



# AGENDA

## RĀRANGI TAKE

NOTICE OF AN ORDINARY MEETING OF

# COUNCIL

to be held on **Thursday 28 November 2019** commencing at **1.00 pm**  
in the Council Chambers, 36 Weld Street, Hokitika

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Chairperson: His Worship the Mayor

Members: Cr Carruthers (Deputy)  
Cr Hart  
Cr Kennedy  
Cr Martin  
Kw Tumahai

Cr Davidson  
Cr Hartshorne  
Cr Keogan  
Cr Neale  
Kw Madgwick

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## **Council Vision:**

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

## **Purpose:**

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

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

### **1. NGĀ WHAKAPAAHA APOLOGIES**

### **2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST**

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

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

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

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

- (7) An item that is not on the agenda for a meeting may be dealt with at the meeting if
  - 
  - (a) the local authority by resolution so decides, and
  - (b) the presiding member explains at the meeting at a time when it is open to the public, -
    - (i) the reason why the item is not on the agenda; and

(ii) the reason why the discussion of the item cannot be delayed until a subsequent meeting.

(7A) Where an item is not on the agenda for a meeting, -

(a) that item may be discussed at the meeting if -

(i) that item is a minor matter relating to the general business of the local authority; and

(ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but

(b) No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.

#### **4. NGĀ MENETI O TE HUI KAUNIHERA MINUTES OF MEETINGS**

Minutes circulated separately

#### **5. NGĀ TĀPAETANGA PRESENTATIONS**

3.00 pm – Presentation to outgoing Crs.

#### **6. ACTION LIST**

#### **7. IWI VOTING RIGHTS**

Verbal Update from the Mayor.

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

- Local Governance Statement
- Delegations Manual
- Approval of Unbudgeted Expenditure
- Appointment of Independent Investigator (Code of Conduct)
- Appointments to other organisations
- Audit Management Report – 30 June 2019
- Financial Report – October 2019
- Departure from Liability Management Policy
- Asset Management Planning Process and Policy
- Proposal to close Historical Cemeteries
- Marks Road Sale of Land
- Hari Hari Complex Reserve Fund
- Tohu Whenua Pou

## 9. ADMINISTRATIVE RESOLUTIONS

### 9.1 Warrant of Appointment – Enforcement Officers

<b>Hailey Carolyn Miller</b>	Warrant of Appointment - Enforcement Officer	To act in the Westland District as: <ul style="list-style-type: none"><li>• Enforcement Officer pursuant to s.177 – Local Government Act 2002 for all offences under this Act, all offences against bylaw made under this Act and all infringement offences provided for by regulations made under s.259 of this Act</li><li>• Inspector and Authorised Officer to enforce Westland District Council Bylaws.</li><li>• Enforcement officer pursuant to s.32 of the Freedom Camping Act.</li></ul>
<b>Elaine Margaret Direen</b>	Warrant of Appointment - Enforcement Officer	To act in the Westland District as: <ul style="list-style-type: none"><li>• Enforcement Officer pursuant to s.177 – Local Government Act 2002 for all offences under this Act, all offences against bylaw made under this Act and all infringement offences provided for by regulations made under s.259 of this Act</li><li>• Inspector and Authorised Officer to enforce Westland District Council Bylaws.</li><li>• Enforcement officer pursuant to s.32 of the Freedom Camping Act.</li></ul>
<b>Donald Stanley Scott</b>	Warrant of Appointment - Enforcement Officer	To act in the Westland District as: <ul style="list-style-type: none"><li>• Enforcement Officer pursuant to s.177 – Local Government Act 2002 for all offences under this Act, all offences against bylaw made under this Act and all infringement offences provided for by regulations made under s.259 of this Act</li><li>• Inspector and Authorised Officer to enforce Westland District Council Bylaws.</li><li>• Enforcement officer pursuant to s.32 of the Freedom Camping Act.</li></ul>

## 9.2 Warrant of Appointment – Planner

<b>Deborah Joy Patterson</b>	Warrant of Appointment - Planner	<p>To act in the Westland District as:</p> <ul style="list-style-type: none"> <li>• An Officer pursuant to s.174 of the Local Government Act.</li> <li>• An Officer under the Westland District Council Bylaws.</li> <li>• 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.</li> </ul>
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## 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	Tender 19/20/01 – Earthquake Strengthening Carnegie Building	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 or withholding exists.  Section 48(1)(a)
2.	Health and Safety Initiatives	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 or withholding exists.  Section 48(1)(a)

3.	Privacy Breach	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 or withholding exists.  Section 48(1)(a)
4.	Quarterly Whistleblower Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason or withholding exists.  Section 48(1)(a)

**DATE OF NEXT ORDINARY COUNCIL MEETING – 12 DECEMBER 2019  
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA**

### Council Meetings - Action List

Date of Meeting	Item	Action	Officer	Status
<b>28.06.18</b>	Kaniere School Students – Cycle trail	Council staff to get back to the Kaniere School Students regarding the proposal.	DA	Council Engineers are working on a solution for road crossing.
<b>28.02.19</b>	Responsible Camping Areas	It was noted that two meetings held been held to date on 3 July and 6 September 2019, with the next meeting scheduled for mid-November, following the Inaugural Council Meeting, and appointment of three Council member representatives.	RSM	Council received the report 'Responsible (Freedom) Camping Working Group Update'.
<b>04.04.19</b>	Speed Limits	Extension of some limits and open conversation with road users on suitable speed limits.	DA	Council agreed to carry out a formal review on speed limits within the Westland District road network. This will involve full formal public consultation (in accordance with the timelines set in item 5.3 of the Report to Council) and the receipt and hearing of submissions prior to formally adopting any speed limit changes into the revised bylaw.
<b>18.04.19</b>	Transfer of Pensioner Housing to Destination Westland	Report to May Council Meeting	CE	Working with CE of DW on future pensioner housing strategy. Next steps to be determined.
<b>23.05.19</b>	Local Government Leaders' Climate Change Declaration	Council resolved that the document be signed	Mayor	Already communicated to Councillors – Item concluded.
<b>27.06.19</b>	Manatu Whakaaetanga Partnership Agreement	To be signed at the 22 August 2019 Council Meeting.	Mayor	Signed by Te Runanga o Ngati Waewae at the 22 August 2019 Council Meeting.

<b>Date of Meeting</b>	<b>Item</b>	<b>Action</b>	<b>Officer</b>	<b>Status</b>
<b>27.06.19</b>	Cass Square	Meeting of a working group to develop a plan for Cass Square	DA	Working Group have met and overall concept discussed. District Assets to provide layout concept for further consideration with the Working Group.
<b>25.07.19</b>	Whitebaiters Walk	Council approved the relocation of the Whitebaiters Walk panels with the project being funded from Council's cash reserve.	CE	Signage near Railway Terrace has been removed. Installation on Gibson Quay to be progressed.
<b>25.07.19</b>	Haast Civil Defence and Community Development	Council resolved to release funds from the Marks Road Reserve Fund for Stage One – Purchase of Civil Defence Equipment for the Haast Community.	CE	Community discussion and items confirmed. PO underway.
<b>25.07.19</b>	Carnegie Building Project	Council resolved to underwrite the Carnegie Building upgrade to \$392,391 plus a total project contingency of 10%.  The CE to seek additional external funding to minimise or eliminate the Council additional funding commitment.	CE	Carnegie Building is currently closed. Packaging of the collection is underway.
<b>25.07.19</b>	Whataroa and Kumara Water Supplies	Staff to write to the Whataroa and Kumara communities providing an update for the communities on both water supplies.	DA	Operations Manager thanked for his communication to the Whataroa Community regarding the Whataroa Water Supply  Kumara water supply operational.
<b>22.08.19</b>	Fox Landfill	Council signed off on a staged approach and approved the short-term option to mitigate potential reputational risks to Council and environmental risks.	OM	Tenders for Fox River Landfill Rock Protection Work closed on Friday 27 September 2019.



Date of Meeting	Item	Action	Officer	Status
		Council support staff in progressing their investigations into the engineering methodology, financial implications and funding mechanisms of the long-term options.		
26.09.19	Sunset Point Hardfill	Council had proceeded with increasing rock protection works, raising the level of Sunset Point and accepted donated fill to elevate the base levels. The works to date and design developments had been outlined in the Report to Council.	OM	Council received this report as an informational update on the situation, with a subsequent update to be expected once West Coast Regional Council has had time to consider the information they have received.
26.09.19	Projects and Carry-Forwards to 2019-20	<p>The carry-forward of funding for projects that were scheduled from previous financial years, but were not completed by 30 June 2019.</p> <p>Council approval for the future allocation of funds that were generated for specific purposes and were in surplus as at 30 June 2019.</p>	DA	Council approved the carry forward to 2019-20 of funds totalling \$4,941,079 for the projects itemised in <b>Appendix 1</b> as attached to the Agenda.
26.09.19	Delegations to the CE during the Election Period	Delegation to the Chief Executive (CE) the responsibilities, duties and powers of the Council, subject to limitations set out in Clause 32(1) of Schedule 7 of the Local Government Act 2002 to the CE during the election period until the swearing in of the new Council at its Inaugural Meeting.	CE	<p>Council delegated 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 LGA 2002, for the election period, and subject to the requirement that the Chief Executive may only exercise this delegation:</p> <p>a. In consultation with the person elected to the position of Mayor,</p>

Date of Meeting	Item	Action	Officer	Status
				<ul style="list-style-type: none"> <li>b. By only attending to those matters that cannot reasonably wait until the first meeting of the new Council, and</li> <li>c. By reporting and decisions made during the election period to the first meeting of Council.</li> </ul>

# Report



**DATE:** 28 November 2019  
**TO:** Mayor and Councillors  
**FROM:** Chief Executive

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## **LOCAL GOVERNANCE STATEMENT**

### **1.0 SUMMARY**

- 1.1 The purpose of this report is to provide an update on Council's Local Governance Statement.
- 1.2 This issue arises from the requirement to provide an updated Local Governance Statement in accordance with the Local Government Act 2002.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council adopt the amended Local Governance Statement.

### **2.0 BACKGROUND**

- 2.1 A local authority must prepare and make publicly available, following the triennial general election of members, a local governance statement that must include specific information. This must be adopted by Council 6 months after the triennial election. The Council's Triennial Meeting was held on the 24 October 2019.

### **3.0 CURRENT SITUATION**

- 3.1 Council has a Local Governance Statement which was last adopted by Council on the 23 May 2019 and has subsequently been amended.

3.2 The amendments to the Governance Statement reflect the following:

- Contact details of Elected Members and Runanga Kaitaki
- Updated Activity Groups
- Representation Review
- Council Committee Structures
- Partnership with Te Tangata Whenua O Te Tai Poutini

3.3 A copy of the updated version is attached to this report as **Appendix 1**.

#### **4.0 OPTIONS**

4.1 Option 1 – Adopt the amended Local Governance Statement.

4.2 Option 2 – Not adopt the Local Governance Statement.

#### **5.0 SIGNIFICANCE AND CONSULTATION**

5.1 The level of significance is medium as Council is required to have a Local Governance Statement in terms of the Local Government Act 2002.

5.2 No consultation is required, however once adopted by Council the Local Governance Statement will be published on Council's Website [www.westlanddc.govt.nz](http://www.westlanddc.govt.nz).

#### **6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

6.1 Adopt the amended Local Governance Statement.

6.2 Not adopt the Local Governance Statement.

6.3 There are no financial implications in regards to this decision.

#### **7.0 PREFERRED OPTION AND REASONS**

7.1 That Council adopt the amended Local Governance Statement in accordance with the Local Government Act 2002.

## 8.0 RECOMMENDATION

- A) **THAT** Council adopt the amended Local Government Statement and publish it on Council's Website [www.westland.govt.nz](http://www.westland.govt.nz).

**Simon Bastion**  
**Chief Executive**

**Appendix 1:** Amended Local Governance Statement



# LOCAL GOVERNANCE STATEMENT

Amended by Council – 28.11.19 Version 2019.02

# Record of Amendments

<b>Date</b>	<b>Amendment</b>	<b>Clause</b>	<b>Page Reference</b>
14.10.10	Update the Councillors Contact Details	2	6
19.11.10	Update the list of Committees as per Council Meeting of 18.11.10	7.1 & 7.2	17-18
18.07.12	Include the Council Vision		2
18.09.12	Update the Management Team Listing	2.2	3
18.07.12	Update the Representation Review	4.1-4.4	8-11
18.09.12	Include a clause regarding updating		
18.09.12	Add Conduct Review Committee (Council Resolution- 23.08.12)	7.2	20
26.09.12	Amend reference from Chief Executive Officer to "Chief Executive"		Various Pages
27.02.14	Various amendments to reflect legislative changes and new Council committee and management structure, to insert list of bylaws, and to include the Consultation Policy and Elected Members Code of Conduct (for Council Resolution – 27.02.14)		Various Pages
	Addition of Westroads Greymouth Ltd (as per Council Meeting – 27.02.14)	7.1	18
	Addition of Waste Management to Groups (as per Council Meeting – 27.02.14)	7.3	21
23.05.19	Various amendments to reflect legislative changes and new Council committee and management structure, to insert list of bylaws, and to include the Significance and Engagement Policy and Partnership Agreement with Papatipu Rūnanga, and Statement on consideration of the Four Wellbeings.		Various Pages
28.11.19	Amendments reflecting the amendments after the Triennial Meeting held on the 24 October 2019		Various Pages

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## COUNCIL VISION

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

*Council by-line in promoting Westland:*

***“Westland, the last best place”***



## **1. Introducing the Local Governance Statement**

### **1.1 What is the Purpose of the Local Governance Statement?**

A Local Governance Statement is a collection of information prepared under section 40 of the Local Government Act 2002 that includes information about the ways in which a local authority engages with its community and makes decisions, and the ways in which individuals can influence processes.

Consideration is given to the social, environmental, economic and cultural community wellbeings as part of this document.

### **1.2 What Information Does the Statement Contain?**

To meet the purpose, this Local Governance Statement includes information on:

- (a)** the functions, responsibilities, and activities of the local authority; and
- (b)** any local legislation that confers powers on the local authority; and
- (ba)** the bylaws of the local authority, including for each bylaw, its title, a general description of it, when it was made, and, if applicable, the date of its last review under [section 158](#) or [159](#); and
- (c)** the electoral system and the opportunity to change it; and
- (d)** representation arrangements, including the option of establishing Māori wards or constituencies, and the opportunity to change them; and
- (e)** members' roles and conduct (with specific reference to the applicable statutory requirements and code of conduct); and
- (f)** governance structures and processes, membership, and delegations; and
- (g)** meeting processes (with specific reference to the applicable provisions of the [Local Government Official Information and Meetings Act 1987](#) and standing orders); and
- (h)** consultation policies; and
- (i)** policies for liaising with, and memoranda or agreements with, Māori; and
- (j)** the management structure and the relationship between management and elected members; and
- (ja)** the remuneration and employment policy, if adopted; and
- (k)** equal employment opportunities policy; and
- (l)** key approved planning and policy documents and the process for their development and review; and
- (m)** systems for public access to it and its elected members; and

(n) processes for requests for official information.

### **1.3 The Legal Requirement for Council to have a Local Governance Statement**

Section 40 of the Local Government Act 2002 (LGA 2002) requires Council to have a Local Governance Statement.

### **1.4 Amendments to this document**

This document shall be maintained by the Executive Assistant who shall amend it in accordance with:

- a) any instructions to that affect given by the Council and any delegated authorised to amend it; or
- b) any need for typographical, grammatical or other minor amendment where the intention of the Council is not altered.

## **2. How to Contact Us**

### **2.1 Initial Contact**

In the first instance members of the public should contact Council staff if they have an information or service request. Any member of the Council's staff can be contacted by phoning 03 756 9010 or Freephone 0800 474 834. Council staff may be emailed either via a website enquiry through the Council Website at [www.westlanddc.govt.nz](http://www.westlanddc.govt.nz), at [council@westlanddc.govt.nz](mailto:council@westlanddc.govt.nz); or directly to the staff member.

Staff members email addresses follow this format:

[firstname.surname@westlanddc.govt.nz](mailto:firstname.surname@westlanddc.govt.nz)

### **2.2 Council Office**

**Council offices:** 36 Weld Street, Hokitika 7810

**Postal address:** Private Bag 704, Hokitika 7842

**Customer Service hours:** Mon-Fri, 8.30 am – 4.30 pm

**Phone:** 03 756 9010

**Freephone:** 0800 474 834

**Fax:** 03 756 9045

**Email:** [council@westlanddc.govt.nz](mailto:council@westlanddc.govt.nz)

Any initial contact regarding Council services should be made to the Council Office. Any complaints about advice given by Council staff should be directed to the Chief Executive.

## EXECUTIVE TEAM

Name	Position	Phone	Email
<b>Simon Bastion</b>	Chief Executive	03 756 9010	<a href="mailto:ce@westlanddc.govt.nz">ce@westlanddc.govt.nz</a>
<b>Lesley Crichton</b>	Group Manager: Corporate Services	03 756 9010	<a href="mailto:lesley.crichton@westlanddc.govt.nz">lesley.crichton@westlanddc.govt.nz</a>
<b>Position Vacant</b>	Group Manager: District Assets		
<b>Te Aroha Cook</b>	Regulatory Services Manager	03 756 9010	<a href="mailto:tearoha.cook@westlanddc.govt.nz">tearoha.cook@westlanddc.govt.nz</a>
<b>Fiona Scadden</b>	Planning & Customer Services Manager	03 756 9010	<a href="mailto:fiona.scadden@westlanddc.govt.nz">fiona.scadden@westlanddc.govt.nz</a>
<b>Kim Hibbs</b>	People and Capability Manager	03 756 9010	<a href="mailto:kim.hibbs@westlanddc.govt.nz">kim.hibbs@westlanddc.govt.nz</a>
<b>Diane Maitland</b>	Executive Assistant	03 756 9010	<a href="mailto:diane.maitland@westlanddc.govt.nz">diane.maitland@westlanddc.govt.nz</a>

## MAYOR, COUNCILLORS AND RUNANGA KAITAKI

MEMBER	MOBILE	EMAIL ADDRESS
<b>Mayor</b>		
Bruce Smith	021 922 860	<b>mayor.smith@westlanddc.govt.nz</b>
<b>Northern Ward</b>		
Cr Jenny Keogan	021 288 1622	<b>cr.keogan@westlanddc.govt.nz</b>
Cr Jane Neale	021 027 18810	<b>cr.neale@westlanddc.govt.nz</b>
Cr Anna Hart	027 294 9678	<b>cr.hart@westlanddc.govt.nz</b>
<b>Hokitika Ward</b>		
Cr Paul Davidson	021 081 55642	<b>cr.davidson@westlanddc.govt.nz</b>
<b>Deputy Mayor</b>		
Cr David Carruthers	027 208 0263	<b>cr.carruthers@westlanddc.govt.nz</b>
Cr Latham Martin	027 849 1424	<b>cr.martin@westlanddc.govt.nz</b>
<b>Southern Ward</b>		
Cr Ryan Kennedy	027 753 4300	<b>cr.kennedy@westlanddc.govt.nz</b>
Cr Ian Hartshorne	027 695 6988	<b>cr.hartshorne@westlanddc.govt.nz</b>
<b>Te Rūnanga o Ngāti Waewae Kaitaki</b>		
Francois Tumahai	021 425 229	<b>ch.tumahai@westlanddc.govt.nz</b>
<b>Te Rūnanga o Makaawhio Kaitaki</b>		
Paul Madgwick	027 555 4267	<b>cr.madgwick@westlanddc.govt.nz</b>

### **3. Functions, Responsibilities and Activities of the Council**

#### **3.1 Functions**

Under the Local Government Act 2002 (LGA),

(1) The purpose of local government 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.

The LGA states that the role of a local authority is to—

**(a)** give effect, in relation to its district or region, to the purpose of local government stated in [section 10](#); and

**(b)** perform the duties, and exercise the rights, conferred on it by or under this Act and any other enactment.

#### **3.2 Responsibilities**

The Westland District Council has interpreted these obligations to mean that it has the overall responsibility and accountability for the proper direction and control of the District's activities. This responsibility and accountability includes:

- Providing a leadership focus for the District.
- Formulating the District's strategic direction.
- Managing the principal risks facing Westland.
- Administering various regulations and upholding the law.
- Safeguarding the public interest.
- Ensuring the integrity of management control systems.
- Ensuring the effective succession of elected members.
- Promoting economic and social development of the District and acting as an advocate on behalf of community interests.
- Planning for a sound and sustainable physical and human environment and enforcing relevant regulations.
- Providing and maintaining infrastructural, physical, and utilities services.
- Providing and maintaining recreational facilities and facilitating the provision of social and community services.
- Reporting to ratepayers on the above.

### **3.3 General and Local Legislation**

Westland District Council also has legislative responsibilities and obligations under a number of Acts of Parliament, including:

- Building Act 2004
- Civil Defence and Emergency Management Act 2002
- Dog Control Act 1996
- Health Act 1956
- Health and Safety at Work Act 2015
- Land Transport Act 1998
- Land Transport Management Act 2003
- Local Electoral Act 2001
- Local Government Act 2002
- Local Government Rating Act 2002
- Local Government, Official Information and Meetings Act 1987
- Public Bodies Leases Act 1969
- Reserves Act 1977
- Resource Management Act 1991
- Sale and Supply of Alcohol Act 2012

And such further legislation and amendments that Government from time to time may impose on local authorities.

There is no local legislation applicable in Westland.

### **3.4 Activities**

The Council groups the work it does under eight Activity Groups.

These groups are:

- **Leadership**  
Democracy, Corporate Services, Council Controlled Organisations.
- **Planning & Regulatory Services**  
Animal Control, Building Control, Customer Service, District Plan, Emergency Management, Environmental Health, Inspections and Compliance, Resource Management, Liquor Licensing.
- **Transportation**  
Bridges, Emergency Repairs, Footpaths, Transportation, Road Legalisation, Road Maintenance, Capital Developments, Capital Replacements.
- **Water Supply**  
Kumara, Arahura, Hokitika, Ross, Harihari, Whataroa, Franz Josef, Fox Glacier, and Haast Township Supplies.



- **Wastewater**  
Hokitika, Kaniere, Franz Josef, Fox Glacier and Haast reticulated wastewater systems.
- **Stormwater**  
Reticulated stormwater for Hokitika township and roadside drainage to the remaining district townships.
- **Solid Waste Management**  
Transfer stations, Open landfills, Closed landfills, Urban Refuse Collection, Waste Minimisation and Recycling.
- **Community Services**  
Community Development and Assistance, Community Halls, Townships.
- **Leisure Services and Facilities**  
Cemeteries, Elderly Housing, Westland District Libraries, Parks and Reserves, Hokitika iSite, Hokitika Wildfoods Festival and Events, Hokitika Museum, Swimming Pools, West Coast Wilderness Trail.  
  
Commercial Buildings, Land and Buildings, Jackson Bay Wharf, Street Furniture, Monuments, Public Toilets.

## **4. Electoral Systems and Representation Arrangements**

### **4.1 Electoral System**

Westland District Council currently operates its elections under the first past the post-electoral system. Electors vote by indicating their preferred candidate(s), and the candidate(s) that receives the most votes is declared the winner regardless of the proportion of votes that candidate(s) obtained.

The other option permitted under the Local Electoral Act 2001 is the single transferable vote system (STV). This system is used in district health board elections. Further information on STV can be obtained from Council's Electoral Officer.

Under the Local Electoral Act 2001 the Council can resolve to change the electoral system to be used at the next two elections or conduct a binding poll on the question, or electors can demand a binding poll. A poll can be initiated by at least 5 per cent of electors signing a petition demanding that a poll be held. Once changed, an electoral system must be used for at least the next two triennial general elections, i.e. we cannot change our electoral system for one election and then change back for the next election.

On 23 August 2018, the Westland District Council gave public notice of its final proposal for representation arrangements to apply for the Council for the elections held on the 12 October 2019. Notification of the right to appeal or object was also given. No appeals or objections were received in respect of the resolution, therefore the representation

arrangements for the Westland District Council's 2019 local elections will be the same as in the final proposal.

## 4.2 Wards and Constituencies

The Council will comprise 8 members elected from three wards, with the Mayor being elected at large.

The three wards reflect the following identified communities of interest:

Northern Ward	All that part of Westland District north of the Mikonui River but excluding Hokitika Ward.
Hokitika Ward	All that part of Westland including the town of Hokitika, the area north to Three Mile and including the areas to the east known as Blue Spur and Brickfield as far as Pine Tree Road.
Southern Ward	All that area of Westland south of the Mikonui River.

The population that each member represents is:

Ward	Estimated Population	Members	Population per Member
Northern Ward	3210	3	1070
Hokitika Ward	3500	3	1167
Southern Ward	2080	2	1040

## 4.3 Representation Options

### 4.3.1 Maori Wards

The Local Electoral Act 2001 also gives the Council the ability to establish separate wards for Maori electors. The Council may resolve to create separate Maori wards or conduct a poll on the matter, or the community may demand a poll. A petition of five percent of electors can require the Council to conduct a poll.

Currently, the Council has not resolved to create Maori Wards and there has not been any demand for a poll to do so.

### 4.3.2 Community Boards

Westland District Council has no Community Boards.

## 4.4 Changing Representative Arrangements

The Council is required to review its representation arrangements at least once every six years. The Council conducted a review in 2018. It is not legally required to begin to review representation again until 2024.

This review must include the following:

- The number of Elected Members (between six and 30 including the Mayor);
- Whether the Elected Members (other than the Mayor) shall be elected by the entire district, or continue to be elected by their Ward (or a mix of both systems);
- The boundaries and names of those wards and the number of members that will represent each ward (if election by wards is preferred);
- Whether or not to have separate Maori wards;
- Whether to have Community Boards and if so how many, their boundaries and membership and whether to subdivide a community for electoral purposes.

The Council must follow the procedure set out in the Local Electoral Act 2001 when conducting this review and should also follow guidelines published by the Local Government Commission. The Act gives electors the right to make a written submission to the Council, and the right to be heard if they wish.

Electors also have the right to appeal any decisions to the Local Government Commission, which will make a binding decision on the appeal.

## **5. Reorganisation Processes**

### **5.1 Changing the District's Boundaries or Functions**

Local government reorganisation, as set out by the LGA 2002 s. 24, may provide for one or more of the following matters:

- (a)** the union of districts or regions:
- (b)** the constitution of a new district or region, including the constitution of a new local authority for that district or region:
- (c)** the abolition of a district or region, including the dissolution or abolition of the local authority for that district or region:
- (d)** the alteration of the boundaries of any district or region:
- (e)** the transfer of a statutory obligation from one local authority to another:
- (f)** the assumption by a territorial authority of the powers of a regional council:
- (g)** the establishment of a local board area, including the establishment of a local board for that local board area:

**(h)** in relation to a local board, other than a local board established under the [Local Government \(Auckland Council\) Act 2009](#),—

**(i)** the means by which the chairperson is elected; and

**(ii)** whether the local board may include appointed members:

**(i)** the abolition of a local board area:

**(j)** the alteration of the boundaries of a local board area:

**(k)** the union of 2 or more local board areas.

The purpose of the local government reorganisation provisions of this Act is to improve the effectiveness and efficiency of local government by—

**(a)** providing communities with the opportunity to initiate, and participate in considering, alternative local government arrangements for their area; and

**(b)** requiring the Commission, in consultation with communities, to identify, develop, and implement in a timely manner the option that best promotes good local government.

#### **Who may make a reorganisation application?**

(1) A reorganisation application may be made to the Commission by any person, body, or group, including (but not limited to)—

**(a)** 1 or more affected local authorities; or

**(b)** the Minister.

(2) A reorganisation application must be made to the chief executive officer of the Commission.

## **6. Roles and Conduct**

### **6.1 Mayor and Councillors' Role**

The Mayor and the Councillors of the Westland District Council have the following roles:

- Setting the policy direction of Council
- Monitoring the performance of Council
- Representing the interests of the district. On election all members must make a declaration that they will perform their duties faithfully and impartially, and according to their best skill and judgment in the best interests of the whole of the Westland District
- Employing the Chief Executive. Under the Local Government Act the local authority employs the Chief Executive, who in turn employs all other staff on its behalf.

### **6.2 Role and Powers of the Mayor**

The Mayor is elected by the district as a whole and as one of the elected members shares the same responsibilities as other members of Council. In addition the Mayor has the following roles:

#### 41A Role and powers of mayors

(1) The role of a mayor is to provide leadership to—

- (a) the other members of the territorial authority; and
- (b) the people in the district of the territorial authority.

(2) Without limiting subsection (1), it is the role of a mayor to lead the development of the territorial authority's plans (including the long-term plan and the annual plan), policies, and budgets for consideration by the members of the territorial authority.

(3) For the purposes of subsections (1) and (2), a mayor has the following powers:

**(a)** to appoint the deputy mayor:

**(b)** to establish committees of the territorial authority:

**(c)** to appoint the chairperson of each committee established under paragraph (b), and, for that purpose, a mayor—

**(i)** may make the appointment before the other members of the committee are determined; and

**(ii)** may appoint himself or herself.

(4) However, nothing in subsection (3) limits or prevents a territorial authority from—

**(a)** removing, in accordance with [clause 18](#) of Schedule 7, a deputy mayor appointed by the mayor under subsection (3)(a); or

**(b)** discharging or reconstituting, in accordance with [clause 30](#) of Schedule 7, a committee established by the mayor under subsection (3)(b); or

**(c)** appointing, in accordance with [clause 30](#) of Schedule 7, 1 or more committees in addition to any established by the mayor under subsection (3)(b); or

**(d)** discharging, in accordance with [clause 31](#) of Schedule 7, a chairperson appointed by the mayor under subsection (3)(c).

(5) A mayor is a member of each committee of a territorial authority.

(6) To avoid doubt, a mayor must not delegate any of his or her powers under subsection (3).

(7) To avoid doubt,—

**(a)** [clause 17\(1\)](#) of Schedule 7 does not apply to the election of a deputy mayor of a territorial authority unless the mayor of the territorial authority declines to exercise the power in subsection (3)(a):

**(b)** [clauses 25](#) and [26\(3\)](#) of Schedule 7 do not apply to the appointment of the chairperson of a committee of a territorial authority established

under subsection (3)(b) unless the mayor of the territorial authority declines to exercise the power in subsection (3)(c) in respect of that committee.

### **6.3 Deputy Mayor's Role**

The Deputy Mayor may be appointed by the Mayor, or elected by the members of Council at the first meeting of the Council. The Deputy Mayor exercises the same roles as other elected members. In addition, if the Mayor is absent or incapacitated, or if the office of Mayor is vacant, then the Deputy Mayor must perform all of the responsibilities and duties, and may exercise the powers of the Mayor (as summarised above). The Deputy Mayor may be removed from office by resolution of Council.

### **6.4 Committee Chairperson's Role**

The Council has created five Standing Committees and one Subcommittee (CE's Performance Review Committee) A committee chairperson is responsible for:

- Presiding over meetings of the committee.
- Ensuring that the committee acts within the powers delegated by Council, and as set out in the Council's Delegations Manual.
- A committee chairperson may be removed from office by resolution of Council.

### **6.5 Chief Executive's Role**

The Chief Executive is appointed by the Council in accordance with section 42 and clauses 33 and 34 of Schedule 7 of the Local Government Act 2002.

The chief executive is responsible to their local authority for—

(a) implementing the decisions of the local authority; and

(b) providing advice to members of the local authority and to its community boards, if any; and

(c) ensuring that all responsibilities, duties, and powers delegated to him or her or to any person employed by the local authority, or imposed or conferred by an Act, regulation, or bylaw, are properly performed or exercised; and

**(d)** ensuring the effective and efficient management of the activities of the local authority; and

(da) facilitating and fostering representative and substantial elector participation in elections and polls held under the [Local Electoral Act 2001](#); and

(e) maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the local authority; and

- (f) providing leadership for the staff of the local authority; and
- (g) employing, on behalf of the local authority, the staff of the local authority (in accordance with any remuneration and employment policy); and
- (h) negotiating the terms of employment of the staff of the local authority (in accordance with any remuneration and employment policy).

The Chief Executive is the only employee of the Council, and the only person who may lawfully give instructions to other staff. Any complaint about individual staff members should therefore be directed to the Chief Executive and not elected members or departmental managers. Any complaints about the CE should be directed in the first instance to the Mayor or Deputy Mayor and this can be done through any elected member.

The Chief Executive has an annual performance review, which all Councillors contribute to in a public excluded meeting. The Council will only monitor performance against criteria that have been identified and agreed with the Chief Executive in advance, and are focused on organisational operation and delivery of the core services.

## **6.6 Code of Conduct**

All elected members are required to adhere to Council's Code of Conduct. Once adopted the Code of Conduct may only be amended by a 75% of the members present.

The code of conduct sets out—

(a) understandings and expectations adopted by the local authority about the manner in which members may conduct themselves while acting in their capacity as members, including—

**(i)** behaviour toward one another, staff, and the public; and

(ii) disclosure of information, including (but not limited to) the provision of any document, to elected members that—

(A) is received by, or is in the possession of, an elected member in his or her capacity as an elected member; and

(B) relates to the ability of the local authority to give effect to any provision of this Act; and

(b) a general explanation of—

(i) the [Local Government Official Information and Meetings Act 1987](#); and

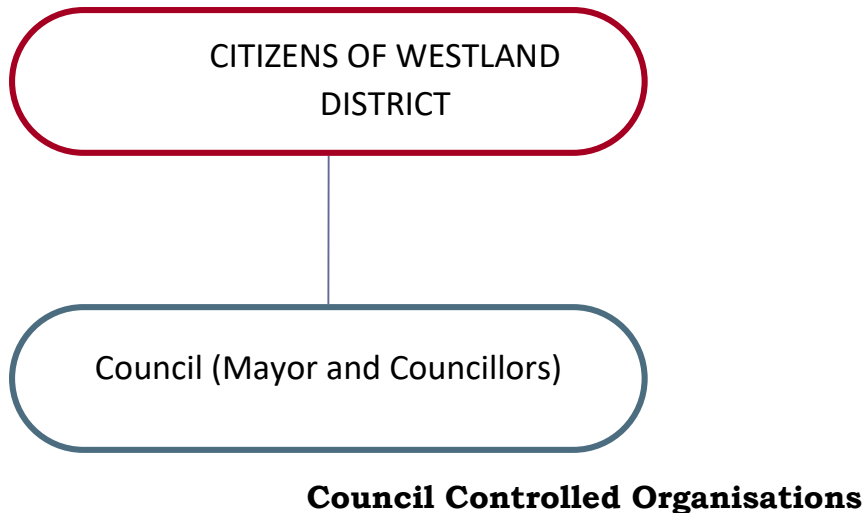
(ii) any other enactment or rule of law applicable to members.

The Code of Conduct is available on the Council's Website.

## 7. Governance and Management Structure

### 7.1 Governance Structure

The Westland District Council Governance Structure



A key to the efficient running of local government is that there is a clear division between the role of Council and that of management. The Westland District Council elected members concentrate on setting policy, strategy, and determining the level of financial resources. The Council then reviews progress. Management is concerned with implementing Council policy and strategy.



**Council Controlled Organisation (CCO)  
Westland Holdings Ltd**

Westland Holdings Limited (WHL) is the governance link between Council and its trading entities. The company is responsible for ensuring the trading organisations meet their statutory, commercial and public obligations as defined in their Statements of Intent. These are reviewed annually by WHL on behalf of Council, with reference to the objectives determined in the Long-Term Plan, along with each company's individual strategy.

The presence of a holding company is intended to facilitate objective governance, whilst enabling the trading organisations to operate on commercial principles. The Board's directors are appointed by Council:

- Joanne Conroy (Chair)
- Chris Gourley
- Chris Rea

**Council Controlled Trading Organisations (CCTOs)  
Westroads Ltd**

Westroads Limited main activity is that of a general contractor based in Hokitika and Greymouth (Westroads Greymouth Ltd) as well as depots and staff throughout South Westland. It also operates a crushed metal plant in Greymouth. In 2014 it purchased Christchurch based Trenching Dynamix Ltd, a specialist buried horizontal infrastructure installation company.

**Destination Westland**

Council's former CCO's Hokitika Airport Limited and Westland District Property Limited were merged on 30 June 2018. The merged CCTO is known as Destination Westland and has a commercial focus, continuing to manage the portfolios that were previously held under Hokitika Airport Limited and Westland District Property Limited.

Destination Westland operates the Hokitika Airport which is the principal airport on the West Coast.

In addition, Destination Westland manages some of the Council's property portfolio, previously overseen by Westland District Property Limited. This includes the sale and leasing of property; managing the leasing and occupation of mining rights; management of Pensioner Housing, Hokitika Swimming Pool, Jacksons Bay Wharf. From 3 July 2018, Destination Westland started managing the Hokitika i-SITE, West Coast Wilderness Trail, Hokitika Museum and Council's events portfolio including the Hokitika Wildfoods Festival.

## 7.2 Council Committees

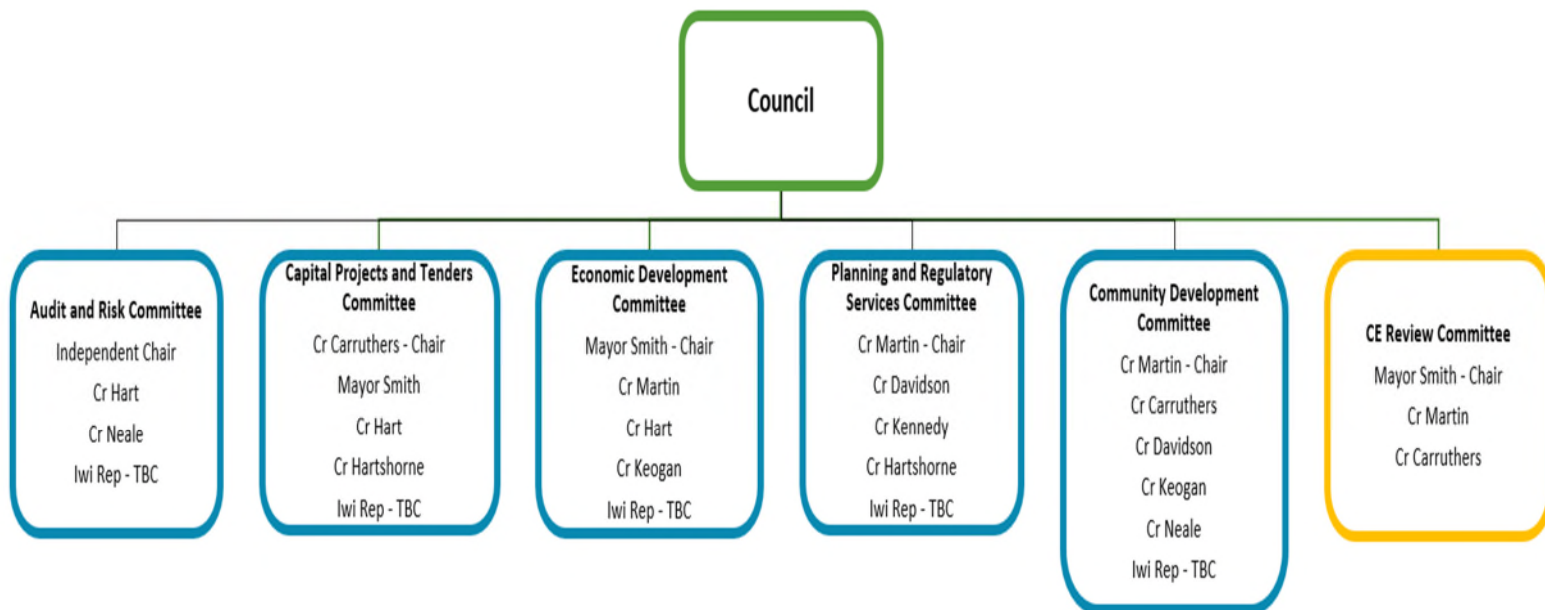
The Council reviewed its committee structure at the the triennial meeting on 24 October 2019. The following Standing Committees were established

- Audit and Risk Committee
- Capital Projects and Tenders Committee
- Economic Development Committee
- Planning and Regulatory Services Committee
- Community Development Committee

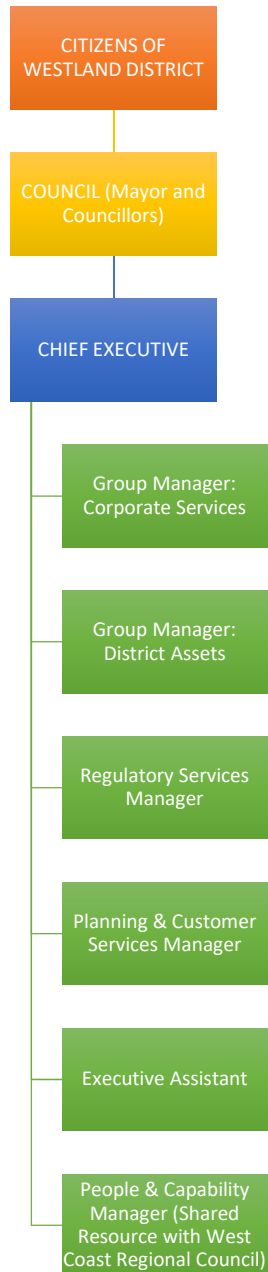
### Sub-Committee

The CE's Review Committee was established as a Sub-Committee to deal with any issues that arise in relation to the management of the Chief Executive.

### Committee Structure



### 7.3 Management Structure



## **Groups:**

### **Chief Executive**

- Receives good policy advice.
- Delivers all services to the desired standard.
- Delivers the Annual and Long Term Plan.
- Complies with the law.
- Employment of staff

### **District Assets**

- Operating, maintaining and improving Council's infrastructural assets.
  - roading
  - water services
  - recreational assets
  - cemeteries
  - buildings
  - solid waste disposal
  - Transportation planning
  - Asset Management.

### **Planning and Customer Service**

- Frontline Customer Service
- Resource management consenting, compliance monitoring and enforcement
- Policy development and implementation under the Resource Management Act 1991, including review of the District Plan, and connecting RMA functions to wider community visioning and concept planning exercises.
- Advising Council on a variety of planning matters such as central government legislation, regional plans and policies, and future growth scenarios.

### **People and Capability**

- Recruitment
- Talent development
- Pay and benefits
- Employment Relations
- Health and Safety

### **Corporate Services**

Provide effective financial management within the policies adopted by Council.

- Financial inputs
- Preparation of the Annual Report, Annual Plan, and Long Term Plan, Ensuring the Council Controlled Organisations meet their reporting requirements.
- IT/GIS support
- Business Analysis
- Library services

### **Regulatory Services**

The management and delivery of regulatory functions of Council. This includes Building Control, Animal Control, Environmental Health, Liquor Licencing, Compliance, and associated Bylaws. Maori Liaison Officer, with an oversight of Council's statutory obligations to strengthen the capacity of Maori to take part in local government and its decision making processes.

#### **Executive Assistant**

Provides the Mayor and Councillors and the Chief Executive with a comprehensive and efficient administrative and secretarial service and facilitates and maintains a professional link between the Mayor, Councillors, Chief Executive and Executive Team.

### **7.4 Delegations**

Council is assigned powers to act by a wide range of legislation, trust deeds and documents. In order to allow its Committees and the Chief Executive to carry out their functions, Council has to delegate some these powers to act. The Chief Executive has to further delegate a number of these powers to allow Council staff to carry out their functions.

All delegations of power are contained in the Council's Delegations Manual copies of which may be obtained from Council's Office.

## **8. Meeting Processes**

### **8.1 The Rules for Meetings and Standing Orders.**

The legal requirements for Council meetings are in the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987 (LGOIMA).

All Council and Committee meetings are open to the public unless there is reason to consider some item 'in committee'.

The LGOIMA contains a list of the circumstances where councils may consider items with the public excluded. These circumstances generally relate to protection of personal privacy, professionally privileged or commercially sensitive information and the maintenance of public health, safety and order.

The Council agenda is a public document, although parts may be withheld if the above circumstances apply.

The Mayor or Committee Chair is responsible for maintaining order at meetings and may, at his discretion, order the removal of any member of the public for disorderly conduct, or remove any member of the Council who does not comply with Standing Orders (a set of procedures for conducting meetings). The Council adopted a set of Standing Orders for the conduct of meetings of Council and its Committees at the Inaugural Council Meeting on the 24 October 2019.

Minutes of meetings are kept and made publicly available, subject to the provisions of the LGOIMA.

Public Notification of Meetings is in accordance with NZS 9202:2003.

During meetings of the Council or Committees, all Council participants (the Mayor, Chair or Councillors or Members) must follow Standing Orders unless Standing Orders are suspended by a vote of 75% (or more) of the members present.

In addition, the Council Code of Conduct sets out the expectations of the behaviour, which elected members expect of each other at meetings. Council adopted a revised Code of Conduct at its meeting on the 24 October 2019.

## **9. Consultation Policies**

### **9.1 Consultation Policy**

The Council has a Consultation Policy in place (adopted in 2005 and reviewed in 2012). A copy of the Consultation Policy is available on the Council's Website.

### **9.2 Special Consultation Procedure under Local Government Act 2002**

The Local Government Act sets out certain consultation principles and a procedure that is followed when making certain decisions. This procedure, the special consultative procedure, is outlined in sections 83, 86 and 87 of the LGA 2002.

Principles of Consultation must be undertaken in accordance with best practice consultation principles given in section 82 of the LGA 2002.

Under section 76AA of the LGA 2002, Council is required to have a Significance and Engagement Policy.

The purpose of the Westland District Council's Significance and Engagement Policy (SEP) is —

- To enable the local authority and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.
- To provide clarity about how and when communities can expect to be engaged in decisions about different issues, assets, or other matters.
- To articulate the relationship between the significance of a matter and the corresponding level of engagement of parties that is required.

The Council believes in the importance of having a SEP as it provides a useful and accountable decision-making framework for both the Council and the community

The Significance and Engagement Policy, which includes details of statutory consultation requirements, can be found on the Council's website.

The Council can and does consult outside of the special consultative procedure. When it is adopting its Long Term Plan, Annual Plan or District Plan it will hold formal meetings with community groups and other interested parties. At these meetings the Council will seek views

on the matters the Council considers to be important and identify issues of concern to the community.

The special consultative procedure consists of the following steps:

**(a)** prepare and adopt—

**(i)** a statement of proposal; and

**(ii)** if the local authority considers on reasonable grounds that it is necessary to enable public understanding of the proposal, a summary of the information contained in the statement of proposal (which summary must comply with [section 83AA](#)); and

**(b)** ensure that the following is publicly available:

**(i)** the statement of proposal; and

**(ii)** a description of how the local authority will provide persons interested in the proposal with an opportunity to present their views to the local authority in accordance with [section 82\(1\)\(d\)](#); and

**(iii)** a statement of the period within which views on the proposal may be provided to the local authority (the period being not less than 1 month from the date the statement is issued); and

**(c)** make the summary of the information contained in the statement of proposal prepared in accordance with paragraph (a)(ii) (or the statement of proposal, if a summary is not prepared) as widely available as is reasonably practicable as a basis for consultation; and

**(d)** provide an opportunity for persons to present their views to the local authority in a manner that enables spoken (or New Zealand sign language) interaction between the person and the local authority, or any representatives to whom an appropriate delegation has been made in accordance with Schedule 7; and

**(e)** ensure that any person who wishes to present his or her views to the local authority or its representatives as described in paragraph (d)—

**(i)** is given a reasonable opportunity to do so; and

**(ii)** is informed about how and when he or she may take up that opportunity.

The Council may be required to use the special consultative procedure under other legislation, and it may use this procedure in other circumstances if it wishes to do so.

