



AGENDA

RĀRANGI TAKE

NOTICE OF AN ORDINARY MEETING OF

COUNCIL

to be held on **Thursday 22nd September 2022** commencing at **9:00am** in the Council Chambers, 36 Weld Street, Hokitika and via Zoom

Chairperson: His Worship the Mayor

Members: Cr Carruthers (Deputy)

Cr Hart

Cr Keogan

Cr Neale

Kw Tumahai

Cr Davidson

Cr Hartshorne

Cr Martin

Kw Madgwick



In accordance with clause 25A 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. KARAKIA TĪMATANGA OPENING KARAKIA

2. NGĀ WHAKAPAAHA APOLOGIES

Kw Madgwick
Kw Tumahai

3. 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.

4. 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.

5. **NGĀ MENETI O TE HUI KAUNIHĒRA** **MINUTES OF MEETINGS**

Minutes circulated separately via Microsoft Teams.

- **Ordinary Council Meeting Minutes – 25 August 2022** (Pages 7-16)

6. **ACTION LIST**

Chief Executive, Simon Bastion

(Pages 17-22)

7. **NGĀ TĀPAETANGA** **PRESENTATIONS**

- **Community Service Awards – 10:15am**
Presented by Mayor, Bruce Smith

MORNING TEA – 10:30am

8. **PŪRONGO KAIMAHI** **STAFF REPORTS**

- **Delegations to the Chief Executive During the Election Period and Discharging Committees**
Chief Executive, Simon Bastion (Pages 23-27)
- **Continuation of Hokitika Seawall Joint Committee and Franz Josef/Waiiau Rating District Joint Committee**
Chief Executive, Simon Bastion (Pages 28-41)
- **Financial Performance: August 2022**
Finance Manager, Lynley Truman (Pages 42-59)
- **Annual Dog Control Policies and Practices Report**
Group Manager, Corporate Services; Lesley Crichton (Pages 60-66)
- **Better Off Package Funding**
Chief Executive, Simon Bastion (Pages 67-102)
- **Annual Report of the Work of the Audit and Risk Committee for the period 1 August 2021 - 31 July 2022**
Group Manager, Corporate Services, Lesley Crichton (Pages 103-107)

9. ADMINISTRATIVE RESOLUTION

Warrant of Appointment – Planner, Enforcement Officer

Olivia Rose Anderson	Warrant of Appointment – Planner, Enforcement Officer	<p>To act in the Westland District as:</p> <ul style="list-style-type: none"> • An Officer pursuant to s.174 of the Local Government Act; AND • An Officer under the Westland District Council Bylaws; AND <p>Enforcement officer pursuant to s.38 of the Resource Management Act 1991, including the power of entry pursuant to s.332 and s.333 of the Resource Management Act 1991.</p>
----------------------	---	---

Presentations Continued:

- **Summary of Activities for the 2019-2022 Triennium**
Chief Executive, Simon Bastion
- **Presentations to Mayor and Councillors Not Standing for Re-Election**

10. 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 – 25 August 2022	Good reason to withhold exist under Section 7	<p>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.</p> <p>Section 48(1)(a)</p>

2.	Annual Report of the Work of the Audit and Risk Committee for the Period 1 August 2021 to 31 July 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)
3.	Tender Approval: Hokitika Z Line 22/23-02 – Tender Approval	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	Tender Approval: Utilities Maintenance Contract 22/23-03 – Tender Approval	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.	Tender Approval: West Coast Councils Roding Asset Management Services Contract 2022 – Tender Approval	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)
6.	Tender Approval: West Coast Bridge Structure Asset Management 2022 – Tender Approval	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)
7.	Infrastructure Acceleration Fund	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 (i)
1,2,3,4,5,6,7	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)).
1,2,3,4,5,6,7	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
3,4,5,6	Prevent the disclosure or use of official information for improper gain or improper advantage (Schedule 7(2)(j)).

**DATE OF NEXT ORDINARY COUNCIL MEETING – 27 OCTOBER 2022
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**



ORDINARY COUNCIL MINUTES

MINUTES OF THE ORDINARY COUNCIL MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY 25 AUGUST 2022 COMMENCING AT 1 PM

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

1. KARAKIA TĪMATANGA OPENING KARAKIA

The opening Karakia was read by Cr Neale

2. MEMBERS PRESENT AND APOLOGIES

Chairperson	Acting Mayor Carruthers	
Members	His Worship the Mayor (Zoom)	
	Cr Davidson	Cr Hart
	Cr Martin	Cr Neale
	Cr Keogan	Kw Madgwick

NGĀ WHAKAPAAHA APOLOGIES

Kw Tumahai
Cr Hartshorne

Moved Acting Mayor Carruthers seconded Cr Keogan and **Resolved** that the apologies from Kw Tumahai and Cr Hartshorne be received and accepted.

STAFF PRESENT

L. Crichton, Acting Chief Executive; S. Baxendale, Group Manager District Assets; D. Maitland; Executive Assistant, E. Rae, Strategy and Communications Advisor; S. Johnston; Governance Administrator.

3. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated via Microsoft Teams and available on the Council table. There were no changes to the Interest Register noted.

4. 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 Council Agenda.

5. NGĀ MENETI O TE HUI KAUNIHĒRA MINUTES OF MEETINGS

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

- **Ordinary Council Meeting Minutes – 28 July 2022**

Moved Acting Mayor Carruthers seconded Cr Martin and **Resolved** that the Minutes of the Ordinary Council Meeting held on the 28 July 2022 be confirmed as a true and correct record of the meeting.

The Chair **Approved** that their digital signature be added to the confirmed Council Meeting Minutes of 28 July 2022.

COMMITTEE MINUTES RECEIVED:

- **Audit & Risk Committee Meeting – 12 May 2022**

Moved Acting Mayor Carruthers seconded Cr Davidson and **Resolved** that the Minutes of the Audit & Risk Committee Meeting held on the 12 May 2022 be received.

- **Cycling & Walking Sub-Committee Meeting – 19 May 2022**

Moved Acting Mayor Carruthers seconded Cr Davidson and **Resolved** that the Minutes of the Cycling & Walking Sub-Committee Meeting held on the 19 May 2022 be received.

- **CE's Review Committee Meeting – 23 June 2022**

Moved Acting Mayor Carruthers seconded Cr Davidson and **Resolved** that the Minutes of the CE's Review Committee Meeting held on the 23 June 2022 be received.

COMMITTEE MINUTES TO BE CONFIRMED DUE TO THE COMMITTEE NOT MEETING AGAIN BEFORE THE END OF THE TRIENNIUM

- **Extraordinary Capital Projects & Tenders Committee Meeting – 14 June 2022**

Moved Acting Mayor Carruthers seconded Cr Davidson and **Resolved** that the Extraordinary Capital Projects & Tenders Committee Meeting Minutes from 14 June 2022 be confirmed.

- **Audit & Risk Committee Meeting – 11 August 2022**

Moved Acting Mayor Carruthers seconded Cr Davidson and **Resolved** that the Audit & Risk Committee Meeting Minutes from 11 August 2022 be confirmed.

- **CE's Review Committee Meeting – 15 August 2022**

Moved Acting Mayor Carruthers seconded Cr Davidson and **Resolved** that the CE's Review Committee Meeting Minutes of 15 August 2022 be confirmed.

- **Cycling & Walking Sub-Committee Meeting – 18 August 2022**

Moved Acting Mayor Carruthers seconded Cr Davidson and **Resolved** that the Cycling & Walking Sub-Committee Meeting Minutes of 18 August 2022 be confirmed.

6. ACTION LIST

The Group Manager, District Assets, Scott Baxendale spoke to the Action List and provided the following updates:

- **Speed Limit Register Review – Stage 2**

Now halfway through the consultation process. Feedback has been mixed and slow. There is large support for speed reductions around schools which is being planned as part of the latest Waka Kotahi rule changes. Full report back to council.

Cr Keogan requested a summary of the feedback received once submissions have closed.

- **Ross Chinese Gardens – Flooding issues**

Work is nearing completion and the outlet is in place. Due to be completed in September. Lake level has risen of late due to the impact of weather conditions. Staff member to out tomorrow (26.08.22) to have a further look at what is happening. To remember this is a community project and council not directly leading.

- **Pakiwaitara Building – Investigate costs to bring up to building standards**

No further movement since last meeting. Parked and postponed for the time being.

- **Pakiwaitara Building – Business Case Timeline**

As per previous action - no further movement since last meeting. Parked and postponed for the time being.

- **Racecourse Development Submission Bid**

There was a presentation in the confidential section at the last Council meeting. Continuing to work on this. Need to do some final negotiations and discussion regarding funding agent towards end of October/November.

There will be a more detailed, outlined proposal brought back to September Council meeting for Council to make a decision.

- **Gambling Policy**

There is a report on the agenda for discussion today.

- **Hokitika Beach Sign**

No further movement on this at the present.

The sign had blown over in a recent weather event, but it has since been re-erected.

- **Otira Toilet**

Temporary toilets were reinstalled in the community from 1 August 2022. Further discussions are being had internally on how to put together a more permanent solution. Alternative funding will need to be sought – which is part of the discussion happening internally. This will be brought back to Council to discuss.

Cr Martin requested a timeline regarding permanent toilets and added to the LTP.

- **Reseals 2022/2023**

At the previous Council meeting there was a request for an information breakdown of bitumen component of the reseal cost. Bitumen makes up approx. 50% of total reseal costs. In October 2021, bitumen was \$990 per tonne, March 2022 \$1165 per tonne and August 2022 is presently \$1355 per tonne which equates to a 37% increase for bitumen alone since 2021.

Councillors queried whether this would mean Council will do less reseals, and if so, who decides what roads are priorities.

District Assets Manager advised that Council will be staying within budget which will mean doing less. The Transportation manager will come back to Council with a paper regarding the impacts of this and timelines.

- **Bollards at Kaniere Crossing**

This has been discussed internally on how to best produce something for council to help inform in the decision-making process. Councils view was to produce a report outlining the approach to road safety design and safety parameters Council operate within. This to be produced for early next year due to the scale of work involved.

Some councillors expressed strong views on the visual appearance of the bollards, stating they were an eyesore, a waste of time, unnecessary, and were requesting for the bollards to be completely removed, whilst other Councillors felt the bollards provided a good safety measure for children and cyclist and felt safety should be the first priority.

District Assets Manager advised that the bollards are a visual deterrence & there may be a way to minimise the visual impact of them. There is a risk associated with completely removing the bollards, and Councillors need to have clarity on what the public safety position is first, then, if there is a lesser requirement, Council can decide from there. A discussion will be had with the Transportation manager on what is allowed/not allowed on that piece of road – balance road safety with aesthetics. This information will be circulated to Councillors.

Cass Square Fence was raised (not on the action list)

Councillors raised the issue of the fence being erected around Cass Square and queried why and how this fence came to be, and why Councillors did not know about the proposed fence, and discussion not had. Who made the decision and was it budgeted for.

The Acting Chief Executive advised that this was previously mentioned at meetings regarding the revitalisation of Cass Square. There was no specific proposal as it was part and parcel of the whole revitalisation and advised that the Chief Executive may have more information regarding this.

The concept plan of Cass Square to be circulated to Councillors and the Acting Chief Executive will discuss with the Chief Executive about this when he returns.

- **Old Christchurch Road Culvert Replacement**

Transportation Manager was asked to advise councillors of the costings, budget, and approximate timeframe for this replacement and to outline the position regarding external funding. \$250K for this culvert this was declined by Waka Kotahi. Proposed to include this in next LTP 2023 for the funding 2024-2027 NLTF.

Cr Martin queried the estimated amount of \$250k for one culvert and requested a breakdown of the costs of works of that \$250k.

District Assets Manger advised that the transportation manager is currently away, and will discuss this with him, and get back to Councillors with this costing.

- **Berm Mowing**

There is a paper that has been brought today for discussion.

- **Better Off Funding Package**

A workshop was held with Councillors on 15 August 2022 to look at allocation of funding towards individual projects and comprehensive discussion was had. There were some actions taken away from this with a further workshop planned for 12 September 2022 for councillors to come back. From here a report will be produced for Septembers Council meeting.

Cr Keogan requested specific detail on how many applications from the Community have come in to Council since the Workshop on the 15th August. District Assets Manager to source this information and circulate to the Councillors.

Moved Acting Mayor Carruthers, seconded Cr Neale and **Resolved** that the updated Action List be received with the above amendments/actions.

7. NGĀ TĀPAETANGA PRESENTATIONS

Nil Presentations

8. PŪRONGO KAIMAHI STAFF REPORTS

- **Financial Report**

Finance Manager, Lynley Truman spoke to this report and advised that the purpose of this report is to provide an indication of Council's financial performance for the month to 31 July 2022.

Cr Hart queried the figure amount of \$745k in 60-90 days and what that was in relation to.

The Finance Manager advised that it was potentially regarding grants and would need to get back to her to confirm.

Cr Martin queried page 5 note 2 regarding grants and subsidies with a significant variation to budget, and asked if this was a phasing or timing issue?

The Finance Manager advised that it is a timing issue.

Cr Martin requested a review of the quantum of grant funding and subsidies in detail and to be circulated to Councillors.

Cr Martin requested Capital Projects – to be listed like the Traffic Light System.

September Council Meeting – CE to give a Breakdown of external funding from over the past 7 years.

Moved Cr Hart seconded Cr Neale and **Resolved** that:

1. The Financial Performance Report for 31 July 2022 be received.

- **Community Funding**

Acting Chief Executive, Lesley Crichton spoke to this report and advised that the purpose of this report is to provide Council with a Draft Community Funding Policy for consideration and adoption.

The Acting Chief Executive advised that this report was brought to the last Council meeting but required updates: regarding Iwi involvement, seeing them as a treaty partner and acknowledging that. Kw Madgwick was involved in the update of the wording of this Policy.

Acting Chief Executive reminded Councillors that this policy is purely about the framework for staff to decide on how funding is allocated to groups

Councillors commented on the wording in section 1.2 of the report and felt the wording too heavy/detailed and unnecessary and should be amended to broader terms.

Moved Acting Mayor Carruthers seconded Cr Neale and **Resolved** that:

- The Community Funding Report be received.
 - Council approves the Westland District Council Community Funding Policy as is.
- **Otira Community – Request for a Community Board**
Acting Chief Executive and Group Manager, Corporate Services, Lesley Crichton spoke to this report and advised that the purpose of this report is to respond to the Otira Community regarding their request to formalise an Otira Community Board.

The recommendation is that they do not become a Community Board, but suggest they become an Incorporated Society, that way they can seek external funding as well as through Council. A community board requires remuneration, formal meetings & costs associated with those meetings.

Moved Acting Mayor Carruthers seconded Cr Keogan and **Resolved** that:

1. The Report be received.
2. That Council encourage the Otira Community Group to become a legal entity by applying to become an Incorporated Society.
3. That Council appoint a Northern Ward Councillor as a liaison with the Otira Community. Cr Neale advised she is happy to do this in the interim.

- **Social Impact Assessment – Class 4 and TAB Venue Gambling**
Acting Chief Executive and Group Manager, Corporate Services, Lesley spoke to this report and advised that the purpose of this report is to provide Council with a Social Impact Assessment of Class 4 and TAB Venue Gambling in the Westland District: Social Harms and Benefits.

Cr Martin left the chambers at 2:59pm and returned at 3:01pm

Moved Acting Mayor Carruthers seconded Cr Keogan and **Resolved** that:

1. The Report be received.
2. The Social Impact Assessment of Class 4 and TAB Venue Gambling in the Westland District: Social Harms and Benefits report as prepared by Social Research and Evaluation be received subject to the following amendment:
3. That the contradictory wording between law and policy be tidied up.

- Wording in Clause 3.6 changed from:
“New venues must provide **an open area for Class 4 Gambling**” to
“All venues must provide **a restricted area for Class 4 Gambling**”.

Council adjourned for an afternoon tea break at 3:05pm and reconvened the meeting at 3:17pm.

- **Berm Mowing Policy Review**
Group Manager District Assets, Scott Baxendale spoke to this report and advised that the purpose of this report is to reconsider the present mowing frequency options within the Urban Berm Mowing Policy.

This policy was asked to be brought back to council for review whether to continue with the policy as is or change the policy with recommendations.

Councillors commented that the Policy doesn't give staff clear enough guidance as to what triggers berm mowing and would like this clarified at a policy level. The intent here is to provide guidance to staff to support them in their operational work.

The District Assets Manager advised that the District Asset Team could come back to council with a proposal to look at the most cost-effective way to regularly mow the berms, but it is not budgeted for in the annual plan.

Moved Cr Davidson seconded Cr Martin and **Resolved** that:

1. The Report be received.
2. An immediate berm clearance of non-residential areas be done.
3. A report be brought to the September Council meeting outlining a proposal for properties where berms that are not being mowed to be mowed regularly (as needed).

Cr Martin left the chambers at 3:41pm and returned to the chambers at 3:42pm

- **Hokitika Beachfront Access Project Report**

Group Manager, District Assets, Scott Baxendale spoke to this item and advised that:

- 1.1 The purpose of this report is to provide an update for Council on the Hokitika Beachfront Access Project.

Councillors commented that discussions appeared to have happened at an operational level but were not discussed at a Governance level.

The Mayor advised that he had been in contact with an ex-Westland District Council staff member who was able to confirm verbal discussions had taken place with the Chief Executive, and that he was happy to confirm this in writing.

Moved Cr Davidson seconded Cr Martin and **Resolved** that

1. The report and appendices be received.
2. Acting CE to raise this issue with Chief Executive on his return to work and Acting Mayor Carruthers and Chief Executive have further discussion on moving this forward.

- **Road Naming –Norwest Estate, Hokitika and Boundary Road, Kumara.**

Group Manager, District Assets, Scott Baxendale spoke to this item and advised that:

- 1.1. The purpose of this report is to approve the naming proposals for Norwest Estate Limited Subdivision and an unnamed road at the Eastern end of Kumara Township.

Moved Cr Keogan seconded Cr Hart and **Resolved** that:

1. That the report be received.
2. Council resolves to adopt and accept the following road names of: Mandl Rise, Ellis Terrace, Manson Place and Boundary Road as submitted by the applicants for the new roads at Norwest Estate, Hokitika and Boundary Road at Kumara.

9. ADMINISTRATIVE RESOLUTION

Council is required to confirm its Seal being affixed to the following document:

Moved Acting Mayor Carruthers seconded Cr Keogan and **Resolved** that Council confirm its seal being affixed to the following document:

Deed of Variation of Lease between Westland District Council (Lessor) and Destination Westland Limited (Lessee). Local purpose reserve for aerodrome and associated purposes subject to the Reserves Act 1977.

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

(to consider and adopt confidential items)

Moved Acting Mayor Carruthers, seconded Cr Neale and **Resolved** that Council confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 4:12 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 – 28 July 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.	Confidential Committee Minutes to be Received: 12 May 2022 Audit & Risk Committee Minutes 19 May 2022 Cycling & Walking Sub- Committee Minutes 23 June 2022 CE's Review Committee Minutes	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.	Confidential Committee Minutes to be Confirmed due to the Committee not meeting again before the end of Triennium	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)

14 June 2022 –
Extraordinary Capital
Projects & Tenders
Committee Minutes

11 August 2022 -
Audit & Risk
Committee Minutes

15 August 2022 – CE’s
Review Committee
Minutes

18 August 2022 –
Cycling & Walking
Sub-Committee
Minutes

4.	Risk Report Independent Chair, Audit & Risk Committee, Rachael Dean	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
1,2,3	Protect the privacy of natural persons, including that of deceased natural persons (i)
1, 2,3	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, 2,3	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
4.	The withholding of the information is necessary to maintain legal professional privilege. (Schedule 7(2)(g))
4.	The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. (Schedule 7(2)(h)).

Moved Acting Mayor Carruthers seconded Cr Hart 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 5:03pm.

