

# AGENDA

Meeting of the  
Risk and Audit Committee

**Wednesday 11 October 2023**  
commencing at 3.30pm

*To be held:*  
Clocktower Chambers,  
Palmerston Street, Westport



## CORE COUNCILLOR ROLE AND RESPONSIBILITIES

The Governance role entails:

- Strategic planning and decision-making;
- Policy and strategy review;
- Community leadership and engagement, and stewardship;
- Setting appropriate levels of service;
- Maintaining a financially sustainable organisation; and
- Oversight/scrutiny of Council's performance as one team.

The governance role focusses on the big picture of 'steering the boat' - management's role focusses on 'rowing the boat'

Our commitments to best support each other and meet the challenges and opportunities of 2023 include:

### CLEAR AND RESPECTFUL COMMUNICATION

We are committed to:

Actively listening and not interrupting;

Remaining conscious of 'tone', body language, and amount of time speaking (allowing time for others);

Responding/answering in a timely manner; and

Being honest, reasonable, and transparent.

### TRUST AND RESPECT

We recognise that trust and respect must be earned and that a team without trust isn't really a team. Trust can be built by:

Valuing long-term relationships; being honest; honouring commitments; admitting when you're wrong; communicating effectively; being transparent; standing up for what's right; showing people that you care; being helpful; and being vulnerable.

### CONTINUOUS LEARNING AND IMPROVEMENT

Continuous learning and improvement are critical for growing together as a team.

We are committed to constantly reviewing what is going well and what needs to improve in relation to the way we work together, the processes we follow, and the outcomes we deliver.

NONE OF US IS AS SMART AS ALL OF US

# Risk and Audit Committee

<b>Reports to:</b>	The Council
<b>Chairperson:</b>	Independent Chair - Sharon Roche
<b>Membership:</b>	The Mayor, all Councillors and Māori Representative
<b>Meeting Frequency:</b>	Monthly
<b>Quorum:</b>	A majority of members (including vacancies)

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## **Purpose**

The Risk and Audit Committee is responsible for:

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

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

## **Terms of Reference:**

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

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

#### **Internal Audit**

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

#### **Other Matters**

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



**The Committee is delegated the following powers:**

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

**Special Notes:**

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

**Oversight of Policies:**

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

# Appendice - Common Delegations

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

## General Principal

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

These Committees will:

## Strategy, plans and policy

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

## Bylaws

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

## Consultation and engagement

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

## Submissions and legislation

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

**Contracts**

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

**Other**

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

# Risk and Audit Committee

Clocktower Chambers,  
Palmerston Street, Westport



11 October 2023 03:30 PM

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**RISK AND AUDIT COMMITTEE**

**11 OCTOBER 2023**

**AGENDA ITEM 1**

**Prepared by** Douglas Marshall  
Chief Financial Officer

**APOLOGIES**

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**1. REPORT SUMMARY**

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

**2. DRAFT RECOMMENDATION**

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

**OR**

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

# RISK AND AUDIT COMMITTEE

11 OCTOBER 2023

## AGENDA ITEM 2

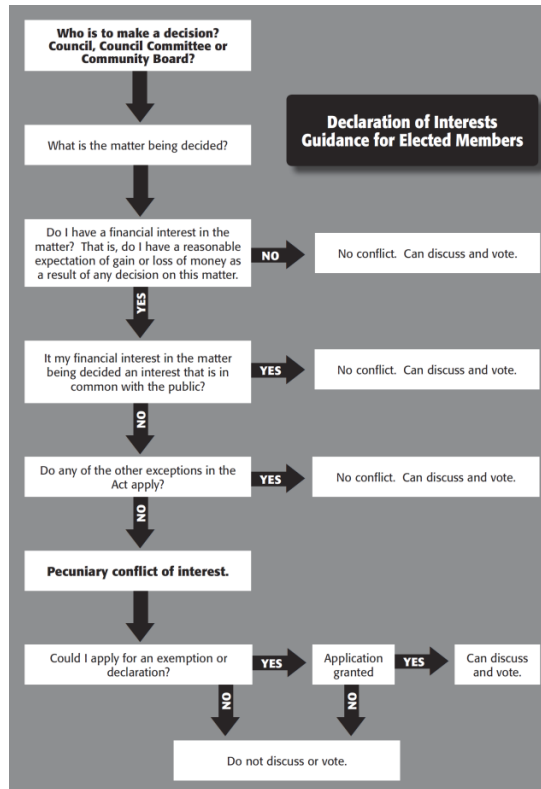
Prepared by Douglas Marshall  
Chief Financial Officer

### MEMBERS INTEREST

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

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

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



### DRAFT RECOMMENDATION:

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

**RISK AND AUDIT COMMITTEE**

**11 OCTOBER 2023**

**AGENDA ITEM 3**

**Prepared by** Douglas Marshall  
Chief Financial Officer

**CONFIRMATION OF MINUTES**

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**1. DRAFT RECOMMENDATION**

**That the Risk and Audit Committee receive and confirm minutes from the meeting of 13 September 2023.**



**MEETING OF THE RISK AND AUDIT COMMITTEE, HELD AT 3.30PM ON WEDNESDAY 13 SEPTEMBER 2023 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT.**

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**PRESENT:** S Roche (Chair), Mayor J Cleine, DM A Basher, Councillors P Grafton, J Howard, C Reidy, T O'Keefe, A Pfahlert, Cr G Neylon (via Zoom), R Sampson, L Webb (via Zoom), G Weston, N Tauwhare (Iwi Representative) (via Zoom)

**IN ATTENDANCE:** S Gibling (CEO), D Marshall (Chief Financial Officer), L Brooks (Finance Manager), M Williams (Acting GM Infrastructure Services), G Barrell (Governance Secretary), A Naik (Legal Assistant)

**MEETING DECLARED OPEN AT: 3.36pm**

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Chair S Roche started by acknowledging the Council Finance Team for their efforts in the regard to the Annual Report. Due to the workload, there may be a couple of notes that need further clarification in some reports, but they will be addressed throughout the meeting.

**1. APOLOGIES (Page 10)**

**Discussion:**

Nil

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

**S Roche/Cr A Pfahlert**

**12/12**

**CARRIED UNANIMOUSLY**

**2. MEMBERS INTEREST (Page 11)**

**Discussion:**

Nil

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

**S Roche/Mayor J Cleine**

**12/12**

**CARRIED UNANIMOUSLY**

**3. CONFIRMATION OF MINUTES (Page 12)**

**Discussion:**

Cr J Howard advised she was not recorded as present in the previous - *noted and amended*.

**RESOLVED** that the Risk and Audit Committee receive and confirm minutes from the meeting 16 August 2023.

**Cr G Weston/DM A Basher  
12/12  
CARRIED UNANIMOUSLY**

**4. ACTION POINTS (Page 18)**

**Discussion:**

All Action Points to be addressed in October.

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

**Cr R Sampson/Cr A Pfahlert  
12/12  
CARRIED UNANIMOUSLY**

**5. RAC WORKPLAN (Page 20)**

**Discussion:**

D Marshall spoke that the Buller Holdings Ltd (BHL) report was unavailable at the issue of this agenda and will be brought forward to Council at the end of September.

Westport Airport Authority (WAA) financials have been completed by staff however, due to Annual Report (AR) constraints, Mr Marshall has been unable to review them. They will come through to Council later this month.

**RESOLVED** That the Risk and Audit Committee receive the Risk and Audit Workplan report for information.

**DM A Basher/Cr A Pfahlert  
11/1  
Cr C Reidy against  
MOTION CARRIED**

**6. STRATEGIC RISK REGISTER (SRR) REPORT (Page 22)**

**Discussion:**

Quarterly update on the SRR.

He noted there has been very little change in the SRR between now and when it was last reported in June.

Pump Station is an item to be followed up in future reporting.

A question was raised regarding Information Management (IM) on Page 25, Item 6. Cost had exceeded budget. Where are we at? Mr Marshall advised the full answers will come through in October.

**ACTION POINT:** Update report for IT to come from Douglas for the October meeting.

Regarding the statement that there was the requirement to engage a consultant to prepare the Risk Management Framework on Page 27 Item 3, Mr Marshall advised this had originally been done by Phil Rossiter and Council will liaise with him to help refresh the Framework. Good to seek an external approach on this.

**RESOLVED** That the Risk and Audit Committee note the updates received for the Strategic Risk Register as September 2023.

**Cr C Reidy/Cr P Grafton**  
**12/12**

**CARRIED UNANIMOUSLY**

**7. HEALTH AND SAFETY REPORT (Page 28)**

**Discussion:**

S Roche commended the implementation of a Wellness Committee initiative to ensure staff wellness.

**RESOLVED** that the Finance, Risk and Audit Committee receive the Health and Safety report as at 31 July 2023 for information.

**Cr L Webb/Cr G Weston**  
**12/12**

**CARRIED UNANIMOUSLY**

**8. INSURANCE COVER 1 NOVEMBER 2022 - SEPTEMBER 2023 UPDATE (Page 33)**

**Discussion:**

S Roche advised that a suggestion was made that a workshop would be the ideal place for a more in depth discussion.

D Marshall advised that there has been a lot of work done to include the infrastructure side of this package.

One insurer will never want to insure all assets and liabilities.

Sometimes insurance is not required. Self-insurance is an option however, sizeable financial growth in the system is required for this.

There is a lot of community buy in for these assets. Six larger buildings are being revalued for insurance purposes. This revaluation will be back in around six weeks. The reason for this is that the average movement in these values will be applied to the other buildings.

Likely to not have value exactly right for a total loss. Insurance does cost, so it is a good time to think about the insurance costs as well as the maintenance costs they may also require.

A request was made that the likes of memorials etc be grouped together to understand total values and avoid confusion.

Concern was raised regarding the Pensioner flats in Karamea have carports registered separately. Would the excess have to be paid twice while they are connected? Mr Marshall advised the importance of seeking clarity on their assets.

Mayor J Cleine spoke that the policy treatments seem very different to residential, whereas for this, each part it seems, needs to be insured separately.

D Marshall advised residential insurance is more user friendly whereas corporate is generally more specific.

The highlighted dates in the report indicate the urgency of some parts to be addressed more swiftly.

Regarding the age of a number of the buildings; there are a lot of older buildings. D Marshall advised we can ask to have the cover changed to be replacement. Nineteen sixty four is the date that insurers deem buildings to have less structural integrity and their desire to cover was lessened. Therefore, it is important to understand the purpose of this building is a question that needs to be asked.

A question was raised regarding the Public Liability for the likes of Council owned campgrounds. Subcommittees don't know what their cover is. If seen as part of the Council family, then they are covered. Communication in this area needs to be clearer for the Subcommittees.

There was a query about policies stating that vehicles are not used for tools of trade and Council vehicles being tools of the trade. Third Party only Insurance for vehicles?

Mr Marshall will follow this up.

*Follow up: At the insurance workshop the Insurance Broker clarified that this reference relates to tools of trade that are attached to vehicles such as generators, hiabs on trucks etc. Council vehicles do not have these components and so this clause is not relevant to council activities.*

Cyber hacking was seen as being of importance to have covered.

A suggestion was made to have Hayden Sharpe (BDC IT Team Leader) attend a workshop re cyber security.

A question was raised asking which assets we lease to others? Are we passing on insurance costs? D Marshall confirmed that Council will be passing on costs and the full information will come through to a workshop, to be held after LTP Workshop next Wednesday.

The second recommendation was removed so the resolution was as follows:

**RESOLVED:**

1. that the Risk and Audit Committee receive the insurance replacement update as at September 2023.
- ~~2. that the Risk and Audit Committee provide feedback on the facilities or areas identified~~

**DM A Basher/Cr T O'Keefe  
12/12  
CARRIED UNANIMOUSLY**

**9. FINANCIAL PERFORMANCE REPORT TO JULY 2023 (Page 96)**

**Discussion:**

S Roche noted that this being only for one month is really just a snapshot and things will be clearer in a few months' time.

Regarding a question on the over expenditure of solid waste, the response was that Council had paid out to EnviroSchools and also going through consultation process.

A query concerning petty cash for flood event revenue on Page 102, \$17,765k debit against revenue. Why is there a debit against revenue?

If outstanding claims, why not accrued for year end?

L Brooks advised this is funds received. D Marshall clarified that the (\$794,698) is a full year prediction number for flood recovery. He further advised all claims to 30 June are made in that June year. This is for costs we would be claiming in the 2023-2024 year period. Mr Marshall will provide more clarification on this for Councillors.

A question was asked from Page 101 as to why the Community Facilities Income and Expenditure shows nil balances? Mr Marshall will clarify and confirm this.

**ACTION POINT** - Mr Marshall to clarify the flood event revenue and also the Income and Expenditure nil balance for Community Facilities.

**RESOLVED** that the Risk and Audit Committee receive the Financial Performance Report to 31 July 2023 for information.

**Cr A Pfahlert/Cr R Sampson  
Cr C Reidy abstained  
11/11  
MOTION CARRIED**

**10. INVESTMENTS AND BORROWINGS REPORT (Page 102)**

Cr J Howard acknowledged the work done renegotiating bank fees and the increased interest rate.

**RESOLVED** that the Risk and Audit Committee receive the Investments and Borrowings Report as at 31 July 2023 for information.

**Cr P Grafton/Cr J Howard**  
**12/12**  
**CARRIED UNANIMOUSLY**

**11. BDC OUTSTANDING DEBTORS REPORT (Page 112)**

**Discussion:**

D Marshall verbally updated Councillors on the Sundry Debtors on Page 115. He advised that staff training meant this was not able to be completed in time for the agenda. He will distribute this commentary.

He noted regarding a Sundry Item showing \$405k owing; this was paid on 9 August.

There is an increase in direct debits failing. Staff are working with those individuals to get them back on their payment plan.

Regarding Sundry and Rates (Accounts Receivable), final account sheet for 2023 has not been seen. \$1.9m was overdue in 2022 but only \$10k and been written off (provided for).

Why was this not written off, or provided for, in the Profit & Loss? Why are we carrying this debt in the balance sheet?

Mr Marshall advised management will be reporting on this once the Annual Report is done. This is a discussion to be had with the auditors. Rates debts do not become collectable until six years. . Some Sundry debtors have provisions under their leases etc which offers some protection.

Mr Marshall reminded that as the economy starts to struggle, we need to be sure we provide more detailed reporting. It is a bit more challenging at this stage based on the state of the economy and we need to be more cautious about our ability to recover.

**ACTION POINT:** A review of provision for doubtful debt to be brought back to RAC.

L Brooks spoke that a handful of ratepayers have asked if they need to pay rates when they contest their new valuation. She clarified that these are still chargeable rates at this point.

Cr G Neylon requested comms be put out advising that either people can pay the new rate and get a credit if due or pay old the rate and then have to pay the remainder. He advised it is better to pay now until appeal is decided; they are doing themselves a disservice if they don't pay as they are still required to pay. If valuation changes, then Council will credit ratepayer.

**ACTION POINT:** Get comms out to ratepayers on options for rates payment.

Ms Brooks advised caution on an underpay; the ratepayer may start out on a wrong footing and then struggle to pay at a higher rate if their appeal is unsuccessful. Legislation requires that rates are paid even if under dispute.

**RESOLVED** that the Risk & Audit Committee receive the Debt Recovery Report as at 31 July 2023 for information.

**Cr G Weston/Cr T O'Keefe**

**12/12**

**CARRIED UNANIMOUSLY**

**12. PROJECTS IN PARTNERSHIP REPORT NEMA UPDATE (Page 118)**

S Gibling spoke that the minutes in this section were not approved by the PIP Committee. The Risk and Audit Committee will not receive the minutes section of this report here today and they will be moved to the next agenda.

He noted that the project summary shows good progress. There are a few areas in yellow requiring further work to upgrade resilience.

**Page 127 Flood Recovery:** Nil discussion.

**Page 131 Stormwater and Drainage:** Nil discussion.

**Page 136 Wharf Repair:** Clarification was sought regarding the risk assessment matrix, and why some of the reports have blue as opposed to red, orange, green. M Williams will follow this up.

**Page 140 Reefton Historic Landfill:** Nil discussion.

**Page 143 BOF:** This incorporates nine projects eligible for reallocation of funds. A workshop has been held today regarding the reallocation of \$650k. This will come to Council in October.

It was noted that there seems to be a general understanding that 11% over budget in Project Management is ok. These costs should be managed. If there has been any movement, it should be looked at. Why is this moving above what was originally budgeted for?

M Williams assured that all costs are looked at monthly. Movement is often due to materials and the cost of living. It is also important to ensure the design for what we are doing is correct. Sometimes upon opening things up, things are very different, and designs need to be adjusted. It is not just accepted that 11% is acceptable.

The resolution was amended FROM:

**RESOLVED** that the Risk and Audit Committee receive the Projects in Partnership Update Report for information.

TO:

**RESOLVED** that the Risk and Audit Committee receive the Projects in Partnership Update Report for information with the exclusion of the minutes from 14 August 2023, yet to be confirmed.

**13. PUBLIC EXCLUDED REPORT:  
Discussion:**

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

<b>Item No.</b>	<b>Minutes/ Report of:</b>	<b>General Subject</b>	<b>Reason For Passing Resolution under LGOIMA</b>
<b>PE 1</b>	Douglas Marshall - Chief Financial Officer	Confirmation of Previous Public Excluded Minutes	<p><b>(s 7(2)(i))</b> - enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or</p> <p><b>(s 7(2)(j))</b> - prevent the disclosure or use of official information for improper gain or improper advantage.</p>
<b>PE 2</b>	Douglas Marshall - Chief Financial Officer	30 June 2022 Annual Report Follow up Issues Ernst & Young	<p><b>(s 7(2)(h))</b> - enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or</p> <p><b>(s 7(2)(i))</b> - enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or</p> <p><b>(s 7(2)(j))</b> - prevent the disclosure or use of official information for improper gain or improper advantage.</p>
<b>PE 3</b>	Douglas Marshall - Chief Financial Officer	BHL/BDC Governance Meeting – Draft Minutes 16 August 2023	<p><b>(s 7(2)(h))</b> - enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or</p> <p><b>s 7(2)(i)</b> - enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);</p>



<b>PE 4</b>	Steve Gibling - Chief Executive Officer	Projects in Partnership Monthly Report Public Excluded Minutes and Update of 14 August 2023.	<b>(s 7(2)(i))</b> - enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or <b>(s 7(2)(j))</b> - prevent the disclosure or use of official information for improper gain or improper advantage.
<b>PE 5</b>	Douglas Marshall - Chief Financial Officer	Verbal Update on 30 June 2022 Annual Report Follow Up Issues Ernst & Young	<b>(s 7(2)(h))</b> - enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or  <b>(s 7(2)(i))</b> - enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or  <b>(s 7(2)(j))</b> - prevent the disclosure or use of official information for improper gain or improper advantage.
<b>PE 6</b>	Steve Gibling - Chief Executive Officer	Verbal Update on Project Management Office	<b>(s 7(2)(f))</b> - Maintain the effective conduct of public affairs through the protection of such members, officers, employees, and persons from improper pressure or harassment.

**Mayor J Cleine/Cr J Howard**  
11/1  
**Cr C Reidy against**  
**MOTION CARRIED**

S Roche called for a short break at 4.47pm.

The meeting resumed at 4.56pm.

**RISK AND AUDIT COMMITTEE**

**11 OCTOBER 2023**

**AGENDA ITEM 4**

**Prepared by** Douglas Marshall  
Chief Financial Officer

**Attachment 1** Action Points

**ACTION POINTS**

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**1. DRAFT RECOMMENDATION**

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

## RAC Action Points - CURRENT

No.	Meeting Of / Action Point	Responsible	Update:	Date Required By:
215	<b>17 May 2023</b> <b>Reserves Fund Contribution Information Paper</b> Paper to be brought to next RAC with updates	D Marshall  D Marshall  D Marshall	Papers for this will be distributed prior to the meeting on 12 July.  For discussion in August RAC  Due to staff illness this paper was delayed and will be RAC October  Report is on agenda	12 July 2023  16 August 2023  11 October 2023
218	<b>16 August 2023</b> <b>Pump Stations</b> Lifting of pump stations to be added to the Strategic Risk Register	D Marshall	This item will remain on the action point report until it is transferred to the strategic risk register when it is completed in early 2024 calendar year	13 September 2023  11 October 2023  March 2024
219	<b>16 August 2023</b> <b>PIP NEMA Update</b> \$ value to be checked and advised on holdover for retentions on the tiphead being paid by NEMA in March 2024	D Marshall	NEMA only payout on actual costs incurred by the council. Contractor retentions are a standard condition of contracts used by a principle to a contract, such as the council, where there maybe be items that have to be remediated after a contractor has left the site. Contractors generally come back and make good on the “issue” and the retention is paid out at the end of the retention period. If the contractor does not make good, then the cash held is used to undertake the work.  NEMA only pay out on retentions held when the retention is physically repaid. In the tiphead example, the retention is repaid in March 2024 and has a value of \$18,193.88 plus GST.	13 September 2023  11 October 2023
220	<b>13 September 2023</b> <b>Strategic Risk Register</b> Update report on IM to come from Douglas for the October meeting	D Marshall		11 October 2023

## RAC Action Points - CURRENT

No.	Meeting Of / Action Point	Responsible	Update:	Date Required By:
221	<p><b>13 September 2023</b>  <b>Financial Performance Report</b>            Clarification sought for flood recover income which was a negative.</p> <p>To include explanation for nil balances on community facilities</p>	D Marshall	<p>The July Financial Performance Report was the first of the month. The setup of this report resulted in two minor errors of how we disclose expenditure and income.</p> <p>a) Expenditure was listed as income when the report was prepared, which created a negative income. This disclosure in the report was incorrect and has been fixed for future reports.</p> <p>b) Community Facilities income and expenditure instead of being separately recorded as occurs in the august report was grouped into another category.</p>	11 October 2023
222	<p><b>13 September 2023</b>  <b>Outstanding Debtors</b>            Review of provision for doubtful debtors to be brought back to RAC</p>	D Marshall	<p>This matter has been reviewed by staff. Auditors have not raised any issues with this provision during annual report preparation. Accordingly the provision as allowed in the annual report will remain.</p> <p>That aside, with challenges for council ratepayers and residents in paying their rates or other bills to the council, this provision and the process of debt collection will be ongoing during this financial year.</p>	11 October 2023
223	<p><b>13 September 2023</b>  <b>Outstanding Debtors</b>            Make a statement to those ratepayers who are objecting to their rates valuation about the need to continue to pay their rates</p>	D Marshall	Staff will be writing to the individual ratepayers regarding this matter.	11 October 2023

## RAC Action Points - CURRENT

No.	Meeting Of / Action Point	Responsible	Update:	Date Required By:
224	<p><b>13 September 2023</b>  <b>BHL/BDC Governance Draft Minutes</b>                      Interview Panel report back to                      Extraordinary Meeting 18 Oct 2023</p>	D Marshall	<p>A report on the interviews held with the BHL Directors will be made to the 18 October 2023 Extraordinary Meeting.</p> <p>A report will also be provided on the annual reports for each of the CCOs and the Westport Airport Authority at that meeting if they are available to the Council by the close of the agenda for that meeting.</p>	18 October Extraordinary Meeting 2023
225	<p><b>The following reports should have been included on the Agenda but will be released as soon as available.</b></p> <p><b>Most likely these reports will be included on the November Agenda for formal discussion.</b></p> <ul style="list-style-type: none"> <li>• <b>IM System Implementation update report</b></li> <li>• <b>Dredge Activities Report to 30 June 2023</b></li> </ul>			

## **RISK AND AUDIT COMMITTEE**

**11 OCTOBER 2023**

### **AGENDA ITEM 5**

**Prepared by:** Douglas Marshall  
Chief Financial Officer

**Attachments:** Attachment 1 - RAC Work Plan

#### **RISK AND AUDIT WORK PLAN**

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**1. DRAFT RECOMMENDATION**

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

## Risk and Audit Committee Proposed Programme 2023 Calendar Year

Categories/Reports Proposed	SLT Member	Reporting Officer	October	November	December
<b>Risk &amp; Assurance Items</b>					
NZTA Procedural Audit	IS	Manager Infrastructure Delivery			
Ernst & Young Report on BDC's Annual Report and its Preparation	CFO	Finance Manager			
Strategic Risk Register Update	CFO	CFO	✓		
Strategic Risk Framework Review	CFO				
Health and Safety Report Update	CFO	HR			✓
BHL Letter of Expectation	CFO				✓
CCO Statements of Intent	CFO	Finance Manager			
CCO Director Appointments and Remuneration	CFO	Finance Manager			
BHL Quarterly Financials	CFO	Finance Manager			✓
BHL Annual Report	CFO	Finance Manager	Receive CCO Annual Reports		Adopt Annual Report
Westport Airport Authority Financials - 30 June	CFO	Finance Manager		✓	
Westport Airport Authority Financials - Half year	CFO	Finance Manager			
Insurance	CFO	Management Accountant			Finalise
Review of BDC Created Policy	CFO		✓		
Review of Business Continuity Plan	CFO			✓	
<b>Internal Audits</b>					
Dredge Activities	CFO	Project Accountant	✓		
Harbour Activities	CFO	Project Accountant		✓	
Follow-up on Ernst & Young Matters Raised in Their Annual Report	CFO	Finance Manager			
<b>Monitoring Items</b>					
BDC Quarterly / Half Yearly Financials	CFO	Finance Manager		✓	
BDC Monthly Financial Performance Report	CFO	Financial Accountant	✓	✓	✓
BDC Investments and Borrowings	CFO	Finance Manager	✓	✓	✓
BDC Debtors	CFO	Finance Manager			✓
BDC Capital Receipts and Expenditure	CFO	Financial Accountant		✓	
PIP Report	CEO	CEO	✓	✓	✓
Capital Report Multi-Year Projects					✓

The following items are not directly related to the Risk & Audit work programme but are provided to note when staff have key programmes of work

<b>Major Financially Based Reports to be Prepared in the 2023 Calendar Year</b>					
Annual Plan					
Long Term Plan			Preparation	Preparation	Preparation
BDC Annual Report			Adoption Annual Report Audit opinion issued		Publish Annual Report & Summary Document
<b>Rating Policy Review</b>					
Rating Policy Review			Preparation and review	Preparation and review	Preparation and review

## RISK AND AUDIT COMMITTEE

11 OCTOBER 2023

AGENDA ITEM: 6

**Prepared By:** Steve Gibling  
Chief Executive Officer

**Attachments:** 1. Draft Protected Disclosures (*Whistle-blower*) Policy

### DRAFT PROTECTED DISCLOSURES (*WHISTLE-BLOWER*) POLICY

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#### 1. REPORT PURPOSE

The purpose of this report is to provide the Risk and Audit Committee with a draft of the proposed Buller District Council Protected Disclosures (*Whistle-blower*) Policy.

