginning 19th December.
Hokitika Wastewater Retic CCTV	0	20,000	20,000			Budget to be used for lateral locations / confirmations. Final sheet for CCTV work ETA Feb 2023.
Kanieri Road Catchment - I&I Investigation and Provisions	17,176	105,627	105,627			Waiting on final invoices
	339,290	6,806,982	7,048,600			

SOLID WASTE						
Butlers - Intermediate capping	1,187	82,769	50,000			Underway but will be completed 2024FY - Westroads completing
Franz Josef - Landfill final capping	0	2,407	2,407			0
Butlers New Cell/Franz Josef Waste Management	61,601	217,383	217,383			0
Emmissions Trading - Carbon Credits	0	200,000	200,000			0
Hokitika - Glass crusher, waste mimimisation equipment	12,050	100,000	100,000			0
Haast Lanfill Capping	1,277	48,280	48,280			To be completed in March /April
Haast - Develop transfer station	0	100,000	100,000			Starting in new year when Landfill closed
Hokitika - Refuse shed 1 doors & iron replacement	17,138	12,686	29,112			Works complete
Hokitika Refuse Shed 2	0	10,000	10,000			Works underway now
Hokitika - Waste minimisation equipment	1,374	81,048	81,048			0
	94,625	854,573	838,230			

STORM WATER						
Hokitika Stormwater Mains Replacement	660	228,107	228,107			For town Belt East.
Hokitika - Pump upgrade (Sewell St)	25,081	100,000	101,427			Electrical board being delivered and installed early December
Hokitika - Kanieri Rd network pipeline	0	122,880	122,880			0
Livingstone St Pump Upgrade	157,878	1,375,622	1,375,622			Manholes are on site this week. Work to re-commence 10th Jan.
Beach St SW realignment	39,567	370,631	370,631			Completed. Remaining budget is to be used to add another soak hole in Beach Street.
Jollie St Extension	0	252,573	252,573			Contract awarded to Westroads. Work to commence in the new year.
Bealey St Pump Upgrade	0	20,480	20,480			0
Contribution towards new developments	0	10,240	10,240			0
	223,186	2,480,533	2,481,960			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
CEMETERIES						
Cemetery – Hokitika Improvements	(920)	10,434	10,434			
Cemetery - Hokitika Improvements Ashes Berm	0	20,000	20,000			
Cemetery – Hokitika tractor shed	0	10,363	10,363			
Cemetery - Hokitika Upgrade and expansion	0	10,363	22,168			Building complete. Issues with Contractor (Westroads)
Cemetery - Ross Berm development	0	33,090	33,090			Works listing required
	(920)	84,250	96,055			

SWIMMING POOLS						
Swimming Pool Hokitika Refurbishment	128,127	1,614,716	1,614,716			1.42m approved for additional funding. Revised timeline to be developed. Working with contractor. Materials and build time. Intrusive works to come at closedown 5th June 23. Scott meeting with contractor to discuss timelines for non intrusive works.
Swimming Pool Ross - EQ strengthening	0	10,000	10,000			Work to comence 9th Jan 23, expected completion 6 weeks after that.
Swimming Pool Ross - Replace novalite, windows & roof r	0	14,783	14,783			
	128,127	1,639,499	1,639,499			