**DATE OF NEXT ORDINARY COUNCIL MEETING –SEPTEMBER
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**





MEETING CLOSED AT 5:03 PM




Confirmed by:




**Deputy Mayor Carruthers
Chair**



Date:





22.09.22 - Council Meeting - Action List

Item No.	Date of Meeting	COMPLETED IN PROGRESS OVERDUE	Item	Action	Completion Date/Target Date	Officer	Status
1	10.12.20		Speed Limit Register Review Stage 2	Review of the speed limits on the below roads/areas: <ul style="list-style-type: none"> • Kokatahi/Kowhitirangi Area • Old Christchurch Road • Kaniere Road • Lake Kaniere Road and surrounding areas (Hans Bay, Sunny Bight, Lake Kaniere) 	Sep 2022	GMD A, KJ & CE	<p>Council is halfway through the consultation process on this, feedback to date has been mixed and slow. Large support however for speed reduction around schools which is being planned as part of the latest Waka Kotahi Rule changes.</p> <p>A summary of the feedback received once submissions have closed and to be circulated to Council.</p>
2	10.12.20		Ross Chinese Gardens Flooding issues	Update to Council on progress	Feb 2021	CE	<p>CE and Project Manager meet with community group on the progress – happy with progress to date and have agreed a completion date of 1 Sep 2022 as they are sourcing materials at no cost to ratepayers.</p> <p>The work at the lake at Ross is near completion and the outlet is now in place. Awaiting contractor confirmation of completion</p>
3	26.08.21		Investigate costs to bring the WDC HQ & Pakiwaitara buildings up to 100% National Building standards	CE to discuss with Group Manager: District Assets	In progress	CE & GMD A	At the determination of the Annual Plan in June, Council decided to defer proposals for the Pakiwaitara building. Further work on the Council HQ has also been postponed.
4	26.08.21		Pakiwaitara Building Business Case Timeline	Business case and scope of work to be brought to Council after the structural elements of the work have been identified, costed and timelines finalized.	May 22	CE	<p>As above.</p> <p>At the determination of the Annual Plan in June, Council decided to defer proposals for the Pakiwaitara building. Further work on the Council HQ has also been postponed.</p>

Item No.	Date of Meeting	COMPLETED IN PROGRESS OVERDUE	Item	Action	Completion Date/Target Date	Officer	Status
5	24.03.22		Racecourse Development Submission Bid	Council to be made aware of the outcome of the bid by end of April 2022	Sep 22	CE	There is a report and presentation in the confidential section of the Council Agenda
6	24.03.22		Gambling Policy	Council staff undertake social impact assessment and bring a report back to Council.	Nov 22	GMR CS/LC	New impact assessment completed. Report submitted in August council meeting. Contradictory wording between law and policy be amended. To confirm this has been completed. Update: While contradictory to what is intended, this is not a minor amendment to the Bylaw as some would see this as advantageous to establishing and running a premises with gambling machines. The Bylaw will need to go out to public consultation highlighting the error and reasons for amendment. This will be undertaken with the new Council.
7	28.04.22		Hokitika Beach sign & Beachfront Access	Investigate the Hokitika Beach sign as a permeant feature when installing the beach Access Ramps	Jul 2022	Scott /CE/D C	Report supplied in August meeting Acting CE raised with CE on his return. The CE circulated an email to Councilors on 2/9/22 with the following update: <ol style="list-style-type: none"> Hokitika Seawall Committee: We have requested a copy of all the minutes of the Hokitika Seawall Joint Committee to confirm discussion points. Deputy Mayor Carruthers has requested a Joint Committee meeting BEFORE the next council meeting, and this has now been set for the 30th September. In regard to not having any signed agreements – there where a number a of meetings conduct with WCRC, Westlock etc that confirmed verbally WCRC would incorporate the beach access into the new design. The fact that there is no signed agreement yet is the fact that WCRC do not even have a contract with MBIE for the building of the wall. They cannot commit to an agreement unless they themselves have a firmed-up contract. All of this work was done in good faith by all parties. As discussed within the council meeting a previous employee has confirmed the discussions where

Item No.	Date of Meeting	COMPLETED IN PROGRESS OVERDUE	Item	Action	Completion Date/Target Date	Officer	Status
							along their commitment to contribute. CE & District Assets Manager Scott Baxendale to meet the WCRC CE and their operations contractor to progress the discussion. Hokitika Beach sign – to be included in the works once installation occurs
8	28.07.22		Otira Toilets	Temporary toilets to be re-installed & further discussion required re: Permanent solution	Completed	SB	Temporary toilets reinstalled as of week commencing 1 st August 2022. Further discussion needs to be had to come up with a permanent solution Requested a timeline regarding the permanent toilets and to be added to the LTP. Council staff have noted this and will ensure it is incorporated into the next LTP process
9	28.07.22		Reseals 2022/2023	Breakdown of the bitumen component of the reseal cost to understand how price increases of bitumen affect sealing rates		KJ	Bitumen makes up approximately 50% of the total reseal cost. In October 2021 bitumen was \$990/tonne, March 2022 \$1165/tonne and August 2022 it is presently \$1355/tonne. This equates to a 37% increase since October 2021 for Bitumen only. Transportation Manager to come back to September Council with a paper regarding the impact of the increased cost of Bitumen, timeline. Verbal update to be provided by the Transportation Manager. Full report to be provided at the next 6 months Transportation update
10	28.07.22		Bollards at Kaniere Crossing	Can the bollards be removed	Feb 2023	KJ	Staff to produce a report to a later Council meeting outlining the approach to road safety design & road safety parameters Council operate within. GM DA to discuss with Transportation Manager regarding what is/isn't allowed on that piece of road. This information to be circulated to Councillors. Options to be emailed to councillors for consideration prior to council meeting.

Item No.	Date of Meeting	COMPLETED IN PROGRESS OVERDUE	Item	Action	Completion Date/Target Date	Officer	Status
11.	28.07.22		Old Christchurch Road Culvert Replacement	Report on costings, budget, and approximate time frame for this		KJ	<p>The Fox Creek Culvert was submitted for Replacement or relining in 2021 as part of the present NLTP funding submission. The estimated value of this work was \$250,000. Funding however was declined by the Waka Kotahi. Staff will include this project within the next NLTP submission in 2023 for funding within the 2024/27 National Land Transport Fund. In the interim the maintenance/repair strategy has been modified to reduce the instances of road scour in this area.</p> <p>Cr Martin requested a breakdown of cost of works for the \$250k. District Assets Manager to discuss with Transportation Manager and this information to be provided to Councillors at a later date.</p> <p>Transportation Manager - we have been updating pricing on this and so far, material costs alone are looking to exceed \$200,000. Installation on top of all that could easily be a further \$200,000 so the original \$250k is going to be somewhat light. We will be doing further investigation to see if re-sleeving these pipes is an option. We are working on a plan with Westroads to dewater each barrel so we can carry out detailed internal investigations.</p>
12.	28.07.22		Berm Mowing	Check policy for the agreed frequency of mowing	Completed	Karl/Scott	<p>Transportation manager to check the adopted policy to confirm frequency of berm mowing. To email Councillors.</p> <p>The Policy Was forwarded to Councilors hence the request for review.</p> <p>An immediate berm clearance of non-residential areas to be done, and a report be brought to the September Council meeting outlining a proposal for properties where berms are not being mowed, to be mowed regularly.</p> <p>In discussion with his worship, it is believed the policy already has a provision for council to mow berms at its own discretion – no paper required.</p>

Item No.	Date of Meeting	COMPLETED IN PROGRESS OVERDUE	Item	Action	Completion Date/Target Date	Officer	Status
13.	28.07.22		Better off Package Funding	Allocation of funding based on Appendix one of the Better off Package Funding Report	Completed	CE	<p>CE Reports back to council through a workshop of the 15th of August to allocate the funding towards individual projects</p> <p>Cr Keogan requested specific detail on how many applications from the Community Council have received.</p> <p>27 applications received</p> <p>Council workshopped the Community Funding applications on the 12 Sep 2022</p>
14.	25.08.22		Cass Square Fencing	Concept plan of Cass Square to be circulated to Councillors.	Completed	ACE CE	<p>Acting CE to discuss with CE on his return, and a copy of the concept plan of Cass Square to be circulated to the Councillors. CE provided the following update via email to Councillors on 2/9/22:</p> <ol style="list-style-type: none"> 1. The decision to proceed with erecting a new fence around Cass Sq. was based on a number of factors such as health & safety, the disregard of members of public and organisations for driving vehicles on grounds when advised not to and repetitive vandalism occurring over the years. The Executive team proceeded to approve the project under its delegated authority.
15	25.08.22		Financial Report	Review of the quantum of grant funding and subsidies. Capital Projects to be listed like the Traffic Light system	Completed	CE/LT	<p>Review of the quantum of grant funding and subsidies in detail. Capital Projects – to be listed like the Traffic Light System.</p>
16.	25.08.22		Financial Report	CE to give a breakdown of external funding from the past 3 years at Sept Council Meeting	Completed	CE	<p>Breakdown of external funding to be provided – Sept Council meeting.</p> <p>Funding breakdown supplied in the Financial report</p>

Item No.	Date of Meeting	COMPLETED IN PROGRESS OVERDUE	Item	Action	Completion Date/Target Date	Officer	Status
17.	25.08.22		Otira Community Board	Council appoints a Northern Ward Councilor as a liaison with the Otira Community. Letter sent to Otira Community Group with Council Recommendations.	Completed	CE	Cr Neale advised she is happy to be the liaison councilor with the Otira Community in the interim. A letter has been sent to the Otira Community Group in response to their email (1/9/22).

Report to Council



DATE: 22 September 2022
TO: Mayor and Councillors
FROM: Chief Executive

DELEGATIONS TO THE CHIEF EXECUTIVE DURING THE ELECTION PERIOD AND DISCHARGING COMMITTEES

1. Summary

- 1.1. The purpose of this report is to seek Council's approval to delegate the responsibilities, duties and powers of the Council to the Chief Executive during the period beginning the day after the declaration of the official election result until the day of the swearing in of the new Council, subject to limitations set out in [clause 32\(1\) of Schedule 7](#) of the Local Government Act 2022, except for certain powers set down in the legislation that cannot be delegated. The report also recommends that the Council discharges all current Committees.
- 1.2. This issue arises from the term of the current Council concluding following the official declaration of election results and the revocation of all delegations previously held by the Mayor and Councillors.
- 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 Council receives the report, and, delegates all of its responsibilities, duties and powers to the Chief Executive, subject to the limitations set out in [clause 32\(1\) of Schedule 7](#) of the Local Government Act 2002, during the period beginning the day after the declaration of the official election result until the day of the swearing in of the new Council, subject to consultation with the person elected to the position of Mayor, attending only to those matters that cannot reasonably wait until the first meeting of the new Council and reporting to the first meeting of the new Council any delegation acted upon.

2. Background

- 2.1. The reason the report has come before the Council is to consider arrangements needed to ensure the effective and efficient conduct of the Council's business during the election period. The election period is from the day following the declaration of the electoral results, until a new Council is sworn in at the Inaugural Council Meeting.
- 2.2. [Clause 14 of Schedule 7](#) of the Local Government Act 2002 (LGA 2002) provides that a person newly elected to Council may not act until they have made the necessary declaration at the Inaugural Council meeting. This provision combines with ss 86, 115 and 116 of the [Local Electoral Act 2001](#) (LEA) to the effect that, from the day after the declaration of election results by way of a public notice until the new members' declarations are taken at the Inaugural Council meeting, neither the outgoing nor the incoming elected

members can act in their capacity as members of the Council. The previous members leave office at the same time as the new members enter office (the day after the public notice).

- 2.3. The current Council may still act in their capacity as members up until public notice which will be as soon as practicable after all valid votes have been counted, although it is unlikely that any Council meetings will be called in this time.

86 Declaration of result

The electoral officer conducting an election or poll must give public notice declaring the official result of the election or poll in the prescribed manner as soon as practicable after—

(a)

[Repealed]

(b)

the validity of all special votes has been determined; and

(c)

all valid votes have been counted.

Section 86(a): repealed, on 7 July 2004, by [section 13](#) of the Local Electoral Amendment Act 2004 (2004 No 62).

115 When members come into office

(1)

A candidate who is declared to be elected comes into office on the day after the day on which the official result of the election is declared by public notice under [section 86](#).

(2)

[Repealed]

(3)

A person appointed to fill an extraordinary vacancy comes into office at the time of his or her appointment.

Section 115(1): replaced, on 21 March 2019, by [section 10](#) of the Local Government Regulatory Systems Amendment Act 2019 (2019 No 6).

Section 115(2): repealed, on 29 June 2013, by [section 38](#) of the Local Electoral Amendment Act 2013 (2013 No 40).

116 When members leave office

(1)

Every member of a local authority or local board or community board, unless vacating office sooner, vacates office,—

(a)

in a case where the member's office is the subject of an election, when the members elected at the next election come into office:

(b)

in a case where provision is made by any enactment to fill a vacancy by appointment, when the member's successor comes into office.

(2)

Despite subsection (1)(a), if a member's office is the subject of an election, and neither the member nor any other person is elected at the election to that office, the member vacates office at the same time as any other member of the local authority who is not re-elected at the election.

Section 116(1): amended, on 8 August 2014, by [section 76](#) of the Local Government Act 2002 Amendment Act 2014 (2014 No 55).

Section 116(2): added, on 25 December 2002, by [section 37](#) of the Local Electoral Amendment Act 2002 (2002 No 85).

3. Current Situation

- 3.1 The current situation is that Council needs to consider arrangements to ensure the effective and efficient conduct of the Council's business during the period from the day after the declaration of the electoral result until the new Council is sworn in at the Inaugural meeting of the Council, scheduled for Thursday 27 October 2022.
- 3.1. The delegation of Council's responsibilities, duties and powers for the election period, except those set out in paragraphs (a) to (h) of Clause 32 (1) of Schedule 7 of the LGA 2002 will ensure that the Chief Executive has the authority to operate effectively and efficiently and is able to respond to any unforeseen circumstances that may arise during the election period.
- 3.2. The delegation is for the limited time period between the declaration of the election result and the first meeting of the new Council. This is anticipated to be fewer than 20 days. However, this may be subject to change, depending on the timing of the declaration and whether there is a challenge to the election result.
- 3.3. It is recommended that the delegation of Council's responsibilities, duties and powers for the election period are subject to the following conditions:
- a) that the Chief Executive may only act after consultation with the person elected to the position of Mayor;
 - b) that the Chief Executive may only attend to those matters that cannot reasonably wait until the first meeting of the new Council; and,
 - c) that the Chief Executive is required to report any decisions made under this delegation to the first meeting of the new Council;
 - d) calling an Extraordinary meeting of Council if any urgent decisions arise in this period requiring significant political input.
- 3.4. [Clause 30\(7\) of Schedule 7 to the LGA](#) sets out that a committee, subcommittee, or other subordinate decision-making body is, unless the local authority resolves otherwise, deemed to be discharged on the coming into office of the members of the local authority elected or appointed at, or following, the triennial general election of members next after the appointment of the committee, subcommittee, or other subordinate decision-making body.
- 3.5. There is a separate report and recommendation to Council that the Hokitika Seawall Joint Committee and the Franz Josef/Waiiau Rating District Joint Committees are not discharged following the election period.

4. Options

- 4.1. Option 1: To receive the report and grant delegated authority to the Chief Executive during the period following the declaration of the election result and the first inaugural meeting of the new Council.
- 4.2. Option 2: To receive the report and not grant delegated authority to the Chief Executive during the period following the declaration of the election result and the first inaugural meeting of the new Council.

5. Risk Analysis

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

The risks involved in delegating to the Chief Executive include the Council disagreeing with the decisions made, and overturning decisions at a later date, however given the limited time period of this proposed delegation, and the conditions imposed, this risk is mitigated. Of note is the requirement for the CE to consult with the incoming Mayor during this period.

The risks of not delegating authority to the Chief Executive could prevent Council from undertaking its business during the election period. This is a relatively low risk given the time period of this proposed delegation, but must be considered in any event. All endeavours will be made to minimise any significant decision making requirements until the new council is sworn in.

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 and administrative in nature.

7.1.1. No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. **Option 1** – To receive the report and grant delegated authority to the Chief Executive during the Interim Election Period. This option makes provision for the Chief Executive to operate effectively and respond to any unforeseen circumstances that may arise during the election period, with the appropriate delegations from Council.

8.1.1. There are no financial implications to this option.

8.2. **Option 2** - To receive the report and not adopt the recommendation to grant delegated authority to the Chief Executive during the Interim Election Period. This could prevent Council from undertaking its business during the election period. The Chief Executive did not make a decision under this delegated power in 2019.

8.2.1. 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 as the decision will enable the Council to carry out their business on the terms and delegations already approved by Westland District Council.

10. Recommendations

10.1. That the report be received.

10.2. That Council delegates all of its responsibilities, duties and powers to the Chief Executive, subject to the limitations set out in clause 32(1) of Schedule 7 of the Local Government Act 2002, during the period beginning the day after the declaration of the official election result until the day of the swearing in of the new Council, subject to:

(a) Following consultation with the person elected to the position of Mayor,

- (b) Attending only to those matters that cannot reasonably wait until the first meeting of the new Council and;
- (c) By reporting all decisions made under delegation to the first meeting of the new Council; and
- (d) Calling an Extraordinary meeting of Council if any urgent decisions arise in this period requiring significant political input.

Simon Bastion
Chief Executive

Report to Council



DATE: 22 September 2022
TO: Mayor and Councillors
FROM: Chief Executive

CONTINUATION OF HOKITIKA SEAWALL JOINT COMMITTEE AND FRANZ JOSEF/WAIAU RATING DISTRICT JOINT COMMITTEE

1. Summary

- 1.1. The purpose of this report is to provide for the continuation of the Hokitika Seawall Joint Committee and the Franz Josef/Waiau Rating District Joint Committee following the 2022 triennial election. Without a resolution to this effect, these Joint Committees would be automatically discharged following the election in October 2022.
- 1.2. This issue arises because the Council needs to make a decision on whether or not to discharge the two Joint Committees mentioned in this report.
- 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 Council does not discharge the Hokitika Seawall Joint Committee and the Franz Josef/Waiau Rating District Joint Committee.

2. Background

- 2.1. The reason the report has come before the Council is due to the local elections, which cause the end of the current Triennium. This means that all committees and subcommittees are discharged when the newly elected members come into office following the triennial election.
- 2.2 [Clause 30\(7\) of Schedule 7 to the LGA](#) states that:
"A committee, subcommittee, or other subordinate decision-making body is, unless the local authority resolves otherwise, deemed to be discharged on the coming into office of the members of the local authority elected or appointed at, or following, the triennial general election of members next after the appointment of the committee, subcommittee, or other subordinate decision-making body."
- 2.3 Over 2021- 2022 the Council has worked with the West Coast Regional Council on the establishment of the Franz Josef Rating District Joint Committee. The Franz Josef Joint Agreement is relatively recent, signed by all parties in June/July 2022. A copy of the agreement is attached as **Appendix 2**.
- 2.4 The Hokitika Seawall Joint Committee was formed through an Agreement dated December 2017 between West Coast Regional Council and Westland District Council. A copy of the agreement is attached as

Appendix 1. This committee is involved in important and ongoing areas of work in relation to Hokitika flood protection measures. Many of the areas of focus are time-sensitive.

3. Current Situation

- 3.1. The current situation is that Council has representation on two Joint Committees being the Hokitika Seawall Joint Committee and the Franz Josef/Waiau Rating District Joint Committee.
- 3.2. In accordance with this clause, the Council can resolve not to discharge a committee following the election. If there is no such resolution, then both of these committees are deemed discharged and would have to be fully reconstituted by the new Councils.
- 3.3. The Joint Committees were formed to deal with important hazard and flood protection matters, which often require time-sensitive decisions. It is considered that the work to be done by each committee will need to continue beyond the election date.
- 3.4. The Agreement to form the Franz Josef Rating District Joint Committee and provide it with the specified delegations and processes was adopted by both Councils in 2022. If Council resolves that the Committee remain in place, the next steps are to make appointments to the committee as per the agreement in **Appendix 2**. This would be done after the election period concluded.
- 3.5. The Hokitika Seawall Joint Committee deals with important matters that are ongoing and may be time sensitive. It is considered that this work will need to continue beyond the election date, and it would therefore be prudent for Council to resolve that this committee continues to operate under the terms of the existing Agreement and delegations that have been previously agreed between the Councils following the election. Each Council would simply then need to appoint members to the Joint Committee following the election. Staff propose that the Westland District Council members are appointed after the inaugural meeting of the new Council, scheduled for 27 October 2022 (or the November Ordinary Council meeting). It is usual to appoint the two Westland constituency members and the Mayor to this committee.
- 3.6. As these are Joint Committees, staff have undertaken liaison with the West Coast Regional Council in relation to providing for the continuation of the committee. The West Coast Regional Council was seeking a similar resolution at the West Coast Regional Council's meeting held on the 13 September 2022.

4. Options

- 4.1 Option 1: That Council receive the report and does not discharge the Hokitika Seawall Joint Committee and the Franz Josef/Waiau Rating District Joint Committee.
- 4.2 Option 2: That Council receive the report and resolves to discharge the Hokitika Seawall Joint Committee and the Franz Josef/Waiau Rating District Joint Committee.

5. Risk Analysis

- 5.1. Risk has been considered and no risks have been identified in not discharging the committees. The Joint Committees would continue to carry out their business on the terms and delegations already approved by both West Coast Regional Council and the Westland District Council. It is important to note however that the joint committee meetings should be added to the annual work plan for Council to ensure meetings are well advertised and dates confirmed.

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 and administrative in nature.

7.1.1. No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. **Option 1** – To receive the report and adopt the recommendations. The Joint Committees would continue to carry out their business on the terms and delegations already appointed by both West Coast Regional Council and Westland District Council.

8.1.1. There are no additional financial implications to this option as the committees' activities are provided for in existing budgets.

8.2 **Option 2** – To receive the report and not adopt the recommendations.

8.1.2 There are no additional financial implications to this option. This would mean the committees would be disestablished and the committees be re-established in the new Triennium.

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 to enable the Joint Committees to continue to carry out their business on the terms and delegations already approved by both West Coast Regional Council and the Westland District Council.

10. Recommendations

10.1. That the report be received.

10.2. The Hokitika Seawall Joint Committee shall **not** be discharged on the coming into office of the members of the Council elected or appointed at, or following, the next triennial general election; and

10.3. That the Franz Josef/Waiiau Rating District Joint Committee shall **not** be discharged on the coming into office of the members of the Council elected or appointed at, or following, the next triennial general election.

Simon Bastion
Chief Executive

Appendix 1: Hokitika Seawall Joint Agreement, December 2017

Appendix 2: Franz Josef/Waiiau Rating District Joint Agreement, June 2022

Appendix 1

THE WESTLAND DISTRICT COUNCIL

THE WEST COAST REGIONAL COUNCIL

Hokitika Seawall Joint Agreement



THIS DEED is made this 8 day of December 2017

PARTIES

THE WESTLAND DISTRICT COUNCIL ("WDC")

THE WEST COAST REGIONAL COUNCIL ("WCRC")

BACKGROUND

- A. The WDC is empowered by Sections 12 and 130 of the local Government Act 2002 to manage stormwater and amenity issues within its district; and
- B. The WCRC is empowered by Section 126 of the Soil Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods; and
- C. Both Councils are empowered by the Local Government (Rating) Act 2002 to raise the funds necessary to carry out their respective functions; and
- D. Both Councils are empowered by Section 12 and Section 30 of Schedule 7 of the Local Government Act 2002 (also clause 30 and 30A of schedule 7) to enter into joint agreements and form a joint committee in order to co-ordinate the management of overlapping functions.
- E. The 650m Hokitika Seawall, constructed in 2013, will require ongoing maintenance. The WCRC has prepared an asset management plan to maintain the seawall structure and groynes.
- F. The Seawall structure is located on legal road, being land administered by WDC.
- G. The groynes north of the seawall are being transferred by the District Council to the Regional Council. Their ongoing maintenance from 2015 will be managed by the regional council.
- H. Both Councils wish to record the terms of this agreement to jointly manage the maintenance of the Hokitika foreshore area and its sea protection works.