### **9.3 Liaising with Māori – Te Tangata Whenua O Te Tai Poutini**

The Council at their meeting on the 26 July 2018 resolved to extend an invitation to the Chairs of Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio to attend and participate in Council Meetings and the business of Council, in acknowledgement of, and to further strengthen, Council's partnership with Mana Whenua of Westland.

Before the end of the Triennium, Council included the Chairs of Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio as full members of the Finance, Audit and Risk Committee and they are able to participate in Council Meetings. Terms of Reference for the new Audit and Risk Committee will be adopted by that Committee on the 5 February 2020.

A Memorandum of Understanding establishes the protocol between the Westland District Council, Te Rūnanga O Ngāti Waewae and Te Rūnanga O Makaawhio.

The MOU:

- provides a framework for the parties to work together towards improving Westland;
- provides mechanisms and resources that assist the Rūnanga to participate in Council policy, planning, and other decision-making processes
- facilitates the sharing of information to build a better understanding that enhances collaboration and strategic thinking about Westland's future
- identifies strategic opportunities to work closely together for the betterment of Westland district; and
- builds iwi capacity and capability to partner with local government.

The Council is therefore committed to acknowledging the unique perspectives of Papatipu Rūnanga and is further committed to strengthening our relationship with Papatipu Rūnanga as a result of the Partnership Agreement, which will be signed by all parties early in 2020.



## **10. Equal Employment Opportunity Policy**

### **10.1 Equal Employment Opportunity Policy**

The Council is committed to the principles of Equal Employment Opportunity for all its employees and accordingly will act in accordance with the following policy:

- People with the best skills and qualifications to do particular jobs are employed regardless of their gender, race, marital status, physical impairment, or sexual preference.
- All employees will have a fair and equitable chance to compete for appointment or promotion and to pursue their careers.
- The recruitment and promotion of employees is based on merit.
- All employees have equitable access to training and skills development.

## **11. Key Planning and Policy Documents**

### **11.1 Long Term Plan (LTP)**

In accordance with section 93 of the LGA 2002, the Council adopted its fifth Long Term Plan (LTP) in June 2018. The LTP was adopted following the special consultative procedure set out in section 93A of the LGA 2002.

The purpose of the LTP is to:

- Describe the activities of Council.
- Describe community outcomes.
- Provide integrated decision making and co-ordination of resources.
- Provide a long-term focus for decisions and activities of council.
- Provide a basis for accountability to the community.

The LTP is the central focus for the Council's future over the next 10 years. The plan will be reviewed by 30 June 2021 and will be reviewed every three years thereafter. It is important to note that Council cannot significantly deviate from the LTP without re-engaging the community through the special consultative procedure. In other words, once the plan is adopted it determines the Council's direction for the next three years. The LTP is subject to audit.

The LTP is the Council's key document and contains information on:

- **Groups of Activities:** The LTP shows the level of service Council will provide for each activity, the assets employed and the total costs (both capital and operating) to Council for providing those services.

- Financial Strategy: to underpin prudent financial management, with an analysis of the key factors likely to impact on the Council (population change, investment in infrastructure etc.)
- Infrastructure: to make explicit how Council envisages it will manage its roads, water, wastewater and stormwater facilities over the next 30 years.
- Variations between the LTP and earlier assessments of water services, sanitary services and waste management within the District.
- Forecast financial statements: Detailed forecasts for three years and summary forecasts for the seven years after the first three.
- Details of any Council-controlled organisations, its objectives, scope of activities and targets.
- Funding Impact Statement: How the rates are going to be allocated/charged to ratepayers.
- A Revenue and Financing policy: who pays for services provided, why and how
- Significant Forecasting assumptions and associated risks to the financial estimates.
- A summary of the Council's Significance and Engagement Policy.
- Development of Maori Capacity to Participate in Council Decision-making.
- How Council will develop Māori capacity to contribute to the decision making process.
- Describe community outcomes; good access to health services, a safe and caring community, lifelong educational opportunities, a treasured natural environment, a buoyant district economy and enjoying life in Westland.
- As a consequence of the LGA 2002 Amendment Act 2014, the LTP is now required to also include:
  - the infrastructure strategy, and,
  - the projected number of rating units within the District.

## **11.2 The Annual Plan**

The year in which a Long Term Plan is adopted this document becomes the Annual Budget for that year. For the two years between reviews of the LTP Council will adopt an Annual Plan through the special consultative procedure set out in sections 83 & 85 of the Local Government Act 2002.

The Annual Plan focuses on the budgets for the current financial year and the setting of rates. Any significant or material changes proposed

must be consulted on with the community. This document will not be able to significantly deviate from the LTP, unless a special consultative procedure and audit are undertaken.

### **11.3 The Policy Manual**

All policies adopted by the Westland District Council are contained in a policy manual. This is available on request from the Executive Assistant.

### **11.4 The Westland District Plan**

The Westland District Plan was adopted on 16 May 2002. This Plan sets out the framework of objectives, policies, and methods to be used to achieve integrated management of the effects of the use, development, and protection of the natural and physical resources of Westland District. Some of the methods to be used include rules controlling the effects of land use and land subdivision.

The Plan has been prepared to fulfil the requirement of Part V of the Resource Management Act 1991 that there be, at all times, one district plan for each territorial authority district. Implementation of the Plan's policies and methods is intended to assist the Council to carry out its functions under the Act. The Plan is one of a number of initiatives to be used by the Council to achieve the (sustainable management) purpose of the Act.

The District Plan is available on the Council's Website at [www.westlanddc.govt.nz](http://www.westlanddc.govt.nz) and at Council's Office, 36 Weld Street, Hokitika.

The Local Government Commission required all West Coast District Councils to prepare a combined West Coast district plan under the Resource Management Act 1991. The reorganisation scheme completes the proposal for the transfer of council district plan-making responsibilities to the West Coast Regional Council and delegation to a joint committee comprising representatives of the four councils and local iwi responsible for approving a new combined West Coast district plan. This is referred to as the Tai Poutini One District Plan and will eventually replace the Westland District Plan.

### **11.5 Bylaws**

Council reviewed most of its bylaws in 2018, and made changes following submissions and hearings. New bylaws are generally required to be reviewed within 5 years, and revised bylaws within 10 years of the most recent revision.

- [Airport Charges Bylaw 1998](#) – revised 2 July 2018 – next review by July 2028
- [Dog Control Bylaw 1997](#) – revised 2 July 2018 – next review by July 2028

- [Fencing Bylaw 1991](#) – revised 2 July 2018 – next review by July 2028
- [Freedom Camping Bylaw](#) – adopted Nov 2018  
- [Appendix A. Maps of Prohibited Freedom Camping Sites](#)  
- [Appendix B. Maps of Responsible Camping Sites](#)
- [Alcohol Control Bylaw 2018](#) – approved 2 July 2018 – review by July 2023
- [Refuse and Recycling Bylaw 1992](#) – revised 2 July 2018 – next review by July 2028
- [Speed Limits Bylaw 2006](#) – revised 2 July 2018 – next review by July 2028
- [Speed Limits Bylaw 2006 Attached Schedule](#)
- [Trading in Public Places Bylaw 2008](#) – revised 2 July 2018 – next review by July 2028
- [Traffic and Parking Bylaw 2013](#) – revised 2 July 2018 – next review by July 2028
- [Waste Water Bylaw 2018](#) – approved 2 July 2018 – next review by July 2023
- [Water Supply Bylaw 2016](#) – 23 June 2016 – review by June 2021
- [Wildfoods and Other Events Bylaw 2003 incorporating the Wildfoods and Other Events Amendment Bylaw 2006](#) – revised 2 July 2018 – next review by July 2028

The following Bylaws have been revoked:

- Jackson Bay Wharf Bylaw 2001 – Revoked 27 March 2014

## **12. Local Government Official Information and Meetings Act 1987 (LGOIMA)**

### **12.1 Requests for LGOIMA**

The LGOIMA allows people to request official information held by Council. It contains rules for how such requests should be handled, and provides a right to complain to the Ombudsman in certain situations. The LGOIMA also has provisions governing the conduct of meetings.

In responding to LGOIMA's, Council will consider the principle of availability

The principle of availability underpins the whole of the LGOIMA. The Act explicitly states that:

*The question whether any official information is to be made available ... shall be determined, except where this Act otherwise expressly requires, in accordance with the purposes of this Act and the principle that **the information shall be***

***made available unless there is good reason for withholding it.***

Official information means **any information held** by Council.

It is not limited to documentary material, and includes material held in **any format** such as:

- written documents, reports, memoranda, letters, notes, emails and draft documents;
- non-written documentary information, such as material stored on or generated by computers, including databases, video or tape recordings;
- information which is known to Council, but which has not yet been recorded in writing or otherwise (including knowledge of a particular matter held by an officer, employee or member of Council in their official capacity);
- documents and manuals which set out the policies, principles, rules or guidelines for decision making by an agency;
- the reasons for any decisions that have been made about a person.

#### **Information held by elected members and employees**

Information held by elected members (ie, mayors and councillors) and officers and employees of an agency in their official capacity is deemed to be held by Council.

Any requests for information will be provided in accordance with the LGOIMA.

A charge shall be made to recover all reasonable costs incurred by Council in providing the information. Council has adopted a set of fees and charges for requests under LGOIMA. These are on the Council website under fees and charges. An estimation of cost prior to providing the information can be made available.

Requests for official information should be addressed to the Chief Executive and emailed to [LGOIMA@westlanddc.govt.nz](mailto:LGOIMA@westlanddc.govt.nz)

# Report



**DATE:** 28 November 2019  
**TO:** Mayor and Councillors  
**FROM:** Chief Executive

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## DELEGATIONS MANUAL

### 1.0 SUMMARY

- 1.1 The purpose of this report is to request Council approval of a number of updates to the Delegations Manual since it was last approved by Council on 24 February 2014.
- 1.2 The updates are required as a result of legislative changes, Council staff changes, and to reflect the Council's decision following the Triennial Council Meeting held on the 24 October 2019.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council adopt the amended Delegations Manual, attached as **Appendix 1**.

### 2.0 BACKGROUND

- 2.1 The Delegations Manual defines methods and means of operations and managerial and administrative relationships. The manual is related to other key documents including Council's Bylaws and other formal expressions of policy.
- 2.2 The Council's Delegations Manual lists which powers are delegated to various committees and to Council staff. The current Delegations Manual dates back to 2006 or earlier, as it has a record of amendments beginning in May 2006. The full delegations manual was approved by Council in 27 February 2014. Since then a number of minor administrative changes have been made within

the organisation or between staff and Councillors and these are listed in the “Record of Amendments” at the start of the Manual.

A local authority may from time to time, either generally or particularly, delegate to any officer or employee of the local authority all or any of the powers of the local authority under Parts 2 to 5 (Requests for access to information held by local authorities), except any powers specified in Section 32 (Recommendations made to local authorities) of the Local Government Act. Under Section 43 – Delegation of powers by officers, of the Local Government Act, any officer or employee of a local authority may from time to time, by writing under that officer’s or employee’s hand, either generally or particularly, delegate to any other officer or employee of the local authority all or any of the powers exercisable by the first-mentioned officer or employee under [Parts 2 to 5](#) or [section 46A](#).

Under Section 43 of the Local Government Act there is also delegation of powers by officers.

### **3.0 CURRENT SITUATION**

- 3.1 As a result of Council staff restructuring, the disbanding of all standing committees following the Triennial Council Meeting on the 24 October 2019, a number of changes are required to the Delegations Manual.
- 3.2 The proposed changes generally do not result in any transfer of powers from Councillors to staff or vice-versa. The intent of the changes is primarily to reflect the latest structure of Council committees and staff.
- 3.3 Staffing changes within the organisation have resulted in some new job titles and removed others, and this has been reflected in the proposed changes to the Manual.
- 3.4 In the last Triennium, Council had the following Committees:
  - Standing Committee – Finance, Audit and Risk Committee
  - Sub-Committees – Dog Control Hearing Committee and Tenders Committee.

To enable efficient decision-making, the governing body delegates powers to committees. All previous Council Committees were disbanded at the time of the election 2019.

#### **4.0 OPTIONS**

- 4.1 Option 1 – Adopt the amended Delegations Manual.
- 4.2 Option 2 – Not adopt the amended Delegations Manual.

#### **5.0 SIGNIFICANCE AND CONSULTATION**

- 5.1 In accordance with Council's Policy on Significance, this matter is administrative in nature and therefore deemed to be of low significance.
- 5.2 No consultation has been required in relation to this report, however once adopted by Council, the Delegations Manual will be published on Council's Website [www.westlanddc.govt.nz](http://www.westlanddc.govt.nz).

#### **6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

- 6.1 Adopt the amended Delegations Manual.
- 6.2 Not adopt the amended Delegations Manual.
- 6.3 There are no financial implications in regards to this decision.

#### **7.0 PREFERRED OPTION AND REASONS**

- 7.1 The preferred option is Option 1 as it is not a viable option to leave non-existent job titles or defunct standing committees in the Delegations Manual. This would lead to confusion for staff, Councillors and the public, and could lead to legal challenges.

#### **8.0 RECOMMENDATION**

- A) **THAT** Council adopt the amended Delegations Manual and publish it on Council's Website [www.westland.govt.nz](http://www.westland.govt.nz).

**Simon Bastion**  
**Chief Executive**

**Appendix 1:** Amended Delegations Manual



Version  
~~2018.03~~ 2019.01

WESTLAND



# Delegations Manual



~~21 August 2018~~ 3

This Delegations Manual was adopted by Council on the 23 August 2012

## Record of Amendments

Date Amended	Amendment	Clause	Page Reference
17 May 2006	Add Swimming Pool Manager	30.7	21
17 May 2006	Add Engineering Officer	30.7	21
2 April 2007	Add Consents and Planning Officer	30.7	23
2 April 2007	Amend "Land and Resources Officer" to "Waste Management and Resources Officer"	30.7	21
15 October 2008	Update Standing Committees	20	10
15 October 2008	Amend Planning and Regulatory General Delegations, Resource Management Act Delegations, Sale of Liquor Act Delegations and Building Act Delegations.	31.3	27-36
1 May 2009	Amend Community Services Officer Delegations	31.4	37
1 May 2009	Amend "General Manager" to "Chief Executive Officer"	Various	Various
1 May 2009	Update Standing Committees	20	10
1 May 2009	Update Committees (add Councillor Butzbach to Assets and Planning and Development Committees)	20	10
1 May 2009	Update Other Committees (Solid Waste Committee, add Hearings and Licensing Commissioners)	20.1	11
1 May 2009	Amend Jurisdiction of the Planning and Development Committee (Planning Meeting 7/08/08)	23	13
1 May 2009	Amend Jurisdiction of the Recreation and Community Services Committee (Recreation Meeting 28/10/08)	24	13
1 May 2009	Amend Jurisdiction of the Assets Committee (adding Civil Defence Emergency Management and Rural Fire) (Assets Meeting 20/11/08)	25	14
1 May 2009	Add Jurisdiction of the Solid Waste Management Committee	27	15
1 May 2009	Added Guidelines to Jurisdiction of the Commissioners	28	16
1 May 2009	Add Delegation to Manager Audit and Compliance	30.7	19
1 May 2009	Amend Audit and Finance Delegations (Staff Delegations) (Audit Meeting 9-04-09)	31	Various
6 August 2009	Amend "Managers' Personal Assistant" to "Executive Assistant" in line with CEO's changed title	19 & 30.7	9, 22
18 August 2009	Amend delegations to Manager Planning and Regulatory	30.7	19
18 August 2009	Remove Delegations to Events Coordinator and Assistant Events Coordinator due to WBU Structure	30.7	23, 24
18 August 2009	Amend Standing Orders	33	42
19 August 2009	Amend Staff Delegations Resource Management Act Delegations	32.7, 33.2.1	19, 22, 23, 28-37
8 September 2009	Remove Delegations to Manager Audit & Compliance	30	19
14 September 2009	Add "All functions, powers and duties pursuant to the Resource Management Act 1991 <u>and not otherwise delegated</u> ,"		13
16 October 2009	Amend Part 29.1 by removing the phrase "Deputy Mayor Councillor Bryce Thomson" and replacing it with Councillor Allen Hurley – Council Meeting 15 October 2009	29.1	15

## Record of Amendments cont.

Date Amended	Amendment	Clause	Page Reference
3 December 2009	Add new Clause d) and e) relating to Commissioners and appointment of a mediator – Planning and Development Committee Meeting – 3 December 2009	<b>29.1</b>	<b>16</b>
19 January 2010	Amend Resource Management delegations as per recent amendments to the Resource Management Act.	<b>33.3.2</b>	<b>27-34</b>
26 March 2010	Added “Information Technology” to Information Technology Officer’s delegations	<b>32.7</b>	<b>21</b>
6 April 2011	Update “Standing Committees”	<b>20</b>	<b>11</b>
6 April 2011	Update Listing of “Other Committees”	<b>21</b>	<b>12</b>
6 April 2011	Amend “Operations Manager” to “Group Manager – Assets & Operations” (Operations Department Restructure)	<b>Various</b>	<b>Various</b>
7 April 2011	Amend Swimming Pool Manager to Supervisor Pools (Operations Department Restructure)	<b>29.7</b>	<b>26</b>
7 April 2011	Amend Waste Management and Resources Officer to Development Control Officer (Operations Department Restructure)	<b>29.7</b>	<b>26</b>
7 April 2011	Amend Information Technology Officer to Supervisor IT Services (Operations Department Restructure)	<b>29.7</b>	<b>26</b>
7 April 2011	Amend Consents and Planning Officer to Consents Officer (Operations Department Restructure)	<b>29.7</b>	<b>28</b>
7 April 2011	Amend Community Liaison Officer to Community Development Officer (Operations Department Restructure)	<b>29.7</b>	<b>28</b>
2 May 2011	Increase delegations to Management Team and the Group Manager – Assets & Operations – Council Meeting 28 April 2011	<b>32.7</b>	<b>22</b>
2 May 2011	Amend Tender Procedures – Part V Miscellaneous – Council Meeting 28 April 2011	<b>34</b>	<b>45-46</b>
28 March 2012	Amend “four” Senior Managers to “three” Senior Managers	<b>1.1</b>	<b>4</b>
28 March 2012	Remove reference to Manager Audit and Compliance (Council Restructure)	<b>1.1</b>	
28 March 2012	Update Performance Management Committee Members	<b>20</b>	<b>11</b>
28 March 2012	Amend reference to “LTCCP” to “LTP”	<b>25.3, 25.5</b>	<b>16</b>
28 March 2012	Amend delegation of Development Control Officer to Planning Engineer – (Operations Department staffing)	<b>29.7</b>	<b>25</b>
28 March 2012	Amend reference from “Consents Officer” to “Planner” – (Planning and Regulatory staffing)	<b>29.7</b>	<b>27</b>
28 March 2012	Update delegations to the Chief Executive Officer - instructions from Council Meeting – 22.03.12	<b>30.1</b>	<b>28</b>
28 March 2012	Update delegations to the Chief Executive Officer – Authority to update Warrants of Appointments	<b>30.1</b>	<b>29</b>
28 March 2012	Update reference from “Planning and Development Committee” to “Strategy Committee”	<b>30.3.2</b>	<b>31, 36</b>
24 July 2012	Include delegations to “Community Services Team” due to restructure process.	<b>29.7</b>	<b>30-31</b>

## Record of Amendments cont.

<b>Date Amended</b>	<b>Amendment</b>	<b>Clause</b>	<b>Page Reference</b>
24 July 2012	Update the Executive Team listing	<b>1.1 a)</b>	<b>5</b>
16 August 2012	Include a delegation for the Conduct Review Committee	<b>20</b>	<b>12, 27</b>
16 August 2012	Include the Terms of Reference for the Committees	<b>24-27</b>	<b>16-26</b>
16 August 2012	Update Delegations to Staff	<b>29.7-30.6</b>	<b>28-54</b>
16 August 2012	Remove Tender Procedures	<b>31</b>	<b>55</b>
16 August 2012	Remove Standing Orders	<b>32</b>	<b>56</b>
23 August 2012	Add reference to Council Bylaws	<b>30.3.1</b>	<b>43</b>
18 December 2012	Amend reference from Chief Executive Officer to "Chief Executive" – Risk Committee Meeting 20.11.12	<b>Various</b>	<b>Various</b>
18 December 2012	Amend reference from CEO to "CE" (Risk Committee Meeting - 20.11.12)	<b>Various</b>	<b>Various</b>
18 December 2012	Amend reference to Credit Card (internal policy change)	<b>31.1</b> <b>31.5</b>	<b>41</b> <b>54-55</b>
18 December 2012	Remove reference to "him"	<b>31.1</b>	<b>42</b>
18 December 2012	Add paragraph to Chief Executive and Departmental Managers regarding litigation	<b>31.1</b>	<b>42</b>
18 December 2012	Remove reference to property rentals	<b>31.2</b>	<b>42</b>
18 December 2012	Amend right of way clause (Risk Committee Meeting – 20.11.12)	<b>31.3.2</b>	<b>45</b>
7 February 2013	Part IV - Resource Management Act Delegations - Add reference to the Manager Planning and Regulatory's delegation to exercise the discretion to support or oppose any application made to the Environment Court (Council Meeting 24.01.13)	<b>Part IV</b> <b>31.3.2</b>	<b>47</b>
7 February 2013	Part III - Elected Members Expenses – Add reference to the Elected Members Expenses for the Mayor, Chairperson of the Performance Management Committee and the Deputy Mayor (Council Meeting 24.01.13)	<b>Part III</b> <b>Clause</b> <b>30</b>	<b>29</b>
7 February 2013	Part IV – Delegation to Staff – Remove reference to "non-capital" from staff delegations. (Council Meeting 24.01.13)	<b>Part IV</b> <b>Clause</b> <b>30.7</b>	<b>31-39</b>
7 February 2013	Part IV – Delegation to Staff – Add a reference to the credit card for the iSite Manager's Delegation (Council Meeting 24.01.13)	<b>Part IV</b> <b>Clause</b> <b>30.7</b>	<b>34</b>
7 February 2013	Part IV – Delegation to Staff - Add "Authority to operate two Business Visa Cards" (Council Meeting 24.01.13)	<b>Part IV</b> <b>Clause</b> <b>31.1</b>	<b>40</b>
7 February 2013	Part IV – Delegation to Staff - Amend reference to the Finance Manager's Delegation to operate a Business Visa Card (Council Meeting 24.01.13)	<b>Part IV</b> <b>Clause</b> <b>31.5</b>	<b>54</b>
28 February 2013	Part IV – Delegation to Staff – Add reference to Acting Group Manager – Corporate Services' Delegations (Council Meeting 28.02.13)	<b>Part IV</b> <b>Clause</b> <b>31.7</b>	<b>32</b>
12 July 2013	Part 1 – Glossary – Amend reference to Executive Team (CE's Staff Review 12.07.13)	<b>Part 1</b>	<b>5</b>

## Record of Amendments cont.

Date Amended	Amendment	Clause	Page Reference
12 July 2013	Amend Reference from “Chief Financial Officer” to Finance Manager (CE’s Staff Review 12.07.13)	<b>Various</b>	<b>Various</b>
12 July 2013	Part IV – Delegations to Staff – Remove “Finance Manager” from “Executive Team” Listing to the Table on Page 33 (CE’s Staff Review 12.07.13)	<b>Part IV Clause 31.7</b>	<b>31</b>
12 July 2013	Amend reference from “Group Manager – Assets and Operations” to “Group Manager: District Assets” (CE’s Staff Review 12.07.13)	<b>Various</b>	<b>Various</b>
03.02.14	General Amendment - Amend reference from “Manager: Planning and Regulatory) to “Group Manager: Planning, Community and Environment) CE’s Staff Review.	<b>1, 31.7, 32.1, 32.3.2, 32.3.3, 32.3.4, 32.4</b>	<b>6, 43, 51, 60, 63, 64</b>
03.02.14	Delegations to Committees - Remove reference to Performance Management Committee, Strategy Committee, Operations Committee, Risk Management Committee and Conduct Review Committee (Council Meeting 28.11.13)	<b>20, 22</b>	<b>13-14-15</b>
03.02.14	Delegations to Committee - Add reference to “Executive Committee” (Council Meeting 28.11.13)	<b>20, 22</b>	<b>13-14-15</b>
03.02.14	Hearings Commissioners - Amend reference from “Hearings and Licensing Commissioners” to “Resource Management Hearings Commissioners” (Council Meeting 28.11.13)	<b>21</b>	<b>15-16</b>
03.02.14	Delegations to Standing Committees - Update reference from Long Term Council Community Plan to Long Term Plan (grammatical)	<b>22</b>	<b>15</b>
03.02.14	Delegations to Standing Committees - Remove Terms of Reference for Performance Management Committee, Strategy Committee, Operations Committee, Risk Management Committee (Council Meeting 28.11.13)	<b>24, 25, 26, 27</b>	<b>16-28</b>
03.02.14	Delegations to Other Committees - Remove reference to “Conduct Review Committee” – ceases to exist	<b>28</b>	<b>29</b>
03.02.14	Executive Committee - Add Terms of Reference to the Executive Committee	<b>24</b>	<b>30-35</b>
03.02.14	Elected Members Expenses - Remove reference to Chairperson of Performance Management Committee and remove paragraph relating to Deputy Mayor (Council Meeting 28.11.13)	<b>30</b>	<b>37</b>
03.02.14	Delegations to Staff – Executive Team meeting noted that Executive Team Delegations had not been carried through the Manual due to an administrative error.	<b>31.7</b>	<b>39</b>
03.02.14	Delegations to Staff - Amend reference from Acting Group Manager Corporate Services to Group Manager: Corporate Services (permanent appointment made to position)	<b>31.7</b>	<b>43</b>
03.02.14	Delegations to Staff - Remove reference to Community Development Officer (restructure of Community Development/Community Services)	<b>31.7</b>	<b>45</b>

## Record of Amendments cont.

Date Amended	Amendment	Clause	Page Reference
03.02.14	Delegations to Staff - Amend reference from Community Services Officer to Community Development Officer (restructure of Community Development/Community Services 18.10.13)	<b>31.7</b>	<b>46</b>
03.02.14	Delegations to Staff - Amend reference from Team Leader – Operations to Operations Manager, Field Inspections Officer (previously Contracts Supervisor), Property and Projects Supervisor (previously Engineering Officer), Engineer Water Services (previously Supervisor 3 Waters), Solid Waste Engineer (previously Development Control Officer) - (District Assets Reorganisation 05.12.13),	<b>31.7 &amp; 28.7</b>	<b>47 26-27</b>
03.02.14	Delegations to Staff - Amend reference of Planning Engineer (incumbent resigned) to Development Control Engineer 21.11.13)	<b>31.7</b>	<b>48</b>
18.02.14	Delegations to Staff (Group Manager: Planning, Community and Environment) – clarify resource management powers	<b>32.3.2</b>	<b>?</b>
03.02.14	Business Visa Cards – Amend reference to iSite Manager's Visa Card only increased to \$10,000. No increase to Finance Manager's delegation (Council Meeting 28.11.13)	<b>32.1</b>	<b>51</b>
03.02.14	Sale of Liquor Act Delegations – Amend reference to Sale of Liquor Act Delegations (Council Meeting 28.11.13) and replace with references to Sale and Supply of Alcohol Act 2012 along with relevant provisions (Council Meeting 27.02.14)	<b>32.3.3</b>	<b>63</b>
18.02.14	Resource Management Hearing Commissioners – Amend to reflect situation where no Councillors are accredited hearing commissioners; also reference to District Licensing Committee as per Sale and Supply of Alcohol Act 2012 (Council Meeting 27.02.14)	<b>21, 29, 30</b>	<b>15-16</b>
20.08.14	Delegations to Staff – Update references to Job Titles of Staff Members –Events Coordinator (previously Events Manager), Assistant Events Coordinator (previously Wildfoods Festival Assistant), Museum Director (previously Museum Manager).	<b>28.7</b>	<b>25-26</b>
21.08.14	Delegations to Staff – Change amount of Delegation of Wildfoods Festival Coordinator – reduced from \$15K to \$10K by CE when Fixed Term Position was developed.	<b>28.7</b>	<b>24</b>
20.11.14	Delegations to Staff – Add a delegation to the Corporate Planner via email from Jim Ebenhoh, effective 20 November 2014.	<b>28.7</b>	<b>32</b>
16.02.15	Delegations to Staff – Add a delegation to the Emergency Management Officer via email from Tanya Winter, effective 16 February 2015.	<b>28.7</b>	<b>26</b>
26.03.15	Update Terms of Reference for the Executive Committee as per Amendments and Readoption at the Council Meeting on 26 March 2015.	<b>20 &amp; 24</b>	<b>15-21</b>

## Record of Amendments cont.

Date Amended	Amendment	Clause	Page Reference
29.06.15	Delegation to Ashley Cassin, Project Manager, West Coast Wilderness Trail via email from Tanya Winter and Peter Anderson, effective 29 June 2015 to 30 October 2015.	28.7	26
10.08.15	Delegations to Staff – Add a delegation to the Acting District Building Inspector via email from Jim Ebenhoh, effective 10 August 2015 to the 20 November 2015.	28.7	31
10.08.15	Delegations to Staff – Add a delegation to the Asset Management Planner via email from Vivek Goel, effective 25 August 2014.	28.7	29
10.08.15	Delegations to Staff – Add a delegation to the Environmental Health/Regulatory Officer via email from Jim Ebenhoh, effective 26 January 2015.	28.7	31
10.08.15	Delegations to Staff – Increase a delegation to the Operations Manager via email from Vivek Goel, effective from new staff appointment 1 October 2015.	28.7	28
10.08.15	Change to Title of Solid Waste Engineer to Solid Waste and Development Control Officer – effective from staff appointment 16 November 2015.	28.7	29
07.04.16	Delegations to Staff – Change of Titles as follows:		
	“iSite Manager” to “Customer Service Manager”	28.7	27
	Corporate Planner from the Planning, Community & Environment Group to the Corporate Services Group	28.7	27
	“District Librarian” to “Library Manager”		
	“District Building Inspector” to “Building Control Manager”	28.7	30
	Acting District Building Inspector – removed as no longer applicable	28.7	30
07.04.16	Staff Delegations - Change of Titles as follows:		
	“Assistant Accountant” to “Accountant”.	28.7	31
11.07.16	“iSite Manager” to “Customer Service Manager”	29.1 & 29.4	33, 36 & 44
	“Assistant Accountant” to “Accountant”.	29.1	33
	Amend reference from “Supervisor IT Services” to “Information Services Manager”.	28.7	27
09.08.16	Increase delegation of Museum Director and Library Manager from \$2,000 to \$5,000	28.7	30
15.10.16	Delegations to Staff – Add a delegation to the HR Advisor as per signed Position Description in IEA	28.7	25
31.10.16	Amend reference from “Operations Manager” to “Transportation Manager”	28.7	27
31.10.16	Amend reference from “Field Inspections Officer” to “Transportation Officer”	28.7	27

## Record of Amendments cont.

Date Amended	Amendment	Clause	Page Reference
24.11.16	Update to Terms of Reference – Standing Committee of Council – Finance, Audit and Risk Committee. Council Resolution of the 24.11.16	24	17
24.11.16	Financial Delegations to the Chief Executive Council put in place a \$5,000 cap on consultant spend and legal fees in the organisation, trialled on a 6 months basis, with any spend in excess of \$5,000 to be referred to the Mayor and Chair and of the Finance, Audit and Risk Committee. Council Resolution of the 24.11.16		
19.04.17	Increase delegation of Information Services Manager from \$5,000 to \$10,000	28.7	26
27.04.17	Financial Delegations to the Chief Executive The Council Resolution of the 24 November 2016 was revoked and the Consultant Spend and Legal Fees cap of \$5,000 was removed.		
23.05.17	Amend reference from “District Planner” to “Planning Manager”	28.7	31, 41
09.06.17	Add a subdelegation clause as per Pages 42 and 43 noting that the Group Manager: Planning, Community and Environment may subdelegate.	29.3	35
12.06.17	Credit Card Policy Amend reference from “Finance Manager” to “Group Manager: Corporate Services” as per email from Group Manager: Corporate Services	29	32
27.06.17	Amend reference from “Wildfoods Festival Coordinator” to Event Manager: Hokitika Wildfoods Festival	28.7	30
03.07.17	Amend reference from “Corporate Planner” to “Strategy and Communications Advisor” once new staff member commences employment in role.	28.7	26
18.12.17	Include Terms of Reference for the Dog Control Hearing Committee as adopted by Council 28.09.17	25	20
18.12.17	Add Delegation from Chief Executive to Group Managers to approve Letters of Offer and Individual Employment Agreements – Exec Team outcome.	30.2	34
18.12.17	Increase credit limit of Group Manager: Corporate Services’ card to \$10,000 to reflect actual spending limit	30.1	33
18.12.17	Amend reference from “Customer Service Manager” to “iSite Manager” to reflect split of Customer Service from the Hokitika iSite.	29.7 30.1	27 33
27.04.18	Terms of Reference – Tenders Committee – Council Resolution 26.04.18	26	22
21.05.18	Amend reference licence “Activities for which the officer is the Financial Manager” for Planning Manager, Building Control Manager and Environmental Health/Regulatory Officer – Refer email from Jim Ebenhoh 06.04.18	30.7	35
21.05.18	Amended reference from “Building Inspection Services” to “Building Control”, “Pensioner Flat Maintenance & Building Inspection Services” to “Building Control” – Refer email from Jim Ebenhoh 06.04.18	30.7	34



Date Amended	Amendment	Clause	Page Reference
21.05.18	Added "Alcohol Licensing" to the list for Environmental Health/Regulatory Officer – Refer email from Jim Ebenhoh 06.04.18	30.7	34
21.05.18	Remove "Civil Defence" and "Rural Fires" from Transportation Officer – Refer email from Jim Ebenhoh 06.04.18	30.7	31
22.05.18	Add "Operations Manager" with delegated authority of \$50,000. Authorised by the Chief Executive via email 22.05.18.	30.7	31
21.08.18	Terms of Reference: Finance, Audit and Risk Committee – Updated at the Council Meeting 26.07.18	24	23
28.11.19	<u>Various Amendments to the Manual</u>		

Commented [A1]: Once manual finalized, Di to fill this section out.

## TABLE OF CONTENTS

Record of Amendments	1-8
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## PART I - INTRODUCTION

### 1. Introduction

#### 1.1 Glossary

- a) **Executive Team:** The Chief Executive and the ~~three~~ senior Managers comprising of the ~~Group Manager: Planning, Community and Group Manager: Corporate Services; Group Manager: District Assets (vacant); Regulatory Services Manager, Planning Manager, Environment, the Group Manager: District Assets and the Group Manager: Corporate Services,~~ supported by the Executive Assistant. ~~The People and Capability Manager is employed by the West Coast Regional Council and is a shared resource as a contractor.~~
- b) **Manager:** A member of the Executive Team other than the Chief Executive.
- c) **Activity:** The particular branch of the Council's functions (e.g. water, sewerage, library) as opposed to the particular accounts which comprise that activity.
- d) **Cost Centre Controllers:** Officers nominated by the Executive Team to assume responsibility for particular activities within the Council's functions so as to ensure agreed works are completed and the budget is not overspent.

Commented [A2]: 4 senior managers

#### 1.2 The Place of the Delegations Manual

This Delegations Manual has been adopted by the Westland District Council to define methods and means of operations and managerial and administrative relationships. The manual is related to other key documents including Council's Bylaws and other formal expressions of policy.

### 2. The Philosophy of the Council

- 2.1 The Westland District Council believes that it is essential, in the interests of good management and effective administration, to encourage a delegation of decision making to the lowest competent level. This will achieve best use of the abilities of elected representatives and officers, minimise the cost of material, technical and financial resources, promote the development of effective managers and minimise bureaucratic interference in the daily affairs of the District's residents.
- 2.2 Authority and responsibility are inseparable. Those with responsibility for a task or function should always have the authority to carry it out effectively. Those with authority should always be responsible for its wise use. Delegations will not however remove from the Council and top management ultimate accountability for the affairs of this Council.
- 2.3 Delegates should willingly accept authority and responsibility for decision making in the certain knowledge that their decisions, if made in a full, fair and objective manner, will not be reviewed lightly.

## **2. The Philosophy of the Council cont.**

- 2.4** It is the statutory function of this Council to lead and guide the good management of the District by determining primary goals and objectives, by setting strategies and policies for their achievement and to encourage their achievement through the considered use of committees and the appointment of a Chief Executive.
- 2.5** Officers in turn implement and administer those policies, contribute substantially to their formulation and provide and manage the infrastructures on which the District is based. Delegation focuses and sharpens this relationship and assists in the better achievement of the respective functions of elected representatives and officers.
- 2.6** A necessary consequence of delegation is the need for clear reporting. The Westland District Council adheres to the concept of exception reporting. This means that when the Council makes a decision; it expects the decision to be implemented without further reporting. Only if the target is not met, i.e. an exception occurs, should further reporting be necessary.
- 2.7** Finally, the level of delegation is symptomatic of the health and well-being of the Council. Without it, the mutual trust and respect which should exist between members of the Council and its officers, and the effectiveness and efficiency of the organisation must be at risk.

## **3. General and Specific Delegations**

- 3.1** In this manual, a general delegation implies the granting of authority to determine a range of matters of a similar kind as and when they arise over a period of time without further reference to the delegator.
- 3.2** From time to time, the Council may delegate authority to determine a specific issue and this authority will exist only so long as that matter is unresolved and will then lapse. This is a specific delegation.
- 3.3** This manual will be revised for general delegations as they are granted, but not those of a specific nature, which will be largely historical by the time they are recorded.

## **4. The Meaning of Delegation**

- 4.1** Delegation in the manual means the assignment of a duty or power of action to another together with the authority to carry out that duty or complete the action assigned with responsibility for the outcome.
- 4.2** A power merely to hear evidence or consider a proposal is not delegation and is not therefore generally included in this manual. It is assumed that all committees, subcommittees and officers have authority to hear any matter within their jurisdiction and submit a report or recommendation to a higher authority unless that is prohibited by law.

## **5. What May Be Delegated**

- 5.1** In almost all situations the Council itself is a delegatee, in that its functions, powers and duties derive from Parliament through empowering legislation under which legislative, judicial and administrative authority is granted to the Council for specific purposes.
- 5.2** The limits under which functions, power and duties may be further delegated are strictly interpreted in accordance with the empowering legislation concerned, although rules in these matters are generally well settled.
- 5.3** Parliament has shown awareness that, in the interests of the effective and efficient management of a district, delegation (of other than legislative powers) is permitted subject only to specific exceptions. Special additional common law rules apply also, particularly to the delegation of legislative powers.
- 5.4** In this environment, the Council has a wide discretion to arrange its own administration in a way which provides efficiency, flexibility and responsiveness to local needs. In doing so it must, however, comply with the special requirements imposed by law in given circumstances.

## **6. The Characteristics of Delegation**

It is important to understand the following characteristics of delegation:

- 6.1** The delegator does not lose the function, power or duty by delegation and may exercise this concurrently with the delegatee;
- 6.2** It is implicit that a delegation may be revoked at any time without notice;
- 6.3** The delegatee is acting in their own name on behalf of the Council when exercising delegated authority;
- 6.4** If a delegatee's decision is invalid it cannot be ratified by the delegator. The correct action is generally for the matter to be considered in full again by the delegator, assuming it is within the delegator's power to determine the matter at issue;
- 6.5** The laws relating to Local Government generally recognise that the decisions of a delegatee may be reviewed or appealed to the delegator who may confirm, vary, override or substitute a decision, although there are some exceptions. In such cases the grounds for the review should be clearly stated and a decision varied only when compelling circumstances arise.

A local authority may not rescind or amend a decision made by the committee pursuant to a delegation authorising the making of the decision (Schedule 7, Section 30 (6) of the Local Government Act 2002).

## **7. Care in Defining Authority**

- 7.1** The law recognises, in certain circumstances, the right of individuals acting in good faith in reliance on the apparent authority of a delegatee to enforce a decision of a delegatee, whether or not the delegatee in fact had the authority claimed.
- 7.2** Accuracy and precision should always be a feature when defining the scope and limitations of any delegated authority in order to protect the interests of the Council, the delegatee and any interested third party.

## **8. Statutory Authority**

- 8.1** The delegations contained in this manual are made in accordance with the Local Government Act 2002 and any other statutory authority permitting delegation.
- 8.2** In accordance with Section 42(3)(a) of the Local Government Act 2002, the Council shall maintain a clear separation between regulatory and service delivery functions. The management structure shall also reflect this separation. The delegations to both committees and staff have been drafted to coincide with this separation.

## **PART II – GENERAL AND PROCEDURES**

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### **9. Delegations to be in Writing**

Every delegation under this manual shall be in writing and shall define with reasonable precision the nature, purpose and bounds of a given delegation.

### **10. Extent of Delegation**

Subject to any specified limitation, term or condition applied by the delegator or by law a delegatee may exercise the power or authority delegated in the same manner and to the same effect as could the delegator.

### **11. Subdelegation**

**11.1** Every committee, the Chief Executive and each manager may further delegate any power granted to them in this manual or otherwise by the Council either generally or specifically, and may impose any term or condition upon that subdelegation.

**11.2** Subcommittees and officers below the level stated may not subdelegate a power of decision but may instruct an officer or person to carry out investigations and make recommendations.

**11.3** Within 1 month of the manual being adopted by the Council each manager shall determine the delegations which they wish to make under this clause and shall supply a statement of these to the Chief Executive for inclusion as a schedule in the manual. Additional delegations may be made at this time in which case a statement of that delegation or delegations shall be supplied to the Chief Executive within 1 month of them being made.

### **12. Reporting Decisions**

A delegatee need not generally report decisions to the delegator except:

**12.1** All contracts accepted under delegated authority are to be reported by the delegatee (in this case either a manager, the Executive Team or a standing committee) to the next higher level of authority (the Executive Team, standing committee or Council) at the earliest opportunity.

**12.2** Other decisions are to be reported on as specifically provided for.

### **13. Term of Delegation**

Unless any delegation is expressed to be for a definable term it shall continue until revoked by the delegator or the Council, or withdrawn in any way by operation of law.

## **14. Variation of Decision**

**14.1** The Council and any delegator may review, reserve or vary any decision of a delegatee at any time except to the extent that the decision has already become binding on the delegator by operations of law and cannot be reversed.

**14.2** A reversal or variation of a decision is not of itself a revocation of a delegation under this manual.

**14.3** A decision of a delegatee shall only be reserved or varied where:

- a) it is manifestly wrong; or
- b) it is contrary to a decision of the delegator of which the delegatee was unaware; or
- c) it contains serious implications for the Council of which the delegatee was unaware; or
- d) there is other good cause to reserve or vary that decision.

## **15. Concurrent Jurisdiction**

Nothing in this manual shall limit the power of the Council or a delegator to exercise a function, duty or power concurrently with or in substitution for a delegatee.

## **16. Policy and Delegated Decision Making**

**16.1** In reaching a decision under delegated authority full regard must be had to both:

- a) any Council policy applying to an issue; and
- b) all relevant facts applying to the case.

**16.2** Should any delegatee, having considered all the facts of the case, be unable to make a decision which complies with Council policy on any matter, the correct action is then to refer the matter to the Council if a decision cannot be made in compliance with any policy applying to the decision to be made.

## **17. Delegation to Office**

**17.1** Unless a contrary intention is indicated, every delegation shall be to a stated office or position and not to an individual or the membership of a group in their personal capacities. In every case of this type the delegation shall survive any change in the occupiers of any such office.



## **17. Delegation to Office cont.**

**17.2** Delegation to the Executive Team shall be exercised by a majority vote. Dissenting votes are to be recorded and all exercises of this delegated power shall be recorded in the proceedings of the Executive Team. The acceptance of tenders by the Executive Team shall be subject to the approval of the manager of the department concerned. If the department manager does not approve, the matter will be referred to the appropriate standing committee.

## **18. Appeals**

**18.1** Any person affected by any decision of a delegatee may appeal that decision:

- a) in the case of a decision by an officer, to the Chief Executive in consultation with the appropriate department manager, as the case may be; and
- b) in the case of a decision made by the Chief Executive, a committee or subcommittee, to the Council; and
- c) in the case of a decision made pursuant to the Resource Management Act 1991, in accordance with Section 357.

**18.2** In reviewing any decision on appeal under this clause the Chief Executive or the Council shall have regard to:

- a) any reason given by the delegatee in making a decision; and
- b) any Council policy applying to the matter at issue; and
- c) the facts of the case; and
- d) the grounds for review of a decision contained in clause 14 of this manual; and
- e) any other relevant matter.

## **19. Amendments to this Manual**

This manual shall be maintained by the Executive Assistant who shall amend it in accordance with:

- a) any instructions to that affect given by the Council and any delegatee authorised to amend this manual; or
- b) any need for typographical, grammatical or other minor amendment where the intention of the Council in the matter of a delegation is not altered.

## PART III – DELEGATION TO STANDING COMMITTEES

### 20. Standing Committees/Other Committees

Committee	Membership
<del>Finance, Audit and Risk Committee</del>	<p><del>The Committee will comprise the following, one of which will be the chairperson:</del></p> <ul style="list-style-type: none"> <li><del>• Deputy Mayor Martin (Chairperson)</del></li> <li><del>• All other elected members</del></li> <li><del>• Chair of Te Rūnanga o Ngāti Waewae or their representative</del></li> <li><del>• Chair of Te Rūnanga o Makaawhio or their representative</del></li> </ul>

**Quorum for Committee Meetings – under NZS 9202:2003.**

~~Note does not apply to the Finance, Audit and Risk Committee – refer Page 16.~~

**The quorum at a meeting of a committee –**

Is not fewer than 2 members of the committee and in the case of a committee other than a sub-committee, must include at least 1 member of the Council.