#### 2. REPORT SUMMARY

Buller District Council has a legal requirement to facilitate the disclosure and investigation of serious wrongdoing in the workplace. It seeks to provide protection from reprisal or victimisation for employees and other workers who report concerns in accordance with the provisions of the Protected Disclosures (Protection of Whistleblowers) Act 2022.

#### 3. DRAFT RECOMMENDATION

1. That Risk and Audit Committee receive the “Draft Protected Disclosures (*Whistle-Blower*) Policy” report.
2. That the Risk and Audit Committee recommend to Council to adopt the draft Protected Disclosures (*Whistle-Blower*) Policy.

#### 4. BACKGROUND

The Protected Disclosures Act 2000 was replaced by the Protected Disclosures (Protection of Whistleblowers) Act (the Act) on 1 July 2022. The Act seeks to facilitate the disclosure and investigation of serious wrongdoing in the workplace, and to provide protection for employees and other workers who report concerns.



However, the 2022 Act makes changes to address identified issues and improvements, including:

- extending the definition of serious wrongdoing to cover private sector use of public funds and authority and to cover behaviour that is a serious risk to the health and safety of any individual
- allowing people to report serious wrongdoing directly to an appropriate authority at any time, while clarifying the ability of the appropriate authority to decline or refer the disclosure
- strengthening protections for disclosers by specifying what a receiver of a disclosure should do
- clarifying internal procedure requirements for public sector organisations and requiring them to state how they will provide support to disclosers
- clarifying the potential forms of adverse conduct disclosers may face.

Organisations, both public and private sector, have responsibilities under the Act as receivers of protected disclosures, including sometimes as appropriate authorities. Public sector organisations must have appropriate internal procedures for protected disclosures and must publicise these procedures widely.

The proposed policy outlines how Buller District Council will implement its requirements under the Act and also provides for an internal procedure for managing disclosures if and when they are made.

## **5. DISCUSSION**

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

The processes in this policy are intended only for situations involving allegations of serious wrongdoing where Council's usual reporting or complaints processes e.g. a grievance under the staff code of conduct, are not appropriate.

## **6. CONSIDERATIONS**

### **6.1 Strategic Alignment**

The effective management of the Protected Disclosures (Protection of Whistleblowers) Act 2022 process is a critical component of public accountability and therefore is a cornerstone of Council's policy framework.

### **6.2 Significance Assessment**

This approach does not exceed the test for the Significance and Engagement Policy.

### **6.3 Tangata Whenua Considerations**

N/A

### **6.4 Risk Management Implications**

The failure to effectively manage a protected disclosure will create undue risk to the organisation.

### **6.5 Policy Framework Implications**

This policy replaces Buller District Council's previous policy that reflected its requirements under the 2000 Act. As a key internal policy, this will be reviewed on a three year cycle.

### **6.7 Legal Implications**

Council is required to have an internal policy and practice in order to guide its response to receiving a protected disclosure. This policy achieves that outcome.

### **6.8 Financial / Budget Implications**

The cost of providing this information will be contained within existing operating budgets.

### **6.9 Consultation Considerations**

N/A

**DRAFT**

**BULLER DISTRICT COUNCIL PROTECTED DISCLOSURE (*WHISTLE-BLOWER*)  
POLICY**

***INTRODUCTION***

- 1) The Protected Disclosures (Protection of Whistleblowers) Act 2022 (PDA) and its amendments commits the Buller District Council (Council) to develop and abide by an internal procedure for dealing with serious wrongdoing in or by the Council. Council will comply with the PDA through adhering to the following objectives:
- 2) Recognising the Council's responsibility in ensuring matters of serious wrongdoing within, or by the organisation are made known and investigated;
  - a) Protecting individuals who provide information about serious wrongdoing occurring within the Council;
  - b) Ensuring complaints are dealt with in a serious and professional way;
  - c) Complying with the principles of natural justice; and
  - d) Making this procedure available to all staff and publishing it at regular intervals.
- 3) Under the PDA an individual may make protected disclosures provided:
  - a) The individual believes on reasonable grounds that there is, or has been serious wrongdoing in or by the Council and that the information is true or is likely to be true (i.e. not made in bad faith); and
  - b) The individual wishes to disclose the information so that the serious wrongdoing may be investigated; and
  - c) The individual wishes the disclosure to be protected by making a disclosure in accordance with this policy.
- 4) An individual who makes a protected disclosure is considered a "discloser" in accordance with the PDA.

***DEFINITIONS***

- 5) "Serious Wrongdoing" as defined in the PDA includes any of the following:
  - a) an offence; or
  - b) a serious risk to:
    - i) public health; or
    - ii) public safety; or

- iii) the health and safety of an individual; or
  - iv) the environment; or
  - c) a serious risk to the maintenance of law, including the prevention, investigation, and detection of offences or the right to a fair trial; or
  - d) an unlawful, corrupt, or irregular use of public funds or public resources; or
  - e) oppressive, unlawfully discriminatory, or grossly negligent, or that is gross mismanagement, and is done (or is an omission) by an employee or a person performing or purporting to perform or exercise a function or duty on behalf of the Council.
- 6) “Discloser” may be individuals currently or formerly: employed by Council, seconded or contracted to the Council (i.e. a contractor), a person concerned in the management of the organisation (e.g. board members), or a volunteer.
- 7) “Receiver” is the Council or an Appropriate Authority.
- 8) “Appropriate Authority” as defined in the PDA includes:
- a) the head of any public sector organisation
  - b) an officer of Parliament
  - c) persons or bodies operating in the public sector (listed in Schedule 2 of the PDA), and
  - d) the membership body of a particular profession, trade, or calling with the power to discipline its members.
- 9) The definition does not include a Minister or a member of Parliament.

### ***PROTECTIONS***

- 10) When an individual is aware of an incident of serious wrongdoing the PDA provides protection for that individual to make a protected disclosure. These protections are outlined below:
- 11) The receiver of a disclosure will use their best endeavours to keep confidential any information that might identify the discloser unless:
- a) the discloser has consented to the release of the identifying information; or
  - b) where there are reasonable grounds to believe that the release of the identifying information is essential:
    - (1) to the effective investigation of the disclosure;

- (2) to prevent serious risk to public health or safety, the health or safety of any individual, or to the environment;
  - (3) to comply with the principle of natural justice; or
  - (4) to an investigation by law enforcement or regulatory agency for the purpose of law enforcement.
- 12) Prior to releasing the discloser's information, because it is essential to the effective investigation or to comply with the principles of natural justice, the receiver will consult with the discloser about the release of information. Otherwise, the receiver will consult with the discloser if it is practicable.
  - 13) After releasing the discloser's information for any reason, the receiver will inform the discloser that information has been released.
  - 14) A discloser is protected from any retaliatory action by their employer or from being victimised on account of being involved in a protected disclosure. If an employer retaliates or threatens to retaliate or treat a person less favourably because of a protected disclosure, that may give rise to a personal grievance under the Employment Relations Act 2000 or may be unlawful under the provisions of the Human Rights Act 1993.
  - 15) Protection under the PDA does not apply to disclosures made that are known to be false or in an act of bad faith.
  - 16) Anyone making or receiving a disclosure under the PDA is not liable to civil or criminal proceedings relating to the making or receipt of the disclosure.
  - 17) Requests for information under the Official Information Act 1982, or Local Government Official Information and Meetings Act 1987 may be refused if it might identify the person who made the disclosure.

***DRAFT PROCEDURES FOR REPORTING A SERIOUS WRONGDOING***

Refer to Appendix A. for the Buller District Council Internal Procedure.

## **APPENDIX A**

### ***The Protected Disclosures (Protection of Whistleblowers) Act 2022 (PDA) Draft Buller District Council Internal Procedures***

#### ***Initiating the Procedure***

A discloser who wishes to raise concerns about serious wrongdoing within the Council may notify a Council Protected Disclosure Act (PDA) Coordinator orally or in writing. Otherwise, a disclosure can be made to an Appropriate Authority.

#### ***Council PDA Coordinators:***

Council PDA Coordinators (in order of reference) are:

- All Council 2nd tier Managers and
- Chief Executive; and
- The Council Chair/Mayor.

If possible, concerns about wrongdoing should be raised in order of the above reference.

#### ***Dealing with the Disclosure***

Within 20 working days of having received a disclosure, the Council will:

- acknowledge receipt of the disclosure and record the date that the disclosure was made; and
- consider the disclosure and whether it warrants investigation; and
- check with the discloser whether the disclosure has been made elsewhere (and any outcome); and
- deal with the matter by doing one or more of the following:
  - Investigate the disclosure; or
  - Address any serious wrongdoing by acting or recommending action; or
  - Referring the disclosure to an Appropriate Authority; or
  - Deciding that no action is required.
- Inform the discloser about what the Council has done or is doing to deal with the matter and give reasons as to why this approach has been taken.

#### ***Communication with the Discloser***

- Where the procedures set out above take longer than 20 working days in total, the Council will communicate with the discloser and provide an estimate for how long it is expected to take.
- Where the Council decides to take no action in relation to the disclosure, the discloser will be informed of the reasons of the decision made.

- Where the Council decides to refer the disclosure to an Appropriate Authority, the Council will consult with discloser and the intended recipient of the referral.

***Where the PDA Coordinator is a Manager***

- The PDA Coordinator is to advise the Chief Executive of the alleged wrongdoings.
- If the Chief Executive is implicated in the alleged wrongdoings, the Manager shall advise the Chair [or in their absence the Deputy Chair] of the alleged wrongdoings.
- The Chief Executive is responsible for commissioning any investigative or restorative or disciplinary actions considered necessary to deal with the alleged wrongdoing.
- The Chief Executive is to ensure that the PDA Coordinator is advised how the matter is being dealt with or how it has been resolved so that the disclosure is dealt with in accordance with this policy.

***Where the PDA Coordinator is the Chief Executive***

- The Chief Executive is responsible for commissioning any investigative or restorative or disciplinary actions considered necessary to deal with the alleged wrongdoing.
- The Chief Executive is to ensure that the disclosure is dealt with in accordance with this policy.

***Where the PDA Coordinator is the Chair / Mayor***

- The Mayor / Chair [or in their absence the Deputy Mayor / Chair] is responsible for commissioning any investigative or restorative or disciplinary actions considered necessary to deal with the alleged wrongdoing.
- The Mayor / Chair is to ensure that the disclosure is dealt with in accordance with this policy.

***Natural Justice***

These procedures have been developed with regard to principles of natural justice and should be applied with regard to those principles. Natural justice requires the observance of minimum standards and procedural fairness.

***Other Appropriate Action***

Should the discloser believe on reasonable grounds that the Council has not acted in accordance with this policy or the PDA or has not dealt with the matter so as to address the serious wrongdoing, the discloser may make a further disclosure to any Minister or Appropriate Authority.

***Confidentiality***

Every person to whom a serious wrongdoing notification is made, pursuant to any statutory exceptions, must use his or her best endeavours not to disclose information that might identify the discloser who made the notification in accordance with this policy (refer section 17 of the PDA).

***Procedures not to be Read in Isolation***

This internal procedure is to be read in conjunction and in accordance with the provisions of the PDA. These will be provided to all employees a



## RISK AND AUDIT COMMITTEE

11 OCTOBER 2023

AGENDA ITEM: 7

**Prepared by** Bronwyn Little  
Policy Advisor

**Reviewed by** Douglas Marshall  
Chief Financial Officer

**Appendices** 1. Part 8 – Financial Contributions Buller District Plan  
2. Reserve Contribution Fund financial update to June 2023

### ALLOCATION OF RESERVE CONTRIBUTION FUND

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#### 1. REPORT SUMMARY

This report outlines the current practice for use of the Reserves Contribution Fund and provides some alternative options for the future management of the Fund for the committee to consider.

#### 2. DRAFT RECOMMENDATION

**That the Risk and Audit Committee:**

1. Receive the report;
2. Either:

**Endorse the current process for allocation of the Reserves Contribution Fund through the Long Term and Annual Plan process (Option 1) ;**

**OR**

**Instruct staff to prepare a further report, including legal advice, to further develop one of the following options:**

- I. Reserve Contributions Fund Committee with fully contestable fund (Option 2);
- II. Reserves Contribution Fund Committee – Community only contestable (Option 3);
- III. Staff administered Fund – Community only (Option 4)

### 3. ISSUES & DISCUSSION

#### 3.1 Reserves Contribution Fund - Background:

Financial contributions are a type of levy applied to offset the effects of growth and development. Council has a Financial Contributions Chapter in its District Plan. This outlines how much can be imposed on land developers when a resource (land use or subdivision) consent is approved. The District Plan relies on the provisions of the Resource Management Act to define how financial contributions can be spent. Under the Buller District Plan (Sections 8.2.3 and 8.4.1.16.2):

*‘The financial contribution shall only be spent by Council on the provision and development of reserves, recreational facilities and community facilities within the District.’*

Accordingly, the money collected under these provisions can only be used for Capital Projects and cannot be allocated to day to day maintenance or repairs. Those activities must be funded through rates.

The Reserves Contribution Fund (RCF) commonly referred to as the Reserves Fund, is made up of funds collected from developers under the Part 8 – Financial Contributions provisions in the District Plan. The provisions are endorsed under the Long Term Financial Plan 2021-2031 – Development and Financial Contributions Policy. This policy is reviewed as part of the Long Term Plan every three years.

Under the District Plan Financial Contributions as follows:

- Development Contributions on Permitted Activities; and
- Financial Contributions as conditions of resource consents

A copy of the Part 8 – Financial Contributions Buller District Plan is attached for information as Appendix 1.

It is noted that the proposed Te Tai o Poutini Plan also includes provisions for Financial Contributions.

#### 3.2 Current Process for Allocating RCF:

For the last approximately 10 years the RCF has been actively used to fund some of the development on reserves in the District. The Finance Team advise that prior to this, the fund was only used very occasionally for specific projects.

The current practice for using the RCF is that during the preparation of the annual plan staff put together estimates for Capital Expenditure expected to be required on the reserves. Activities can include tree replacement, playground safety and equipment, gardens. and similar assets. The actual amount set aside for this purpose is then approved

by Council under the Annual Plan approval process. This allocation is over and above that funding provided for under Operating Expenditure.

Appendix 2 Reserve Contribution Fund financial update to June 2023 provides an updated copy of the Reserves Contribution Information Paper presented to this committee in July.

It should be noted that the current 2023/2024 Annual Plan includes a sum (\$122,489) to assist in the funding of the upgrade of the effluent systems at the Punakaiki and Mokihinui campgrounds. This allocation was not anticipated in the 2021-2031 Long Term Plan, however Council applied for a portion of the project funding from the Tourism Infrastructure Fund for 2023 and was successful in obtaining that partial funding.

The process of developing reserve management plans and allocating the funding for the plans through the consultation and adoption of the plans, inclusion of funding in Long Term Plans and Annual Plans is seen as best practice. (Option 1)

### 3.3 Options

In the May 2023 Risk and Audit Committee meeting councillors requested information on options for an alternative process for dealing with the distribution of Reserve Contribution Funding. The following options have been identified:

<b>RESERVE FUND USE/DISTRIBUTION</b>	
<p>Option 1: <b>Status Quo:</b></p> <ul style="list-style-type: none"> <li>• Reserve Fund allocated for each year in Long Term Plan (LTP) based on projected reserve development needs with adjustments if required in the Annual Plan (AP) process each year.</li> <li>• Council staff consider and decide on funding for both council initiated projects and community/subcommittee projects</li> </ul>	
Benefits	<ul style="list-style-type: none"> <li>• Established process (LTP and AP) with community input</li> <li>• Opportunity to make submissions allows stakeholder groups, e.g. reserve subcommittees to make requests for specific funding</li> </ul>
Challenges	<ul style="list-style-type: none"> <li>• Currently there is an absence of Reserve Management Plans to guide projected needs and spending</li> <li>• Lack of transparency regarding actual use of the funding during the year</li> <li>• During the LTP and AP process various stakeholders present submissions for funding particular projects – these need to be analysed by staff and considered by Council as part of LTP and AP deliberations. This can</li> </ul>

	be somewhat ad hoc and favours those who make submissions whilst others may miss the opportunity to present projects.
<b>Option 2: Reserve Contributions Fund Committee with fully contestable fund</b> <ul style="list-style-type: none"> <li>• RCF committee be established to consider funding applications from both council staff and community groups (e.g. reserve subcommittees) for projects on reserves.</li> <li>• Public contestable funding round held on an annual basis</li> <li>• Same per annum amount available for distribution for at least 3 years</li> <li>• Policy developed to set criteria for projects/applications and the process for consideration of applications</li> </ul>	
Benefits	<ul style="list-style-type: none"> <li>• Transparent and consistent process</li> <li>• Encourages stakeholders to have annual work programmes and to consider what is needed before putting in applications</li> <li>• Subcommittees are established on 11 reserves and would be well suited to make applications</li> <li>• Provides an easily understood process for subcommittees and other stakeholders to get projects funded rather than one off annual plan submissions</li> <li>• Reduces annual plan submission work load on staff who need to calculate impact of one off projects.</li> <li>• Councillors are presented with eligible projects which are fully outlined and costed for consideration in accordance with the Policy.</li> </ul>
Challenges	<ul style="list-style-type: none"> <li>• Currently there is an absence of Reserve Management Plans to guide projected needs and spending.</li> <li>• Requires resources to set up and administer the process annually</li> <li>• Requires further elected member time to consider applications and allocate funding</li> <li>• The more organised and equipped subcommittees/other stakeholders may still have an advantage in making applications, others may need assistance</li> <li>• Staff time would be needed to formulate applications on behalf of Council</li> </ul>
<b>Option 3: Reserves Contribution Fund Committee – Community only contestable</b> <ul style="list-style-type: none"> <li>• As above for Option 2 except council projects would be exempt</li> </ul>	

<ul style="list-style-type: none"> <li>• Separate amount set aside for council projects on reserves to be used during the year</li> </ul>	
Benefits	<ul style="list-style-type: none"> <li>• Staff use allocated amount during year to undertake planned projects and respond to new opportunities which may arise</li> <li>• Transparent and consistent process</li> <li>• Encourages stakeholders to have annual work programmes and to consider what is needed before putting in applications</li> <li>• Subcommittees are established on 11 reserves and would be well suited to make applications</li> <li>• Provides a system for subcommittees and other stakeholders to get projects funded rather than one off annual plan submissions</li> <li>• Reduces annual plan submission work load on staff who need to calculate impact of one off projects.</li> <li>• Councillors presented with eligible projects which are fully outlined and costed for consideration in accordance with the Policy.</li> </ul>
Challenges	<ul style="list-style-type: none"> <li>• Currently there is an absence of Reserve Management Plans to guide projected needs and spending.</li> <li>• Requires resources to set up and administer the process annually</li> <li>• Requires further elected member time to consider applications and allocate funding</li> <li>• The more organised and equipped subcommittees may have an advantage in making applications, other subcommittees/stakeholders may need assistance</li> </ul>
<p>Option 4: <b>Staff administered Fund – Community only</b></p> <ul style="list-style-type: none"> <li>• Policy developed by councillors to set criteria for projects/applications and the process for consideration of applications.</li> <li>• Public contestable funding round held on an annual basis</li> <li>• Same per annum amount available for distribution for at least 3 years</li> <li>• Council staff to review and make decisions within Policy framework</li> <li>• Separate amount set aside for council projects on reserves to be used during the year</li> </ul>	

Benefits	<ul style="list-style-type: none"> <li>• Transparent and consistent process</li> <li>• Encourages stakeholders to have annual work programmes and to consider what is needed before putting in applications</li> <li>• Subcommittees are established on 11 reserves and would be well suited to make applications</li> <li>• Provides a system for subcommittees and other stakeholders to get funded rather than one off annual plan submissions</li> <li>• Reduces annual plan submission work load on staff who need to calculate impact of one off projects.</li> <li>• Staff use amount allocated to council during year to undertake planned projects and respond to new opportunities which may arise.</li> <li>• Eliminates need for a further committee or subcommittee of Council.</li> </ul>
Challenges	<ul style="list-style-type: none"> <li>• Currently there is an absence of Reserve Management Plans to guide projected needs and spending.</li> <li>• Requires resources to set up and administer the process annually</li> <li>• The more organised and equipped subcommittees may have an advantage in making applications, other subcommittees/stakeholders may need assistance</li> </ul>

### 3.4 Resource Management Act 1991 and Local Government Act 2002

Initial legal advice regarding the mechanism of a Council Committee or Subcommittee to allocate the RCF indicates there may be some legal implications regarding the respective legislation frameworks.

The RCF is sourced by way of Financial Contributions provided for in the District Plan under the Resource Management Act 1991. The distribution of the Fund, if by way of a committee and a contestable funding process, would be a system working under the Local Government Act 2002.