DEED/AGREEMENT

- 1. The Hokitika Seawall Joint Committee (the committee) comprises of three Persons representing each of the two Councils, with the function of co-ordinating the WCRC seawall maintenance and groyne maintenance activities, with WDC activities.
- 2. The committee shall have its membership appointed from time to time as each parent Council may determine, and shall meet and regulate the conduct of its own business as it sees fit.
- 3. The Chair shall be the most senior WCRC elected representative present.
- 4. The committee shall use the current standing orders of the West Coast Regional Council, noting that the committee wishes to achieve consensus decisions, wherever possible.

5. This agreement may be amended at any time, on request by either council, but such amendments will only take effect once both parent councils have formally received and adopted those changes sought.
6. The committee shall not have any funding or rate setting authority. Such decisions shall be the responsibility of the two parent Councils.
7. Each year the committee shall ascertain what the work and budget requirements will be for the coming year and make a recommendation to each parent Council for annual planning and action.
8. Without limiting the ability of the committee to recommend the most appropriate arrangements for works and funding, the WDC shall be responsible for all works and funding relating to:
 - 8.1 Amenity management, including grass sowing & mowing, any gardening, beautification, and public access management;
 - 8.2 Stormwater management, including maintenance of drainpipes and their operation.
9. Without limiting the ability of the committee to recommend the most appropriate arrangements for works and funding, the WCRC shall be responsible for all works and funding relating to:
 - 9.1 The maintenance and repair of the structural integrity of the 650m seawall;
 - 9.2 Management of the groyne field to the north of the seawall.
10. If new erosion were to occur between the river mouth and the seawall, the management of the foreshore between the seawall and the Hokitika River will be a joint responsibility of the two councils.
11. The WCRC has constituted a Hokitika Seawall Rating District and reserves the right to raise such funds as it may need to carry out its functions under clause 9 and 10 above from this source.
12. The WDC will fund the performance of its functions under clause 8 above from such sources that are available that it may determine.

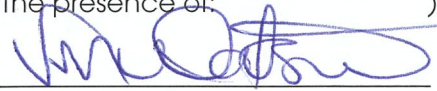


SIGNATURES

SIGNED by)
THE WESTLAND DISTRICT COUNCIL)
by its authorised signatory)
in the presence of:)



Authorised Signatory



Witness signature

VANESSA WATSON

Witness name

BUSINESS SUPPORT OFFICER

Witness Occupation

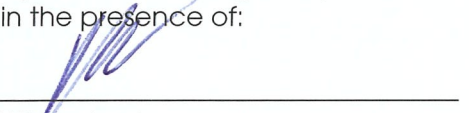
HOKITIKA

Witness Town of Residence

SIGNED by)
THE WEST COAST REGIONAL COUNCIL)
by its authorised signatory)
in the presence of:)



Authorised Signatory



Witness signature

Patricia Jellyman

Witness name

Executive Assistant

Witness Occupation

Greymouth

Witness Town of Residence



Franz Josef Rating District Joint Committee Agreement

June 2022



DOCUMENT CONTROL



Reason for Submission	Revision Number	Revision Date	Approval
New Document	1	1 July 2021	
Version 1 - draft		November 2021	Initial review by West Coast Regional Council and Westland District Council
		December 2021	Review by Department of Conservation and Waka Kotahi
	Final	14 December 2021	Adoption by West Coast Regional Council
	Final	24 March 2022	Adoption by Westland District Council

This Deed is made this **26th** day of **July 2022**

PARTIES

WESTLAND DISTRICT COUNCIL (“WDC”)

WEST COAST REGIONAL COUNCIL (“WCRC”)

TE RŪNANGA O MAKAAWHIO (“MAKAAWHIO”)

NEW ZEALAND TRANSPORT AGENCY (“WAKA KOTAHĪ”)

DIRECTOR-GENERAL OF CONSERVATION (“DOC”)

AGREEMENT

BACKGROUND

- A. The WDC is empowered by Sections 12 and 130 of the Local Government Act 2002 to manage stormwater and amenity issues within its district; and
- B. The WCRC is empowered by Section 126 of the Soil Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods; and
- C. Both Councils are empowered by the Local Government (Rating) Act 2002 to raise the funds necessary to carry out their respective functions; and
- D. Both Councils are empowered by Sections 12 and 137 and clauses 30 and 30A of Schedule 7 of the Local Government Act 2002 to enter into joint agreements and form a joint committee to co-ordinate the management of overlapping functions; and
- E. Any Franz Josef flood protection structure built as a result of this agreement will be owned by the WCRC. The land the floodwalls are on is under various ownership; and
- F. Both Councils wish to record their agreement to jointly manage the maintenance of the Franz Josef Floodwalls, via a Joint Committee of the two Councils, Makaawhio, Waka Kotahi, DOC and community members.

STRUCTURE AND OPERATION OF THE COMMITTEE

1. The Joint Committee shall be formed initially, with its membership reappointed at or after the first meeting of WCRC and WDC following each triennial general election.
2. WCRC shall appoint three elected Councillors to the Joint Committee, being two Councillors from the Westland constituency and the Chair of WCRC. If the Chair of WCRC is from the Westland constituency, then the third Councillor will be appointed from another constituency.

3. WDC shall appoint the Mayor for Westland, plus the two elected South Westland Councillors to the Joint Committee.
4. Makaawhio shall be represented on the Joint Committee by the Chair of Te Rūnanga O Makaawhio or a representative delegated by the Chair.
5. Waka Kotahi will appoint a member to the Joint Committee.
6. The Director-General of Conservation will appoint a member to the Joint Committee.
7. Two community members will be appointed to the Joint Committee by the WCRC and WDC, following a call for nominations. The initial community members shall be the spokespersons from the previous rating districts. New community members will be appointed as vacancies arise and the term of the appointments will match the local government constituent's appointments. The nomination process shall be administered by the WCRC, in consultation with WDC.
8. In relation to DOC, membership of the Joint Committee does not:
 - affect any of its rights, powers or duties, in particular as they relate to river and flood management at Franz Josef (such as under the Resource Management Act 1991); or
 - bind it to any funding commitments or decisions relating to transfer of assets.
9. The Chair shall alternate one year to the next being a WDC elected representative one year and a WCRC elected representative the next, with the term of the chairpersonship being 12 months from 31 October each year except in years where the triennial election is held, where the term ends at the date of the election. The appointment of the Chair shall be made by the relevant Council who has responsibility for the Chair.
10. The function of the secretariat will alternate as per the term of chairpersonship.
11. The Council not exercising the role of Chair in any year shall appoint a Deputy Chair. The term of the deputy chairpersonship shall be 12 months from 31 October each year except in years where the triennial election is held, where the term ends at the date of the election.
12. Unless otherwise specified in this Agreement, the Committee shall use the current standing orders of the WCRC, noting that the committee wishes to achieve consensus decisions wherever possible.
13. A quorum of the Committee shall be not less than five members, and must include one or more members from each of the two Councils (one or more from WCRC and one or more from WDC).
14. Meetings shall be held annually or as otherwise agreed by the Joint Committee.
15. Notification of meetings and the publication of agendas and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987, and will be undertaken by the secretariat.
16. Minutes of all Joint Committee meetings shall be provided to the next meeting of the respective Councils.

TERMS OF REFERENCE & DELEGATIONS

17. Each year the Joint Committee shall consider any staff and/or expert reports, ascertain what work and budget requirements will be for the coming year and make a recommendation to each parent Council for annual planning and action.
18. The Committee shall not have any funding or rate setting authority.
19. WCRC as the Rating Body for the Franz Josef Rating District is the final decision maker on the annual work plan and setting the appropriate rate to fund the agreed works.
20. The Joint Committee's role is to review the annual work plan provided to it by the WCRC, receive and consider any independent expert advice, and make informed recommendations to WCRC for the final decision. The Committee may also make recommendations to the WCRC regarding:
 - Commissioning independent expert reports; and
 - Undertaking public consultation on boundary changes, major capital works and other areas of significant public interest.

WCRC will consider any recommendations of the Committee in making any decisions on the above.

21. Where Committee recommendations relate to the functions of the WDC, WDC shall consider and make decisions on any recommendations accordingly.
22. Without limiting the ability of the Joint Committee to recommend the most appropriate arrangements for works and funding, in relation to the Franz Josef floodwalls the WDC shall be responsible for all works and funding relating to:
 - Stormwater management, including any pump station operation and maintenance and floodgates on drainpipes and their operation and maintenance.
23. Without limiting the ability of the Joint Committee to recommend the most appropriate arrangements for works and funding, in relation to the Franz Josef floodwalls the WCRC shall be responsible for all works and funding relating to:
 - The maintenance and repair of the structural integrity of the floodwalls managed under WCRC Asset Management Plans;
 - The provision of flood warning advice to WDC for the Waiho River; and
 - Ownership of the floodwalls as identified in WCRC Asset Management Plans.
24. The WCRC has constituted a "Franz Josef Rating District" and reserves the right to raise such funds as it may need to carry out its functions under clause 8 above from this source.
25. The WDC will fund the performance of its functions under clause 22 above from such sources that are available that it may determine.

Variation of this Agreement

26. This agreement may be amended at any time, at the request of either Council, but such amendment will only take effect once both parent Councils have formally received and adopted those changes sought.

SIGNATURES

SIGNED by

WESTLAND DISTRICT COUNCIL



by its authorised signatory

Acting Mayor David Carruthers



Witness signature

Diane Maitland

Witness name

Executive Assistant

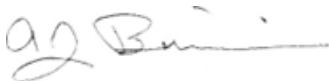
Witness Occupation

Hokitika

Witness Town of Residence

SIGNED by

WEST COAST REGIONAL COUNCIL



by its authorised signatory

In the presence of:



Witness signature

Toni Morrison

Witness name

Policy Consultant

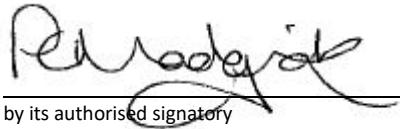
Witness Occupation

Geraldine

Witness Town of Residence

SIGNED by

TE RŪNANGA O MAKAAWHIO



by its authorised signatory

In the presence of:



Witness signature

Nichola Costley

Witness name

Strategy and Communications Manager

Witness Occupation

Greymouth

Witness Town of Residence

SIGNED by

NEW ZEALAND TRANSPORT AGENCY



by its authorised signatory

In the presence of:



Witness signature

Chrystal Orr

Witness name

Executive Assistant

Witness Occupation

Auckland

Witness Town of Residence

SIGNED by

DIRECTOR-GENERAL OF CONSERVATION



by its authorised signatory

In the presence of:



Witness signature

Diane Molloy

Witness name

Personal Assistant

Witness Occupation

Greymouth

Witness Town of Residence

Report to Council



DATE: 22 September 2022
TO: Mayor and Councillors
FROM: Finance Manager

FINANCIAL PERFORMANCE: AUGUST 2022

1. Summary

- 1.1. The purpose of this report is to provide an indication of Council's financial performance for the month to 31 August 2022.
- 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 2021-31. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council receive the financial performance report to 31 August 2022.

2. Background

- 2.1. Council receives monthly financial reporting so that it has current knowledge of its financial performance and position against budgets. A more detailed performance report is presented to the Audit and Risk Committee on a quarterly basis which includes non-financial information against KPI's adopted through the Long Term Plan.
- 2.2. The Audit and Risk Committee received a report to the end of March 2022 and expressed concern about the number Activities for which Statement of Service and Performance Reports were not provided. Due to year end processes no further quarterly report has been provided to the A&R Committee at this point.

3. Current Situation

- 3.1. The information in the report is of a summarised nature, with only permanent variances over \$25,000 having comments. Temporary differences which are mainly budget phasing are not commented on as these will either approximate budget by the end of the financial year, or become a permanent variance which will be noted.

3.2. With the inclusion of the sustainability report, it is not necessary to include such detail to Council in the financial report, as the key business indicators are included in the sustainability report. A number of these indicators make up part of the covenants required to be reported half-yearly to the Local Government Funding Agency.

3.3. The financial performance report to 31 August 2022 is attached as **Appendix 1** and contains the following elements;

- 3.3.1. Sustainability report
- 3.3.2. Statement of Comprehensive Revenue and Expense
- 3.3.3. Notes to the Statement of Comprehensive Revenue and Expense
- 3.3.4. Revenue and Expenditure Graphs
- 3.3.5. Debtors
- 3.3.6. Debt position
- 3.3.7. Capital Report

4. Options

4.1. Option 1: The Council receives the Financial Performance Report to 31 August 2022

4.2. Option 2: The Council does not receive the Financial Performance Report to 31 August 2022

5. Risk Analysis

5.1. Risk has been considered and no risks have been identified in receiving the report, however if Council did not receive the report, it could be perceived that there was a lack of financial stewardship leading to reputational risk and conduct risk.

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 as the report is for information purposes only.

7.2. No public consultation is considered necessary

8. Assessment of Options (including Financial Considerations)

8.1. Option 1: The Council receives the report. This report is to inform Council on the monthly financial position and to encourage financial stewardship.

8.2. There are no financial implications to this option.

8.3. Option 2: If the Council does not receive the report there will be no oversight of the financial position of Council or whether the costs of Council are being managed in line with budgets.

8.4. 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 report is administrative in nature and to do nothing could create risks to council. Council would be carrying out its administrative stewardship in receiving the report.

10. Recommendation(s)

10.1 That the Financial Performance Report for 31 August 2022 be received.

Lynley Truman
Finance Manager

Appendix 1: Financial Performance to 31 August 2022

Appendix 1



Financial Performance Year to 31 August 2022

Contents

Sustainability Report	3
.....	3
.....	4
Statement of Comprehensive Revenue and Expense	5
Notes to the Statement of Comprehensive Revenue and Expense	6
Revenue & Expenditure Graphs	7
Capital Funding Last Seven Years	8
Debtors as at 31 August 2022	9
Rates Debtors as at 31 August 2022	9
Debt Position	10
Capital Report	11

Sustainability Report

Total revenue	Total expenditure	Total surplus/(deficit)
\$5.53M	\$5.29M	\$0.24M
Is 4.78% more than the total budget of \$5.28M	Is 2.66% more than the total budget of \$5.15M	Against a budget of \$0.13M

SUSTAINABILITY

Rates to operating revenue **49.78%**

Rates Revenue	\$2.75M
Operating Revenue	\$5.53M

49.78% 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 **104.58%**

Operating revenue	\$5.53M
Operating expenditure	\$5.29M

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 104.58% of operating expenditure.

Interest to rates revenue (LGFA Cov.) **2.90%**

Net interest and finance costs	\$0.08M
Rates Revenue	\$2.75M

2.9% 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 **1.44%**

<u>Net Interest and finance costs</u>	\$0.08M
<u>Operating revenue</u>	\$5.53M

1.44% 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.) **173%**

<u>Gross debt</u>	\$29.82M
<u>Undrawn committed facilities</u>	\$3.98M
<u>Cash and cash equivalents</u>	\$15.72M

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 1.73%. Gross debt includes pre-funding of \$3m invested in term deposit.

Essential services ratio **62.45%**

<u>Capital expenditure</u>	\$0.7M
<u>Depreciation</u>	\$1.13M

Capital expenditure should be equal or more than depreciation for essential services. Year to date capex is 62.45% of depreciation. Essential Services are Water Supply, Wastewater, Stormwater, and Roading. Adverse ratio in August is an improvement on July is a result of the lag in processing capital works invoices plus initial delays in starting new projects approved by Council on 30 June. This is expected to turn around within two months.

Statement of Comprehensive Revenue and Expense

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	19,155	19,227	2,824	2,752	(72)	-2.55%
Grants and subsidies	02	11,207	11,291	1,882	1,798	(84)	-4.47%
Interest Revenue	03	98	7	2	92	90	4896.57%
Fees and Charges	04	2,191	2,177	371	384	13	3.56%
Other revenue	05	1,498	1,193	197	502	305	154.87%
Total operating revenue		34,148	33,896	5,276	5,529	252	4.78%
Expenditure							
Employee Benefit expenses	06	6,031	6,079	1,010	962	(48)	-4.74%
Finance Costs	07	994	987	164	172	8	4.71%
Depreciation	08	8,515	8,515	1,419	1,419	-	0.00%
Other expenses	09	14,048	13,871	2,555	2,733	177	6.93%
Total operating expenditure		29,589	29,452	5,149	5,286	137	2.66%
Operating Surplus/(Deficit)		4,559	4,444	127	242	115	90.74%

Notes to the Statement of Comprehensive Revenue and Expense

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

Notes to the Statement of Comprehensive Revenue and Expense

01 Rates

Rates income continues to be lower than planned mainly due to lower metered water usage as a result of lower tourism. As tourism numbers increase, there is expected to be a complementary increase in metered water rates.

02 Grants and subsidies

Grant funding is starting to be claimed again but YTD includes carried forward funding received in 2021/22 of \$1.2M. Other funding in August includes \$215k Mayors Task Force for Jobs funding, \$156k for Fox Glacier Water Treatment

03 Interest Revenue

Unbudgeted interest received from term deposits, mainly from past grant funding receipts and prefunding.

04 Fees and charges

Fees and charges are still down on budget across most activities, but strong demand is still fuelling Building Fees with these fees being \$36k above budget.

05 Other Revenue

Other income is overall on budget but non-cash swap gains make up \$262k of the increase over budget (refer also losses noted in "Other Expenses") and Recreation Contributions account for another \$24k of this increase..

06 Employee benefit expenses

Actual salary cost is lower than planned due to unfilled roles.

07 Finance Costs

Finance costs remain reasonably on budget

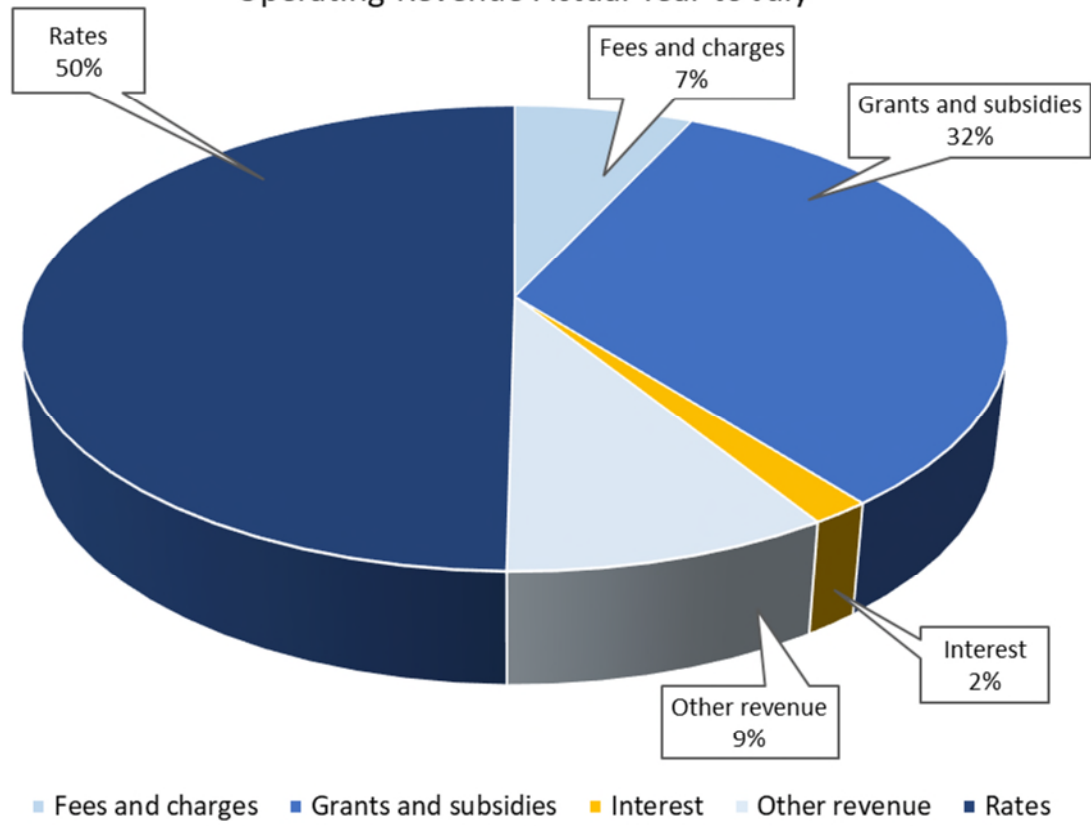
08 Depreciation

Depreciation has been accrued to budget pending completion of 2021/22 asset revaluations.