Commented [A3]: Check the terms of reference of the Committee

Other Committees:

Dog Control Hearing Committee

Purpose:

MEMBERSHIP:

- ~~— His Worship the Mayor~~
- ~~— Cr Carruthers (Chair)~~
- ~~— Cr Olson (Deputy Chair)~~

~~Quorum is a majority of members.~~

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Tenders Committee

Purpose:

MEMBERSHIP:

- ~~— His Worship the Mayor (Chair)~~
- ~~— Deputy Mayor Martin~~
- ~~— Cr Olson~~
- ~~— Cr Carruthers~~

~~Quorum is two members.~~

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## 21. Hearings Commissioners

<b>Hearing Commissioners</b>	<b>Membership</b>
Commissioners appointed to sit with independent Commissioners in Resource Management Hearings (note: these Councillors cannot vote on a hearing panel as they are not accredited for decision-making or other hearing functions under Section 39A of the Resource Management Act 1991 and therefore cannot be given hearing commissioner authority under Section 39B of the Resource Management Act 1991 after 12 September 2014.	<ul style="list-style-type: none"><li>• Deputy Mayor Latham Martin</li><li>• Deputy Mayor Helen Lash</li><li>• <del>Cr Des Routhan</del></li><li>• Cr Jane Neale</li></ul>

## 22. Delegation to Standing Committees

### 22.1 ~~The Council's only current Standing Committee is the Finance, Audit and Risk Committee, with the delegations as outlined in Section 23 below.~~

~~Councils have broad powers of delegation however there are some decisions that can only be exercised by the full governing body and cannot be delegated, these include:~~

- ~~• the power to make a rate~~
- ~~• the power to make a bylaw (although local boards have the right to recommend these for their local areas)~~
- ~~• the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term council community plan~~
- ~~• the power to adopt a long term plan, annual plan, or annual report~~
- ~~• the power to appoint a chief executive (cl. 32 of Schedule 7 of the LGA 2002)~~
- ~~• The power to adopt policies required to be adopted and consulted on under this Act in association with the long term plan or developed for the purpose of the local governance statement; or~~
- ~~• The power to adopt a remuneration and employment policy.~~

~~No standing committee, including the Finance, Audit and Risk Committee, is able to be delegated the following powers:~~

- ~~a) the power to make a rate; or~~
- ~~b) the power to make a bylaw; or~~
- ~~c) the power to borrow money, or purchase or dispose of assets, other than in accordance with the long term council community plan; or~~
- ~~d) the power to adopt a Long Term Plan, Annual Plan, or Annual Report; or~~
- ~~e) the power to appoint the Chief Executive; or~~
- ~~f) the power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan or developed for the purpose of the local governance statement.~~

**22.2** No officer may exercise the powers listed in clauses 22.1 (a) - (f) above.

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**23. Finance, Audit and Risk Committee**

Authorising Body	Mayor/Council
Status	Standing Committee
Title	Finance, Audit & Risk Committee
Approval Date	8 August 2018
Administrative Support	Group Manager: Corporate Services

**Purpose:**

To: Advise Council in its management and execution of its obligations in relation to its overall financial performance and prudence, on the robustness of its Administration's internal and external control systems and provide reasonable assurance in relation to the integrity and reliability of financial and non-financial reporting processes used. In particular advice is to be provided on:

1. The robustness of the internal control framework and governance practices in place;
2. The integrity and appropriateness of internal and external reporting;
3. The robustness of risk management systems, processes and practices;
4. The independence and adequacy of internal and external audit functions;
5. The measure of compliance with applicable laws, regulations, standards and best practice guidelines;
6. The robustness of controls to safeguard the Council's financial and non-financial assets; and
7. The level of certainty that any obligations under the Treaty of Waitangi are considered when consulting on financial, audit and risk decisions.
8. Undertake the functions delegated to it, as outlined herein.

**Responsibility:**

Provide advice to Council on all matters pertaining to good practice in relation to Finance, Audit and Risk as a means to allowing Council to fulfil its statutory and other obligations in that respect and, in the process attend to the following:

(a) Internal Control Framework

Form a view whether:

- i. Current approaches to maintaining an effective internal control framework are sound and effective.
- ii. A culture that is committed to probity and ethical behaviour is maintained.
- iii. Appropriate systems, processes and controls are in place to prevent, detect and effectively investigate fraud.

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~~(b) — Internal Reporting~~

~~i. — Assess the level of confidence in and satisfaction with the completeness and quality of financial and operational information being provided to the Council. This includes Taking advice periodically from external auditors on the issue.~~

~~(c) — External Reporting and Accountability~~

~~Form an opinion on:~~

~~i. — The appropriateness of Council's existing accounting policies and principles and any proposed change. This may include enquiring from external auditors as to information that affects the quality and clarity of the Council's financial statements and statements of service performance, and assess whether appropriate action has been taken by management in response to the above.~~

~~ii. — The level of confidence that financial statements and statements of service performance are supported by appropriate management signoff on the statements and on the adequacy of the systems of internal control (i.e. letters of representation), and recommend signing of the financial statements by the Chief Executive/Mayor and adoption of the Annual Report or Long Term Plan.~~

~~iii. — the consistency of financial information included in the entity's Annual Report and Long Term Plan with the signed financial statements.~~

~~(d) — Risk Management~~

~~Form and opinion on:~~

~~i. — Whether a current and comprehensive risk management framework and associated procedures are in place for effective identification and management of the Council's significant risks.~~

~~ii. — The robustness of Council's annual insurance renewal and the appropriateness of the level of self insured risk.~~

~~iii. — Whether appropriate action is being taken to mitigate Council's significant risks.~~

~~(e) — Internal Audit~~

~~Form an opinion on:~~

~~i. — The internal audit coverage and annual work plans, and the extent to which these plans are based on the Council's risk profile;~~

~~ii. — ensuring that the internal auditor has adequate resources and skills to undertake the work and is not subject to undue management influence;~~

~~i. — The measure and timeliness of staff implementation of internal audit recommendations;~~

~~ii. — The robustness and relevance of the internal audit charter to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place.~~

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~~(f) External Audit~~

~~i. At the start of each audit, confirm the terms of the engagement, including the nature and scope of the audit, timetable and fees, with the external auditor;~~

~~ii. Receive the external audit report(s) and review action to be taken by management on significant issues and audit recommendations raised within. If necessary this can include a members only session (i.e. without any staff present) with external audit to discuss any matters that the auditors wish to bring to the Committee's attention and/or any issues of independence;~~

~~iii. Make a recommendation to Council on any recommendation by the Chief Executive Officer that the Office of the Auditor General replaces the external auditor.~~

~~(g) Compliance with Legislation, Standards and Good Practice Guidelines~~

~~i. Form an opinion on the effectiveness of the system for monitoring the Council's compliance with laws (including governance legislation, regulations and associated government policies), with Council's own standards, and Good Practice Guidelines as applicable.~~

~~ii. Conducting and monitoring special investigations, in accordance with Council policy, and reporting the findings and recommendations to Council.~~

~~**DELEGATIONS TO THE COMMITTEE:**~~

~~The Finance, Audit and Risk Committee shall have the following delegated powers and be accountable to Council for the exercising of these powers. In exercising the delegated powers, the committee will operate within:~~

- ~~• policies, plans, standards or guidelines that have been established and approved by Council;~~
- ~~• the overall priorities of Council;~~
- ~~• the needs of Iwi and the local communities; and~~
- ~~• the approved budgets for the activity.~~

~~The Finance, Audit and Risk Committee shall have delegated authority to:~~

~~1. Approve:~~

- ~~i. the appointment of the internal auditor;~~
- ~~ii. risk management and internal audit programmes;~~
- ~~iii. audit engagement letters and letters of undertaking for audit functions;~~
- ~~iv. additional services provided by the external auditor;~~
- ~~v. contractual arrangements within the framework of the Liability Management Policy, including swaps, and the Investment Policy.~~

~~2. Recommend to Council:~~

- ~~i. adoption, or non adoption of completed financial and non financial performance statements; and~~
- ~~ii. governance policies associated with Council's financial, accounting, risk management, compliance and ethics programmes and internal control functions;~~
- ~~iii. accounting treatments, changes in generally accepted accounting practice, and new accounting and reporting requirements.~~

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~~3. Conduct and monitor special investigations in accordance with Council policy, including engaging on behalf of Council expert assistance, legal advisors or external auditors, and, where appropriate, recommend action(s) to Council.~~

#### **~~Power to Delegate~~**

~~The Audit Committee may not delegate any of its responsibilities, duties or powers.~~

#### **~~Membership~~**

~~The Audit Committee will comprise the following, one of which will be the chairperson:~~

- ~~• Deputy Mayor Martin (Chairperson)~~
- ~~• All other elected members~~
- ~~• Chair of Te Rūnanga o Ngāti Waewae (or their representative)~~
- ~~• Chair of Te Rūnanga o Makaawhio (or their representative)~~

Commented [A4]: Independent Chair?

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~~For clarity, the Mayor is a member of the committee in accordance with s.41A of the Local Government Act 2002.~~

#### **~~Chairperson~~**

~~The Chairperson is responsible for:~~

- ~~• The efficient functioning of the Committee;~~
- ~~• Setting the agenda for Committee meetings in conjunction with the Chief Financial Officer; and~~
- ~~• Ensuring that all members of the Committee receive sufficient timely information to enable them to be effective Committee members.~~

~~The Chairperson will be the link between the Committee and Council staff.~~

#### **~~Quorum~~**

~~The quorum at any meeting of the Committee shall be the Chairperson and any three members.~~

#### **~~Frequency of Meetings~~**

~~The Committee shall meet as required but not less than quarterly.~~

#### **~~Relationships with Other Parties~~**

~~The Chief Executive is responsible for servicing and providing support to the Committee in the completion of its duties and responsibilities. The Chief Executive has appointed the Group Manager—Corporate Services to provide these functions on their behalf.~~

~~The Chairperson may request the Chief Executive and staff in attendance to leave the meeting for the duration of the discussion. The Chairperson will provide minutes for that part of the meeting.~~

#### **~~Contacts with Media and Outside Agencies~~**

~~The Committee Chairperson is the authorised spokesperson for the Committee in all matters where the Committee has authority or a particular interest.~~

~~Committee members, including the Chairperson, do not have delegated authority to speak to the media and/or outside agencies on behalf of Council on matters outside of the Committee's delegations.~~

~~The Group Manager—Corporate Services will manage the formal communications between the Committee and its constituents and for the Committee in the exercise of its business. Correspondence with central government, other local government agencies or other official agencies will only take place through Council staff and will be undertaken under the name of the District Council.~~

#### **~~Conduct of Affairs~~**

~~The Committee shall conduct its affairs in accordance with the Local Government Act 2002, the Local Government Official Information and Meetings Act 1987, the Local Authorities (Members' Interests) Act 1968, Council's Standing Orders and Code of Conduct.~~

**Public Access and Reporting**

~~Notification of meetings to the public and public access to meetings and information shall comply with Standing Orders, but it should be noted that:~~

- ~~• Workshop meetings solely for information and discussions and at which no resolutions or decisions are made may be held in accordance with Standing Orders.~~
- ~~• Extraordinary meetings of the Committee must be held in accordance with Standing Orders.~~

~~The public may be excluded from the whole or part of the proceedings of the meeting and information withheld on one or more of the grounds specified in s.48 of the Local Government Official Information and Meetings Act 1987.~~

~~The Committee shall record minutes of all its proceedings.~~

**Adopted by Council at the Extraordinary Council Meeting on the 8 August 2018.**

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## **24. Subcommittees**

**24.1** A subcommittee shall exercise only such delegated authority as is granted to it from time to time by the Council or the relevant head committee.

**24.2** The primary purposes of subcommittees are:

- a) to dispose of matters which have been delegated to it; and
- b) to investigate and report, with recommendations if appropriate, on matters referred from the head committee; and
- c) to act as a forum for communication between elected representatives, officers, and interested parties.

**25. Dog Control Hearing Committee**

**REPORTING TO:** \_\_\_\_\_ Council

**CONSTITUTION:** \_\_\_\_\_

Chair: \_\_\_\_\_ Cr Carruthers  
Deputy Chair: \_\_\_\_\_ Cr Olson  
Member(s): \_\_\_\_\_ His Worship the Mayor

**MEETING FREQUENCY:** \_\_\_\_\_ The Committee will meet as required.

**QUORUM:** \_\_\_\_\_ The quorum is a majority of members.

**RESPONSIBILITY**

~~Hearing and adjudicating objections from dog owners to classifications of dog owners and/or dogs under the Dog Control Act 1996 as per the following sections:~~

- ~~• Objection to classification as probationary owner (s22)~~
- ~~• Objection to disqualification (s26)~~
- ~~• Objection to classification of dangerous dog (s31(3))~~
- ~~• Objection to classification of menacing dog (by nature) (s33B)~~
- ~~• Objection to classification of menacing dog (by breed) (s33D)~~
- ~~• Barkling dog abatement notice (s55(2))~~
- ~~• Retention of dog threatening public safety (s71(4))~~

**POWERS**

~~All powers necessary to perform the Committee’s responsibilities, except the powers that the Council cannot delegate or has retained to itself.~~

**APPROVAL**

~~The Terms of Reference were adopted by Council at their meeting held on the 28 day of September 2017.~~

**26. Tenders Committee**

**REPORTING TO:** Council

**CONSTITUTION:** Deputy Mayor Martin  
Cr Carruthers  
Cr Olson

**MEETING FREQUENCY:** The Committee will meet as required

**REPORTING TO:** Council

**QUORUM:** Two.

**OBJECTIVE:**

1. To approve conforming tenders with value in excess of \$100,000 with preference to lowest conforming tender.
2. To approve the extension of the term of contracts in accordance with Special Conditions of the contracts, subject to good performance and there be no chance of a new tender delivering more attractive rates/outputs.
3. Overhead review of contractor performance.

**SCOPE OF ACTIVITY:**

1. Considering tender evaluations presented by Group Managers/Consultants for work with a value of \$100,000 or more. The Sub Committee will in its deliberations provide for:
  - Taking into account the advice provided by staff/consultants.
  - Giving preference to the lowest conforming tender.
2. Recommendations to Council on recommendation by Group Managers regarding contractor performance.

**LIMITATIONS**

Council's Procurement Policy.

**POWER TO ACT**

Full; OR All powers necessary to perform the Committee's responsibilities, except the powers that the Council cannot delegate or has retained to itself.

**REFERRAL TO COUNCIL**

Nil. Normal report back for information.

**MANAGEMENT RESPONSIBILITY:**

The relevant Group Manager responsible for operational activity

**STATUS:**

Standing Subcommittee of Council

**APPROVAL:**

~~The Terms of Reference were adopted by Council at their meeting held on the 26 April 2018.~~

## **27. Jurisdiction of the Resource Management Commissioners.**

**27.1** The following is delegated to Council's appointed Resource Management Commissioner(s), who must be accredited under Section 39A and Section 39B of the Resource Management Act 1991.

- (a) To act as Commissioner pursuant to Section 34A(1) of the Resource Management Act 1991 for the purposes of hearing any resource consent application and making decisions on that application, including objections;
- (b) To act as Commissioner pursuant to Section 34A(1) of the Resource Management Act 1991 for the purposes of conducting hearings on a District Plan or District Plan change and making decisions under Part 1, Schedule 1 of the Resource Management Act 1991 ; and
- (c) To appoint a mediator pursuant to Section 99A of the Resource Management Act 1991.

Provided that all such decisions shall be reported back to the next meeting of the Council.

**Guideline:** *The full Council appoints and delegates authority to a list of Commissioners, usually near the beginning of a triennium. This may be all persons accredited under the Ministry for the Environment's "Making Good Decisions" programme, or a subset thereof. This list can include any accredited Councillors or independent Commissioners.*

**Guideline:** *In selecting Commissioner(s) from the approved list referred to in Clause 29.1 above for any particular matter, regard shall be had for community of interest, expertise, conflict of interest and accreditation pursuant to section 39A of the Resource Management Act 1991.*

**Guideline:** *The Controller and Auditor-General has produced guidelines for elected members on conflict of interest. Pecuniary and non-pecuniary conflicts are identified and discussed. Pecuniary interests are generally able to be readily identified. Non-pecuniary interests involve bias, predetermination and relationships with other persons and organizations. Such interests involve judgment and degree and need to be approached by elected members with caution. It is appropriate in the case of a significant decision making authority being delegated to an individual that the Hearings Commissioner or any person acting for or assisting the Hearings Commissioner, exercises a greater degree of caution."*

## 28. District Licensing Committee

28.1 The following is delegated to the District Licensing Committee(s)

- a) To hear all matters relating to the functions, duties and responsibilities of a District Licensing Committee as provided for in the Sale and Supply of Alcohol Act 2012.

**Guideline:** *The Sale and Supply of Alcohol Act 2012 allows the Committee chairperson to decide certain matters (such as unopposed applications) without a hearing.*

**Guideline:** *The Council appoints the District Licensing Committee(s) for a five-year period, and members need not be Councillors.*

## 29. Elected Members' Expenses

Elected members' expenses are to be approved consistent with the Remuneration Authority rules and Council's Sensitive Expenditure Policy.

### **Mayor**

29.1 Approval of ~~Councillors'~~Councilors' expenses.

### **Deputy Mayor**

29.2 Approval of the Mayor's expenses.

## **PART IV – DELEGATION TO STAFF**

### **30. Staff: Contractual Authority and Financial Management of Activities**

- 30.1** The contractual authorities for staff are set down in the charts following. Where staff are not included in the charts they have no authority to enter into contract/commitments on behalf of the Council. The amounts stated are all maximums.
- 30.2** Members of the Executive Team have the right (within the terms of their contractual authority) to enter into contracts for the expenditure of funds within activities for which their subordinates also have authority, and will be held accountable for the activities which they control. Managers should always consult with the designated cost centre controller prior to expending funds in accounts other than those for which they themselves are directly responsible.
- 30.3** Where a cost centre controller is aware that an activity is about to be or has been overspent, they should report that fact to the person to whom they are responsible as soon as practicable.
- 30.4** The criterion to be used in assessing managerial financial performance will be whether or not the total budget for the department is adhered to. Variations on activity budgets within departments may therefore emerge but must be reported to the appropriate committee.
- 30.5** No oral contract shall be made for a sum exceeding \$1,000 (see Section 3 Public Bodies Contracts Act).
- 30.6** All commitments entered into under the contractual authorities set out in the following charts shall be reported to the next highest level of authority at the earliest opportunity.

**30.7 Delegations to Staff – Contractual Authority and Activity Management**

<b>Staff Member</b>	<b>Item</b>	<b>Amount</b>
<b>EXECUTIVE TEAM (Acting Together)</b>	Contractual Authority for capital expenditure provided for in estimates.	\$250,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	\$250,000 per item
	Contractual Authority of non-capital expenditure provided for in estimates.	\$250,000 per item
	Contractual Authority for purchase of plant items provided for in estimates.	\$100,000 per item
	Disposal authority for plant items provided for in estimates.	\$100,000 per item
	Disposal authority for assets and goods (except Real Estate).	\$50,000 per item
	Activities to which contractual authority applies.	All activities
	Activities for which the officer is the Financial Manager.	N/A
<b>OFFICE OF THE CE</b>		
<b>Chief Executive</b>	Contractual Authority for emergency expenditure not provided for in estimates.	\$100,000 per item
	Contractual Authority for expenditure provided for in estimates.	\$100,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	\$100,000 per item
	Contractual Authority for expenditure provided for in estimates.	\$100,000 per item
	Activities to which contractual authority applies.	All activities
	Activities for which the officer is the Financial Manager.	Elected Representatives and CE's Department

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Staff Member	Item	Amount
<b>EXECUTIVE TEAM</b>		
<b>Group Manager: District Assets (vacant)</b>	Contractual Authority for emergency expenditure not provided for in estimates.	\$100,000 per item
	Contractual Authority for expenditure provided for in estimates.	\$100,000 per item
	Activities to which contractual authority applies.	Assets and Operations
	Activities for which the officer is the Financial Manager.	Assets and Operations
<del>Group Manager: Planning, Community and Environment</del>	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>\$100,000 per item</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$50,000 per item</del>
	<del>The return of any bond taken for the performance of a condition of consent.</del>	<del>The full amount</del>
	<del>Activities to which contractual authority applies.</del>	<del>Planning, Community and Environment Group</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Planning, Community and Environment Group</del>
<b>Group Manager: Corporate Services</b>	Contractual Authority for emergency expenditure not provided for in estimates.	\$100,000 per item
	Contractual Authority for expenditure provided for in estimates.	\$100,000 per item
	Activities to which contractual authority applies.	All activities
	Activities for which the officer is the Financial Manager.	Corporate Services Group
	All other delegations as provided to the Finance Manager	N/A
<b>Regulatory Services Manager</b>	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>\$50,000 per item</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$50,000 per item</del>
	<del>Activities to which contractual authority applies.</del>	<del>All activities</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Building Act</del>
	<del>All other delegations as provided to the Finance Manager</del>	<del>N/A</del>
<b>Planning Manager</b>	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>\$50,000 per item</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$50,000 per item</del>
	<del>Activities to which contractual authority applies.</del>	<del>All activities</del>

	<a href="#">Activities for which the officer is the Financial Manager.</a>	<a href="#">Resource Management</a>
	<a href="#">All other delegations as provided to the Finance Manager</a>	<a href="#">N/A</a>
<b>Executive Assistant</b>	Contractual Authority for emergency expenditure not provided for in estimates.	\$5,000 per item
	Contractual Authority for expenditure provided for in estimates.	\$5,000 per item
	Activities to which contractual authority applies.	Elected Representatives Chief Executive's Department
	Activities for which the officer is the Financial Manager.	Nil
<b>Community Development Adviser</b>	<a href="#">Contractual Authority for capital expenditure provided for in estimates.</a>	<a href="#">\$5,000 per item</a>
	<a href="#">Contractual Authority for emergency expenditure not provided for in estimates.</a>	<a href="#">Nil</a>
	<a href="#">Contractual Authority for expenditure provided for in estimates.</a>	<a href="#">\$5,000 per item</a>
	<a href="#">Activities to which contractual authority applies.</a>	<a href="#">Community Development</a>
	<a href="#">Activities for which the officer is the Financial Manager.</a>	<a href="#">Community Development</a>

Staff Member	Item	Amount
<b>EXECUTIVE TEAM</b>		
<b>Emergency Management Officer (shared resource with West Coast Regional Council)</b>	Contractual Authority for emergency expenditure not provided for in estimates.	\$5,000 per item
	Contractual Authority for expenditure provided for in estimates.	\$5,000 per item
	Activities to which contractual authority applies.	Civil Defence & Emergency Management
	Activities for which the officer is the Financial Manager.	Nil
<del>Project Manager, West Coast Wilderness Trail</del>	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>\$10,000 per item</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$10,000 per item</del>
	<del>Activities to which contractual authority applies.</del>	<del>West Coast Wilderness Trail</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Nil</del>
<b>HR Advisor People and Capability Manager (shared resource with West Coast Regional Council)</b>	Contractual Authority for emergency expenditure not provided for in estimates.	\$50,000 per item
	Contractual Authority for expenditure provided for in estimates.	\$50,000 per item
	Activities to which contractual authority applies.	Human Resources
	Activities for which the officer is the Financial Manager.	Nil

Staff Member	Item	Amount
<b>CORPORATE SERVICES</b>		
<b>Finance Manager</b>	Contractual Authority for emergency expenditure not provided for in estimates.	\$ <del>150</del> ,000 per item
	Contractual Authority for expenditure provided for in estimates.	\$50,000 per item
	Activities to which contractual authority applies.	Accounting and Administrative Functions
	Activities for which the officer is the Financial Manager.	Accounting and Administrative Functions
<b>iSite Manager</b>	<del>Contractual Authority for capital expenditure provided for in estimates.</del>	<del>\$10,000 per item</del>
	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>Nil</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$10,000 per item</del>
	<del>Activities to which contractual authority applies.</del>	<del>Hokitika iSite</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Hokitika iSite</del>
	<del>Authority to operate a Council Business Visa Card as approved by the Chief Executive.</del>	<del>Hokitika iSite</del>
<b>Information Services Manager</b>	Contractual Authority for capital expenditure provided for in estimates.	\$10,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$10,000 per item
	Activities to which contractual authority applies.	Information Technology
	Activities for which the officer is the Financial Manager.	Information Technology
<b>Strategy and Communications Advisor</b>	Contractual Authority for capital expenditure provided for in estimates.	\$2,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$2,000 per item
	Activities to which contractual authority applies.	Corporate Planning
	Activities for which the officer is the Financial Manager.	Nil

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<b>Library Manager</b>	<u>Contractual Authority for capital expenditure provided for in estimates.</u>	<u>\$5,000 per item</u>
	<u>Contractual Authority for emergency expenditure not provided for in estimates.</u>	<u>Nil</u>
	<u>Contractual Authority for expenditure provided for in estimates.</u>	<u>\$5,000 per item</u>
	<u>Activities to which contractual authority applies.</u>	<u>Library</u>
	<u>Activities for which the officer is the Financial Manager.</u>	<u>Library</u>

Staff Member	Item	Amount
<b>DISTRICT ASSETS</b>		
<b>Transportation Manager</b>	Contractual Authority for capital expenditure provided for in estimates.	<del>\$20,000</del> \$50,000 <sup>1</sup> per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	<del>\$20,000</del> \$50,000 <sup>2</sup> per item
	Activities to which contractual authority applies.	Professional Services Business Unit
	Activities for which the officer is the Financial Manager.	Professional Services Business Unit
<b>Operations Manager</b>	Contractual Authority for capital expenditure provided for in estimates.	\$50,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$50,000 per item
	Activities to which contractual authority applies.	Professional Services Business Unit
	Activities for which the officer is the Financial Manager.	Professional Services Business Unit
<b>Engineer – Water Services</b>	Contractual Authority for capital expenditure provided for in estimates.	\$10,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$10,000 per item
	Activities to which contractual authority applies.	Professional Services Business Unit
	Activities for which the officer is the Financial Manager.	Nil
<b>Transportation Officer</b>	Contractual Authority for capital expenditure provided for in estimates.	\$10,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$10,000 per item

<sup>1</sup> Note: Increased to \$50,000 from 1 October 2015 with new appointment to position..

<sup>2</sup> As per Footnote 1 above.

	Activities to which contractual authority applies.	Professional Services Business Unit
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Staff Member	Item	Amount
<b>DISTRICT ASSETS</b>		
<b>Property and Projects Supervisor</b>	Contractual Authority for capital expenditure provided for in estimates.	\$10,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$10,000 per item
	Activities to which contractual authority applies.	Professional Services Business Unit
	Activities for which the officer is the Financial Manager.	Nil
<del><b>Solid Waste and Development Control Officer</b></del>	<del>Contractual Authority for capital expenditure provided for in estimates.</del>	<del>\$10,000 per item</del>
	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>Nil</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$10,000 per item</del>
	<del>Activities to which contractual authority applies.</del>	<del>Solid Waste Services</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Solid Waste Services</del>
<b>Asset Management Planner (Vacant)</b>	Contractual Authority for capital expenditure provided for in estimates.	\$10,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$10,000 per item
	Activities to which contractual authority applies.	District Assets
	Activities for which the officer is the Financial Manager.	District Assets
<b>Capital Projects Manager</b>	<u>Contractual Authority for capital expenditure provided for in estimates.</u>	<u>\$10,000 per item</u>
	<u>Contractual Authority for emergency expenditure not provided for in estimates.</u>	<u>Nil</u>
	<u>Contractual Authority for expenditure provided for in estimates.</u>	<u>\$10,000 per item</u>
	<u>Activities to which contractual authority applies.</u>	<u>District Assets</u>

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[Activities for which the officer is the Financial Manager.](#)

[District Assets](#)



Staff Member	Item	Amount
<b>PLANNING, COMMUNITY &amp; ENVIRONMENT</b>		
<b>Museum Director</b>	<del>Contractual Authority for capital expenditure provided for in estimates.</del>	<del>\$5,000 per item</del>
	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>Nil</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$5,000 per item</del>
	<del>Activities to which contractual authority applies.</del>	<del>Hokitika Museum</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Hokitika Museum</del>
<b>Community—Development Advisor</b>	<del>Contractual Authority for capital expenditure provided for in estimates.</del>	<del>\$5,000 per item</del>
	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>Nil</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$5,000 per item</del>
	<del>Activities to which contractual authority applies.</del>	<del>Community Development</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Community Development</del>
<b>Library Manager</b>	<del>Contractual Authority for capital expenditure provided for in estimates.</del>	<del>\$5,000 per item</del>
	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>Nil</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$5,000 per item</del>
	<del>Activities to which contractual authority applies.</del>	<del>Library</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Library</del>

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**REGULATORY SERVICES**

<b>Building Control Manager</b>	Contractual Authority for capital expenditure provided for in estimates.	\$5,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$5,000 per item
	The return of any bond taken for the performance of a condition of consent.	The full amount
	Activities to which contractual authority applies.	Building Inspection Services
	Activities for which the officer is the Financial Manager.	Building Inspection Services
<b>Building Control Officers &amp; Building Control and Quality Officer (3)</b>	<u>Contractual Authority for capital expenditure provided for in estimates.</u>	<u>\$2,000 per item</u>
	<u>Contractual Authority for emergency expenditure not provided for in estimates.</u>	<u>Nil</u>
	<u>Contractual Authority for expenditure provided for in estimates.</u>	<u>\$2,000 per item</u>
	<u>The return of any bond taken for the performance of a condition of consent.</u>	<u>The full amount</u>
	<u>Activities to which contractual authority applies.</u>	<u>Building Control</u>
	<u>Activities for which the officer is the Financial Manager.</u>	<u>Nil</u>

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<b>Staff Member</b>	<b>Item</b>	<b>Amount</b>
<b>PLANNING, COMMUNITY &amp; ENVIRONMENT</b>		
<b>Environmental Health/Regulatory Officer</b>	Contractual Authority for capital expenditure provided for in estimates.	\$5,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$5,000 per item
	Activities to which contractual authority applies.	Environmental Health, Dog Control and Stock Control Alcohol Licensing

	Activities for which the officer is the Financial Manager.	Environmental Health, Dog Control and Stock Control Alcohol Licensing
<b>Building Control Officers &amp; Building Control and Quality Officer</b>	<del>Contractual Authority for capital expenditure provided for in estimates.</del>	<del>\$2,000 per item</del>
	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>Nil</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$2,000 per item</del>
	<del>The return of any bond taken for the performance of a condition of consent.</del>	<del>The full amount</del>
	<del>Activities to which contractual authority applies.</del>	<del>Building Control</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Nil</del>
<b>TEAM LEADER – COMPLIANCE</b>	<del>Contractual Authority for capital expenditure provided for in estimates.</del>	<del>\$5,000 per item</del>
	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>Nil</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$5,000 per item</del>
	<del>The return of any bond taken for the performance of a condition of consent.</del>	<del>The full amount</del>
	<del>Activities to which contractual authority applies.</del>	<del>Compliance</del>
<b>Event Manager: Hokitika Wildfoods Festival</b>	<del>Activities for which the officer is the Financial Manager, Contractual Authority for capital expenditure provided for in estimates.</del>	<del>Nil \$10,000 per item</del>
	<del>Contractual Authority for emergency expenditure not provided for in estimates.</del>	<del>Nil</del>
	<del>Contractual Authority for expenditure provided for in estimates.</del>	<del>\$10,000 per item</del>
	<del>Activities to which contractual authority applies.</del>	<del>Events Marketing</del>
	<del>Activities for which the officer is the Financial Manager.</del>	<del>Events Marketing</del>
<b>PLANNING, COMMUNITY &amp; PLANNING ENVIRONMENT</b>		

<b>Wildfoods Festival Assistant</b>	Contractual Authority for capital expenditure provided for in estimates.	\$5,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$5,000 per item
	Activities to which contractual authority applies.	Events Marketing
	Activities for which the officer is the Financial Manager	Nil
<b>Planning Manager</b>	Contractual Authority for capital expenditure provided for in estimates.	\$5,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$5,000 per item
	The return of any bond taken for the performance of a condition of consent.	The full amount
	Activities to which contractual authority applies.	Resource Management
	Activities for which the officer is the Financial Manager.	Resource Management
<b>Planner</b>	Contractual Authority for capital expenditure provided for in estimates.	\$2,000 per item
	Contractual Authority for emergency expenditure not provided for in estimates.	Nil
	Contractual Authority for expenditure provided for in estimates.	\$2,000 per item
	The return of any bond taken for the performance of a condition of consent.	The full amount
	Activities to which contractual authority applies.	Resource Management
	Activities for which the officer is the Financial Manager.	Nil

## 31. Staff Delegations

### 31.1 Chief Executive

- Interpretations of the delegated authority of all officers.
- Appointed as Principal Administrative Officer for the purpose of the Local Government Act 2002 and other relevant legislation.
- As Principal Administrative Officer, authority to exercise all those powers and duties specified in Council's standing orders with respect to the Common Seal.
- Cheque signing authority in conjunction with any one of the following:
  - Finance Manager
  - Accountant
  - ~~Group Manager: Planning, Community and Environment~~
  - Group Manager: Corporate Services
- Authority to operate Council's bank accounts in conjunction with any one of the following:
  - Finance Manager
  - Accountant
  - [Group Manager: Corporate Services](#)
- Authority to operate ~~two~~ Business Visa Cards subject to:
  - A credit limit of \$10,000 on the Group Manager: Corporate Services' card
  - ~~A credit limit of \$10,000 on the iSite Manager's card~~
  - Cards ~~are~~ to be in the names of:
    - Group Manager: Corporate Services
    - ~~iSite Manager~~
- Statements are to be approved by the Chief Executive.
- Authority to issue press releases provided however that any such press releases shall not do anything whereby the goodwill and reputation of the Council may be prejudicially affected.
- Approval where applications for Class 4 Gambling Consents can be demonstrated to be in full compliance with Council's Class 4 Gambling Policy.
- To assess and approve discounts or alternative payments owed to Council, where a case of financial hardship has been proven.

### 31.1 **Chief Executive cont.**

- The authority to issue warrants of appointment pursuant to Section 174 Local Government Act 2002,
  - appoint enforcement officers pursuant to Section 177 Local Government Act 2002,
  - appoint authorised officers pursuant to Section 222 of the Building Act 2004,
  - appoint enforcement officers pursuant to Section 371B of the Building Act 2004,
  - appoint officers pursuant to Section 11 of the Fencing and Swimming Pools Act 1987,
  - appoint officers under the Westland District Council bylaws,
  - appoint enforcement officers pursuant to Section 38 of the Resource Management Act 1991, and
  - \*○ appoint licensing inspectors pursuant to Section 197 of the Sale and Supply of Alcohol Act 2012.
  
- The Principal Administrative Officer shall hold the Common Seal of the local authority and be responsible for the use of the same.
  
- The Chief Executive or other officers authorised by them may affix the seal to any document and shall report to the Council at its next ordinary meeting as to the documents thus sealed.
  
- Authority to appoint a Risk Coordinator.
  
- The authority to sign any form of information, evidence or consent relating to matters of litigation.

### 31.2 **General Delegations to Group Senior - Managers**

- Approval to carry forward annual leave for direct reports, of up to an accumulation of 10 days.
  
- Authority to direct officers to take leave if they have not reduced their excess annual leave.
  
- Authority to grant at their discretion, up to 10 days leave without pay in any one year to members of their staff. (Periods of leave in excess of 10 working days are to be referred to the Chief Executive).
  
- Authority to approve letters of offer and individual employment agreements provided the “appointment details form” has been completed and signed by the Chief Executive.
  
- Authority to approve merit promotions, accelerated increments, and double increments to members of their staff; provided however that such increased salaries are no more than the approved maximum for that position.
  
- Require bonds for any use of Council property under departmental manager’s control.

Where such is permitted by law and is not inconsistent with Council policy every manager may, in regard to matters within their jurisdiction, set, vary or waive fees or charges.

- Authority to issue such public notices as may be required from time to time by the Westland District Council, provided however that such public notices are issued under the name of the Chief Executive.

### **31.2 General Delegations to ~~Group Senior~~ Managers cont.**

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- Authority to issue press releases on activities for which the officer is the manager, provided however that any such press releases shall not do anything whereby the goodwill and reputation of the Council may be prejudicially affected.
- Authority to appoint staff within established limits, up to but excluding those reporting directly to managers.
- Authority to make any decision on applications for the erection of extensions of ancillary buildings that are licensed to occupy legal road, subject to applicants having a right of appeal to Council.
- The authority to sign any form of information, evidence or consent relating to matters of litigation.

### **31.3 ~~Group Manager: Planning, Community and Environment, Regulatory Services Manager~~**

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#### **31.3.1 General Delegations:**

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- Authority to approve and issue and/or renew licences for trading in public places.
- Authority to approve and issue and/or renew Certificates of Registration for all premises to which the Health (Registration of Premises) Regulations 1996, refer.
- Authority to register, impound and destroy dogs. Authority to refund dog registration fees on the death of a dog and authority to remit registration fees or penalties where it would be just and equitable to do so.
- All of the functions, powers, duties and discretions of the Council pursuant to the Dog Control Act 1996.
- Authority to issue infringement notices pursuant to Section 66, Dog Control Act, 1996.
- Authority to issue permits for operations of an amusement device (Amusement Devices Regulations 1978, Regulation 11).
- Authority to issue Cleansing Orders (Section 41 Health Act 1956).
- Authority to carry out Disinfection of Premises (Section 81 Health Act 1956).

- Action under Section 183 Local Government Act 2002 in relation to removal of growth likely to constitute a fire hazard.
- Delegation of functions pursuant to Regulation 22 (1) Housing improvement Regulations 1947.
- Service of notices to occupiers of private land, to clear litter (Section 10, Litter Act 1979).

**31.3 ~~Group Manager: Planning, Community and Environment~~ Regulatory Services Manager**

- Authority to issue notices pursuant to Section 29 of the Health Act 1956.
- Issue of demolition requisitions and enforcement of demolition orders under Section 48 and Section 51 of the Health Act 1956
- Issue of certificate pursuant to Sections 42 and 48 of the Health Act.
- Issue of repair notices under Section 42 of the Health Act.
- Authority to issue Certificates of Exemption pursuant to Regulation 6 of the Food Hygiene Regulations 1974 and Regulation 14 of the Camping Ground Regulations 1985.
- Power to refund fees in respect of any withdrawn applications in proportion to the remainder less cost incurred by the time of withdrawal.
- Authority to cancel a building line restriction pursuant to Section 327A of the Local Government Act, 1974 subject to all buildings being in conformity with the Operative District Plan.
- Authority to approve of the creation of a right of way pursuant to Section 348 of the Local Government Act, 1974.
- Authority to remedy contravention under the Forest and Rural Fires Act 1977 and to initiate proceedings to recover costs for such actions.
- Authority to file prosecutions for offences under the Forest and Rural Fires Act 1977.
- Authority to issue fire restriction notices and burning permits pursuant to the Forest and Rural Fires Act 1977.
- All the functions, powers and duties vested in Council pursuant to Council Bylaws.

***NOTE: The ~~Group Manager: Planning, Community and Environment~~ may subdelegate any or all of the above.***

- The power to remit fees and charges for volunteer or not-for-profit organisations. (Decisions to be reported back to the next meeting of Council.)



- Authority to affix the Common Seal in accordance with Clause 32.1 of this manual.

\* ~~Cheque signing authority in conjunction with any one of the following:~~

- ~~> Chief Executive~~
- ~~> Finance Manager~~
- ~~> Accountant~~
- ~~> Group Manager: Corporate Services~~

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### 31.3.3 Planning Manager

#### 31.3.2 Resource Management Act Delegations:

<ul style="list-style-type: none"> <li>▪ Regional Council Applications</li> </ul>	In conjunction with the Group Manager: District Assets to make a submission on any Resource Consent notified by the West Coast Regional Council and grant Section 94 approvals (affected persons).
<ul style="list-style-type: none"> <li>▪ Regional Council Plans</li> </ul>	To make a submission on any Plan or Policy Statement notified by the West Coast Regional Council.
<i>Guideline</i>	<i>It is anticipated that this delegation will be exercised on minor amendments and changes only. Any submission must be consistent with Council policy and any major change to a Plan or Policy Statement will be considered by the Council.</i>
<ul style="list-style-type: none"> <li>▪ Section 10</li> </ul>	The authority to grant a time extension to an existing use.
<ul style="list-style-type: none"> <li>▪ Section 36</li> </ul>	The power to remit fees and charges for volunteer or not-for-profit organisations. (Decisions to be reported back to the next meeting of Council.)  Ability to not perform an action to which a charge relates, until the charge has been paid in full.
	Authority to approve of the reimbursement in part or full of a fee where an application is withdrawn and the processing costs are less than the Authority to adjust or write off any outstanding fees where it is determined that the fee requires adjustment or it is unreasonable or not possible to try and collect it.
<ul style="list-style-type: none"> <li>▪ Section 37 &amp; 37A</li> </ul>	The power to waive and extend time limits.

**31.3.2 Resource Management Act Delegations cont.**

▪ Section 38	The authorisation as Enforcement Officer
▪ Section 41	The authority to direct that evidence be provided before the hearing, the authority for staff to direct certain procedural aspects of the hearing before the hearing and the authority to request a party who made a submission to provide further evidence before a hearing.
▪ Section 42	Protection of sensitive information.
▪ Section 42A	Authorisation to require the preparation of reports for each consent application.
▪ Section 88	To determine that an application for a resource consent is incomplete and the reasons for that determination.
▪ Section 91	Deferral of application pending additional consents.
▪ Section 92	To require further information to be provided or to commission a report before a Resource Consent Application is notified or heard and to postpone notification of a hearing.
▪ Section 92A	The authority for staff to set time limits on applications in circumstances outlined in the Act.
▪ Section 92A	The authority to set time limits for the receipt of further information.
▪ Section 99	The power to initiate pre-hearing meetings. The authority to decide if staff that have the power to make a decision on an application may attend and participate in a pre-hearing meeting.
<i>Guideline</i>	<i>This authority is subject to all parties agreeing.</i>

**31.3.2 Resource Management Act Delegations cont.**

▪ Section 99A	The authority to appoint a staff member as a mediator where the Council is the consent applicant.
▪ Section 100	The power to determine that a formal hearing is not needed.
▪ Section 101	The power to fix a hearing date.
<i>Guideline</i>	<i>The fixing of a hearing date is to be undertaken in-so-far as possible with the applicant.</i>
▪ Section 102	The power to make a decision to establish a joint hearing.
▪ Section 103	Power to decide and arrange the holding of combined hearings where two or more applications are made to Council.
▪ Section 106	The authority for staff to decline an application in the circumstances outlined in the Act, i.e. adequate information not provided to enable the application to be determined.
▪ Section 109	The power to decide whether any work subject of a bond or covenant is completed satisfactorily.
▪ Section 114	To determine what other authorities and persons are considered appropriate to be notified of a decision on a resource consent application.
▪ Section 116	Exercise the discretion to support or oppose any application made to the Environment Court pursuant to Section 116 of the Resource Management Act 1991.
▪ Section 124	To permit an application to continue to operate pending determination of an application for a replacement consent as provided for in S124(b).
▪ Section 125	Power to extend the period in which a resource consent lapses.

**31.3.2 Resource Management Act Delegations cont.**

▪ Section 126	The power to cancel unexercised consents.
▪ Section 127	The power to decide the circumstances when it would be unreasonable to seek written approval of other persons to the variation or cancellation of conditions.
▪ Section 128 to 132	Power to initiate review of condition of a resource consent and make a decision on the review.
▪ Section 133A	The authority to correct minor mistakes or defects in resource consent.
▪ Section 139	To issue or decline Certificates of Compliance.
▪ Section 139A	To issue an existing use certificate
▪ Section 176A	The waiving of the need for an outline Plan. The approval of Outline Plans and the request for changes to be made.
▪ Section 222	The power to issue a Completion Certificate.
▪ Section 224	Authority to issue a completion certificate confirming that every building or part of a building complies with S46(4) of the Building Act 1991
▪ Section 226	The power to certify any survey plan or copy thereof to the effect that the subject land has not been subject to a previous statutory approval.
▪ Sections 227, 240 and 241	To cancel in whole or in part prior approvals or Certificates requiring the amalgamation of allotments.
▪ Section 234	Power to vary or cancel an esplanade strip.
▪ Section 243	The revocation of conditions as to easements.
▪ Section 310 & 311	To apply to the Environment Court for a declaration.
▪ Section 314	To apply to the Environment Court for an enforcement order.
▪ Section 316 & 320	Power to apply for enforcement order or interim enforcement order.

**31.3.2 Resource Management Act Delegations cont.**

<i>Guideline</i>	<i>The need for legal advice should be considered on each occasion.</i>
▪ Section 322	Power to serve abatement notices.
▪ Section 323	To act as and allow an enforcement officer to take appropriate action to reduce noise to a reasonable level or seize equipment to ensure compliance with an abatement notice.
▪ Section 325A	To cancel or confirm an abatement notice or approve a request for change or cancellation of an abatement notice.
▪ Sections 327 & 328	To act as and allow an enforcement officer to give a directive to reduce excessive noise and take action to control the excessive noise
▪ Section 330	In the case of emergency work, power to take preventative or remedial action
▪ Sections 332 & 333	Power of entry for inspection survey, collect samples
<i>Guidelines</i>	<p><i>Section 323</i>  <i>An enforcement officer must be accompanied by a constable when equipment is seized and impounded.</i></p> <p><i>Section 333</i>  <i>Under this section the officer may undertake surveys for any purposes connected with the preparation, change or review of a policy statement or plans. In this case reasonable written notice shall be given to the occupier before entering the land. Warrants must be shown and written authorisations produced upon initial entry. As the Act is quite explicit it is not considered that any additional guidelines are required.</i></p> <p><i>Under section 332 of the Act staff may enter onto a property but not enter a dwelling house to determine whether or not:</i></p> <p>(a) <i>The Act, rules, consent etc, are being complied with;</i>  (b) <i>An enforcement order etc, is being complied with; or</i>  (c) <i>Any person is contravening a rule in a plan in a manner prohibited by specific sections of the Act.</i></p>

### 31.3.2 Resource Management Act Delegations cont.

▪ Section 336	The power to consider an application to return seized property.
▪ 1st Schedule - Clause 5	The power to decide on whom public notice shall be sent in relation to the Proposed District Plan or a change thereto and to arrange public notification of that proposal.
▪ 1st Schedule - Clause 7	The power to summarise submissions made in respect of a Proposed District Plan or a change thereto.

**The above resource management powers are also delegated to the Planning Manager, and are to be exercised in consultation with the ~~Group Manager: Planning, Community and Environment.~~**

**The following is delegated to the Chief Executive and ~~Group Manager: Planning, Community and Environment acting together or the Group Manager: Planning, Community and Environment~~ and the Planning Manager acting together, or any of the former acting individually.**

▪ Section 95	The power to decide if an application for a Resource Consent should be limited notified or publicly notified.
▪ Section 95A	Authority to exercise the discretion to publicly notify an application.
▪ Section 95B	Authority to determine affected persons and affected order holders and to give limited notification.
▪ Section 95C	Authority to publicly notify an application after a request for further information.
▪ Section 95D	Authority to determine if adverse effects are likely to be more than minor.
▪ Section 95E	Authority to determine if a person is an affected person if an activity's adverse effects are minor or more than minor.