It is therefore recommended that should this committee chose to pursue an option other than the status quo officers are directed to seek further legal advice and include that advice in the follow up report.

### **3.5 Reserve Management Plans**

The development of Reserve Management Plans (RMPs) for those reserves with subcommittees is underway. The purpose of the RMPs, which are required under the Reserves Act 1977, is to provide for and ensure the use, enjoyment, maintenance, protection and preservation of the recreational spaces, as well as appropriate development of the reserve areas.

They include a vision for each reserve and a development programme for capital projects to achieve that vision over a specified time frame, usually 10 years. These RMPs are community documents and as such they require consultation with the community during development. The process even for the best resourced councils with actively engaged stakeholders and communities can take 18 months to 2 years to complete from start to finish (approval by Council).

Until each reserve has an RMP it is difficult to look at the 'big picture' and see how individual projects fit into the overall development of a reserve. It makes decision making regarding funding across all the reserves in the district somewhat harder. However, if Council decides to move ahead in the meantime, a Reserve Fund Allocation Policy and a new process would provide both Council and the communities around the District with some guidance and a framework in which to fairly distribute Reserve Contribution Funds.

### **3.6 Summary**

The options above can be summarised as follows:

- Use LTP and AP process as is current practice – status quo
- Committee process for all reserve contribution fund allocation
- Committee process for Community initiated projects only
- Council staff process for Community initiated projects

Decision making for all except status quo would be guided by a policy approved by full Council which set out eligibility criteria, process for making applications, consideration criteria and timeframe for annual funding rounds.

As noted in 3.4 above the exact nature of the process and policy would also be dependent on further legal advice.

## **4. CONSIDERATIONS**

### **4.1 Strategic Impact**

At the Strategic level the impact of this decision is not significant. In essence if the development of a policy and process to allocate the

RCF is approved this would likely result in a set amount of money from the fund being allocated for distribution in accordance with the RCF Allocation policy each year in the LTP.

**4.2 Significance Assessment**

This matter is not considered to meet the significance threshold under Council's Significance and Engagement Policy. Further decisions in relation to a future RCF Allocation Policy may meet the threshold and this will be discussed in any future report.

**4.3 Risk Management Implications**

This decision does not provide Council with a significant risk.

**4.4 Values**

Buller District Values alignment:

- Community Driven
- Future Focussed

**4.5 Policy / Legal Considerations**

If the Committee wishes to move forward with a RCF Allocation Policy to guide the process and decision making regarding RCF allocation, staff will prepare a further report to this Committee for consideration. In that report any legal considerations will be outlined and discussed (see 3.4 above).

**4.6 Tangata Whenua Considerations**

The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact Tangata Whenua, their culture and traditions.

**4.7 Views of Those Affected**

This decision does not require consultation with the community or stakeholders. Council may need, or wish to consult with the community and/or stakeholders on the details of any RCF Allocation Policy and this will be outlined in any future report regarding the Policy.

**4.8 Costs**

There will be some additional costs to Council if a new committee or subcommittee is proposed, and a contestable funding. These are mainly administrative costs and will be outlined in any future report around a RCF Allocation Policy.

**4.9 Benefits**

The benefits of the various options under consideration to the Council and community are outlined in 3.3 above.

**4.10 Media / Publicity**

It is likely there will be some media interest in this matter and the Communications team will be preparing material to distribute based on the outcome of this meeting.



## PART 8 FINANCIAL CONTRIBUTIONS

### 8.1. Introduction

- 8.1.1. Financial contributions as outlined in Part 8.3 may be required on land use and subdivision consents for controlled, discretionary and non-complying activities. Financial contributions under 8.2 may be required for permitted activities which are developments. Esplanade reserves and strips are not defined as financial contributions in terms of Section 108 of the Act where they relate to subdivision consents, and are subject to the provisions of the Act relating to subdivisions. However esplanade reserves and strips can be required as financial contributions on land use consents.

### 8.2. Development Contributions on Permitted Activities

- 8.2.1. For the purposes of this rule, "development" means:
- 8.2.1.1. the construction, erection or alteration of any non-residential building; or
  - 8.2.1.2. the fencing, draining, excavation, filling or reclamation of land or the making of retaining walls in relation to such work; or
  - 8.2.1.3. the removal or destruction of vegetation; or
  - 8.2.1.4. the arresting or elimination of erosion or flooding; or
  - 8.2.1.5. the construction of any tramway or railway.
- 8.2.2. *Purpose and circumstance:* Activities which involve considerable financing have the potential to greatly benefit the District, but also lead to a strain on resources. Accordingly only activities which are substantial (as determined by their value) require a financial contribution for the development of reserves and facilities. Any development that is defined as a network utility shall be exempt from the development contributions.
- 8.2.3. *Amount of contribution:* Developments of a value of over \$500,000 shall be subject to a financial contribution of 0.5% of the value of the development. The financial contribution shall only be spent by Council on the provision and development of reserves, recreational facilities and community facilities within the District.

### **8.3. Financial Contributions as Conditions of Resource Consents**

8.3.1. The following financial contributions (whether cash, land, works or services) may be required as conditions of land use and subdivision consent:

8.3.1.1. Provision of new roads, private ways, access lots, service lanes and accessways.

8.3.1.2. Provision for the upgrading and/or widening of existing roads.

8.3.1.3. The provision of off-street parking or cash-in-lieu of car parking.

8.3.1.4. The carrying out of earthworks including excavation, filling and compaction.

8.3.1.5. The carrying out of landscaping, including the revegetation of modified or cleared land and the planting of trees and shrubs, and the provision of street furniture.

8.3.1.6. The provision of fencing or screening.

8.3.1.7. Provision of water supply.

8.3.1.8. Provision for sewerage, drainage or the disposal of sewage.

8.3.1.9. Provision for control and disposal of stormwater, including during construction of any works.

8.3.1.10. Provision for electricity supply.

8.3.1.11. Provision for street lighting.

8.3.1.12. Provision for telephone systems.

8.3.1.13. Provision for land for public open space, for public recreation and for reserves purposes.

8.3.1.14. Covenants or caveats for the protection of individual trees or areas of bush.

8.3.1.15. Contributions of land for esplanade reserves or an interest in land as an esplanade strip.

8.3.1.16. Development contributions.

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## 8.4. Circumstances, Maximum Amount and Purpose

8.4.1. Financial contributions are required to cover a range of circumstances from making development more attractive by adding one or two trees to ensuring that drains are laid so that they will be effective in dealing with stormwater over large new subdivisions. The Council will refer to New Zealand Standard 4404:1981 *Code of Practice for Urban Land Subdivision* to ensure that works are undertaken to a suitably high standard. The purpose and circumstances under which financial contributions may be imposed, and the maximum amount of the contribution in respect of each of the types of financial contributions, are as follows:

### 8.4.1.1. New Roads

8.4.1.1.1. *Purpose and circumstances:* To provide safe and adequate access to activities and provide for the needs of road users where access to the land proposed to be subdivided or developed cannot be achieved from existing roads, or where the capacity of existing roads would be exceeded.

8.4.1.1.2. *Maximum amount of contribution:* The full actual cost of constructing the new road, including the cost of the vesting in the Council of the necessary land for the road.

### 8.4.1.2. Upgrading/Widening of Existing Roads

8.4.1.2.1. *Purpose and circumstances:* To provide safe and adequate access to activities and provide for the needs of road users where existing roads are of inadequate width or construction to cater for the increased usage caused by the subdivision or development.

8.4.1.2.2. *Maximum amount of contribution:* The full actual cost of upgrading to meet the required standard to make the road suitable for increased traffic including, where appropriate, the cost of vesting any land as road for widening purposes.

### 8.4.1.3. Off-Street Parking

8.4.1.3.1. *Purpose and circumstances:* To provide cash to provide car parking spaces in the near vicinity of sites within the Urban Character Area where the off-street parking requirements of the Plan cannot be met.

8.4.1.3.2. *Maximum amount of contribution:* Current market value of 35m<sup>2</sup> of land in the zone per parking or loading space required by the off-street parking requirements of the Plan.

**8.4.1.4. Private Ways and Accessways**

- 8.4.1.4.1. *Purpose and circumstances:* To ensure private ways and accessways related to the activity are properly constructed and maintained so as to minimise any adverse effects that may arise from unsealed or poorly constructed private ways and accessways.
- 8.4.1.4.2. *Maximum amount of contribution:* The full actual cost of constructing and maintaining private ways and accessways to the appropriate standard.

**8.4.1.5. Earthworks**

- 8.4.1.5.1. *Purpose and circumstances:* To provide safe and adequate building areas and road access, stormwater control, land stability and to enable better utilisation of land, where the subdivision or development involves recontouring land to create roading services, site design and building areas; and to ensure that earthworks do not adversely affect significant natural habitats, ecosystems, landscapes and natural features.
- 8.4.1.5.2. *Maximum amount of contribution:* The full actual cost of carrying out the earthworks to the appropriate standards, retaining significant areas where required.

**8.4.1.6. Landscaping or Planting**

- 8.4.1.6.1. *Purpose and circumstances:* To reduce the adverse effects of land clearance and/or recontouring, enhance amenities and improve land stability where earthworks and/or land clearance or development have removed existing vegetation, or where replanting and landscaping will enhance existing amenities and reduce adverse impacts.
- 8.4.1.6.2. *Maximum amount of contribution:* The full actual cost of carrying out the landscaping.

**8.4.1.7. Fencing or Screening**

- 8.4.1.7.1. *Purpose and circumstances:* To minimise any adverse effects where a subdivision or land use may impact on heritage features, conservation areas or on important landscapes or public vistas/views or for screening between different activities or between Management Areas.
- 8.4.1.7.2. *Maximum amount of contribution:* The full actual cost of carrying out the fencing or screening.

**8.4.1.8. Water Supply**

8.4.1.8.1. *Purpose and circumstances:* To provide an adequate supply of potable water for human consumption, for industrial and commercial activities, or for fire fighting and irrigation where proposed allotments, sites or buildings are intended for human habitation or occupation, or where forestry is being developed.

8.4.1.8.2. *Maximum amount of contribution:* Where a piped water supply is available and sufficient to meet the needs of the proposed activity, the full actual cost of providing all the necessary reticulation to serve the proposed allotments, sites and buildings. Where no supply is available, or the capacity of the supply is inadequate, the full actual cost of providing a supply and increasing the capacity if necessary, together with the cost of reticulation within the subdivision or development.

**8.4.1.9. Disposal of Sewage**

8.4.1.9.1. *Purpose and circumstances:* To maintain the health and amenity of inhabitants or occupants and to protect the natural environment from indiscriminate and harmful disposal of sewage where new allotments, sites and buildings are intended for human habitation or occupation.

8.4.1.9.2. *Maximum amount of contribution:* Where a sewerage system is available and has adequate capacity for meeting the proposed additional sewage, the full actual cost of connecting the lots or buildings to that sewerage system. Where a sewerage system is not available, or the capacity of an existing system is inadequate, the full actual cost of disposal, including design and investigation and the cost of increasing the capacity if necessary, together with the full actual cost of providing sewerage within the subdivision or buildings.

**8.4.1.10. Stormwater**

8.4.1.10.1. *Purpose and circumstances:* To prevent damage and loss of property and amenity from the indiscriminate and uncontrolled run-off of stormwater where new allotments, roads and/or other impervious surfaces are created by subdivision or development.

8.4.1.10.2. *Maximum amount of contribution:* Where a piped outfall is available, the full actual cost of reticulation control structures within the subdivision or development. Where a piped outfall is not available or the capacity of an existing system is inadequate, the full actual cost of providing for the disposal of stormwater and increasing the capacity if necessary, together with the full actual cost of reticulation and control structures within the subdivision or building.

#### **8.4.1.11. Electricity Supply**

8.4.1.11.1. *Purpose and circumstances:* To ensure that all proposed allotments, sites and buildings intended for human habitation and/or occupation can be supplied with electricity.

8.4.1.11.2. *Maximum amount of contribution:* The full actual cost of providing the supply underground to and within the subdivision or buildings.

#### **8.4.1.12. Street Lighting**

8.4.1.12.1. *Purpose and circumstances:* To improve the safety of road users and pedestrians where new roads or private ways are formed or upgraded as part of a subdivision or development.

8.4.1.12.2. *Maximum amount of contribution:* The full actual cost of providing the street lighting.

#### **8.4.1.13. Telephone Links**

8.4.1.13.1. *Purpose and circumstances:* To ensure that all proposed allotments, sites and buildings intended for human habitation and/or occupation are able to be connected to a telephone system.

8.4.1.13.2. *Maximum amount of contribution:* The full actual cost of providing telephone links to and within the subdivision or buildings.

#### **8.4.1.14. Provision of Open Space, Public Recreation or other Reserves**

8.4.1.14.1. *Purpose and circumstances:* To upgrade public recreational space and other reserves with facilities for public recreation and enjoyment or the protection of conservation values where the subdivision results, or will result, in an increase or an intensification of the use of land, whether by increased resident population or by commercial or industrial activities.

**8.4.1.14.2. Maximum amount of contribution:**

- (i) Where over 10 allotments are created land suitable for development into a reserve to serve the expected population.
- (ii) For each additional allotment of less than 1ha, the amount of a financial contribution shall be 7.5% of the land value.
- (iii) For each additional allotment of 1ha to 5ha, the amount of a financial contribution shall be 5% of the land value.
- (iv) For each additional allotment over 5ha, the amount of a financial contribution shall be 2.5% of the land value of no greater than 10ha of each allotment.

**8.4.1.15. Esplanade Reserves and Esplanade Strips****8.4.1.15.1. Purpose and circumstances in relation to land use consents:**

- (i) To protect conservation values on riparian and coastal margins and associated water quality and aquatic habitats.
- (ii) To ensure public access is maintained to and along water bodies where a proposed land use may reduce the ability to gain public access or where access is not currently available.
- (iii) To ensure recreational opportunities near water bodies are not lost where the proposed land use may reduce those opportunities or to provide recreational opportunities where these are not currently available.

**8.4.1.15.2. Maximum amount of contribution:** The full actual cost of vesting or contributing a reserve or strip of not greater than 20 metre width including the value of the land or interest in land and the costs of survey and conveyancing.

**8.4.1.16. Development Contributions**

8.4.1.16.1.*Purpose and circumstances:* Activities which involve considerable financing have the potential to greatly benefit the District, but also lead to a strain on resources. Where a development (as defined in 8.2) occurs, additional contribution over and above that provided for any of the purposes in 8.4.1.1 to 8.4.1.15 above may be required to provide for the social and recreational needs of the area around which the development is located.

8.4.1.16.2.*Maximum amount of contribution:* Developments of a value of over \$500,000 shall be subject to a financial contribution of up to 0.5% of the value of the development. The financial contribution shall only be spent by Council on the provision and development of reserves, recreational facilities and community facilities within the District. The value of other financial contributions conditional on the development will be considered with regard to the amount of development contribution required.



**RESERVE CONTRIBUTION FUND FINANCIAL UPDATE TO JUNE 2023**

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	<b>2021</b>	<b>2022</b>	<b>2023</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual (YTD)</b>
<b>Opening Balance</b>	<b>1,214,428</b>	<b>1,232,932</b>	<b>1,280,141</b>
Plus Reserve Fund Contributions Received	30,776	73,999	169,102
Less Projects Funded - Refer Below	- 12,272	- 26,790	- 85,459
<b>Closing balance</b>	<b>1,232,932</b>	<b>1,280,141</b>	<b>1,363,784</b>

<b>Listing of Projects:</b>			
Playgrounds and Equipment	6,112	16,999	1,736
Garden Plots	778	-	2,485
Tree Replacement	-	-	955
Buildings - Ngakawau Hall	5,382	-	-
Buildings Punakaiki Community Facility	-	-	35,971
Carters Beach Toilet Block Roofing	-	-	13,810
Little Wanganui water upgrade	-	-	6,621
Little Wanganui carpark reseal	-	-	20,300
Buller Bridge Carpark fencing	-	-	3,581
Cemetery Fencing	-	9,791	-
<b>Total</b>	<b>12,272</b>	<b>26,790</b>	<b>85,459</b>

## RISK AND AUDIT COMMITTEE

11 OCTOBER 2023

AGENDA ITEM: 8

**Prepared By:** Douglas Marshall  
Chief Financial Officer

**Reviewed By:** Steve Gibling  
Chief Executive Officer

**Attachment 1** Schedule of buildings/improvements to be insured as at 1 November 2023

**Attachment 2** Schedule of properties/items that have been removed from the insurance cover schedule from 1 November 2023

### INSURANCE COVER FROM 1 NOVEMBER 2023 – OCTOBER 2023 UPDATE

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#### 1. REPORT PURPOSE

This report is provided to give the Committee an update on the items that will be insured for material damage cover from 1 November 2023 and identify some follow up actions over the coming months.

#### 2. DRAFT RECOMMENDATION

**That the Risk and Audit Committee receive the insurance replacement update as at October 2023.**

#### 3. BACKGROUND

An update of the council's insurance position was presented to the September committee meeting. A workshop was held the week following to tidy up a number of issues with the following being a summary of actions required (staff actions in red):

- Councillors to send individual questions through to Douglas and Andrea for resolving/amending/adjusting of the schedule. **The issues identified are still being worked through.**

- Questions regarding where the community think they own the asset as opposed to the council to be forwarded **Staff have commenced work on this issue with Cr O'Keefe with some specific examples she has provided. A comprehensive council position on these matters will eventually be provided.**
- Assets below the deductible value of \$25,000 will no longer be insured. **Action complete.**
- Public toilets below a value of say \$100,000 will not be insured. **Action complete.**
- Assets that are such as playgrounds, skateboard parks etc will not be insured. **Action complete.**
- Douglas to check on what commitments the council has made to the community via council resolution regarding statutes etc as to insurance cover. **Staff cannot find a council/committee resolution on such matters. Direction from the council is required as to what they may wish insured outside the revised list at attachment 1.**
- An update report to the RAC in October **This report.**
- Most likely an extraordinary council meeting required to approve the placement of insurance prior to 1 November **A date for placement by the council yet to be established.**
- A commitment to council discussing at any opportunity with the community the merit of insuring and long term owning/maintaining some buildings which are insured/maintained now **Add this point to "action points".**
- The objective of above is to have a policy for the council around how insurance cover is placed, how claims are managed and how decisions on how insurance proceeds will be used.

Nine properties have been revalued for insurance purposes. The average movement for these properties was 17.06%. This % has been added to all of the properties after the above changes to the above ground schedule for material damage claims.

That schedule is attached as Attachment 1.

The properties/items that have been removed are attached as Attachment 2.

Staff have completed the various declarations for cover and now await the insurers proposal.

#### **4. OPTIONS**

There are no specific options for the Committee to consider in this report. Any feedback provided from the Committee will help shape the council's insurance coverage.

#### **5. CONSIDERATIONS**

##### **5.1 Strategic Alignment**

Not relevant to this report.

##### **5.2 Significance Assessment**

Not relevant to this report

##### **5.3 Tangata Whenua Considerations**

The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value. Therefore, this decision does not specifically impact tangata whenua, their culture, and traditions.

##### **5.4 Risk Management Implications**

Receiving this paper and acting on the recommendations is key part of managing the various risks that the Council has which it endeavours to mitigate by the placing of insurance cover.

##### **5.5 Policy Framework Implications**

Accepting this paper does not provide Council with a significant risk.

##### **5.6 Legal Implications**

There are no legal implications with this report and the recommendation.

##### **5.7 Financial / Budget Implications**

Most of this work outlined in this report can be undertaken using Council staff resources.

##### **5.8 Consultation Considerations**

There is no consultation with the public required on this issue.

## Buller District Council - schedule of above ground assets 1 November 2023 - and the 17% valuation adjustment to assets

This schedule has been adjusted as at 1 November for the following

- all assets with a value of \$25,000 or less removed as at 31 October 2023
- all public toilets with a value less than \$100,000 have been removed
- all items such as playgrounds, skateboard parks, memorials etc have been removed.
- the buildings in this colour font had an insurance revaluation undertaken as at 1 November 2023. The \$ value is the new insured value
- the average % movement of the above revalued buildings was 17%. That % has been applied as an uplift to the balance of buildings to be insured.
- contents cover - a work programme of preparing specific schedules of contents at each of the identified sites will be undertaken prior to the 2024 insurance review.