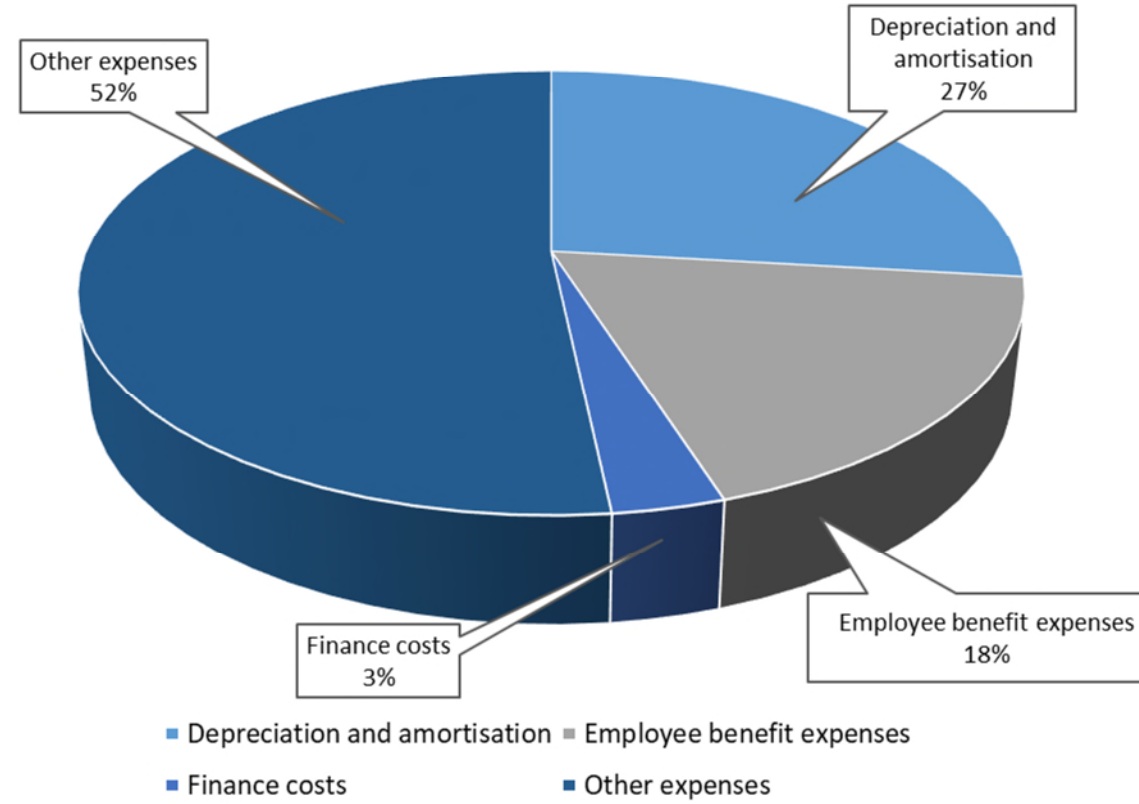
09 Other expenses

The major over budget cost is non-cash loss on Swaps \$242k (there is an offsetting gain of \$262k noted above). Electricity is down \$87.6k on budget and other expenses subject to timing difference are slightly down overall.

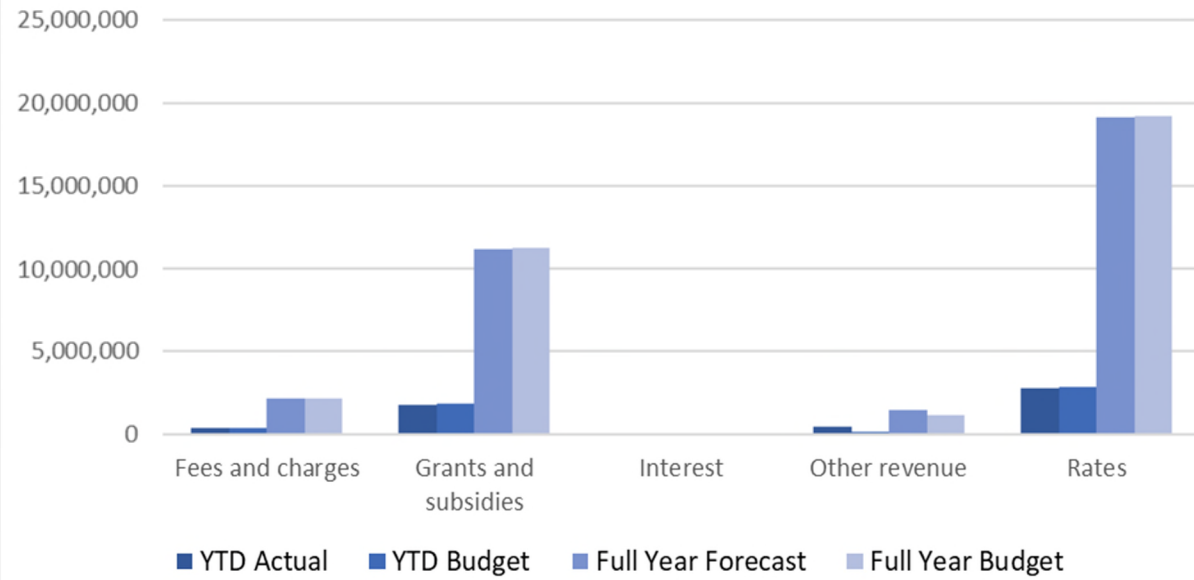
Operating Revenue Actual Year to July



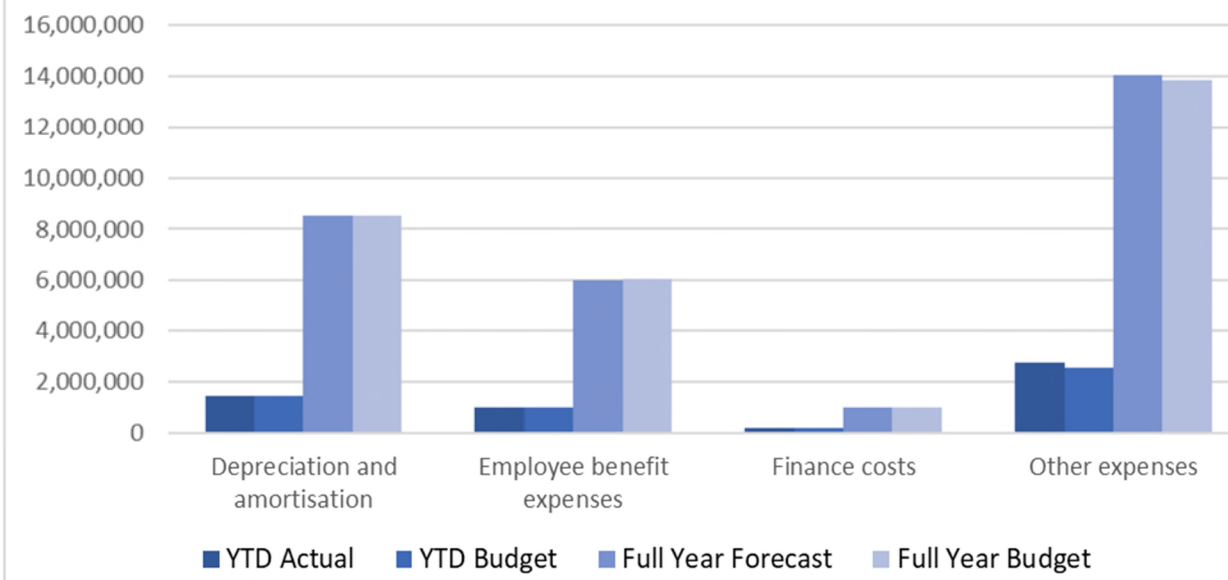
Operating Expenditure Actual Year to July



Operating Revenue



Operating Expenditure



Capital Funding Last Seven Years

Indicative Capital Funding from 01Jul15 to 30Jun22 (received /invoiced)						
Project	15/16	18/19	19/20	20/21	21/22	Total
3 Waters reform 2020-2022 projects	-	-	-	3,428,000	3,089,000	6,517,000
NZTA roading Capital Projects 2018-22 only	-	1,513,841	973,965	1,967,706	1,202,607	5,658,119
Cron St Extn & Old Christchurch Road projects	-	94,596	-	4,110,000	-	4,204,596
Cycle Trail Projects	1,985,416	961,977	105,718	432,381	170,500	3,655,992
Fox Glacier landfill dig out and new Cell at Butlers	-	-	-	2,600,000	700,000	3,300,000
Franz Josef Wast Water Treatment Plant	-	945,400	1,040,400	-	-	1,985,800
Carnegie Building	-	-	-	1,294,830	500,000	1,794,830
Jacksons Bay Wharf	-	-	400,000	400,000	200,000	1,000,000
Hari Hari Community Hall	612,860	-	-	-	-	612,860
Sunset Point Redevelopment	-	-	-	485,325	-	485,325
Swimming Pool Redevelopment	-	-	-	400,000	-	400,000
Haast toilets installation	-	-	327,173	-	-	327,173
Ross toilets installation	-	-	320,250	-	-	320,250
Whataroa toilets installation	-	-	300,750	-	-	300,750
Paringa toilets	-	-	-	-	236,000	236,000
Freedom Camping Projects	-	208,618	-	-	-	208,618
Kumara Toilets installation	-	-	184,550	-	-	184,550
Haast Water Treatment Plant 2012	177,961	-	-	-	-	177,961
Hokitika Beachfront Development	-	-	-	-	153,666	153,666
Franz Josef waste water pump	-	-	64,000	64,000	-	128,000
Haast Potable water	-	-	-	122,000	-	122,000
Bruce Bay Community Hall	-	117,216	-	-	-	117,216
Franz Josef Glacier toilets	-	110,410	-	-	-	110,410
Campervan Dump Stations	-	-	51,000	51,000	-	102,000
Cass Square Playground	-	-	-	-	92,598	92,598
Jacksons Bay Boat & Trailer Park	-	-	-	-	82,000	82,000
Cass Square Toilets	-	-	-	-	63,000	63,000
FJ Heliport & Carpark	-	-	-	-	45,667	45,667
Library Equipment	-	-	-	-	20,292	20,292
Jacks/Fish Farm bridge upgrade contribution	-	15,000	-	-	-	15,000
Museum - financial feasibility of exhibitions	-	-	-	-	11,640	11,640
Kumara Gazebo contribution	-	-	5,217	-	-	5,217
Total	2,776,238	3,967,058	3,773,023	15,355,242	6,566,970	32,438,530

*Prior to 2018/19, operational and capital NZTA grants were combined

List may not be exhaustive due to different coding methods in earlier years, most notably there is no data for years 16/17 and 17/18.

Debtors as at 31 August 2022

31/08/2022

Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building Consents	12,359	423	7,555	11,733	32,070
Building Warrants	-	1,200	4,864	4,159	10,223
Resource Consents	531	-	14,901	8,262	23,694
Sundry Debtors	40,796	24,116	143,084	701,931	909,928
Grand Total	53,687	25,739	170,404	726,085	975,914

31/08/2021

Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building Consents	31,805	7,011	2,519	6,304	47,640
Building Warrants	150	1,245	2,475	2,635	6,505
Resource Consents	1,000	26	6,015	612	7,653
Sundry Debtors	12,984	1,823,201	74,057	10,580	1,899,662
Grand Total	45,939	1,831,484	85,066	1,029	1,961,460

Rates Debtors as at 31 August 2022

Rates Debtors at 31 July 2022		4,384,259
Rates instalment	0	
Less payments received	-5,337,167	
Paid in advance change	1,940,049	
Previous years write off's	-9,881	
Write off's	-27,737	
Penalties	0	
Discounts	-60,232	
Court Cost	4,145	
		-3,490,823
Total Rates Debtors at 31 August 2022		893,436
Arrears included above at 31 August 2022	893,436	
Arrears at 31 August 2021	1,174,628	
Increase/(decrease) in arrears		(281,192)

Debt Position

Debt Position 2022/2023 (\$000)

	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Actual Debt Position	29,818	29,818	29,818										
Budget	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	26,818	35,759
Forecast				29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	26,818	35,759

Forecast Debt Position for 2021-2022 Financial Year

Forecast as at	Jun-23
Opening Balance	29,818
Loan funded capex forecast	7,092
Forecast repayments 2021-22	-1,150
Forecast balance June 2023 per AP	35,759



Capital Projects 2022 23					Legend - Key	
Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
	\$0	\$0	\$0			
LEADERSHIP						
Furniture Renewals	2,213	5,120	5,120			As and when
Council HQ Earthquake strengthening & upgrade	0	250,000	250,000			Park until the end of October
Council HQ - i-SITE room fitouts	0	60,920	60,920			Carried over
Civil Defence IT Kits	0	32,768	32,768			
Hannahs Clearing Fire Station upgrade	0	71,680	71,680			
IT equipment Renewals	(401)	15,360	15,360			IT as required
IT Offsite Replication	0	40,960	40,960			IT as required
Replacement of vehicles	0	81,920	81,920			Identifying what needs replacement. Follow up with Council Policy
	1,812	558,728	558,728			
Planning & Regulatory Services						
Civil Defence - Satellite Data & Voice	-	4,500	4,500			
Civil Defence - Emergency Operations Centre	-	1,396,398	1,396,398			
Civil Defence – Emergency containers	-	8,357	8,357			
Civil Defence – Emergency communications equipment	-	20,539	20,539			
	0	1,429,794	1,429,794			
LIBRARY & Museum						
Library - Resources	4,662	70,836	70,836			Ongoing through out the year
Library Furniture & Equipment	-	8,860	8,860			As needed
Museum – Museum archives	-	533,676	533,676			Has not been agreed yet
Museum – Museum complex roller doors – H&S	-	2,000	2,000			
Museum – Packaging material	-	7,600	7,600			
Museum – Scissor lift H&S upgrades	-	8,200	8,200			
Collection Database-Axiell EMu	-	38,828	38,828			Museum Data Base
Digital Interactive Package (pt of Museum fitout)	-	505,010	505,010			
	4,662	1,175,010	1,175,010			

WATER SUPPLY						
Kumara - WTP remedial work	-	48,710	48,710			For automation of duty / stand by valves (currently manual)
Kumara Replace Existing Reservoirs-investigation	-	25,000	25,000			Defered unitl 24/25
Kumara Monitoring Equipment At WTP	-	100,000	100,000			Implementation of compliance equipment to meet new Rules
Kumara Assessment reservoir	-	19,219	19,219			Defered unitl 24/25
Kumara - Seismic valves	-	27,315	27,315			Defered unitl 24/25
Kumara Water Mains Replacement	495	218,431	218,431			Underway. Contract to Westroads.
Arahura Monitoring Equipment at WTP	-	100,000	100,000			Implementation of compliance equipment to meet new Rules
Arahura Water Treatment Plant upgrade	358	123,884	123,884			Commissioning phase now underway. 30day run period to begin week of 5 September.
Hokitika Monitoring Equipment at WTP	-	100,000	100,000			Implementation of compliance equipment to meet new Rules
Hokitika Seismic Valve (main outlet)	46,361	49,345	49,345			Due to be installed week of 5th September
Hokitika Water Mains Replacement	116,736	309,724	309,724			Awarded to Tru-Line. Now waiting on Kiwi Rail for rail crossing section.
Investigate Options for Brickfield Reservoirs	-	92,160	92,160			Not started
Hari Hari Monitoring Equipment at WTP	-	100,000	100,000			Implementation of compliance equipment to meet new Rules
Hari Hari Water Mains Replacement	-	174,942	174,942			Underway. Contract to Westroads.
Ross Monitoring Equipment at WTP	-	100,000	100,000			Implementation of compliance equipment to meet new Rules
Whataroa Monitoring Equipment at WTP	-	100,000	100,000			Implementation of compliance equipment to meet new Rules
Franz Josef Monitoring Equipment at WTP	-	100,000	100,000			Implementation of compliance equipment to meet new Rules
Fox Glacier Monitoring Equipment at WTP	-	100,000	100,000			Implementation of compliance equipment to meet new Rules
Fox Glacier Plant Upgrade to DWSNZ	7,851	1,068,851	1,068,851			Membranes ordered. ETA Jan 2023. Fabrication underway off site.
Franz Josef WTP and Reservoir upgrades	2,500	-	-			Completed.
Haast Monitoring Equipment at WTP	-	100,000	100,000			Implementation of compliance equipment to meet new Rules
SCADA / Telemetry at WTP's	473	21,415	21,415			Budget to be used for SCADA set up on burst control valves.
WTP Chlorination	-	125,000	125,000			Depolox units with Filtec. Instatallation programmed to be confirmed.
	174,773	3,203,996	3,203,996			

WASTE WATER						
Hokitika Water Mains Repl+G154:G166acement	-	66,473	66,473			Physical works completed last year. For easement finaliization with James Scott.
General Contribution towards new developments	-	10,240	10,240			
General Replacement of Wastewater Treatment Plant	-	20,480	20,480			Replacement of Haast WWTP outflow meter. Discussion with WR's for best solution.
Hokitika WWTP - 3 Waters Funded Projects (100% funded)	160,808	171,294	171,294			Project completed. No more funding from this project code - now WWHOK NEW WWTP.
Hokitika WWTP Treatment and Disposal	239	6,110,487	6,110,487			Next working group meeting September
Hokitika -Z-line section replacement	-	302,381	302,381			Contract out on GETS. Closes 14th September.
Hokitika Wastewater Retic CCTV	-	20,000	20,000			Budget to be used for lateral locations / confirmations.
Kaniere Road Catchment - I&I Investigation and Provisions	5,594	105,627	105,627			Project will be completed by end of September (more storage at pump station)
	166,641	6,806,982	6,806,982			

SOLID WASTE						
Butlers - Intermediate capping	1,187	82,081	82,081			Progressing
Franz Josef - Landfill final capping	-	2,404	2,404			For signs
Butlers New Cell/Franz Josef Wast Management	-	217,383	217,383			Erle to follow up
Emmissions Trading - Carbon Credits	-	200,000	200,000			
Hokitika - Glass crusher, waste mimimisation equipment	12,050	100,000	100,000			Possibly to be renamed
Haast Lanfill Capping	-	48,280	48,280			To merge with REFHAA Trans
Haast - Develop transfer station	-	100,000	100,000			
Hokitika - Refuse shed 1 doors & iron replacement	0	13,656	13,656			Progress as the year continues
Hokitika Refuse Shed 2	-	10,000	10,000			
Hokitika - Waste minimisation equipment	-	80,248	80,248			Progress as the year continues
	13,237	854,052	854,052			

STORM WATER						
Hokitika Stormwater Mains Replacement	-	228,107	228,107			Town Belt East
Hokitika - Pump upgrade (Sewell St)	-	100,000	100,000			Waiting on HHE to deliver and install swtich board
Hokitika - Kaniere Rd network pipeline	-	122,880	122,880			Town Belt East
Livingstone St Pump Upgrade	141,530	1,375,622	1,375,622			Will continue
Beach St SW realignment	17,914	370,631	370,631			Northern soak pit to be installed by end of September. Remaining budget can be used forTBE.
Jollie St Extension	-	252,573	252,573			
Bealey St Pump Upgrade	-	20,480	20,480			Not started
Contribution towards new developments	-	10,240	10,240			
	159,444	2,480,533	2,480,533			

CEMETERIES						
Cemetery – Hokitika Improvements	-	11,354	11,354			Ongoing and getting completed
Cemetery - Hokitika Improvements Ashes Berm	-	20,000	20,000			Ongoing and getting completed
Cemetery – Hokitika tractor shed	-	13,663	13,663			Ongoing and getting completed
Cemetery - Hokitika Upgrade and expansion	-	13,663	13,663			Ongoing and getting completed
Cemetery - Ross Berm development	-	33,090	33,090			On going developing the berm
	0	91,770	91,770			

SWIMMING POOLS						
Swimming Pool Hokitika Refurbishment	13,472	1,615,759	1,615,759			Elements deferred to next year.
Swimming Pool Ross - EQ strengthening	-	10,000	10,000			
Swimming Pool Ross - Replace novalite, windows & roof rick	-	14,783	14,783			
	13,472	1,630,542	1,630,542			

FACILITIES & LEISURE SERVICES - OTHER						
Strengthening Carnegie Building	71,123	-	-			Possibly additional funding of \$500k to come in. Being followed up 10.08.2022
Buildings - Carnegie building fitout	-	709,390	709,390			Not starting until at least the 3rd week in Sept
Buildings - Custom House - repile building	837	3,210	3,210			Funding coming from Lotteries and Heritage
Buildings - Fox house re-roof	-	26,200	26,200			
Buildings p Fox House Insulation	-	-	-			
Buildings - Haast Community hall	-	26,200	26,200			Major part of re-roof is completed Spouting and downpiper are on site
Buildings - Hari Hari house - plumbing work	-	29,169	29,169			
Buildings - Hari Hari House Insulation	-	15,360	15,360			
Buildings - Pakiwaitara Earthquake structural works	620	450,000	450,000			Joseph and Associate are provide a quote, this 450k may cover watertight
Buildings - Pakiwaitara: Westland Discovery Centre fitout	-	-	-			C/fwd
Buildings - Whataroa pavilion upgrade	-	2,261	2,261			Carry over for minor works
Hokitika Heritage Park Infrastructure	-	80,000	80,000			
Franz Josef Urban Revitalisation Plan	-	200,000	200,000			Crossing, seats and tables on order, walking and trials
Franz Heliport and Carpark	5,595	188,051	188,051			Confirming with Westroads
Heritage area lighting	-	57,848	57,848			
Hokitika Rubbish Bins	-	2,024	2,024			
Hokitika lighting and banners	5,635	117,825	117,825			
Hokitika revitalisation plan	-	100,000	100,000			
Jacksons Bay Wharf	-	-	-			
Jacksons Bay Trailer and Boat Park	-	188,180	188,180			
Visitor Services - iSite equipment replacements	-	6,072	6,072			On hold
WCWT Milltown Shelter	5,309	67,398	67,398			Concrete pad is poured. On target.
Paringa Conveniences (70% funded)	-	239,561	239,561			TIFF project
WCWT Northbank route	12,618	73,564	73,564			
Westland Tourism Marketing Infrastruture	-	75,000	75,000			Mainly signage. Issue with Resource Consents. With Graphic Designer
	101,738	2,657,313	2,657,313			

PARKS & RESERVES						
Cass Square - Rubber matting	-	111,460	111,460			
Cass Square toilets	44,978	23,697	23,697			
Cass Square - Upgrade of Playground equipment	-	546,788	546,788			
Cass Square - new developments	-	166,968	166,968			
Cass Square - new pavilion	-	76,800	76,800			
Playground - Ross equipment upgrades to meet standards	-	91,536	91,536			Have hadhad conversations with the community - to be updated
Playground - Whataroa equipment upgrades to meet	45,731	56,470	56,470			
Playground - Haast equipment upgrades to meet	-	1,536	1,536			For inspections
Playground - Kumara equipment upgrades to meet	-	1,536	1,536			For inspections
Reserves - Hokitika dog park	-	20,250	20,250			Needs a design
Reserves - Waterfront Development: Beach access;	214,913	279,876	279,876			
Cycle Trail - Lake Kaniere Stage 1	-	41,303	41,303			Lawyers & Surveyors working on Judd ageement now
Cycle Trail - Wainihinhi wet weather route bridge	-	320,000	320,000			
Cycle Trail - Mahinapua viewing platform	-	70,000	70,000			
Cycle Trail - Minor infrastructure (shelters etc)	-	72,000	72,000			Ongoing
Cycle Trail - Safety enhancements	-	60,000	60,000			As and when required
Cycle Trail - Kaniere water race bridges	-	278,967	278,967			Waiting for a design - Liddels and DOC
Westland Racing Club Reserve development	11,607	460,693	460,693			Prices coming in for demo - on hold
Racecourse Dev-Stormwater	-	896,000	896,000			Linked to IAF
	317,228	3,575,880	3,575,880			