FACILITIES & LEISURE SERVICES - OTHER						
Strengthening Carnegie Building	211,004	0	211,004			Forecast is YTD expenditure but there are open purchase orders to be verified
Buildings - Carnegie building fitout	0	709,390	709,390			Dedicated to the Capital Assets Budget as per Regeneration. Fund Application 50:50 for the Nga Whakaturanga Project
Buildings - Custom House - repile building	1,881	3,450	3,881			
Buildings - Fox house re-roof	0	26,200	26,200			
Buildings - Haast Community hall	0	26,200	26,200			
Buildings - Hari Hari house - plumbing work	0	29,169	29,169			
Buildings - Hari Hari House Insulation	0	15,360	15,360			
Buildings - Pakiwaitara Earthquake structural works	620	450,000	450,000			Joseph & Associate are providing a quote. 450k may cover watertight issues
Buildings - Whataroa pavilion upgrade	0	2,261	2,261			
Hokitika Heritage Park Infrastructure	0	80,000	80,000			
Franz Josef Urban Revitalisation Plan	10,851	200,000	200,000			
Franz Heliport and Carpark	156,250	188,051	214,565			
Heritage area lighting	318	57,848	57,848			Building complete. Issues with Contractor (Westroads)
Hokitika Rubbish Bins	0	2,024	2,024			
Hokitika lighting and banners	17,047	117,825	117,825			
Hokitika revitalisation plan	15,215	100,000	100,000			Underway - Pushing the roading items that need adressing.
Jacksons Bay Trailer and Boat Park	0	188,180	188,180			Hold, due to regional council protection works upgrade
Visitor Services - iSite equipment replacements	0	6,072	6,072			
WCWT Milltown Shelter	49,013	67,398	67,398			
Paringa Conveniences (70% funded)	153,050	239,561	300,382			
WCWT Northbank route	13,958	73,564	73,564			
Westland Tourism Marketing Infrastruture	0	75,000	75,000			
	629,206	2,657,553	2,956,323			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
PARKS & RESERVES						
Cass Square - Rubber matting	0	111,460	111,460			
Cass Square toilets	50,936	23,697	125,936			Expected to be \$75 - \$100K over expenditure.
Cass Square - Upgrade of Playground equipment	0	1,056,788	1,056,788			
Cass Square - new developments	0	166,968	166,968			
Cass Square - new pavilion	0	76,800	76,800			
Cass Square Skate Park	25,431	0	25,431			Deferred to next round of Lotteries Community Facilities - waiting on annual plan process
Playground - Ross equipment upgrades to meet standards	0	91,536	91,536			
Playground - Whataroa equipment upgrades to meet	45,731	56,470	56,470			
Playground - Haast equipment upgrades to meet	0	1,536	1,536			
Playground - Kumara equipment upgrades to meet	0	1,536	1,536			
Reserves - Hokitika dog park	0	20,250	20,250			
Reserves - Waterfront Development: Beach access;	256,959	407,976	476,320			
Cycle Trail - Lake Kaniere Stage 1	9,640	41,303	41,303			
Cycle Trail - Wainihinhi wet weather route bridge	0	320,000	320,000			
Cycle Trail - Mahinapua viewing platform	0	70,000	70,000			
Cycle Trail - Minor infrastructure (shelters etc)	9,800	72,000	72,000			
Cycle Trail - Safety enhancements	0	60,000	60,000			
Cycle Trail - Kaniere water race bridges	3,100	278,967	278,967			
WCWT Storm 2022 Repairs	7,483	0	33,383			
Westland Racing Club Reserve development	143,772	443,012	443,012			
Racecourse Dev-Stormwater	0	896,000	896,000			
	552,852	4,196,299	4,425,696			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
LAND TRANSPORTATION						
211 Unsealed Road Metalling	29,742	193,241	193,241			
212 Sealed Road Resurfacing	364,778	1,108,910	1,108,910			
213 Drainage Renewals	133,747	182,744	182,744			
214 Sealed Road Pavement Rehabilitation	10,753	400,000	400,000			
215 Structures Component Replacement/216 Bridge & Structures Replacement	24,594	476,052	392,683			
216 Bridge & Structure Renewals	0	500,000	500,000			
222 Traffic Services Renewals	16,356	110,730	110,730			Annual reprint and new signs where necessary
212 SPR Sealed Road Resurfacing	0	300,000	300,000			
213 SPR Drainage Renewals	69,990	(6,828)	69,990			
214 SPR Sealed Road Pavement Rehabilitation	40,563	229,393	229,393			
215 SPR Structures Component Replacement/216 SPR Bridge & Structures Replacement	0	198,436	198,436			
216 SPR Bridge & Structure Renewals	0	70,000	70,000			
222 SPR Traffic services renewals	8,134	6,511	8,742			
Low Cost Low Risk - Local	84,061	295,000	295,000			
Low Cost Low Risk - SPR	62,600	2,084,475	2,084,475			Underway, resilience project being investigated
Footpath upgrades	114,594	(83,369)	114,594			Westroads working to the agreed programme
Cron Street and Footpath Extensions (100% funded)	84,700	40,003	84,700			Application in with MBIE to reallocated some funds from Old CHCH to Cron Street
Old Christchurch Road (100% funded)	0	83,918	83,918			Application in with MBIE to reallocated some funds from Old CHCH to Cron Street
	1,044,612	6,189,216	6,427,556			
UNBUDGETED CAPITAL EXPENDITURE						
Civil Defence Local Energy Centre	(5,435)	0	4,125			
LDHQ Energy Centre	8,529	0	10,529			
Funded Hall and memorials repair works	0	273,621	273,621			
	3,094	273,621	288,274			
Total	4,071,679	31,550,701	32,183,438			

Treasury Report

Summary

The purpose of this section of the Quarterly Report is to provide an update on Council's Treasury Position as at **31 December 2022**.