**31.3.2 Resource Management Act Delegations cont.**

<p><i>Guidelines</i></p>	<p><i>Consideration shall include the “novelty” of the proposal, public expectation outside of the Act and District Plan and factors not usually evident in the District.</i></p> <p><i>Applications are to be looked at as a whole by weighing positive and negative effects.</i></p> <p><i>Any effect greater than de minimus will require an assessment as to possible impact on any person.</i></p> <p><i>Proposals that involve activities that have a novel or markedly different approach or nature need to be evaluated with public participation in mind.</i></p>
<ul style="list-style-type: none"> <li>▪ Section 99A</li> </ul>	<p>The authority to refer a person to mediation.</p>
<ul style="list-style-type: none"> <li>▪ Section 104A</li> <li>▪ Section 104B</li> <li>▪ Section 104C</li> <li>▪ Section 104D</li> <li>▪ Section 106</li> <li>▪ Section 108</li> <li>▪ Section 220</li> </ul>	<p>To approve applications for resource consents, including determining conditions for;</p> <p><u>Controlled</u> activities, Restricted discretionary activities, discretionary activities and Non-complying activities;</p> <p>where non-notified or where notified and:</p> <ul style="list-style-type: none"> <li>- no submissions are received; or</li> <li>- no request is made for a hearing; or</li> <li>- the need for a hearing has been adverted by a submission being withdrawn.</li> </ul>
<p><i>Guideline</i></p>	<p><i>The Act requires all applications to be notified unless specific circumstances provided for in the Act are met</i></p>
<ul style="list-style-type: none"> <li>▪ Section 127</li> </ul>	<p>Power to change or cancel a consent condition.</p> <p>The power to decide the circumstances when it would be unreasonable to seek written approval of other persons to the variation or cancellation of conditions.</p>
<ul style="list-style-type: none"> <li>▪ Section 168A</li> </ul>	<p>To consider and make a decision on any Requirement for a Designation which does not require a hearing.</p>



### 31.3.2 **Resource Management Act Delegations cont.**

▪ Section 171	To consider and make a recommendation to any requiring Authority on any Requirement for a Designation which does not require a hearing.
▪ Section 181	To consider and make decisions on any application to alter an existing designation.
▪ Section 221	Power to issue and cancel a consent notice.
▪ Section 223	To approve any survey plan.
▪ Section 224	Authority to certify compliance as an 'authorised officer' with specified conditions prior to deposit of survey plan.
General	The authority to sign a form of consent or other document to be lodged with the Environment Court relating to resource consents.
<i>Guideline</i>	<i>The need for legal advice should be considered on each occasion.</i>

### 31.3.3 **Sale and Supply of Alcohol Act 2012 Delegations:**

To act as Secretary of the District Licensing Committee.

**NOTE: ~~The Group Manager: Planning, Community and Environment—Regulatory Services Manager~~ may subdelegate any or all of the above.**

### 31.3.4 **Building Act Delegations:**

▪ All of the functions, powers, duties and discretions of the Council pursuant to the Building Act 1991 and the Building Act 2004 and Building Codes issued pursuant to them.

**NOTE: ~~The Group Manager: Planning, Community and Environment—Regulatory Services Manager~~ may subdelegate any or all of the above.**

### 31.4 **Finance Manager**

- Authority to institute legal proceedings for recovery of debts owed to Council.
- Authority to remit penalty on rates in respect to any particular ratepayer and ratepayers in the circumstances when the officer considers it would be just and equitable to do so. In all instances the amounts shall not exceed \$500. All penalties written off to be reported back to Council once a year.
- Authority to deposit surplus general funds with any bank and to invest special funds in any manner authorised by the Trustees Act and within the Audit Office and Council policy.

- Authority to negotiate loan interest rates and terms with brokers and/or lending institutes for loans raised by Council.

#### **31.4 Finance Manager cont.**

- The writing off of bad debts considered to be bad or uncollectable up to the value of \$200. All debts to be written off to be reported back to Council once a year.
- Arrange overdraft facilities up to statutory limit.
- Make or take any oath or declaration in regard to Council's financial affairs.
- Enter into any arrangements for payment of a debt owed to Council over a period.
- In consultation with the Group Manager: District Assets, discontinue any service for non-payment and authorise resumption of service where appropriate.
- Amend any entries in the valuation roll or the Council's rating records which are the result of an error or which are no longer correct as a result of changed circumstances.
- Authority to apply to the Valuer General for valuation equalisation certificates for rating purposes.

***NOTE: The Finance Manager may subdelegate any or all of the above to the Accountant.***

- Cheque signing authority in conjunction with any one of the following:
  - Chief Executive
  - Accountant
  - ~~Group Manager: Planning, Community and Environment~~
  - Group Manager: Corporate Services
- Authority to operate a Council Business Visa Card as approved by the Chief Executive.
- Authority to operate Council's bank accounts in conjunction with any one of the following:
  - Chief Executive
  - Accountant
  - ~~Group Manager: Corporate Services-~~

#### **31.5 Group Manager: District Assets**

- The powers conferred on the Council by clause 11 of the Tenth Schedule of the Local Government Act 1974 (temporary prohibition of traffic on roads.)
- Authority to remove motor vehicles which may be abandoned (Section 356 Local Government Act 1974).

- The closing of sports grounds as circumstances shall require from time to time.

### 31.5 Group Manager: District Assets cont.

- The granting of drainage easements over parks and reserves.
- Variation of the allocation of sports grounds, winter and summer.
- Temporary use of any park or reserve for any recreation or entertainment and to impose any terms and conditions applicable.
- Approval of applications to take up collections on reserves and beaches and Council owned public open spaces.
- Approval of the erection of commercial signs and sponsorship signs on sports parks, subject to other necessary approvals (i.e. CAA or Building Consents)
- Approval of temporary helicopter landing and take-off sites on parks and reserves, subject to other necessary approvals.
- Authority to issue notices to property owners and residents in area where works are to be carried out subject to any other statutory provisions.
- Authorise the planting or removal of trees from any reserve, street or other Council land.
- Approval of erection of directional signs.
- Authority to set fees and charges for inspections and repair of service authority trenches (i.e. utility providers), in conjunction with the Chief Executive.
- Fixing of charges within the limits imposed by the Reserves Act 1977, for the use of Council reserves in conjunction with the Chief Executive.
- All the functions, powers and duties vested in Council by virtue of the Jackson Bay Wharf Bylaw.
- The powers conferred on the Council by the Transport (Vehicular Traffic Road Closure) Regulations 1965.
- Power to carry out or authorise any relevant actions or procedures regarding market days and special functions in shopping areas.
- Authority to carry out or authorise any relevant actions or procedures regarding parades or processions, public entertainment and playing of Christmas Carols on streets and public places.
- Remission of burial charges pursuant to Section 49 of the Burial and Cremation Act 1964.

**NOTE: The Group Manager: District Assets may subdelegate any or all of the above.**

# Report



**DATE:** 28 November 2019  
**TO:** Mayor and Councillors  
**FROM:** Chief Executive

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## **APPROVAL OF UNBUDGETED EXPENDITURE**

### **1 SUMMARY**

- 1.1 The purpose of this report is to seek Council's approval of unbudgeted expenditure to enable a Committee Secretary to be sourced to assist with servicing the five Standing Committees of Council.
- 1.2 This issue arises from the requirement to employ an additional full-time resource to assist with Democracy Services of Council. The employment of an additional resource would be based in the Office of the Chief Executive and report to the Executive Assistant.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council approve the unbudgeted expenditure for the appointment of an additional resource in the Office of the CE.

### **2 BACKGROUND**

- 2.1 The Council at its Triennial Meeting held on the 24 October 2019 adopted five Standing Committees of Council – Audit and Risk, Capital Projects and Tenders, Economic Development, Planning and Regulatory and Community Development.

- 2.2 The Council in the previous Triennium had one Standing Committee which was the Finance, Audit and Risk Committee. This Committee met on the same day as the Ordinary Council Meeting, hence there was no need for additional resourcing to service that Committee.
- 2.3 Due to the increase in the number of Standing Committees, there will now be additional workload on existing staff to service the additional Committees to prepare agendas, minutes, and attend to correspondence and actions from those meetings. The Community Development Committee meetings will be held in the early evening which will enable members of the public to participate after work.
- 2.4 Following the outcomes of the Committee Meetings the additional support will be able to support the communication processes for updating our communities.

### **3 CURRENT SITUATION**

- 3.1 The Office of the CE has an Executive Assistant, Senior Administration Assistant and an Office Assistant (1.5 hours per day) position. There will be an increased workload in the department due to the five new Standing Committees of Council, and accordingly an additional resource will be required to assist with the preparation of agendas and minutes, associated correspondence and actions from the Standing Committees.

### **4 OPTIONS**

- 4.1 Option 1 is that Council approve the unbudgeted expenditure for the appointment of an additional resource in the Office of the CE.
- 4.2 Option 2 is that Council decline the unbudgeted expenditure request.

### **5 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 The matter of approval of unbudgeted expenditure is administrative in nature, and therefore is assessed as being of low significance. The Chief Executive has the delegated authority for the appointment of staff.
- 5.2 No engagement or consultation is required.

**6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

6.1 Council has already adopted the five Standing Committees of Council.

6.2 The financial implications in appointing an additional resource will result in unbudgeted expenditure and approval is sought for a variation to budget.

**7 PREFERRED OPTION(S) AND REASONS**

7.1 The preferred option is Option 1 which is that Council approve the unbudgeted expenditure for the appointment of an additional resource in the Office of the CE.

**8 RECOMMENDATION(S)**

A) **THAT** Council approve the unbudgeted expenditure for the appointment of an additional resource in the Office of the CE.

**Simon Bastion**  
**Chief Executive**

# Report



**DATE:** 28 November 2019

**TO:** Mayor and Councillors

**FROM:** Chief Executive

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## CODE OF CONDUCT - APPOINTMENT OF INDEPENDENT INVESTIGATOR

### 1 SUMMARY

- 1.1 The purpose of this report is to appoint an organisation to act on Council's behalf to source an Independent Investigator for assessing and ruling on complaints received as per the Council's Adopted Code of Conduct.
- 1.2 This issue arises from the requirement to determine a process for the appointment of an Independent Investigator as part of the Council's Adopted Code of Conduct. A list of Independent Investigators needs to be agreed upon at the start of the Triennium.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council receives the report "Appointment of Independent Investigator" and appoints EquiP Limited Partnership to act on Council's behalf to source an Independent Investigator should a Code of Conduct complaint be received.

## **2 BACKGROUND**

- 2.1 The Council adopted the Code of Conduct at its Triennial Council Meeting held on the 24 October 2019. Members must comply with the provisions of the code (LGA 2002, schedule 7, cl 15(4)). Any member, or the Chief Executive, who believes that the Code has been breached by the behaviour by a member may make a complaint to the effect. On receipt of a complaint, the CE must forward the complaint to the Mayor/Chair or, where the Mayor/Chair is a party to the complaint, an independent investigator, drawn from a pool of names or agency agreed in advance.
- 2.2 EquiP Limited Partnership is Local Government New Zealand's (LGNZ) Centre of Excellence and is a Limited Partnership and separate legal entity wholly owned by LGNZ.
- 2.3 EquiP Limited have agreed to assist in sourcing an Independent Investigator to assist Council should a Code of Conduct complaint be received.
- 2.4 The investigator's report will be considered by the Council or adjudicative body established for considering reports on Code of Conduct complaints, or any other body that the Council may resolve, noting that the process will meet the principles set out in Section 12.1 of the Code of Conduct.
- 2.5 The Council, or adjudicative body, will consider the Chief Executive's Report in an open meeting, except where the alleged breach concerns matters that justify, in accordance with LGOIMA, the exclusion of the public.

## **3 CURRENT SITUATION**

- 3.1 Council has adopted a Code of Conduct, however a pool of names has not yet been agreed upon to act as an independent investigator.
- 3.2 Council does not currently have a process for determining an independent investigator appointed to investigate complaints where the Mayor/Chair is a party to the complaint. Only members and the Chief Executive may make a complaint under the Code.

## **4 OPTIONS**

- 4.1 Option 1 is to receive the report and appoint EquiP Limited Partnership to act on Council's behalf to source an Independent Investigator for complaints where the Mayor/Chair is a party to the complaint.



4.2 Option 2 is to not receive the report and not appoint an independent investigator.

## 5 SIGNIFICANCE AND ENGAGEMENT

5.1 The appointment of EquiP Partnership Ltd to act as a facilitator to source an independent investigator is administrative in nature, and therefore is assessed as being of low significance.

5.2 No engagement or consultation is required.

## 6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1 The Adopted Code of Conduct makes provision for addressing matters not clearly defined in previous versions of the Code, or that have arisen as a result of amendments to processes, procedures or best practice.

6.2 The financial implications in appointing an Independent Investigator will be operational, funded from rates.

## 7 PREFERRED OPTION(S) AND REASONS

7.1 The preferred option is Option 1 which is that Council appoint EquiP Limited Partnership to source an Independent Investigator for complaints where the Mayor/Chair is a party to the complaint. Council is required to adopt a process where a complaint is referred to an Independent Investigator. A pool of names or agency is required to be agreed in advance at the start of the Triennium.

## 8 RECOMMENDATION(S)

A) **THAT** the report "Appointment of Independent Investigator" be received.

B) **THAT** Council appoints EquiP Limited Partnership to act on Council's behalf to source an Independent Investigator for complaints where the Mayor/Chair is a party to the complaint.

**Simon Bastion**  
**Chief Executive**

# Report



**DATE:** 28 November 2019  
**TO:** Mayor and Councillors  
**FROM:** Chief Executive

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## CONFIRMATION OF APPOINTMENTS TO OUTSIDE ORGANISATIONS

### 1 SUMMARY

- 1.1 The purpose of this report is to confirm Council appointments to outside organisations for the 2019-2022 Triennium.
- 1.2 This issue arises from requests from community organisations to have a Council representative liaise with their group.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council makes the appointments and confirms the liaison roles in **Appendix 1**.

### 2.0 BACKGROUND

- 2.1 There are a number of external organisations that request that Council make an appointment to or have a liaison with. These are not legislatively driven and it is at the sole discretion of Council as to whether a representative is appointed.

### 3 CURRENT SITUATION

- 3.1 At the inaugural Council meeting held on the 24 October 2019, Council adopted a committee structure, meeting schedule and adopted the Committee chairs and membership as outlined in the Report to Council.

- 3.2 It is important to understand the difference between “making an appointment to” and “having a liaison role with.” Appointments are usually legislatively or constitutionally driven. In the past Council has “made appointments to outside organisations”, such as community associations. There is nothing in these organisations constitutions that requires Council to do this. For this reason, officers are recommending that the term “has a liaison role with” is used.

#### 4 OPTIONS

- 4.1 There are two options available to Council for the appointments:
- 4.1.1 Confirm the elected member representation on outside organisations attached as **Appendix 1**.
  - 4.1.2 Amend the list.

## 5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 In accordance with Council's Policy on Significance, this matter is administrative in nature and therefore deemed to be of low significance.
- 5.2 This matter is internal to Council and therefore consultation is not required. The outside organisations will be advised of the representation.

## 6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 **Appendix 1** is a reflection of a discussion Council has already had. Confirming this list means that the outside organisations can be notified as to who their Council liaison person is.
- 6.2 Amending the list of appointments at the meeting on 28 November 2019 will have little impact. However, if Council wishes to do some significant work on the list, it may mean parts or all of this report is deferred to a future meeting, which will delay confirming appointments.
- 6.3 Elected members are able to claim mileage in accordance with Council's Allowances and Recovery of Expenses Policy, and within budget. The more meetings that are attended where mileage is claimed the higher the cost.

## 7 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is to confirm the list of liaison roles with outside organisations as recommended in **Appendix 1**.

## 8 RECOMMENDATION

- A) **THAT** Council confirms the recommendations for liaison roles with outside organisations in **Appendix 1**.

**Simon Bastion**  
**Chief Executive**

**Appendix 1:** Appointments to Outside Organisations

# APPENDIX 1

## APPOINTMENTS TO COMMITTEES

<b>Name of Committee</b>	<b>Appointment Recommendation</b>
<p><b>Westland Wilderness Trust</b> This is a CCO and is the governance body for the West Coast Wilderness Trail. As required in the constitution two Council reps are required for this Trust. Other trustees are:</p> <p>Francois Tumahai (Chairperson), Chairman, Te Rūnanga O Ngāti Waewae Cr XX Cr XX Chris Auchinvole JP Mark Davies, Department of Conservation Cr Anton Becker, Grey District Council Natalie Win, Te Rūnanga o Makaawhio</p>	<p><b>Recommendation:</b> That Deputy Mayor Carruthers, Cr Davidson and the Chair of Te Rūnanga o Makaawhio are appointed to the Westland Wilderness Trust.</p>
<p><b>Alcohol Working Group</b> This group is established by Council to work with staff to implement the requirements of the new Sale and Supply of Alcohol Act 2012.</p>	<p><b>Recommendation:</b> That Crs. XX, XX and XX are appointed to the Alcohol Working Group.</p>
<p><b>Hokitika Seawall Joint Committee</b> This Joint Committee with the West Coast Regional Council is established to oversee the management of the Hokitika Seawall. Three elected members are required.</p>	<p><b>Recommendation:</b> That Deputy Mayor Carruthers, Cr Neale, Cr Keogan, Cr Hart are appointed to the Hokitika Seawall Joint Committee.</p>

# LIAISON ROLES WITH COMMUNITY ORGANISATIONS

Organisation	Recommendation
Destination Westland	<b>Recommendation:</b> That Cr Keogan and Cr XX have a liaison role with Destination Westland.
Fox Glacier Community Association	<b>Recommendation:</b> That Cr Hartshorne and Cr Kennedy have a liaison role with the Fox Glacier Community Association.
Franz Inc.	<b>Recommendation:</b> That Cr Hartshorne and Cr Kennedy have a liaison role with Franz Inc.
Franz Josef/Waiiau Community Forum	<b>Recommendation:</b> That Cr Hartshorne and Cr Kennedy have a liaison role with the Franz Josef/Waiiau Community Forum.
Glacier Country Tourism Group	<b>Recommendation:</b> That Cr Hartshorne and Cr Kennedy have a liaison role with the Glacier Country Tourism Group.
Haast Promotions Group	<b>Recommendation:</b> That Cr Hartshorne and Cr Kennedy have a liaison role with the Haast Promotions Group.
Hari Hari Community Association	<b>Recommendation:</b> That Cr Hartshorne and Cr Kennedy have a liaison role with the Harihari Community Association.
Heritage Hokitika	<b>Recommendation:</b> That Deputy Mayor Carruthers has a liaison role with Heritage Hokitika.

<b>Organisation</b>	<b>Recommendation</b>
Heritage West Coast	<b>Recommendation:</b> That Deputy Mayor Carruthers has a liaison role with Heritage West Coast.
Kokatahi/Kowhitirangi Community Association	<b>Recommendation:</b> That Cr Hart and Cr Keogan have a liaison role with the Kokatahi/Kowhitirangi Community Association.
Kumara Residents Association	<b>Recommendation:</b> That Cr Hart and Cr Keogan have a liaison role with the Kumara Residents Association.
Ōkārīto Community Association	<b>Recommendation:</b> That Cr Hartshorne and Cr Kennedy have a liaison role with the Ōkārīto Community Association.
Ross Community Society	<b>Recommendation:</b> That Cr Hartshorne and Cr Kennedy have a liaison role with the Ross Community Association.
Safe Community Coalition The Safe Community Coalition terms of reference do not stipulate membership, however elected members have attended meetings in the past.	<b>Recommendation:</b> That Cr Kennedy and Cr Davidson have a liaison role with the Safe Community Coalition.
Whataroa Community Association	<b>Recommendation:</b> That Cr Hartshorne and Cr Kennedy have a liaison role with the Whataroa Community Association.

## OTHER APPOINTMENTS

Group	Name
<b>Creative Communities Local Assessment Committee</b>	<ul style="list-style-type: none"> <li>• Cr Martin</li> <li>• Cr Neale</li> </ul>
<b>Development West Coast – Appointment Panel</b>	<ul style="list-style-type: none"> <li>• Mayor Smith</li> </ul>
<b>District Licensing Committee</b> Appointment of Deputy Chair	<ul style="list-style-type: none"> <li>• Deputy Mayor Carruthers</li> </ul>
<b>Sport NZ Rural Travel Fund – Allocation Committee</b>	<ul style="list-style-type: none"> <li>• Cr Neale</li> </ul>
<b>Trustpower Community Awards – Judging Panel</b>	<ul style="list-style-type: none"> <li>• Mayor Smith</li> <li>• Cr Martin</li> <li>• Cr Keogan</li> </ul>
<b>Tourism West Coast</b>	<ul style="list-style-type: none"> <li>• Alexander Tschampel appointed for a 3 year period from 1 April 2016 to the 1 April 2019.</li> </ul>
<b>Accredited Resource Management Hearings Advisors</b>	<p><b>Recommendation:</b> That Crs. XX, XX and XX are appointed to be Accredited Resource Management Hearings Advisors.</p>
<p><b>West Coast Regional Transport Committee</b> This Joint Committee is a Committee of Council that is required under section 105 of the Land Transport Management Act. Council is required to appoint one elected member as representative on this Committee.</p>	<p><b>Recommendation:</b> That Cr Hartshorne is appointed to the West Coast Regional Transport Committee.</p>
<p><b><u>Membership of Civil Defence Emergency Management Groups -</u></b> <b>West Coast Emergency Management Group</b> Section 13 of the Civil Defence and Emergency Management Act 2002 states that “Each local authority that is a member of a Group with other local authorities must be represented on the Group by 1, and only 1, person, being the</p>	<p><b>Recommendation:</b> That Mayor Smith is appointed to the West Coast Emergency Management Group.</p>



mayor or chairperson of that local authority or an elected person from that local authority who has delegated authority to act for the mayor or chairperson.”	
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# Report



**DATE:** 28 November 2019

**TO:** Mayor and Councillors

**FROM:** Group Manager: Corporate Services

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## AUDIT MANAGEMENT REPORT YEAR ENDED 30 JUNE 2019

### 1 SUMMARY

- 1.1 The purpose of this report is to present the Audit Management Report (attached as **Appendix 1**) for the year ended 30 June 2019.
- 1.2 The report is written by Scott Tobin, Audit Director for Audit New Zealand and has been reviewed by Council management. Observations and comments from both are contained within the 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 May 2018, which will be set out in the next Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that the Council receive the Audit Management Report for the year ending 30 June 2019 and approves it for public release.

### 2 BACKGROUND

- 2.1 Audit Management Reports are provided annually to Council and provide commentary and recommendations on observations made by the audit team during the Annual Report audit process.
- 2.2 In the first instance, the CE and Group Manager: Corporate Services receives a draft report for staff to provide a management response to the comments. This then enables elected members to receive a full report on the issues and recommendations and the action being taken by staff to address them.

### 3 CURRENT SITUATION

- 3.1 The Finance team and the Strategy and Communications Advisor provided a report in a timely manner in order for Audit NZ to undertake the final audit process.
- 3.2 The report was the first Annual Report to be produced using the IBIS financial reporting tool, and although implementation is still not fully complete, the use of IBIS allowed for mainly automated financial reports and notes to the accounts with a fresh and professional look to the document.
- 3.3 The Audit Management Report is very positive, it has noted a number of areas for Council to improve, however it also notes that there have been improvements. The main items for improvement were;
  - 3.3.1 The revaluation of Infrastructure assets. Audit NZ noted that asset information had improved, however the comparison with the previous revaluation was not easy due to the lack of information held from the previous revaluations in 2016.
  - 3.3.2 The March flood event and the impairment of assets caused by the event was of focus during the audit process. Some roading and bridge repairs were determined not to be completed at 30 June 2019 which meant that the finance team needed to impair some of these assets. Determining the value to impair caused some difficulties, however Audit NZ and the finance team worked closely together to find a solution.
  - 3.3.3 Again there are a few issues with the recording of mandatory KPI data, this is an area Council staff have been working on for some time and will continue to do so to find a solution.
- 3.4 The previous financial year 2017-18 was a particularly difficult audit process, however Management and Audit NZ have resolved these issues and the finance team thank Audit NZ for the support and advice that they have offered during this financial year and not just through the audit process. The relationship between Council and Audit NZ is very good.
- 3.5 There are no items described as 'Urgent' in the report. There are 11 items that have been described as necessary, and 0 item described as beneficial, some of these are currently being addressed. Council has cleared 6 of the recommendations from this and previous audits.

- 3.6 The report also reflects on the quality and completeness of Council's statements of service performance. The financial year ended 30 June 2019 is the first year of reporting against the performance measures contained in the Long Term Plan 2018-28, which include the mandatory measures introduced by the Department of Internal Affairs.
- 3.7 There are still challenges in gathering this data using the limited reporting system, and there is still some improvement required and some specific actions are noted. The report also recommends that the 2 yearly resident's survey is undertaken as proposed, arrangements for this survey are already underway.
- 3.8 Updates on the recommendations will be brought to the Audit and Risk Committee quarterly.

#### **4 OPTIONS (WITH ANALYSIS)**

- 4.1 The Committee can decide to receive or not receive the report. Should the Committee decide not to release the report to the community it would sacrifice the opportunity to provide a useful and objective perspective on how Council is discharging its obligations of financial stewardship and control over service delivery.

#### **5 SIGNIFICANCE AND CONSULTATION**

- 5.1 This report is for information and deemed to be of low significance. No consultation is required.

#### **6 RECOMMENDATION**

- A) **THAT** the Committee receives the Audit Management Report for the year ended 30 June 2019.
- B) **THAT** the Committee approves the public release of the Audit Management Report for the year ended 30 June 2019.

**Lesley Crichton**  
**Group Manager: Corporate Services**

**Appendix 1:** Audit Management Report 30 June 2019

# Report to the Council on the audit of

Westland District Council

For the year ended 30 June 2019

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## Key messages

We have completed the audit for Westland District Council (the Council) for the year ended 30 June 2019. This report sets out our findings from the audit and draws attention to areas where the Westland District Council and group is doing well and where we have made recommendations for improvement.

This report complements our Report to the Council on the interim audit dated 2 July 2019.

### Audit opinion

We have issued an unmodified audit opinion dated 31 October 2019.

### Matters identified during the audit

#### Property plant and equipment

The Council's roading, three waters and reserve improvement assets were revalued as at 30 June 2019. This was a significant exercise.

The valuations generally decreased, largely as a result of better underlying information, and the application of different assumptions, asset lives and unit rates to assets.

Noting that this report includes a number of areas where the valuation process and underlying assets information can continue to improve, we commended the Council for the improvements it has made since the assets were valued last time. We consider the valuations to be significantly better than the valuations performed in 2016.

#### Impact of the March 2019 flood

The significant March flooding event caused damage to the Council's roading assets and exposed the closed Fox River landfill, spreading refuse down the river and coastline. Recovery from the event cost around \$2 million. The response to the roading and landfill damage put pressure on the Council's financial and operational resources, and contributed to other project work not being completed as planned. The flood directly contributed to the Council's surplus and cash reserves being lower than planned and added to the usual year-end carry-forwards, which for 2019 are \$4.9 million, a considerable amount given the Council's size.

We reviewed the accounting for the flood. Initially all costs relating to the flooding events were treated as repairs and maintenance, but portions of three roads were completely destroyed by the flood. Consequently, the accounting for these was changed to be a disposal and the reinstatement of the roads capitalised.

We considered the accounting for the Fox River landfill. At balance date the Council's only remaining liability was to transport the collected rubbish to landfill. The cost for this was accrued. This was consistent with our understanding as the responsibility for the clean-up was taken over by the Department of Conservation.

## **Rates**

We again note that aspects of Council's rating processes are not consistent with the requirements of the Local Government (Rating) Act 2002. The impacts of those inconsistencies are immaterial from an audit perspective, but given the onerous legislative requirements around rates setting we recommend that these areas be addressed.

## **Procurement and contract management**

We have reviewed Council's procurement policies and practices and contract management disciplines at a high level, and comment on those in section 5. We had little to add to LGNZ's review of Council's procurement processes, but note that contract management disciplines are comparatively less well developed. This is an area where improvements can be made. Generally contract management is an area where most local authorities could make improvements. A lot of focus is placed on procurement, but less on the effective management of the contracts, ensuring Councils get the product/service at the contracted quality and price.

## **Group audit**

The component auditor issued a modified audit opinion on 30 September 2019 for Westland Holdings Limited (WHL). An "except for" opinion was issued because of the uncertainty over the carrying value of airport related assets. This is the same issue as in 2018.

Significant audit effort was also put into assessing the going concern of Destination Westland Limited (DWL) which made a loss and had negative cash flows from operations. DWL was only accepted as a going concern due to Westland Holdings Limited's letter to the DWL directors committing to provide ongoing financial support if required. DWL's financial sustainability is an area of ongoing focus for its auditor, and me as auditor for the Council group.

## **Thank you**

We would like to thank the Council, management and staff for the assistance provided throughout the audit. Furthermore, we commend all staff involved in the preparation of the annual report and supporting documentation in 2019.



Scott Tobin  
Appointed Auditor  
19 November 2019



# 1 Recommendations



Our recommendations for improvement and their priority are based on our assessment of how far short current practice is from a standard that is appropriate for the size, nature, and complexity of your business. We use the following priority ratings for our recommended improvements.

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

## 1.1 New recommendations

The following table summarises our recommendations and their priority.

Recommendation	Reference	Priority
<p><b>Asset information and valuations</b></p> <p>Valuation process and underlying assets information improve in the following areas:</p> <ul style="list-style-type: none"> <li>• Internal review processes.</li> <li>• The retention/creation of supporting information for unit rates, asset lives and changes to other assumptions.</li> <li>• Continued improvement of asset data.</li> <li>• Updating replacement cost unit rates in future valuations subject to indexing in 2019.</li> <li>• Reviewing road surfacing base lifecycles based on condition-based renewals.</li> </ul>	3	Necessary

Recommendation	Reference	Priority
<ul style="list-style-type: none"> <li>Reviewing the engineering margin at 5-8% which is generally at the low end of ranges we have seen elsewhere.</li> </ul>		
<p><b>Statement of Service Performance</b></p> <ul style="list-style-type: none"> <li>Ensure systems are implemented to enable Council to report on measures set within the long-term and annual plans.</li> <li>Complete the residents survey in 2020 as planned.</li> </ul>	3	Necessary
<p><b>Rates</b></p> <ul style="list-style-type: none"> <li>Ensure rates and per factor amounts are consistent.</li> <li>Council collect the per factor amounts included in the resolution.</li> <li>Address the other issues noted in the 2021 rates setting and invoicing processes.</li> </ul>	3	Necessary
<p><b>NZTA revenue system and controls</b></p> <p>Improve the NZTA revenue system and implement controls.</p>	4.1	Necessary
<p><b>Infrastructure asset disposals</b></p> <ul style="list-style-type: none"> <li>Ensure that disposals are identified by the District Assets team and the Finance team notified for removal from the fixed asset register.</li> <li>Ensure the asset revaluation reserve related to disposed assets is identified and transferred to retained earnings.</li> </ul>	4.2	Necessary
<p><b>Monitoring asset revaluation reserves</b></p> <p>Determine the asset revaluation reserve attributable to each revalued class of assets.</p>	4.3	Necessary
<p><b>Expenditure approval limits</b></p> <ul style="list-style-type: none"> <li>Ensure the Delegations Manual is kept up to date.</li> <li>Ensure changes to purchase order approval limits within MagiQ are supported by formal written documentation.</li> </ul>	4.4	Necessary
<p><b>Liability Management Policy compliance</b></p> <p>Ensure the interest rate risk control limits are adhered to or consider altering the rates.</p>	4.5	Beneficial
<p><b>Risk register</b></p> <ul style="list-style-type: none"> <li>Include a risk after controls column to show the residual risk;</li> </ul>	4.6	Beneficial

Recommendation	Reference	Priority
<ul style="list-style-type: none"> <li>identify the top 10 risks and review those monthly rather than the whole register and only review the whole register annually or six monthly; and</li> <li>include some graphical representation of the top 10 risks and track movements in those as part of monitoring.</li> </ul>		
<p><b>Procurement and contract management</b></p> <p>Council consider the suggested areas for improvement in procurement and contract management practices in section 5, develop a plan to, and implement, those recommendations where the benefit exceeds the cost. Recommendations include:</p> <ul style="list-style-type: none"> <li>Updated procurement policy, strategy and other plans eg training.</li> <li>Performing independent periodic reviews of procurement processes and decisions.</li> <li>Ensuring there good, up-to-date policy, guidance and procedures in place to support contract management.</li> <li>Ensuring there is a fit-for-purpose contract management or supplier relationship management system</li> <li>Regularly reviewing the approach to contract management (whether through internal audit or otherwise).</li> </ul>	5	Beneficial
<p><b>Reimbursement of the Mayor's expenditure</b></p> <p>Raise the issue of the Mayor's expenditure reimbursement with the Remuneration Authority to determine how it should be resolved.</p>	6.1	Necessary
<p><b>Sensitive expenditure approval</b></p> <ul style="list-style-type: none"> <li>Ensure expenditure incurred by the Chief Executive is reviewed by the Mayor or Chair of the Finance, Audit and Risk Committee.</li> <li>Ensure expenditure incurred by the Mayor is approved by the Deputy Mayor or Chair of the Finance, Audit and Risk Committee.</li> </ul>	6.2	Necessary

## 1.2 Status of previous recommendations

Set out below is a summary of the action taken against previous recommendations. Appendix 1 sets out the status of previous recommendations in detail.

Priority	Priority			
	Urgent	Necessary	Beneficial	Total
Open recommendations	0	11	0	11
Implemented or closed recommendations	0	4	2	6
<b>Total</b>	<b>0</b>	<b>15</b>	<b>2</b>	<b>17</b>

## 2 Our audit report

### 2.1 We issued an unmodified audit report



We issued an unmodified audit report on 31 October 2019. This means we were satisfied that the financial statements and statement of service performance present fairly the Westland District Council and Group's activity for the year and its financial position at the end of the year.

In forming our audit opinion, we considered matters identified in sections 3 to 7 of this report.

### 2.2 Uncorrected misstatements

The financial statements are free from material misstatements, including omissions. During the audit, we have discussed with management any misstatements that we found, other than those which were clearly trivial. The misstatements that have not been corrected are listed below, along with management's reasons for not adjusting these misstatements. We are satisfied that these misstatements are individually and collectively immaterial.

Reference	Assets	Liabilities	Equity	Financial performance
	\$000	\$000	\$000	\$000
	Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)
Parent				
1	(160)	160		
2	(60)	60		
Total	(220)	220		
Group				
3		567 (567)		
Total		0		

#### Explanation of uncorrected misstatements

- 1 Amounts included in accounts payable are also included in prepayments when they have not been paid. This overstates accounts payable and prepayments.
- 2 GST has been included in accounts payable accruals, overstating the accrual and GST receivable.

- 3 The Westroads Limited wages accrual has been classified as trade and other payables. This is a payroll liability that should be disclosed as employee entitlements.

Items 1, 2 and 3 are collectively or individually immaterial and represent the overstatement of current assets and current liabilities, or classifications within current liabilities only. For this reason, the Council decided not to correct these misstatements.

## 2.3 Corrected misstatements

We also identified misstatements that were corrected by management. The significant corrected misstatements are listed below.

Current year corrected misstatements	Reference	Assets	Liabilities	Equity	Financial performance
		\$000	\$000	\$000	\$000
		Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)
Asset revaluation reserve	1			3,142	
Property, plant and equipment		(3,142)			
Expenditure	2				563
Property, plant and equipment		(563)			(878)
		878			
Revenue	3				165
Accrued revenue		(165)			

### Explanation of corrected misstatements

- To remove drainage assets that have been duplicated in the valuation.
- To removing the roading assets washed away (\$563,000) and capitalising the construction of new assets (\$878,000) as a result of the March storm event. Originally all of the work was treated as repairs and expensed.
- To remove accrued grant from 2018/19 and recognise it in 2019/20 instead. As at 30 June 2019 the receipt of the grant was not probable.

## 2.4 Quality and timeliness of information provided for audit



Management needs to provide information for audit relating to the annual report of the Council. This includes the draft annual report with supporting working papers. We provided a listing of information we required to management on 11 June 2019. This included the dates we required the information to be provided to us.

We received a draft annual report on 20 September 2019, with our on-site visit commencing on 30 September 2019. Quality of the report, and supporting documentation, received was significantly improved compared to last year. The efforts of Council staff were apparent and appreciated.

The revaluation of all infrastructure classes and subsequent audit of those valuations was a significant undertaking. This was made much more difficult by not having the detailed spreadsheet underpinning the 2016 valuations. We particularly thank the Transport Manager and Financial Reporting and Budgeting Accountant for working so constructively with us as we completed the required valuation work.

### 3 Matters raised in the audit plan



We advised the Council of the main risks and issued in the audit plan dated 20 May 2019. In the following table, we set out the outcome of our audit response to those risks and issues.

Risk/issue	Outcome
<b>Infrastructure asset valuations</b>	
<p>The Council periodically revalues specific classes of its property, plant and equipment. PBE IPSAS 17, Property, Plant and Equipment, requires that valuations are carried out with sufficient regularity to ensure that the carrying amounts do not materially differ from fair value.</p> <p>We understand that the Council will be revaluing their infrastructure assets in the 2019 financial year. The quality of the underlying asset information is a crucial part of these valuations, particularly given the 2018-28 LTP qualified audit opinion arising from the absence of reliable information on three-water infrastructure to forecast renewals expenditure.</p> <p>The risk is that the valuations do not appropriately reflect the depreciated replacement cost of the assets, through such factors as the adoption of inappropriate remaining lives and/or replacement costs, and incorrect asset quantities. As well as resulting in and inappropriate valuation, any over or understatement of the valuations directly impacts depreciation and Council's rating requirements.</p> <p>The Council will need to complete its own quality assurance review of any valuations performed by external consultants.</p>	<p>The Council engaged Beca to value roading and bridge assets, and completed the water, wastewater, stormwater and reserve improvements in-house, with Beca peer reviewing them.</p> <p>The valuations generally decreased, largely as a result of better underlying information, the application of different assumptions and unit rates to assets. We consider the valuations to be significantly improved compared to the ones performed in 2016.</p> <p>We worked closely with the Transportation Manager and finance team, and made various enquiries of Beca, in completing our audit work.</p> <p>Overall, the audit and preparation process was made more difficult due to the Council not retaining the detailed underlying spreadsheets supporting the 2016 valuations, and the previous external valuer not providing these to Council when requested. The Council now has the detailed records for the 2019 valuation, and needs to retain these to support the aggregated information in the fixed asset register.</p> <p>There are a number of areas where the valuation process and underlying assets information can continue to improve:</p> <ul style="list-style-type: none"> <li>• Internal review processes – Council completed various reviews which improved the quality of the valuations before we audited them. The reviews did not detect \$3.5 million of bridges and culverts also included in drainage assets.</li> <li>• The retention/creation of supporting information for unit rates, asset lives and changes to other assumptions. This includes retention of a version of RAMM</li> </ul>



	<p>and Assetfinda before changes are made to assumptions, so that changes can be tracked.</p> <ul style="list-style-type: none"> <li>• Continued improvement of asset data – such as construction and installation dates for new and replaced assets.</li> <li>• Updating replacement cost unit rates in future valuations subject to indexing in 2019.</li> <li>• Reviewing road surfacing base lifecycles based on condition-based renewals.</li> <li>• Reviewing the engineering margin at 5-8% which is generally at the low end of ranges we have seen elsewhere.</li> </ul> <p><b>Recommendation</b></p> <p>The Council improve or consider the above areas (as applicable) for future roading and 3 waters valuations.</p> <p><b>Management comment</b></p> <p><i>Comments noted. There were a number of incorrect assumptions made for the roading valuation relative to the bridge assets. This data within the RAMM system will be corrected and any unit rates for Bridges will be removed between now and the next valuation run. Changes in Assetfinda can already be tracked but the process for RAMM is a little more involved. This will be looked into more closely. Working with Buller and Grey DC's over sharing of unit rates and base life data has proved to be beneficial and we intend to continue this collaboration in future as a way of improving Coast wide network assumptions and data. We will continue to work with Beca over RAMM data improvements and life cycle data. Review of Engineering margins will also be undertaken to set an appropriate level.</i></p>
<b>Fair value and impairment assessments</b>	
<p>Land and buildings were last revalued at 30 June 2018. A fair value assessment will be required by the Council to determine whether the carrying value at 30 June 2019 continues to represent fair value.</p>	<p>We reviewed management's fair value assessment of its land and buildings assets. The conclusions from this assessment aligned with our audit work and understanding of the assets.</p>

<p>PBE IPSAS 21 Impairment of Non-Cash-Generating Assets and PBE IPSAS 26 Impairment of Cash Generating Assets require assets held at cost to be assessed for indicators of impairment on an annual basis. We expect the District Council to have completed an impairment assessment to determine whether any assets will need to be impaired. This includes an assessment of the museum building.</p>	<p>We concluded that the fair values were not materially different to the carrying value of the assets as at 30 June 2019.</p>
<p><b>Recent flooding events</b></p>	
<p>The Westland District was hit by extreme weather in late March 2019. This caused significant damage across the region and has led to an extensive clean-up being required.</p> <p>The floods resulted in around \$2 million of damage to roading assets and a significant spend to clean up refuse spread by floodwater from a closed landfill. We understand the Council will be receiving some grant funding to contribute towards the costs incurred.</p> <p>From an annual reporting perspective, there are various risks that arise from the event including the correct accounting for any costs incurred to clean-up after the event, and to repair damaged assets, whether an impairment needs to be recognised for assets still damaged at balance date, and the appropriate accounting for any funding received from the Crown or other agencies.</p>	<p>The significant flooding event caused damage to Council’s roading assets and exposed the closed Fox River landfill, spreading refuse down the river and coastline.</p> <p>The response to both put pressure on Council financial and operational resources, and contributed to other planned project work not being completed as planned contributing to year end carry-forward of around \$4.9 million – a considerable amount given Council’s size.</p> <p>We reviewed the accounting for the flood. Initially all costs relating to the flooding events were treated as repairs and maintenance, but portions of three roads were completely destroyed by the flood. Consequently, the accounting for these was changed to be a disposal and the reinstatement of the roads capitalised. In section 4.2 we raise a recommendation about identifying and accounting for disposals.</p> <p>We considered the accounting for the Fox River Landfill. At balance date Westland’s only remaining liability was to transport the collected rubbish to landfill. The cost for this was accrued. This was consistent with our understanding as the responsibility for the clean-up was taken over by the Department of Conservation.</p>
<p><b>Statement of Service Performance</b></p>	
<p>The Council’s statement of service performance is the primary means of reporting to ratepayers its performance for the year. Council is continuing to improve its systems for capturing the underlying data for this reporting.</p>	<p>We reviewed the Council's systems and controls for reporting its service performance information, and confirmed the reported performance is materially accurate and complete and reflects the performance of Council.</p>

<p>We have identified a number of improvements to the systems to capture and report performance information in the past. In the 2018 report to governors we identified a need to further improve the systems for recording customer complaints/services requests to ensure all requests are recorded and recorded accurately, and for dry weather sewerage overflows.</p>	<p>We have followed up on the progress of our prior years' recommendations relating to the Statement of Service Performance. Please refer to Appendix 1 for further details.</p> <p>During our review in 2019 we noted a number of DIA's mandatory performance measures could not be reported on. This included measures relating to footpaths, maintenance of the reticulation network (water supply), demand management (water supply), water supply response times (attendance times), dry weather overflows (Council reports all overflows), and response times relating to storm water and wastewater.</p> <p>The Council also did not perform the two yearly annual survey in 2019, carrying forward the results from 2018 when the survey was performed. Combined with the point above, this meant a large number of measures were not reported for 2019.</p> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>• Ensure systems are implemented to enable Council to report on measures set within the long-term and annual plans.</li> <li>• Complete the residents survey in 2020 as planned.</li> </ul>
<p><b>Rates</b></p>	
<p>Rates are the Council's primary funding source.</p> <p>Compliance with the Local Government (Rating) Act 2002 (LGRA) with rates setting and collection requirements is critical to ensure that rates are validly set and not at risk of challenge. At an extreme, errors in rates setting processes can mean rates cannot be legally collected.</p> <p>The Council should have appropriate processes in place to ensure rates setting is legally complaint.</p> <p>Where issues or concerns arise, it should seek legal advice, to ensure compliance with legislation for its rates and rating processes. In 2018 we noted a rating assessment</p>	<p>The Council's rates resolution and rates funding impact statement (FIS) show the total revenue sought from each rate and the per factor amount that a ratepayer will be charged (e.g. fixed amount or cents in the dollar). The rates factors in the resolution do not factor in all RID movements to the point of the resolution. This is not unusual as rates are set based on RID information as at 30 June and there is a lag of information into the RID related to 30 June and also the resolution is passed before 30 June.</p> <p>After approval of the rates resolution and FIS, Council updates the rating information database to 30 June. The Council then recalculates the per factor rates so that the total amount of revenue collected from each rate matches the revenue requirement in the rates resolution and FIS.</p>

<p>compliance issue that Council sought legal advice on.</p>	<p>Typically this results in the rates per factor being slightly lower than the amount resolved.</p> <p>This recalculated per factor rate is the amount included in the assessment and invoiced to ratepayers. The Council’s practice means that it only receives the total rates it expects.</p> <p>However, our view is that the rates and per factor amounts in the resolution should be consistent, and legally the Council should collect the per factor amounts included in the resolution.</p> <p>During the 2018/19 audit, we again noted that ratepayers have been invoiced at per factor rates different to those in the approved rates resolution and FIS.</p> <p>For 2018/19 the Council cumulatively collected \$3,800 more for some rates and \$30,250 less for other, giving an over net under-collection of \$26,450 compared to the per unit rates/factions included in the resolution.</p> <p>For 2019/20, the Council is expected to under-collect by \$26,254 and over-collect by \$8, with the latter being a rounding issue.</p> <p><b>Recommendations</b></p> <p>Ensure rates and per factor amounts are consistent.</p> <p>The Council collect the per factor amounts included in the resolution.</p> <p><b>Management comment</b></p> <p><i>Agreed, going forward Council will strike rates based on the factors that are adopted, even if this means we over collect the total expected rates.</i></p> <p>We identified some other rates setting and invoicing items below that should be addressed in the 2021 rates:</p> <ul style="list-style-type: none"> <li>• The 2019/20 rates resolution includes 1 July 2015 as the date on which 10% penalties will be added to rates unpaid from the previous years. This should have been 1 July 2019.</li> <li>• The 2019/20 water rates include a reference to SUIP and rating unit. The rates are collected on a rating unit and</li> </ul>
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	<p>not SUIP basis, so SUIP should not have been included.</p> <ul style="list-style-type: none"> <li>The rates fractions in assessment notices are incorrect and are shown as the amounts per \$100 of LV/CV and not the amount per \$1 (i.e. missing two decimal points).</li> </ul> <p><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>Address the above issues in the 2021 rates setting and invoicing processes.</li> </ul> <p><b>Management comment</b></p> <p><i>Noted and will address.</i></p>
<p><b>Consolidation for Westland District Council group</b></p>	
<p>The Council’s consolidated financial statements include financial information from its wholly owned subsidiary, Westland Holdings Limited (WHL).</p> <p>WHL applies the tier 2 for-profit accounting standards to prepare its financial statements. WHL must apply the new revenue, and financial instruments accounting standards in preparation of its 30 June 2019 financial statements. The new leasing standard applies for 30 June 2020 but can be adopted early.</p> <p>These new standards are complex and implementation is likely to be time consuming. Therefore, it is important that WHL works with their for-profit subsidiaries, particularly Westroads Limited, to substantially complete its transition work, on these new standards, well in advance of balance date.</p> <p>The Council will need to continue to assess the reporting implications that arise from accounting policy differences between the Council’s group financial statements, prepared under Public Benefit Entity (PBE) accounting standards, and its for-profit entity subsidiary. Adjustments from changing to these new for-profit standards need to be assessed to determine whether they must be reversed in the Council’s consolidated financial statements. We</p>	<p>We obtained assurance from our WHL audit that its financial information was materially correct for group reporting purposes.</p> <p>We reviewed and confirmed the completeness and accuracy of adjustments required to consolidate the WHL group into Council group’s financial statements.</p> <p>There were no substantive adjustments required at a Council group level from the new for-profit accounting standards adopted by the WHL group.</p> <p>We note that WHL continues to hold land and buildings at cost and not fair value which is the group policy. This is covered in Appendix 1. We also include further comment on significant group matters in section 7.</p>

<p>encourage WHL and the Council to address these consolidation issues prior to balance date.</p>	
<p><b>Procurement</b></p>	
<p>The theme for OAG's 2018/19 work programme is procurement. In March 2019 the OAG released their findings from the inquiry around the procurement processes for the Franz Josef stop bank.</p> <p>Following the release of the report, the Minister of Local Government requested further information on Council's procurement processes. The Council is working with LGNZ to respond to this request.</p>	<p>The Council has responded to the Minister in relation to the procurement letter received. The procurement review completed by LGNZ highlighted a number of strengths in Council's processes and also a number of areas to continue to focus on.</p> <p>We have also reviewed Council's procurement policies and practices, and contract management disciplines at a high level, and comment on those in section 5.</p>
<p><b>The risk of management override of internal controls</b></p>	
<p>There is an inherent risk in every organisation of fraud resulting from management override of internal controls. Management are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Auditing standards require us to treat this as a risk on every audit.</p>	<p>To address this risk, we:</p> <ul style="list-style-type: none"> <li>• tested the appropriateness of selected journal entries;</li> <li>• reviewed accounting estimates for indications of bias; and</li> <li>• evaluated the significant unusual or one-off transactions, including those with related parties.</li> </ul> <p>We have no matters to raise based on the work we completed during the audit.</p>

## 4 Other matters arising from the audit



The following section outlines our observations and matters that were identified during our audit.