LAND TRANSPORTATION						
211 Unsealed Road Metalling	0	193,241	193,241			Ongoing as needed
212 Sealed Road Resurfacing	0	1,108,910	1,108,910			Starting when the weather improves, possibly September
213 Drainage Renewals	70,797	191,071	191,071			Ongoing as required
214 Sealed Road Pavement Rehabilitation	0	400,000	400,000			Town Belt East, Davie Street
215 Structures Component Replacement/216 Bridge & Structures Replacement	0	500,000	500,000			Ongoing as required
216 Bridge & Structure Renewals	0	500,000	500,000			Being reviewed
222 Traffic Services Renewals	3,480	110,730	110,730			Annual reprint and new signs where necessary
212 SPR Sealed Road Resurfacing	0	300,000	300,000			Incorporating into a pavement rehab
213 SPR Drainage Renewals	69,990	(6,828)	(6,828)			Ongoing as required
214 SPR Sealed Road Pavement Rehabilitation	0	229,393	229,393			Town Belt East, Davie Street
215 SPR Structures Component Replacement/216 SPR Bridge & Structures Replacement	0	198,436	198,436			Ongoing as required
216 SPR Bridge & Structure Renewals	0	70,000	70,000			Being reviewed
222 SPR Traffic services renewals	1,292	6,511	6,511			Annual
Low Cost Low Risk - Local	0	295,000	295,000			Some projects to be reviewed and needing approval. Change or criteria
Low Cost Low Risk - SPR	0	2,084,475	2,084,475			Underway, resilience project being investigated
Footpath upgrades	57,016	(13,020)	(13,020)			Ongoing, Westroads working to the agreed programme
Cron Street and Footpath Extensions (100% funded)	0	40,003	40,003			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
	202,576	6,291,840	6,291,840			
UNBUDGETED CAPITAL EXPENDITURE						
LDHQ Energy Centre	6,354	0.00	0.00			
	6,354	0	0			
Total	1,161,936	30,756,440	30,756,440			

Report to Council



DATE: 22 September 2022
TO: Mayor and Councillors
FROM: Chief Executive

ANNUAL DOG CONTROL POLICIES AND PRACTICES REPORT

1. Summary

- 1.1. The purpose of this report is to adopt the Annual Report on Dog Control Policies and Practices for the year ending 30 June 2022.
- 1.2. This issue arises from the statutory requirement pursuant to Section 10A of the Dog Control Act 1996 to adopt and publish an Annual Report on Dog Control Policy and Practices for the year ended 30 June 2022.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002, the Dog Control Act 1996, 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 Council receives the report and adopts the Annual Report on Dog Control Policy and Practices 2021/2022, attached as in Appendix 1.

2. Background

- 2.1. The reason the report has come before the Council is due to the requirement of Section 10A of the Dog Control Act 1996 to prepare a report on Dog Control Policy and Practices for the year ending 30 June. Following adoption, Council must give public notice that the report has been adopted, notify the Secretary of Local Government, and make the report publicly available online.

3. Current Situation

- 3.1. The Annual Report on Dog Control Policies and Practices 2021/2022 (Appendix 1) has been prepared in accordance with Section 10A of the Dog Control Act 1996. The Report provides information on:
 - The number of registered dogs,
 - Probationary and disqualified owners,
 - Dogs classified as dangerous or menacing,
 - Infringement notices,
 - Complaints received, and
 - Prosecutions taken in or by the territorial authority.

4. Options

4.1. Option 1 – Council adopts the Annual Report on Dog Control Policy and Practices 2021/2022.

4.2. Option 2 – Not to receive the report

5. Risk Analysis

5.1. Risk has been considered and the following risk have been identified, subject to adoption of the annual report in accordance with section 10A of the Dog Control Act 1996.

5.2. Failure to comply with Regulatory requirements is a reputational risk for council. Council must endeavour to meet all statutory requirements aligned to activities council undertakes.

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 adoption of the attached Annual Report is an administrative function required of Council under the Dog Control Act 1996 and is therefore of low significance in accordance with Council's Significance and Engagement Policy.

7.2. Public consultation is not required. It is a legislative requirement under the Dog Control Act 1996 that following adoption the Annual Report must be notified and made publicly available online.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – To adopt the Annual Report on Dog Control Policies and Practices for the year ending 30 June 2022.

8.1.1. There is a legislative requirement for Council to adopt an Annual Report on Dog Control Policy and Practices for the year ending 30 June and make the report publicly available by 31 October in the same year. This report is submitted for adoption in accordance with those legislative requirements.

8.2. There are no financial implications to this option.

8.3. Option 2

8.3.1. Analysis of Option 2 – Failure to accept this report will cause council to not comply to its statutory requirements

8.4. There are no financial implications to this option.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1 - that Council adopted the Annual Report on Dog Control Policies and Practices 2021/2022 to meet the legislative requirement within the Dog Control Act 1996.

10. Recommendations

- 10.1. That the report be received.
- 10.2. That Council adopt the Annual Dog Control Policy and Practices Report 2021/2022.
- 10.3. That the adopted Annual Dog Control Policy and Practices Report 2021/2022 is publicly notified, and made publicly available on Council's website, and
- 10.4. That the Secretary for Local Government is advised that the Annual Dog Control Policy and Practices Report 2021/2022 has been published in accordance with Section 10A of the Dog Control Act 1996, and Section 5(1) of the Local Government Act 2002.

Simon Bastion
Chief Executive

Appendix 1: Annual Dog Control Policy and Practices Report 2021/2022

Appendix 1



Westland District Council Annual Dog Control Policy and Practices Report 2021/2022

1. The Dog Control Act 1996

The Dog Control Act 1996 (the Act) requires territorial authorities to publicly report on Dog Control Policies and Practices as outlined under Section 10A. This report contains information and statistics on the Westland District Council's Dog Control activity for the year 1 July 2021 to 30 June 2022.

2. Dog Control Policy and Bylaw

There have been no reviews or amendments made to the Westland District Council Dog Control Bylaw or Dog Control Policy during this reporting period.

3. Administration

3.1. Personnel

Council employs one full-time Warranted Animal Control Officer (ACO), and a part-time after-hours ACO to cover weekends and rostered after-hours duties when the Animal Control Officer is on leave. The part-time after-hours ACO position is currently vacant. Warranted Compliance Officer Personnel have been rostered to cover ACO functions when primary personnel are on leave.

3.2. Hours of Operation

The Animal Control Officer works from 8:30am to 4:30pm, Monday to Friday and responds to all animal complaints. ACO's respond to complaints 24 hours a day on rostered days, weekends, and statutory holidays, ensuring Council has appropriate cover to deliver service delivery expectations throughout the year. Hours of operation remained unchanged during the COVID-19 Alert Levels imposed in 2021 with the ACO and Compliance personnel responding when required.

3.3. Dog Pound

Council continues to manage four designated pound kennels within the SPCA facility on Hau Hau Road, two kennels situated at the Haast Police Station, and one kennel situated at the Franz Josef Police Station.

Council is responsible for the maintenance and management of its own pound assets and facilities, and the stewardship and nourishment of any dogs impounded in its care. The pound operates 24/7 with public access by appointment only via the on-duty ACO, to claim any dog/s under their ownership that have been impounded.

Dogs are only released to owners on full payment of due fees, including infringement fees, and the cost of micro-chipping if required. Any dog not claimed within seven days, if not suitable for rehoming through the SPCA or another approved facility, is euthanised. All dogs are assessed by an ACO and Officers of the SPCA to determine suitability for rehoming.

4. Fees and Charges

The fees and criteria set in 2019/2020 remained unchanged as part of the 2021/2022 fee setting process, and the following fees and charges were adopted by Council for the delivery of Animal Control services for the 2021/2022 year.

Animal Control	Fee (GST inclusive) 2019/2020
Urban Registration (Hokitika and Kaniere Township)	\$74
Registration other Areas	\$58.50
Responsible Dog Owners (RDO)	\$50 Inspection Fee – First Year \$50 Registration Fee – All Areas
Registration Dangerous Dog	Standard Registration Fee plus 50%
Late Registration – 1 August	Standard Registration Fee plus 50%
First Impounding Offence	\$82
Second Impounding Offence	\$164
Third Impounding offence	\$245
Feeding/Day	\$26
Call-out for Dog Reclaiming	\$78

5. Dog Population Analysis

A total of 1,944 dogs and 1,425 owners are listed within Council's database for the reporting period. A total of 1314 dogs are located in the rural zone, 609 in an urban zone.

6. Enforcement

The format for reporting of complaints, impounding, classification, infringements, and court proceedings was modified for the 2018/19 period and continues in use for this reporting period. Where applicable, generalised figures from previous years have been included in the tables below. "NR" identifies where specifics were 'Not Recorded' by category.

6.1. Complaints

A total of 170 complaints were received during the 2020/2021 reporting period and is compared to previous years as follows.

Complaints Received	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Dog Attack	NR	NR	NR	19	15	19	5
Rushing/Threatening	NR	NR	NR	9	14	11	2
Roaming	NR	NR	NR	101	249	102	40
Barking	NR	NR	NR	32	47	19	13
Welfare	NR	NR	NR	21	16	26	0
General	NR	NR	NR	41	98	3	5
Total	223	360	104	223	439	170	65

6.2. Impounding

Twelve (12) dogs were impounded during the reporting period of which 11 were returned to their owners, and one (1) re-homed. No dogs were euthanised during the reporting period.

6.3. Classification of Dog Owners

The Council did not classify any dog owners as 'disqualified from owning a dog' in the 2020/2021 year. There are no registered 'disqualified' or 'probationary' owners within the Westland District.

6.4. Classification of Dogs

Dogs can be classified in three different ways:

- Menacing classifications under Section 33A of the Act are applied to a dog which the Council considers may pose a threat to any person, stock, poultry, domestic animal or protected wildlife due to observed or reported behaviour; or any characteristic associated with the dog (their behaviour);
- Menacing classifications under Section 33C of the Act are applied to a dog which belongs wholly or predominantly to one or more breeds or types listed in Schedule 4 of the Act (their breed); or
- Dangerous dogs under Section 31 of the Act are applied to a dog if the owner is convicted under 57A(2), if there is evidence that the dog is aggressive or the owner admits that the dog is aggressive.

Of the 1,994 known dogs in Westland, 23 are registered as 'Menacing'. For the reporting period six (6) are registered as 'Menacing' under Section 33A, no dogs are registered as 'Menacing' under Section 33C and one (1) registered as 'Dangerous'.

Under Council's Dog Control Policy, all dogs classified as menacing must be neutered, and muzzled when in a public area.

	2018/19	2019/20	2020/21	2021/22
Menacing S 33A	6	12	0	6
Menacing S 33C	1	6	2	0
Dangerous S 31	9	0	0	2

6.5. Infringements

A total of 18 infringement notices were issued for the following offences:

Infringement Offence	2018/19	2019/20	2020/21	2021/22
Failure to comply with any bylaw	6	14	12	0
Failure to comply with effects of classification	4	3	3	3
Failing to register dog	68	204	107	11
Failure to keep dog under control	5	10	4	4
Failure to provide proper care	3	0	0	0

6.6. Court Proceedings

There were no court prosecutions undertaken for offences under the Act for the 2021/2022 reporting period.

7. Other Services

7.1. Multiple Dog Permits (3+ Dogs – Urban Zone)

A permit is required to keep more than two dogs on a property in an urban area. The issue of a permit is conditional on the suitability of an owner, their property and obtaining of approval from affected neighbours.

In this reporting period, two (2) multiple dog permits are current.

7.2. Responsible Dog Owner Policy (RDO) Status

RDO status provides a discounted rate of dog registration as an incentive to responsible dog owners. To qualify for RDO status all dogs must be registered on or by 1st August of the current registration year, dog/s must be micro-chipped, there have been no justified complaints against, infringement, or impounding of any dog in the past two years, and the property has been inspected and approved in relation to appropriately fenced areas or kennel runs.

There are five (5) approved Responsible Dog Owners in this reporting period.

Report to Council



DATE: 22 September 2022
TO: Mayor and Councillors
FROM: Chief Executive

BETTER OFF PACKAGE FUNDING

1. Summary

- 1.1. The purpose of this report is to provide a follow-on update for Council on the 3 Waters Reform “Better off Package Funding” and seek a resolution on the options put before Council following a Council workshop held on Monday 12 September 2022.
- 1.2. This issue arises from the announcement by the Minister of Local Government that Councils can now put forward proposals for the first \$500 million of Crown funding from the Three Waters reform “Better Off Package Funding” support package. The funding is for local government to invest in local community wellbeing and may be applied to capital or operating initiatives.
- 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. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council adopt Option 1 and direct the Chief Executive to allocate the funding towards individual projects and complete the funding agreement with the Department of Internal affairs.

2. Background

- 2.1. As part of the 3 Waters Reform process, Local Government New Zealand (LGNZ) brokered a deal with central government in conjunction with a head of agreement to offer a “better off” package of \$2 billion to local councils. The funding package requires local government to invest projects or operations that support the wellbeing of their communities in a manner that meets the priorities of both central and local government.
- 2.2. The reason the report has come before the Council is due to the announcement from the Minister of Local Government requesting submissions of proposals for the first tranche of \$500 million of Crown funding from the Three Waters Reform “Better Off Package” from 1 April to 30 September 2022. The remaining \$1.5 billion is available from 1 July 2024.
- 2.3. Tranche 1 funding of \$2.79 million is available to Westland District Council.
- 2.4. Tranche 2 funding of \$8.36 million will be available to Council from 1 July 2024.

- 2.5. Elected members workshopped the “Better Off Package” Funding on the 22 June 2022 and on the 12 September 2022 to discuss expressions of interests for potential projects that would fit the funding criteria. A copy of the outcome of workshopped items to this Report is attached as **Appendix 1**.
- 2.6. Cr Neale and Cr Martin declared a conflict of interest at the Council workshop on the 12 September 2022 and took no part in the discussion of the respective items that they declared a conflict-of-interest in.

3. Current Situation

3.1. The current situation is that:

The Better off Package is:

- An investment by the Crown into the future for local government and community wellbeing; and
- In recognition of the significance to the local government sector (and the communities they serve) of the transfer of responsibility for water service delivery.
- The use of the funding supports Council to transition to their new role post-reform through meeting some or all of the criteria as laid out in the Heads of Agreement:
 - Supporting communities to transition to a sustainable and low-emissions economy, including by building resilience to climate change and natural hazards.
 - Delivery of infrastructure and/or services that enable housing development and growth, with a focus on brownfield and infill development opportunities where those are available.
 - Delivery of infrastructure and/or services that support local place-making and improvements in community wellbeing.

3.2. The Funding Proposal Submissions close on the 30 September 2022. Council can only submit one Funding Proposal to access Council’s share of the first \$500 million of the package, but it can cover more than one project or initiative.

3.3. Funding may cover projects for a period of up to five years in duration (through to 30 June 2027).

3.4. The spreadsheet of **Option 1** is attached to the Report as **Appendix 1**.

3.5. Project Lead Officers were appointed to each project/initiative and following an instruction from Council, sought expressions of interest for the contestable fund for community projects that met the criteria.

3.6. The next step in the process is that the applications be confirmed by Council to submit to Department of Internal Affairs (DIA) pending their assessment of the applications. It is expected that the review period with DIA will be approximately 6 weeks.

3.7 If there are any projects that do not pass the DIA’s critique, then the remainder of the projects will be revisited by Council.

4. Options

4.1. **Option 1:** The allocation of funding is based on the workshops held with Councillors on 22 June 2022 and a follow-up workshop on the 12 September 2022.

4.2. The allocation of funding is conditional on the remaining budget for Stage 2 of the Hokitika Swimming pool project being funded from Kānoa (MBIE). If the funding is not forthcoming, then Council agrees to allocate the \$1.45M towards the pool project.

4.3. **Option 2:** Review the proposed projects further and make amendments to the proposal.

4.4. **Option 3:** Defer any allocation and carry the funding over into Tranche 2.

5. Risk Analysis

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

5.1.1. Council has until the 30 September 2022 to lodge an application for funding. This will then be followed by 6 weeks of negotiation/clarification. There may be the possibility that DIA may not agree with our interpretation of the projects against the criteria which will see projects become ineligible.

5.1.2. The allocation of funds may see some projects declined as there is limited funds. This may cause disgruntlement among the applicants.

5.1.3. Tranche 2 is not available until post the next general elections – a change of government may see the fund conditions change or removed altogether.

6. Health and Safety

6.1. Health and Safety has been considered and have identified that Health and Safety must be considered as part of any new project planning and execution to ensure the hazards are either eliminated and/or minimised.

7. Significance and Engagement

7.1. The level of significance has been assessed as being moderate.

7.1.1. Public engagement on determining projects has been considered necessary and an important factor in determining projects and initiatives.

7.1.2. All of the community groups who expressed an interest in funding have received an acknowledgement and advised that Council will be considering this report at their meeting on the 22 September 2022.

7.1.3. All projects initiators will be corresponded with based on the outcome of discussions with the DIA.

8. Assessment of Options (including Financial Considerations)

8.1. **Option 1:** The allocation of funding based on the workshop held with Council on the 22 June 2022 and a follow-up workshop on the 12 September 2022.

8.1.1. A table was generated as a follow-up of both workshops. There was a robust debate and multiple variations of the allocation where considered.

8.1.2. Elected members were clear that the funds should be shared across the community and not Hokitika centric.

8.1.3. The allocation of funding is conditional on the remaining budget for Stage 2 of the Hokitika Swimming pool project being funded from Kānoa (MBIE). If this funding is not forthcoming, then council agrees to allocate the \$1.45M towards the pool project.

8.1.4. The following financial implications have been identified:

8.2.1.1 The “Better Off Package Funding” of \$2.79M allotted to project is based on certain criteria that is set out in the Funding Agreement (see Appendix 2).

8.3 **Option 2:** Review the proposed projects further and make amendments to the proposal.

8.3.1 Council could determine to re-litigate the allocation of funding. No request for change has been received since the confirmation of the allocation made during the workshop on 22 June was sent to Elected Members on 27 June.

8.3.2 Based on this staff have been assigned to consider the projects that will evolve from each allocation.

8.3.3 The following financial implications have been identified.

8.3.3.1 The “Better Off Package Funding” of \$2.79M allotted to project is based on certain criteria and set out in the Funding Agreement (see appendix 2).

8.3.3.2 The allocation of funding Stage 2 of the Hokitika Swimming pool project must be included if not covered by Kānoa (MBIE).

8.4 **Options 3:** Defer any allocation and carry the funding over into Tranche 2.

8.4.1 This option is available if Council do not wish to allocate any funding and defer this duty to the new Council following October 2022 local body elections.

8.4.2 The following financial implications have been identified.

8.4.2.1 There may be a risk that Tranche 2 is not available until post the next general elections – a change of government may see the fund conditions change or removed altogether.

9. Preferred Option(s) and Reasons

9.1. The preferred option is **Option 1** - The allocation of funding based on the Council workshop held on the 12 September 2022 attached as Appendix 1 to this report.

9.2. The allocation aligns with the “Better Off Package Funding” objective of “Delivery of infrastructure and/or services that support local place-making and improvements in community wellbeing.”:

9.2.1. The allocation is shared throughout the district.

9.2.2. Creates the ability to improve community assets and jump start some community and heritage projects.

9.2.3. Improves community resilience.

10. Recommendation(s)

10.1. That the report be received.

10.2. That Council confirm the applications attached as Appendix 1 and directs the CE to proceed with an application to Department of Internal Affairs.