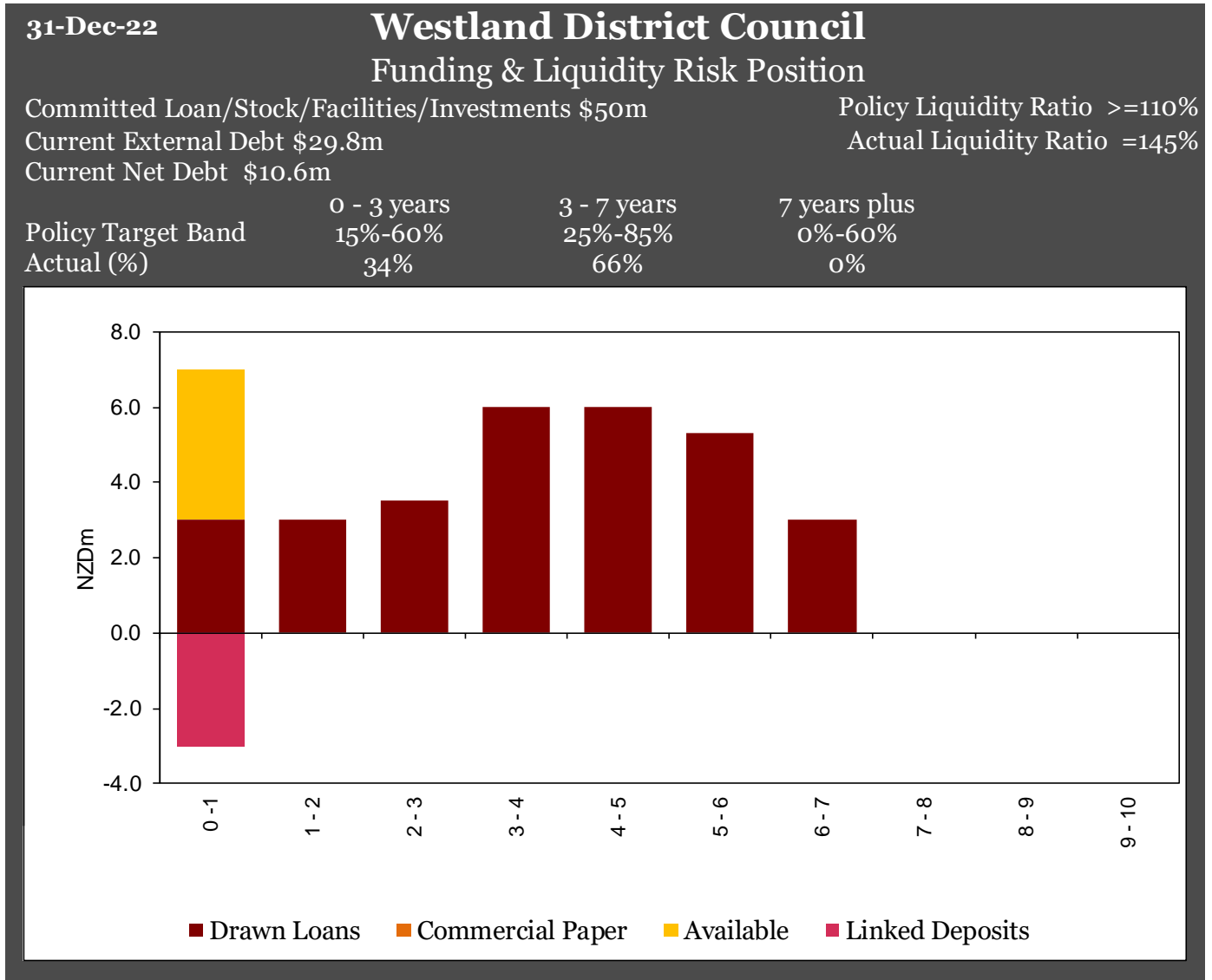
This section shows the Council's position for the following items:

- Council's debt position
- Debtors (Sundry and Rates)
- Loans
- Other Borrowings (if any)
- Swap
- Internal borrowing
- Cash Investments
- Deposits
- Debtors by Activity & Debt collection
- Reserve Funds report

Council has contracted PWC as an independent treasury adviser.

Loans

This chart illustrates the Council’s position in relation to the debt facility:



Liquidity and Funding Risk Control Limits:

Maturity band limits were amended into three bands: 0 - 3 years, 3 - 7 years and 7 years plus. Minimum and maximum percentage limits within each maturity band ensure a spread of maturities and reduces the risk of maturity concentrations.

Council’s policies require a liquidity cover of 110% of current debt. Council has \$11.0m of term deposits and \$5.2m cash at bank available as at 31 December 2022 and a \$4m credit facility with Westpac which resulted in a liquidity coverage ratio of 175%. The forecast debt for the current financial year is \$31.8m.