### 4.1 NZTA revenue system and controls

#### Findings

From our review of the NZTA revenue system we noted that there are no proper controls in place. The Council spreadsheet, which is used to maintain claim records, does not always agree to the NZTA claims.

During our final audit, we worked with the finance team to reconcile amounts in the general ledger to those claimed. There were numerous unexplained variances. This suggests that Council is likely over-claiming and under-claiming in different areas. Our findings support the recent audit report recommendations from the NZTA, in particular, that Council should implement a robust reconciliation processes.

#### Recommendation

Improve the NZTA revenue system and implement controls.

#### Management comment

*In process to improve our reconciliation and claiming against NZTA. We are continuing to work with Finance to improve this.*

### 4.2 Infrastructure asset disposals

#### Findings

The Finance team are not advised when infrastructure assets are disposed of. As a result, there are routinely no infrastructure asset disposals recorded in the fixed asset register or financial statements.

We note that assets are removed via the revaluation process, however, this is not the correct approach. If the assets being disposed of still have a net book value greater than \$0, this will have an impact on the operating surplus/deficit in the Statement of Comprehensive Revenue and Expense. Currently, the impact is only being recorded in Other Comprehensive Revenue and Expense and the asset revaluation reserve.

## **Recommendations**

- Ensure that disposals are identified by the District Assets team and the Finance team notified for removal from the fixed asset register.
- Ensure the asset revaluation reserve related to disposed assets is identified and transferred to retained earnings.

## **Management comment**

*Finance fully agree with the findings and recommendations. An asset disposal form is available for use by managers to inform Finance, however it is accepted that this process has not been routinely followed.*

*GMCS to continue to work with GMDA on a process.*

*DA agree there are some areas for improvement. Review of the Fixed Asset Registers (FAR) would be beneficial to try and better align FAR data with their "Points of truth"*

## **4.3 Monitoring asset revaluation reserves**

### **Findings**

Roading, water and wastewater carrying values decreased as a result of the 30 June 2019 valuations. Any valuation decrease for a class of asset is offset against the revaluation reserve balance for that class. If there is no balance in the reserve the valuation decrease is expensed. Asset revaluation reserves must be tracked for each class of assets valued.

Council was unable to provide the balance in the reserve for each class of asset. We were able to indirectly determine that there must be sufficient reserves in each class.

### **Recommendation**

Determine the asset revaluation reserve attributable to each revalued class of assets.

### **Management comment**

*Agreed.*

## **4.4 Expenditure approval limits**

### **Findings**

We found the Delegations Manual had not been updated to reflect new staff and positional changes. We were also unable to obtain formal documentation to support the purchase order approval limits set up in MagiQ.



### **Recommendation**

- Ensure the Delegations Manual is kept up to date.
- Ensure changes to purchase order approval limits within MagiQ are supported by formal written documentation.

### **Management comment**

*Management are looking at an automated process through our Human Resources system to send a workflow request through to the EA to update the delegations manual and then the MagiQ system.*

## **4.5 Liability Management Policy compliance**

### **Findings**

Exposure to interest rate risk is managed and mitigated through the risk control limits in the Liability Management Policy. Specifically, minimum and maximum thresholds have been set for fixed borrowings.

As at 30 June 2019, Council's fixed portion was 51% which is below the minimum policy threshold of 55%. The Council was aware of and is monitoring this issue.

### **Recommendation**

Ensure the interest rate risk control limits are adhered to or consider altering the rates in the current environment.

### **Management comment**

*This has been discussed with PwC, and at present they are comfortable with a departure from the limits due to the low interest rates. A report is being taken to Council to approve the departure until the 12 month debt forecast can be determined, at the present time this has been changing. Once this figure is locked down PwC will determine the best strategy going forward.*

## **4.6 Risk register**

### **Findings**

During our audit we reviewed the risk register and obtained an understanding of how it was used and updated. We suggest the following possible improvements.

### **Recommendation**

- include a risk after controls column to show the residual risk;

- identify the top 10 risks and review those monthly rather than the whole register and only review the whole register annually or six monthly; and
- include some graphical representation of the top 10 risks and track movements in those as part of monitoring.

**Management comment**

*Agreed.*

*The risk management software has been improved recently and will provide all the information that you are suggesting should be included.*

*Regarding timing, management will work with the newly formed Audit and Risk Committee and Independent Chair to determine what they would like to review and the timings of those reviews.*

## 5 Helping you to understand your risks: procurement and contract management

### Why it matters

Procurement and contract management carry high risk in terms of costs, public and political profiles, reputation, and performance. Delivering services well depends on doing procurement and contract management well.

### Understanding your risks

We have used our sector expertise, and recognised best practice, to develop a standardised risk assessment tool to analyse your local authority's procurement and contract management risks. We have included the sector context by displaying your position compared to other entities in the sector<sup>1</sup>.

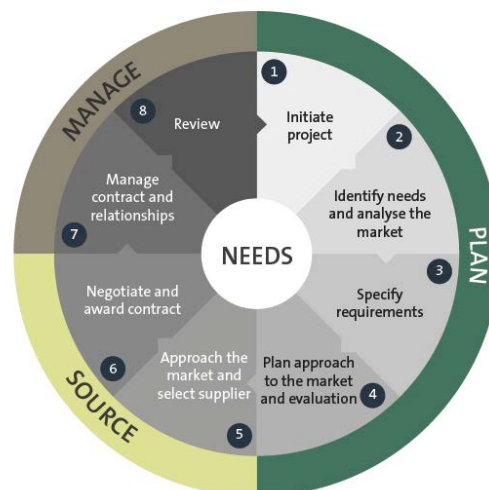
### What do we mean by procurement and contract management?

Procurement is the overarching term used to describe all the business processes associated with purchasing goods and services. Procurement is much more than “buying something” – it includes all the processes involved in acquiring goods and services from a third party. Effective contract management helps ensure goods and services are delivered well, to specification, and in full. Both go together to ensure public value is realised.

### The Auditor-General's work programme – *Procurement*

The Office of the Auditor-General is part way through its work programme on Procurement. Earlier this year performance auditors visited 22 local authorities in the Waikato, Bay of Plenty, Canterbury, and Wellington Regions to talk about how local authorities in those regions carry out procurement. This audit identified some challenges that local authorities need to respond to so that procurement can continue to support the delivery of infrastructure and services to local areas. This will be particularly important with the significant growth that is forecast in many areas.

Figure 2  
The eight-stage life cycle of procurement



Source: (Recoloured from) the Ministry of Business, Innovation and Employment.

<sup>1</sup> This analysis is limited to local authorities audited by Audit New Zealand only.

The Office of the Auditor-General plans to publish its findings by the end of 2019. It will be important for each local authority to consider the Auditor-General's findings in order to determine priorities for further improving or developing the approach to procurement.

### **How do we assess risk?**

Our assessment tool considers risk from two angles:

- The risk in the environment. This is the inherent risk. It is influenced by complexity, instability, change, delivery of critical services, interdependencies, and reliance on third parties. Size, strategic direction, and the nature of services are also important.
- The effectiveness of management systems and processes. This is control risk and covers the main aspects of good practice that we would expect to be applied. Effective management systems and processes mitigate aspects of inherent risk and reduce the risk of something going wrong.

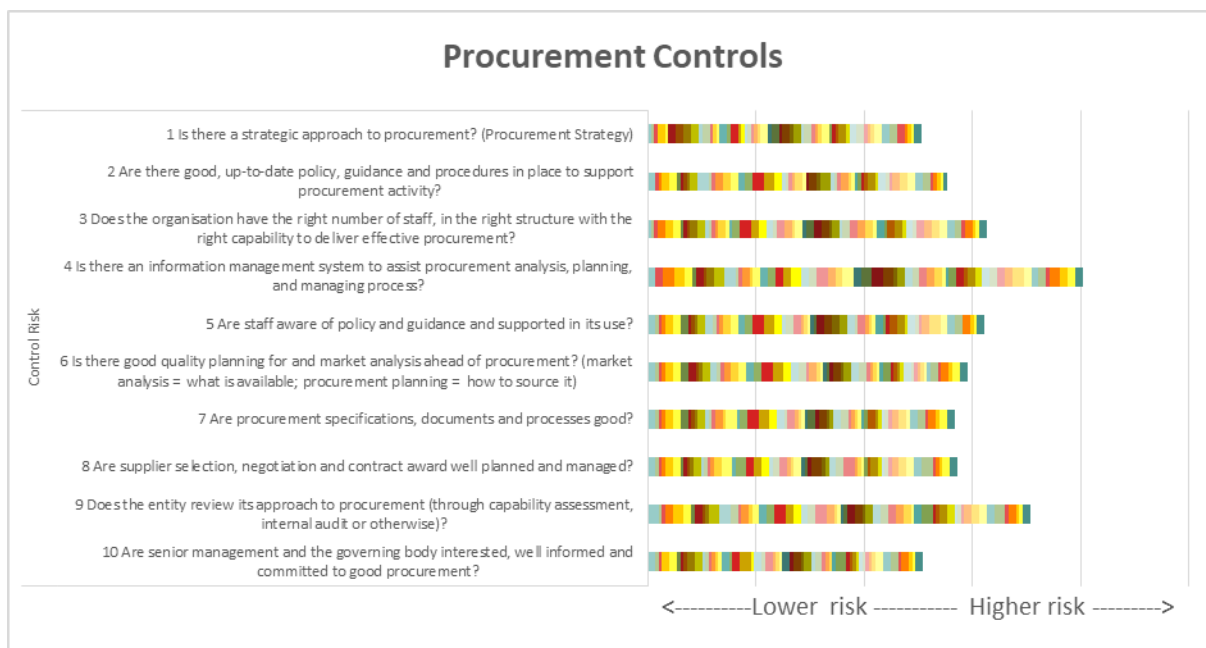
The risk assessment process we have undertaken is based on the design of the controls only. We have not performed testing to ensure the controls are operating effectively.

### **What are the assessments telling us?**

Procurement is particularly important for local authorities, in which investment in developing, renewing and maintaining infrastructure is typically outsourced to private sector providers. In addition, many local authorities have entered into alliances, partnerships or other collaborative arrangements to support service delivery. With continued pressure on rates and other sources of funding, the need to achieve good value for money remains an important consideration. However, many local authorities have told us that they aim to use their spend to deliver other benefits, such as supporting the local economy.

### **Common areas of risk across local government**

In the graph below we have summed the risk rating we assessed for each of ten procurement controls across all the local authorities we audit.



Two areas stand out across local government as priorities for improvement:

- Ensuring there is an appropriate information management system so that staff can analyse procurement spend, plan and manage procurement processes, and keep good records.
- Being open to continuous improvement through reviewing procurement practices and capability.

The graph below shows a similar analysis for contract management controls. Overall this indicates that contract management controls are weaker than those covering the purchasing stage of the procurement cycle. We encourage all local authorities to consider whether their approach to contract management is as clearly defined, well-resourced and implemented as it needs to be.

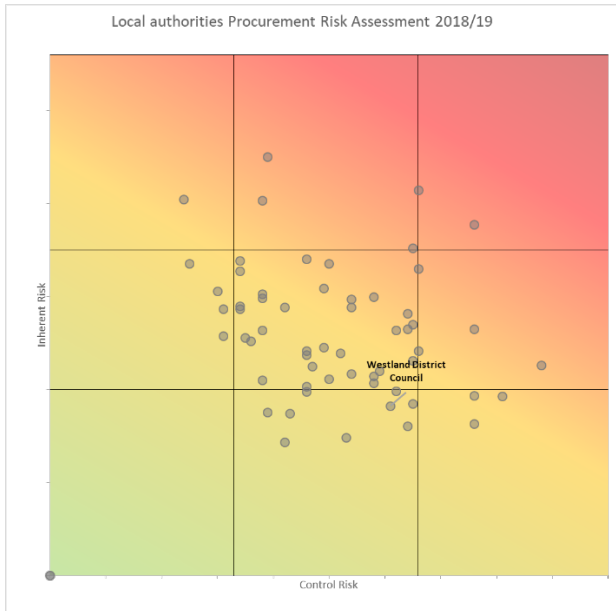


Three aspects of contract management might provide a focus for this consideration:

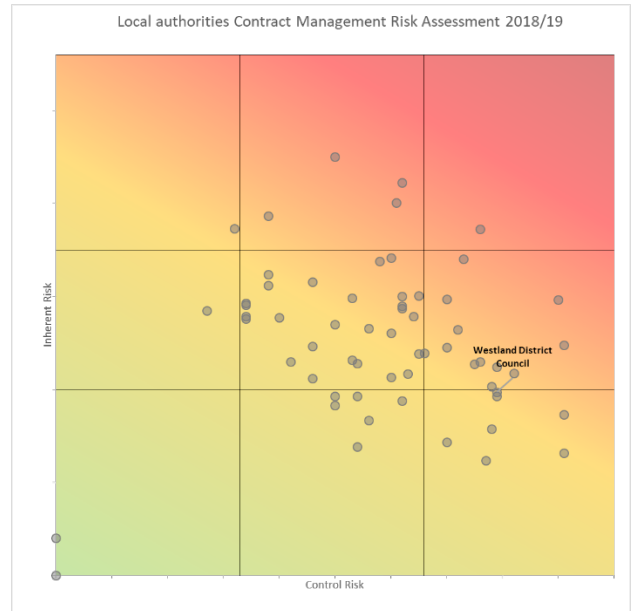
- assessing whether there is a strategic approach to supplier relationship management;
- making sure there are good, up to date policies, guidance and procedures in place to help staff manage contracts effectively; and
- ensuring there is an appropriate contract management system in place.

Each grey dot in the graphs below represents a local authority mapped according to our assessment of its inherent and control risk.

### Procurement Risk levels



### Contract Management Risk levels



Local authorities use a range of procurement approaches and have a significant number of contracts for a diverse range of goods and services. Levels of inherent risk vary widely depending on the size of local authorities, as well as the extent of and approach to outsourcing.

The Council has medium levels of inherent risk for both procurement and contract management.

There is little the council can do to reduce its level of inherent risk. However, it can strengthen its systems and processes to bring down the overall level of risk. In our view the controls for procurement and contract management are around the threshold between medium and high risk. In our view the council could strengthen its contract management systems and processes, to bring the overall level of risk down.

## **Our view on priorities for strengthening Westland District Council's control over procurement and contract management**

We expect up to date policy, procedures and guidance to form a sound basis for controlling procurement and contract management. Policy needs to be regularly updated to make sure it continues to comply with the good practice promoted by the Government Procurement Rules. We note Council has continued to significantly improve its procurement controls with the adoption of a policy and a strategy, use of GETS and implementation of a tenders committee. Procurement was reviewed by LGNZ with several further areas for development identified.

In our view, the areas we believe would make the most difference to strengthening the Council's controls would be:

### **Procurement**

- Updating practices and policies as detailed in the LGNZ procurement review p 38, in particular:
  - Ensuring procurement reports for agendas are in a standard format, prepared by the appropriate manager and peer review by Executive Team before going to Council.
  - Updating the procurement policy and strategy.
  - Develop a policy on when procurement plans are required.
  - Develop (and implement) a formal training policy and plan.
- Completing periodic independent quality assurance reviews of significant procurement – from inception through to benefits realisation for the completed project.

### **Contract management**

- Ensuring there good, up-to-date policy, guidance and procedures in place to support contract management. This might include:
  - Putting in place an organisation-wide policy, supported by good quality detailed guidance, procedures and templates, including standard/pro-forma contracts.
  - Applying the planned approach across all contracts (commercial, grants etc.
  - Being clear on when to use contract management plans, and how to assess delivery risks, perhaps with templates provided.



- Comprehensive guidance on what to do when contract performance obligations and expectations are not being met.
- Develop a policy on negotiating and approving contract variations with cross reference to delegations.
- Developing (and implement) a formal training policy and plan for contract management.
- Ensuring there is a fit-for-purpose contract management or supplier relationship management system, which might involve:
  - Putting in place a functional contract management system in place to capture key information on all contracts.
  - Making links to the FMIS/payment system to help staff manage contracts.
  - Storing documentation electronically in easily accessible ways (original agreement, record of contract progress claims and payments, monitoring and inspection or meeting records, relevant correspondence, records of any variations or claims, producer statements and/or guarantees, completion certificates).
  - Maintaining appropriate physical security and disaster recovery arrangements in place for contracts and associated information.
  - Allowing contract information to inform or be integrated with budget setting and monitoring.
  - Making links between performance information, payments and contract renewal decisions.
- Regularly reviewing the approach to contract management (whether through internal audit or otherwise). This might involve:
  - Putting a comprehensive programme of review in place.
  - Focussing internal audit reviews on contracting and outsourced delivery, informed by risk assessment.
  - Making sure that reviews are recent and relevant, with the conclusions/outcome good.
  - Good evidence of action in response to review findings/recommendations with progress being made.

### **Continuing focus on risk for 2019/20**

As part of our 2019/20 audit we will again consider procurement-related risks during our audit planning, based on our knowledge of Council, your pattern of spend and the range of contracts you have in place.

## 6 Public sector audit



The Council is accountable to their local community and to the public for its use of public resources. Everyone who pays taxes or rates has a right to know that the money is being spent wisely and in the way the Council said it would be spent.

As such, public sector audits have a broader scope than private sector audits. As part of our audit, we have considered if the Council has fairly reflected the results of its activities in its financial statements and non-financial information.

We also consider if there is any indication of issues relevant to the audit with:

- compliance with its statutory obligations that are relevant to the annual report;
- the Council carrying out its activities effectively and efficiently;
- the Council incurring waste as a result of any act or failure to act by a public entity;
- any sign or appearance of a lack of probity as a result of any act or omission, either by the Council or by one or more of its members, office holders, or employees; and
- any sign or appearance of a lack of financial prudence as a result of any act or omission by a public entity or by one or more of its members, office holders, or employees.

From our review we noted two items relating to sensitive expenditure that Council needs to consider.

### 6.1 Reimbursement of the Mayor's expenditure

#### Findings

During our review of the Mayor's and Councillors' remuneration, we noted that the Mayor is being reimbursed for landline/broadband and mobile phone expenditure in excess of the limits defined in the Local Government Members (2018/19) (Local Authorities) Determination 2018.

The Determination permits payment of:

- \$400 p.a. for use of a personal internet service for council business;
- a \$150 p.a. allowance for use of a personal cell phone for council business; and
- \$400 p.a. for use of a personal mobile phone service for council business or reimbursement of the actual costs of phone calls made on council business.

The Mayor has instead been reimbursed for the full value of monthly landline/broadband and mobile phone invoices (excluding costs relating to his spouse) which include both personal and council related usage.

**Recommendation**

Raise the issue of the Mayor's expenditure reimbursement with the Remuneration Authority to determine how it should be resolved.

**Management comment**

*Agreed.*

**6.2 Sensitive expenditure approval**

**Findings**

We tested a sample of sensitive expenditure items and found a lack of one up approval in some cases.

**Recommendation**

- Ensure expenditure incurred by the Chief Executive is reviewed by the Mayor or Chair of the Finance, Audit and Risk Committee.
- Ensure expenditure incurred by the Mayor is approved by the Deputy Mayor or Chair of the Finance, Audit and Risk Committee, rather than the Chief Executive.

**Management comment**

*Agreed, will review this process.*

## 7 Group audit



The group comprises:

- Westland District Council.
- Westland Holdings Limited, including its two subsidiaries Westroads Limited and Destination Westland Limited.

We have not identified any of the following during our audit for the year ended 30 June 2019:

- Instances where our review of the work of component auditors gave rise to a concern about the quality of that auditor's work.
- Limitations on the group audit.
- Fraud or suspected fraud involving group management, component management, employees with significant roles in group-wide controls, or others where the fraud resulted in a material misstatement of the group financial statements.

### 7.1 Westland Holdings Limited (WHL)

#### 7.1.1 Audit opinion

Similar to the prior year, the component auditor issued a modified audit report for WHL due to the scope of the audit being limited in respect of the carrying value of the WHL group's airport assets.

The basis for this qualification is as follows:

- Given the "for-profit" status of the WHL group, it needed to consider impairment for the cash generating airport assets when there are impairment indicators. There were impairment indicators this year in light of the poor financial performance of the airport.
- Despite the evidence that the airport related assets included in property, plant and equipment may be impaired, WHL did not determine the recoverable amount of the relevant assets in accordance with the relevant accounting standards. The component auditor was unable to determine whether the carrying value of these assets should be reduced and a corresponding impairment expense recognised. An "except for", limitation of scope opinion was issued on WHL's financial statements regarding the uncertainty over the appropriate carrying value of the airport assets.

At the group level, the impairment issue is not applicable for the Council as the assets are not held as cash generating and do not have to be assessed for impairment based on the associated future cash flows. Instead the airport assets are held for strategic purposes by

the Council to allow for better access to the district, not to make a profit. Therefore the carrying value of the assets in WHL's financial statements, which is cost, is appropriate for inclusion in the Council's group financial statements.

#### **7.1.2 Destination Westland Limited (DWL)**

DWL's financial results were poorer than expected. The company produced a net deficit before tax of \$200,000 and had negative cash flows from operations of \$28,000. The company's status as a going concern was only accepted based on WHL's letter to the DWL directors committing to provide ongoing financial support if required.

The financial viability of DWL continues to be a matter of significant audit focus for the audit of the group.

## 8 Useful publications



Based on our knowledge of the Council, we have included some publications that the Council and management may find useful.

Description	Where to find it
<b>Public accountability: A matter of trust and confidence</b>	
<p>Public accountability is a cornerstone of our system of government. Knowledge on what the public is getting for their taxes and rates, how well that is being spent, and the integrity of the overall system are the basics of public accountability.</p> <p>This discussion paper is the first phase in a programme of work about the future of public accountability.</p> <p>The next phase of our research on public accountability will build on what we have learned here and focus on how well the current public accountability system is positioned to respond to the challenges and opportunities the public sector faces. This research will inform what the Auditor-General's Office does to improve trust and promote value in the public sector.</p>	<p>On OAG's website under 2019 publications.</p> <p>Link: <a href="#">public-accountability</a></p>
<b>Post implementation reviews</b>	
<p>The OAG have recently completed a review of Auckland Council's post implementation review process. While many aspects of the report are specific to Auckland Council, it documents the process that Auckland Council uses, and includes a post implementation review checklist.</p>	<p>On the OAG's website under publications.</p> <p>Link: <a href="#">Post-implementation review process</a></p>
<b>Inquiry into Waikato District Health Board's procurement of services from HealthTap</b>	
<p>Findings of the inquiry into the decision of Waikato District Health Board in 2015, to enter into a contract with the United States-based company HealthTap Inc to provide "virtual care" services through an online service.</p> <p>There are important lessons about a good procurement process that can be learned and applied to other procurements in the public</p>	<p>On OAG's website under 2019 publications.</p> <p>Link: <a href="#">inquiry-waikato-dhb</a></p>

Description	Where to find it
<p>sector – in particular, when seeking to be innovative.</p> <p>Innovation in the public sector is important. It can lead to new and better services for the public and more efficient ways to deliver current services. However, when public organisations seek to innovate, it is all the more important to respect the disciplines of good procurement. Innovative service delivery and good procurement practice are not mutually exclusive.</p>	
<b>Client updates</b>	
<p>In March 2019, we hosted a series of client updates. The theme was “Improving trust and confidence in the public sector”.</p> <p>These included speakers from both Audit New Zealand and external organisations.</p>	<p>On our website under publications and resources.</p> <p>Link: <a href="#">Client updates</a></p>
<b>Model financial statements</b>	
<p>Our model financial statements reflect best practice we have seen. They are a resource to assist in improving financial reporting. This includes:</p> <ul style="list-style-type: none"> <li>• significant accounting policies are alongside the notes to which they relate;</li> <li>• simplifying accounting policy language;</li> <li>• enhancing estimates and judgement disclosures; and</li> <li>• including colour, contents pages and subheadings to assist the reader in navigating the financial statements.</li> </ul>	<p>On our website under publications and resources.</p> <p>Link: <a href="#">Model Financial Statements</a></p>
<b>Tax matters</b>	
<p>As the leading provider of audit services to the public sector, we have an extensive knowledge of sector tax issues. These documents provide guidance and information on selected tax matters.</p>	<p>On our website under publications and resources.</p> <p>Link: <a href="#">Tax Matters</a></p>
<b>Client substantiation file</b>	
<p>When you are fully prepared for an audit, it helps to minimise the disruption for your staff</p>	<p>On our website under publications and resources.</p>



Description	Where to find it
<p>and make sure that we can complete the audit efficiently and effectively.</p> <p>We have put together a tool box called the Client Substantiation File to help you prepare the information you will need to provide to us so we can complete the audit work that needs to be done. This is essentially a tool box to help you collate documentation that the auditor will ask for.</p>	<p>Link: <a href="#">Client Substantiation File</a></p>
<b>Severance payments</b>	
<p>Because severance payments are discretionary and sometimes large, they are likely to come under scrutiny. The Auditor-General has released updated good practice guidance on severance payments. The guide is intended to help public sector employers when considering making a severance payments to a departing employee. It encourages public organisations to take a principled and practical approach to these situations. The update to the 2012 good practice guidance reflects recent case law and changes in accounting standards.</p>	<p>On the OAG’s website under 2019 publications.</p> <p>Link: <a href="#">Severance payments</a></p>
<b>Good practice</b>	
<p>The OAG’s website has been updated to make it easier to find good practice guidance. This includes resources on:</p> <ul style="list-style-type: none"> <li>• audit committees;</li> <li>• conflicts of interest;</li> <li>• discouraging fraud;</li> <li>• good governance;</li> <li>• service performance reporting;</li> <li>• procurement;</li> <li>• sensitive expenditure; and</li> <li>• severance payments.</li> </ul>	<p>On the OAG’s website under good practice.</p> <p>Link: <a href="#">Good practice</a></p>
<b>Reporting fraud</b>	
<p>The OAG have released data from 2012-2018 on fraud in public entities. This includes how the fraud was detected, the type of fraud and the methods and reasons for the fraud. The graphs show the high-level sector, and this can be</p>	<p>On the OAG’s website under data.</p> <p>Link: <a href="#">Reporting Fraud</a></p>

Description	Where to find it
broken down further into sub-sectors by opening the spreadsheets available.	

## Appendix 1: Status of previous recommendations

### Open recommendations

Recommendation	First raised	Status
<b>Necessary</b>		
<b>Preparation for audit</b>		
<ul style="list-style-type: none"> <li>A complete substantiation file be produced to support the information in the Annual Report.</li> <li>Review year-end adjustments and the completeness and accuracy of accruals and changes to provisions.</li> </ul>	2017/18	<p>Substantiation information was available, although could be improved for in-house valuations with documentation and rationale for assumptions used retained.</p> <p>There remains opportunity to improve year end accrual processes. We noted a revenue accrual that did not relate to 2019. There was a similar issue in 2018. Also as noted in the adjusted misstatements (section 2.2) accruals were made including GST and prepayments were recognised for amounts not paid at year end.</p> <p><b>Management comment</b></p> <p><i>Noted and will review accruals and pre payments process.</i></p>
<b>Service request system</b>		
<ul style="list-style-type: none"> <li>The Council continues to improve its asset information.</li> <li>Ensure the condition information is considered as part of the 2018/19 infrastructure valuations.</li> <li>Work to address the shortcoming in the current asset management practises, as identified through the LTP process.</li> </ul>	2017/18	<p><b>In progress</b></p> <p>Comments included in our interim reported dated 2 July 2019.</p>
<b>Traffic counts</b>		
As part of the new arrangements with Beca, the Council put in place an appropriate, formal traffic count	2017/18	For 2019 Council did not have a formal traffic count programme in place. We understand that Beca will undertake this in 2020.

Recommendation	First raised	Status
programme for calculating smooth travel exposure reporting.		
<b>Asset and asset revaluation</b>		
<ul style="list-style-type: none"> <li>All assets within a class should be revalued to ensure compliance with accounting standards. This includes assets in subsidiaries.</li> <li>Consider aggregating and revising the existing asset classes for land and buildings.</li> <li>Management carry out regular reviews of the fixed assets register (FAR) to confirm the existence and ownership of assets.</li> <li>Management need to improve the in-house fair value assessment in 2019.</li> <li>Infrastructure assets be revalued in 2019.</li> </ul>	2017/18	<p>The Council revalued its roading, three waters infrastructure, and reserve improvement assets at 30 June 2019.</p> <p>All assets within these classes of assets were revalued and a fair value assessment for land and buildings was undertaken.</p> <p>A review is yet to be performed by management to ensure that asset records within RAMM and AssetFinda are complete. Similarly, aggregation the existing asset classes for land and buildings remains outstanding.</p> <p><b>Management comment</b></p> <p><i>RAMM data is currently under review and being updated by Beca as part of our AMP improvement plan process. Assetfinda Valuation has identified a number of areas for review/improvement that will also be undertaken between now and the next valuation. All alterations/changes will be tracked.</i></p>
<b>NZTA claim process</b>		
<ul style="list-style-type: none"> <li>Improve the process for compiling NZTA subsidy claims to ensure they align to the GL.</li> <li>Introduce an independent, evidenced review of the claim before it is submitted.</li> </ul>	2017/18	<p>These improvements remain necessary. Refer section 4.1.</p> <p><b>Management comment</b></p> <p><i>Work is ongoing in this area.</i></p>
<b>Information systems</b>		
<p>Increase the maturity of the information systems management framework and supporting processes by:</p> <ul style="list-style-type: none"> <li>Developing an information systems strategic plan.</li> </ul>	2017/18	<p>Progress has been made on a number of these items. We will follow up on the status of these at our interim audit visit in 2020.</p>

Recommendation	First raised	Status
<ul style="list-style-type: none"> <li>Developing an information security policy.</li> <li>Documenting user account security criteria and improve password strength.</li> <li>Reviewing vendor support accounts and ensure access is required</li> <li>Improving change management processes – perhaps through the use of Spiceworks.</li> <li>Tracking and managing incidents – perhaps through the use of Spiceworks.</li> <li>Periodically testing back-ups.</li> <li>Updating the Disaster Recovery and IT Business Continuity Plans.</li> </ul>		<p><b>Management comment</b></p> <p><i>The IS strategic plan is currently being developed as part of the WC4-G group, which is the shared services model of IS services.</i></p> <p><i>As this is across four Councils so inevitably takes longer.</i></p> <p><i>A change management process is currently being developed.</i></p> <p><i>Spiceworks is currently already being used to track incidents and working well. There is a current project being considered under WC4-G for a shared IT helpdesk across all four councils which may supersede Spiceworks.</i></p> <p><i>DRP and BCP are KPI's for the IT team this financial year.</i></p>
<b>Inconsistent group accounting policy</b>		
<p>That the Council ensures consistency in group accounting policies going forward.</p>	<p>2017/18</p>	<p>WHL recorded land and building assets at cost again in 2018/19. We understand this is likely to change once Destination Westland Limited action recommendations relating to their airport related assets.</p> <p><b>Management comment</b></p> <p><i>This is disappointing as the Chair WHL wrote to DWL requesting that they follow group policy. Internal discussion will need to take place again to ensure all CCO's understand the requirements.</i></p>
<b>Risk management</b>		
<ul style="list-style-type: none"> <li>Ensure continual review and update of the risk register and implementation of any mitigating actions identified.</li> <li>Ensure that the new risk management system, Quantate, is fully implemented to help better identify, evaluate, monitor and manage risk.</li> </ul>	<p>2016/17</p>	<p>Progress made. Training is still needed for risk managers before they can manage the risks in their areas.</p> <p><b>Management comment</b></p> <p><i>Risk managers have had training, however the GMDA has resigned, therefore training will be required once a replacement is found.</i></p>

Recommendation	First raised	Status
<b>Renewals under expenditure</b>		
<p>Ensure that planned renewal expenditure is sufficient to avoid significant failure of assets in future years due to delayed maintenance not being carried out.</p>	2017/18	<p>Renewals expenditure is an area of ongoing focus for both Council and management. We will follow up on progress during our 2020 audit.</p> <p><b>Management comment</b></p> <p><i>There is an ongoing process of condition data collection for the 3 waters assets and this is being utilised to help inform more robust renewals programs in future. Data gathering is an ongoing continual process that we need to ensure is adequately funded.</i></p>
<b>Legislative compliance</b>		
<p>Council develops and implements a sound legal compliance system for identifying and recording potential risks and assessing the likelihood of those risks across all activities of the organisation.</p> <p>Relying solely on the knowledge of staff exposes the organisation to risk, especially when staff change.</p>	2015/16	<p>The Council intends to use its new Electronic Document Management System (in development) to provide staff with notifications of when key legislative dates are coming up to ensure compliance. We are unclear how this will work in practice and will follow up on progress during our 2020 audit.</p> <p><b>Management comment</b></p> <p><i>This is a work in progress at the current time. Various methods are being considered, however management are comfortable that legislative compliance is being followed.</i></p>
<b>Rates assessment and invoices</b>		
<p>Perform an annual review of the rates assessments and invoices to ensure that they are compliant with relevant legislation and include the correct ratepayer details.</p>	2014/15	<p>Our review of the 2018/19 and 2019/20 rates assessment and invoices found that the rates assessment does not include the information on the factors used to calculate the amount of liability of a rating unit in respect of each targeted rate (such as capital value, fixed dollar charge, etc.) as required</p>

Recommendation	First raised	Status
		<p>by S45(1)(i) of the Local Government (Rating) Act 2002.</p> <p><b>Management comment</b></p> <p><i>Agreed and comment as per section 3.</i></p>

## Implemented or closed recommendations

Recommendation	First raised	Status
<b>Preparation for audit</b>		
A quality review of the draft annual report be performed before it is provided for audit.	2017/18	We noted significant improvement in the preparation for the 2018/19 audit. A quality review of the draft was performed.
<b>Landfill provision</b>		
The Council should change its accounting policy of recognising landfill assets at revaluation to the cost method. Revaluing landfill assets creates a high level of accounting complexity that is not necessary.	2017/18	Recommendation implemented.
<b>Asset condition information and asset management</b>		
<ul style="list-style-type: none"> <li>The Council continues to improve its asset information.</li> <li>Ensure the condition information is considered as part of the 2018/19 infrastructure valuations.</li> <li>Work to address the shortcoming in the current asset management practises, as identified through the LTP process.</li> </ul>	2017/18	<p>Council continues to improve its asset information.</p> <p>Condition information was not considered as part of the valuations. We note that it routinely is not included for most other Council valuations.</p> <p>Comments included in our interim reported dated 2 July 2019.</p> <p>We consider this closed as similar matters have been raised in section 3 and will be taken through to future years.</p>
<b>Fixed asset capitalisation policy</b>		
Develop a formal asset capitalisation policy.	2017/18	Recommendation implemented.
<b>Legislative compliance - CCOs</b>		
The Council should work with its CCOs to ensure compliance with the significant legislative requirements.	2016/17	Recommendation implemented.
<b>FAR in a manual excel spreadsheet</b>		
As management are not going to migrate the FAR spreadsheet data in to the finance system (MagiQ), we recommend that staff regularly review the manual spreadsheet	2016/17	Management are satisfied with the current practice. We have reviewed the excel spreadsheet at year end



Recommendation	First raised	Status
<p>FAR to ensure changes to the spreadsheet such as asset additions and depreciation are being correctly calculated. It is also important that this spreadsheet is regularly reconciled with the general ledger within the Finance system.</p>		<p>and confirmed that the internal logic is accurate.</p> <p>The infrastructure assets information from the 30 June 2019 valuations must be retained to support the aggregated information included in the FAR.</p>

# Appendix 2: Disclosures

Area	Key messages
Our responsibilities in conducting the audit	<p>We carried out this audit on behalf of the Controller and Auditor-General. We are responsible for expressing an independent opinion on the financial statements and performance information and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001.</p> <p>The audit of the financial statements does not relieve management or the Council of their responsibilities.</p> <p>Our Audit Engagement Letter contains a detailed explanation of the respective responsibilities of the auditor and the Council.</p>
Auditing standards	<p>We carried out our audit in accordance with the Auditor-General’s Auditing Standards. The audit cannot and should not be relied upon to detect all instances of misstatement, fraud, irregularity or inefficiency that are immaterial to your financial statements. The Council and management are responsible for implementing and maintaining your systems of controls for detecting these matters.</p>
Auditor independence	<p>We are independent of the Council in accordance with the independence requirements of the Auditor-General’s Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): <i>Code of Ethics for Assurance Practitioners</i>, issued by New Zealand Auditing and Assurance Standards Board.</p> <p>In addition to the audit we have carried out an engagement in relation to the Council’s Debenture Trust Deed, which are compatible with those independence requirements. Other than the audit and these engagements, we have no relationship with or interests in the Council or its subsidiaries.</p>
Fees	<p>The audit fee for the year is \$140,000, as detailed in our Audit Proposal Letter.</p> <p>Other fees charged in the period are \$3,500, for the audit of the Debenture Trust Deed.</p>
Other relationships	<p>We are not aware of any situations where a spouse or close relative of a staff member involved in the audit occupies a position with the Council or its subsidiaries that is significant to the audit.</p> <p>We are not aware of any situations where a staff member of Audit New Zealand has accepted a position of employment with the Council or its subsidiaries during or since the end of the financial year.</p>

# AUDIT NEW ZEALAND

Mana Arotake Aotearoa

Level 3, 335 Lincoln Road  
PO Box 2  
Christchurch 8140

[www.auditnz.govt.nz](http://www.auditnz.govt.nz)



# Report



**DATE:** 28 November 2019

**TO:** Mayor and Councillors

**FROM:** Group Manager: Corporate Services

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## FINANCIAL PERFORMANCE: OCTOBER 2019

### 1 SUMMARY

- 1.1 The purpose of this report is to provide an indication of Council's financial performance for four months to 31 October 2019.
- 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 Council as part of the Long Term Plan 2018-28.
- 1.4 This report concludes by recommending that the Council receive the financial performance report to 31 October 2019, attached as **Appendix 1**.

### 2 BACKGROUND

- 2.1 The Council receives monthly financial reporting so that it has current knowledge of its financial performance and position against targets and objectives adopted in the Long Term Plan 2018-28.

### 3 CURRENT SITUATION

- 3.1 The Council now receives a monthly financial summary report in a consistent format.

3.2 The Financial Performance Report to 31 October 2019 is attached as **Appendix 1** and contains the following elements:

- 3.2.1 Sustainability Report
- 3.2.2 Statement of Comprehensive Revenue and Expense
- 3.2.3 Funding Impact Statement by Activity
- 3.2.4 Revenue and Expenditure Graphs
- 3.2.5 Consultants by Activity and Supplier
- 3.2.6 Debtors
- 3.2.7 Debt Position
- 3.2.8 Capital Expenditure
- 3.2.9 Carryovers
- 3.2.10 Unbudgeted Expenditure

#### **4 OPTIONS**

4.1 The Council can decide to receive or not receive the report.

#### **5 SIGNIFICANCE AND CONSULTATION**

5.1 This report is for information only and, while feedback is invited from Council in order for staff to continuously improve the quality of information provided, no assessment of significance or consultation and no options analysis is required.

#### **6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

6.1 The report is for information only, the report is to inform the Council on the monthly financial position, therefore financial implications are discussed within the body of the report itself.

#### **7 RECOMMENDATION**

A) **THAT** the Council receive the Financial Performance Report to 31 October 2019

**Lesley Crichton**

**Group Manager: Corporate Services**

**Appendix 1: Financial Performance October 2019**



# Financial Performance Year to October 2019

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## Sustainability Report

Total revenue	Total expenditure	Total surplus/(deficit)
<b>\$8.63M</b>	<b>\$8.08M</b>	<b>\$0.55M</b>
Is 6.84% more than the total budget of \$8.08M	Is 6.38% more than the total budget of \$7.60M	Is 14.15% more than the total budget of \$0.48M

### SUSTAINABILITY

**Rates to operating revenue** **58.40%**

Rates Revenue	\$5.04M
Operating Revenue	\$8.63M

58.40% of operating revenue is derived from rates revenue. Rates revenue includes penalties, water supply by meter and is gross of remissions. Operating revenue excludes vested assets, and asset revaluation gains.

**Balanced budget ratio** **106.79%**

Operating revenue	\$8.63M
Operating expenditure	\$8.08M

Operating revenue should be equal or more than operating expenditure. Operating revenue excludes vested assets and asset revaluation gains. Operating expenditure includes depreciation and excludes landfill liability and loss on asset revaluations. Year to date revenue is 106.79% of operating expenditure.

**Interest to rates revenue (LGFA Cov.)** **4.42%**

Net interest and finance costs	\$223K
Rates Revenue	\$5.04M

4.42% of rates revenue is paid in interest. Our set limit is 25% of rates revenue. Net interest is interest paid less interest received. Rates revenue includes penalties, water supply by meter and gross of remissions.

**Interest to operating revenue** **2.58%**

Net Interest and finance costs	\$223K
Operating revenue	\$8.63M

2.58% of operating revenue is paid in interest. Our set limit is 10% of operating revenue. Net interest is interest paid less interest received.



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**Liquidity Risk (LGFA Cov.)** **148.32%**

Gross Debt	\$18.62M
Undrawn committed facilities	\$3.98M
Cash and Cash Equivalents	\$5.02M

The liquidity risk policy requires us to maintain a minimum ratio of 110% which is also an LGFA covenant. Our current liability risk is 148.32%

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**Essential services ratio** **113.11%**

Capital expenditure	\$2.05M
Depreciation	\$1.81M

Capital expenditure should be equal or more than depreciation for essential services, for year to date capex is 113.11% of depreciation. Essential Services are Water Supply, Wastewater, Stormwater, Solid Waste and Roading.