Simon Bastion
Chief Executive

Appendix 1: Applications received

Appendix 2: Funding Agreement

Appendix 1

Summary Document

	Option 1	Option 2
Culture & Heritage Projects	\$ 500,000	\$ 120,000
Community Halls	\$ 900,000	\$ 770,000
Community Readiness	\$ 200,000	\$ -
Township Improvements	\$ 690,000	\$ 350,000
Community Funding	\$ 500,000	\$ 100,000

\$ 2,790,000 \$ 1,340,000

Trachnce 1 Fund \$ 2,790,000 \$ 2,790,000

\$ - \$ 1,450,000

No# of Projects

	Option 1	Option 2
Culture & Heritage Projects	5	5
Community Halls	18	17
Community Readiness	1	
Township Improvements	22	22
Community Funding	12	

58

44

Culture and Heritage Projects

Culture and Heritage Projects

Project	Proposed Work	Budget Option 1	Budget Option 2
Hokitika Regent Theatre	Exterior Building Lighting Main Auditorium LED Lighting and Display Interpretation panels for each part of the building (more dedicated space for exhibition /interpretation on the history of the building, and the events that used to be held there). Foyer – Milk Bar area heritage lighting	\$ 36,000	\$ 26,000
Westland Industrial Heritage Park (WHIP)	Option 1: Boatshed building and display elements - \$55k Heavy Machinery display and storage building - \$125k Separate buildings and displays. Option 2: Seed Funding for Boatshed and Display (a contribution) Seed funding would help WHIP apply for lotteries - \$34k is two thirds of the project cost, and the remaining \$21k would be more amenable to Lotteries. WHIP have said that Boatshed Building and display is more of a priority for them.	\$ 180,000	\$ 34,000
Interpretation Panels for Westland Heritage and Cultural Sites	Option 1: External heritage and cultural interpretation panels for 21 sites throughout the Westland District Each panel approx. \$2.5k each Emphasis on South and Central Westland Heritage and Cultural Sites. Option 2: External heritage and culture interpretation panels for 10 sites Emphasis on South and Central Westland Heritage and Cultural sites.	\$ 69,000	\$ 25,000
Hokitika Town Clock Tower	Engineering inspection report \$15k This Report is needed for a feasibility study. The Clock Tower is considered a building (not a statue). All buildings that are earthquake prone need to be assessed by September 2023. Then a period of time following that where the remedial work needs to be completed. Category 2 Heritage building. Doing nothing on the clock tower = is not an option	\$ 15,000	\$ 15,000
2023 Westland Anniversary	Option 1: An expanded legacy digital initiative Augmented reality application or location-based beacon heritage experience that digitally recreates Historic Hokitika Wharf. Fixed term Event Coordinator and Project Manager Event seed funding for 2023 Community Events throughout Westland Event Program and advertisement Bulk of this funding for Option 1 is for the Legacy Project. 360 views of the space and heritage, and all senses are being tapped into as well. A device-based experience. Option 2: Location based QR Code generated heritage trail for 3 Hokitika town ship locations Event seed funding for 2023 community events throughout Westland. Event Program and Advertisement.	\$ 200,000	\$ 20,000

\$ 500,000 \$ 120,000

Community Halls

Halls	Ownership	Scope of work	Option 1 Price	Option 2 Price
Okuru Hall proposed work	WDC	Hot Water, Storm Water, Cladding, Seismic Assessment	\$ 45,666	\$ 45,666
Haast Hall	WDC	Stormwater, Electrical, Seismic Assessment, Options Report	\$ 76,000	\$ 67,500
Bruce Bay Hall	Community	Rear Entrance	\$ 36,685	
Fox Glacier Hall	WDC	Installation of accessible path, Produce a design to fix ceiling condensation	\$ 25,700	\$ 25,700
Franz Josef Hall	Franz Inc	Seismic Assessment, Temporary Propping, Bathroom Improvements, Concept Design for new Hall	\$ 158,000	\$ 158,000
Whataroa	Whataroa Community Association Incorporated	Handrail, Lighting, Storage	\$ 11,450	\$ 11,450
Hari Hari	WDC	Heat pump drain, fix spouting, investigate ceiling ventilation, tighten roofing screws, seal and rivit ridging laps.	\$ 10,300	\$ 10,300
Waitaha	WDC	Balance needed for Water Tanks	\$ 10,000	\$ 10,000
Ross	WDC	Option 1: Removal of asbestos cladding, Option 2: rewire, LED lighting, kitchen improvements	\$ 57,500	\$ 9,500
Greypower Hall	WDC	New windows and curtains, new sliding door	\$ 40,000	\$ 40,000
Regent Theatre	Westland Community Centre Incorporated	Exterior maintenance: Walls, windows, doors, spouting, downpipes, roller door, External painting (wash and paint).	\$ 78,000	\$ 63,000
Boys Brigade Hall	WDC	Sesimic Assessment, Generator	\$ 39,000	\$ 39,000
Woodstock Hall	Community	Zip	\$ 2,300	\$ 2,300
Kokatahi Hall	WDC	Seismic Assessment, Electrical Board, Heating (if budget allows)	\$ 40,800	\$ 40,800
Kowhitirangi Hall	The Kowhitirangi Settlers Hall Society (Incorporated)	Assist in shortfall from Lotteries funding	\$ 39,000	\$ 37,000
Kumara Hall	Kumara Memorial Hall (Incorporated)	Seismic Assessment, Options Report	\$ 50,000	\$ 50,000
Civil Defence Welfare Centres	Various	Conduct Seismic Assessments as required to validate suitability	\$ 72,099	\$ 62,284
Project Management and Contingency			\$ 107,500	\$ 97,500
			\$ 900,000	\$ 770,000

Community Readiness

Equipment	Requirements	Quantity	Quote Price	Total	Total project quantity	Total project cost	Operating Costs				
							Ongoing Monthly Costs	Quantity	Total	Annual Test Fee	Annual Costs
Deployable mobile internet in waterproof case	Basic		\$2,300	\$2,300	18	\$ 41,400.00		18		\$ 173	\$ 3,114
	Advanced		\$6,300	\$6,300	1	\$ 6,300.00	\$ 95	1	\$ 1,140	\$ 173	\$ 1,313
Laptop	Hp EliteBook 830 G9 Intel i5-1235U	2	\$1,790	\$3,580	19	\$ 68,020.00					
Laptop and Tablet Car charger	KFD Universal USB-C Laptop Car Charger	1	\$ 55	\$ 55	19	\$ 1,045.00					
Tablet	Apple iPad 10.2 inch 64GB Wifi/4G	2	\$ 740	\$1,610	19	\$ 30,590.00					
	Protective case	2	\$ 65								
Portable power supply for tablet	Portable 70200mAh 100W Solar Generator Power Station Battery Backup, includes solar panels	1	\$ 250	\$ 250	19	\$ 4,750.00					
UPS		1	\$ 300	\$ 300	19	\$ 5,700.00					
Multiplugs		4	\$ 25	\$ 100	19	\$ 1,900.00					
USB Sticks		4	\$ 15	\$ 60	19	\$ 1,140.00					
Headphones		2	\$ 50								
USB Cords		4	\$ 20	\$ 80	19	\$ 1,520.00					
Storage Container	Waterproof	1	\$ 350	\$ 350	19	\$ 6,650.00					
Sat Phone		1	\$1,380	\$1,380	11	\$ 15,180.00	\$ 80	11	\$ 880		\$ 10,560
VHF/Digital – Mobile unit	Carry Case	1	\$3,263	\$3,263	6						
	External Aerial										
	Extra Charger										
VHF/Digital – Hand Held	Extra charger	1	\$2,500	\$2,500	6	\$ 15,000.00					
	Extra Batteries										
Incidentals						\$ 805.00					
						\$ 200,000.00					\$ 14,987

Township Improvements

Description	Amount	Tranche 1 Option 1	Tranche 1 Option 2
Haast Footpath Extension	\$89,688.03	\$89,688.03	\$89,688.03
Hampden St Footpath Extension	\$349,993.06	\$349,993.06	
Wadeson Island Cycle Track	\$99,808.60		\$24,271.00
Weld street around clock tower (Raised Platforms)	\$36,240.00	\$36,240.00	\$36,240.00
Weld street around the statue (Raised Platforms)	\$36,000.00	\$36,000.00	\$36,000.00
Revell Street (Raised Platform)	\$18,000.00	\$18,000.00	\$18,000.00
Tancred Street (Raised Platform)	\$9,000.00	\$9,000.00	\$9,000.00
Bealey Street (Raised Platform)	\$9,000.00	\$9,000.00	\$9,000.00
Information and Heritage Centre Ross (Raised Platform)	\$9,000.00	\$9,000.00	\$9,000.00
Gibson Street(Raised Platform)	\$9,000.00	\$9,000.00	\$9,000.00
Brittan Street(Raised Platform)	\$18,000.00	\$18,000.00	\$18,000.00
Hampden Street(Pram Crossing)	\$14,358.40	\$14,358.40	\$14,358.40
Park Street(Pram Crossing)	\$7,179.20	\$7,179.20	\$7,179.20
Seddon Street Kumara(Pram Crossing)	\$24,281.80	\$24,281.80	\$24,281.80
Tui St (Pram Crossing)	\$5,384.40	\$5,384.40	\$5,384.40
Weld St (Pram Crossing)	\$11,666.20	\$11,666.20	\$11,666.20
Sewell St (Pram Crossing)	\$2,692.20	\$2,692.20	\$2,692.20
Tudor Street (Pram Crossing)	\$1,794.80	\$1,794.80	\$1,794.80
Tancred Street (Pram crossing)	\$2,692.20	\$2,692.20	\$2,692.20
Hamilton Street (Pram Crossing)	\$1,794.80	\$1,794.80	\$1,794.80
Cron Street Franz (Pram Crossings)	\$6,281.80	\$6,281.80	\$6,281.80
Main Road Franz (Pram Crossing)	\$1,806.96	\$1,806.96	\$1,806.96
Project management	\$26,146.15	\$26,146.15	\$11,868.21
Total	\$789,808.60	\$690,000.00	\$350,000.00

Community Funding

Group/Organisation	Project / Initiative	Total Project Cost \$000'	GST
Lions Club - Strengthening, Extension & Resilience Upgrade	To upgrade of Lazar Park Hall to provide recreational amenities, including a commercial kitchen, hall, toilets and meeting spaces that are structurally safe, fit for purpose and resilient for the purposes of emergency management	\$ 95,000.00	Exclusive
Whataroa Community Association CD Infrastructure	Civil Defence Infrastructure - Whataroa Area	\$ 72,314.75	Inc
West Coast Riding for the Disabled Inc	Indoor Arena - Surface	\$ 52,468.75	Inc
Fox Glacier Memorial Aboretum	Memorial garden spce at Fox Glacier Hall site	\$ 44,000.00	Inc
Bruce Bay Community Hall Inc	Completion of Bruce Bay Community Hall Safety Projects	\$ 42,201.92	Inc
Lake Kaniere Community Association	Lake Kaniere Community Resilience Plan for both residents and day trippers and West Coast Cycle Trail users.	\$ 40,000.00	Inc
Kumara Memorial Hall	Kumara Resilience Container	\$ 36,636.70	Inc
WCRDA	Indoor Arena Electrical materials	\$ 32,757.75	Inc
Kumara Junction - Gentle Annie Track Extension	Gentle Annie Track Extension	\$ 26,691.00	Inc
Ross Community Society Inc.	Ross Civil Emergency Hub	\$ 22,514.31	Inc
Hari Hari Civil Defence Group	Stage 2 Civil Defence Plan for Hari Hari	\$ 21,033.63	Inc
Otira Responsible Community Association Board	Community Civil Defence Hub	\$ 13,378.00	Inc
	Contingency	\$ 1,003.19	
		\$ 500,000.00	

Community Projects on hold

Group/Organisation	Project / Initiative	Total Project Cost \$000' GST inclusive
Hari Hari Picnic Shelters Guy Menzies Park	Installation of two shelters	\$ 29,128.04
Kit Me (by Inclement in conjunction with Emergency Mangement West Coast)	Info in Advance	\$ 29,440.00
Kumara Junction - Coast to Coast Information kiosk	40 Year celebration of the Coast to Coast	\$ 50,000.00
West's Rugby Club	West's Rugby Club clubrooms upgrade	\$ 80,000.00
Hari Hari /Street Flags	Street Flags along Main South Rd	\$ 16,261.25
Hari Hari Guy Menzies Park Project	Water feature for Guy Menzies Park	\$ 25,796.01
Hokitika RSA	A carved Pare	\$ 15,000.00
Hokitika Drama Society - Old Lodge Theatre	Refurbish the Old Lodge Theatre (11 Revell St, Hokitika, owned by Hokitika Dramatic Society) to better suit the Society's needs, including: <ul style="list-style-type: none"> • Reposition the kitchen area • Move the toilets towards the front • Additional alterations for improved stage access 	\$ 126,074.00
Hokitika's Regent Theatre	Hokitika's Regent Theatre Maintenance & Refurbishment	\$ 103,825.00
New Coasters Volunteer West Coast in Westland	establish a volunteer centre in Westland District.	\$ 28,500.00
Westland District Library	Westland District Library RFID Project Stage 2 (of 3)	\$ 30,000.00
Westland District Library	Westland District Library RFID Project Stage 2 (of 3)	\$ 30,000.00
Lions Club - Pragnell's Shed	Pragnell's Shed Community Storage Resilience Project	\$ 44,260.68
Hokitika Primary School	Upgrading their Play Spaces	\$ 479,797.25
Hokitika Golf Club	Quadbike Replacement	\$ 13,599.00
Hokitika Golf Club	Tractor Replacement	\$ 30,950.00
		\$ 1,132,631.23

FUNDING AGREEMENT

BETWEEN

DEPARTMENT OF INTERNAL AFFAIRS

AND

[NAME OF RECIPIENT]

AND

**CROWN INFRASTRUCTURE PARTNERS
LIMITED (AS MONITOR)**

FOR

**THREE WATERS REFORM – BETTER OFF
PACKAGE (TRANCHE 1 FUNDING)**

AGREEMENT

The parties (identified below in Part 1) agree to be bound by the terms and conditions of this Agreement, as set out below in Part 1 (Key Details), Part 2 (General Terms), Part 3 (Definitions and Construction), Schedule 1 (Permitted Funding Activities) and Schedule 2 (Transition Support Arrangements).

PART 1: KEY DETAILS

1 Parties

The Sovereign in right of New Zealand, acting by and through the [Deputy Chief Executive] of the Department of Internal Affairs (**DIA**)

[NAME OF RECIPIENT] (**Recipient**)

Crown Infrastructure Partners Limited (**Monitor**)

2 Background

The New Zealand Government is undertaking a reform programme for “Three Waters” (drinking water, wastewater and stormwater) service delivery for communities (**Three Waters Reform Programme**).

The Crown entered into a Heads of Agreement with New Zealand Local Government Association Incorporated Te Kahui Kaunihera ō Aotearoa (**LGNZ**) under which, amongst other things, the Crown proposed that a Three Waters Reform financial support package be provided to local authorities, comprising:

1. a “no worse off” package which will seek to ensure that financially, no local authority is in a materially worse off position to provide services to its community directly because of the Three Waters Reform Programme and associated transfer of responsibility for the provision of water services (including the transfer of assets and liabilities) to the Water Services Entities; and
2. a “better off” package of \$2 billion which supports the goals of the Three Waters Reform Programme by supporting local government to invest in the wellbeing of their communities in a manner that meets the priorities of both the central and local government, and is consistent with the agreed criteria for such investment set out in the Heads of Agreement,

to be given effect in agreements between each local authority and the Crown (through DIA).

The better off package will comprise:

1. \$1 billion of Crown funding, \$500 million of which is intended to be provided to local authorities from 1 July 2022 to enable early investment (“**Tranche 1 Funding**”); and
2. the remaining \$1 billion to be funded by the new Water Services Entities.

This Agreement relates to the provision of funding to the Recipient from the Tranche 1 Funding of \$500 million.

The Crown’s objectives with the better off package are, acknowledging the Reform Objectives, to demonstrate central government confidence in the future for local government by providing the sector with additional funds to support local wellbeing outcomes in a way that aligns with the priorities of central and local government, including through meeting some or all of the following criteria:

1. supporting communities to transition to a sustainable and low-emissions economy, including by building resilience to climate change and natural hazards;

2. delivery of infrastructure and/or services that:
 - a. enable housing development and growth, with a focus on brownfield and infill development opportunities where those are available;
 - b. support local place-making and improvements in community well-being.

The Recipient is a [territorial authority with statutory responsibility for delivering Three Waters services within its own district or city]. The Recipient will work collaboratively with the New Zealand Government in connection with the Three Waters Reform Programme.

Crown Infrastructure Partners Limited is party to this Agreement to undertake a review and monitoring role on behalf of the DIA, as further described in this Agreement.

DIA has agreed to contribute funding to the Recipient on the terms and conditions of this Agreement (**Agreement**). This funding is being provided to enable the Recipient to undertake the activities described in Schedule 1.

Key details of this Agreement are set out in this **Part 1**. The full terms and conditions are set out in **Part 2**. Defined terms and rules of interpretation are set out in **Part 3**.

3 Conditions Precedent

No Funding is payable under this Agreement until DIA has confirmed to the Recipient in writing that it has received, and found, in its sole discretion, to be satisfactory to it in form and substance, the following documents and evidence:

1. This Agreement, duly executed by the Recipient.
2. The final Funding Proposal prepared by the Recipient, in a form approved by DIA.

The Recipient is responsible for the content of the Funding Proposal and approval by DIA for the purposes of this Agreement shall not impose any obligations on DIA in respect of the Funding Proposal other than as expressly set out in this Agreement.

These conditions precedent must either be satisfied (in the opinion of DIA) or waived by DIA (at its sole discretion) by 30 September 2022. In the event that they are not satisfied or waived within that time, DIA may notify the Recipient that this Agreement has not come into effect and is null and void.

4 Permitted Funding Activities

The Recipient may only use the Funding:

1. for the purposes set out in Schedule 1; and
2. for any other purpose with DIA or the Monitor's prior written approval,

(each a **Permitted Funding Activity**).

5 Funding Proposal

The Recipient is to undertake the Permitted Funding Activities in accordance with the Funding Proposal approved by the DIA (or otherwise with DIA or the Monitor's prior written approval).

6 End Date

The End Date is [1 July 2027], or such later date determined by DIA in its discretion. **[Note: Recipients may propose an End Date having regard to the funding activities covered by this agreement, no later than 30 June 2027. DIA intend that the End Date is to be confirmed for each agreement]**

7 Funding

The total Funding available under this Agreement is up to **NZ\$[INSERT HERE]** plus GST (if any). This is the Total Maximum Amount Payable.

The first instalment of Funding under this Agreement is (NZ\$[insert] plus GST (if any)) subject to satisfaction of the Conditions Precedent set out in Item 3 above and receipt of a duly completed Payment Request in accordance with clause 1 of Part 2.

The Recipient may submit progress payment claims for the balance of the Funding under this Agreement, subject to satisfaction of the conditions set out below and the other terms and conditions of this Agreement.

Each instalment of Funding under this Agreement, following payment of the first instalment, is subject to:

- (a) Receipt of a duly completed Payment Request in accordance with clause 1 of Part 2.
- (b) DIA receiving and being satisfied with the six-monthly reports specified in the Key Details, together with the other information required in this Agreement.
- (c) DIA being satisfied that the Recipient is using reasonable endeavours to comply with the Transition Support Arrangements set out in Schedule 2.
- (d) DIA being satisfied that the Recipient is complying with the requirements of any Remedial Plan.
- (e) No Termination Event, or event entitling DIA to suspend funding under this Agreement, subsisting.

The first Payment Request may be submitted upon the Commencement Date occurring. Each subsequent Payment Request may be submitted at any time, but no more than one such Payment Request may be submitted in any month, except (in each case) to the extent agreed by DIA in its sole discretion.

8 Reporting

The Recipient will provide DIA via the DIA's Grant Management System portal with six-monthly reports by the 15th Business Day following the end of each six month period ending on 30 June and 31 December), with effect from the Commencement Date. Each six-monthly report must include the information set out below, in the standard reporting form specified by DIA.

If the frequency of reporting is changed to quarterly, as further described in clause 2.14, then the obligations described in this Agreement in respect of each six-monthly report will equally apply to the required quarterly reports (to be provided by the 15th Business Day following the end of each Quarter).

The Recipient will also provide DIA via the DIA's Grant Management System portal with a final report by the 15th Business Day following the End Date. The final report must include the information set out below, in the standard reporting form specified by DIA.

Each report is to be in form and substance satisfactory to DIA in its sole discretion.

Each six-monthly report must include the following information:

- (a) Description of activities undertaken during the relevant six month period (including progress against relevant milestones);
- (b) A summary of expenditure for the relevant six month period (including any co-funding by the Recipient);
- (c) Plans for the next six month period (including a financial forecast for cashflow purposes);
- (d) Any major risks arising or expected to arise with the Permitted Funding Activities, costs or performance of this Agreement, together with actual or proposed mitigations for those risks (including, where the Permitted Funding Activities) costs are forecast to exceed budgeted

costs, how the shortfall is to be funded);

- (e) A summary of the outcomes achieved as a result of the Permitted Funding Activities; and
- (f) Any other information relevant to this Agreement and/or DIA's involvement in connection with the Permitted Funding Activities that is notified by DIA or the Monitor in writing to the Recipient.

The final report must include the following information:

- (a) Description of activities undertaken during the term of this Agreement;
- (b) A summary of expenditure on the Permitted Funding Activities (including any co-funding by the Recipient);
- (c) A summary of the outcomes achieved as a result of the Permitted Funding Activities;
- (d) Any specific reporting requirements set out in this Agreement; and
- (e) Any other information relevant to this Agreement and/or DIA's involvement in connection with the Permitted Funding Activities that is notified by DIA or the Monitor in writing to the Recipient.

9 Special Terms

During the term of this Agreement the Recipient shall use reasonable endeavours to comply with the Transition Support Arrangements, as set out in Schedule 2.