Amount	Rate	Maturity
3,000,000	4.82%	17-Apr-23
18,352	4.95%	01-Jul-23
3,000,000	4.82%	15-Apr-24
2,300,000	4.82%	15-Apr-25
1,200,000	4.82%	15-Apr-25
1,500,000	4.82%	15-Apr-26
1,500,000	1.14%	15-Apr-26
2,000,000	4.82%	15-Apr-26
1,000,000	1.39%	15-Apr-26
1,500,000	3.88%	15-Apr-27
1,500,000	1.23%	15-Apr-27
3,000,000	4.82%	15-Apr-27
1,300,000	4.82%	18-Apr-28
3,000,000	4.16%	15-May-28
1,000,000	4.16%	15-May-28
3,000,000	4.83%	20-Apr-29
29,818,352	Total	

Except for the second item in the table above all loans are obtained from LGFA. The interest rates shown above for LGFA bonds do not include margins of up to 1.1% charged by LGFA.

Note – on 14 April 2022, WDC took a \$3m prefunding loan from LGFA.

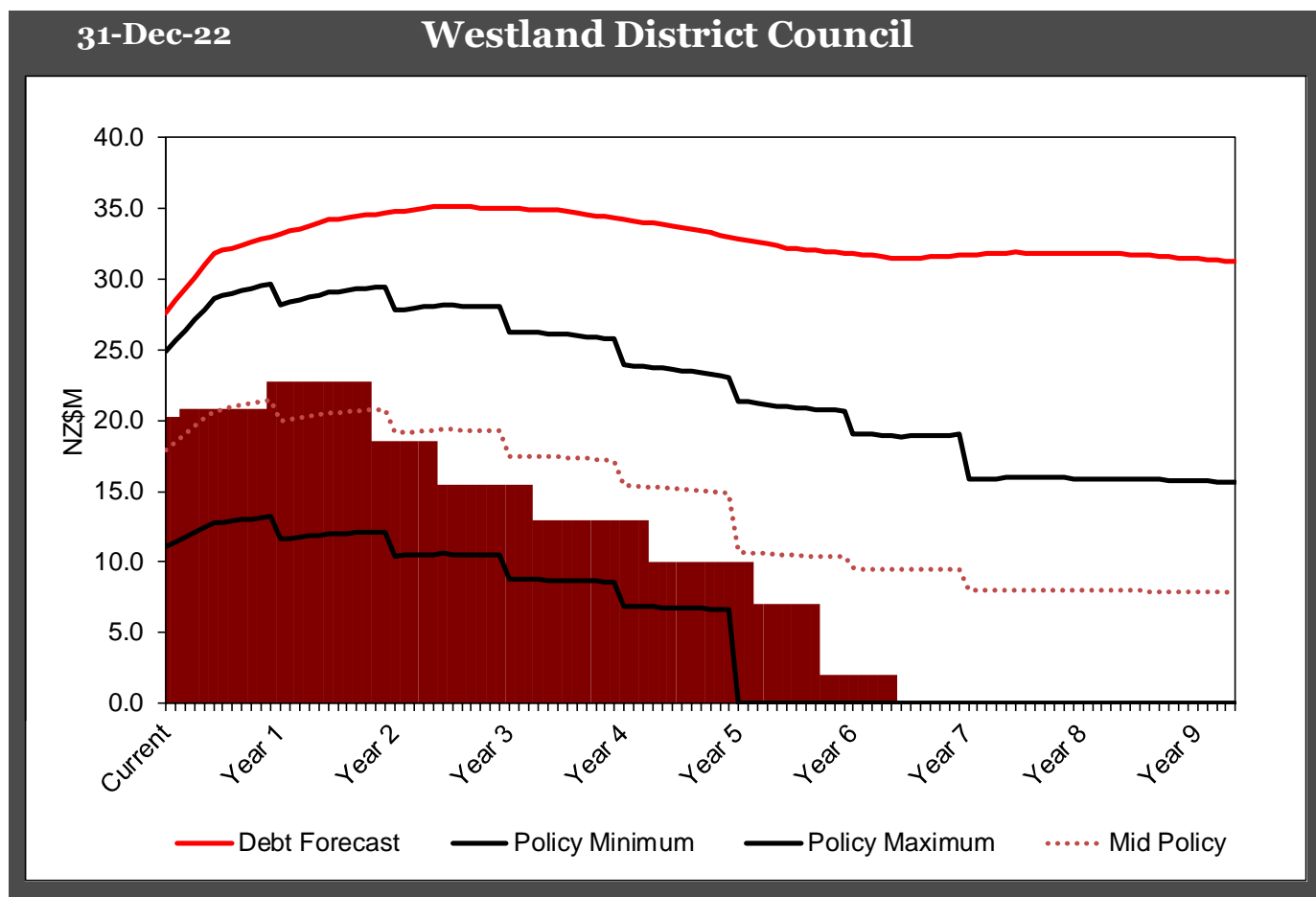
Swaps

Amount	Rate	Maturity
2,500,000	2.980%	17/03/2023
5,000,000	4.710%	02/10/2023
4,300,000	0.670%	02/10/2025
3,000,000	2.760%	17/11/2026
3,000,000	2.300%	15/03/2027
5,000,000	3.970%	15/06/2028
2,000,000	2.750%	15/06/2029
24,800,000	Total	

Out of the \$24.8m Swaps portfolio above, \$10.0m Swaps have future effective dates and are not considered as live Swaps.