Asset revaluation % movement

17.06%

Valuation Reference	Property Address	Building Description	Property Use Type	Comments	Total Sum Insured 1 November 2023
	Westport Harbour	Pontoons		New 2021	\$ 2,500,000
18950 / 8400 A	Palmerston St Westport	Theatre	Theatre	New NBS Theatre - constructed from original community centre plus an addition	\$ 7,282,000
18950 / 5400	Palmerston Street Westport	Offices	Clock Tower	Former council offices and chambers. The building comprises a several offices	\$ 4,582,000
18950 / 2100	Brougham St Westport	Council Offices	Council Building	Standard council office with perimeter offices and central core open space. As	\$ 4,336,000
18950 / 5400	Palmerston Street Westport	Museum/I-Site	Museum	New cultural hub building with Coal Museum. Main building houses i-site, AA c	\$ 3,578,000
18970 / 4900	Victoria Square - Brougham St Westport	Grandstand	Grandstand	Grandstand with exterior concrete terrace seating and lower level amenities. V	\$ 3,306,000
19050 / 39700	Shiel St Reefton	Community hall	Community Hall	Community hall joined to theatre/cinema. Currently occupied partially by a Gyr	\$ 2,296,000
18950 / 9900	87-89 Palmerston St Westport	Library	Library	Standard suburban library with open area and offices to rear, amenities, meetin	\$ 2,159,808
19050 / 39700	Smith St Reefton	Cinema	Theatre and Basement	Community theatre and cinema. Joined to the community hall.	\$ 2,108,000
19050 / 44700	Broadway Reefton	Old Service Centre	Old Service Centre	Library and Service centre. Library added in 1996. Simple office space and of	\$ 1,777,013
	-	IT Assets	Contents	not included in total but required to be disclosed to insurer for cover	\$ 1,418,976
18970 / 75100	2c Coates Street Westport	Warehouse	Industrial	A 2015 Polytechnic purpose built corrugated iron structure built on a concrete s	\$ 1,149,556
18850 / 22600	Marine Parade Carters Beach Car	Hall	Hall	Community hall located on beach front, repainted exterior and new alluminum d	\$ 1,316,956
18970 / 2000	68 - 76 Peel St Westport	Pensioner Units 8	Pensioner Flats (8)	Eight pensioner flats located in four blocks of two flats. Separate garage located	\$ 1,254,913
18950 / 17800	14 Palmerston Street	Commercial Building	Commercial - PHO lease	ex-Westport Harbour Ltd	\$ 866,264
19050 / 39700	Shiel/Smith St Reefton	Community hall/Cinema	Hall, Theatre & Basement	Renovations to hall & cinema, including fitout.	\$ 957,592
18850 / 25200	Westport Airport Carters Beach	Terminal loading Bay	Airport Terminal Building	New airport terminal consisting of lounge space, amenities, baggage handling a	\$ 1,003,228
	3a-3e Stafford St, Westport	5 x Kainga Ora Houses	Residential	New 2021	\$ 995,033
18950 / 39000	Russell St Depot Westport	General Storage Bldg	Store	Fronting Russell Street and attached to the main workshop. Nearly all unlined,	\$ 880,312
18800 / 3800	Main Road Ngakawau Ngakawau	Hall	Hall	Community hall with i site, main hall area, kitchen, ablutions and covered verar	\$ 1,068,783
18950 / 39000	Russell St Depot Westport	Offices	Office Building	Converted dwelling extended in 1995, housing offices of Westreef. Assume \$8	\$ 1,036,005
18970 / 45700	35-43 Henley St Westport	Pensioner Units (5)	Pensioner Flats (5)	Five single bedroom flats with good street frontage adjoining the Kynnesley Re	\$ 929,478
18950 / 5500	10 Lyndhurst Street	Industrial Building/Brewery	Industrial Building/Brewery	Ex brewery constructed in the 1990s with upgrading at various times. The front	\$ 865,094
19050 / 57100	33-39 Bridge St Reefton	Pensioner Flats (4)	Pensioner Flats (4)	Four pensioner houses located in two blocks of two. Units 37/39 have single c	\$ 950,550
18780 / 15800	Waverley St Karamea	Sports Pavilion	Hall and Memorials	War Memorial, Pavilion Hall and Grandstand. The hall is currently used as a ba	\$ 845,193
18970 / 2000	68 - 76 Peel St Westport	Pensioner Flats	Pensioner Flats (4)	Four pensioner flats in one block.	\$ 810,074
	-	NBS Theatre	Contents	not included in total but required to be disclosed to insurer for cover	\$ 565,410
	-	Westport Library	Contents	not included in total but required to be disclosed to insurer for cover	\$ 541,380

## ATTACHMENT 1

Valuation Reference	Property Address	Building Description	Property Use Type	Comments	Total Sum Insured 1 November 2023
	-	Cultural Hub	Contents	not included in total but required to be disclosed to insurer for cover	\$ 533,000
19050 / 57901	7-9 Don St Reefton	Pensioner Flats (4)	Pensioner Flats (4)	Two blocks of two pensioner units. 7A has a single carport.	\$ 736,325
18840 / 300	Craddock Drive Westport	Tip Face & Canopy	Transfer Station	Transfer Station consisting of new tip face, large shed open at both ends to all	\$ 660,936
19050 / 47900	123-129 Broadway Reefton	Pensioner Flats (4)	Pensioner Flats (4)	Four pensioner units located in two blocks of two with drive on access and she	\$ 728,130
18950 / 5400	Palmerston Street Westport	Storage/Archive	Museum	New cultural hub building with Coal Museum. Main building houses i-site, AA c	\$ 793,000
18780 / 35400	State Highway 67 Little Wanganui	Community Hall	Community Hall	Community hall with addition of store in 2009.	\$ 700,035
18950 / 13800	32 Russell St Westport	Pensioner Units (4)	Pensioner Flats (4)	The property comprises four single bedroom pensioner flats built in the late 197	\$ 657,893
19050 / 52800	The Strand Reefton	Pool Structures	Swimming Complex	Enclosed pool complex with changing rooms, 25m pool and learners pool. Pool	\$ 581,802
18790 / 1700	Mokihinui Domain Mokihinui	Hall	Hall	Hall on domain site.	\$ 626,286
	-	Brougham House	Contents	not included in total but required to be disclosed to insurer for cover	\$ 502,199
	Seddonville	Hall	Hall	Community Hall	\$ 408,560
18840 / 300	Craddock Drive Westport	New Shed - new concrete fl in 2014	Transfer Station	Transfer Station consisting of new tip face, large shed open at both ends to all	\$ 508,052
18970 / 3800	27 Wakefield St Westport	Pensioner Units (3)	Pensioner Flats (3)	Block of 3 pensioner flats.	\$ 540,830
19050 / 23900	Buller Rd Reefton	Plunket Rooms	Plunket Rooms	Community plunket rooms.	\$ 513,906
19050 / 12401	Willowbank Road Reefton	Tip Face	Transfer Station	New Transfer Station comprising of Tip Face, open implement shed for recycli	\$ 452,916
18780 / 11803	Waverley St Karamea Karamea	Pensioner Units (2)	Pensioner Flats (2)	Two pensioner units and attached carports with storages.	\$ 520,929
19050 / 53100	Broadway (SH 7) Reefton	Public Toilets	Public Conveniences	Public Toilets	\$ 515,076
18960 / 77001	104 Queen St Westport	Pensioner Units	Pensioner Flats (2)	Two pensioner units, drive on access no provided.	\$ 444,838
18860 / 31200	Owen St Punakaiki	Abultion Block	Abultion Block	Abultion block containing mens, womens and unisex showers and WC's plus la	\$ 467,783
18850 / 22600	Marine Parade Carters Beach Car	Toilets	Public Conveniences	Public Conviences located on the foreshore and playground. Advised garage n	\$ 474,104
18780 / 11803	Waverley St Karamea Karamea	Pensioner Units (2)	Pensioner Flats (2)	Two pensioner units and separate carports.	\$ 477,616
18840 / 300	Craddock Drive Westport	Recycling Shed	Transfer Station	Transfer Station consisting of new tip face, large shed open at both ends to all	\$ 412,061
18850 / 12400	Alma Road Westport	WWTP Building	Waste Water Complex	A tiltslab building housing office, staff amenities and plant equipment. Two larg	\$ 393,331
	Waimangaroa	Hall	Hall	Community Hall	\$ 300,000
18970 / 4900	Victoria Square Brougham St Wes	Toilets	Public Conveniences	Old toilets renovated and extended in 2011 to provide mens, womens and para	\$ 385,839
19050 / 47900	131-133 Broadway Reefton	Pensioner Flats (2)	Pensioner Flats (2)	Two pensioner units with walk on access only.	\$ 419,085
18860 / 31200	Owen St Punakaiki	Dwelling	Dwelling & Garage	Office relocated to bedroom and general upgrading.	\$ 427,279
18960 / 15700	Peel St Depot Westport	Garage Workshop	Garage Workshop	Garaging and workshop space, poor order. Appears to have a section of aspe	\$ 371,089
		Capital Additions Extension		not included in total but required to be disclosed to insurer for cover	\$ 1,000,000
19050 / 53700	Reefton Domain Reefton	Dwelling	Caretakers Residence	Managers dwelling, mower shed, carport and new store shed.	\$ 388,648
18860 / 31200	Owen St Punakaiki	Cabins at campground	Cabin	Six cabins, all have power. Units 4 & 5 are doubles and both have kitchenettes	\$ 344,165
	locations: Fox River, North	Public Toilets(4 units) - galvanised	Public Conveniences -	Prefabricated, relocatable toilet blocks (4 Units): each unit = 2 pan toilet	\$ 293,972
19050 / 52900	Reefton Domain Reefton	Abultion Block	Abultion Block	Extended and upgraded in 2002, mens and womens showers, drying room and	\$ 306,236
18790 / 1700	Mokihinui Domain Mokihinui	Kitchen/Amenities	Kitchen/Dining Block	Kitchen and Dining block on domain.	\$ 300,734
19050 / 47900	119-121 Broadway Reefton	Pensioner Flats (2)	Pensioner Flats (2)	Two pensioner units tidy condition no garaging.	\$ 303,075
	-	Reefton Service Centre	Contents	not included in total but required to be disclosed to insurer for cover	\$ 265,850
19080/08800	Springs Junction	Public Toilets	Public Conveniences	Portacom Public Toilets and associated septic tank facilities	\$ 270,532

## ATTACHMENT 1

Valuation Reference	Property Address	Building Description	Property Use Type	Comments	Total Sum Insured 1 November 2023
18960 / 17700	157 Queens Street Westport	dwelling	Dwelling and Garage	The property comprises a 1940's weather board bungalow, which provides two	\$ 325,434
19050 / 52800	The Strand Reefton	Pool Canopy	Swimming Complex	Enclosed pool complex with changing rooms, 25m pool and learners pool. Pool	\$ 290,316
19050 / 52900	Reefton Domain Reefton	Motels (7)	Motel units	Camping ground motel units with a sink bench in each. Seven units in total.	\$ 294,998
18950 / 8400 A	Palmerston St Westport	Public toilets	Public Conveniences	Public Toilets on main road adjacent to NBS Theatre	\$ 258,592
18860 / 31200	Owen St Punakaiki	Kitchen Block	Kitchen/Dining Block	Kitchen and Dining block with open area, woodburner to main lounge area, a se	\$ 237,052
18860 / 31200	Owen St Punakaiki	Motels	Motel units	Motel units with bunk room and main living room with bed. All units have powe	\$ 227,687
19050 / 53501	19 Broadway Reefton	Dwelling	Dwelling	Residential dwelling in poor order located next to camp site managers dwelling	\$ 232,135
18790 / 1700	Mokihinui Domain Mokihinui	Cabins at campground	Cabin	Cabins 3	\$ 210,830
19050 / 58000	Bridge St Reefton	Amenities Store	Amenities	The building provides toilet area, staff smoko, overseers office, blacksmiths an	\$ 220,312
18960 / 15700	Peel St Depot Westport	Old Bulk Store	Store Shed	Store shed.	\$ 178,638
19050 / 52800	The Strand Reefton	Changing Sheds	Swimming Complex	Enclosed pool complex with changing rooms, 25m pool and learners pool. Pool	\$ 188,939
18950 / 198800 BB	Kennedy Street Westport	Office	Port	Three Buildings identified at the ported owned by BDC. Plus 3xshipping contain	\$ 161,547
19050 / 12401	Willowbank Road Reefton	New Shed	Transfer Station	New Transfer Station comprising of Tip Face, open implement shed for recycli	\$ 183,203
	-	Reefton Community Centre	Contents	not included in total but required to be disclosed to insurer for cover	\$ 170,092
	Victoria Square, Westport Westport		Skatepark	Resurface existing facilities & construct new 'Full Bowl' structure, new safety	\$ 165,552
18970 / 4900	Victoria Square Russell Street Westport	Toilets	Public Conveniences	Modern unisex exeloo toilets	\$ 168,219
		Contract Works Extension		not included in total but required to be disclosed to insurer for cover	\$ 1,000,000
19050 / 52900	Reefton Domain Reefton	Kitchen Block	Kitchen	Basic kitchen building with long stainless steel bench to one wall with six sinks	\$ 176,179
18950 / 198800 BB	Kennedy Street Westport	Iron Shed	Port	Three Buildings identified at the ported owned by BDC. Plus 3xshipping contain	\$ 123,150
18840 / 11600	Kew Road Westport	Dog Pound	Dog Pound	Dog pound providing cages and runs. Building has water, power and fenced a	\$ 150,660
18830 / 40400	McGill Street (off SHway 67) Waima	Toilet	Public Conveniences	Public Toilets on back of old Hall.	\$ 127,715
	Inangahua	Hall	Hall	Community Hall	\$ 100,000
18950 / 39000	Russell St Depot Westport	Main Truck Workshop	Truck shelter/Workshop	Mechanics workshop with three service pits. 1.5 metre high concrete block wa	\$ 112,380
18780 / 11100	Oparara Road Karamea Karamea	Works Depot	Works Depot/Staffroom	Works depot and staffroom. Effectively rebuilt in 1984, main floor area plus a s	\$ 125,725
18780 / 15800	Waverley St Karamea	new Grandstand	Hall and Memorials	War Memorial, Pavilion Hall and Grandstand. The hall is currently used as a ba	\$ 121,043
18960 / 15700	Peel St Depot Westport	Amenities Lockers	Amenities	Amenities block in yard, poor order. Appears to have an asbestos roof, no addi	\$ 102,079
18960 / 17200	165 Queens Street Westport	Museum, effective area of 924 m²	Museum	A series of buildings connected together to provide display space for	\$ 215,395
18800 / 25132	State Highway 67 Granity	Rotunda	Band Rotunda	Band rotunda	\$ 103,952
18950 / 2100	Brougham St Westport	Garages Boiler	Garage	Garage and boiler. The front area of the building has been converted into an of	\$ 83,115
19080 / 10900	14 State Highway 7 Springs Junction	Rural Fire Unit	Fire Station	A rural fire unit building originally built in 1999. Construction comprises of press	\$ 74,800
18950 / 39000	Russell St Depot Westport	Open Vehicle storage	Vehicle Storage Shed	Vehicle Store shed situated on northern boundary. Six bay, enclosed three side	\$ 96,343
18960 / 15700	Peel St Depot Westport	Fire Equipment Store	Store Shed	Store shed.	\$ 89,436
18960 / 15700	Peel St Depot Westport	Carpenters workshop	Workshop	Workshop located next to store shed.	\$ 81,827
18850 / 12400	Alma Road Westport	New Shed	Waste Water Complex	A tiltslab building housing office, staff amenities and plant equipment. Two larg	\$ 76,910
18950 / 39000	Russell St Depot Westport	Open Vehicle shelter	Vehicle Storage Shed	Vehicle Storage Shed, enclosed three sides, open to front with six bays.	\$ 81,710
18840 / 300	Craddock Drive Westport	Portacom	Transfer Station	Transfer Station consisting of new tip face, large shed open at both ends to all	\$ 72,111
19050 / 53700	Reefton Domain Reefton	New Store Shed	Caretakers Residence	Managers dwelling, mower shed, carport and new store shed.	\$ 69,652
19050 / 52900	Reefton Domain Reefton	Ladies Showers	Toilet/Shower	Formerly ladies shower block, now unisex showers and toilets. In very average	\$ 85,105

## ATTACHMENT 1

Valuation Reference	Property Address	Building Description	Property Use Type	Comments	Total Sum Insured 1 November 2023
19050 / 52900	Reefton Domain Board Reefton	Bunkhouse (3 rooms)	Bunk Room	Three bunks rooms, no plumbing power only. Basic but tidy.	\$ 75,037
19050 / 12401	Willowbank Road Reefton	Implement Shed	Transfer Station	New Transfer Station comprising of Tip Face, open implement shed for recycli	\$ 63,097
18950 / 5400	Palmerston Street Westport	Canopy	Museum	New cultural hub building with Coal Museum. Main building houses i-site, AA c	\$ 71,600
18950 / 8800	Palmerston St Westport	Old Library	Commercial	Old Library building, now provides poor office space. The building still has its d	\$ 44,484
18800 / 3800	Main Road Ngakawau Ngakawau	Covered verandah	Hall	Community hall with i site, main hall area, kitchen, ablutions and covered verar	\$ 58,766
19050 / 52900	The Strand Reefton	WWTP Shed	WWTP Shed		\$ 56,190
18840 / 11600	Kew Road Westport	Yard and Fencing	Dog Pound	Dog pound providing cages and runs. Building has water, power and fenced a	\$ 55,488
18950 / 198800 BB	Kennedy Street Westport	Steel Garage	Port	Three Buildings identified at the ported owned by BDC. Plus 3xshipping contain	\$ 42,143
19050 / 47900	119-129 Broadway Reefton	Shed for 6 Units	Shed	Sheds at the rear of broadway flats.	\$ 55,956
18950 / 39000	Russell St Depot Westport	Main Truck Workshop	Truck shelter/Workshop	Mechanics workshop	\$ 45,745
18860 / 31200	Owen St Punakaiki	Verandah	Kitchen/Dining Block	Kitchen and Dining block with open area, woodburner to main loung area, a se	\$ 45,537
18970 / 2000	68 - 76 Peel St Westport	Garage	Pensioner Flats (8)	Eight pensioner flats located in four blocks of two flats. Separate garage located	\$ 44,133
19050 / 58000	Bridge St Reefton	Maintruck workshop	Truck shelter/Workshop	A basic structure with a timber frame, roller doors, along with a row of basic off	\$ 35,119
18840 / 12400	Utopia Road Westport Cemetery	Shed	Public Conveniences & Storage	Public toilet and garage at cemetery.	\$ 40,855
18970 / 4900	Victoria Square - Brougham St Westport	Grandstand	Grandstand	Seismic strengthen to 70% NBS	\$ 34,783
	Victoria Square, Westport Westport		3 on 3 basketball Court	Construct new facility including concrete pad and hoop	\$ 29,836
18950/19800	Harbour Master's Office	Harbour Master's Office	Harbour Master's Office	ex-Westport Harbour Ltd	\$ 29,266
18950 / 13800	32 Russell St Westport	Garage	Pensioner Flats (4)	The property comprises four single bedroom pensioner flats built in the late 19	\$ 33,129
18860 / 31001	State Highway 6 Punakaiki	Shed	Shed	Simple versatile shed with tilt door and pedestrian door access and power prov	\$ 30,202
					\$ 77,079,929



## Attachment 2 - Schedule of removed items from 1 November 2023

Valuation Reference	Property Address	Building Description	Property Use Type	Actual Year Built	Comments	Total Sum Insured 1 November 2023	TOTAL
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## Assets below \$25,000 not insured from 1 November 2023

	Water Supply- Inangahua	Buildings	Building	2016/17	Building to house treatment plant	\$ 23,000	\$ 95.68
18950 / 9999	Main Street Westport	Taxi Stand	Shelters	2008	Two separate structures providing shelter from the elements. Steel Pole a	\$ 24,700	\$ 94.80
18860 / 31200	Owen St Punakaiki	Verandahs	Dwelling & Garage	1962	Office relocated to bedroom and general upgrading.	\$ 23,900	\$ 94.02
18860 / 31200	Owen St Punakaiki	Verandah	Ablution Block	1980	Ablution block containing mens, womens and unisex showers and WC's p	\$ 25,800	\$ 90.69
18950/19800	Storage Shed	Shed	Storage	2003	ex-Westport Harbour Ltd	\$ 20,000	\$ 83.20
18780 / 11803	Waverley St Karamea Karamea	Carports (2)	Pensioner Flats (2)	1998	Two pensioner units and separate carports.	\$ 21,800	\$ 77.76
18860 / 31200	Owen St Punakaiki	Verandah	Motel units	1985	Motel units with bunk room and main living room with bed. All units have	\$ 19,500	\$ 69.88
18960 / 15700	Peel St Depot Westport	Workshop	Workshop	1950	Workshop located next to store shed (27)	\$ 16,000	\$ 66.56
18780 / 11803	Waverley St Karamea Karamea	Carports (2)	Pensioner Flats (2)	2013	Two pensioner units and attached carports with storages.	\$ 16,500	\$ 63.02
18860 / 31200	Owen St Punakaiki	Garage	Garage	2010	New versatile single garage located on camp site for tractors store.	\$ 16,400	\$ 62.61
18790 / 1700	Mokihinui Domain Mokihinui	Old Cabins	Cabin	1940	Cabins		\$ 59.36
19050 / 57901	7-9 Don St Reefton	Shed for 4 Units	Shed	1978	Sheds associated with pensioner units 7a,7B,9A & 9B.	\$ 16,200	\$ 56.37
18950 / 9999	Main Street Westport	Pedestrian Shelter	Shelters	2008	Two separate structures providing shelter from the elements. Steel Pole a	\$ 14,800	\$ 56.27
19050 / 12401	Willowbank Road Reefton	117 Office (Container)	Transfer Station	2009	New Transfer Station comprising of Tip Face, open implement shed for re	\$ 14,800	\$ 56.27
18860 / 31200	Owen St Punakaiki	Porches	Cabin	1940	Six cabins, all have power. Units 4 & 5 are doubles and both have kitchen	\$ 14,900	\$ 52.44
	Cape Foulwind	Shed	Shed	2016/17	Timber shed to house pump	\$ 12,500	\$ 52.00
19050 / 23900	Jubilee Park Reefton	Cenotaph	Cenotaph Memorial	1945	Memorial cenotaph, new shelter and playground now included.	\$ 12,000	\$ 49.92
18960 / 17200	165 Queens Street Westport	Toilet Block	Museum	Mixed Ages c	A series of buildings connected together to provide display space for	\$ 26,000	\$ 48.10
18970 / 4900	Victoria Square, Westport Westport	075 Statutes	Park	1950	Two statues of James Colvin and Gates of RemembrancePlayground, Me	\$ 11,000	\$ 45.76
19050 / 23900	Jubilee Park Reefton	Rotunda	Band Rotunda	1935	Band rotunda	\$ 10,000	\$ 41.60
19050 / 57100	33-39 Bridge St Reefton	shed for 4 Units	Shed	1959	Sheds associated with pensioner housing at 33-39 Bridge Street.	\$ 8,700	\$ 36.19
18790 / 1700	Mokihinui Domain Mokihinui	Verandah	Cabins - 3	1987	Cabins 3	\$ 8,300	\$ 34.53
18800 / 23702	State Highway 67 Granity	Cenotaph	Cenotaph	1945	Memorial Cenotaph	\$ 8,100	\$ 33.70
18970 / 4900	Victoria Square Westport	Rotunda	Band Rotunda	1920	Band Rotunda at Victoria Park	\$ 7,900	\$ 32.86
19050 / 53100	Broadway Reefton	Public Toilets	Public Conveniences	1960	Public Toilets	\$ -	\$ 31.80
18840 / 300	Craddock Drive Westport	Shed - Concrete working area	Transfer Station	2005	Transfer Station consisting of new tip face, large shed open at both ends t	\$ 8,200	\$ 31.14
18970 / 4900	Victoria Square, Westport Westport	074 Gates	Park	1950	Two statues of James Colvin and Gates of RemembrancePlayground, Me	\$ 6,700	\$ 27.87
18780 / 15800	Waverley St Karamea	068 War Memorial	Hall and Memorials	1945	War Memorial, Pavilion Hall and Grandstand. The hall is currently used as	\$ 5,400	\$ 22.46
19050 / 23900	Jubilee Park Reefton	Playground	Cenotaph Memorial	1945	Memorial cenotaph, new shelter and playground now included.	\$ 4,900	\$ 20.38
18860 / 24800	Fox River Buller Rural	Shelter	Public Conveniences	2019	Exceloo brand longdrop, tiled interior. Timber clad	\$ 5,300	\$ 20.25

ATTACHMENT 2

Valuation Reference	Property Address	Building Description	Property Use Type	Actual Year Built	Comments	Total Sum Insured 1 November 2023	TOTAL
18970 / 76100	North Beach Westport	Shelter	Public Conveniences	2006	Exceloo brand long drop, tiled interior.	\$ 5,300	\$ 19.19
18830 / 99999	State Highway 63 Waimangaroa	Cenotaph	Cenotaph	1945	Waimangaroa cenotaph	\$ 4,300	\$ 17.89
19050 / 52900	Reefton Domain Reefton	Old Bunk Room	Bunk Room	1930	Older style bunk room, no plumbing facilities, power only.	\$ 3,900	\$ 16.22
18860 / 31200	Owen St Punakaiki	Garage	Dwelling & Garage	1962	Office relocated to bedroom and general upgrading.	\$ 3,100	\$ 12.90
18960 / 17700	157 Queens Street Westport	garage	Dwelling and Garage	Circa 1940's	The property comprises a 1940's weather board bungalow, which provides	\$ 2,400	\$ 9.98
19050 / 53700	Reefton Domain Reefton	Carport	Caretakers Residence	1970	Managers dwelling, mower shed, carport and new store shed.	\$ 2,000	\$ 8.32
18960 / 17200	165 Queens Street Westport	Covered Way	Museum	Mixed Ages	A series of buildings connected together to provide display space for	\$ 3,600	\$ 6.66
18960 / 17700	157 Queens Street Westport	carport	Dwelling and Garage	Circa 1940's	The property comprises a 1940's weather board bungalow, which provides	\$ 800	\$ 3.33
19050 / 23900	Jubilee Park Reefton	Shelter	Cenotaph Memorial	1945	Memorial cenotaph, new shelter and playground now included.	\$ 400	\$ 1.66
19050 / 53700	Reefton Domain Reefton	Mower Shed	Caretakers Residence	1970	Managers dwelling, mower shed, carport and new store shed.	\$ 300	\$ 1.25
18860 / 15102	State Highway Charleston	Fire Station	Fire Station	1991	Rural fire station with appliance bay, ablutions and roller door. 2 water tanks to rear of sta	\$ -	\$ -
						\$ 429,400	\$ 1,705

**Toilets below a value of \$100,000 , that were not in the below \$25,000 category that are not insured from 1 November 2023**

19050 / 52900	Reefton Domain Reefton	Toilet & Shower	Toilet Block & Shed	1940	Former Mens Toilet block and store. Future unknown, boarded up and in	\$ 73,000	\$ 309.51
18780 / 12500	Bridge St Karamea	Public Toilets	Public Conveniences	1998	Public toilets	\$ 73,800	\$ 268.11
18860 / 24800	Fox River Buller Rural	Public Toilets	Public Conveniences	2019	Exceloo brand longdrop, tiled interior. Timber clad	\$ 66,300	\$ 265.00
19040 / 2900	State Highway 69 Reefton Cemetery	Toilets	Public Conveniences & Storage	1980	Toilets block and store at reefton cemetery. Two water tanks. Average of	\$ 69,800	\$ 258.04
18970 / 76100	North Beach Westport	North Beach Public Toilet	Public Conveniences	2006	Exceloo brand long drop, tiled interior.	\$ 55,500	\$ 214.13
	Tauranga Bay	Public Toilets	Public Conveniences	2016	Public Toilets	\$ 40,000	\$ 166.40
18960 / 6500	Menzies Street Westport	Public Toilets	Public Conveniences	1989	Public Toilets at reserve.	\$ 42,000	\$ 145.04
18840 / 12400	Utopia Road Westport Cemetery	Toilets	Public Conveniences & Storage	1996	Public toilet and garage at cemetery.	\$ 28,300	\$ 102.68
						\$ 448,700	\$ 1,729

**Playground, skateboard parks and memorials that are not insured from 1 November 2023**

18970 / 4900	Victoria Square, Westport Westport	Memorial Fountain	Park	1950	Two statues of James Colvin and Gates of RemembrancePlayground, Me	\$ 50,000	\$ 208.00
18850 / 22600	Marine Parade Carters Beach Carters Beach	Playground	Playground Equipment	1968	Public Conveniences located on the foreshore and playground. Advised gar	\$ 52,900	\$ 178.83
18960 / 51600	Fonblanque Street Westport	Playground	Playground Equipment	2010		\$ 44,400	\$ 153.54
18970 / 4900	Victoria Square, Westport Westport	Playground	Park	1950	Two statues of James Colvin and Gates of RemembrancePlayground, Me	\$ 39,000	\$ 132.56
18970 / 4900	Victoria Square, Westport Westport	Skate Park	Park	1950	Two statues of James Colvin and Gates of RemembrancePlayground, Me	\$ 30,000	\$ 124.80
						\$ 216,300	\$ 798

ATTACHMENT 2

Valuation Reference	Property Address	Building Description	Property Use Type	Actual Year Built	Comments	Total Sum Insured 1 November 2023	TOTAL
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## RISK AND AUDIT COMMITTEE

11 OCTOBER 2023

AGENDA ITEM: 9

**Prepared by** Neil Engelbrecht  
Financial Accountant

Lynn Brooks  
Finance Manager

**Reviewed by** Douglas Marshall  
Chief Financial Officer

### INVESTMENTS AND BORROWINGS – As at 31 August 2023

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#### 1. REPORT SUMMARY

This report summarises Council's cash investments and borrowings for the month of August 2023, and compliance with Council treasury management policy.