---

## Statement of Comprehensive Revenue and Expense

Statement of Comprehensive Revenue and Expense					
	Annual Plan	Annual Plan YTD	Actual YTD	Variance YTD	Var/Bud
	(\$000)	(\$000)	(\$000)	(\$000)	%
<b>Revenue</b>					
Rates	16,347	5,183	5,040	(143)	-2.8%
Grants and subsidies (Note 1)	4,162	1,854	2,468	615	33.2%
Interest revenue	82	27	12	(15)	-54.6%
Fees and charges (Note 2)	2,009	666	703	36	5.4%
Other revenue (Note 3)	1,360	347	407	60	17.3%
<b>Total operating revenue</b>	<b>23,960</b>	<b>8,078</b>	<b>8,630</b>	<b>553</b>	<b>6.8%</b>
<b>Expenditure</b>					
Employee benefit expenses (Note 4)	4,090	1,363	1,352	(12)	-0.9%
Finance costs	740	247	235	(11)	-4.7%
Depreciation and amortisation	6,316	2,105	2,316	210	10.0%
Other expenses (Note 5)	11,746	3,881	4,179	297	7.7%
<b>Total operating expenditure</b>	<b>22,892</b>	<b>7,597</b>	<b>8,081</b>	<b>484</b>	<b>6.4%</b>
<b>Operating Surplus/(Deficit)</b>	<b>1,067</b>	<b>481</b>	<b>549</b>	<b>68</b>	<b>14.2%</b>

Note 1- Grants and Subsidies Revenue

Grants and Subsidies Revenue						
	Annual Plan (000's)	Annual Plan YTD (000's)	Actual YTD (000's)	Variance YTD (000's)	Var/Bud %	Notes
Grants & Contributions	\$1,943	\$648	\$1,158	\$511	79%	<ul style="list-style-type: none"> <li>• Carnegie Building Grant \$300k,</li> <li>• MBIE Tourism Facilities Grant \$234k,</li> <li>• Creative Sparc travel grant received early \$10k</li> <li>• NZTA subsidies underbudget \$33k,</li> </ul>
Capital Subsidies	\$2,219	\$1,206	\$1,310	\$104	9%	<ul style="list-style-type: none"> <li>• MBIE Haast conveniences project grant \$327k,</li> <li>• MBIE WCWT Old Christchurch Rd Construction, \$79k</li> <li>• NZTA Capital Subsidy \$244k underbudget, seasonal,</li> <li>• MBIE Franz WWT grant \$54k underbudget,</li> </ul>
<b>Total - Other Expenses</b>	<b>\$4,162</b>	<b>\$1,854</b>	<b>\$2,468</b>	<b>\$615</b>	<b>33%</b>	

Note 2- Fees & Charges

Fees & Charges						
	Annual Plan (000's)	Annual Plan YTD (000's)	Actual YTD (000's)	Variance YTD (000's)	Var/Bud %	Notes
Waste Levy	\$38	\$10	\$16	\$6	68%	
Amusement Device Licences	\$	\$	\$	\$	0%	
Building Consents	\$79	\$26	\$33	\$7	27%	<ul style="list-style-type: none"> <li>Increase in building and resource consents</li> </ul>
Camping Ground Licence Fees	\$5	\$2	\$1	-\$1	-65%	
Compliance Certificates	\$50	\$17	\$20	\$3	19%	
Compliance Schedule Fees	\$36	\$12	\$26	\$14	115%	
Inspection Fees	\$195	\$65	\$64	-\$1	-2%	
Liquor Licences	\$96	\$32	\$36	\$4	14%	<ul style="list-style-type: none"> <li>Manager licences for summer season</li> </ul>
Building Project Information	\$	\$	\$	\$	208%	
Processing Fees	\$159	\$53	\$62	\$9	16%	
Building Checks	\$8	\$3	\$2	-\$1	-33%	
Monitoring Revenue	\$8	\$2	\$	-\$2	-100%	
Building Accreditation	\$28	\$9	\$6	-\$3	-31%	
Refuse Site Fees	\$813	\$271	\$256	-\$14	-5%	<ul style="list-style-type: none"> <li>Franz Josef \$78k over budget, alternative to Fox</li> <li>Hokitika refuse fees \$83k under budget, seasonal</li> <li>Denis Road Refuse site \$9k under budget. seasonal</li> </ul>
Burial Fees	\$32	\$11	\$8	-\$2	-21%	
Cass Square Hire Char	\$7	\$2	\$	-\$2	-95%	
Land Information Memo	\$41	\$14	\$19	\$6	42%	
Photocopying Revenue	\$5	\$2	\$2	\$	19%	<ul style="list-style-type: none"> <li>Library photocopying</li> </ul>
Plant Hire	\$119	\$40	\$49	\$9	23%	<ul style="list-style-type: none"> <li>Increase in internal vehicle usage by Responsible camping, Dog control, District Assets</li> </ul>
Rental	\$58	\$19	\$20	\$1	4%	<ul style="list-style-type: none"> <li>Library meeting room rental</li> </ul>
Resource Consents	\$82	\$27	\$30	\$3	11%	<ul style="list-style-type: none"> <li>Increase in building and resource consents</li> </ul>
Friends of the Library	\$2	\$1	\$1	\$1	81%	
Trade Waste Fees	\$107	\$36	\$35	-\$1	-2%	
DVD Rental	\$7	\$2	\$3	\$	18%	
Bach Licences	\$34	\$11	\$12	\$1	7%	
<b>Total - Other Expenses</b>	<b>\$2,009</b>	<b>\$666</b>	<b>\$703</b>	<b>\$36</b>	<b>5%</b>	

Note 3- Other Revenue

Other Revenue						
	Annual Plan (000's)	Annual Plan YTD (000's)	Actual YTD (000's)	Variance YTD (000's)	Var/Bud %	Notes
Petrol Tax Income	\$133	\$44	\$44	\$	0%	
Loss on Swap	\$	\$	\$126	\$126	0%	• Market forces
Food Premises Licences	\$48	\$16	\$3	-\$13	-79%	
Funeral Parlour Licences	\$	\$	\$	\$	-100%	
Hairdressers Licences	\$2	\$1	\$	\$	-41%	
Hawkers Licences	\$2	\$1	\$	\$	-13%	
Impounding Fees	\$1	\$	\$3	\$3	1524%	• In-house animal control department
Mobile Shop Licences	\$2	\$1	\$1	\$1	82%	
Offensive Trade Licences	\$1	\$	\$	\$	-100%	
Dogs Registration	\$107	\$102	\$103	\$1	1%	• July annual dog registration, over 1800 dogs
Telephone	\$	\$	\$	\$	54%	
Nomination Fees	\$5	\$3	\$7	\$5	190%	• Election nominations
PLBUILD - Commission	\$1	\$	\$1	\$1	135%	
LIBRAR - Donations	\$2	\$1	\$	\$	-62%	
Fines	\$22	\$7	\$8	\$1	8%	
Legal Fees Recovered	\$18	\$6	\$	-\$16	-100%	
Dividends	\$520	\$0	\$	\$0	0%	
Retail Sales	\$1	\$	\$3	\$3	1203%	• Sale of extra bins, rubbish bags and waste collection costs
Sundry Income	\$27	\$9	\$12	\$3	34%	• Chorus rental of office space in Council HQ
Fees-TNZ	\$	\$	\$	\$	0%	
Fees-Other Activities	\$	\$	\$	\$	0%	
Recoveries	\$415	\$138	\$45	-\$94	-68%	• No recoveries made, IHPS \$81k under budget, Planning \$29k under budget. Building, Civil Defence, Sewell St. Flats, • Supervision and library over budget \$16k
Interloans	\$1	\$	\$	\$	79%	
Imbalances	\$	\$	\$	\$	0%	
Reserve Fund Revenue	\$40	\$13	\$37	\$23	176%	• Three mile reserve fund, \$16k, Reserves contribution over budget \$7k.
Capital Contributions	\$13	\$4	\$13	\$8	189%	• New member Kaniere waste water
<b>Total - Other Expenses</b>	<b>\$1,360</b>	<b>\$347</b>	<b>\$407</b>	<b>\$60</b>	<b>17%</b>	

Note 4- Staff Costs

Personnel Costs						
	Annual Plan (000's)	Annual Plan YTD (000's)	Actual YTD (000's)	Variance YTD (000's)	Var/Bud %	Notes
Salaries & Wages	\$3,959	\$1,320	\$1,307	-\$12	-1%	
Superannuation	\$119	\$40	\$40	\$	1%	
ACC Levy	\$13	\$4	\$5	\$	10%	
<b>Total - Other Expenses</b>	<b>\$4,090</b>	<b>\$1,363</b>	<b>\$1,352</b>	<b>-\$12</b>	<b>-1%</b>	

Note 5- Other Expenses



## Other Expenses

	Annual Plan (000's)	Annual Plan YTD (000's)	Actual YTD (000's)	Variance YTD (000's)	Var/Bud %	Notes
Administrative Expenses	\$630	\$211	\$286	\$75	35.38%	<ul style="list-style-type: none"> <li>• Elections printing materials \$29k over budget,</li> <li>• Democracy subscriptions \$14k over budget</li> <li>• Library computer operating \$19k, timing</li> <li>• Software licences \$13k, timing</li> </ul>
Contractors	\$446	\$149	\$176	\$27	18.04%	<ul style="list-style-type: none"> <li>• In-house professional services , no budget \$24k, Environment contractors \$3k</li> </ul>
Electricity	\$338	\$113	\$114	\$1	0.92%	
Honorarium	\$280	\$93	\$87	-\$7	-7.12%	<ul style="list-style-type: none"> <li>• New council members will be paid in November</li> </ul>
Insurance	\$266	\$89	\$102	\$13	14.45%	<ul style="list-style-type: none"> <li>• Higher cost of insurance premiums</li> </ul>
Loss on Swaps	\$183	\$61	\$180	\$119	194.31%	<ul style="list-style-type: none"> <li>• Market forces</li> </ul>
Maintenance	\$4,196	\$1,399	\$1,403	\$5	0.34%	
Management Contracts	\$1,837	\$612	\$628	\$16	2.60%	
Professional Services	\$296	\$99	\$53	-\$46	-46.71%	<ul style="list-style-type: none"> <li>• Timing differences</li> </ul>
Rates expenses	\$219	\$55	\$50	-\$5	-9.76%	<ul style="list-style-type: none"> <li>• On Council owned buildings</li> </ul>
Refuse Collections	\$762	\$254	\$255	\$1	0.23%	
Other Expenses	\$2,292	\$747	\$847	\$100	13.40%	<ul style="list-style-type: none"> <li>• Three mile grant payment for Lazar park \$150k,</li> <li>• Debt collection \$7k under budget,</li> <li>• Community grants \$8k under budget,</li> <li>• Conveniences community grants \$21k under budget- Fox, Whataroa, Okarito ,</li> <li>• Bank fees under budget \$4k,</li> <li>• Planning and HR course and conference fees \$10k each</li> </ul>
<b>Total - Other Expenses</b>	<b>\$11,746</b>	<b>\$3,881</b>	<b>\$4,179</b>	<b>\$297</b>	<b>7.66%</b>	

# Funding Impact Statement by Activity

## Leadership

Funding Impact Statement - Leadership						
	Annual Plan 2019/20	Annual Plan YTD	Actual YTD	Variance YTD	Var/Bud	Notes
	(000's)	(000's)	(000's)	(000's)	%	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
General rates, uniform annual general charges, rates penalties	\$715	\$236	\$98	-\$138	-58%	<ul style="list-style-type: none"> <li>• rates remissions \$126k</li> <li>• Rates penalties \$12k written off</li> </ul>
Fees and charges	\$177	\$59	\$68	\$9	15%	<ul style="list-style-type: none"> <li>• Internal vehicle charges \$9k</li> </ul>
Interest and dividends from investments	\$596	\$25	\$10	-\$16	-62%	<ul style="list-style-type: none"> <li>• Low interest rates</li> </ul>
Local authorities fuel tax, fines, infringement fees, and other receipts	\$493	\$165	\$216	\$51	31%	<ul style="list-style-type: none"> <li>• Loss on swap \$127k</li> <li>• Timing differences IHPS \$81k</li> <li>• \$4k Chorus telecom facility rental over budget</li> </ul>
Internal charges and overheads recovered	\$5,615	\$1,557	\$1,569	\$12	1%	
<b>Total Operating Funding (A)</b>	<b>\$7,596</b>	<b>\$2,042</b>	<b>\$1,960</b>	<b>-\$82</b>	<b>-4%</b>	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$4,739	\$1,521	\$1,718	\$196	13%	<ul style="list-style-type: none"> <li>• Mayoral fund payments \$55k March flood event, grant funded</li> <li>• Elections.nz printing voter packs costs \$29k</li> <li>• IHPS contractors \$24k unbudgeted professional writing costs</li> <li>• Democracy Salaries \$18k extended fixed term contract.</li> <li>• Democracy LGNZ Subscriptions \$15k, phasing</li> <li>• IHPS Legal Fees \$11k</li> </ul>



Finance Costs	\$302	\$101	\$89	-\$11	-11%	<ul style="list-style-type: none"> <li>• CorpGM salaries &amp; wages \$9k</li> <li>• IHPS vehicle expenses, \$8k extra travel</li> <li>• HR Advertising \$8k vacant roles</li> <li>• HQ Electricity \$6k, seasonal</li> <li>• Elections advertising \$6k voter packs</li> <li>• Elections postage \$5k Voter packs</li> <li>• Elections consultants \$2k</li> <li>• Interest expense budget \$95k offset by \$84k finance costs</li> </ul>
Internal charges and overheads applied	\$2,519	\$634	\$585	-\$50	-8%	
Total Applications of Operating Funding (B)	\$7,560	\$2,256	\$2,392	\$135	6%	
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>\$37</b>	<b>-\$215</b>	<b>-\$432</b>	<b>-\$217</b>	<b>101%</b>	

Planning Services

Funding Impact Statement – Planning Services						
	Annual Plan 2019/20	Annual Plan YTD	Actual YTD	Variance YTD	Var/Bud	Notes
	(000's)	(000's)	(000's)	(000's)	%	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
General rates, uniform annual general charges, rates penalties	\$553	\$184	\$184	\$	0%	
Fees and charges	\$148	\$49	\$54	\$5	10%	• LIMs \$5k up
Local authorities fuel tax, fines, infringement fees, and other receipts	\$93	\$31	\$2	-\$29	-93%	• Planning recoveries \$29k under budget, offset by recovery expenses
<b>Total Operating Funding (A)</b>	<b>\$794</b>	<b>\$265</b>	<b>\$241</b>	<b>-\$24</b>	<b>-9%</b>	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$541	\$180	\$119	-\$61	-34%	<ul style="list-style-type: none"> <li>• Recovery expenses \$29k under budget</li> <li>• Salaries &amp; wages \$18k under budget</li> <li>• Course fees \$5k under budget</li> <li>• Travel, consultants contractors \$9k under budget</li> </ul>
Internal charges and overheads applied	\$164	\$55	\$44	-\$11	-19%	<ul style="list-style-type: none"> <li>• Rental \$5k under budget</li> <li>• Overheads \$6k under budget, lower percentage of overhead allocation</li> </ul>

Total Applications of Operating Funding (B)	\$705	\$235	\$163	-\$72	-31%
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>\$89</b>	<b>\$30</b>	<b>\$78</b>	<b>\$48</b>	<b>162%</b>

Funding Impact Statement - Regulatory Services						
	Annual Plan 2019/20	Annual Plan YTD	Actual YTD	Variance YTD	Var/Bud	Notes
	(000's)	(000's)	(000's)	(000's)	%	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
General rates, uniform annual general charges, rates penalties	\$1,129	\$376	\$376	\$	0%	
Subsidies and grants for operating purposes	\$	\$	\$234	\$234	0%	<ul style="list-style-type: none"> <li>Responsible Camping MBIE Grant</li> </ul>
Fees and charges	\$640	\$213	\$245	\$32	15%	<ul style="list-style-type: none"> <li>Compliance schedules, Processing, Building &amp; Compliance certificates up \$32k, Increased activity and price increase</li> </ul>
Local authorities fuel tax, fines, infringement fees, and other receipts	\$183	\$127	\$131	\$4	3%	
<b>Total Operating Funding (A)</b>	<b>\$1,952</b>	<b>\$717</b>	<b>\$987</b>	<b>\$270</b>	<b>38%</b>	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$1,274	\$424	\$458	\$34	8%	<ul style="list-style-type: none"> <li>Building accreditation \$23k</li> <li>Responsible camping vehicle expenses \$11k funded by grant</li> </ul>
Internal charges and overheads applied	\$761	\$254	\$212	-\$41	-16%	<ul style="list-style-type: none"> <li>Overhead allocation \$41k. Lower percentage of overhead allocation</li> </ul>
<b>Total Applications of Operating Funding (B)</b>	<b>\$2,035</b>	<b>\$678</b>	<b>\$671</b>	<b>-\$7</b>	<b>-1%</b>	
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>-\$83</b>	<b>\$39</b>	<b>\$316</b>	<b>\$277</b>	<b>712%</b>	

Funding Impact Statement - Community Services

	Annual Plan 2019/20	Annual Plan YTD	Actual YTD	Variance YTD	Var/Bud	Notes
	(000's)	(000's)	(000's)	(000's)	%	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
General rates, uniform annual general charges, rates penalties	\$471	\$157	\$157	\$	0%	
Targeted Rates	\$789	\$263	\$263	\$	0%	
Subsidies and grants for operating purposes	\$31	\$10	\$320	\$309	2963%	<ul style="list-style-type: none"> <li>• Carnegie Building grant \$300 k</li> <li>• Spark travel grant \$10k</li> <li>• Three Mile reserve fund, \$15k</li> </ul>
Local authorities fuel tax, fines, infringement fees, and other receipts	\$2	\$1	\$16	\$15	2150%	
<b>Total Operating Funding (A)</b>	<b>\$1,294</b>	<b>\$431</b>	<b>\$756</b>	<b>\$325</b>	<b>75%</b>	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$881	\$334	\$519	\$185	56%	<ul style="list-style-type: none"> <li>• Three Mile Fund paid to Hokitika Lions \$150k</li> <li>• Regent Theatre grant \$35k budget phasing</li> </ul>
Internal charges and overheads applied	\$240	\$80	\$75	-\$6	-7%	
<b>Total Applications of Operating Funding (B)</b>	<b>\$1,121</b>	<b>\$414</b>	<b>\$594</b>	<b>\$180</b>	<b>43%</b>	
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>\$172</b>	<b>\$17</b>	<b>\$162</b>	<b>\$145</b>	<b>832%</b>	

Funding Impact Statement - Leisure services and facilities

	Annual Plan 2019/20	Annual Plan YTD	Actual YTD	Variance YTD	Var/Bud	Notes
	(000's)	(000's)	(000's)	(000's)	%	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
General rates, uniform annual general charges, rates penalties	\$1,736	\$579	\$579	\$	0%	
Targeted Rates	\$1,178	\$393	\$393	\$	0%	
Subsidies and grants for operating purposes	\$4	\$1		-\$1	-100%	
Fees and charges	\$86	\$29	\$28	-\$1	-4%	
Local authorities fuel tax, fines, infringement fees, and other receipts	\$54	\$18	\$25	\$7	40%	• Reserves contribution \$7k over budget
<b>Total Operating Funding (A)</b>	<b>\$3,058</b>	<b>\$1,019</b>	<b>\$1,024</b>	<b>\$5</b>	<b>0%</b>	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$2,136	\$708	\$683	-\$25	-4%	• Conveniences cleaning grants- Fox, ,Okarito, Ross \$25k under budget
Finance Costs	\$42	\$14	\$14	\$	0%	
Internal charges and overheads applied	\$285	\$95	\$93	-\$2	-2%	
<b>Total Applications of Operating Funding (B)</b>	<b>\$2,463</b>	<b>\$817</b>	<b>\$790</b>	<b>-\$27</b>	<b>-3%</b>	
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>\$595</b>	<b>\$202</b>	<b>\$234</b>	<b>\$32</b>	<b>16%</b>	
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>						
<b>Sources of Capital Funding</b>						
Subsidies and grants for capital expenditure	\$	\$	\$406	\$406	0%	• MBIE Haast conveniences grant
<b>Total Sources of Capital Funding (C)</b>	<b>\$</b>	<b>\$</b>	<b>\$406</b>	<b>\$406</b>	<b>0%</b>	
<b>Application of Capital Funding</b>						
<b>Total Applications of Capital Funding (D)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>		
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>\$</b>	<b>\$</b>	<b>\$406</b>	<b>\$406</b>	<b>0%</b>	

Transportation

Funding Impact Statement - Transportation						
	Annual Plan 2019/20	Annual Plan YTD	Actual YTD	Variance YTD	Var/Bud	Notes
	(000's)	(000's)	(000's)	(000's)	%	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
General rates, uniform annual general charges, rates penalties	\$2,099	\$700	\$700	\$	0%	
Subsidies and grants for operating purposes	\$1,908	\$636	\$605	-\$31	-5%	<ul style="list-style-type: none"> <li>NZTA grant \$31k under budget</li> </ul>
<b>Total Operating Funding (A)</b>	<b>\$4,007</b>	<b>\$1,336</b>	<b>\$1,305</b>	<b>-\$31</b>	<b>-2%</b>	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$2,527	\$842	\$944	\$102	12%	<ul style="list-style-type: none"> <li>Storm damage repairs \$105k post flood event,</li> <li>Level crossing warning devices \$3k under budget</li> </ul>
Finance Costs	\$27	\$9	\$9	\$	0%	
Internal charges and overheads applied	\$353	\$118	\$120	\$2	2%	
<b>Total Applications of Operating Funding (B)</b>	<b>\$2,907</b>	<b>\$969</b>	<b>\$1,073</b>	<b>\$104</b>	<b>11%</b>	
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>\$1,100</b>	<b>\$367</b>	<b>\$232</b>	<b>-\$135</b>	<b>-37%</b>	
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>						
<b>Sources of Capital Funding</b>						
Subsidies and grants for capital expenditure	\$1,519	\$506	\$258	-\$248	-49%	<ul style="list-style-type: none"> <li>NZTA grant \$248k under budget, seasonal</li> </ul>
<b>Total Sources of Capital Funding (C)</b>	<b>\$1,519</b>	<b>\$506</b>	<b>\$258</b>	<b>-\$248</b>	<b>-49%</b>	
<b>Application of Capital Funding</b>						
<b>Total Applications of Capital Funding (D)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>0%</b>	
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>\$1,519</b>	<b>\$506</b>	<b>\$258</b>	<b>-\$248</b>	<b>-49%</b>	

<b>Funding Impact Statement - Water Supply</b>						
	<b>Annual Plan 2019/20</b>	<b>Annual Plan YTD</b>	<b>Actual YTD</b>	<b>Variance YTD</b>	<b>Var/Bud</b>	<b>Notes</b>
	<b>(000's)</b>	<b>(000's)</b>	<b>(000's)</b>	<b>(000's)</b>	<b>%</b>	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
General rates, uniform annual general charges, rates penalties	\$70	\$23	\$23	\$	0%	
Targeted Rates	\$4,119	\$1,110	\$1,104	-\$5	0%	
Interest and dividends from investments	\$	\$	\$1	\$1	0%	
<b>Total Operating Funding (A)</b>	<b>\$4,189</b>	<b>\$1,133</b>	<b>\$1,128</b>	<b>-\$4</b>	<b>0%</b>	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$1,216	\$399	\$323	-\$77	-19%	<ul style="list-style-type: none"> <li>Repairs and maintenance \$39K under budget, no reactive maintenance to date,</li> <li>Monitoring expenses \$38k under budget, Regional monitoring, uncertain timing</li> </ul>
Finance Costs	\$159	\$53	\$53	\$	0%	
Internal charges and overheads applied	\$700	\$233	\$238	\$5	2%	
<b>Total Applications of Operating Funding (B)</b>	<b>\$2,075</b>	<b>\$686</b>	<b>\$614</b>	<b>-\$72</b>	<b>-10%</b>	
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>\$2,114</b>	<b>\$447</b>	<b>\$514</b>	<b>\$67</b>	<b>15%</b>	



Funding Impact Statement - Wastewater						
	Annual Plan 2019/20	Annual Plan YTD	Actual YTD	Variance YTD	Var/Bud	Notes
	(000's)	(000's)	(000's)	(000's)	%	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
General rates, uniform annual general charges, rates penalties	\$41	\$14	\$14	\$	0%	
Targeted Rates	\$1,274	\$425	\$425	\$	0%	
Fees and charges	\$107	\$36	\$35	-\$1	-2%	
Interest and dividends from investments	\$6	\$2	\$2	\$	-5%	
Local authorities fuel tax, fines, infringement fees, and other receipts	\$13	\$4	\$13	\$9	199%	<ul style="list-style-type: none"> <li>• Kanieri WW capital contributions \$9k</li> </ul>
<b>Total Operating Funding (A)</b>	<b>\$1,441</b>	<b>\$480</b>	<b>\$489</b>	<b>\$8</b>	<b>2%</b>	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$459	\$149	\$91	-\$59	-39%	<ul style="list-style-type: none"> <li>• Repairs and maintenance \$36k no reactive maintenance work to date</li> <li>• Monitoring expenses \$13k Regional council compliance, timing</li> </ul>
Finance Costs	\$87	\$29	\$29	\$	0%	
Internal charges and overheads applied	\$165	\$55	\$56	\$1	2%	
<b>Total Applications of Operating Funding (B)</b>	<b>\$711</b>	<b>\$234</b>	<b>\$176</b>	<b>-\$58</b>	<b>-25%</b>	
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>\$730</b>	<b>\$247</b>	<b>\$313</b>	<b>\$66</b>	<b>27%</b>	
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>						
<b>Sources of Capital Funding</b>						
Subsidies and grants for capital expenditure	\$700	\$700	\$645	-\$55	-8%	<ul style="list-style-type: none"> <li>• MBIE Franz Wastewater grant under claimed</li> </ul>
<b>Total Sources of Capital Funding (C)</b>	<b>\$700</b>	<b>\$700</b>	<b>\$645</b>	<b>-\$55</b>	<b>-8%</b>	
<b>Application of Capital Funding</b>						
<b>Total Applications of Capital Funding (D)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>0%</b>	
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>\$700</b>	<b>\$700</b>	<b>\$645</b>	<b>-\$55</b>	<b>-8%</b>	

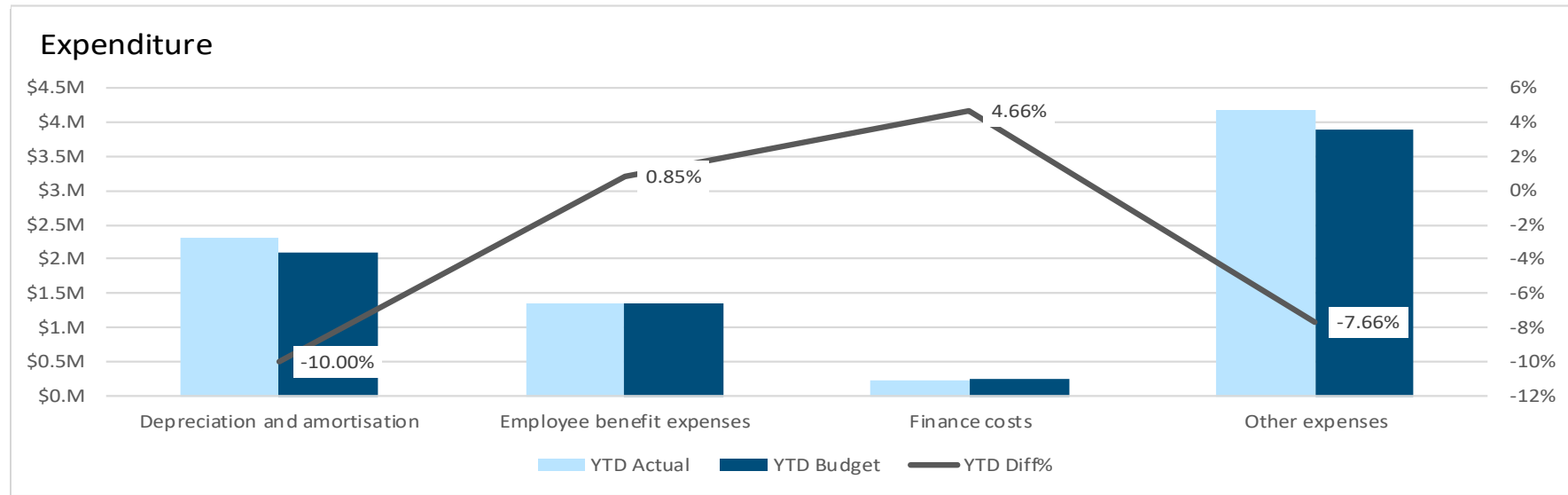
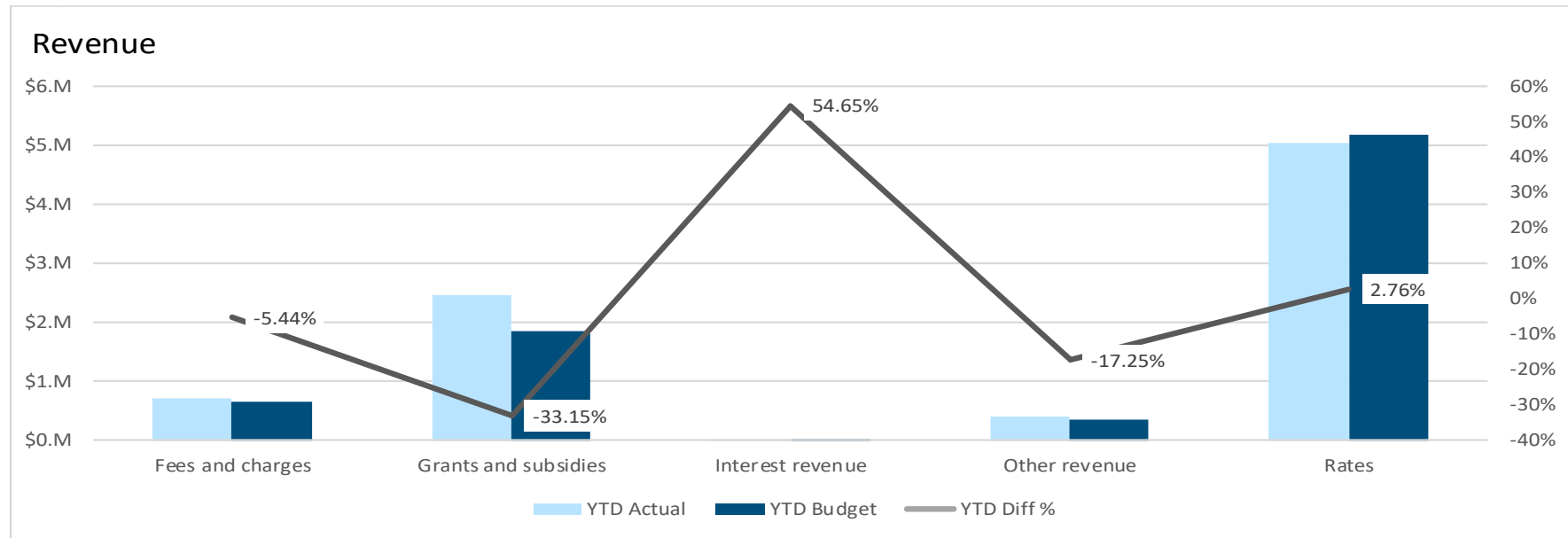
Stormwater

Funding Impact Statement - Stormwater						
	Annual Plan 2019/20	Annual Plan YTD	Actual YTD	Variance YTD	Var/Bud	Notes
	(000's)	(000's)	(000's)	(000's)	%	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
Targeted Rates	\$560	\$187	\$187	\$	0%	
Total Operating Funding (A)	\$560	\$187	\$187	\$	0%	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$117	\$37	\$42	\$6	16%	• Drainage Hokitika repairs & maintenance \$6k post effects of flood event
Finance Costs	\$40	\$13	\$13	\$	0%	
Internal charges and overheads applied	\$146	\$49	\$50	\$1	2%	
Total Applications of Operating Funding (B)	\$303	\$99	\$105	\$7	7%	
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>\$257</b>	<b>\$88</b>	<b>\$81</b>	<b>-\$7</b>	<b>-8%</b>	

Solid Waste

<b>Funding Impact Statement - Solid Waste</b>						
	<b>Annual Plan 2019/20</b>	<b>Annual Plan YTD</b>	<b>Actual YTD</b>	<b>Variance YTD</b>	<b>Var/Bud</b>	<b>Notes</b>
	<b>(000's)</b>	<b>(000's)</b>	<b>(000's)</b>	<b>(000's)</b>	<b>%</b>	
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>						
<b>Sources of Operating Funding</b>						
General rates, uniform annual general charges, rates penalties	\$851	\$284	\$284	\$	0%	
Targeted Rates	\$762	\$254	\$254	\$	0%	
Fees and charges	\$851	\$280	\$273	-\$8	-3%	
Local authorities fuel tax, fines, infringement fees, and other receipts	\$2	\$1	\$3	\$3	407%	<ul style="list-style-type: none"> <li>Retail sales \$3k- extra bins, rubbish bags and waste disposal charges</li> </ul>
<b>Total Operating Funding (A)</b>	<b>\$2,466</b>	<b>\$819</b>	<b>\$813</b>	<b>-\$5</b>	<b>-1%</b>	
<b>Applications of Operating Funding</b>						
Payments to staff and suppliers	\$1,948	\$649	\$633	-\$16	-2%	
Finance Costs	\$82	\$27	\$27	\$	0%	
Internal charges and overheads applied	\$282	\$94	\$96	\$2	2%	
<b>Total Applications of Operating Funding (B)</b>	<b>\$2,312</b>	<b>\$770</b>	<b>\$757</b>	<b>-\$14</b>	<b>-2%</b>	
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>\$154</b>	<b>\$48</b>	<b>\$57</b>	<b>\$9</b>	<b>18%</b>	

## Revenue & Expenditure Graphs



Revenue & Expenditure Graph- compares budgeted vs actual revenue and expenditure year to date. Percentages indicate the budget-actual variance as a proportion of the budget.

## Consultants by Activity and Supplier

<b>Consultants by Activity October 2019</b>	<b>Sum of Amount (\$)</b>
Corporate Services	9,196
Democracy	5,555
Elections	5,892
Information Services	4,498
In-House Professional Services	800
Human Resources	142
<b>Grand Total</b>	<b>26,084</b>

<b>Consultants by Supplier October 2019</b>	<b>Sum of Amount (\$)</b>
Price Waterhouse Coopers	6,944
Convergnance communications & marketing	3,895
Electionz. Com Ltd	5,892
Link Market Services	1,502
Covenant Trustees	750
West Coast Regional Council	4,498
Coastwide Surveys	1,660
Preston Rowe	800
EAP Services	142
<b>Grand Total</b>	<b>26,084</b>

## Debtors

Type	Over 90 Days	60-90 Days	30-60 Days	Current	Balance (\$)
Building Consents	9,520	229	2,167	7,397	19,313
Building Warrants	2,600	1,370	1,345	1,103	6,418
Resource Consents	4,313	-	-	7,782	12,095
Sundry Debtors	7,435	7,853	48,320	90,577	154,184
<b>Grand Total</b>	<b>23,868</b>	<b>9,452</b>	<b>51,832</b>	<b>106,858</b>	<b>192,010</b>

## Rates Debtors

<b>Rates Debtors at 30 September 2019 (\$)</b>		<b>518,480</b>
Rates instalment	3,757,430	
Less payments received	-539,419	
Paid in advance change	-608,635	
Previous years write off's	0	
Write off's	-24,855	
Penalties	-1,912	
Discounts	-221	
Court costs awarded	0	
		2,582,389
<b>Total Rates Debtors at 31 October 2019 (\$)</b>		<b>3,100,868</b>
Arrears included above at 31 October 2019	3,100,868	
Arrears at 31 October 2018	3,353,068	
Increase/(decrease) in arrears		<b>-252,200</b>

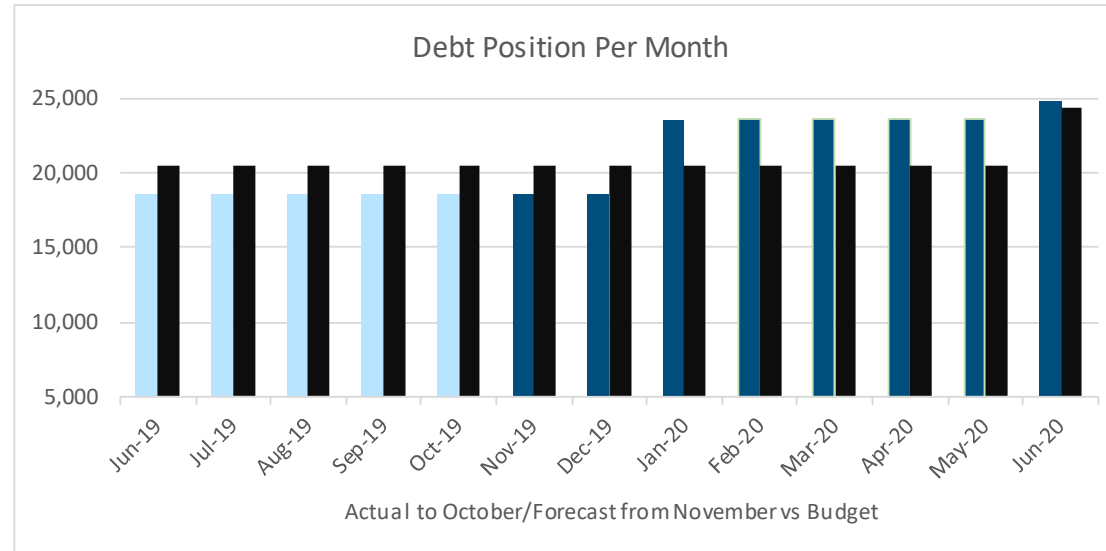
## Debt Position

### Debt Position 2019/20 (\$000)

	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Debt Position per month	18,618	18,618	18,618	18,618	18,618	18,618	18,618	23,594	23,594	23,594	23,594	23,594	24,732
Budget	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	24,339

### Forecast Debt Position per Annual Report for the 2019-20 Financial Year

Forecast as at	Jul-19	Oct-20
Opening Balance	18,618	18,618
Loan funded capex forecast	-	7,731
Forecast repayments 2019-20	-	(1,618)
<b>Forecast balance June 2020</b>	<b>18,618</b>	<b>24,732</b>



	Debt Position per month												
	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
<b>Budget</b>	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	20,446	24,339
<b>Actual / Forecast</b>	18,618	18,618	18,618	18,618	18,618	18,618	18,618	23,594	23,594	23,594	23,594	23,594	24,732
Waste Management Loans	2,101	2,101	2,101	2,101	2,101	2,101	2,101	2,292	2,292	2,292	2,292	2,292	2,265
WMP Loan	1,753	1,753	1,753	1,753	1,753	1,753	1,753	1,753	1,753	1,753	1,753	1,753	734
Sewerage Loan	2,451	2,451	2,451	2,451	2,451	2,451	2,451	4,475	4,475	4,475	4,475	4,475	5,554
Water Supply Loans	2,332	2,332	2,332	2,332	2,332	2,332	2,332	2,913	2,913	2,913	2,913	2,913	3,169
Structured Infrastructure for Council asset	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845
Other Loans	445	445	445	445	445	445	445	1,458	1,458	1,458	1,458	1,458	1,488
Stormwater Loan	773	773	773	773	773	773	773	1,940	1,940	1,940	1,940	1,940	2,794
Transportation	919	919	919	919	919	919	919	919	919	919	919	919	883

## Capital Expenditure

### CAPITAL EXPENDITURE 2019-2020 PROJECTS

	Annual Plan (\$)	Expenditure (\$)	Forecast (\$)	Budget Managers Notes
<b>Community Services</b>				
Buildings - Band rooms	10,250	-	10,250	Project on hold
<b>Total Community Services</b>	<b>10,250</b>	<b>-</b>	<b>10,250</b>	
<b>Leadership</b>				
Council HQ - Refurbishment	75,000	-	75,000	In progress, further discussions ongoing re Chambers location
Council HQ - Furniture and Fittings	5,000	-	5,000	As refurbishment progresses
Information Management - DMS	153,750	-	153,750	Expected completion of the core system - June 2020
IT Equipment renewals	110,725	26,590	110,725	Ongoing through the year, some planned renewals and some will be reactive
<b>Total Leadership</b>	<b>344,475</b>	<b>26,590</b>	<b>344,475</b>	
<b>Leisure Services &amp; Facilities</b>				
Reserves - Cass Square - Rubber matting	20,500	-	20,500	No further progress made
Reserves - Hokitika dog park	10,250	-	10,250	Project not started, not high priority
Reserves - Waterfront development	102,500	3,699	102,500	In progress
Cemetery - Hokitika Improvements Ashes Berm	10,250	-	10,250	
Cemetery - Ross Berm development	10,250	-	10,250	
Buildings - Hari house	15,375	4,704	15,375	



Elderly Housing - Glazing and insulation	56,000	50,128	56,000	
Swimming Pool Hokitika - Windows	24,000	8,696	24,000	
Swimming Pool Hokitika - Changing Shed Roof	14,000	12,565	14,000	
Swimming Pool Hokitika - Flood Lights	7,000	7,933	7,933	
Swimming Pool Hokitika - Pool Area Ventilation	20,400	-	20,400	
Swimming Pool Ross - Electric heat pump system	61,200	-	61,200	
Museum - Archival Scanner	7,175	5,822	7,175	
Museum - Photo booth	4,600	-	4,600	
Museum - Shelves	10,000	6,400	10,000	
Civil Defence - EOC	205,000	-	205,000	
Civil Defence - Satellite Data & Voice	13,000	14,300	14,300	
Library - Resources	57,618	13,160	57,618	
<b>Total Leisure Services &amp; Facilities</b>	<b>649,118</b>	<b>127,408</b>	<b>651,351</b>	
<b>Solid Waste</b>				
Franz Josef - Landfill final capping	25,625	24,691	25,625	
Butlers - Intermediate capping	228,575	2,259	228,575	
<b>Total Solid Waste</b>	<b>254,200</b>	<b>26,950</b>	<b>254,200</b>	
<b>Stormwater</b>				
Hokitika - Mains upgrade programme	25,625	35,801	35,801	In progress

Hokitika - Pump upgrade (Bealey)	102,500	-	-	Unlikely to go ahead as planned, will be re-scoped
Hokitika - Pump upgrade (Tancred)	200,000	-	-	Unlikely to go ahead as planned, will be re-scoped
Hokitika - Pump upgrade (Rolleston)	327,500	-	-	Unlikely to go ahead as planned, will be re-scoped
Hokitika - Pump upgrade (Hoffman)	767,500	-	-	Unlikely to go ahead as planned, will be re-scoped
Hokitika - Pump upgrade (Livingstone)	61,500	-	61,500	In progress
Hokitika - Pump upgrade (Weld)	130,000	-	-	Unlikely to go ahead as planned, will be re-scoped
Realignment Beach St	205,000	-	205,000	In progress
Hokitika - River outfall flap gates	10,250	-	10,250	In progress
Hokitika - Mains upgrade	10,250	1,834	10,250	In progress
<b>Total Stormwater</b>	<b>1,840,125</b>	<b>37,635</b>	<b>322,801</b>	

### Transportation

Unsealed Road Metalling	293,663	156,509	293,663	
Sealed Road Resurfacing	871,250	150,140	871,250	
Drainage Renewals	162,498	39,242	162,498	
Structures Component Replace	217,813	-	217,813	
Traffic Services Renewals	130,688	17,778	130,688	
Sealed Road Pavement Rehabilitation	82,000	26,336	82,000	
Sealed Road Resurfacing	162,975	-	162,975	
Drainage Renewals	27,675	-	27,675	

Structures Component Replace	54,325	-	54,325	
Traffic services renewals	11,275	156	11,275	
Sealed Road Pavement Rehabilitation	153,750	-	153,750	
Low Cost Low Risk - Local	481,750	-	481,750	
Low Cost Low Risk - SPR	71,750	-	71,750	Project is 100% funded by NZTA subsidy
Footpath upgrades	44,038	-	44,038	
<b>Total Transportation</b>	<b>2,765,448</b>	<b>390,162</b>	<b>2,765,448</b>	

#### Wastewater

Hokitika - Outfall structure	1,100,000	-	1,100,000	Awaiting detailed cost breakdown from WMP for WDC contribution;
Hokitika - WWTP upgrade	885,000	-	885,000	Fencing being installed for security reasons
Hokitika - Mains upgrade programme	61,500	-	61,500	Z line upgrade
General - WW Network Growth	10,252	11,032	11,032	
Franz Josef - Mains upgrade	307,500	-	307,500	In discussion, line size upgrade from waste ponds into township most likely
Franz Josef - Mains upgrade programme	28,700	-	28,700	
Franz Josef - WWTP - From 2019	1,000,000	1,087,794	1,300,000	70% completed, Stantec overseeing the work by Westroads
Fox Glacier - WWTP upgrade	102,500	-	102,500	On hold due to inability to access land at the moment
Haast - Mains upgrade programme	15,375	-	15,375	Only investigation work possible, in discussions with Westroads
<b>Total Wastewater</b>	<b>3,510,827</b>	<b>1,098,826</b>	<b>3,811,607</b>	

#### Water Supply

General - Treatment Components upgrade	45,000	-	45,000	Awaiting components list from Westroads
General - Disinfection upgrades	71,244	-	71,244	Only required if legislation changes
General - Telemetry	70,997	7,614	70,997	Currently in progress in Kumara & Whataroa
Arahura - Water Treatment Plant	265,000	524	265,000	Tender document in progress
Hokitika - WTP improvements - Pumps	36,900	9,130	36,900	Awaiting Westroads quote for supply & install
Hokitika - Mains upgrade programme	256,250	950	256,250	Hampden Street is progressing, approx. 90% complete
Hokitika - Seismic Valve	30,750	-	30,750	Installation likely only in winter
Hokitika - Pressure valve upgrade	15,375	-	15,375	Valve is being serviced
Hokitika - Water meter replacements	142,250	12,181	142,250	Instruments ordered
Hokitika - Reservoir Replacement	20,500	-	20,500	Testing market to obtain more suitable quotations
Ross - Mains upgrade programme	109,200	-	-	
Hari Hari - Seismic valves	30,750	-	30,750	Valves ordered
Hari Hari - Mains upgrade programme	184,500	-	184,500	On hold
Franz Josef - Seismic valves	30,750	-	30,750	Valves ordered
Franz Josef - Mains upgrade programme	92,250	974	92,250	Discussions progressing
Franz Josef - Upgrade Filter	10,250	-	10,250	Upgrade filter media purchased
Fox Glacier - Plant Upgrade	350,000	-	350,000	Raw water data gathering still in progress
Haast - WT reservoir Replacement	20,500	-	20,500	Geo-tech report completed

<b>Total Water Supply</b>	<b>1,782,466</b>	<b>31,374</b>	<b>1,673,266</b>
<b>Total 2019-2020 Project Capital Expenditure</b>	<b>11,156,909</b>	<b>1,738,945</b>	<b>9,833,399</b>

## Carryovers

### CAPITAL EXPENDITURE 2019-2020 CARRYOVERS

	Approved Amount (\$)	Expenditure (\$)	Remaining Budget (\$)	Forecast (\$)	Notes
<b>Community Services</b>					
Franz Josef Urban Revitalisation Plan	100,000	-	100,000	100,000	
Township Maintenance - Fox Rubbish Bins	3,000	-	3,000	3,000	
Township Maintenance - Haast Rubbish Bins	2,000	-	2,000	2,000	
Township Maintenance - Hokitika Rubbish Bins	7,000	-	7,000	7,000	
Township Maintenance - Kumara Rubbish Bins	3,000	-	3,000	3,000	
<b>Total Community Services</b>	<b>115,000</b>	<b>-</b>	<b>115,000</b>	<b>115,000</b>	
<b>Leadership</b>					
Council HQ - Refurbishment	91,116	43,307	47,809	91,116	
Information Management - DMS	17,741	13,229	4,513	17,741	This is a project that was planned over more than one financial year
<b>Total Leadership</b>	<b>108,857</b>	<b>56,536</b>	<b>52,321</b>	<b>108,857</b>	
<b>Leisure Services &amp; Facilities</b>					
Reserves - Hokitika Heritage Trail signs	3,500	-	3,500	3,500	
Reserves - Hokitika Waterfront Development	10,663	10,663	-	10,663	
Reserves - Marks Road Reserve Cemetery - Hokitika Upgrade & Expansion	10,000	-	10,000	10,000	Awaiting Community Group feedback
	10,000	-	10,000	10,000	

Haast Toilet Facilities, Dump Station, Shelter etc.	220,789	122,481	98,308	220,789	
Reserves - Lazar Park Upgrade	22,431	-	22,431	22,431	
Sunset Point - New Toilets, Shelter & Carparks	896,166	221,716	674,450	896,166	
i-Site - Booking Computers	7,500	4,800	2,700	7,500	
i-Site - Interactive mapping	11,780	4,699	7,081	11,780	
i-Site - Self service computers	4,900	5,050	(150)	5,050	
Kumara Visitor Experience - Toilets and Shelter	224,130	-	224,130	224,130	
Cass Square - Building improvements Pavilion	20,000	-	20,000	20,000	No further progress made
Cass Square - Rubber matting	20,000	-	20,000	20,000	No further progress made
Reserves - Waterfront development	50,000	7,826	42,174	50,000	
Ross Toilets	417,908	420	417,488	417,908	
Swimming Pool Ross - EQ strengthening	10,000	-	10,000	10,000	
Whataroa Toilets	398,908	3,189	395,719	398,908	
<b>Total Leisure Services &amp; Facilities</b>	<b>2,338,676</b>	<b>380,843</b>	<b>1,957,833</b>	<b>2,338,825</b>	
<b>Solid Waste</b>					
Franz Josef Landfill	25,000	25,000	-	25,000	
Haast intermediate cap current cell	10,000	1,389	8,611	10,000	
Landfill- Haast - Dig out new Cell	3,740	-	3,740	3,740	
Haast - Preparation for new cell	10,000	-	10,000	10,000	

<b>Total Solid Waste</b>	<b>48,740</b>	<b>26,389</b>	<b>22,351</b>	<b>48,740</b>
<b>Stormwater</b>				
Extension Jollie St	240,000	20,432	219,568	240,000
Realignment Beach St	20,000	-	20,000	20,000
<b>Total Stormwater</b>	<b>260,000</b>	<b>20,432</b>	<b>239,568</b>	<b>260,000</b>
<b>Transportation</b>				
Footpaths	67,000	-	67,000	67,000
Footpaths	58,000	-	58,000	58,000
<b>Total Transportation</b>	<b>125,000</b>	<b>-</b>	<b>125,000</b>	<b>125,000</b>
<b>Wastewater</b>				
Haast - De-sludge oxidation ponds	150,000	-	150,000	150,000
Hokitika - Mains upgrade	51,154	-	51,154	51,154
Fox Glacier - WWTP upgrade	100,000	28,890	71,110	100,000
Hokitika - WWTP Upgrade	101,420	-	101,420	101,420
Fox Glacier - WWTP upgrade	100,000	-	100,000	100,000
Hokitika - Kaniere Road catchment	50,000	-	50,000	50,000
Hokitika - Mains upgrade programme	60,000	-	60,000	60,000
Hokitika - Pump upgrade (Kaniere)	130,000	8,942	121,058	130,000
Hokitika - WWTP Upgrade	275,000	10,085	264,915	275,000



<b>Total Wastewater</b>	<b>1,017,574</b>	<b>47,917</b>	<b>969,657</b>	<b>1,017,574</b>	
<b>Water Supply</b>					
Kumara - Seismic valves	30,000	-	30,000	30,000	Valves ordered
Whataroa - Seismic valves	20,000	-	20,000	20,000	Valves ordered
Fox Glacier - Seismic Valves	30,000	-	30,000	30,000	Part of upgrade to the WTP
Fox Glacier - Water Treatment Plant Upgrade	23,950	23,950	-	23,950	Part of upgrade to the WTP
Ross - Seismic Valves	30,000	-	30,000	30,000	Valves ordered
Arahura - Water treatment plant	82,039	-	82,039	82,039	Valves ordered
Fox Glacier - Mains upgrade programme	62,868	88,154	(25,287)	88,154	
Fox Glacier - Plant upgrade	50,000	8,472	41,528	50,000	Valves ordered
Franz Josef - Mains upgrade programme	88,593	-	88,593	88,593	Valves ordered
Hokitika - Mains upgrade programme	232,020	116,245	115,775	232,020	will be tendered out as soon as current Hampden Street project is completed
Kumara - Mains upgrade programme	15,000	-	15,000	15,000	
Ross - Mains upgrade programme	60,000	-	60,000	60,000	On hold until Ross intake is completed
Ross - Water Source	19,763	8,253	11,510	19,763	
<b>Total Water Supply</b>	<b>744,232</b>	<b>245,074</b>	<b>499,158</b>	<b>769,519</b>	
<b>Total Carry Over Project Capital Expenditure</b>	<b>4,758,079</b>	<b>777,191</b>	<b>3,980,888</b>	<b>4,783,516</b>	

## Unbudgeted Expenditure

UNBUDGETED CAPITAL EXPENDITURE 2019-2020				
	Approved Amount (\$)	Expenditure (\$)	Forecast (\$)	Notes
Fox Landfill Metaling	500,000	35,147	500,000	
Carnegie Building	431,630	5,411	431,630	
Ross Water Intake	-	-	109,200	
West Coast Wilderness Trail	179,000	30,906	179,000	Includes Council funding portion \$44,750
Whataroa Water Treatment Plant	-	49,687	-	
Kumara Water Treatment Plant	-	36,681	-	
		-	-	
<b>Total Unbudgeted Capital Expenditure</b>	<b>1,110,630</b>	<b>157,832</b>	<b>1,219,830</b>	
<b>Total Capital Expenditure 2019-2020</b>	<b>17,025,618</b>	<b>2,673,967.98</b>	<b>15,836,745</b>	

# Report



**DATE:** 28 November 2019

**TO:** Mayor and Councillors

**FROM:** Group Manager: Corporate Services

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## DEPARTURE FROM LIABILITY MANAGEMENT POLICY

### 1 SUMMARY

- 1.1 The purpose of this report is to seek Council's approval and acknowledgement of existing and continuing financial circumstances that contravene its stated policy objectives.
- 1.2 This issue arises from a requirement for Council to exercise prudent financial governance within the parameters of its adopted policies.
- 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 May 2018, which is set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council approves the departure from interest rate risk control limits in the Liability Management Policy to the end of the financial year 2019-20 or on advice from Council's treasury advisors.