Interest Rate Risk Position

The interest rate risk position visually represents the Council's interest rate position within approved interest rate control limits as set out in Council's Liability Management Policy.



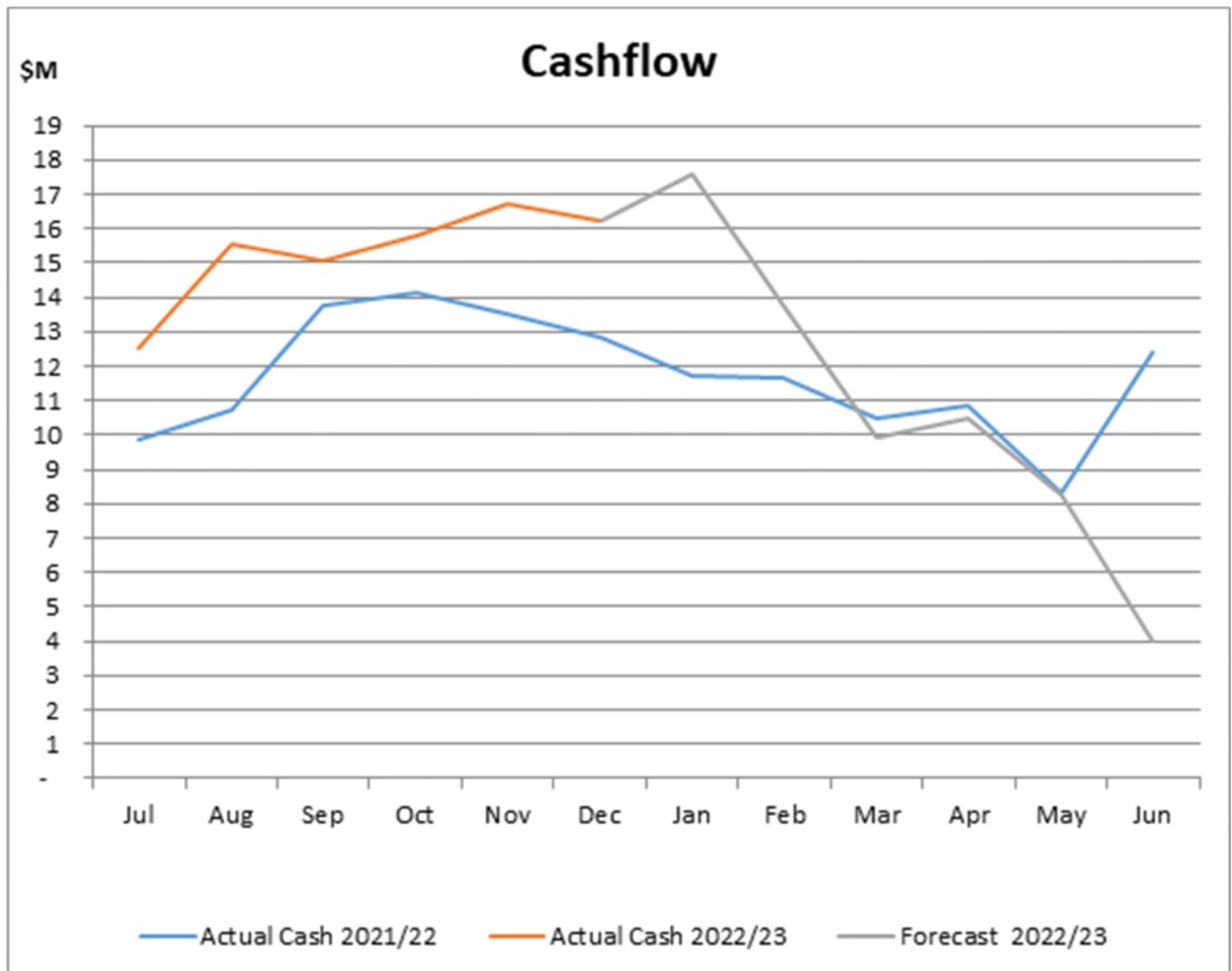