10 Representative

DIA's Representative:

Name: Michael Lovett

Email: threewaters@dia.govt.nz

Recipient's Representative:

Name: [name]

Email: [email]

Monitor's Representative:

Name: [name]

Email: [email]

11 Address for Notices

To DIA:

Three Waters Reform
Level 7, 45 Pipitea Street
Wellington 6011

Attention: Michael Lovett

Email: threewaters@dia.govt.nz, with a copy to legalnotices@dia.govt.nz

To the Recipient:

[address]

Attention: [name]

Email: [email]

To the Monitor:

[address]

Attention: [name]

Email: [email]

SIGNATURES

SIGNED by the **SOVEREIGN IN RIGHT OF NEW ZEALAND** acting by and through the [Deputy Chief Executive] of the Department of Internal Affairs or his or her authorised delegate:

Name: Michael Lovett

Position: Deputy Chief Executive, Local Government

Date:

SIGNED for and on behalf of [RECIPIENT NAME] by the person(s) named below, being a person(s) duly authorised to enter into obligations on behalf of the Recipient:

Name:

Position:

Date:

Name:

Position:

Date:

SIGNED for and on behalf of **CROWN
INFRASTRUCTURE PARTNERS LIMITED** by the
person(s) named below, being a person(s) duly
authorised to enter into obligations on behalf of
the Monitor:

Name:

Position:

Date:

Name:

Position:

Date:

END OF PART 1

PART 2: GENERAL TERMS

1 FUNDING

- 1.1 DIA must pay the Funding (up to the "Total Maximum Amount Payable" specified in the Key Details) to the Recipient, subject to the terms of this Agreement. Unless stated otherwise in this Agreement, the Recipient may only claim the Funding to the extent necessary to cover Eligible Costs that have been or will be incurred by the Recipient, and the Recipient must use the Funding solely on Eligible Costs.
- 1.2 The Recipient must submit for DIA's approval a Payment Request via the DIA's Grant Management System portal at the time specified in, and otherwise in accordance with, Item 7 in the Key Details.
- 1.3 Each Payment Request must include the amount of Funding requested, be authorised by the Chief Executive or an authorised representative of the Recipient, and be accompanied by the following supporting documentation:
 - (a) a breakdown / total transaction listing of total Eligible Costs that have been or will be incurred to undertake the Permitted Funding Activities, substantiated by invoices and cost details;
 - (b) for the first Payment Request submitted following payment of the first instalment of Funding, a breakdown / total transaction listing of expenditure related to the first instalment, substantiated by invoices and cost details;
 - (c) a summary of the number of jobs created through people employed in the relation to the Permitted Funding Activities; and
 - (d) any other reasonable information or evidence requested by DIA or the Monitor in relation to summary project information or Eligible Costs that have been incurred or will be incurred.
- 1.4 DIA is not required to pay any Funding in respect of a Payment Request:
 - (a) if any reports specified in the Key Details have not been provided or are not in form and substance satisfactory to DIA or the Monitor in its sole discretion;
 - (b) if the Conditions specified in Item 7 of the Key Details relating to that instalment have not been satisfied;
 - (c) if payment will result in the Funding exceeding the "Total Maximum Amount Payable" specified in the Key Details;
 - (d) if this Agreement has expired or been terminated; and/or
 - (e) while the Recipient is in material breach of this Agreement.

For the avoidance of doubt, DIA's obligation to make Funding available under this Agreement is strictly subject to clause 6.2.
- 1.5 Subject to the terms of this Agreement, DIA must pay each valid Payment Request by the 20th day of the month after the month the relevant Payment Request is approved by the DIA, and if such day is not a Business Day, on the next Business Day. DIA will pay the Funding to the Recipient's nominated Bank Account.

- 1.6 The Funding made available under this Agreement comprises grant funding and does not comprise an equity investment or loan. It is only repayable in the specific circumstances set out in this Agreement.
- 1.7 DIA may, at its discretion, notify the Recipient in writing that it wishes to enter into a GST Offset Agreement in connection with the payment of GST on any Funding. The Recipient must, where applicable, take all such steps as are reasonably required to achieve that GST offset in accordance with the Goods and Services Tax Act 1985.

2 RECIPIENT'S RESPONSIBILITIES

Standards and compliance with laws

- 2.1 The Recipient must comply with all applicable laws, regulations, rules and professional codes of conduct or practice.

Permitted Funding Activities

- 2.2 The Recipient must not, without DIA's or the Monitor's prior written consent, make any Material Variation to the Permitted Funding Activities (including their description and scope).
- 2.3 The Recipient must ensure that the Permitted Funding Activities are carried out:
- (a) promptly with due diligence, care and skill, and in a manner that is consistent with Best Industry Practice; and
 - (b) by appropriately trained, qualified, experienced and supervised persons; and in accordance with any directions of DIA or the Monitor, notified by DIA or the Monitor in writing from time to time.
- 2.4 The Recipient must use reasonable endeavours to ensure that the Permitted Funding Activities are completed by the End Date.
- 2.5 The Recipient is solely responsible for the activities and matters carried out as Permitted Funding Activities, including being solely responsible for the acts and omissions of any contractors and subcontractors in connection with the same.
- 2.6 The Recipient must ensure that all agreements it enters into with any contractors or any other party in connection with the Permitted Funding Activities are on an "arm's length" basis, provide value-for-money and do not give rise to any Conflict of Interest. The Recipient must provide DIA with reasonable evidence of compliance with this clause 2.6 in response to any request by DIA from time to time.

Information Undertakings

- 2.7 The Recipient must provide DIA and the Monitor with the reports specified in the Key Details, in accordance with the timeframes and reporting requirements set out in the Key Details.
- 2.8 The Recipient must provide DIA and the Monitor with any other information about the Permitted Funding Activities requested by DIA and/or the Monitor within the timeframe set out in the request.
- 2.9 The Recipient must promptly notify DIA and the Monitor if:

- (a) the Recipient (or any of its personnel or contractors) becomes aware of, or subject to, a Conflict of Interest; or
- (b) the Recipient becomes aware of any matter that could reasonably be expected to have an adverse effect on the Permitted Funding Activities and any related programme, or result in a Termination Event or a breach of any term of this Agreement by the Recipient,

and if requested by DIA must promptly provide DIA with its plan to mitigate and manage such Conflict of Interest or such matter.

- 2.10 The Recipient must not at any time do anything that could reasonably be expected to have an adverse effect on the reputation, good standing or goodwill of DIA or the New Zealand Government. The Recipient must keep DIA informed of any matter known to the Recipient which could reasonably be expected to have such an effect.
- 2.11 The Monitor has been appointed by DIA to undertake a review and monitoring role under this Agreement, including by:
- (a) reviewing and confirming satisfaction with the reports specified in the Key Details;
 - (b) reviewing and approving Payment Requests submitted by the Recipient;
 - (c) seeking, reviewing and confirming satisfaction with further information from the Recipient; and
 - (d) making recommendations to DIA and the New Zealand Government in respect of the Funding and the Agreement.

The Recipient agrees that all its communications and correspondence under this Agreement will be made with DIA or, to the extent directed by DIA or provided for above, the Monitor.

Funding, records and auditors

- 2.12 The Recipient must receive and manage all Funding in accordance with good financial management and accounting practices and to a high standard that demonstrates appropriate use of public funds.
- 2.13 The Recipient must keep full and accurate records (including accounting records) of the Permitted Funding Activities and retain them for at least 7 years after the last payment of Funding under this Agreement. The Recipient must permit DIA or the Monitor (or any auditor nominated by DIA or the Monitor) to inspect all records relating to the Permitted Funding Activities and must allow DIA, the Monitor and/or the auditor access to the Recipient's premises, systems, information and personnel for the purposes of this inspection. DIA shall bear any third party costs arising from such inspection, unless the inspection reveals a breach of this Agreement, in which case the Recipient shall bear such costs.

Monitoring

- 2.14 Without limiting anything in clause 2.15, at the request of the DIA (or the Monitor), the Recipient and the DIA and/or the Monitor shall meet by the 15th Business Day following the end of each six month period, to jointly discuss the Recipient's compliance with its obligations under this Agreement during the relevant six-month period (including its obligations under Items 5 and 9 of the Key Details). Where the DIA (or the Monitor)

considers (acting reasonably) that the Recipient has not complied with its obligations under this Agreement during the relevant six-month period:

- (a) DIA (or the Monitor) and the Recipient shall in good faith discuss:
 - (i) the identified areas of non-compliance and agree the steps that the Recipient will take to address such areas of non-compliance going forwards (**Remedial Plan**). If the parties are unable to agree a Remedial Plan by the 30th Business Day following the end of the relevant six month period, then DIA (or the Monitor) shall (acting reasonably and having regard to the matters raised by the Recipient in such discussions) provide the Recipient with a remedial plan which shall, for the purpose of this Agreement, be deemed to be the Remedial Plan. The Recipient shall comply with the requirements of any Remedial Plan;
 - (ii) acknowledging the commitment of resources (including staff) required by the Recipient to comply with its obligations under this Agreement (including the Transition Support Arrangements set out in Schedule 2), how the parties can work together to ensure such obligations are appropriately managed by all parties; and
- (b) DIA (or the Monitor) may increase the frequency of the reports required under Item 8 of the Key Details from six-monthly to quarterly.

2.15 At the request of the DIA (or the Monitor) at any time after the occurrence of a Relevant Event, the Recipient and the DIA and/or the Monitor shall meet promptly to jointly discuss the circumstances relating to that event. DIA (or the Monitor) and the Recipient shall in good faith discuss the steps that the Recipient will take to address that event (a **Response Plan**). If the parties are unable to agree a Response Plan within 20 Business Days following a request under this clause, then DIA (or the Monitor) shall (acting reasonably and having regard to the matters raised by the Recipient in such discussions) provide the Recipient with a response plan which shall, for the purpose of this Agreement, be deemed to be the Response Plan. The Recipient shall comply with the requirements of any Response Plan and non-compliance by the Recipient shall entitle DIA to suspend funding under this Agreement until such time as the non-compliance is remedied to DIA's satisfaction (acting reasonably).

3 INTELLECTUAL PROPERTY

- 3.1 DIA acknowledges that the Recipient and its licensors own all pre-existing intellectual property which they contribute to the Permitted Funding Activities , and all new intellectual property which they create in the course of the Permitted Funding Activities.
- 3.2 The Recipient grants an irrevocable, perpetual, royalty-free, sub-licensable licence to DIA and the Monitor to use all reports, documents, information and other materials created or provided by the Recipient to DIA or the Monitor under or in connection with the Permitted Funding Activities and this Agreement.
- 3.3 The Recipient warrants that it has obtained (or will obtain, prior to creation of each relevant work) all rights and permissions necessary to enable the grant and exercise of the licence in clause 3.2 without infringing the intellectual property rights of any third party.

4 TERM AND TERMINATION

- 4.1 This Agreement will be effective on and from the Commencement Date, which will be the latest to occur of:
- (a) the date this Agreement has been signed by all parties; and
 - (b) the date on which DIA has provided written notice to the Recipient that the Conditions Precedent specified in the Key Details have either been satisfied (in the opinion of DIA) or waived by DIA (at its sole discretion).
- 4.2 This Agreement will remain in force until the End Date, unless terminated in accordance with this Agreement.
- 4.3 DIA can terminate this Agreement with immediate effect, by giving notice to the Recipient, at any time:
- (a) while DIA reasonably considers that the Recipient has become or is likely to become insolvent;
 - (b) while the Recipient is subject to the appointment of a liquidator, receiver, manager or similar person in respect of any of its assets or a Crown Manager or Commission is appointed in respect of the Recipient under Part 10 of the Local Government Act 2002; or
 - (c) subject to clause 4.4, while any one or more of the following events or circumstances remains unremedied:
 - (i) the Recipient is materially in breach of any obligation, or a condition or warranty, under this Agreement;
 - (ii) the Recipient has provided DIA with information in connection with or under this Agreement that (whether intentionally or not) is materially incorrect or misleading, and/or omits material information;
 - (iii) DIA reasonably considers that this Agreement or a Permitted Funding Activity has caused, or may cause, DIA and/or the New Zealand Government to breach any legal obligations (including its international trade obligations);
 - (iv) the Recipient abandons a Permitted Funding Activity without the prior written consent of DIA (or the Monitor);
 - (v) the Recipient is involved in any intentional or reckless conduct which, in the opinion of DIA, has damaged or could damage the reputation, good standing or goodwill of DIA or the New Zealand Government, or is involved in any material misrepresentation or any fraud;
 - (vi) the Recipient (or any of its personnel or contractors) is subject to a Conflict of Interest which cannot be managed to DIA's satisfaction; or
 - (vii) any change in law, regulations or other circumstances materially affects DIA's ability to perform its obligations under this Agreement.

- 4.4 However, where DIA considers that a Termination Event set out in clause 4.3(c) can be remedied, DIA must give notice to the Recipient requesting a remedy, and must not exercise its right of termination unless the relevant event remains unremedied for at least 14 days (or any longer period agreed with the Recipient) after that notice has been provided by DIA.
- 4.5 On expiry or termination of this Agreement, where the aggregate of (a) the total Funding paid under this Agreement and (b) any other money received or allocated by the Recipient, in each case to carry out a Permitted Funding Activity, exceeds the amount required to perform the Permitted Funding Activity, the Recipient must upon request refund to DIA the excess amount.
- 4.6 At any time DIA may recover the amount of any Funding that has been spent or used other than in accordance with this Agreement, or not applied to Eligible Costs by the End Date, together with interest on all such amounts calculated at 10% per annum from the date of the misspending to the date the money is repaid.
- 4.7 Clauses 1.2, 1.4, 1.5, 2.1, 2.7, 2.12, 2.13, 3, 4, 5, 6, 7, 8, 9, 10 and 11 survive expiry or termination of this Agreement, along with any other parts of this Agreement necessary to give effect to those provisions. Expiry or termination of this Agreement does not affect any accrued rights, including any rights in respect of a breach of this Agreement or Termination Event that occurred before expiry or termination.

5 **WARRANTIES AND UNDERTAKINGS**

- 5.1 The Recipient warrants that, in the course of its activities in connection with the Permitted Funding Activities, it will not infringe any intellectual property or other rights of any contractor or any other third party.
- 5.2 The Recipient warrants that, as at the date of this Agreement:
- (a) It has full power and authority to enter into and perform its obligations under this Agreement which, when executed, will constitute binding obligations on it in accordance with this Agreement's terms, and it has complied with the Local Government Act 2002 in entering into this Agreement;
 - (b) the Recipient is solvent and is not subject to the appointment of a liquidator, receiver, manager or similar person in respect of any of its assets or to the appointment of a Crown Manager or Commission under Part 10 of the Local Government Act 2002;
 - (c) all information and representations disclosed or made to DIA by the Recipient in connection with this Agreement are true and correct, do not omit any material matter, and are not likely to mislead or deceive DIA as to any material matter;
 - (d) it has disclosed to DIA all matters known to the Recipient (relating to the Permitted Funding Activities, the Recipient or its personnel) that could reasonably be expected to have an adverse effect on the reputation, good standing or goodwill of DIA or the New Zealand Government; and
 - (e) it is not aware of any material information that has not been disclosed to DIA which may, if disclosed, materially adversely affect the decision of DIA whether to provide the Funding.
- 5.3 The Recipient warrants that the Funding has been or will be applied solely to Eligible Costs

and such warranty will be deemed to be repeated continuously so long as this Agreement remains in effect by reference to the facts and circumstances then existing.

- 5.4 DIA warrants that, as at the date of this Agreement, it has full power and authority to enter into and perform its obligations under this Agreement which, when executed, will constitute binding obligations on it in accordance with this Agreement's terms.
- 5.5 The Recipient acknowledges that DIA has entered into this Agreement in reliance on these warranties and undertakings.
- 5.6 The Recipient acknowledges and agrees that DIA has made no warranty or representation that any funding or financial support is or will be available to the Recipient in respect of the Permitted Funding Activities, other than the Funding.

6 LIABILITY

- 6.1 The maximum liability of DIA under or in connection with this Agreement, whether arising in contract, tort (including negligence) or otherwise, is limited to the total amount of Funding paid or payable under this Agreement.
- 6.2 The Recipient undertakes to pay any and all cost overruns of the Permitted Funding Activities and any funding shortfall, and DIA and the New Zealand Government have no obligations or responsibility whatsoever in respect of such cost overruns and funding shortfall and accept no financial risk in the Permitted Funding Activities.
- 6.3 DIA is not liable for any claim under or in connection with this Agreement or the Permitted Funding Activities, whether arising in contract, tort (including negligence) or otherwise, where such claim is or relates to any loss of profit, loss of revenue, loss of use, loss of reputation, loss of goodwill, loss of opportunity (in each case whether direct, indirect or consequential) or any other indirect, consequential or incidental loss or damages of any kind whatsoever.
- 6.4 The Monitor will not have any liability whatsoever under or in connection with this Agreement to DIA or the Recipient. The limitation of liability set out in this clause does not apply to the Monitor's liability for any fraudulent, malicious or criminal act or omission of the Monitor to the extent that such liability cannot be limited or excluded by law.

7 CONFIDENTIALITY

- 7.1 Subject to clause 7.2 and 7.3, each party must keep the other parties' Confidential Information in confidence, and must use or disclose that Confidential Information only to the extent necessary to perform its obligations, and/or take the intended benefit of its rights, under this Agreement. However, this will not prohibit:
 - (a) either party from using or disclosing any information with the written prior consent of the relevant other party;
 - (b) use or disclosure of information that has become generally known to the public other than through a breach of this Agreement;
 - (c) either party from disclosing information to its personnel, contractors or advisors with a need to know, so long as the relevant personnel, contractors and advisors use the information solely to enable that party to perform its obligations and/or take the intended benefit of its rights under this Agreement, and so long as they

are informed of the confidential nature of the information and, in the case of the Recipient, the Recipient receives an acknowledgement from its personnel, contractors or advisors that they acknowledge, and must comply with, the confidentiality obligations in this Agreement as if they were party to it;

- (d) disclosure required by any law, or any compulsory order or requirement issued pursuant to any law; or
- (e) DIA or the Monitor from using or disclosing to any party any documents, reports or information received in relation to this Agreement, provided that prior to any such disclosure DIA or the Monitor (as applicable) removes all information that is commercially sensitive to the Recipient from the relevant work.

7.2 The Recipient acknowledges and agrees that nothing in this Agreement restricts DIA and/or the Monitor's ability to:

- (a) discuss, and provide all information in respect of, any matters concerning the Recipient, the Permitted Funding Activities or this Agreement with any Minister of the Crown, the Monitor, any other government agency or any of their respective advisors;
- (b) meet its obligations under any constitutional or parliamentary convention (or other obligation at law) of or in relation to the New Zealand Parliament, the New Zealand House of Representatives or any of its Committees, any Minister of the Crown, or the New Zealand Auditor-General, including any obligations under the Cabinet Manual including the "no surprises" principle; and
- (c) publicise and report on the awarding of the Funding, including the Recipient's and any of its contractor's names, the amount and duration of the Funding and a brief description of the Permitted Funding Activities, on websites; in media releases; general announcements and annual reports.

7.3 The Recipient acknowledges that:

- (a) the contents of this Agreement; and
- (b) information provided to DIA and the Monitor (including the reports specified in the Key Details),

may be official information in terms of the Official Information Act 1982 and, in line with the purpose and principles of the Official Information Act 1982, this Agreement and such information may be released to the public unless there is good reason under the Official Information Act 1982 to withhold it.

7.4 DIA acknowledges that the Recipient is subject to the Local Government Official Information and Meetings Act 1987 and that its confidentiality obligations under this clause 7 are subject to its compliance with that Act.

8 MEDIA AND COMMUNICATIONS

8.1 The Recipient will keep DIA informed on a "no surprises" basis in relation to any media statements or press releases (including social media posts) to be made by the Recipient regarding this Agreement and/or DIA's involvement in connection with the Permitted Funding Activities.

- 8.2 The Recipient will refer any enquiries from the media or any other person about the terms or performance of this Agreement to DIA's Representative.
- 8.3 The Recipient will acknowledge the New Zealand Government as a source of funding in all publications (including any digital presence) and publicity regarding the Permitted Funding Activities in accordance with funding acknowledgement guidelines agreed with DIA.
- 8.4 The Recipient does not have the right to enter into any commitment, contract or agreement on behalf of DIA or any associated body, or to make any public statement or comment on behalf of DIA or the New Zealand Government.
- 8.5 All correspondence with DIA under this clause 8 must be directed to DIA's Representative and copied to threewaters@dia.govt.nz and the Monitor.

9 **DISPUTES**

- 9.1 In the event of any dispute, controversy or claim arising out of or in connection with this Agreement, or in relation to any question regarding its existence, breach, termination or invalidity (in each case, a **Dispute**), either party may give written notice to the other parties specifying the nature of the Dispute and requesting discussions under this clause 9 (**Dispute Notice**). As soon as reasonably practicable following receipt of a Dispute Notice, the parties must meet (in person, or by audio or video conference) and endeavour to resolve the Dispute by discussion, negotiation and agreement.
- 9.2 If the matter cannot be amicably settled within 20 Business Days after the date of the Dispute Notice then, at the request in writing of either party, the matter in respect of which the Dispute has arisen must be submitted, together with a report describing the nature of such matter, to the Representatives (or, if no such Representatives have been appointed, the respective Chief Executives of the parties) (together the **Dispute Representatives**).
- 9.3 Within 20 Business Days after the receipt of a request under clause 9.2, one individual (who does not act in his or her professional capacity as legal counsel for either party) selected by each of the Dispute Representatives, must make a presentation of no longer than 30 minutes to each of the Dispute Representatives (which may be by telephone or remotely), who will then attempt in good faith to reach a common decision within a half-day. The decision of the Dispute Representatives is binding on the parties.
- 9.4 In the case of a Dispute, if the Dispute Representatives have not met within 20 Business Days of receiving a request in accordance with clause 9.2, or if they fail to reach a common decision within the stated time period, either party may by notice in writing to the other parties refer the Dispute to be referred to mediation before a single mediator appointed by the parties. Each party will bear its own costs of mediation and the costs of the mediator will be divided evenly between the parties to the dispute.
- 9.5 If the parties are unable to agree on the appointment of a mediator within 5 Business Days of the notice requiring the Dispute to be referred to mediation, a mediator may be appointed at the request of any party by the Arbitrators' and Mediators' Institute of New Zealand Inc.
- 9.6 If the Dispute is not resolved within 20 Business Days of referral to mediation, the parties may commence court proceedings without further participation in any mediation.
- 9.7 Nothing in this clause 9 will prevent either party from seeking urgent interim relief from a

court (or other tribunal) of competent jurisdiction.

10 REPRESENTATIVES

- 10.1 All matters or enquiries regarding this Agreement must be directed to each party's Representative (set out in the Key Details).
- 10.2 Each party may from time to time change the person designated as its Representative on 10 Business Days' written notice to the other parties.

11 GENERAL

- 11.1 Each notice or other communication given under this Agreement (each a **notice**) must be in writing and delivered personally or sent by post or email to the address of the relevant party set out in the Key Details or to any other address from time to time designated for that purpose by at least 10 Business Days' prior written notice to the other parties. A notice under this Agreement is deemed to be received if:

- (a) **Delivery:** delivered personally, when delivered;
- (b) **Post:** posted, 5 Business Days after posting or, in the case of international post, 7 Business Days after posting; and
- (c) **Email:** sent by email:
 - (i) If sent between the hours of 9am and 5pm (local time) on a Business Day, at the time of transmission; or
 - (ii) If subclause (i) does not apply, at 9am (local time) on the Business Day most immediately after the time of sending,

provided that an email is not deemed received unless (if receipt is disputed) the party giving notice produces a printed copy of the email which evidences that the email was sent to the email address of the party given notice.