#### 2. DRAFT RECOMMENDATION

**That the Risk and Audit Committee receive the Investments and Borrowings report as at 31 August 2023 for information.**

#### 3. ISSUES AND DISCUSSION

##### 3.1 Term Investments

Total term investments (Including call account and other loans) remained unchanged since last report to 31 July 2023 at \$16.208m.

##### 3.2 Bank Balance

Council's main trading account closing balance was \$0.665m as at 31 August 2023. Council has joined the All of Government banking package during August, and this provides very favourable interest rates for all bank balances held by Council. The balance increased by \$0.353m since the last report to 31 July 2023. All of Council trading account closing balances at the end of August was \$0.691m.

##### 3.3 Interest Revenue

Interest revenue to the end of August is \$112k against a year to date budget of \$118k.

Council has renegotiated its bank charges and credit interest rates with Westpac. This resulted in a decrease in bank fees and an increase in interest rates received on all of Council's bank accounts. The renegotiated terms came into effect during August 2023. The resulting increase in interest received will result in a positive variance to budget throughout the year.

### **3.4 Borrowings and Net Debt Position**

Total borrowings increased by \$0.7m since the last report to 31 July 2023. The total borrowings increased from \$34.6m at 31 July 2023 to \$35.3m at 31 August 2023. This was due to a short-term borrowing from Westpac which has increased by \$0.7m since last reported from \$1.39m to \$2.09m. The funds borrowed was used for additional flood recovery expenditure incurred, while council was waiting on the grant from external funders claims to be paid. This is a timing difference.

Net debt (borrowings less term investments and call account balance) has increased by \$0.7m since last reported from \$19.991m to \$20,691m due to the increase of \$0.7m in borrowings noted above.

### **3.5 Compliance with Treasury Management Policy**

The Treasury Management Policy of Council is that all term deposits are held with New Zealand Registered banks with no more than \$10 million with any one institution. The terms and maturity dates of investments are spread to minimise Council's exposure to interest rate fluctuations while still aiming to optimise interest earned.

Council has approved the investment in Nelson Building Society (NBS) which is a breach of the Treasury Management Policy. The policy limits investments in Building Societies to a total of 10% of the portfolio and an individual Building Society to be no more than the lower of \$1m or 4% of its asset base.

Currently investments in NBS total \$3.468m representing 25% of the total investment portfolio. This planned breach will continue as investments mature and are rolled over as this level of investment is part of a sponsorship agreement.

### **3.6 Compliance with Financial Strategy Net Debt Limit Set in the Long Term Plan**

The Financial Strategy of Council is that net debt is not more than \$25m at any given time. Currently Council's net debt is \$20.691m.

## **4. CONSIDERATIONS**

### **4.1 Strategic Impact**

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

#### **4.2 Significance Assessment**

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

#### **4.3 Values Assessment**

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

Treasury management functions and reporting align most strongly with the values of Future Focussed and Integrity.

Consideration of current and future cash requirements and intergenerational equity are required when managing cash deposits and credit facilities.

Public reporting of investments and borrowings encourages open and honest discussion and decision making.

#### **4.4 Risk Analysis**

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

Cash flow management is an integral part of ensuring Council is able to deliver the services and projects it has committed to in successive Long Term and Annual Plans.

This risk is mitigated by establishing policies and procedures, engaging staff to manage investment and borrowings and regular reporting to Council to ensure high level oversight.

#### **4.5 Policy / Legal Considerations**

The Local Government Act 2002 and associated regulations prescribe prudent financial management and nationwide benchmarks. The financial prudence benchmarks are now compulsory sections included in Council Long Term/Annual Plans and Annual Reports.

Council's Investment Policy and Treasury Policy govern the management of cash assets and borrowings. The following tables and graphs compare the monthly results to the parameters set out in the policy.

#### **4.6 Tangata Whenua Considerations**

None identified.

**4.7 Views of Those Affected**

Council's financial strategies, investment levels and borrowing projections are included in the Long-Term Plan and Annual Plan consultation processes.

**4.8 Costs**

There are no extraordinary costs relating to investments and borrowings.

**4.9 Benefits**

The benefits of structured Treasury management include risk minimisation, prudent cash management and long-term financial stability.

**4.10 Media / Publicity**

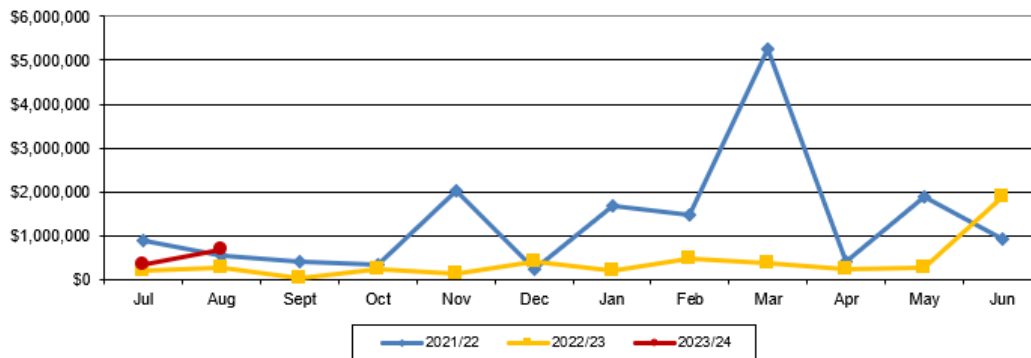
None identified.

## INVESTMENTS AND BORROWINGS REPORT

### 1. BANK BALANCE

	This Month 31-Aug-23	Last Report 31-Jul-23	Last Year 30-Jun-23
Trading Account Council	\$691,087	\$337,537	\$223,974

### 2. MONTH END BANK BALANCES



### 3. SUMMARY OF INVESTMENTS

	This Month 31-Aug-23	Last Report 31-Jul-23	Last Year 30-Jun-23
Term deposits	14,107,472	14,107,472	14,107,472
LGFA Borrower Notes	500,000	500,000	500,000
Call Account	-	-	-
<b>Balance before other loans</b>	<b>14,607,472</b>	<b>14,607,472</b>	<b>14,607,472</b>
Other investments (Includes loan to Holding Company)	1,600,982	1,600,982	1,600,982
<b>Total Investments</b>	<b>\$16,208,454</b>	<b>\$16,208,454</b>	<b>\$16,208,454</b>



### 3.1 Term Deposits

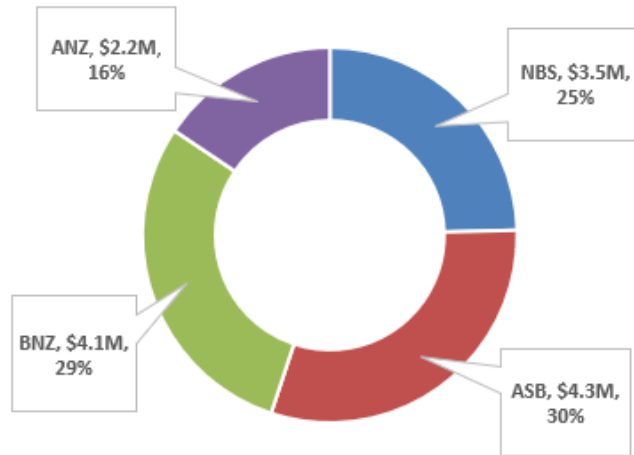
Investment Type	Counterparty	Amount	Start Date	Maturity Date	Fixed Interest Rate
Term Deposit	ASB	1,325,000	6-Mar-2023	13-Sep-2023	5.63%
Term Deposit	BNZ	500,000	10-Apr-2023	7-Oct-2023	5.10%
Term Deposit	ANZ	1,199,821	10-Oct-2022	9-Oct-2023	4.10%
Term Deposit	ASB	1,000,000	12-Oct-2022	12-Oct-2023	4.20%
Term Deposit	BNZ	1,000,000	10-Mar-2023	5-Nov-2023	4.70%
Term Deposit	BNZ	1,636,800	4-Mar-2023	29-Nov-2023	5.25%
Term Deposit	NBS	534,038	13-Jun-2023	13-Dec-2023	5.30%
Term Deposit	ASB	977,775	23-Jun-2023	23-Dec-2023	6.09%
Term Deposit	ANZ	1,000,000	4-May-2023	29-Jan-2024	5.50%
Term Deposit	ASB	1,000,000	26-Aug-2023	28-Mar-2024	5.75%
Term Deposit	NBS	400,000	07-May-2023	6-May-2024	5.75%
Term Deposit	BNZ	1,000,000	30-Jun-2023	30-Jun-2024	5.80%
Term Deposit	NBS	1,000,000	29-Jun-2023	01-Jul-2024	5.75%
Term Deposit	NBS	1,534,038	18-Jul-2023	18-Jul-2024	5.85%
<b>Total Term Deposits</b>		<b>14,107,472</b>			

The objective of this table is to show a trend of rising interest rates over the past 12 months.

There was one term deposit maturing during September, which has been renewed on the following terms:

- ASB - \$1,325,000 renewed for 6 months until 23 March 2024 at 5.85% per annum.

### 3.2 Term Deposits Summary by Trading Bank

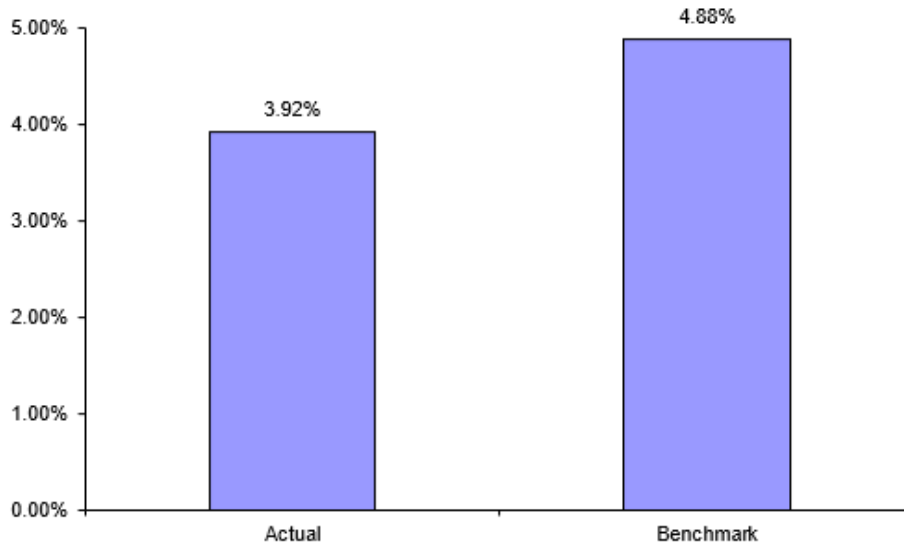


The maximum allowable investment per issuer is \$10m.

### 3.3 Local Government Funding Agency Borrower Notes

Investment Type	Counterparty	Amount	Maturity Date	Floating Interest Rate
LGFA Borrower Note	LGFA	125,000	1-Mar-2024	5.86%
LGFA Borrower Note	LGFA	125,000	1-Mar-2025	5.89%
LGFA Borrower Note	LGFA	125,000	1-May-2026	5.88%
LGFA Borrower Note	LGFA	125,000	1-Mar-2027	6.05%

#### 4. INVESTMENTS PORTFOLIO PERFORMANCE (12-Month Average)



#### 5. INTEREST REVENUE AND EXPENSE

	Actual YTD	Budget YTD	Full Year Budget
Interest Revenue	\$112,412	\$118,068	\$1,237,802

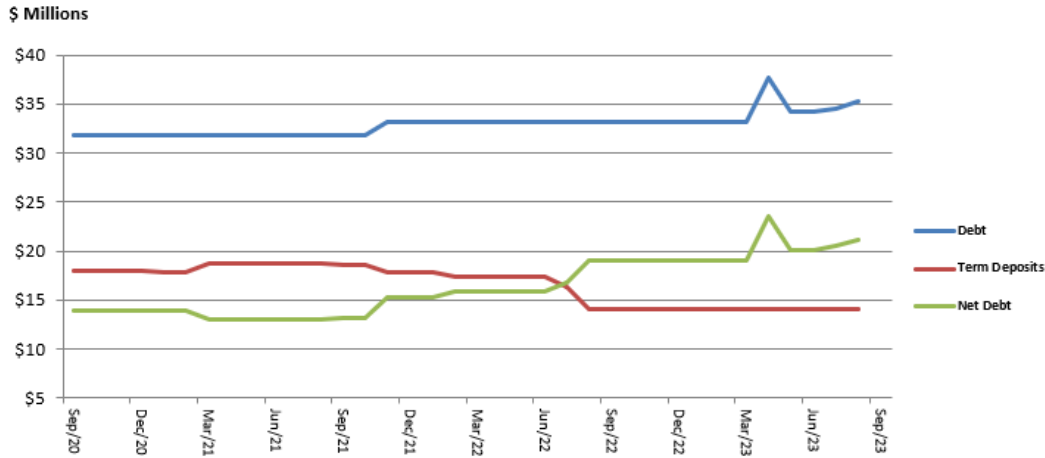
	Actual YTD	Budget YTD	Full Year Budget
Interest Expense	\$302,766	\$355,716	\$1,833,247

#### 6. SUMMARY OF BORROWINGS

	This Month 31-Aug-23	Last Report 30-Jul-23	Last Year 30-Jun-23
<b>External Debt</b>			
Westpac Loan Facility	15,298,860	14,598,860	14,243,860
LGFA Loan Facility	20,000,000	20,000,000	20,000,000
	<b>\$35,298,860</b>	<b>\$34,598,860</b>	<b>\$34,243,860</b>
Weighted Average Interest Cost	5.24%	5.15%	5.13%

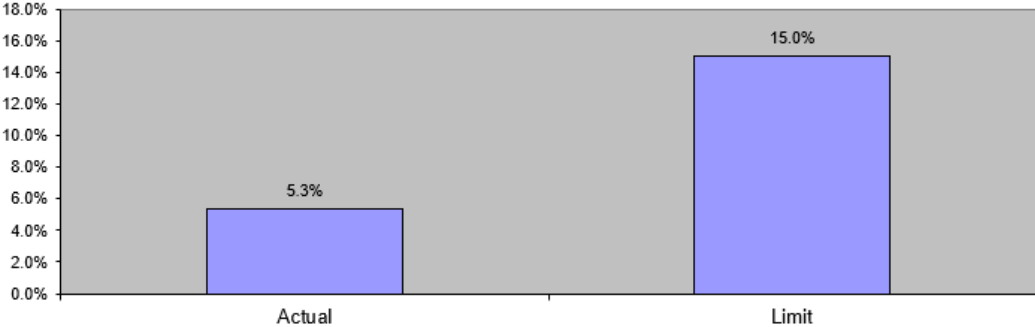
<b>Net Debt</b>			
Total Borrowings	35,298,860	34,598,860	34,243,860
Less: Term deposits (including Call Account)	14,607,472	14,607,472	14,607,472
	<b>\$20,691,388</b>	<b>\$19,991,388</b>	<b>\$19,636,388</b>

**7. DEBT AND INVESTMENTS 3-YEAR TREND**

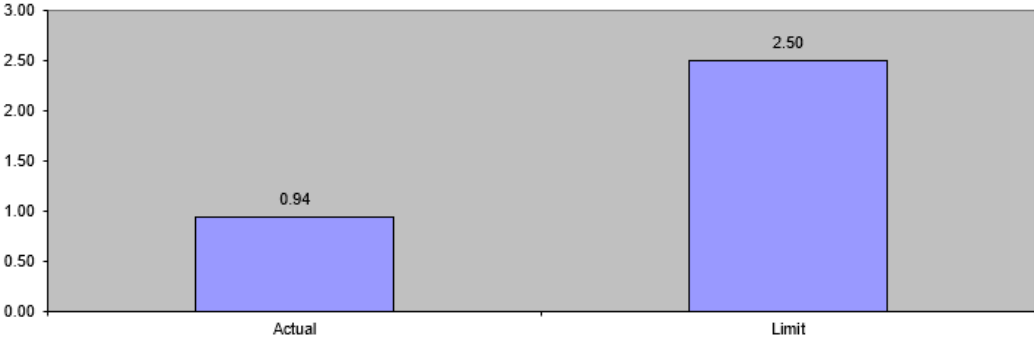


The above graph reports net debt as: gross debt held with external parties; less terms deposits excluding the call account. The definition used by this graph is in line with Council's Treasury Policy but differs from how investments and net debt are expressed in other parts of this report that include the call account. The increase shown in the net and gross debt above for the month of April is due to the short-term borrowings of \$4.4m related to flood recovery costs. This loan was repaid during May 2023.

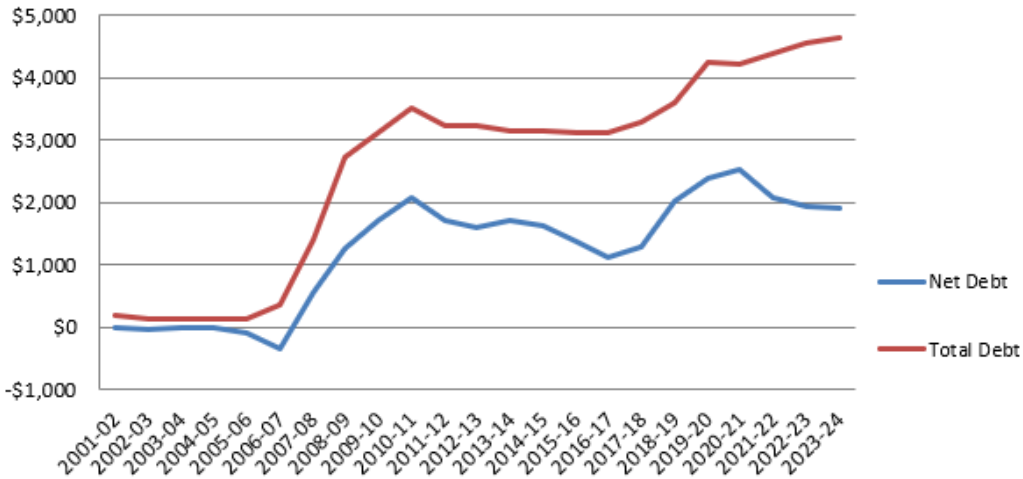
**7.1 Interest Expense / Total Income**



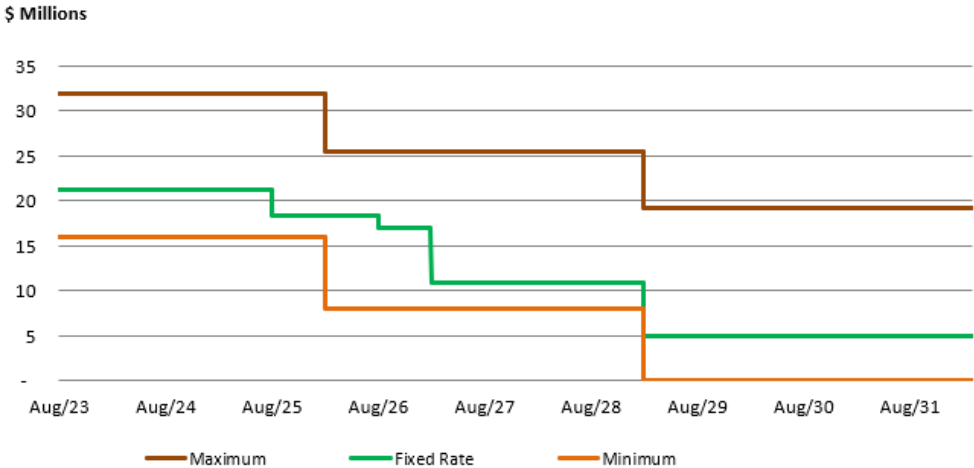
### 7.2 Gross Debt / Total Income



### 7.3 Debt and Net Debt per Rateable Property



### 7.4 Fixed Rate Debt - Compliance with Treasury Policy



## RISK AND AUDIT COMMITTEE

11 OCTOBER 2023

### AGENDA ITEM 10

**Prepared by:** Neil Engelbrecht  
Financial Accountant

Lynn Brooks  
Finance Manager

**Reviewed by:** Douglas Marshall  
Chief Finance Officer

**Attachment 1:** BDC Monthly Financial Performance Report as at 31 August 2023

#### **MONTHLY FINANCIAL PERFORMANCE REPORT – as at 31 August 2023**

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##### **1. REPORT SUMMARY**

This report provides the Committee with an update on the financial performance for the second month of the financial year ending 31 August 2023. To help explain the variances this report is presented in three sections including “operational business as usual”, “additional grants”, and “flood event” sections.

The business-as-usual result to date is a profit of \$0.007m (against a budgeted profit of \$1.001m, a negative variance of \$0.994m). This difference is mostly due to a timing variance in the Roding work program resulting in additional expenditure, additional cost in the Harbour Activity due to the rebuild of one of the dredge engines and additional costs in support services relating to climate control expenditure and software maintenance costs.

The remainder being expenditure which is expected to resolve as the year progresses. Otherwise, revenue and expenditure are mainly on budget. More details relating to the variances can be found in the attachment.