### 2 BACKGROUND

- 2.1 Council's current Liability Management Policy as attached as **Appendix 1** was adopted in 2017 and incorporated in the Long-Term Plan 2018-28.
- 2.2 Local Government Act 2002 s102 (2)(b) Council must adopt a Liability Management Policy in order to provide predictability and certainty about sources and level of funding.
- 2.3 The policy remains effective and prescribes the framework for the types of borrowings and other liabilities that Council will utilise and purpose to which they will be applied.

2.4 Liability Management Policy

2.4.1 Prescribes the borrowing limits in which debt will be managed.

2.4.2 Describes the borrowing mechanisms that Council can utilise.

2.4.3 The mechanisms that Council will use as security over borrowings.

3 CURRENT SITUATION

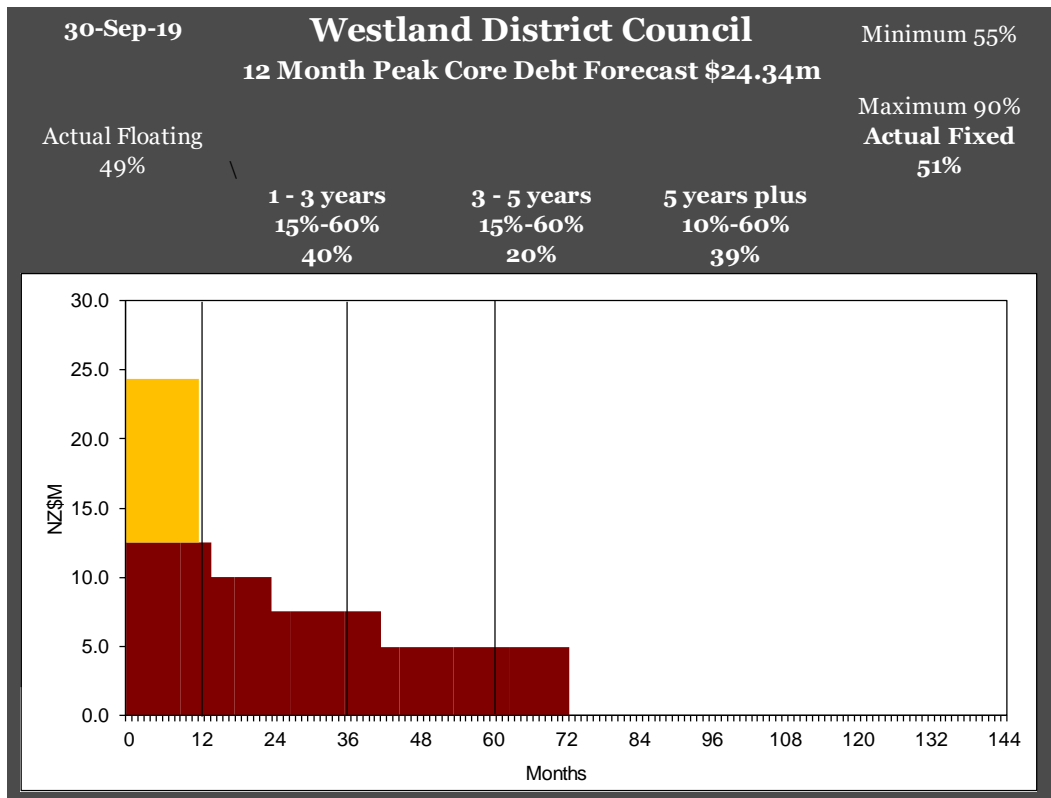
3.1 The Liability Management Policy Interest Rate Risk Control Limit has been breached.

3.2 The limits in the policy are;

3.2.1 Minimum Fixed Rate: 55%

3.2.2 Maximum Fixed Rate: 90%

3.2.3 Currently the actual Fixed Rate is 51%



3.3 This has occurred due to District Assets staff reassessing the capital projects over the next few years based on updated asset information. This has resulted in some changes to the 12 month debt forecast, and having a stable 12 month forecast is important to allow for the treasury advisors (PwC) to devise a

strategy and make changes to Council hedging to bring Council back within the current limits.

- 3.4 If the 12 month debt forecast is incorrect and is lower than anticipated, then attempting to bring the rates back within the limits could result in over hedging, which in current markets could mean that Council is paying a higher fixed rate than it needs to.
- 3.5 If there was a sudden increase in interest rates and Council have not sufficiently protected itself against the increases, then potentially the result would be Council paying higher floating interest rates.
- 3.6 At present the risk is low, as interest rates are very low and expected to stay low for some time. Therefore there is very low risk to not entering into further hedging at this time.
- 3.7 There is also the potential of Council adopting a policy with changed limits, however the limits as they stand appear reasonable to provide Council with protection against volatile interest rate changes.
- 3.8 PwC monitor our policy limits and report monthly to the Finance team and have advised that at this point the recommended action is to monitor the situation until we can give a clearer picture of the 12 month debt forecast.
- 3.9 The policy allows for small short breaches throughout the year, however any extended period of breach requires Council approval.

#### 4 OPTIONS

- 4.1 **Option 1** – Council approves the departure from interest rate risk control limits in the Liability Management Policy to the end of the financial year 2019-20 or on subsequent advice from Councils treasury advisors.
- 4.2 **Option 2** – Request that Councils treasury advisors enter into further interest rate risk management (further hedging).
- 4.3 **Option 3** – Request that Councils treasury advisors review the Liability Management Policy Interest Rate Limits to bring Council back into policy.

#### 5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 This matter is administrative and therefore of low significance and does not require consultation.

## 6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 Option 1 would enable Council to demonstrate prudent financial governance.
- 6.2 Option 2 this option could mean that Council pays higher interest costs due to over hedging and fixing in rates that are higher than the floating rates that are currently available to Council.
- 6.3 Option 3 if limits are changed reactively when the risk is very low, there is potential that the risk from a sudden rate change cannot be managed efficiently in a timely manner, this can then mean that Council also may need to be fixed into a higher fixed rate strategy increasing debt servicing costs.

## 7 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is **Option 1** – Council approves the departure from interest rate risk control limits in the Liability Management Policy to the end of the financial year 2019-20 or on subsequent advice from Councils treasury advisors. It is unlikely that there will be significant changes of interest rates over the period that will impact Council financials.

## 8 RECOMMENDATIONS

- A) **THAT** Council approves the departure from interest rate risk control limits in the Liability Management Policy to the end of the financial year 2019-20 or on subsequent advice from Councils treasury advisors.

**Lesley Crichton**  
**Group Manager: Corporate Services**

**Appendix 1: Liability Management Policy**



# LIABILITY MANAGEMENT POLICY

## INTRODUCTION

Council's liabilities comprise of borrowings and various other liabilities. Council maintains borrowings in order to:

- Raise specific debt associated with projects and capital expenditures.
- Raise finance leases for fixed asset purchases.
- Fund assets whose useful lives extend over several generations of ratepayers.
- Council will not raise external debt to fund operating expenses, except where this relates to projects that will deliver economic benefits in excess of the total finance costs.

## BORROWING LIMITS

Debt will be managed within the following limits:

Measure	Limit
Net Debt / Total Revenue	108%
Net Interest / Total Revenue	10%
Net Interest / Annual Rates Income	15%
Liquidity: (Liquid Investments + Term Debt + Available Facilities) / Term Debt	>110%

- Total Revenue is defined as cash earnings from rates, government grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).
- Net debt is defined as total debt less available liquid financial assets and investments.
- Liquidity is defined as external debt plus committed loan facilities plus available liquid investments and cash divided by external debt. Liquid investments are defined as being:
  - Overnight bank cash deposits
  - Wholesale/retail bank term deposits no greater than 30 days
- Net Interest is defined as the amount equal to all interest and financing costs less interest income for the relevant period.
- Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received from other LGs for services provided and for which the other LGs rate.
- Financial covenants are measured on Council only not the consolidated group.
- Disaster recovery requirements are to be met through the liquidity ratio.

## ASSET MANAGEMENT PLANS

In approving new debt Council considers the impact on its borrowing limits as well as the economic life of the asset that is being funded and its overall consistency with Council's LTP.

## BORROWING MECHANISMS

Council is able to borrow through a variety of market mechanisms including issuing stock/bonds, commercial paper (CP) and debentures, direct bank borrowing, LGFA, accessing the short and long-term wholesale/retail debt capital markets directly or indirectly, or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the following is taken into account:-

- Available terms from banks, LGFA, debt capital markets and loan stock issuance.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates and margins relative to term for loan stock issuance, LGFA, debt capital markets and bank borrowing.
- The market's outlook on future credit margins and interest rate movements as well as its own.
- Ensuring that the implied finance terms and conditions within the specific debt (e.g. project finance) are evaluated in terms such as cost/tax/risk limitation compared to the terms and conditions Council could achieve in its own right.
- Legal documentation and financial covenants considerations.
- For internally funded projects, to ensure that finance terms for those projects are at least as equitable with those terms from external borrowing.
- Alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration rights and obligations, redemption value and effective cost of funds.

Council's ability to readily attract cost effective borrowing is largely driven by its ability to rate, maintain a strong financial standing and manage its relationships with its investors, LGFA, and financial institutions/brokers.



## SECURITY

Council's external borrowings and interest-rate risk management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Deed of Charge which is proposed to be changed to a Debenture Trust Deed. Under a Deed of Charge or Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government (Rating) Act 2002. The security offered by Council ranks equally or pari passu with other lenders.

From time to time, and with Council approval, security may be offered by providing a charge over one or more of Councils assets.

Physical assets will be charged only where:

- There is a direct relationship between the debt and the purchase or construction of the asset, which it funds (e.g. an operating lease, or project finance).
- Council considers a charge over physical assets to be appropriate.
- Any pledging of physical assets must comply with the terms and conditions contained within the security arrangement.

## DEBT REPAYMENT

The funds from all asset sales and operating surpluses will be applied to the reduction of debt and/or a reduction in borrowing requirements, unless the Council specifically directs that the funds will be put to another use.

Debt will be repaid as it falls due in accordance with the applicable loan agreement. Subject to the debt limits, a loan may be rolled over or re-negotiated as and when appropriate. The maximum period for any single tranche of external debt will be twenty years.

Council will manage debt on a net portfolio basis and will only externally borrow when it is commercially prudent to do so.

## **GUARANTEES/CONTINGENT LIABILITIES AND OTHER FINANCIAL ARRANGEMENTS**

Council may act as guarantor to financial institutions on loans or enter into incidental arrangements for organisations, clubs, Trusts, or Business Units, when the purposes of the loan are in line with Council's strategic objectives.

Council is not allowed to guarantee loans to Council-controlled trading organisations under Section 62 of the Local Government Act.

Financial arrangements include:

- Rural housing loans
- Tenant contribution flats
- Rural water supply or waste water loans
- Advances to community organisations

Council will ensure that sufficient funds or lines of credit exist to meet amounts guaranteed. At any time aggregate guarantees will not exceed the Council's available liquidity capacity.

## **INTERNAL BORROWING OF SPECIAL AND GENERAL RESERVE FUNDS**

Council maintains certain reserve funds for future asset replacements and other projects. Where funds are required for capital expenditure internal borrowing from these funds will be used for in preference to external borrowing. Accordingly Council maintains its funds in short term maturities emphasising counterparty credit worthiness and liquidity. The interest rate yield achieved on the funds therefore is a secondary objective. Notwithstanding, short term investments may be held in excess of those required by covenants should the interest yield exceed Council's cost of finance, and where maturity dates are synchronised.

Liquid assets will not be required to be held against special funds or reserve funds unless such funds are held within a trust requiring such. Instead, Council will manage these funds using internal borrowing facilities against general reserves.

Any internal borrowing of reserve funds used must be reimbursed for interest revenue lost. Interest on internally-funded loans is determined and charged annually, based on year-end loan balances at the agreed three-year fixed interest rate. Except where a specific rate has been approved for particular circumstances, the three-year rate is set annually at the start of the financial year, based on the three-year swap rate plus the funding margin. The funding margin is based on the margin charged by the LGFA for a 3-year term.

## NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY (LGFA) LIMITED INVESTMENT

Notwithstanding other provisions of this Policy, the Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

- Contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA. For example borrower notes
- Provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself
- Commit to contributing additional equity (or subordinated debt) to the LGFA if required
- Secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.
- Subscribe for shares and uncalled capital in the LGFA.

## INTEREST RATE EXPOSURE

Interest rate risk is the risk that funding costs (due to adverse movements in wholesale market interest rates) will materially exceed or fall short of projections included in the LTP and Annual Plan so as to adversely impact revenue projections, cost control and capital investment decisions, returns or feasibilities.

The primary objective of interest rate risk management is to reduce uncertainty relating to interest rate movements through fixing or hedging of interest costs. Certainty around interest costs is to be achieved through the proactive management of underlying interest rate exposures.

The following are approved instruments for managing this exposure:

- Forward rate agreements ("FRAs") on bank bills
- Interest rate swaps including:
  - Forward start swaps/collars. Start date <24 months, unless linked to existing maturing fixed rate instruments
  - Swap extensions and shortenings
- Interest rate options on:
  - Bank bills (purchased caps and one for one collars)
  - Interest rate swaptions (purchased swaptions and one for one collars only)
  - Fixed rate loans and term debt

## Interest Rate Risk Control Limits

Exposure to interest rate risk is managed and mitigated through the risk control limits below and will be only activated once 12 month forecast external debt exceeds \$10 million. Council net debt should be within the following fixed/floating interest rate risk control limit:

Minimum Fixed Rate: 55%

Maximum Fixed Rate: 90%

Fixed Rate is defined as an interest rate re-pricing date beyond 12 months forward on a continuous rolling basis.

Floating Rate is defined as an interest rate re-pricing within 12 months.

The percentages are calculated on the rolling 12 month projected external debt level.

This allows for pre-hedging in advance of projected physical drawdown of new debt. When approved forecasts are changed, the amount of fixed rate cover in place may have to be adjusted to ensure compliance with the policy limits.

The fixed rate amount at any point in time should be spread within the following maturity bands:

Period	Minimum Hedge %	Maximum Hedge %
1 to 3 years	15%	60%
3 to 5 years	15%	60%
5 to 10 years	10%	60%

A fixed rate maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this Policy. However, maintaining a maturity profile beyond 90-days requires specific approval by Council.

- Floating rate debt may be spread over any maturity out to 12 months. Bank advances may be for a maximum term of 12 months.
- Any interest rate swap with a maturity date beyond 16 years must be approved by Council.
- Interest rate options must not be sold outright. However, one for one collar option structures are allowed, whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, only the sold side of the collar can be closed out (i.e. repurchased) otherwise, both sides must be closed simultaneously. The sold option leg of the collar structure must not have a strike rate in a gain position.
- Purchased borrower swaptions mature within 12 months.
- Interest rate options with a maturity date beyond 12 months that have a strike rate (exercise rate) higher than 2.00% above the appropriate swap rate, cannot be counted as part of the fixed rate hedge percentage calculation.
- The forward start period on swap/collar strategies is to be no more than 24 months, unless the forward start swap/collar starts on the expiry date of an existing fixed interest rate instrument and has a notional amount which is no more than that of the existing fixed rate instrument..

## LIQUIDITY AND FUNDING RISK

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of cash, short-term financial investments, loans and bank facilities. Liquidity risk management focuses on the ability to access committed funding at that future time to fund the gaps.

Funding risk management centres on the ability to re-finance or raise new debt at a future time at the same or more favourable pricing (fees and borrowing margins) and maturity terms of existing loans and facilities.

The management of Council's funding risks is important as several risk factors can arise to cause an adverse movement in borrowing margins, term availability and general flexibility including:

- Local Government risk is priced to a higher fee and margin level.
- Council's own credit standing or financial strength as a borrower deteriorates due to financial, regulatory or other reasons.
- A large individual lender to Council experiences its own financial/exposure difficulties resulting in Council not being able to manage their debt portfolio as optimally as desired.
- New Zealand investment community experiences a substantial "over supply" of Council investment assets.
- Financial market shocks from domestic or global events.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that if any of the above events occur, the overall borrowing cost is not unnecessarily increased and desired maturity profile compromised due to market conditions.

### Liquidity and Funding Risk Control Limits

- External term loans and committed debt facilities together with available cash/cash equivalent investments must be maintained at an amount of 110% over existing external debt.
- Council has the ability to pre-fund up to 12 months forecast debt requirements including refinancing. Debt re-financings that have been pre-funded will remain included within the funding maturity profile until their maturity date

The maturity profile of the total committed funding in respect to all external debt / loans and committed debt facilities, is to be controlled by the following system when total external debt exceeds \$10 million:

Period	Minimum %	Maximum %
0 to 3 years	15%	60%
3 to 5 years	15%	60%
5 years plus	10%	60%

A funding maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this policy. However, maintaining a maturity profile beyond 90-days requires specific approval by Council.

To minimise concentration risk the LGFA require that not more than the greater of NZD 100 million or 33% of a Councils borrowings from the LGFA will mature in any 12 month period.

## **COUNTERPARTY RISK**

In any financial transaction there is a risk that the counterparty may be unable or unwilling to settle the transaction as agreed. Council minimises these risks by limiting dealings to counterparties that have a minimum long term Standard & Poor's (or equivalent Moody's/Fitch ratings) of A+. All banks are registered with the Reserve Bank of New Zealand.

# Report



**DATE:** 28 November 2019

**TO:** Mayor and Councillors

**FROM:** Chief Executive

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## ASSET MANAGEMENT PLANNING PROCESS OVERVIEW

### 1 SUMMARY

- 1.1 The purpose of this report is to provide a succinct summary of Council's obligations regarding Asset Management Planning ahead of the 2021-2031 Long Term Plan.
- 1.2 The mandate for Asset Management Plans is set out in the Local Government Act 2002. This Act requires local authorities to:
  - describe the activities of the local authority;
  - undertake periodic assessments of water and sanitary services;
  - provide a long-term focus for decisions and activities;
  - prepare a LTP, at least every three years;
  - meet the current and future needs of communities for good-quality local infrastructure, local public services and performance of regulatory functions, in a way that is cost-effective for households and businesses.Asset Management Plans are the main method of demonstrating compliance with this legislation at a detailed level for infrastructure assets and activities.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report provides an informational overview only. It is recommended that Council receive this report as an educational primer ahead of Long Term Plan workshops that will be held with Elected Representatives from early next year through to June 2021.

- 1.5 It is also recommended that Council Adopts the new Asset Management Plan Policy

## 2 BACKGROUND

- 2.1 Currently Westland District Council has six (6) asset/activity management plans covering the activities of: 3 Waters, Transportation, Solid Waste, Parks and Reserves (including Cemeteries), Buildings and Property, and Pensioner Housing. All of these need updating to reflect the current reality. The table below is a summary of the latest versions of Council's Asset Management Plans, who created them, when they were created, and their status (e.g. draft, final).

Infrastructure Category	Version number and status	Created by	Date
3 Waters <sup>1</sup>	V2.0 (FINAL)	WDC's former Asset Management Planner	November 2014
Transportation/Roading	V 1.0 (FINAL)	Joint Activity Management Plan created by Westland, Grey and Buller District Councils <sup>2</sup>	December 2017
Solid Waste	V3.0 (FINAL DRAFT)	ANA Group	January 2016
Parks & Reserves (incl. Cemeteries)	V1.0 (DRAFT)	WDC's former Asset Management Planner	2014 (Month unknown)
Buildings & Property (incl. Public Toilets, Community Halls, Museum, Swimming Pool)	V2.2 (DRAFT)	ANA Group	January 2016
Pensioner Housing <sup>3</sup>	V2.0 (DRAFT)	ANA Group	October 2015

<sup>1</sup> For the 2021-2031 Long Term Plan, each of the 3 Waters activity areas will have their own AMP. This is due to stricter legislative requirements soon to be imposed with regards to the delivery of these services. Many other Councils already have separate AMPs for these activities.

<sup>2</sup> The joint Transportation Activity Management Plan (2017) was the first inter-Council AMP that WDC has been part of. The joint Transportation AMP approach will also be used for this upcoming Long Term Plan, led by Rationale Group. The previous WDC Transportation Asset Management Plan was dated 2014.

<sup>3</sup> For the 2021-2031 Long Term Plan, the Pensioner Housing AMP will be merged into the Buildings and Property AMP. There is no reason why this needs to be separate, and keeping it so creates more work for staff unnecessarily.



- 2.2 One additional AMP will be created for the 2021-2031 Long Term Plan. This AMP is for Council's cycle trail - the West Coast Wilderness Trail (WCWT). It is now a requirement of the New Zealand Cycle Trail (NZCT) that all Nga Haerenga Great Rides prepare a cycle trail AMP as part of their strategy and deliverables. This must be adopted by June 2020 in order for WCWT to maintain its accreditation as part of NZCT.
- 2.3 Asset Management Plans do not exist in isolation. They are the major inputs into the Infrastructure Strategy, which combines with the Financial Strategy, to ultimately create the Long Term Plan. A description of the purpose and contents of the Infrastructure Strategy and the Financial Strategy is provided below:

## Infrastructure strategy

- One of the most significant parts of a Long Term Plan is the Infrastructure Strategy.
- It needs to cover the significant decisions around infrastructure in terms of:
  - **What, when and how much?**
  - Forecast **operating expenditure** and **capital expenditure** in **detail** for next **10 years**
  - Forecast capex and opex for **subsequent 20 years** in **less detail** in **five year blocks**
  - Show a **correlation** with **forecasting assumptions**

## Financial strategy

- The financial strategy relies on having good asset data and an infrastructure strategy in place
- The financial strategy then explains and synthesises all financial plans and levels of service
- Provides a top-down direction for finances
- Includes desired results and self-set limits on rates and debts
- All financial and non-financial information must demonstrate prudence by looking 10 plus years out and ensuring that service delivery choices are able to be sustainably funded

### 3 CURRENT SITUATION

- 3.1 The first step in updating Asset Management Plans is to review the existing plans and do a stocktake. This process is outlined below and has been mostly completed for all activity areas.

## The stocktake

### ○ Review existing strategies/plans:

- Identify duplications
- Identify gaps or anomalies
- Are the plans current or do they need updating?
- Are they useful? Do they align with each other? Is the information laid out clearly?
- Do they fit with the community outcomes or other priorities?
- What costs are associated with these strategies and plans? E.g. feasibility studies etc.
- What is the maturity level of the existing plans? Do certain areas of the plans need more attention?

- 3.2 The second step in updating Asset Management Plans is to update the asset component and type data, the asset condition, and the expected remaining useful life. This is achieved via field inspections using industry best practice guidelines. Field inspections have been mostly completed for parks, reserves and cemeteries assets, cycle trail assets and solid waste assets to date. Building and pensioner housing inspections are being undertaken at present.

3 Waters assets are in some cases more difficult and costly to inspect as many assets are situated below ground. However, in the case of stormwater and wastewater CCTV footage has been used for the inspection condition rating and WDC has updated its dataset accordingly. WDC currently has a University of Canterbury Engineering student who has completed holiday work experience with WDC and Westroads over the past two years. WDC will re-engage her over the summer break 19/20 to assist with field asset inspections.

- 3.3 From here, capital projects for the next 10 years can be forecasted based on need, cost estimates and (if required) feasibility studies can be undertaken. Expected operating costs can also be forecast and funding gaps identified.

- 3.4 Finally, the updated Asset Management Plans can be drafted in full. The expectation is to have draft versions of all AMPs completed at latest by May 2020, to enable a draft 30 year Infrastructure Strategy to be created by September 2020.
- 3.5 Council also needs to adopt a formal Asset Management Planning Policy. Although draft versions have existed internally, none appear to have been formally adopted. A new policy has therefore been drafted in accordance with Council's latest policy format. This is included in **Appendix 1** for Council to review with the recommendation of adoption. An example Asset Management Maturity Index as referred to in the Policy is included in **Appendix 2**.

#### **4 OPTIONS**

- 4.1 Council approve and adopt the attached Asset Management Planning Policy.
- 4.2 Council does not adopt the attached Asset Management Policy.

#### **5 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 Under Council's Significance and Engagement Policy, the degree of significance of this proposal is low. Adoption of this policy is recommended to ensure alignment and consistency across all of Council's asset management processes, whether they are conducted in-house or externally. There are no financial implications to this proposal, which would compromise Council's performance.

#### **6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

- 6.1 Neither option imposes a financial obligation on Council. However, asset management activities do have a significant cost associated with them in regards to resource time, financial management and contractual obligations to ensure the asset register is kept up to date.

#### **7 PREFERRED OPTION(S) AND REASONS**

- 7.1 The preferred option is to adopt the attached Asset Management Planning Policy. This gives clear direction to asset management planning staff, contractors or consultants about the expectations in regards to this function. It also outlines related policies, legislation and a clear, concise methodology for achieving the objectives. It is an expected practice to have an Asset Management Planning policy. Having a policy is important for transparency

so both the public and auditors can understand how and why Council undertakes its asset management processes, and how decisions are made regarding future levels of service, capital projects and operating expenditure for each activity.

## 8 RECOMMENDATION(S)

- A) **THAT** Council receive the report and its educational overview of Council's asset management obligations under the Local Government Act 2002.
- B) **THAT** Council adopt the attached Asset Management Planning Policy.

**Simon Bastion**  
**Chief Executive**

**Appendix 1:** Asset Management Planning Policy

**Appendix 2:** Asset Management Maturity Index example



## Asset Management Planning Policy

### Purpose

This policy details the approach taken by the Westland District Council regarding the development of Asset (and/or Activity) Management Plans.

### Policy

To prepare comprehensive Asset Management Plans (AMPs) that detail how activities and assets are to be provided, to fulfil statutory compliance obligations relating to legislation listed below, especially Schedule 10 of the Local Government Act 2002. AMPs should be reviewed and updated every three years and cover levels of service, future work programmes, funding requirements and performance measures. The preparation and level of complexity of each AMP needs to be fit for purpose and aligned with the significance of the activity. The International Infrastructure Management Manual (IIMM) identifies a Maturity Index, which specifies the details to be included in an AMP and five levels of asset maturity, these being: Aware, Basic, Core, Intermediate and Advanced. Westland District Council should aspire for all Asset Management Plans to meet the requirements of the “Core” level, which is considered to be an appropriate level of asset maturity for districts with a rating population of less than 10,000 people.

### Definitions

**Asset/Activity Management Plan (AMP)** – A plan prepared in accordance with the IIMM that details how a particular group of Council assets will be managed and maintained to ensure the efficient and cost-effective delivery of the related activity/service to the community.

**International Infrastructure Management Manual (IIMM)** – A comprehensive manual on how to prepare and use Asset Management Plans. The IIMM was updated in 2015 and contains guidance, methods, best practice and case studies within a New Zealand context.

**Levels of Service** – Details the intended standard of outcome (known as level of service) to be provided to the community relative to their desire to pay (affordability), and how this standard will be measured to ensure performance.

**Maturity Index** – A method used in the IIMM to determine both the scope and scale of the detail within an AMP. The maturity index classifications are Aware, Basic, Core, Intermediate and Advanced.

### Implementation and Procedures

1. That the Westland District Council prepare Asset Management Plans in general accordance with the International Infrastructure Maintenance Manual (IIMM).
2. That an AMP be updated for each Westland District Council group of asset-related activities every three years in line with each Long Term Plan cycle. This includes:

- Transportation (including roads, road reserves, footpaths, kerbs, gutters, signage, bridges and street lighting)
  - Cycle trails (West Coast Wilderness Trail)
  - Water supply plant, networks and systems
  - Wastewater plant, networks and systems
  - Stormwater and drainage assets
  - Solid waste and recycling assets
  - Buildings (including Pensioner Housing, Swimming Pools, Public Toilets)
  - Parks, reserves and cemeteries
3. That an IIMM Maturity Index classification be determined for each AMP prepared, and that Council adopt a continuous improvement approach to progress the quality of AMPs to meet at least all the “Core” requirements.
  4. That all bylaws related to the activity of each Asset Management Plan are refreshed concurrently every three years to ensure alignment with the AMP and current operations, with a full bylaw review occurring every 10 years per legislative requirements.
  5. That AMPs are created using appropriate industry standards and guidelines for the asset class to appropriately and sustainably manage risk.
  6. That WDC involve and consult with the community and key stakeholders in determining appropriate levels of service, balancing community expectations with what is realistic and affordable.
  7. That WDC allocate appropriate resources to ensure asset information can be regularly reviewed by way of condition assessments to manage infrastructure assets in a planned, systematic manner to allow for informed decision-making to occur.

## **Related Policies and law**

Local Government Act 2002 & LGA Amendment Act 2014

Land Transport Management Act 2003 & Amendment Act 2013

Resource Management Act 1991 & amendments

Health Act 1956

Building Act 2004

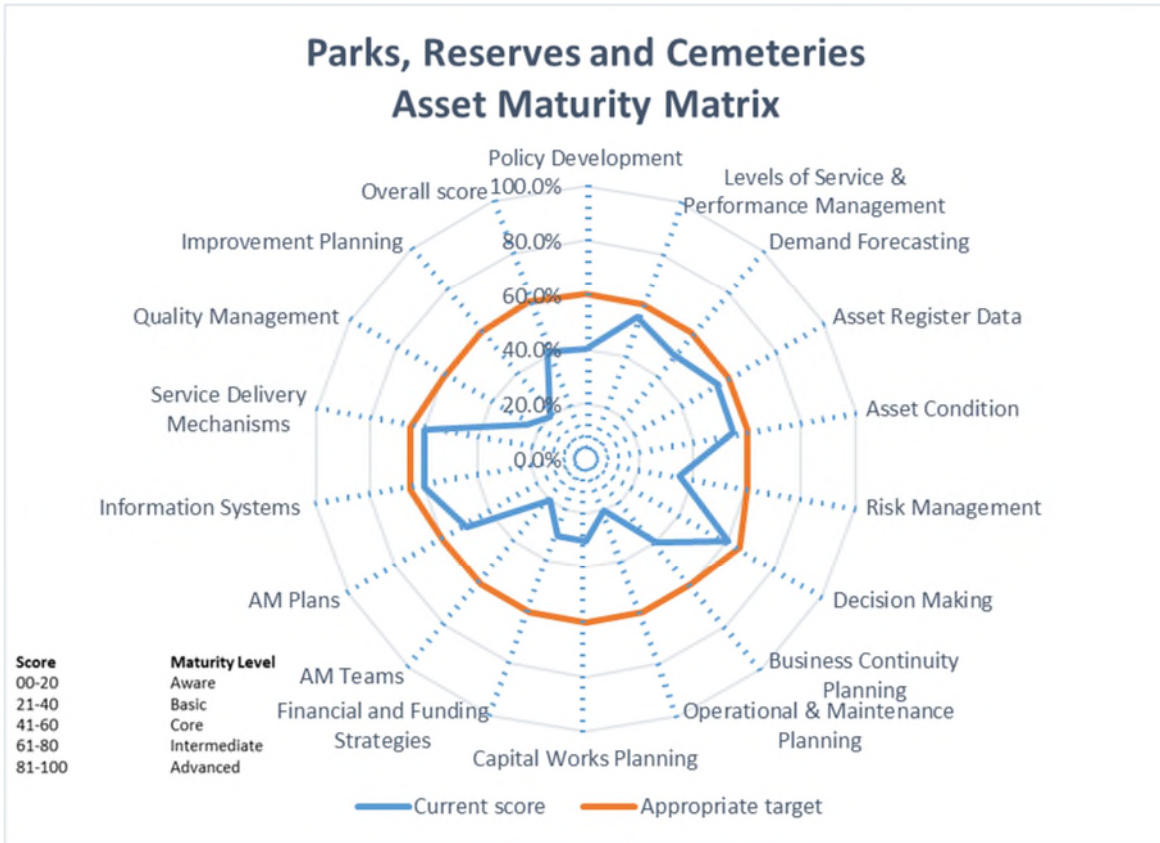
30-year Infrastructure Strategy

Financial Strategy and Financial policies

Long Term Plan

Westland District Council bylaws

APPENDIX 2: ASSET MANAGEMENT MATURITY INDEX EXAMPLE



# Report



**DATE:** 28 November 2019  
**TO:** Mayor and Councillors  
**FROM:** Operations Manager

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## PROPOSAL TO FORMALLY CLOSE TWO HISTORIC CEMETERIES

### 1 SUMMARY

- 1.1 The purpose of this report is to bring to Council's attention two historic cemeteries, which have not been formally closed under the process outlined in Part 6, Section 41 of the Burial and Cremations Act 1964.
- 1.2 This issue arises from staff knowledge of historic matters that need resolution by following the appropriate formal process.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council initiate the procedure with the Minister of Health to close both cemeteries and re-vest the cemetery reserves in the Crown.

### 2 BACKGROUND

- 2.1 The two historic cemeteries in question are Stafford Cemetery and Gillespies Beach Cemetery.
- 2.2 **Stafford Cemetery**  
The Stafford Cemetery is located in the Goldsbrough/Waimea area on Scandinavian Street off Stafford Loop Road (refer **Appendix 1** for photos and legal description). It was officially opened in 1875, when the town immediately below boasted four churches, a literary institute, a public library and a population of around 2,500. In the 1860s, the Waimea goldfields were



some of the busiest and richest on the West Coast. The Stafford township, founded in 1866, was named after its first storekeeper, 'Pegleg' Stafford. There were 250 recorded deaths in the Waimea district – including the 1868 murder of Michael Carmichael. Former New Zealand Premier, Richard John Seddon, also mourned at the Stafford Cemetery as two of his infant daughters were buried there in 1877 and 1881 respectively. The first recorded burial was in 1872 and in 1884, Westland County Council was appointed for the maintenance of the Stafford Cemetery. The last person buried at the cemetery was Florence Annie Merewether who died at the age of 98 in 1991. A total of 609 interments are recorded for this cemetery.

### 2.3 Gillespies Beach Miners' Cemetery

Gillespies Beach Miner's Cemetery is approximately 20km away from the Fox Glacier township, situated on the narrow, unsealed Gillespies Beach Road, just before the signposted turnoff to the Gillespies Beach campsite (refer **Appendix 2** for photos and legal description). The cemetery is known as the miners' cemetery as early gold prospectors lived and worked in this area. In the nearby area, many historical walks such as the Gillespies Suction and Bucket Dredge Walks and the Miners' Tunnel Track are located (administered by the Department of Conservation). These walks feature historical remnants from gold prospecting activities. The area is believed to be named after a Scottish Canadian miner called Gillespie. The cemetery was officially established in 1896 but may have been unofficially used before that time. There are ten marked graves and several more that are unmarked (refer to **Appendix 3** for names of the interred). The last burial occurred in 1911. The Westland Borough Council was appointed in 1980 for the maintenance of the Gillespies Beach Miners' Cemetery.

## 3 CURRENT SITUATION

- 3.1 Both the Gillespies Beach Cemetery and Stafford Cemetery are considered by many to be closed, despite the formal closure process never being undertaken.
- 3.2 There was an internal request to close the Stafford Cemetery circa 2000 but this was not actioned. At the time of the initial request, the cemetery was in a poor state with most of the steel work and graves, vandalised, damaged or overgrown. Council has since carried out basic maintenance of the area once a year: including grass mowing, cutting back vegetation (with the help of Probation volunteers) chemical control of wasp and wild bees, and

maintaining access road to cemetery gates. More recently, the Lions Club of Hokitika has become involved with Stafford Cemetery and shown great interest in upgrading some of the old concrete and marble memorials and the area generally. This group has done a great job and the area has been tidied up well. However, should the Lions Club cease their involvement with this cemetery, the maintenance requirements would fall back to Council and no provision for these costs is made within current budgets. Given Council's other operational cemeteries with ongoing maintenance costs, paying for maintenance for an unused historic cemetery does not appear prudent.

- 3.3 The access way to the Stafford Cemetery and the cemetery gates have historic significance and should not be altered. Council is aware of the plans of certain individuals in the community to open up access through the cemetery with a view to creating a carpark on the western side of the cemetery. Currently the width of this access is narrow and any increase in width will put some of the old historic headstone and memorials at risk of vehicular damage.
- 3.4 Council has had no involvement with the Gillespies Beach Cemetery, including maintenance, despite it currently being vested to Council.
- 3.5 There are some unmarked graves at Gillespies Beach cemetery and many unmarked graves at Stafford Cemetery, which over time have been lost. To attempt to bury more people in these cemeteries would put these graves at risk. Council cannot guarantee that any vacant plot is indeed vacant as the exact location of all burials is unknown due to the dates and processes of early burials from the 19<sup>th</sup> century. The rationale for closure therefore is to respect the history of these areas, give clarity to the community and avoid disturbing old unmarked graves through new burials or development.
- 3.6 The process for closing cemeteries is outlined in Part 6, Section 41 of the Burial and Cremations Act 1964. It involves Council lodging a request in writing to the Minister of Health to close the cemeteries. Should the Minister believe that it is appropriate for burials to be discontinued in these cemeteries, the Minister may publish notice in the Gazette that burials are to be discontinued from a date of his/her choosing, no less than 6 months from the date of the publication of the notice.
- 3.7 The granting of closure status for a cemetery does not prohibit a husband, wife, civil union partner, de facto partner, parent, child, brother or sister of a

deceased person buried in either cemetery prior to the date of closure to be buried in the same plot as the deceased.

- 3.8 Any person who has pre-purchased a plot of ground for burial in either cemetery prior to the date of the closing order by the Minister, shall be entitled at any time within 2 years after the closing order comes into effect to swap their plot free of charge for a plot of equal size in another, open Council-owned cemetery in the District.

#### **4 OPTIONS**

- 4.1 Initiate the procedure with the Minister of Health to close both cemeteries and re-vest the cemetery reserves in the Crown. (It is recommended that Council request the transfer of responsibility for the maintenance of the Gillespies' Beach cemetery to the Department of Conservation as the cemetery is surrounded on every side by the Westland Tai Poutini National Park, administered by the Department of Conservation.)
- 4.2 Initiate the procedure with the Minister of Health to close one of the cemeteries and re-vest that cemetery reserve in the Crown.
- 4.3 Remain with the status quo and allow for future burials in both cemeteries.

#### **5 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 Under Council's Significance and Engagement Policy, the degree of significance of this proposal is low. The impact and likely consequences for district and region is low as no burials have taken place in either cemetery for decades (last burial at Stafford Cemetery: 1991; last burial at Gillespies Cemetery: 1911). The capacity of Council to continue performing its role will not be affected as Council has sufficient capacity at its open cemeteries in the district. There are no other implications to this proposal, financial or otherwise, which would compromise Council's performance.
- 5.2 Nonetheless, it is considered an appropriate courtesy to engage with relevant interested parties. These include: the Department of Conservation to determine their willingness to take on the ongoing maintenance and responsibility for the Gillespies Beach Cemetery subsequent to closure; and the Lions Club of Hokitika and Heritage Hokitika, who are both known to

have an active interest or involvement with Stafford Cemetery.

## 6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 If Council supports the preferred options (outlined in 7.1 below), there are no financial costs to initiate this procedure with the Minister of Health, other than the cost of staff time to write to the Minister.
- 6.2 No current maintenance budgets exist for either Stafford Cemetery or Gillespies Beach cemetery. Should the Lions Club of Hokitika and the Department of Conservation be unwilling to undertake maintenance at these cemeteries once closed, it would be prudent for Council to include a modest budget of \$1,000 for annual maintenance for each cemetery from 2020-2021 financial year onwards. This would allow for at least two inspections annually and some basic maintenance work and weed control should it be needed.

## 7 PREFERRED OPTION(S) AND REASONS

- 7.1 The preferred option is to initiate the procedure with the Minister of Health to close both cemeteries and re-vest the cemetery reserves in the Crown. This would preserve the history of these areas and avoid disturbing unmarked graves. It is recommended that Council request the transfer of responsibility for the maintenance of the Gillespies' Beach cemetery to the Department of Conservation as the cemetery is surrounded on every side by the Westland Tai Poutini National Park, administered by the Department of Conservation. It is also recommended that Council work with the Lions Club of Hokitika to formalise an agreement for the maintenance of Stafford Cemetery in perpetuity. Should this not be able to be achieved, Council should consider including an operating budget for the maintenance of this closed cemetery.

## 8 RECOMMENDATION(S)

- A) **THAT** Council receive the report.
- B) **THAT** Council approve staff initiating the process for closure of the Stafford Cemetery and Gillespies Beach Cemetery with the Minister of Health, as prescribed in Part 6, Section 41 of the Burial and Cremations Act 1964.

**Erle Bencich**

**Operations Manager: District Assets**

**Appendix 1:** Photos and Legal Description - Stafford Cemetery

**Appendix 2:** Photos and Legal Description - Gillespies Beach Cemetery

**Appendix 3:** List of interred - Gillespies Beach Cemetery

APPENDIX 1: Photos and Legal Description – Stafford Cemetery




LAND INFO		1 OF 1
Assessment	2574003700	
Occupier	Westland District Council,	
Address	Private Bag 704 Hokitika	
vnz desc	GAZ 28-629 RESERVE 147 -CEMETERY RES-BLK XIV WAIMEA S D	
Waste Collection	Thursday	
NCS PROPERTY INFO		1 OF 1
Assessment	2574003700	
house no	0	
street	Stafford	
certificate of title		
legal description	GAZ 28-629 RESERVE 147 -CEMETERY RES-BLK XIV WAIMEA S D	
NCS Link	<a href="#">Click for NCS</a>	



APPENDIX 2: Photos and Legal Description – Gillespies Beach Cemetery



APPENDIX 3: List of interred – Gillespies Beach Cemetery

	<b>Patrick Carroll</b> unknown – 27 Jul 1990	189691246
	<b>Robert Currie McIntosh</b> unknown – 2 Feb 1892	189691283
	<b>Eleanor Meyer</b> unknown – 1 Sep 1898	189691315
	<b>Henry Morrison</b> unknown – 5 May 1911	189691363
	<b>James O'Leary</b> unknown – 22 Feb 1892	189691148
	<b>Annie Quinlan</b> unknown – 17 Dec 1894	189691193
	<b>John Quinlan</b> unknown – 15 Apr 1910	189691221
	<b>Edward Ryan</b> unknown – 22 Aug 1899	189690988
	<b>John Edward Ryan</b> unknown – 15 Dec 1902	189691005
	<b>James Walsh</b> unknown – 26 Apr 1899	189691398

\*Please note that date of death for Patrick Carroll should read 1890 not 1990 as per above.