Internal Borrowing

Internal borrowing as at 31 December

	\$
Kaniere sewerage	43,910
Hannah's Clearing water services	10,478
Total	54,388

Cash Investments

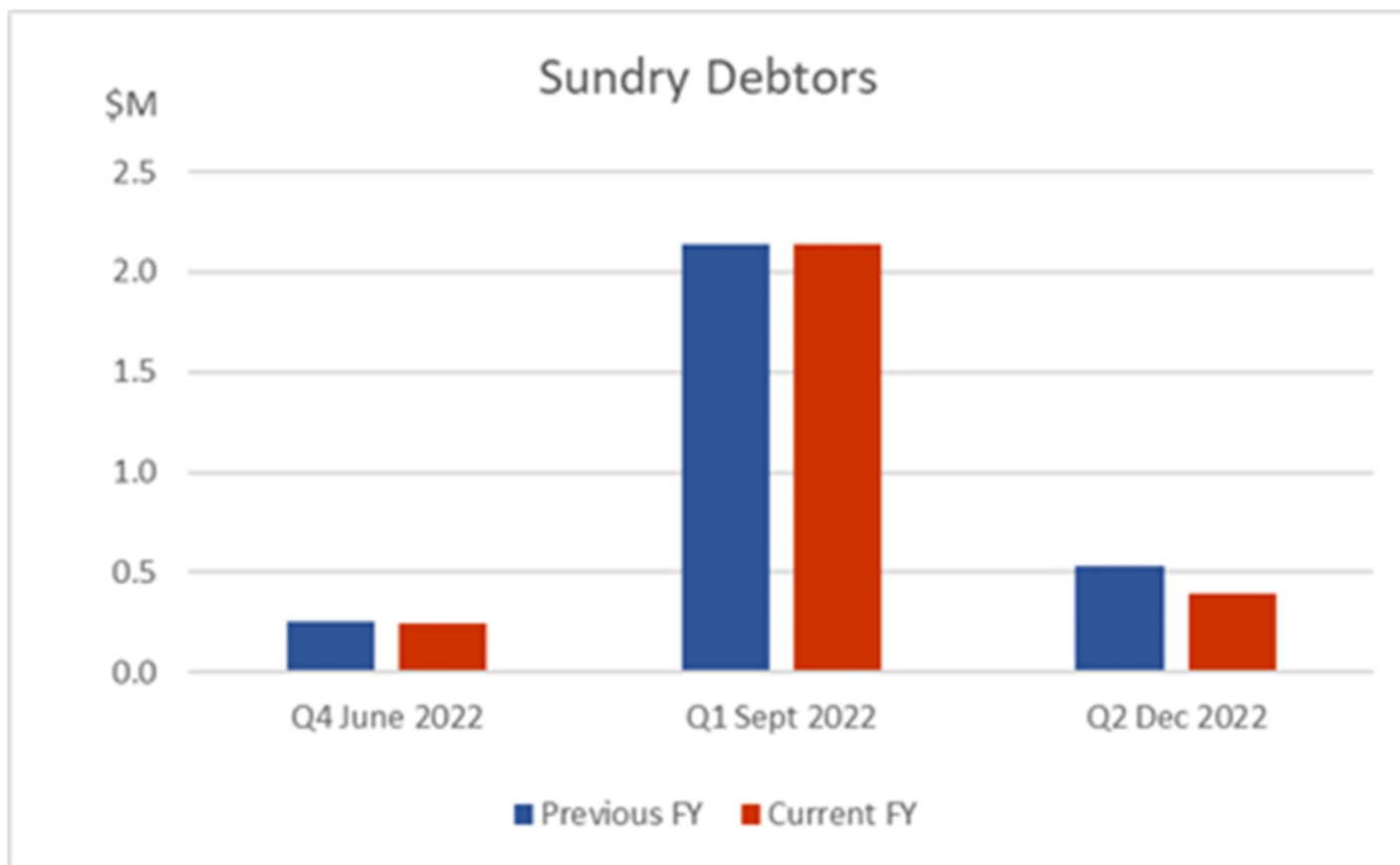
Cash flow actual/ forecast as at 31 December