The additional grant revenue and expenditure shows a deficit of \$0.142m against a budgeted surplus of \$0.265m, a negative variance of \$0.407m. A portion of grants relate to capital expenditure which is not included in this operations report.

The flood event result to date is an overall deficit of \$0.057m, it should be noted a portion of the flood event revenue relates to capital expenditure which is not included in this operations report. The deficit relates to outstanding claims at period end.

The total reported deficit to August 2023 of \$0.057m compared to a budgeted profit of \$1.266m, a negative variance of \$1.323m. The main reason for this variance is due to timing differences on the roading program and additional harbour

expenditure in the business-as-usual activities and unbudgeted flood recovery revenue and expenditure.

**2. RECOMMENDATION**

**That the Risk and Audit Committee receive the Financial Performance Report to 31 August 2023 for information.**

### 3. OPERATIONAL FINANCIAL PERFORMANCE

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

	Actual YTD	Annual Plan	YTD Variance		Projected Full Year	Annual Plan Full Year	Projected Variance Full Year
Operational Revenue	6,594,139	6,617,326	(23,187)	▲	34,432,406	34,432,406	0
Operational Expenditure	6,586,822	5,616,085	(970,737)	■	36,010,326	36,010,326	0
TOTAL OPERATIONAL VARIANCE			(993,924)	■			0
Additional Grant Revenue	84,119	266,606	(182,487)	■	2,599,346	2,351,003	248,343
Additional Grant Expenditure	226,030	1,830	(224,200)	■	152,917	14,004	(138,913)
TOTAL ADDITIONAL GRANT VARIANCE			(406,688)	■			109,430
Flood Event Revenue	667,384	0	667,384	●	794,698	0	794,698
Flood Event Expenditure	589,717	0	(589,717)	■	0	0	0
TOTAL FLOOD EVENT VARIANCE			77,667	●			794,698
TOTAL PROFIT / (LOSS)			(1,322,944)	■			904,128
<b>Net Profit / (loss)</b>	<b>(56,927)</b>	<b>1,266,017</b>	<b>(1,322,944)</b>	■	<b>1,663,207</b>	<b>759,079</b>	<b>904,128</b>

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



### **3.1 Operational Performance Report – Summary of Results to August 2023 and Projection for the Year Ahead**

Overall, operating revenue is \$0.023m lower than budgeted. The variance is mainly due to the timing of rates penalties applied, which was not applied at the end of August however was budgeted to be \$0.038m.

Operational expenditure is \$0.971m higher than budgeted mainly due to the rebuild of one of the dredge engines and the contractor costs for the crew undertaking the repairs, climate control expenditure incurred and timing differences on the roading program.

To date, additional grant revenue consists of funding from DIA for funding relating to National Transition Unit work.

Council will continue to receive significant funding over the next period for transition and flood recovery works.

The is funding from the National Emergency Management Agency (NEMA) (Tranche 2) projects for the port projects.

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

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

**BULLER DISTRICT COUNCIL**  
**Monthly Financial Performance Report for the Month to August 2023**

Prepared by: Neil Engelbrecht

Reviewed by: Lynn Brooks/Douglas Marshall

	Actual Year to Date	Annual Plan YTD Budget	YTD Variance	Status	Full Year Prediction	Annual Plan Budget	Variance Full Year Prediction	Explanation of Variances of \$50,000 or greater
<b>Operational Revenue</b>								
Community Services	97,122	59,309	37,813	▲	371,770	371,770	0	
Westport Harbour	542,388	554,163	(11,775)	▲	3,857,663	3,857,663	0	
Governance & Representation	700	0	700	▲	0	0	0	
Water Supplies	918,934	944,822	(25,888)	▲	3,907,124	3,907,124	0	
Airport	25,075	32,737	(7,662)	▲	203,269	203,269	0	
Community Facilities	128,337	154,929	(26,592)	▲	1,583,226	1,583,226	0	
Roading & Transport	535,678	546,177	(10,499)	▲	5,530,783	5,530,783	0	
Regulatory Services	410,652	340,533	70,119	●	1,382,968	1,382,968	0	Majority of the variance relates to greater activity for resource consents, building permits and levies.
Solid Waste	261,584	261,151	433	▲	1,128,811	1,128,811	0	
Support Services	13,273	13,588	(315)	▲	85,175	85,175	0	
Council - General Rates & Treasury	2,915,092	2,972,567	(57,475)	■	13,426,404	13,426,404	0	Relates to rates penalties budgeted for not yet applied.
Wastewater	745,305	736,525	8,780	▲	2,950,045	2,950,045	0	
Stormwater	0	825	(825)	▲	5,168	5,168	0	
<b>Total Operational Revenue</b>	<b>6,594,139</b>	<b>6,617,326</b>	<b>(23,187)</b>	<b>▲</b>	<b>34,432,406</b>	<b>34,432,406</b>	<b>0</b>	
<b>Operational Expenditure</b>								
Community Services	716,593	714,874	(1,719)	▲	4,327,414	4,327,414	0	Below budget interest paid on external borrowings.
Westport Harbour	651,620	444,141	(207,479)	■	2,889,099	2,889,099	0	Relates to repairs and maintenance, relating to the rebuild of one of the dredge engines and cost of contractor time for the crew undertaking the repairs.
Governance & Representation	329,959	334,632	4,673	▲	2,139,181	2,139,181	0	
Water Supplies	723,131	721,098	(2,033)	▲	4,872,030	4,872,030	0	
Airport	81,733	80,496	(1,237)	▲	522,251	522,251	0	
Community Facilities	706,889	640,023	(66,866)	■	3,187,565	3,187,565	0	Mainly due to budget phasing on Westreef outwork.
Roading & Transport	1,808,543	1,411,050	(397,493)	■	8,588,748	8,588,748	0	Timing difference on roading work program.
Infrastructure Delivery (cost recovery and expenditure netted off)	(18,779)	(9,264)	9,515	▲	73,114	73,114	0	Negative expenditure is due to timing difference between costs and income, being netted off.
Regulatory Services	469,125	500,898	31,773	▲	3,253,612	3,253,612	0	
Solid Waste	339,848	244,661	(95,187)	■	1,730,217	1,730,217	0	Above budget consultants and contractors fees and waste minimisation costs. This is due to timing of consulting on Buller Solid Waste Management.
Support Services	209,468	(41,683)	(251,151)	■	469,779	469,779	0	Majority of the variance relates to climate change expenditure being above budget due to timing differences, additional software maintenance costs and consulting fees.
Wastewater	435,911	446,774	10,863	▲	3,094,025	3,094,025	0	
Stormwater	132,782	128,385	(4,397)	▲	863,291	863,291	0	
<b>Total Operational Expenditure</b>	<b>6,586,822</b>	<b>5,616,085</b>	<b>(970,737)</b>	<b>■</b>	<b>36,010,326</b>	<b>36,010,326</b>	<b>0</b>	
<b>OPERATIONAL PROFIT / (LOSS)</b>	<b>7,317</b>	<b>1,001,241</b>	<b>(993,924)</b>	<b>■</b>	<b>(1,577,920)</b>	<b>(1,577,920)</b>	<b>0</b>	

**Additional Grant Revenue**

Community Services	0	0	0	▲	0	0	0
Westport Harbour	0	0	0	▲	0	0	0
Commercial and Corporate Services	20,833	20,394	439	▲	248,343	0	248,343
Water Supplies	0	47,710	(47,710)	▲	650,001	650,001	0
Community Facilities	0	136,406	(136,406)	■	855,001	855,001	0 Timing difference on receipt of grant income from MBIE.
Roading & Transport	0	0	0	▲	0	0	0
Solid Waste	63,285	62,096	1,189	▲	846,001	846,001	0
<b>Total Additional Grants Revenue</b>	<b>84,119</b>	<b>266,606</b>	<b>(182,487)</b>	<b>■</b>	<b>2,599,346</b>	<b>2,351,003</b>	<b>248,343</b>

**Additional Grant Expenditure (excludes Capital Expenditure)**

Community Services	206,604	3	(206,601)	■	138,916	3	138,913 MTFJ expenditure and better off funded Cultural & Community Hub as per the revenue received above.
Westport Harbour	18,569	0	(18,569)	▲	0	0	0
Commercial and Corporate Services	0	0	0	▲	0	0	0
Water Supplies	0	0	0	▲	0	0	0
Community Facilities	1	1,827	1,826	▲	14,001	14,001	0
Roading & Transport	0	0	0	▲	0	0	0
Solid Waste	858	0	(858)	▲	0	0	0
<b>Total Additional Grants Expenditure</b>	<b>226,030</b>	<b>1,830</b>	<b>(224,200)</b>	<b>■</b>	<b>152,917</b>	<b>14,004</b>	<b>138,913</b>

**ADDITIONAL GRANTS PROFIT / (LOSS)**

	<b>(141,912)</b>	<b>264,776</b>	<b>(406,688)</b>	<b>■</b>	<b>2,446,429</b>	<b>2,336,999</b>	<b>387,256</b>
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**Flood Event Revenue**

All Flood Event Revenue	667,384	0	667,384	●	794,698	0	794,698 Unbudgeted flood recovery income. Outstanding claims to be received.
<b>Total Unbudgeted Flood Event Revenue</b>	<b>667,384</b>	<b>0</b>	<b>667,384</b>	<b>●</b>	<b>794,698</b>	<b>0</b>	<b>794,698</b>

**Flood Event Expenditure (excludes Capital Expenditure)**

Flood Event Operational Expenditure	589,717	0	(589,717)	■	0	0	0 Unbudgeted flood related expenditure, consist mainly of dredging costs and other R&M work performed.
<b>Total Unbudgeted Flood Event Expenditure</b>	<b>589,717</b>	<b>0</b>	<b>(589,717)</b>	<b>■</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FLOOD EVENT PROFIT / (LOSS)</b>	<b>77,667</b>	<b>0</b>	<b>77,667</b>	<b>●</b>	<b>794,698</b>	<b>0</b>	<b>794,698</b>

**TOTAL PROFIT / (LOSS)**

	<b>(56,927)</b>	<b>1,266,017</b>	<b>(1,322,944)</b>	<b>■</b>	<b>1,663,207</b>	<b>759,079</b>	<b>1,181,954</b>
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**Key**

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

## RISK AND AUDIT COMMITTEE

11 OCTOBER 2023

### AGENDA ITEM 11

**Prepared By:** Douglas Marshall  
Chief Financial Officer

**Reviewed By:** Steve Gibling  
Chief Executive Officer

**Attachment 1** Financial Delegations Policy

### REVIEW OF FINANCIAL DELEGATIONS' POLICY

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#### 1 REPORT SUMMARY

This report considers changes to the Financial Delegations Policy for consideration by the Risk and Audit Committee. If agreed, or amended, the revisions to the Financial Delegations Policy will be recommended for adoption by full Council.

Councillors should provide feedback at the Risk and Audit Committee meeting where possible or as part of the council approval process.

#### 2 RECOMMENDATION

**That the Risk and Audit Committee recommend the revised Financial Delegations Policy be adopted by Council.**

#### 3 ISSUES & DISCUSSION

##### 3.1 Current Financial Delegations Policy

Council completed a comprehensive review of the Financial Delegations Policy in 2020.

The current review was required to better reflect the revised operating structure of Council which underwent significant change at that time.

The policy was also refreshed to provide clearer tiers of delegation and authority, and to document Human Resources delegations.

### **3.2 Requirement to have a Financial Delegations Policy**

Council is required by law to ensure all dealings are ethical, transparent and conducted within a strong financial control environment. All of Council must comply with the delegations policy which supports this requirement.

In the interests of effective governance, encouraging delegation of decision- making to the lowest competent level is advised. This achieves the best use of the abilities of elected representative and officers, ensures cost effectiveness, good use of resources and promotes the development of efficient and effective management.

Delegations provide authority and grant responsibility for a task or function to be undertaken by a person acting in a role other than Councillors or Chief Executive.

Delegations cannot however remove from Council and the Chief Executive Officer the ultimate accountability for the affairs of Council. This is why it is important that Council review and adopt this policy.

### **3.3 Changes made to This Version of the Financial Delegations Policy**

Changes to this policy are designed to give clarity on a number of matters where the current policy is deemed to be deficient.

Some "position" descriptions have been updated to reflect the current operating structure of Council.

A new section, 4.9 has been added to give clarity where the council may wish to generate new income.

New income sources are welcome but care needs to be taken to ensure that in seeking and obtaining new income, agreed/adopted budgets/plans must also be delivered unless the council decides otherwise.

Clarity has been added by documenting that the creation of purchase orders can be by any approved staff, with the key being the authorisation of an officer who has the appropriate \$ value delegation.

### **3.4 Strategic Issues**

A key strategy of Council in the 2021-2031 Long Term Plan is for building and promoting resilience in the community as well as facilitating growth and assisting with a transition to a diversified and sustainable economy. This strategy was agreed in recognition of the decline in the mining industries and the significant impact this has on our district. Ensuring Council has sound and up to date delegations policy is in line with this core strategy. Council must be efficient and accountable, and this policy assists with those requirements.

### **3.5 Values**

The Buller District Council Values are: Community Driven, One Team, Integrity, Future Focussed, and We Care.

Buller District Council must ensure the Financial Delegations Policy is written in line with the above values.

### **3.6 Significance Assessment**

The Buller District Council Significance and Engagement Policy sets out the criteria and framework for a matter or transaction to be deemed significant.

The revised Financial Delegations Policy is not deemed significant.

### **3.7 Risk Analysis**

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

Revising the Delegations Policy reduces risks around delegation for the organisation as a whole.

### **3.8 Policy / Legal Considerations**

Council is required by law to ensure all dealings are ethical, transparent and conducted within a strong financial control environment. Council must comply with a Financial Delegations Policy which supports this requirement. Council must be aware of, and comply with public law.

The Local Government Act (2002) Schedule 7, Clause 32 sets out the powers that cannot be delegated with respect to the conduct of a local authority's business. This includes such powers as making rates, bylaws and the power to appoint a chief executive among other things. It is appropriate for Council to confirm this revision to the Financial Delegations Policy at a monthly meeting of Council.

Examples of public law legislation:

- Public Finance Act 1989
  
- Public Audit Act 2001
  
- Public Records Act 2005
  
- Official Information Act 1982
  
- State Sector Act 1988
  
- Ombudsmen Act 1975
  
- Public Bodies Contracts Act 1959

The Buller District Council is charged with playing a broad role in meeting the current and future needs of our community for good-quality local infrastructure, local public services and performance of regulatory functions by the Local Government Act (2002). Included in that role is ensuring financial matters are conducted in an appropriate manner.

### **3.9 Tangata Whenua Consultation Considerations**

The contents of the report are not a matter requiring consultation with tangata whenua.

### **3.10 Views of Those Affected**

Ratepayers expect Council to provide good quality services and infrastructure at a fair price and a revised delegations policy supports that outcome.

### **3.11 Costs**

There is no additional cost to the community for the revised Financial Delegations Policy. The policy revision has funded out of existing operating budgets of Council, with staff time used for the review in addition to their daily tasks.

### **3.12 Benefits**

Council should use best practice to procure goods or services and pay for them. Good policy outlines expectations and provides guidance to staff for day-to-day operations such as payment of creditors as well as more technical one-off delegations such as committing Council to a contract, and ensures appropriate checks and balances are achieved.

### **3.13 Media / Publicity**

It is expected there would be little media interest in the revised Financial Delegations Policy.



## FINANCIAL DELEGATIONS POLICY (as at 3 October 2023)

Creation Date:	April 2019	Date for Review:	<del>October 2026</del> <del>May 2022</del>
Author:	Management Account	Authorised by:	<del>GM Commercial &amp; Corporate Service</del> <del>Chief Financial Officer</del>
Adopted by Council: on:	<del>17 June 2019</del>	Version:	<del>Two</del> <del>Three</del>

### 1. BACKGROUND

The Financial Delegations Policy is one of a series of documents adopted by Council to define methods and means of operation and managerial and administrative relationships.

This annual review of the Financial Delegations Policy has been updated to recognise staff complement changes and to set staff expenditure authorisation limits to practical and appropriate levels. The expenditure limits have been set to keep pace with inflation to ensure efficient Council operations.

### 2. FINANCIAL DELEGATIONS

The Financial Delegations Policy is a subsection within the full Delegations Policy. Financial Delegations must be read in conjunction with other policies such as:

- Procurement Policy
- Treasury Management Policy
- Delegations Policy
- Rates Remission Policies
- Human Resources Policies

These are delegations of powers and responsibilities to facilitate the effective and efficient financial management of the Council. The powers may be limited in some respects at lower levels of delegation.

### 3. DELEGATION INCLUDED WITHIN THIS SUB-SECTION ARE:

- Expenditure approval relating to procurement of goods, services and materials within the funding and budget limits approved by the relevant Annual Plan document
- Binding Council to a contract
- Delegation to authorise budget variances
- Write-off of Bad Debts excluding rates
- Delegation of various rating decisions
- Treasury management decisions and actions
- Disposal of Asset decisions, and associated calculations of losses or gains



**4. LEVELS OF AUTHORITY AND ACCOUNTABILITY**

Buller District Council's financial delegations align with the organisational structure and levels of accountability. The delegations framework is set against broad functional accountabilities as detailed in the table below:

Level	Functional Accountability	Titles
1	<ul style="list-style-type: none"> <li>Strategic Leadership of the organisation as a whole.</li> <li>Accountability for overall achievement of strategic outcomes.</li> <li>Whole of organisation staff management responsibilities.</li> <li>Whole of organisation delivery of services.</li> <li>Transition-related matters.</li> </ul>	Chief Executive Officer.
2	<ul style="list-style-type: none"> <li>Collective strategic leadership of the organisation through membership of the Senior Leadership Team.</li> <li>Whole of group staff management responsibilities.</li> <li>Whole of group financial management responsibilities.</li> <li>Whole of group delivery of services.</li> </ul>	Group Manager. <u>(including Chief Financial Officer)</u>
3+	<ul style="list-style-type: none"> <li>Accountability for a prescribed area of the organisation which requires a higher delegation limit to ensure effective day-to-day operation of the organisation.</li> </ul>	Manager Infrastructure Delivery.
3	<ul style="list-style-type: none"> <li>Collective operational leadership of the organisation through membership of the Tier 3 Management Group.</li> <li>Accountability for delivery in a prescribed area of the business.</li> <li>Full financial and staff responsibilities within their defined area (where this is delegated to them).</li> </ul>	<ul style="list-style-type: none"> <li><u>Manager Infrastructure Planning.</u></li> <li><u>Coordinator Property and Facilities Team Leader.</u></li> <li><u>Manager. Coordinator Asset Information.</u></li> <li><u>Coordinator Three Waters including Coordinator Drinking Water,</u></li> <li><u>Coordinator Waste Water and Coordinator Storm Water.</u></li> <li><u>Coordinator Transport.</u></li> <li><u>Coordinator Roading.</u></li> <li><u>Team Leader Planning</u></li> <li><u>Team Leader Building</u></li> <li><u>Coordinator Waste Management.</u></li> <li><u>Human Resources Advisor.</u></li> <li><u>Health &amp; Safety Advisor.</u></li> </ul>

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		<p><del>Coordinator Property Finance Manager</del></p>
4	<ul style="list-style-type: none"> <li>Accountability for delivery of team results within a single function of the organisation or Annual Plan/ Long Term Plan, such as professional administration services.</li> <li>Has limited financial responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li><del>Executive Assistant/ Personal Assistant.</del></li> <li><del>Electoral Officer.</del></li> <li><del>Rating Officer.</del></li> <li><del>Financial Services Officer</del> <ul style="list-style-type: none"> <li><del>Management Accountant</del></li> <li><del>Financial Accountant</del></li> <li><del>Coordinator Asset Planning</del></li> <li><del>Coordinator Asset Programmes.</del></li> </ul> </li> <li><del>Animal Control Officer.</del></li> <li><del>Compliance Officer.</del></li> <li><del>Planner</del></li> <li><del>Planner.</del></li> <li><del>Coordinator Waste Management.</del></li> <li><del>Community Facilities Officer</del></li> <li><del>Project Officer Capital Work</del></li> <li><del>Senior Building Inspector</del></li> <li><del>Technical Support Officer.</del></li> <li><del>Communications and Community Services Officer.</del></li> <li><del>Human Resources Advisor</del></li> <li><del>Utilities Officer.</del></li> </ul>

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Delegations that are set out in the table are not determined just by the "Title" in the table above, but by the functional accountability that the staff member is responsible for.

In any instance when a new position or a new title is created at Level 3 or 4 and the title does not appear in the title List, then Level 1 shall have authority to confirm what the level of delegated authority shall be for that new title position.

In any instance when a new position/title is created at Level 3+ or above authority to set the delegation limit shall be required by Council resolution.

Under this delegation, the Chief Executive Officer is able to appoint a consultant/contractor to any of the above named roles if they believe that is the most appropriate manner to undertake the role.

**4.1 Expenditure approval relating to the procurement of goods & services, materials and equipment within the funding limits approved by the relevant Annual Plan**

ATTACHMENT 1

The authority under this delegation is to approve generally recurring types of expenditure on behalf of the Council, up to the limits set out below, where the expenditure is provided budgeted for in the relevant Annual Plan or Long Term Plan.

Level	Limit
1	\$ 750,000 provided <u>budgeted for</u> in the relevant Annual Plan or Long Term Plan, or any amount if it is part of a contract that has been adopted by a previous Council resolution.
2	\$500,000 provided <u>budgeted for</u> in the relevant Annual Plan or Long Term Plan
3+	\$250,000 provided <u>budgeted for</u> in the relevant Annual Plan or Long Term Plan
3	\$25,000 provided <u>budgeted in</u> the relevant Annual Plan or Long Term Plan
4	\$7,500 provided <u>budgeted in</u> the relevant Annual Plan or Long Term Plan

Any staff member with delegated authority to approve expenditure must declare any conflict of interest to their respective manager prior to approval of this expenditure, or in the case of the CEO approval must be given by the Mayor.

For clarity, various positions within the council staff structure will be able to initiate purchase orders but the authoriser of the purchase order must have the appropriate \$ value level as noted above.

**4.2 Binding Council to a Contract awarded by publicly advertised tenders:**

Binding Council to a contract awarded by publicly advertised tenders are restricted to: the Chief Executive Officer, General Manager Regulatory Services, ~~General Manager Commercial and Corporate Services~~, General Manager Community Services, ~~and~~ General Manager Infrastructure Services and Chief Financial Officer.

Delegated authority to accept tenders up to \$500,000 provided that the lowest conforming tender meeting specification (for purchases and works contracts) ~~or the highest tender meeting specification (for sales of assets) is accepted and that the tender is not more than 40% above or below the estimate as appropriate.~~

All tenders exceeding \$500,000 are to be approved by Council. All tenders accepted are to be reported to Council.