# Report



**DATE:** 28 November 2019

**TO:** Mayor and Councillors

**FROM:** Planning and Customer Services Manager

---

## MARKS ROAD SALE OF LAND

### 1 SUMMARY

- 1.1 The purpose of this report is to consider the sale of approximately 1461m<sup>2</sup> of land at Marks Road Reserve, Haast for the purpose of a community fire station.
- 1.2 This issue arises from a request received from Fire and Emergency New Zealand for Council to consider disposal of this piece of land.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council consider whether to dispose of this piece of land at Marks Road Reserve and proceed to public consultation.

### 2 BACKGROUND

- 2.1 Contact has been made by Fire and Emergency New Zealand (FENZ) who wish to obtain a section of Marks Road Reserve to locate a new Haast Community Fire Station.
- 2.2 FENZ's current facility is in front of the community hall on Pauareka Road, Haast. It has very limited space. The route through residential streets to the State Highway is believed to be an issue both from the point of traffic conflict and speed of response due to the residential nature of the streets.



- 2.3 FENZ have provided a design plan (attached) to demonstrate the area that they wish to obtain and demonstrating what the custom built building would look like.
- 2.4 A section of Marks Road Reserve was recently sold to John Cowan of Haast for the purpose of Commercial Development.
- 2.5 The area previously subdivided and sold for commercial development is separated from the land within this proposal by existing vegetation and a small creek.
- 2.6 The site has direct access to Marks Road which is favoured by FENZ due to its proximity to the State Highway.

### **3 CURRENT SITUATION**

- 3.1 FENZ have provided a design plan (attached) to indicate the area they wish to obtain, being 1461m<sup>2</sup> and demonstrate what the completed building would look like.
- 3.2 FENZ have estimated that they would likely offer \$70 per square metre but this would be confirmed through a valuation report should Council agree in principle to the disposal.
- 3.3 If Council agrees to the proposal a Special Consultative Procedure will be initiated whereby the proposal is publicly notified for one month; Submissions are collected and collated, a hearing is held for submitters wishing to be heard and Council make a final decision based on consideration of submissions.

### **4 OPTIONS**

- 4.1 Agree to the disposal of Part Marks Road Reserve in principle and therefore proceed with a Special Consultative Process.
- 4.2 Disagree with the disposal of Part Marks Road Reserve.

### **5 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 Under the Local Government Act s76AA (3) Community Reserves are considered a strategic asset and therefore of high significance.

- 5.2 If Council approves the concept of disposal of Part Marks Road Reserve, a Special Consultative Procedure would be the appropriate level of engagement given the significance of the proposal.

## **6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

- 6.1 Option 1: Agree in Principle and proceed to Special Consultative Procedure: Proceeding to a Special Consultative Procedure will allow the Community to express their views for Marks Road Reserve. Being a Community Asset any final decision will be informed by the Community preference.
- 6.2 Should the disposal of Part Marks Road Reserve proceed the purchaser would be responsible for costs involved in surveying and legal proceedings. The estimated proceeds would be \$70,000.
- 6.3 Option 2: Decline the FENZ proposal: Should Council decline the request from FENZ to obtain Part Marks Road Reserve, status quo will remain and no costs would be incurred.

## **7 PREFERRED OPTION(S) AND REASONS**

- 7.1 The preferred option is to proceed with the Special Consultative Procedure and let the Haast Community guide the outcome based on their preference.

## **8 RECOMMENDATION(S)**

- A) **THAT** Council agrees in principle to the disposal of Part Marks Road Reserve for the purpose of a new Community Fire Station
- B) **THAT** a Special Consultative Procedure be undertaken to consult with the Community on agreement in principle with the disposal of Part Marks Road Reserve for the purpose of a new Community Fire Station

**Fiona Scadden**  
**Planning and Customer Service Manager**

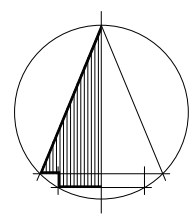
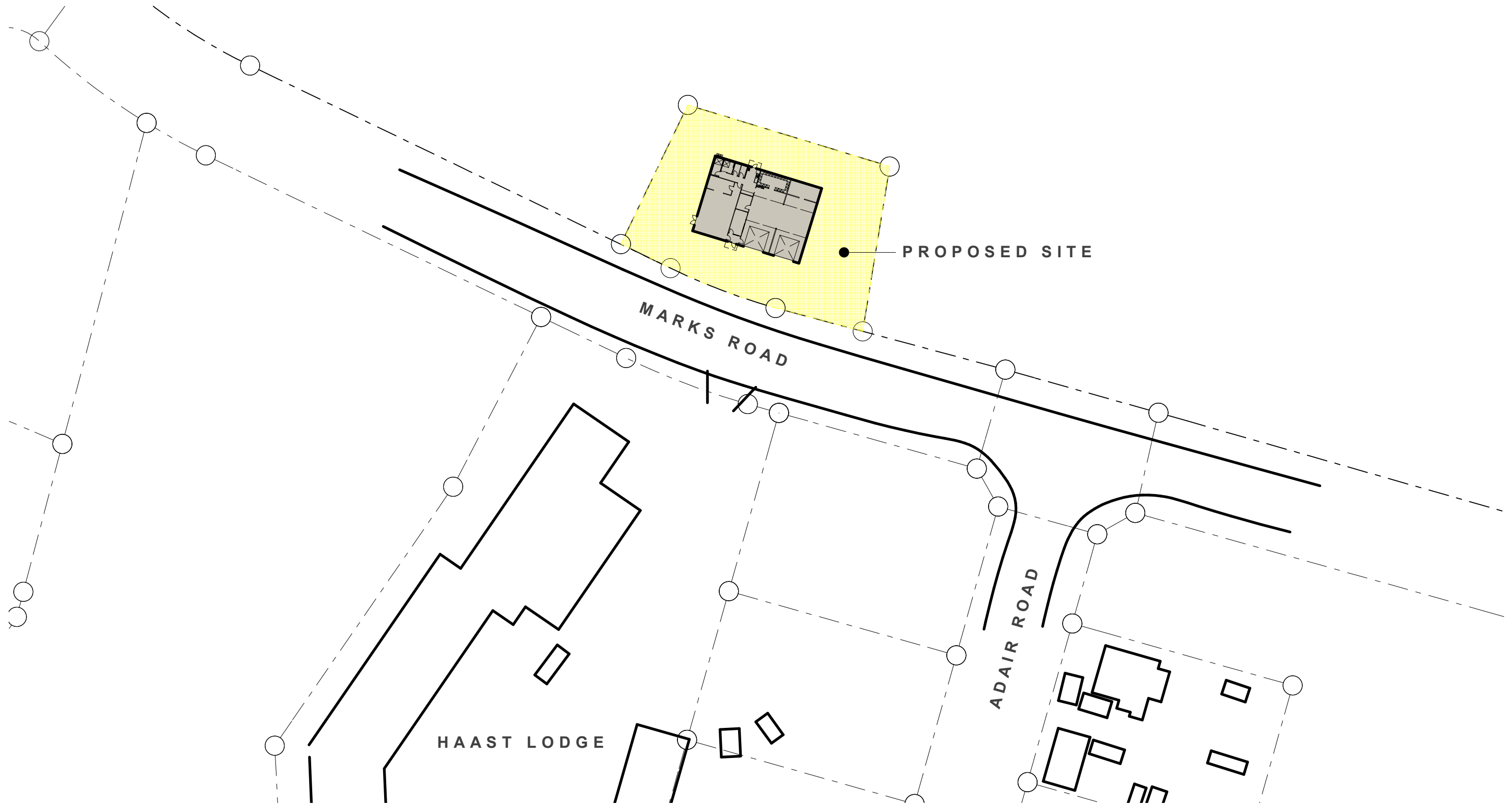
**Appendix 1:** FENZ Design Plan

**SHEET INDEX**

No.	TITLE
3.1	LOCATION PLAN
3.2	SITE PLAN
3.3	FLOOR PLAN
3.4	ELEVATIONS
3.5	ELEVATIONS

**C N 1 8 - 1 8 2 4**  
**HAAST FIRE STATION**  
 MARKS ROAD - HAAST





**LOCATION PLAN**  
SCALE 1:750

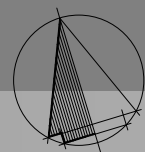
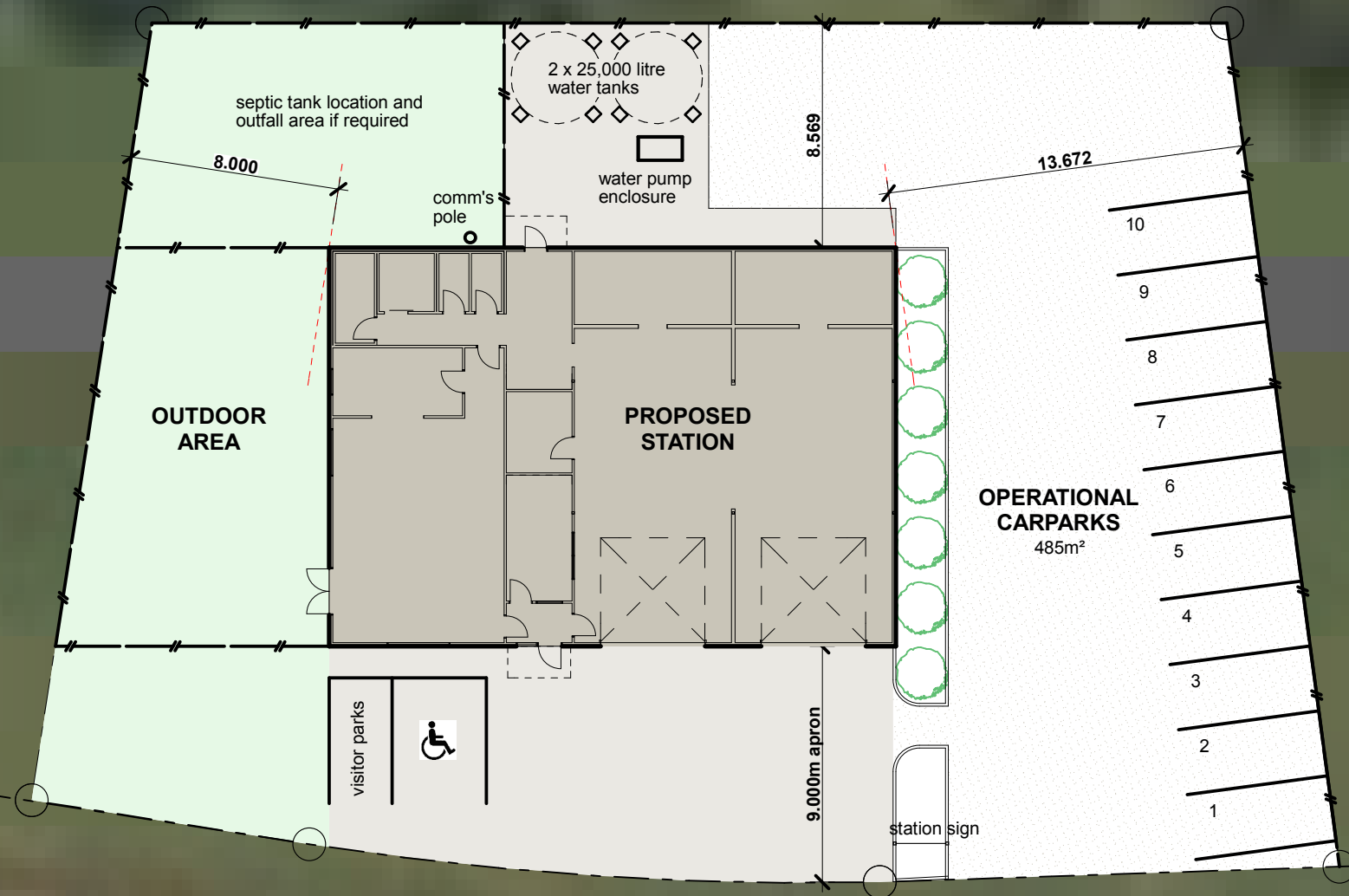
**msd** ARCHITECTURE  
**AD NZ** ARCHITECTURE  
 MIKE SOWMAN DESIGN LTD  
 A: PO Box 236, Dunedin  
 P: 03 470 1080  
 E: info@msdesign.co.nz  
 W: www.msdesign.co.nz



**PROPOSED NEW STATION  
 HAAST FIRE STATION  
 MARKS ROAD - HAAST**

SCALE 1:750 @ A3  
 DATE AUGUST 2019  
 JOB NUMBER CN18-1824  
 PRINT DATE 19/08/2019

**SKETCH SCHEME # 3**  
 DO NOT SCALE OFF DRAWINGS. DIMENSIONS TO BE VERIFIED ON SITE PRIOR TO CONSTRUCTION

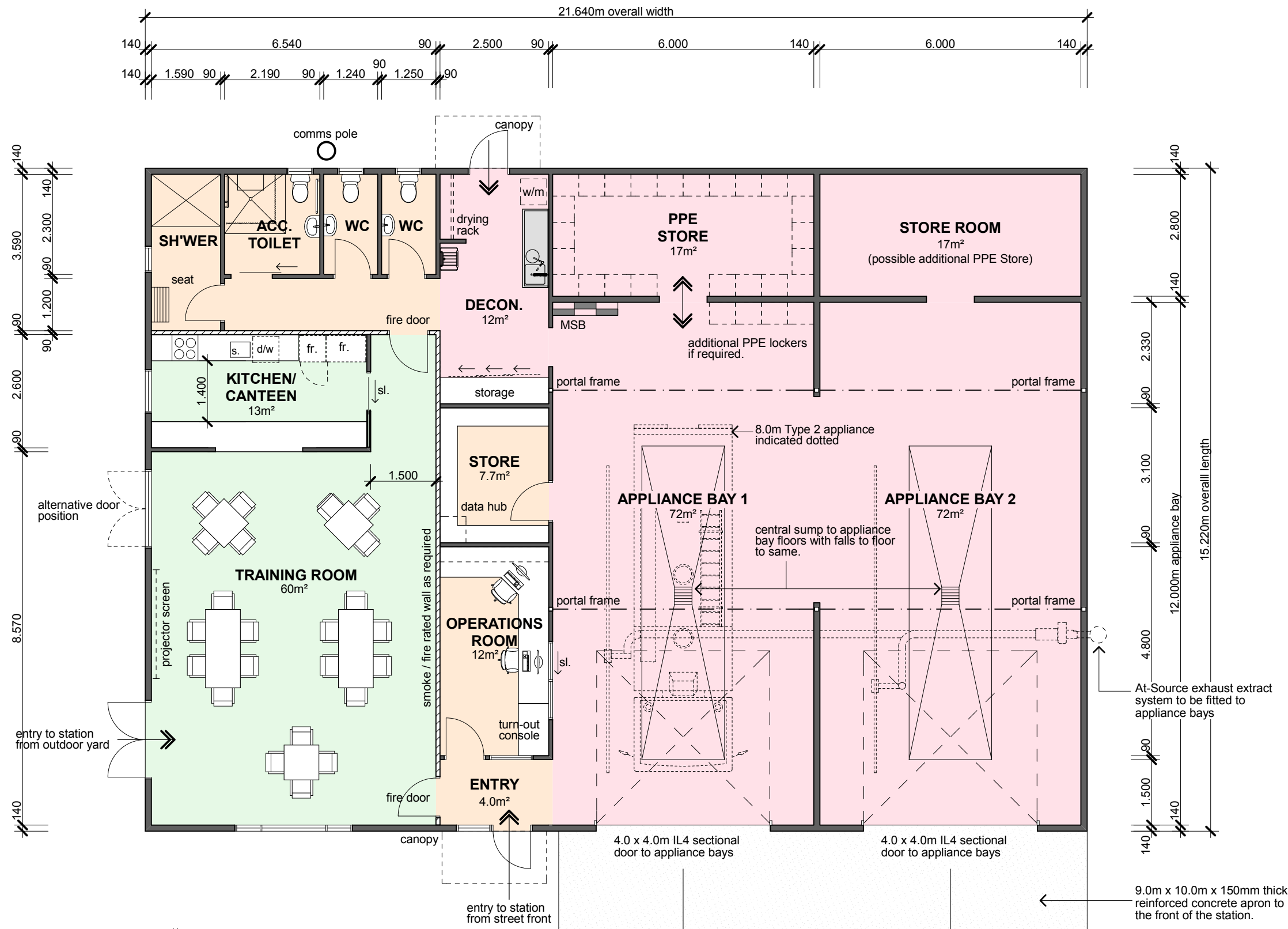


**PROPOSED SITE PLAN**  
 SCALE 1:250      AREA = 1461 m<sup>2</sup>

driveway entry / exit to Haast Lodge and Backpackers

SKETCH SCHEME # 3  
 DO NOT SCALE OFF DRAWINGS. DIMENSIONS TO BE VERIFIED ON SITE PRIOR TO CONSTRUCTION





**PROPOSED FLOOR PLAN**  
 SCALE 1:100  
 OPTION 1  
 TOTAL FLOOR AREA = 330m<sup>2</sup>

- LEGEND**
- dirty zone
  - transition zone
  - clean zone

**MIKE SOWMAN DESIGN LTD**  
 A : PO Box 236, Dunedin  
 P : 03 470 1080  
 E : info@msdesign.co.nz  
 W : www.msdesign.co.nz

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 LICENCED BUILDING PRACTITIONERS  
 NEW ZEALAND

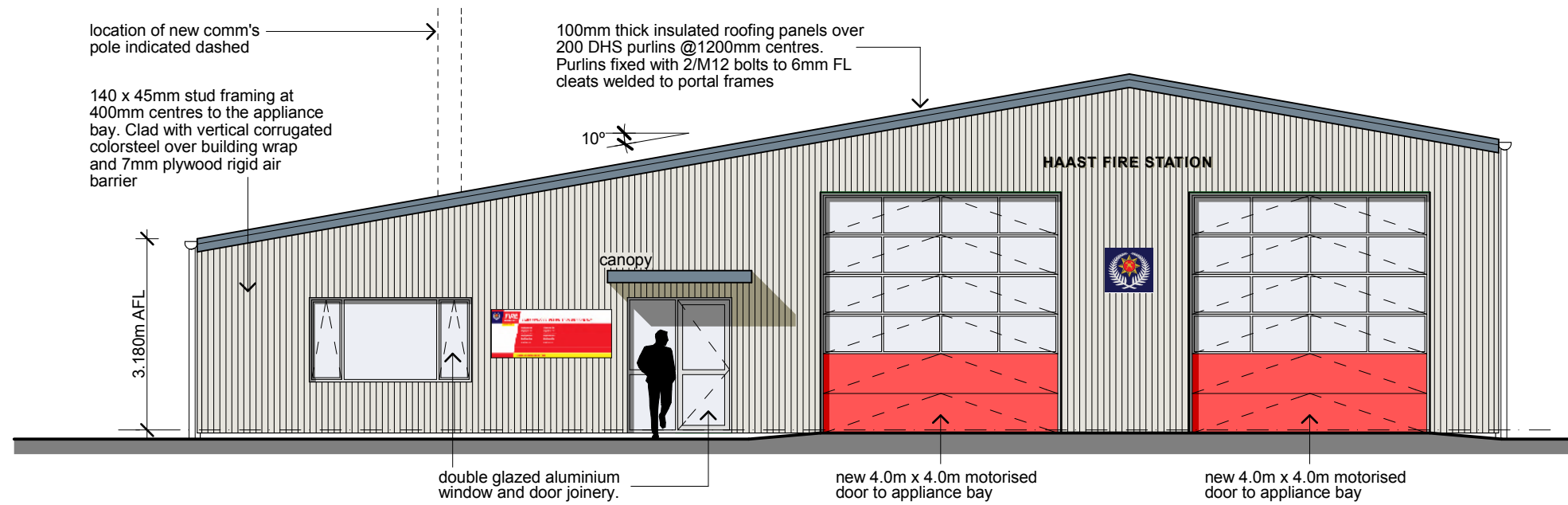
28.11.19 - Council Agenda



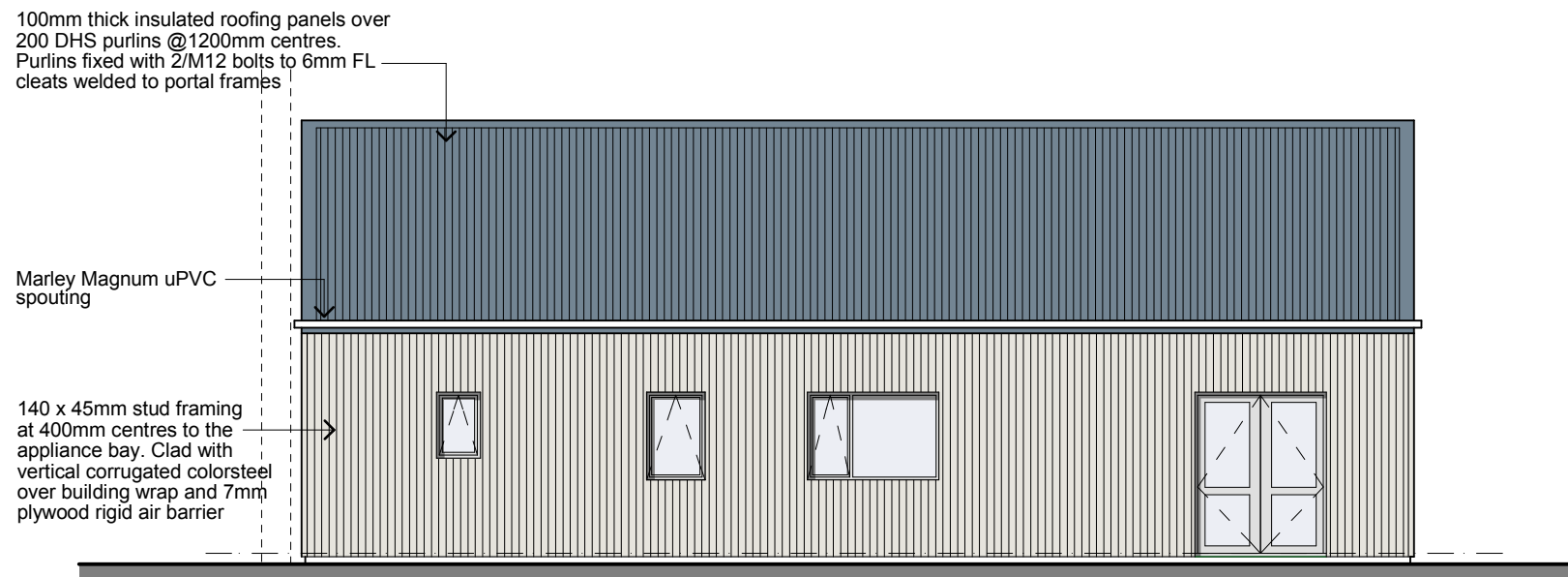
**PROPOSED NEW STATION**  
**HAAST FIRE STATION**  
 MARKS ROAD - HAAST

SCALE 1:100 @ A3  
 DATE AUGUST 2019  
 JOB NUMBER CN18-1824  
 PRINT DATE 19/08/2019

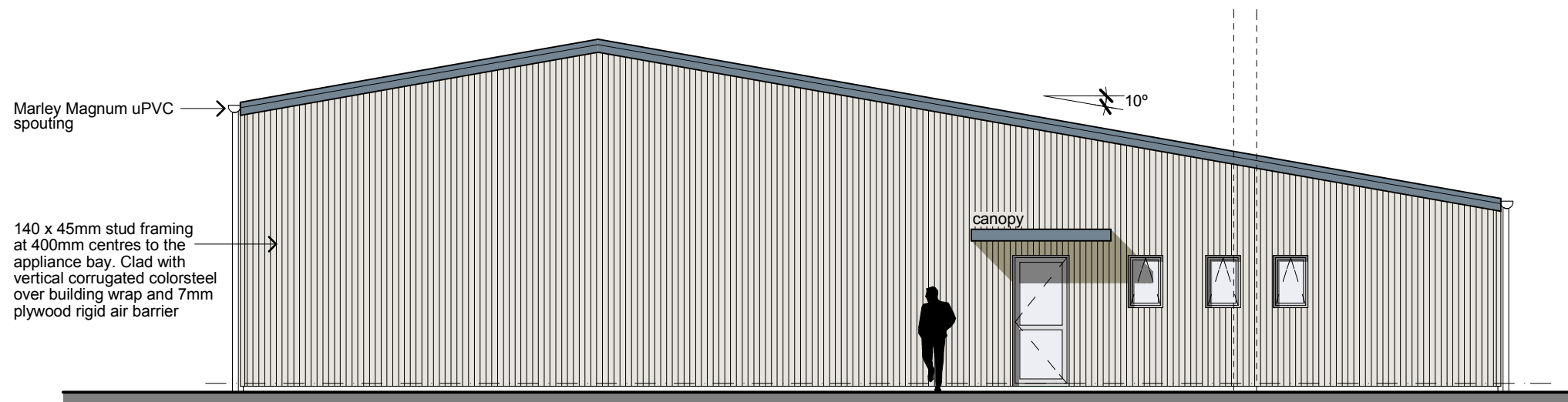
**SKETCH SCHEME # 3**  
 DO NOT SCALE OFF DRAWINGS. DIMENSIONS TO BE VERIFIED ON SITE PRIOR TO CONSTRUCTION



**PROPOSED WEST ELEVATION**  
SCALE 1:100

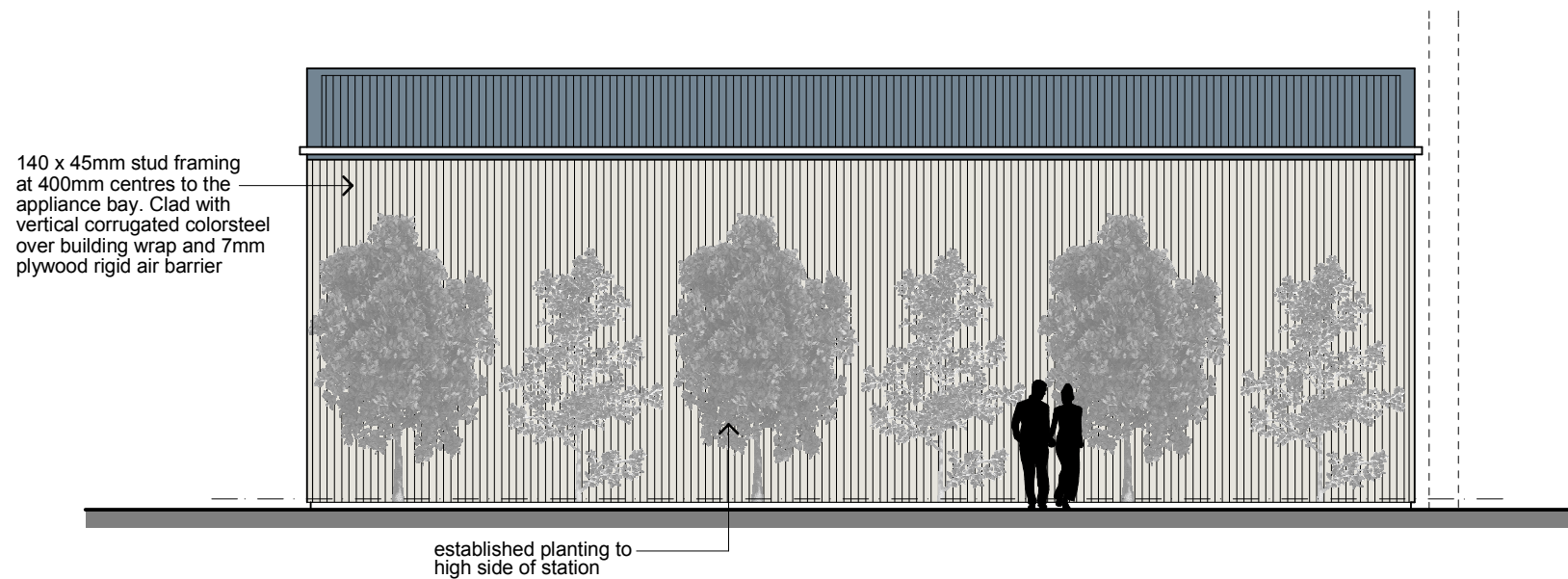


**PROPOSED NORTH ELEVATION**  
SCALE 1:100



**PROPOSED EAST ELEVATION**

SCALE 1:100



**PROPOSED SOUTH ELEVATION**

SCALE 1:100

SKETCH SCHEME # 3

DO NOT SCALE OFF DRAWINGS. DIMENSIONS TO BE VERIFIED ON SITE PRIOR TO CONSTRUCTION



# Report



**DATE:** 28 November 2019

**TO:** Mayor and Councillors

**FROM:** Community Development Advisor

---

## **HARI HARI COMPLEX RESERVE FUND**

### **1 SUMMARY**

- 1.1 The purpose of this report is to ADVISE Council that the Hari Hari Community Association would like to utilise funds from the Hari Hari Complex Reserve Fund
- 1.2 This issue arises from a request from the Hari Hari Community association who would like to use a portion of the Hari Hari Complex Reserve Fund to purchase a ride-on mower for use at the Hari Hari Community Hall and the playground area, both of which the Hari Hari Community look after and maintain.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council approves the release of funds (\$5365.00) from the Hari Hari Complex Reserve Fund for the purchase of a ride-on mower to use at the Hari Hari Community Hall and the playground area, with the remainder of the Hari Hari Complex Reserve Fund retained for use in the Hari Hari Rating District.

### **2 BACKGROUND**

- 2.1 After the completion of the Hari Hari Community Complex, funds remained in the Hari Hari Complex Reserve fund and were tagged for future use in the Hari Hari Rating District.

### **3 CURRENT SITUATION**

3.1 The Hari Hari Community Association identified at a monthly community meeting, the need to purchase a ride-on mower to support the upkeep and maintenance of the grass area at the Hari Hari Community Hall and playground, with the Community Association identifying getting this ride-on mower before the summer tourist season.

The preferred quote is \$5365.00, with the Hari Hari Complex Reserve fund consisting of \$73,187.82 at this current time.

### **4 OPTIONS**

4.1 Option One: Approve the release of funds (\$5365.00) to pay for the ride-on mower for use at the Hari Hari Community Hall and playground. The remainder of the fund retained in the Hari Hari Complex Reserve Fund for future use in the Hari Hari Rating District.

4.2 Option Two: Release the remainder of the Hari Hari Complex Reserve Fund to the Hari Hari Community Association to administer for future use in community projects in the Hari Hari Rating District.

### **5 SIGNIFICANCE AND ENGAGEMENT**

5.1 This is a low level of significance and the Hari Hari Community Association have taken the appropriate type of engagement and consultation by discussing the need for and the purchase of a ride-on mower for the Community Hall grounds and playground, with the result the meeting moved, seconded, and passed a motion for the purchase a ride-on mower to be investigated and undertaken.

5.2 The Hari Hari Community Association agreed at their 20 February 2019 meeting that the grass area at the Community Hall and playground required a ride-on mower to look after and maintain this area, and instructed the committee to get quotes, investigate purchasing, and funding from the Hari Hari Complex Reserve Fund.

### **6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

6.1 The advantage of supporting this community initiative is assisting the Hari Hari Community to look after and maintain this grassed area, especially coming into the tourist season which sees many travellers make use of this area and playground. The remainder of the funds can be retained in the Hari Hari Complex Reserve Fund and this would give the Hari Hari Community time to consider the best possible use and project for these remaining funds.

The disadvantage of not supporting this purchase would be that the Hari Hari Community Hall and playground area start to look neglected and ill-kempt.

- 6.2 The advantage of releasing all the remaining funding in the Hari Hari Complex Reserve fund is that the Hari Hari Community Association have the ability to fund repairs, maintenance, and any projects in the Hari Hari Rating District. The disadvantage of this is that some funds could be used on minor projects with funds not available for a substantial project which the community could desire at a later date.
- 6.3 There are no financial implications for Council.

## 7 PREFERRED OPTION(S) AND REASONS

- 7.1 Approve the release of funds to pay for the ride-on mower for the community to be able to maintain and look after the Community Hall and playground grassed areas. The remainder of the fund retained in the Hari Hari Complex Reserve fund for use in the Hari Hari Rating District.

## 8 RECOMMENDATION(S)

- A) **THAT** funds be released for the ride-on mower for the Hari Hari Community Hall and playground area as per the preferred quote, and the remainder be retained in the Hari Hari Complex Reserve fund tagged for future community projects in the Hari Hari Rating District.

**Sarah Brown**  
**Community Development Advisor**

**Appendix 1: Hari Hari Complex Reserve Fund**

**Hall Account**

Accounts for payment S Black - 2 accounts for park mntce Sept/Oct & Nov \$475.00  
and December & Jan \$450.00

Direct Debit S Black \$70 monthly bookings & cleaning

**BALANCES AS AT FEB 19<sup>TH</sup>**

<b>Cheque a/c</b>	<b>32039.00</b>
<b>Centennial</b>	<b>6156.00</b>
<b>Hall</b>	<b>2529.00</b>
<b>Investment</b>	<b>1038.00</b>
<b>Health</b>	<b>473.00</b>

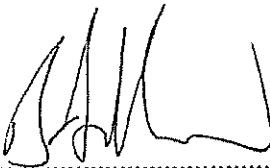
Lyn moved that the accounts be accepted 2<sup>nd</sup> Mary


Lindsay moved that the lawn mower account be sourced from the reserve fund 2<sup>nd</sup> JH

Lyn said she would do this when she had clarified the procedure with Sarah

Moved that all be followed up on

Lyndsay/Lyn

Brian Manera Chairman ..... 

Lyn Mackie Secretary ..... 



Quote ID 208441

09-Jan-2019

9th January 2019

Hari Hari Community Association

To the committee.

Thank you for the opportunity to quote you on a new John Deere ride on mower.

After my conversation with Brian the other day I feel that the John Deere X146r would be the right machine for your application.

This is a rear catcher mower with a central delivery system and a 300ltr catcher.

The engine is the tried and true 17hp Briggs and Stratton V-Twin with OHV, and the transmission is a twin touch hydrostatic unit, very comfortable and easy to use.

The 36" cutting deck has high lift blades fitted which is great for catching damp grass, as we occasionally get the odd bit of moisture on the West Coast.

Servicing the machine is a breeze with easy access to all filters and fillers, there are grease nipples on the front axle and even grease nipples on the spindle assemblies.

I am more than happy to come down and do an obligation free demonstration so you can see just how well this machine catches the grass and what a great finish you will get.

As this is for the Hari Hari community, Drummond & Etheridge are happy to offer a \$200 sponsorship to your next fundraising event.

Thank you for your consideration.

Kind regards,

Lindsay

Lindsay Robertson

Drummond & Etheridge

# DRUMMOND & ETHERIDGE

Greymouth

**INVOICE TO:**

Hari Hari Community Association  
110 Main Road  
RD 1  
HARI HARI 7884

**DELIVER TO:**

Hari Hari Community Association  
110 Main Road  
RD 1  
HARI HARI 7884

**TAX INVOICE**

GST No.: 10-307-589

Invoice No.: 6354  
Date: 22/01/2019  
Order No.:  
Salesman: Lindsay Robertson

**STOCK UNIT DETAILS**

Stock No.	Class	Type	Make	Model	Built	Reg No.	Eng No.	VIN	Sale Price (Exc GST)
114151	Base	New	JOHN DEERE	X146R				1GXX146RTJJ012100	\$4665.22
									\$4,665.22

**ADD-ON DETAILS**

Stock No. / Model	Code	Description	Value (Exc GST)
			\$0.00

**TRADE-IN DETAILS**

Make	Model	Reg No.	VIN	Odometer	Offered Value	Payout	Net Equity	
							GST on Trade-In	\$0.00
							Net Equity of Trade-In (Inc GST)	\$0.00
							Other Charges	\$0.00
							Sub Total (Exc GST)	\$4,665.22
							GST	\$699.78
							Total Purchase Price (Inc GST)	\$5,365.00
							Trade-In Total Offered Value (Inc GST)	\$0.00
							Trade-In Total Payout	\$0.00
							Less Deposit Required	\$0.00
							(Receipted Deposit = \$0, Outstanding = \$0)	
							Changeover (Inc GST/LCT)	\$5,365.00

**\*\* Payment due on invoice \*\***

Bank Account Details for Direct Payments:

Bank: WBC Branch: Ashburton

BSB: 030835 Account No.: 0325444 000 Account Name: Drummond & Etheridge



ASHBURTON  
BLENHEIM

CHRISTCHURCH  
GREYMOOUTH

KAIKOURA  
NELSON

OAMARU  
TIMARU

FREEPHONE: 0800 432 633  
POSTAL: PO Box 340, Ashburton 7740  
EMAIL: adm@dne.co.nz  
WEBSITE: www.dne.co.nz

# Report



**DATE:** 28 November 2019

**TO:** Mayor and Councillors

**FROM:** Community Development Advisor

---

## TOHU WHENUA POU

### 1 SUMMARY

- 1.1 The purpose of this report is to provide Council with a recommendation from the Hokitika Reserves and Environs Community Group for the installation of a Tohu Whenua Pou at the Tancred Street viewing platform.
- 1.2 This issue arises from Hokitika being selected by 'Tohu Whenua – Landmarks that tell out stories' national programme, for a site marker, this being a symbol indicating a significant heritage site.
- 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 May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council approves the installation of a Tohu Whenua Pou at the Tancred Street viewing platform in the heritage precinct of Hokitika.

### 2 BACKGROUND

- 2.1 Tohu Whenua: Landmarks that tell our stories ('Tohu Whenua') promotes significant heritage by developing a network of places that have shaped our nation. It connects heritage places in a region that are central to that region's story, and which offer a high quality visitor experience.

Tohu Whenua is a multi-agency government programme with equal investment from Heritage New Zealand Pouhere Taonga, the Department of Conservation and the Ministry for Culture and Heritage.

The programme was launched in 2016 in Northland with Otago sites added in 2017. In 2018 the West Coast was launched as the third Tohu Whenua region, with the first three sites launched in December 2018, with the rollout led by DOC. The first sites were Denniston Mine, Brunner Mine and the town of Reefton.

The second tranche of West Coast sites, selected in late 2018, will be launched in early 2020. Hokitika Port and Commercial Area will be the first of these to be launched, with Waiuta and Charming Creek joining the programme later in the year.

Tohu Whenua's project team has worked closely with the Westland Heritage and Cultural Tourism Project (David Stapleton).

### 3 CURRENT SITUATION

3.1 The Tohu Whenua Pou would be located at the Tancred Street Viewing Platform site to signify that Hokitika Port and Commercial Area is a Tohu Whenua site. Hokitika Port and Commercial Area was selected because it meets Tohu Whenua's criteria, which are as follows:

- Significance – special significance to New Zealand and strong storytelling potential
- Iwi and community – demonstration of iwi and community benefits and stories that matter to people
- Visitor experience – accessibility, family friendly, potential to grow
- Suitability – willing owner, presentation
- The summary report on the selection of Hokitika Port and Commercial Area said:
  - Hokitika Town, and the majority of the individual buildings all scored very highly in the Assessment Matrix.
  - The workshop attendees noted that Hokitika provided a comprehensive visitor experience, with existing interpretation.
  - Hokitika is known as the “Goldfields Capital” and tells stories related to pounamu, timber and gold.
  - The Port is the reason for the existence and growth of the town. It enabled immigration from Australia and allowed exports. The Customhouse and Quay house could provide a focus for a Hokitika Port experience.
  - The workshop attendees discussed if this status should apply to the whole of the town or specific precincts. The final assessment concluded that the Port and commercial precinct most strongly met the Tohu Whenua criteria and that other parts of the town e.g. Airport Terrace or Seaview Terrace could be linked. On the basis of this further assessment the attendees recommend that Hokitika Port and Commercial Precinct are Tohu Whenua sites.



- 3.2 DOC is leading the implementation of the programme on the West Coast, and have consulted with Hokitika Reserves and Environs Community Group and Heritage Hokitika. DOC and Tohu Whenua have been provided with a copy of Westland District Council Statues, Monuments and Public Art Policy 26 July 2018.
- 3.3 Once approval is gained, Tohu Whenua will put forward a launch date for the Hokitika Tohu Whenua Pou that works in with Council and Westland Community Activities

#### **4 OPTIONS**

- 4.1 Approve the installation of a Tohu Whenua Pou
- 4.2 Not approve the installation of a Tohu Whenua Pou

#### **5 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 This has low significance for Council as the Tohu Whenua Pou and interpretation panels will be provided, installed and maintained by Tohu Whenua.
- 5.2 Tohu Whenua and DOC have presented and discussed with Hokitika Reserves and Environs Community Group and Heritage Hokitika the placing of the Pou and the importance of recognising Hokitika which has the unique history of being at the centre of a Gold Rush in a wilderness rainforest.
- 5.3 The Reserves and Environs Community Group discussed the Tohu Whenua proposal at the Tuesday 13 August 2019 meeting and passed a motion recommending that the Tohu Whenua Pou project proceed and be taken to Council for approval.

#### **6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

- 6.1 The advantage of the Tohu Whenua Pou placement enables Hokitika to be a part of a national project recognising Landmarks that tell our stories. The disadvantage of not approving the placement of a Tohu Whenua Pou is that Hokitika will not be part of a national project which aims to celebrate Landmarks that tell our stories and encourages visitors to explore Hokitika heritage.

- 6.2 The advantage of not approving the Tohu Whenua Pou is that the Tancred Street Viewing Platform will remain as it is. The disadvantage of not approving the installation of a Tohu Whenua Pou will mean that Hokitika will lose the opportunity of being involved in a nationally funded project.
- 6.3 There is no financial implications for Council. Tohu Whenua have indicated they will meet financial obligations for the installation and launch of the Tohu Whenua Pou, and the cost of Interpretation Panels to go with this Pou.

## **7 PREFERRED OPTION(S) AND REASONS**

- 7.1 The preferred option is to approve the recommendation of the Hokitika Reserves and Environs Community Group to have a Tohu Whenua Pou installed at the Tancred Street Viewing Platform in the heritage precinct of Hokitika.

## **8 RECOMMENDATION(S)**

- A) **THAT** Council approves the installation of a Tohu Whenua Pou at the Tancred Street viewing platform in the heritage precinct of Hokitika.
- B) **THAT** in line with Council's Policy on Statues, Monuments, Memorials and Public Art, that a Memorandum of Understanding be written for the installation and maintenance of the Tohu Whenua Pou and Interpretation panels.

**Sarah Brown**  
**Community Development Advisor**

**Appendix 1:** Proposed location of Tohu Whenua

# Proposed Location of Hokitika's Tohu Whenua Pou

Hokitika will be launched as part of the New Zealand Tohu Whenua landmarks project on 14 February 2020.



The POU is a small wooden post featuring the Tohu Whenua logo.

David Stapleton 20/11/2019  
28.11.19 - Council Agenda

# TOHU WHENUA

*Landmarks that tell our stories*



*'Tohu Whenua promotes New Zealand's unique culture and connects visitors to our stories and places.'*

Hokitika Town has been selected as a Tohu Whenua landmark site as part of a national project instigated by the New Zealand Government.

Hokitika qualifies as recognising the unique nature of the West Coast Gold Rush in a wilderness rainforest, the role of Māori in discovering gold-fields, the rapidity of European settlement, and Hokitika blending the gold-fields main port, emporium and administrative capital actually on the gold fields, which set it apart from other places in New Zealand and internationally.

The Tohu Whenua status of Hokitika's gold rush story will be marked with a small wooden pou (post) featuring the Tohu Whenua logo. It will be linked to the **Hokitika Heritage Walkways and Precincts** and will be supported on the Tohu Whenua web-listing, Facebook, brochures and other publicity to direct visitors to further explore Hokitika.

## THE PHYSICAL LOCATION of the POU

**The ideal site** for the pou, identified by Heritage Hokitika, is the Gibson Quay Heritage Area, being the location of the port and place of arrival of many gold seekers and settlers.

**The preferred location** is at the river end of the Tancred Street Viewing Platform. Hokitika's Tohu Whenua significance will be explained by nearby interpretation panels

This site gives clear views of the goldfields backed by the Southern Alps and rainforest, the port entrance and river (Including the Tambo memorial), the Westland Provincial Government Centre (including the Customhouse and Government Buildings), into the Central Business District and directly to the Pioneer Statue at Weld St.

**HOKITIKA RESERVES AND ENVIRONS COMMUNITY GROUP  
MEETING, 13 AUGUST 2019**

**PROPOSAL**

1. It is proposed that the Hokitika Reserves and Environs Committee **recommend** to the Westland District Council, in terms of the *Council's Policy on Hokitika Statues, Monuments, Memorials and Public Art*, that :

**The Council approve the placement of a pou and /or interpretation panels to indicate:**

- (a) **The national heritage significance of Hokitika's role as the chief port, commercial centre and administrative centre /capital for the West Coast Wilderness Gold Rush; and**
- (b) **Hokitika as a site for explaining the above role as part of the Government's *Tohu Whenua-Places That Tell Our Stories* project for recognising nationally significant stories (subject to approval of the Tohu Whenua Project Management Board).**

**on the Gibson Quay Heritage Area viewing platform above the steps at the south end of Tancred St.**

**BACKGROUND**

2. Heritage Hokitika has developed the Gibson Quay Heritage site to recognise the national heritage significance of Hokitika. The Westland Cultural Heritage Tourism Project has identified the Wilderness Gold Rush Port, Commercial Centre and Capital story as a key component of Hokitika's heritage tourism product.
3. The national Tohu Whenua Project Management Board has recognised Hokitika's Wilderness Gold Rush Port, Commercial Centre and Capital story to be launched as a Tohu Whenua site in early 2020. It is still in the process of confirming the pou site.
4. Heritage Hokitika has selected the proposed site as the best site for connecting the four Wilderness Gold Rush, Port, Commercial Centre and Capital stories, with views of the goldfield, river mouth, sea, port, central business district and Seddon House (as representative of the provincial government site).
5. The proposed pou site will tie in well with the Hokitika Cultural Heritage Walkways and Precincts Interpretation Project and the Hokitika CBD Wayfinders Project, and become a key node indicated by both projects..
6. If approved by Westland District Council the proposed site will be conveyed to the Tohu Whenua Project Management Board.



*Photo of the Reefon Tohu Whenua pou . Pou dimensions about 1 metre high by 0.2 metres wide by 0.2 metres deep.*



*Proposed Pou site*