Debt position

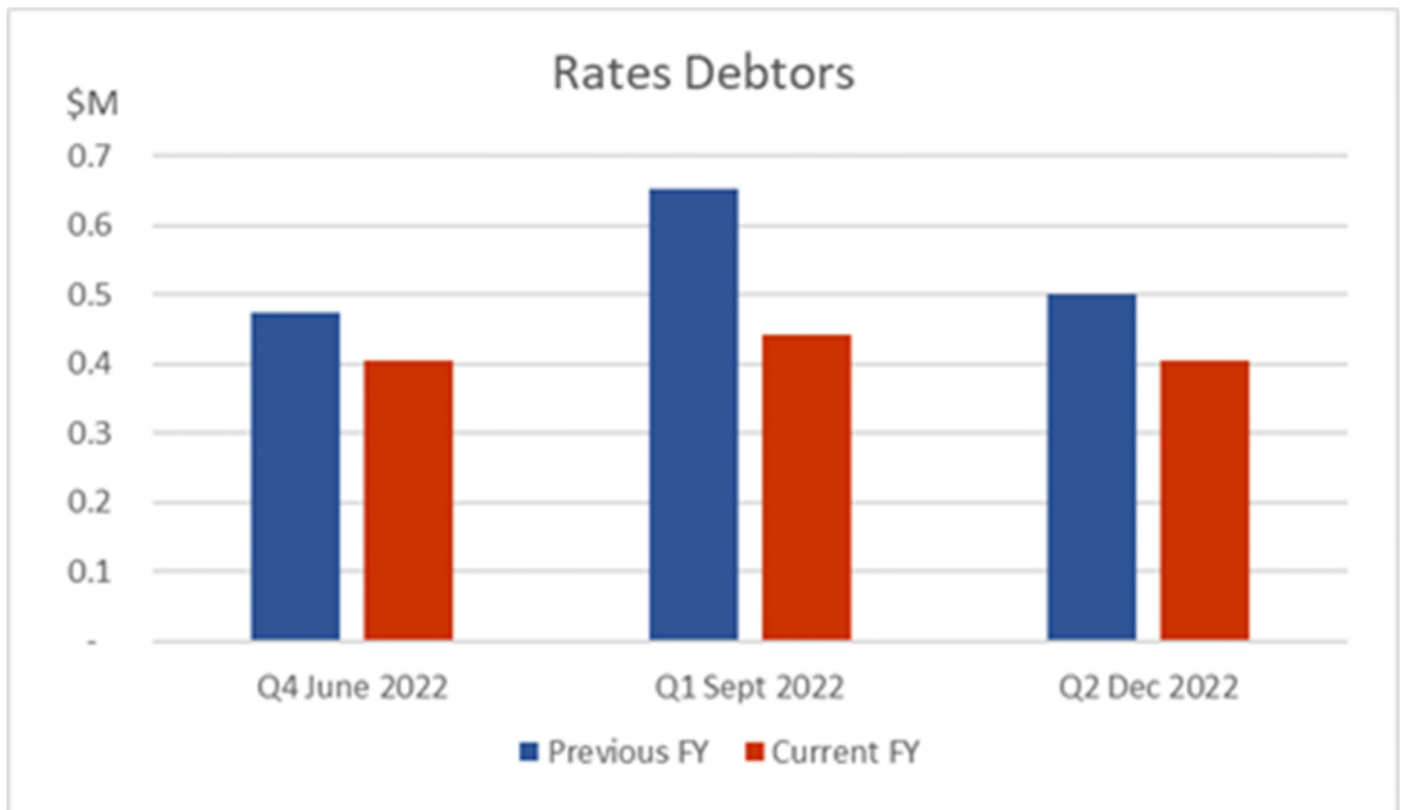
Sundry debtors

Outstanding Sundry debtors as at 31 December 2022 stands at \$393,712 which is \$140,503 lower than Q2 2021/2022 financial year sundry debtors at \$534,215.



Rates debtors

At 31 December, rates debtors figure total \$402,906 which is \$97,983 less than Q2 2022/23 financial year rates debtors at \$500,889.



Debtors by activity

31/12/2022

Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building consents	15,321	6,564	13,096	7,756	42,736
Building Warrants	885	1,174	220	199	2,478
Resource consents	610	160	7,210	8,821	16,801
Sundry debtors	111,955	19,293	20,042	180,407	331,696
Grand Total	128,771	27,191	40,567	197,183	393,712

31/12/2021

Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building Consents	35,251	2,132	5,166	28,265	70,814
Building Warrants	1,290	150	1,686	310	3,436
Resource Consents	5,540	11,211	1,811	10,705	29,267
Sundry Debtors	8,102	15,168	369,819	37,608	430,698
Grand Total	50,183	28,661	378,483	76,888	534,215

Debt collection

Credit Recoveries performance as at 31 December for active debt:

Credit Collection		Dec-22			
Credit Recoveries Ltd	Opening Balance	Debt Placed	Paid to us	Balance Outstanding	Recovery Rate
Sundry Debtors	660	-	-	660	0.0%
Rates Debtors	-	-	-	-	

Resolve Collections Ltd	Opening Balance	Debt Placed	Paid to us	Balance Outstanding	Recovery Rate
Sundry Debtors	10,308	-	-	12,422	0%
Rates Debtors	99,801	24,177	30,418	93,559	25%

Total Credit Collection	110,768	24,177	30,418	106,641	23%
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The relationship between Council and the debt recovery agency is being actively managed with regular meetings and guidance from Finance. This proactive approach has assisted with the success of the debt management process and reduction of overdue debtors.

Further debts will be referred to debt recovery only where internal processes have proven unsuccessful.

Reserve Funds Report

Summary

Reserves are divided into two categories:

Restricted Reserves: These reserves can only be used for the purpose as set out in either legislation or by the funder.

Council Created Reserves: These reserves exist solely at the discretion of Council, as a matter of good business practice.