- 11.2 The Recipient agrees to execute and deliver any documents and to do all things as may be required by DIA to obtain the full benefit of this Agreement according to its true intent.
- 11.3 No legal partnership, employer-employee, principal-agent or joint venture relationship is created or evidenced by this Agreement.
- 11.4 This Agreement constitutes the sole and entire understanding with respect to the subject matter hereof and supersedes all prior discussions, representations and understandings, written or oral.
- 11.5 No amendment to this Agreement will be effective unless agreed in writing by the parties, provided that the Monitor's agreement will not be required in respect of (and the Monitor will be deemed to have agreed to) any amendment to this Agreement that does not relate to the scope of the Monitor' review and monitoring role under this Agreement (including, for example, the Transition Support Arrangements).
- 11.6 Neither the Recipient nor the Monitor may assign or transfer any of their contractual rights or obligations under this Agreement, except with DIA's prior written approval.

- 11.7 DIA may assign or transfer any of its contractual rights or obligations under this Agreement without the other parties' prior approval. DIA may at any time disclose to a proposed assignee or transferee any information which relates to, or was provided in connection with, the Recipient, the Permitted Funding Activities or this Agreement.
- 11.8 No failure, delay or indulgence by any party in exercising any power or right conferred on that party by this Agreement shall operate as a waiver. A single exercise of any of those powers or rights does not preclude further exercises of those powers or rights or the exercise of any other powers or rights.
- 11.9 The exercise by a party of any express right set out in this Agreement is without prejudice to any other rights, powers or remedies available to a party in contract, at law or in equity, including any rights, powers or remedies which would be available if the express rights were not set out in this Agreement.
- 11.10 This Agreement is not intended to confer any benefit on or create any obligation enforceable at the suit of any person not a party to this Agreement.
- 11.11 Any provision of this Agreement that is invalid or unenforceable will be deemed deleted, and will not affect the other provisions of this Agreement, all of which remain in force to the extent permitted by law, subject to any modifications made necessary by the deletion of the invalid or unenforceable provision.
- 11.12 This Agreement is to be governed by the laws of New Zealand, and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand.
- 11.13 This Agreement may be executed in any number of counterparts (including duly electronically signed, scanned and emailed copies). So long as each party has received a counterpart signed by each of the other parties, the counterparts together shall constitute a binding and enforceable agreement. This Agreement is intended to constitute a binding and enforceable agreement in accordance with its terms.

END OF PART 2

PART 3: DEFINITIONS AND CONSTRUCTION

Defined terms

In this Agreement, unless the context requires otherwise, terms defined in the Agreement have the meaning set out therein and:

Authorisation means:

- (a) any consent, authorisation, registration, filing, lodgement, agreement, notarisation, certificate, permission, licence, approval, authority or exemption from, by or with a governmental agency or required by any law (including any consent under the Resource Management Act 1991); or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law if a governmental agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

Best Industry Practice means that degree of skill, care and foresight and operating practice that would reasonably and ordinarily be expected of a skilled and competent supplier of services engaged in the same type of undertaking as that of the Recipient or any contractors (as applicable) under the same or similar circumstances as those contemplated by this Agreement.

Business Day means any day other than a Saturday, Sunday or public holiday within the meaning of section 44 of the Holidays Act 2003.

Commencement Date has the meaning given in clause 4.1 of Part 2.

Conditions means the conditions to the payment of a Funding instalment as specified in Item 7 of the Key Details.

Confidential Information of a party (Owner), means any information in the possession or control of another party (Holder) that:

- (a) was originally acquired by the Holder in connection with this Agreement through disclosures made by or at the request of the Owner; and/or
- (b) was originally acquired by the Holder in connection with this Agreement through any access to, or viewing, inspection or evaluation of, the premises, facilities, documents, systems or other assets owned or controlled by the Owner; and/or
- (c) is derived from information of a kind described in paragraph (a) or (b) above;

but excludes any information which the Holder can show:

- (d) was lawfully acquired by the Holder, entirely independently of its activities in connection with this Agreement, and is free of any other obligation of confidence owed to the Owner; and/or
- (e) has been independently developed by the Holder without reference to the Owner's Confidential Information, and without breaching any other obligation of confidence owed to the Owner.

Notwithstanding the foregoing, the terms of this Agreement are not Confidential Information.

Conflict of Interest means any matter, circumstance, interest or activity of the Recipient, its personnel or contractors, or any other person with whom the Recipient has a relationship that:

- (a) conflicts with:
 - (i) the obligations of the Recipient (or its personnel or contractors) to DIA or the Monitor under this Agreement; or
 - (ii) the interests of the Recipient in relation to this Agreement and/or the undertaking of the Permitted Funding Activities; or

- (b) otherwise impairs or might appear to impair the ability of the Recipient (or any of its personnel or contractors) to carry out the Permitted Funding Activities diligently and independently in accordance with this Agreement.

Eligible Costs means the actual costs that have been or will be reasonably incurred by the Recipient on or after the Commencement Date and no later than the End Date to undertake a Permitted Funding Activity in accordance with this Agreement, excluding overhead and management time that is not directly attributable to undertaking a Permitted Funding Activity.

Funding means the funding or any part of the funding (as the context requires) payable by DIA to the Recipient in accordance with the terms of this Agreement, as described in the Key Details.

Funding Proposal means the Funding Proposal setting out the scope of the Permitted Funding Activities(s) to which Funding is to be applied, in the form approved by DIA.

GST Offset Agreement means a deed of assignment between DIA as Assignor and the Recipient as Assignee providing for the offset of the amount of GST in accordance with the Goods and Services Tax Act 1985.

Key Details means Part 1 of this Agreement.

Material Variation means, in respect of a Permitted Funding Activity, any variation which on its own or together with any other variation or variations results in, or is likely to result in the budgeted expenditure (taking into account all variations) being exceeded or a Permitted Funding Activity being materially delayed, or any variation that materially amends the scope, specifications or function of a Permitted Funding Activity.

Monitor means Crown Infrastructure Partners Limited, appointed by the DIA to assist in managing the Funding by undertaking a review and monitoring role.

Payment Request means a request submitted to DIA by the Recipient seeking payment of Funding.

Quarter means a financial quarter, being a three monthly period ending on 30 June, 30 September, 31 December or 31 March.

Relevant Event means actual or forecast failure to materially achieve an outcome(s) of the Funding Proposal (as determined by DIA or the Monitor acting reasonably), including where arising from unfunded cost overruns, material unapproved scope changes, material delay in achieving the delivery timeframes, or failure to meet the End Date for completion of the Permitted Funding Activities.

Reform Objectives means the following:

- (a) that there are safeguards (including legislative protection) against privatisation and mechanisms that provide for continued public ownership;
- (b) significantly improving the safety and quality of drinking water services, and the environmental performance of drinking water, wastewater and stormwater systems (which are crucial to good public health and wellbeing, and achieving good environmental outcomes);
- (c) ensuring all New Zealanders have equitable access to affordable three waters services and that the Water Services Entities will listen, and take account of, local community and consumer voices;
- (d) improving the coordination of resources, planning, and unlocking strategic opportunities to consider New Zealand's infrastructure and environmental needs at a larger scale;
- (e) ensuring the overall integration and coherence of the wider regulatory and institutional settings (including the economic regulation of water services and resource management and planning reforms) in which the local

government sector and their communities must operate;

- (f) increasing the resilience of three waters service provision to both short- and long-term risks and events, particularly climate change and natural hazards;
- (g) moving the supply of three waters services to a more financially sustainable footing, and addressing the affordability and capability challenges faced by small suppliers and local authorities;
- (h) improving transparency about, and accountability for, the planning, delivery and costs of three waters services, including the ability to benchmark the performance of the new Water Services Entities; and
- (i) undertaking the reform in a manner that enables local government to further enhance the way in which it can deliver on its broader “wellbeing mandates” as set out in the Local Government Act 2002.

Remedial Plan has the meaning given in clause 2.14(a) of Part 2.

Response Plan has the meaning given in clause 2.15 of Part 2.

Termination Event means any one or more of the events or circumstances set out in clause 4.3.

Transition Support Arrangements means the obligations set out in Schedule 2.

Water Services Entity means:

- (j) the new water services entities to be established by legislation giving effect to the Three Waters Reform Programme; and
- (k) the local establishment entities to be established by legislation in advance of the establishment of the new water services entities.

Construction

In the construction of this Agreement, unless the context requires otherwise:

Currency: a reference to any monetary amount is to New Zealand currency;

Defined Terms: words or phrases appearing in this Agreement with capitalised initial letters are defined terms and have the meanings given to them in this Agreement;

Documents: a reference to any document, including this Agreement, includes a reference to that document as amended or replaced from time to time;

Inclusions: a reference to “includes” is a reference to “includes without limitation”, and “include”, “included” and “including” have corresponding meanings;

Joint and Several Liability: any provision of this Agreement to be performed or observed by two or more persons binds those persons jointly and severally;

Parties: a reference to a party to this Agreement or any other document includes that party's personal representatives/successors and permitted assigns;

Person: a reference to a person includes a corporation sole and also a body of persons, whether corporate or unincorporate;

Precedence : if there is any conflict between the different parts of this Agreement, then unless specifically stated otherwise, the Key Details will prevail over Part 2;

Related Terms: where a word or expression is defined in this Agreement, other parts of speech and grammatical forms of that word or expression have corresponding meanings;

Statutes and Regulations: a reference to an enactment or any regulations is a reference to that enactment or those regulations as amended, or to any enactment or regulations substituted for that enactment or those regulations;

Writing: a reference to “written” or “in writing” includes email and any commonly

used electronic document format such as .DOC or .PDF.

END OF PART 3

SCHEDULE 1: PERMITTED FUNDING ACTIVITIES

[Note: Permitted activities on which the Recipient may spend the Funding on, as described in the Recipient's approved Funding Proposa will be inserted by DIA]

SCHEDULE 2: TRANSITION SUPPORT ARRANGEMENTS

The Recipient will collaborate and co-operate with the DIA (including through the DIA's National Transition Unit (**NTU**)) to provide for the implementation and carrying out of certain parts of the Three Waters Reform Programme, as further described below.

In making requests under these arrangements, DIA (including the NTU) will have regard to the Recipient's available resources and the competing demands on those resources. It is intended that such requests are made and considered by DIA, the NTU and the Recipient in a collaborative and co-operative manner with a view to achieving the Reform Objectives and ensuring the Recipient is able to continue to carry out its other functions and activities.

The Recipient agrees to provide the collaboration and co-operation requested. If a council controlled organisation (**CCO**) of the Recipient is involved in the delivery of water services then the Recipient agrees to ensure that its CCO does the same.

1. The Recipient will collaborate and co-operate with the DIA (including the NTU) to facilitate the Three Waters Reform Programme (to the extent the law permits).
2. Subject to the consent of any affected employee (and in compliance with the Recipient's employment law and health and safety obligations), the Recipient will:
 - (a) comply with any reasonable request by the Executive Director of the DIA's National Transition Unit (**NTU**) for employees of the Recipient to be seconded to, or otherwise facilitate the engagement of employees with, the DIA for the purpose of assisting the DIA with the Three Waters Reform Programme; and
 - (b) enable, and where necessary facilitate, the participation of the Recipient's staff in any process or engagement with the NTU that relates to their potential employment with a Water Services Entity, including (but not limited to) attending information sessions, accessing NTU channels such as the "People Platform", providing input into the Water Services Entity organisational design and role design, engaging in unions and professional body processes developed to engage and support staff through transition.
3. The Recipient will respond to and comply with any reasonable request by the Executive Director of the NTU for information that the Recipient holds for the purpose of assisting the DIA with the Three Waters Reform Programme.
4. The Recipient acknowledges and agrees that its obligation to provide information under paragraph 3:
 - (a) may include, subject to compliance with applicable laws including the Privacy Act 2020, a requirement to provide information in relation to the assets, liabilities, contracts, property, employees, customers, processes, pricing information relating to water services fees and associated costs, and any other matters that relate to water services delivery;
 - (b) includes a requirement to comply with any reasonable request to research and collate information; and
 - (c) includes a requirement to comply with any reasonable request to provide information in a particular format and within a particular timeframe.
5. The Recipient will notify, and respond to requests for information by, DIA of intended decisions:
 - (a) that relate to the provision of water services; or
 - (b) that may affect (other than in an immaterial way) the provision of water services.

The Recipient acknowledges that such decisions include a decision:

- (c) to adopt or amend a long-term plan or to adopt an annual plan, in each case as contemplated by the Local Government Act 2002;
 - (d) to adopt a policy required by the Local Government Act 2002;
 - (e) that is significantly inconsistent with, or is anticipated to have consequences that will be significantly inconsistent with, any policy or plan adopted by the Recipient under the Local Government Act 2002;
 - (f) to purchase or dispose of assets other than in accordance with its long-term plan;
 - (g) to purchase or dispose of an asset, if the purchase or disposal of the asset will have a material impact on the capacity to provide water services or on the financial well-being of the Recipient;
 - (h) to enter into any contract (other than an employment agreement) that imposes, or will continue to impose, any obligation in relation to the delivery of water services on the existing local authority after 30 June 2024 and the consideration for which is material in the context of the three water services or operations of the Recipient; or
 - (i) to borrow money for a period that extends beyond 30 June 2024.
6. The Recipient must not act inconsistently with its long-term plan and its annual plan as it relates to the provision of water services.
 7. The Recipient shall include estimated and indicative prices for water services on invoices to consumers on an information only basis, based on a water revenue discovery process undertaken by the DIA. This disclosure obligation will not apply until the DIA has completed this discovery process and notified the Recipient of the basis of disclosure.
 8. The Recipient must respond to and comply with any reasonable request by the Executive Director of the NTU to assist DIA and the NTU in the preparation of asset management plans and pricing plans for the Water Services Entities. The Recipient acknowledges that such requests may include:
 - (a) a request to compile certain categories of information as part of an information base to inform the preparation of such plans (including, for example, existing water services assets held by or on behalf of the Recipient, current sources of funding for water services and details of employee roles within the Recipient's region or district that are involved in providing water services); and
 - (b) a request to consider particular options or matters for the Recipient's region or district to inform the preparation of such plans.

Report to Council

DATE: 22 September 2022

TO: Mayor and Councillors

FROM: Independent Chair - Audit and Risk Committee

Annual Report of the Work of the Audit and Risk Committee for the period 1 August 2021 to 31 July 2022

1. Summary

- 1.1. The purpose of this report is to present to full Council on Thursday 22 September 2022 the Annual Report of the Work of the Audit and Risk Committee for the period 1 August 2021 to 31 July 2022.
- 1.2. This is the first year in which this report has been presented to full Council.
- 1.3. This issue arises due to delegation of responsibilities to the Audit and Risk Committee as adopted under the terms of reference.
- 1.4. 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. Refer page 2 of the agenda.
- 1.5. This report concludes by recommending that Council receive the Annual Report of the Work of the Audit and Risk Committee for the period 1 August 2021 to 31 July 2022.

2. Background

- 2.1. The reason the report has come before the Committee is due to the delegation of responsibilities by Council to the A&R Committee through the terms of reference (ToR) adopted 29 April 2021.
- 2.2. The Office of the Auditor General (OAG) states the primary focus of Audit and Risk Committees should be on risk, and the main purpose should be to provide assurance to elected members that risk is being well managed.
- 2.3. The Audit and Risk Committee can also help Council to;
 - 2.3.1. provide assurance to elected members on council's financial management and the key systems council has in place, such as controls to manage risks such as fraud.

- 2.3.2. provide assurance that council's strategies are achieving the intended objectives such as levels of service as stated in the Long-Term Plan.
- 2.3.3. help elected members test and challenge new ideas, and business-as-usual operations, to ensure that council is improving, as well as meeting intended objectives.

2.4. If an Audit and Risk Committee is effective, it supports and enhances good governance and accountability to the community.

2.5. When the chairperson promotes open and proactive dialogue with management and the governing body, the audit committee is able to effectively influence the organisation and its achievements.

3. Current Situation

3.1. The Audit and Risk Committee meets quarterly, and although the committee overlaps with Council through its membership, there is no formal reporting process back to full Council to support governance and assurance.

3.2. Reporting back to full Council provides transparency and stewardship over the Audit and Risk Committee's delegated responsibilities.

3.3. Attached as Appendix 1 is the Annual Report of the work of the Audit and Risk Committee for the Period 1 August 2021 to 31 July 2022 – Public Excluded

4. Options

4.1. Option 1: That Council receives the Annual Report of the Work of the Audit and Risk Committee for the period 1 August 2021 to 31 July 2022.

4.2. Option 2: That Council does not receive the Annual Report of the Work of the Audit and Risk Committee for the period 1 August 2021 to 31 July 2022.

5. Risk Analysis

5.1. Risk has been considered and no risks have been identified in receiving the report.

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 as the report is for information purposes only.

7.2. No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – Provides Council with the opportunity to question and gain further understanding of the work of the Audit and Risk Committee.

Council would be carrying out best practice under OAG guidelines by encouraging an open and proactive dialogue between the Audit and Risk Committee and Council.

8.2. There are no financial implications to this option.

8.3. Option 2 – There would continue to be no formal reporting from the Audit and Risk Committee to Council, with no open dialogue or opportunities for questioning and deeper understanding of the work carried out by the committee. This would be a loss of Governance over what is deemed to be a critical Committee for Councils.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified are stated in point 8.1 above.

10. Recommendation(s)

10.1. That Council receive the Annual Report of the Work of the Audit and Risk Committee for the period 1 August 2021 to 31 July 2022.

Rachael Dean
Independent Chair: Audit and Risk Committee

Appendix 1: Annual Report on the work of the Audit and Risk Committee for the Period 1 August 2021 to 31 July 2022

Appendix 1

ANNUAL REPORT ON THE WORK OF THE AUDIT AND RISK COMMITTEE FOR THE PERIOD 1 AUGUST 2021 TO 31 JULY 2022 – PUBLIC SESSION

CONTENTS

1. Committee members
2. Meetings Held
3. Reports and Presentations reviewed at all Meetings
4. Policies reviewed
5. External Audit matters
6. Other items on Audit and Risk Committee agendas
7. Activities involving Full Council

COMMITTEE MEMBERS:

His Worship the Mayor
Deputy Mayor Carruthers
Cr Hart
Kw Madgwick
Cr Neale
Kw Tumahai
INDEPENDENT CHAIR: R Dean

MEETINGS HELD:

Tuesday, 10 Aug 2021 (Chaired by Zoom as a Covid precautionary measure)
Tuesday, 9th November 2021;
Thursday 17th February 2022 (Zoom);
Thursday 12th May 2022.

REPORTS AND PRESENTATIONS REVIEWED AT ALL MEETINGS

1. Quarterly Financial Report
While mindful of the challenges of heavy workloads during what is now the third year of Covid disruption, and staff shortages in general, nevertheless the Audit and Risk Committee (“The Committee”), did note that some areas performed significantly better than others with respect to reporting levels of service. At the February 2022 meeting The Committee reiterated the importance of performance reports being provided as these are important to enable the Committee to carry out its oversight role and to provide assurance to elected members.
2. Action List
3. Audit and Risk Committee Rolling Workplan.
Matters that have been on the workplan not included elsewhere in the annual reports include:
 - a. Insurance review of the Airport.
 - b. Workshop – evaluation of the performance of The Committee.
 - c. Council staff working at home risk.
 - d. Insurance renewals.

POLICIES REVIEWED

1. Draft Customer Complaints Management Policy

**ANNUAL REPORT ON THE WORK OF THE AUDIT AND RISK COMMITTEE FOR THE PERIOD 1 AUGUST 2021 TO 31 JULY
2022 – PUBLIC SESSION**

EXTERNAL AUDIT MATTERS

1. Audit New Zealand Audit Management Report on the Long-Term Plan 2018-28 Amendment.
2. Audit New Zealand Audit Management Report on the Long-Term Plan 2021 - 2031.
3. Audit New Zealand report to the Council on the Audit of Westland District Council for the year ended 30 June 2021.
4. Update on Audit New Zealand Audit Recommendations for the Year Ended 30 June 2020.
5. Audit preparation for the year ended 30 June 2022:
 - a. Council's new external auditors, Ernst Young ("EY"), Christchurch, were to have presented the Audit Plan for the year ending 30 June 2022 to the 12 May 2022 Committee meeting. Council was previously audited by Audit New Zealand.
 - b. The presentation slides had been provided by EY but due to confusion around the timing the EY partner and senior manager responsible for the audit were not on Zoom and available to present.
 - c. The Committee discussed the content of the slides, audit matters in general and particular points they wished to raise with EY.
 - d. The Independent Chair had a face-to-face meeting with EY in Christchurch on Friday 13 May and discussed the matters intended to have been covered in The Committee meeting.
 - e. The Independent Chair reported the outcome of those discussions to the Group Manager: Corporate Services.

OTHER ITEMS ON AUDIT AND RISK COMMITTEE AGENDAS

1. Amended Terms of Reference for The Committee.
2. Establishing a formal reporting process between The Committee and full Council to support governance and assurance. The outcome of The Committee's discussions on this matter was the introduction of two reporting mechanisms
 - a. The Independent Chair to provide an annual Report of the Work of the Audit and Risk Committee.
 - b. After every Committee meeting, the Independent Chair to report risk information to full Council. The information to be reported is the top 10 risks on the Risk Register along with any new risks and any changing risks.

ACTIVITIES INVOLVING FULL COUNCIL

1. Hugh Jory; Acting Assistant – Office of the Auditor General ("OAG") provided a presentation to Council at their meeting on 24 March 2022 on the findings in the OAG's report "*Observations on how Local Government Risk Management Practices Work*".