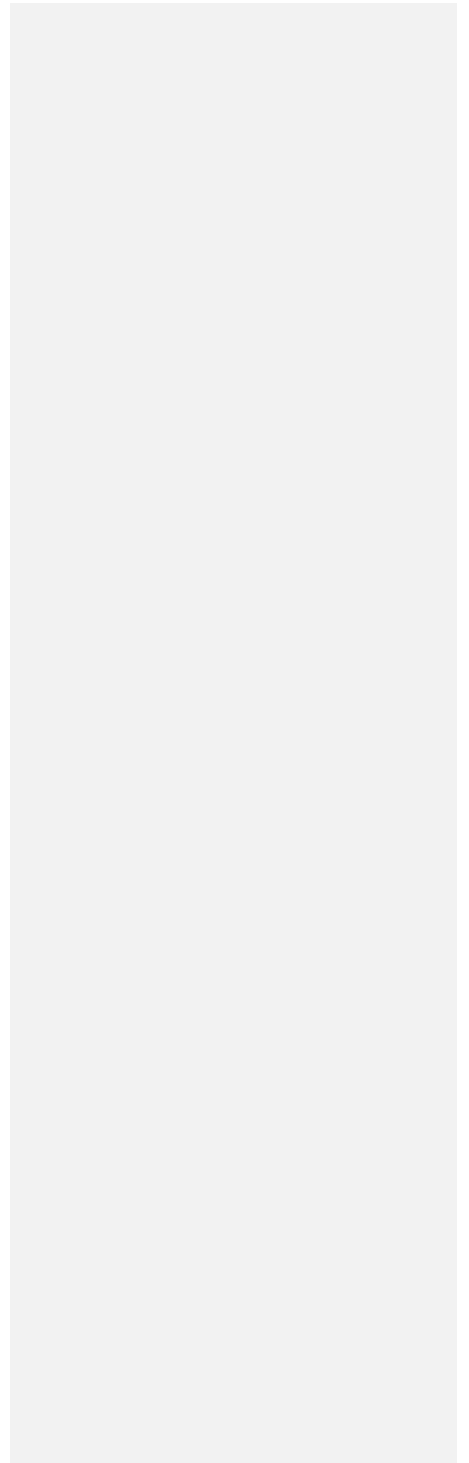
For the sake of clarity, contract payments may be authorised by the appropriate Officer for those contracts awarded by Council provided the contract payments do not exceed the approved contract amount.

The sale of land and building and other assets over the value of \$50,000 must be approved by the council. Other assets under the value of \$50,000 can be approved for sale by the Chief Executive Officer.

All land/buildings to be sold must be supported by a registered valuation while all other assets to be sold must use a publicly available sales process (eg trademe) to provide indicative sales value.

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#### 4.3 Power to authorise budget variances

The Council agrees to the following delegations of financial powers pursuant to the delegations policy to the CEO:

The power to authorise an officer to approve budget variances in an activity where that activity is able to be funded by additional income or reduced expenditure within the activity and in so doing will better meet the objectives set out in the relevant Annual Plan.

#### 4.4 Bad Debts

Delegated authority to write-off bad debts excluding rates is as follows:

- (a) Council - amounts over \$5,000 on any single account.
- (b) Chief Executive Officer - amounts up to \$5,000 on any single account.
- (c) Group Managers/Chief Financial Officer - amounts up to \$2,500 on any single account.
- (d) ~~Financial and Management Accountant;~~ Finance Manager, District Librarian; Senior Building Inspector; ~~Manager Infrastructure Delivery Utilities and Services Manager~~, Theatre Manager; Manager Reefton Service Centre - up to \$200 on any single account.

#### 4.5 Rating Delegations

Sec	Details for Power	Delegations
27	The decision on whether to divide rating units and the methodology for division	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del> <u>Chief Financial Officer</u></li> <li>• <u>Management Accountant</u></li> <li>• <u>Finance Manager</u></li> </ul>
28	The decision on whether the disclosure of the name of any person is necessary to identify a rating unit	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del> <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> <li>• Management Accountant</li> <li>• Rates Officer</li> </ul>
29	Authority to determine objections to the Rating Information Database	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> <li>• Management Accountant</li> </ul>
35	Authority to remove a name from the Rating Information Database	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> <li>• Management Accountant</li> <li>• Rates Officer</li> </ul>
39	Authority to determine objections to rates records	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> </ul>

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Sec	Details for Power	Delegations
		<ul style="list-style-type: none"> <li>• <del>Manager Corporate Services</del></li> <li>• Management Accountant</li> </ul>
40	Authority to correct errors in the Rating Information Database and Rate Records	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> <li>• Management Accountant</li> <li>• Rates Officer</li> </ul>
54	Authority not to collect small amounts	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> <li>• Management Accountant</li> </ul>
61	Authority to collect unpaid rates from the owner	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> <li>• Management Accountant</li> <li>• Rates Officer</li> <li>• Revenue Officer</li> </ul>
62	Authority to collect unpaid rates from persons other than the owner (including authority to send a ratepayer to debt collection, or to Mortgagee)	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> <li>• Management Accountant</li> </ul>
63	Ability to commence legal proceedings for the recovery of rates that are in default	<ul style="list-style-type: none"> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> <li>• Management Accountant</li> </ul>
67	Commencement of rating sale or lease provisions	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> </ul>
77,	Authority to commence abandoned land procedure	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del> <u>Chief Financial Officer</u></li> </ul>
79	Authority to sell abandoned land including setting the reserve price	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> </ul>
114-	Authority to administer "Remission of Rate Penalties", "Policy for Rates Relief on Maori Freehold Land", "Policy on Uneconomic Balances", "Policy on Remission on General Rates – land used and/or occupied by community, sporting and other organisations" policies.	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> <li>• Management Accountant</li> <li>• Rates Officer</li> <li>• Revenue Officer</li> </ul>
114-	Authority to administer "Policy on remission for rates and charges in times of extenuating circumstances"	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <u>Chief Financial Officer</u></li> <li>• <u>Finance Manager</u></li> </ul>

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Sec	Details for Power	Delegations
		<ul style="list-style-type: none"> <li>• <del>Manager Commercial &amp; Corporate Services</del></li> <li>• Management Accountant</li> </ul>
99	Authority to apply for charging orders	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del> Chief Financial Officer</li> </ul>
135	Authority to sign documents for court proceedings	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> </ul>

Where any individual position changes or is replaced, the delegated power will be transferred to the equivalent position.

This transfer of delegation shall be ratified by full Council where the delegation relates to the Chief Executive Officer or the ~~Manager of Commercial & Corporate Services~~ Chief Financial Officer.

When the transfer of delegation relates to the Management Accountant, Finance Manager, the Rates Officer, or Revenue Officer, the Chief Executive Officer shall ratify this change in delegation.

#### 4.6 Treasury Management Delegations

Council has the following authorities in place within the Treasury Management Policy:

Activity	Delegated Authority	Limit
Approving & changing policy	<ul style="list-style-type: none"> <li>• Council</li> </ul>	Unlimited
Borrowing limits	<ul style="list-style-type: none"> <li>• Council</li> </ul>	Borrowings limits are approved in the Long Term Plan by Council
Approving and setting up borrowing arrangements	<ul style="list-style-type: none"> <li>• <del>Group Manager Commercial &amp; Corporate Services</del> Chief Financial Officer</li> </ul>	Subject to the limits approved in the relevant Long Term Plan or Annual Plan
Drawing down debts & re-financing existing debt	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• <del>Chief Financial Officer</del></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> </ul>	Subject to Council set limits
Approving transactions outside policy	<ul style="list-style-type: none"> <li>• Council</li> </ul>	Unlimited (Subject to Council resolution)
Approving credit counterparty limits	<ul style="list-style-type: none"> <li>• <del>Chief Financial Officer</del></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> </ul>	Subject to Council set limits
Adjust interest rate risk profile on borrowing	<ul style="list-style-type: none"> <li>• <del>Chief Financial Officer</del></li> <li>• <del>Group Manager Commercial &amp; Corporate Services</del></li> </ul>	Fixed/floating ratio between 55% and 95%
		Fixed rate maturity profile limit as per risk control limits
Managing funding maturities in accordance with Council approved	<ul style="list-style-type: none"> <li>• <del>Chief Financial Officer</del></li> <li>• <del>Group Manager Commercial &amp; Corporate</del></li> </ul>	Per risk control limits

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Activity	Delegated Authority	Limit
facilities	<del>Services</del>	
Authorising lists of signatories	• Chief Executive Officer	Unlimited and reviewed as and when required Annual letter to lender
Opening/closing bank accounts	• Chief Executive Officer	Unlimited
Ensuring compliance with policy	• <del>Chief Financial Officer</del> • <del>Group Manager</del> <del>Commercial &amp; Corporate Services</del>	Ongoing
Review key performance measures	• <del>Finance</del> -Risk and Audit Committee	Quarterly Reports

Approval of changes to the Council Treasury Management Policy will authorise an equivalent update to this section of the Financial Delegations Policy.

#### 4.7 Human Resources

Buller District Council's Human Resources delegations framework is set against broad functional accountabilities as detailed in the table below:

Level	Functional Accountability	Titles
Level 1	<ul style="list-style-type: none"> <li>• Strategic Leadership of the organisation as a whole.</li> <li>• Accountability for overall achievement of strategic outcomes.</li> <li>• Whole of organisation staff management responsibilities.</li> <li>• Whole of organisation delivery of services.</li> <li>• Transition-related matters.</li> </ul>	Chief Executive Officer.
Level 2	<ul style="list-style-type: none"> <li>• Collective strategic leadership of the organisation through membership of the Senior Leadership Team.</li> <li>• Whole of group staff management responsibilities.</li> <li>• Whole of group financial management responsibilities.</li> <li>• Whole of group delivery of services.</li> </ul>	Group Manager.
Level 3+	<ul style="list-style-type: none"> <li>• Accountability for delivery of Human Resources Management throughout the organisation.</li> <li>• 3+ Delegations will only be undertaken in conjunction with authorisation from Level 2 or Level 1.</li> </ul>	Human Resources Advisor.
Level 3	<ul style="list-style-type: none"> <li>• Collective operational leadership of the organisation through membership of the Tier 3 Management Group.</li> <li>• Accountability for delivery in a prescribed area of the business.</li> <li>• Full financial and staff responsibilities within their defined area (where this is delegated to them).</li> </ul>	Team Leader. Manager.

#### 4.8 Human Resources Delegations



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Council has the following authorities in place for the Human Resources:

<b>Activity</b>	<b>Delegation</b>
Wholesale Changes to the Organisational Structure (within approved budgets)	Level 1
Create a new position or significantly change a position (within approved budgets)	Level 1, Level 2, Level 3+
Appoint permanent positions (within approved budgets)	Level 1, Level 2, Level 3+
Appoint temporary or fixed term positions (within approved budgets)	Level 1, Level 2, Level 3+
Sign Employment Agreements	Level 1, Level 2, Level 3+
Approve variations to employment agreements	Level 1, Level 2, Level 3+
Decide any appeal against appointment	Level 1
Agree Remuneration	Level 1
Agree Remuneration for positions within their business group	Level 2, Level 3+
Higher Duties Allowance Approval	Level 1, Level 2, Level 3+
Extra Duties Allowance Approval	Level 1, Level 2, Level 3+
Approve Annual Leave	Level 1
Approve Annual Leave for positions within their business group	Level 2, Level 3+, Level 3
Conduct Performance Reviews	Level 1
Conduct Performance Reviews for positions within their business group	Level 2, Level 3+, Level 3
Cash Up any balance of Long Service Leave	Level 1 Level 2
Cash Up to two (if five week's entitlement) annual leave approval	Level 1 Level 2, Level 3+
Cash Up to one week's annual leave approval	
Using Sick Leave in arrears approval	Level 1 Level 2, Level 3+
Bereavement Leave approval – note to do – table to be set up so that each line is on ONE PAGE not spanning across two - -	Level 1 Level 2, Level 3+, Level 3
Working on Public Holidays approval	Level 1 Level 2, Level 3
Leave Without Pay approval For Greater than 2 days per Annum	Level 1, Level 2 Level 3
Leave Without Pay approval For Less than 2 days per Annum	
Study Leave approval	Level 1 Level 2, Level 3+
Approval of taking leave under the Staff Wellness Policy	Level 1
Parental Leave Approval	Level 1 Level 2, Level 3+
Health and Safety Leave and Domestic Violence Leave	Level 1 Level 2, Level 3+
Employment relations leave approval	Level 1 Level 2, Level 3+
Special leave for jury service approval, for travel, for sporting or cultural purposes, Outward Bound,	Level 1 Level 2, Level 3+
Training, Conference, Seminar approval	Level 1 Level 2, Level 3+, Level 3
Special Leave for Search and Rescue, Volunteer Fire Brigade, Civil Defence and St John's Ambulance Services	Level 1 Level 2, Level 3+
Early Retirement approval and payment of Retirement Leave	Level 1

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Activity	Delegation
Dismissal or suspension of staff	Level 1
Initiate disciplinary action	Level 1 Level 2, Level 3+
Approval to undertake other work or secondary employment outside of Buller District Council (due to conflict of interest considerations)	Level 1 Level 2, Level 3+
Approve a conflict of interest decision	Level 1 Level 2, Level 3+
Refer a staff member to Employee Assistance Programme for counselling (for the first three appointments there is no requirement for any employee to seek authority to attend those sessions, greater than three requires permission)	Level 1 Level 2, Level 3+
Initiate staff misconduct investigation	Level 1 Level 2, Level 3+
Initiate fraud or corruption investigation	Level 1, Level 2, Level 3+

**4.9 Contracting Council to income not included in the Long Term Plan or Annual Plan**

Opportunities arise occasionally for the council to generate income from sources/activities not considered when the Long-Term Plan or Annual Plan were adopted by the council.

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Such opportunities, if appropriate should be encouraged. The most obvious example is when the Council could apply for grants from Central Government. The generating of such income opportunities will most likely attract additional costs or require existing council resources to be reprioritised from other activities that have been agreed to in the Long-Term Plan/Annual Plan.

Accordingly, all opportunities to create additional income that has not been identified as an activity in the Long Term Plan or Annual Plan that exceed \$50,000 requires council approval to allow the appropriate application to be made or ratify any decision make by the Chief Executive Officer.

## RISK AND AUDIT COMMITTEE

11 OCTOBER 2023

AGENDA ITEM: 12

**Prepared by** - Steve Gibling  
- Chief Executive

**Appendix 1** - Projects in Partnership and NEMA Update

### MONTHLY REPORT – PROJECTS IN PARTNERSHIP UPDATE REPORT

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#### 1 REPORT SUMMARY

This report provides an update on the progress of the Projects in Partnership Steering Committee. It will be provided to the Risk and Audit Committee on a regular basis until the projects are completed. See attached Appendix 1 for progress reports as listed below.

#### 2 DRAFT RECOMMENDATION

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

#### 3. REPORTS

##### **NEMA Reports**

- NEMA Financials Tranche 2
- NEMA Programme Surplus Tranche 2

##### **PiP Reports**

- 3 Waters
- Betterment
- Wharf Repair
- Dredging (verbal update to PiP committee only)
- Reefton Landfill
- DIA Better Off Funding (BOF) projects

**Projects in Partnership Meeting – DRAFT Minutes**  
**Monday 14 August 2023**  
**4.00 – 5.00 pm, Clocktower Chambers and via Zoom**

**Present:**

- Chairperson and Mayor Jamie Cleine (JC); Councillor Phil Grafton (PG); BDC Acting CEO Sean Judd (SJ); BDC CFO Douglas Marshall (DM); Group Manager Infrastructure Services Mike Duff (MD) Minute Taker Kirstin McKee
- Attending via Zoom: Suzy Paisley (NEMA) (SP); Ngāti Waewae Ned Tauwhare (NT); BDC Programme Manager - Recovery Penny Bicknell (PB); Kainga Ora Suresh Ram (SR)
- Apologies BDC Acting Group Manager Infrastructure Services Mike Williams (MW);

**1. Welcome and Introduction**

Meeting started at 4.06 pm.

**2. Previous Meeting Minutes**

Including the public excluded minutes from IAF discussion.

No issues raised, clarified, or corrected.

**Minutes accepted as tabled**

**3. NEMA Tranche 2 Funding**

P Bicknell spoke to the report.

Refer to claims table at bottom of page.

- Claim 7 - \$50,055.00 \* (the \* note has disappeared – should say “\*resolved from Claim 3 out of the \$91,028.25 above.)
- Note - error in this table. The **Invoiced** and **Paid** columns should be the same amount. The **Invoiced** column is the correct column. (Claim 2 correct figure is \$179,231.32)

Claim 8 was submitted last week for \$661,065.96.

NEMA may have a slight delay on this due to staff resourcing.

Update on “On Hold” portion. PB has written a report for NEMA due today, with Douglas Marshall reviewing.

Currently surpluses running on:

3 waters	\$ 394,573
Tiphead	\$ 240,581
Campground	\$ 79,628

Total: \$ 714,782 of which entitled to 40% only to transfer (\$286K), the rest we are unable to claim on

No other questions on financials

## Projects in Partnership Reports

### 4. NEMA FUNDED PROJECTS

P Bicknell (PB) spoke to these reports:

#### 3 Waters

All works are completed with the exception of the Brougham Brick Arch which came in at a high cost.

#### Public Excluded

Once these costs come in, discussion can be had around whether some of this is contingency, or how much of it might be betterment.

JC noted project management of this is 25% over budget.

PB responded when these budgets were initially put together, they were incorrectly apportioned. The costs were mis-budgeted on several projects in the project management area and had to be reworked after funding was received (noting these were done within a very short timeframe when BDC put the business case to NEMA).

MD noted as a level of comparison that as a percentage, would regard this as within range, approx. 11% of the programme capital value.

#### *Ned Tauwhare joined at 4.15 pm*

**Betterment** – some of these projects are now complete.

**Pump Station** – now contracted – will get 3 maybe 4 stations completed in this budget.

**Wastops** – to be completed this month.

**Grit and Sediment** – Davis Ogilvie is continuing with the design works and procurement process on this project. (Co-funded with IAF).

**Domain Stormwater** – complete.

**Alternative Water Supply Work** – Desk top study complete. This is going onto the next stage of undertaking the yield assessments.

**Mill & Roebuck Street** - complete.

**Coates Street** – currently being priced up.

Discussion re pump station lifting, , some were repaired as part of the 3 waters repair programme. There were originally 13 listed for lifting up, of which 3 or 4 will be completed. These were listed in priority order of being costed. Discussion whether other unused funds could be directed here. Until the Wharf repair costs are finalised, these unused funds reallocation is unknown.

#### **Wharf Repair**

Currently waiting for high level peer review to be completed before this goes out for procurement. Documentation is currently being progressed, along with submissions for archaeological impact and environmental effects etc. With the required high level peer review there is a slight delay as to when we can go for procurement and get market pricing.

Discussion re peer review which was requested last December. Received a letter from NEMA's John Price last month, where it was recommended to do this peer review. Received a quote to complete review (\$22K to be included within the current budget), which NEMA were comfortable with.

#### **Tiphead**

Tiphead is complete, all invoices have been received. Total project amount is \$240,581 (40% of this is \$96,232.00).

Discussion re reporting requirements once these projects are completed. Noted that completed project reports are not required except to discuss surpluses (as they remain a live project until the project is completely closed out ie. until the surplus is moved out).

**ACTION POINT:** PB to start an action point list/table with completed projects and the contingency that is left over for a running total. (noting the date of the final report if require more details)

#### **Dredging (verbal update)**

DM – Weather has not been favourable with only 2 or 3 days dredging, back to dredging a week ago. Good sounding at the weekend on the bar. Dredge is double crewing to catch up with engine issues. The repair went well.

Discussion re will be there be a gap when the money runs out for dredging and with Westland Mineral Sands. (WMS). By March we will be through the Tranche 2 contract, going to Nelson in September for dredge contract. Will be out of funding by March/April BDC will need to understand what Westland Mineral Sands (or other ports) may need done for the future.

Report coming to RAC in September to look at the future of the dredge operation.

#### **Reefton Campground Stopbank**

Potentially complete with a surplus \$79,628 (40% of this is potentially transferable).

This will be the final report to this meeting, further information on the Reefton Campground Stopbank will be provided on the table with the underspend as per the [Action Point](#) above.

#### **Reefton Historic Landfill**

PB – final piece of work is WSP river engineer to agree the final location of the main river channels (for the revetment will be complete). Project variance of (pg 33) here of \$231K, to be split between NEMA and BDC budgets.

The additional council budget of \$250K which was approved to add rock to the existing wall that wasn't as damaged, of this \$250K, have used \$144K with \$106K surplus here for council.

As this \$250k was not externally funded, it will be only the variance from the NEMA funded component will carry through into the table that PB will be preparing (as discussed above), once the project is completed. NEMA side currently \$125,165 is the project variance.

PB – NEMA money only covers the repair work. The BDC money was covering the additional piece that was not covered by NEMA. This is why a report was asked for how much rock was used in that council portion, as this needed to be separated out from the NEMA budget.

**The reports were accepted as tabled**

## 5. DIA - BETTER OFF FUNDING (BOF) PROJECTS

### **PB reports are taken as read noting:**

- The 6 month reports for DIA are completed. Two projects within that are discontinued: Smoke testing and Waimangaroa.
- Reefton Campground and Westport Critical Water submitted for approval – sitting with Crown Infrastructure for review.
- Council workshop on 13 September to deliberate on the final \$650K that is currently unallocated.
- 3 waters projects – broken into four bundles which are currently being priced.

**Reefton Wastewater Modelling** – \$150K projects - awaiting for proposal and pricing from project manager.

**Climate Change Adaptation** – Money has been paid to University Canterbury (UC). Di Rossiter to provide information on how we will receive reporting from UC and what level of progress reporting we will get from them. Councillor workshops are also scheduled in October to discuss the community engagement part.

**Master Planning** – Stage 1 vision is now out for RFP. We have put it out to invited tender to 5 parties, 3 of which are responding.

**Community HUB** – looking at potential sites with working group on the next steps around fund raising opportunities.

**Civil Defence** – hoping to complete by end of August/September.

**Airport relocation Study** – consultant has been engaged, will be visiting towards the end of August.

**Karamea reserve water** is now complete.

**Westport critical water supply** – pilot study also complete.

**Reefton Campgrounds** – Rick Barry put together project plan which is submitted to Crown Infrastructure, awaiting for their approval.

**S Paisley left the meeting at 4.38 pm**

**The report was accepted as tabled**

**Suresh joined the meeting at 4.39 pm**

## 6. IAF Funded Projects - **Public Excluded**



**Suresh left the meeting at 4.41 pm**

**Information noted**

**7. General Business**

No other matters were raised.

**The meeting closed at 4.41 pm.**



**Projects in Partnership Meeting – DRAFT Minutes**  
**Monday 11 September 2023**  
**4.00 – 5.00 pm, Clocktower Chambers and via Zoom**

**Present:**

- Chairperson and Mayor Jamie Cleine (JC); Councillor Phil Grafton (PG); BDC CEO Steve Gibling (SG); BDC CFO Douglas Marshall (DM); Minute Taker Kirstin McKee
- Attending via Zoom; BDC Programme Manager - Recovery Penny Bicknell (PB);
- Apologies – Kainga Ora Suresh Ram (SR); NEMA Suzy Paisley (SP); Ngāti Waewae Ned Tauwhare (NT), BDC Group Manager Infrastructure Services Mike Duff (MD);
- Discussion re to add Radha Gounder, NEMA, to meeting invites.

**1. Welcome and Introduction**

Meeting started at 4.00 pm.

**2. Previous Meeting Minutes**

Correction required to minutes dated 14 August 2023 regarding surpluses. The Campground surplus is incorrect. (refer to bottom of page one regarding the surplus amount for “Currently surpluses running on”).

These minutes are not approved and are to be pulled from the September RAC Projects in Partnership report. Corrected minutes for 14 August to be brought to the October PiP meeting.

**Minutes of 14 August are not approved**

**3. NEMA Tranche 2 Funding****NEMA financials**

P Bicknell spoke to reports – Claims balance is \$865,381.31. Updates to this form include the below ;

- Claim 8 has now been invoiced at \$647,571.00.
- Claim 9 has just been submitted to NEMA (\$578,429.00) and is under review.

Regarding the “on Hold” portion, we received a letter from NEMA which we are discussing -a formal update to be provided at the next PiP meeting.

**Completed Project Table**

Noted the completed, signed off projects, with a surplus of \$132,217

**The reports were accepted as tabled**

**4. NEMA FUNDED PROJECTS****Work package 1-5 - 3 Waters repairs****Brougham Street Brick Arch – outstanding**

Pricing has just been received and will be evaluated this week. Outcome will be reported on at the next PiP meeting. Contingency of \$397K, subject to change depending on Brick Arch outcome.