Financial Management Principles for Reserve Funds

- There are no reserves that are required to be represented by specific cash funds. Council therefore takes a portfolio approach to treasury management.
- Reserves are funded by interest income from investments and available borrowing capacity.
- Reserve balances will grow by interest calculated at the weighted average 90 day bill rate, transferred quarterly into the reserve.
- During 2022/2023 new depreciation reserves will grow quarterly. Interest will be earned on those reserves calculated based on the average 90 day bill rate. This will be funded from external interest revenue (or deficit reserves – internal borrowing) for 2022/2023.
- Interest will be charged on any reserve in deficit at Council's weighted average cost of asset term debt.
- No funds shall be withdrawn from any reserve unless provided for in the Annual Plan or by Council resolution.

Council Created Reserve Funds					
Reserve	Purpose of each reserve fund	Balance 1 July 2022 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 31 Dec 2022 \$000
Kumara Township fund	Township funding for the purpose of community related projects				
HariHari township	Township funding for the purpose of community related projects	2	14	(14)	2
Whataroa township	Township funding for the purpose of community related projects	2	14	(14)	2
Ross township	Township funding for the purpose of community related projects	1	14	(14)	1
Haast township	Township funding for the purpose of community related projects	(3)	14	(14)	(3)
Franz township	Township funding for the purpose of community related projects	2	35	(35)	2
Fox township	Township funding for the purpose of community related projects	1	35	(35)	1
Kokatahi community fund	Township funding for the purpose of community related projects		8	(8)	
Foreshore	Foreshore Protection for groyne replacement on the foreshore.	11			11
Glacier country promotions	Targeted rates collected from Glacier Country to provide funding for marketing projects.		(34)	(78)	(112)
Prestons bush	Mr Preston donated the reserve to Council. This fund was for the community to beautify the bush with tracks and interpretation boards.		3	(3)	
HariHari community complex	The Harihari Pony Club land was sold and the funding was to go towards a new community complex. (Another \$100,000 is allocated from the Reserve Development Fund.)	69	1		70
Guy Menzies trust	Surplus from Guy Menzies Day Event.	1			1
Emergency contingency fund	Fund to support Westland in a Civil Defence emergency.	64	1		66
Marks Road reserve fund	Net Sale proceeds of section of Marks Road Reserve to be split between Haast Civil Defense and the Haast Community	95	2		97
Transport renewals	For funding the renewal of roads and bridges.	436	822	(236)	1022
Water renewal	For funding the renewal of water supplies networks	4703	87	(858)	3932
Waste water renewal	For funding the renewal of sewerage and sewage networks	2755	532	(197)	3089
Solid Waste Renewal	For funding the renewal of solid waste systems	(27)	17		(10)
Stormwater renewal	For funding the renewal of stormwater systems	1456	105		1561
Parks and Reserves renewals	For funding Parks, Reserves, Public Toilets, Ross Pool and Cemeteries Asset Renewal	626	284	(71)	839
Building renewals	For renewal of all Council operational buildings.	1335	98		1434
Administration renewals	For renewal of office equipment, furniture, technical equipment, vehicles and technology	480	117	(5)	592
Library renewals	To replace library books	295	52	(28)	319
Westland Racing Club reserve fund	Westland Racing Club transferred the racecourse and \$250k to WDC	223	5	(2)	226
General Rates Funding Reserve	For operating costs not covered by rates due to iholding rates to a maximim rate percentage increase	(627)		(6)	(633)
Total Council Created Reserves		11,899	2,228	(1,618)	12,509

Restricted Reserve Funds					
Reserve	Purpose of each reserve fund	Balance 1 July 2022 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 31 Dec 2022 \$000
Offstreet Parking	Collected from developments in town to pay for off-street parking. Imposed by RMA/District Plan	60	1		62
Reserve Development	Monies collected from developments. Imposed by RMA/District Plan	431	185	(117)	498
Museum Assistance Fund	Originally the Museum Bequest Fund	38	1		39
Kumara Endowment Fund	Proceeds from sale of Endowment land. Our brief research has not identified the specific terms of the endowment.	362	7	(1)	368
Euphemia Brown Bequest	Interest earned on funds administered by Public Trust Offices for the estates of Euphemia & William E. Brown.	24	1		25
Mayoral Relief Funds	Contributions from James & Margaret Isdell Trust and Coulston Herbert Trust	27	1	(1)	26
Three Mile Domain	To fund the Three Mile Domain costs.	75	2		76
Ross Endowment Land	Various endowment land parcels in Ross sold over time.	53	1	(1)	53
Graffiti	Grant funding received	4			4
Big Brothers Big Sisters	Grant funding received	(1)			(1)
Community Patrol	Grant funding Received				1
Taxi Chits	Grant funding received	(5)		(1)	(5)
Total Restricted Reserves		1,069	198	(121)	1,146
Total Reserves		12,968	2,426	(1,738)	13,655