All other items in this bundle have been completed.

#### **Betterment Projects - STORMWATER & DRAINAGE**

**Pump Stations** – The 3 pump stations to have upgrades are currently in design. current budget variance is \$79k sitting in pump stations, this could go to the fourth pump station once design process for first three pumps are completed.

**WaStops** – last wastop currently being installed, should be completed this week.

**Grit and Sediment** – Delay on this project with Davis Ogilvie. Have reviewed the procurement documents on this, and looking to put this out for design and build tender. Procurement documents are currently being signed off.

**Alternative Drinking Water** – work in progress. Alternative drinking water still has \$73,500K available if any additional drilling required.

**Coates Street** — awaiting final design re stormwater.

#### **Wharf repair**

Independent peer review is underway and will be completed by end of this month and consents are progressing.

#### **Dredging (verbal update)**

D Marshall – The last August swing removed 23,000 cubes. Dredge is double crewing through to end of September, when the dredge will depart to Nelson for contract, returning to Westport for two more swings before Christmas. Billing for last swing is approx. \$465K. Bar and weather conditions have been problematic in the last swing.

#### **Reefton Historic Landfill**

P Bicknell – Pricing is in for the last piece of river training. Project Manager is talking with DoC regarding the carrying out of a bird survey before they can commence as there is potential for Banded Dotterels to be nesting here.

Price has come in at \$110K. Project Manager to look at this report as there may be some unintentional betterment contained in report (or what NEMA may consider betterment).

Project variance is \$226,141 - \$143,985 from rock revetment which is currently \$106,015 surplus from the council \$250K budget.

Discussion around, does there need to be a contribution around any betterment in the gravel moving and river training. BDC underspend will be debt funded.

**The reports were accepted as tabled**

## **5. BOF FUNDING - DIA**

P Bicknell spoke to the report. DIA have approved the 6 monthly reports, signed off by acting CEO S Judd.

- Two projects, Critical Water and Reefton campground were submitted and approved by DIA.
- Council workshop scheduled for Wednesday to discuss the reappropriation \$650K.

There is approx. \$314K we can claim from DIA. Claiming involves going into each project, doing the same 6 monthly report again and giving them the forecast out. P Bicknell to complete these to enable drawdown of the \$314K.

**3 Waters** - has been bundled into 4, procurement has just been finalised, to go out for tender pricing.

**Reefton Wastewater/Stormwater Modelling** – to be completed by February.

**Climate change adaptation** – have requested reports from University of Canterbury (Di Rossiter).

**Master Planning** – Stage 1 - Vision tenders, 3 submissions received with evaluations to occur this week.

**Community health feasibility study** - Feldspar is completing location investigation.

**Civil Defence** - waiting for order to be completed.

**Air Relocation Options Study** – Have received draft desk study from Mike Haines.

**Karamea Reserve Water** – completed.

**Westport emergency water supply** – in final procurement.

**Reefton Campground Cabins** – stakeholder meeting last week, progressing with project plan to be completed.

Discussion re Councillors workshop on Wednesday.

**The report was accepted as tabled**

**6. IAF Funded projects **Public Excluded****



**The report was accepted as tabled**

**7. Other business**

No other matters were raised.

**The meeting closed at 4.39 pm**

**NEMA Tranche 2  
Programme  
For Period 2023/24- August**

	CURRENT BUDGET (Total)	TOTAL COST TO DATE	TOTAL REVENUE TO DATE	Claims	FORECAST COST TO COMPLETE	FORECAST AT COMPLETION	PROJECT VARIANCE
<b>WP1-5 3 Waters Repairs</b>	<b>0</b>	<b>2,000,333</b>	<b>(1,919,359)</b>	<b>(2,716)</b>	<b>(78,258)</b>	<b>0</b>	<b>0</b>
Expenses	2,511,751	2,000,333	0	0	511,418	2,511,751	0
Revenue	(2,511,751)	0	(1,919,359)	(2,716)	(589,676)	(2,511,751)	0
<b>WP6 3W Betterment Projects</b>	<b>0</b>	<b>477,970</b>	<b>(367,455)</b>	<b>(101,230)</b>	<b>(9,285)</b>	<b>0</b>	<b>0</b>
Expenses	1,582,000	477,970			1,104,030	1,582,000	0
Revenue	(1,582,000)		(367,455)	(101,230)	(1,113,315)	(1,582,000)	0
<b>WP7 Westport Port Repairs</b>	<b>0</b>	<b>241,493</b>	<b>(169,939)</b>	<b>(45,946)</b>	<b>(25,608)</b>	<b>0</b>	<b>0</b>
Expenses	5,920,000	241,493			5,678,507	5,920,000	0
Revenue	(5,920,000)		(169,939)	(45,946)	(5,704,115)	(5,920,000)	0
<b>WP8 Westport Dredging Project</b>	<b>0</b>	<b>2,016,006</b>	<b>(2,016,006)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Expenses	4,716,000	2,016,006			2,699,994	4,716,000	0
Revenue	(4,716,000)		(2,016,006)	0	(2,699,994)	(4,716,000)	0
<b>WP9 Inangahua River Projects</b>	<b>0</b>	<b>1,038,986</b>	<b>(439,509)</b>	<b>(598,852)</b>	<b>(625)</b>	<b>0</b>	<b>0</b>
Expenses	1,224,000	1,038,986			185,014	1,224,000	0
Revenue	(1,224,000)		(439,509)	(598,852)	(185,639)	(1,224,000)	0
<b>WP10 Tiphead Repairs</b>	<b>0</b>	<b>759,839</b>	<b>(732,064)</b>	<b>(420)</b>	<b>(27,355)</b>	<b>0</b>	<b>0</b>
Expenses	1,000,000	759,839			240,161	1,000,000	0
Revenue	(1,000,000)		(732,064)	(420)	(267,516)	(1,000,000)	0
<b>Programme Management</b>	<b>0</b>	<b>109,130</b>	<b>(101,612)</b>	<b>0</b>	<b>(7,518)</b>	<b>0</b>	<b>0</b>
Expenses	190,440	109,130			81,310	190,440	0
Revenue	(190,440)		(101,612)	0	(88,828)	(190,440)	0
<b>TOTAL</b>							
Expenses	17,144,191	6,643,756		0	10,500,435	17,144,191	0
Revenue	(17,144,191)		(5,745,943)	(749,164)	(10,649,083)	(16,795,427)	0
Deductions	348,764				0		
<b>Total</b>	<b>348,764</b>	<b>6,643,756</b>	<b>(5,745,943)</b>	<b>(749,164)</b>	<b>(148,648)</b>	<b>348,764</b>	<b>0</b>

	Costs	Threshold	on Hold	Ineligible	Invoiced	Paid	Paid from \$1mil advance
Pre Tranche 2 (60%)	457,846.15	173,850.00			-		283,993.15
Claim 1	957,121.42	174,914.00			782,207.42	782,207.42	
Claim 2 (40%)	179,231.32				179,231.32	179,231.32	
Claim 3	632,903.36		91,028.25	4,297.23	537,577.88	537,577.88	
Claim 4	1,104,415.37		24,486.25		1,084,973.21	1,084,973.21	
Claim 5	739,294.89		1,800.00		739,294.89	739,294.89	
Claim 6	55,404.93				55,404.93	55,404.93	
Claim 7	938,898.80		50,055.00*		962,908.29	962,908.29	
Claim 8	661,350.94		13,495.00	285.00	647,570.94		
Claim 9	578,429.84		4,027.50		574,402.34		
Balance to be Claimed/Onhold/Ineligible	838,528.27						
<b>Total</b>	<b>6,685,579.14</b>	<b>348,764.00</b>	<b>84,782.00</b>	<b>4,582.23</b>	<b>5,563,571.22</b>	<b>4,341,597.94</b>	<b>283,993.15</b>

\* Resolved from Claim 3

<b>NEMA T2 Programme Surplus Report</b>	<b>Budget</b>	<b>Final Cost</b>	<b>Surplus</b>	<b>40%</b>
<b>Completed Project</b>				
Tiphead (final report July 2023)	\$ 1,000,000	\$ 759,419	\$ 240,581	\$ 96,232
Reefton Campground (financial report updated August 2023)	\$ 150,000	\$ 60,658	\$ 89,342	\$ 35,737
<b>Total surplus available for recommendation for reappropriation to another T2 project</b>				<b>\$ 131,969</b>

## BULLER DISTRICT COUNCIL - Flood Recovery - Recovery - Work Packages 1 - 5



### Programme/Project Details

<b>Location and Region:</b>	Buller, Westport
<b>Project Budget:</b>	\$2,511,751
<b>Month End</b>	September-2023
<b>Financial Period End</b>	August-2023
<b>Project Principal:</b>	Buller District Council
<b>Project Partner(s):</b>	National Emergency Management Agency (NEMA)
<b>Project Manager:</b>	Mark Wiechern
<b>Programme Outcomes:</b>	This Programme of works covers all 3W repair (Drinking Water/ Stormwater/ Wastewater) in Work Packages 1-5. The programme encompassed both the July 2021 and February 2022 severe weather events damage. 60% of funding is from NEMA, and the remaining 40% is by Cabinet approval of the T2 funding submission (outside of NEMA policy).

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

Aspect	Status	Comments
<b>Overall:</b>	G	Repair works have progressed well. Approximately 95% complete by tasks or 92% complete by cost vs projected total costs.
<b>Budget:</b>	G	All approved tasks allowed for in the NEMA repairs work will be completed within the boundaries of the total funding value approved. It is anticipated that the Brougham Brick arch repair will require to draw upon the large contingency figure still available within the total budget.
<b>Scope:</b>	A	Still require scope sign-offs by NEMA for Brougham brick arch.
<b>Resource:</b>	G	Contractors have increasing work loads from competing projects/funding streams which may require further discussion with the contractor (WRSL). Requires strict management by PMO for priorities.
<b>Schedule:</b>	A	All works excluding Brougham brick arch were completed by March 31. Current forecast is for the Brougham Brick Arch to be complete by December 24th at the latest, due to the complexity of access and seasonal river conditions.
<b>Risks / Issues:</b>	A	Current indications are that the Brougham Brick arch repair is likely to exceed NEMA approved budget. Further work required to look to validate the repair costs and progress with the works with increased budget utilising contingency available within the overall programmes budget.

Current Updated Programme	
Previous Reporting Period	Next Reporting Period
<p>The NEMA repair portfolio of projects which is now all closed and completed with the exception of the Brougham street Brick Arch repair. Relating to this specific repair, all permits, land access agreements and civil/structural design has been completed for this repair. Initial pricing from the market had previously also been received relating to the scope and schedule provided for this repair. Initial pricing received highlighted challenges with the execution of this repair. To this end a formal request for quote (RFQ) set of documents was produced, reviewed and published on GETS to a panel of 5 specialist drainlaying contractors to price. This RFQ closed within early September and an evaluation panel has scored. The TET panel recovered in the later part of September to evaluate further clarifications from bidding contractors. This has now been fully scored and evaluated from non price and price components and in the very last days of this reporting period a successful contractor has been identified for nomination for approval.</p>	<p>Present RFQ pricing to NEMA and obtain NEMA approval to proceed with the repair on the basis that the true cost of the works has been substantiated from a formal RQP process from a panel of 3 appropriately qualified and experienced civil and drainage contractors. Following approval from NEMA to then award a contract to the successful contractor with the intent for physical works to start in November 2023.</p>

Updated Project Road Map/Schedule																		
Project task	2022			2023														Comments
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan		
Planning and BDC Approvals	█	█	█	█	█	█						█	█	█				
Easements and access Agreement					█	█	█	█										
Construction (Includes continuation of HDD Design)					█	█	█	█							█	█		
Construction Complete								█							█	█		
Commissioning and Testing							█	█	█							█	█	
Handover and Asset Manager Acceptance							█	█	█								█	

Milestones				
Milestone / Task	Baseline Finish	Forecast/Actual Finish	% completion	Comments
Westport WWTP Diffusers Replacement	31-Mar-23	28-Mar-23	100%	
Westport WWTP Grit Cleaning	31-Mar-23	28-Mar-23	100%	
CCTV - Final Remaining Sites	16-Dec-22	31-Jan-23	100%	
Domett St Tomo - Damaged Pipe Repair	16-Feb-23	31-Mar-23	100%	
Cats Creek - Clean out Flood Silt	1-Oct-22	1-Oct-22	100%	
Westport Waste Pump Stations - Remainir	31-Mar-23	31-May-23	100%	
Waimangaroa Drinking Water Repair	1-Feb-23	28-Feb-23	100%	
Reefton Reservoir Access Track	16-Mar-23	30-Apr-23	100%	
Brougham St Brick Arch - Flood damage re	31-May-23	24-Dec-23	20%	
Reefton Brick Arch CCTV	16-Dec-22	31-Jan-23	100%	
Emergency works, repairs and clean ups p	31-May-22	31-May-22	100%	

Financials						
Budget and Expenditure Summary						
Programme/Project Item	Current Budget	Cost To Date (CTD)	Forecast Cost to Complete (FCC)	Final Forecast Cost (FFC)	Project Variance	Commentary
Business Case (Phase 0)	\$0	\$0	\$0	\$0	\$0	
Planning (Phase 1 - 3)	\$0	\$0	\$0	\$0	\$0	
Consents and Approvals (inc land and legal) (Phase 4)	\$0	\$112,983	\$0	\$112,983	\$112,983	
Design (Phase 4)	\$0	\$27,455	\$0	\$27,455	\$27,455	
Construction (Phase 4)	\$1,962,180	\$1,586,939	\$100,000	\$1,686,939	-\$275,241	
Closeout (inc operational readiness, handover, as built) (Phase 5)	\$0	\$0	\$0	\$0	\$0	
Project Management	\$226,837	\$272,956	\$18,000	\$290,956	\$64,119	
<b>Total</b>	<b>\$2,511,751</b>	<b>\$2,000,333</b>	<b>\$118,000</b>	<b>\$2,118,333</b>	<b>\$393,418</b>	
Contingency	\$322,734		\$393,418			



**Risks/Issues/Outcomes**

Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)

Risk ID - Risk/Issue	Mitigation	Residual Risk
WP1 - WP5 / 2 - BDC will be forced to utilise AP funds to remedy (unplanned, possibly unbudgeted works)	No proceeding until BAU Funds are ear-marked as backup.	12
WP1 - WP5 / 4 - Potential delays at certain flood 'repair' sites due to inclement weather (E.g. Reefton Access Track)	Manage the contractors schedule	2
WP1 - WP5 / 5 - Risk that information or records of work may not be suitable for the Planning	Identify the items required with the BDC Planning Team and discuss with suppliers in first	2

**Communications**

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

Key achievements/outcomes  
 Ongoing public stakeholder engagement continues with a number of news media statements and articles being published. The monthly Flood Recovery update Bulletin remains the primary community engagement tool for the 3W repairs and recently provided an update to the public in late April and again in late July in the local newspaper. As the Programme draws to an close in the coming months, a summary media release should be considered to summarise the extent of work undertaken by Council and it's contractors.

**Risk Key**

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

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

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

BULLER DISTRICT COUNCIL - Three Waters - Stormwater & Drainage - NEMA T2 Betterment - WP6	
Programme/Project Details	
Location and Region:	Buller
Project Budget:	\$1,582,000
Reporting Period (ending):	September-2023
Financial Period End	August-2023
Project Principal:	Buller District Council
Project Partner(s):	NEMA
Project Manager:	Rob Poole
Programme Outcomes:	The scope is made up of 8 sub-projects that fall under the NEMA Betterment funding source. The programme of works objective is to provide 3W flood resilience to select priority assets across the reticulated networks (Stormwater, Wastewater and Drinking Water) for Westport. Westport WWTP is jointly funded between NEMA and IAF



Project Overview/traffic Light Status/High-Level Summary ( G = Green- Good ; A = Amber- Warning; R = Red - Issue)		
Aspect	Status	Comments
Overall:	G	The programme is generally on track in terms of delivery outcomes and budget
Budget:	G	The lifting of all Pump stations has been prioritise and scope reduce to fit within budget accordingly
Scope:	G	The remaining scope relates to Coates Street stormwater, alternative drinking water supply and the lifting of the pumpstations. All projects are scoped and design underway
Resource:	G	Davis Ogilvie are working on Alternative drinking water. Egis have completed the Coates Street stormwater design and WRSL have commenced design for the pump station lifting options.
Schedule:	G	Physical works began in Feb 23. Last project to be completed in early 2024 (Westport WWTP), generally in accordance with baseline programme
Risks / Issues:	G	Risks and opportunities continue to be monitored, assessed on a monthly basis and updated to reflect actual or perceived risks

Current Updated Programme	
Previous Reporting Period	Next Reporting Period
<p>WW Pump Stations - Contract signed by BDC &amp; WRSL. D&amp;B Contract - Design underway</p> <p>SW Backflow Prevention - WestReef completed the last of 5 WaStops during August and September 23.</p> <p>WW Grit &amp; Sediment - Davis Ogilvie have provided BDC with their final "Principal Requirements" document at the end of August 23. Team Project are undertaking the Procurement process.</p> <p>Domain SW Drainage - Installation of sump. COMPLETE</p> <p>Alt Drinking Water Supply - DO continuing with a high level cost comparison study of selected water sources.</p> <p>Mill St manhole replacement - COMPLETE 30/6/23</p> <p>Roebuck St - COMPLETE 31/3/23</p> <p>Coates St - Egis completed design, specifically improving drainage at the Coates St/Forbes St intersection</p>	<p>WW Pump Stations - Contractor continuing with design.</p> <p>SW Backflow Prevention - COMPLETE. 5 WaStops installed</p> <p>WW Grit &amp; Sediment - Compilation of RFP documents and release to market for tender</p> <p>Domain SW Drainage - COMPLETE</p> <p>Alt Drinking Water Supply - DO to continue study into cost comparison of water source options.</p> <p>Mill &amp; Roebuck St - COMPLETE</p> <p>Coates St - Contractor to provide BDC with quote for project &amp; negotiations where required. Contractor undertaking preliminary ground investigations to understand constructability of drainage network in September and October 23.</p>

Updated Project Road Map/Schedule					
Project task	2023				Comments
	Sep-23	Oct-23	Nov-23	Dec-23	
Lifting wastewater pump stations above 1% AE level	Design	Construction	Construction	Construction	Lifting 3-4 no flood damaged Wastewater Pump Station electrical cabinets above the 1% AEP flood height in Westport. <b>*Scheduled for completion December*</b>
SW Backflow Prevention - Install WaStops (COMPLETE)					Installation of 5 no. backflow prevention devices within the Westport SW network. - COMPLETE
WWTP – Grit/Sediment and Screen Plant	Design	Design	Design	Design	Installation of a new combined Grit/Sediment and Screen plant at the Westport WWTP. <b>*Scheduled for completion December*</b>
Coates Street SW Upgrade - Stage 1	Design	WRSL Ground Investigation	Construction	Construction	Design and installation of open swale drains along Coates/ Forbes Street in Westport.
Westport Domain SW Reinstatement (COMPLETE)					Reinstatement of an old SW drain through the Westport Domain. Changed now to sump install on Menzies St - COMPLETE
Alternative Drinking Water Supply Investigation	Design	Design	Design	Design	Design and investigation of an alternative Drinking Water supply for Westport. <b>*Scheduled for completion December*</b>
Mill St and Roebuck SW Upgrade (COMPLETE)					Upgrading two weak nodes of Westport's SW network on Mill and Roebuck Streets. Installation of new manholes. Both - COMPLETE

Milestones				
Milestone / Task	Baseline Finish	Forecast/Actual Finish	% completion	Comments
WW Pump stations - PROCUREMENT - 10243	31-Jul-23	31-Jul-23	100%	Contract signed
WW Pump stations - CONSTRUCTION ROEBUCK - 10243	22-Sep-23	12-Dec-23	0%	Design underway
WW Pump stations - CONSTRUCTION RINTOUL - 10243	29-Sep-23	19-Dec-23	0%	Design underway
WW Pump stations - CONSTRUCTION NORTH BEACH - 10243	6-Oct-23	29-Dec-23	0%	Design underway
SW Backflow Prevention - 10244	18-Mar-23	30-Sep-23	90%	Complete 5 of 5 installed
WW Grit & Sediment - 10245	13-Dec-23	6-Mar-24	10%	Procurement underway with Team Projects
Domain SW Drainage - 10246	4-May-23	24-Mar-23	100%	Complete
Alt Drinking Water supply - DESKTOP STUDY - 10247	26-Jul-23	26-Jul-23	100%	Complete
Alt Drinking Water supply - YIELD ASSESSMENT - 10247	9-Aug-23	9-Aug-23	0%	Ongoing design by Davis Ogilvie
Alt Drinking Water supply - MULTI-CRITERIA ASSESSMENT - 10247	27-Sep-23	27-Sep-23	0%	Ongoing design by Davis Ogilvie
Alt Drinking Water supply - OPTIONS REPORT - 10247	23-Oct-23	23-Oct-23	0%	Awaits completion of multi criteria assessment
Mill St SW upgrade - 10248	26-Mar-23	30-Jun-23	100%	Complete
Roeback St SW upgrade - 10249	26-Mar-23	29-Mar-23	100%	Complete
Coates St SW upgrade DESIGN - 10250	29-Jul-23	10-Sep-23	100%	Complete
Coates St SW upgrade CONSTRUCTION - 10250	1-Jan-24	1-Dec-23	0%	Contractor ground investigation & pricing underway

Financials									
Budget and expenditure summary									
Programme/Project Item	Approved Original Budget	Current Budget	Cost to Date (CTD)	Forecast Cost to Complete (FCC)	Final Forecast Cost (FFC)	FFC to Current Budget Variance	Reported Contingency	Status	Commentary
WW Pump stations - 10243	\$ 313,200	\$ 313,200	\$ 4,366	\$ 231,307	\$ 235,673	\$ 77,527	\$ 77,527	In Construction	0
SW Backflow Prevention - 10244	\$ 178,350	\$ 178,406	\$ 163,671	\$ 14,735	\$ 178,406	-\$ 0	\$ -	Completed	0
WW Grit & Sediment - 10245	\$ 435,000	\$ 435,000	\$ 18,051	\$ 416,949	\$ 435,000	-\$ 0	\$ -	In Design	0
Domain SW Drainage - 10246	\$ 15,000	\$ 14,186	\$ 14,186	\$ -	\$ 14,186	-\$ 0	\$ -	Completed	Following preliminary site investigation in the Domain, the scope of the project changed to a new sump on Menzies St. Clearing of some drains and reinstatement of open swale drains was undertaken.
Alt Drinking Water supply - 10247	\$ 174,000	\$ 174,000	\$ 29,889	\$ 70,250	\$ 100,138	\$ 73,862	\$ 73,862	In Design	0
Mill St SW upgrade - 10248	\$ 22,620	\$ 22,620	\$ 22,287	\$ -	\$ 22,287	\$ 333	\$ 333	Completed	0
Roeback St SW upgrade - 10249	\$ 26,000	\$ 25,120	\$ 25,120	\$ -	\$ 25,120	\$ -	\$ -	Completed	0
Coates St SW upgrade - 10250	\$ 217,500	\$ 217,500	\$ 79,928	\$ 137,572	\$ 217,500	\$ 0	\$ -	Tendering	0
Betterment PM costs - 10251	\$ 200,330	\$ 201,968	\$ 120,472	\$ 81,496	\$ 201,968	-\$ 0	\$ -	In Construction	0
-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	0
<b>Total</b>	<b>\$ 1,582,000</b>	<b>\$ 1,582,000</b>	<b>\$ 477,970</b>	<b>\$ 952,308</b>	<b>\$ 1,430,278</b>	<b>\$ 151,722</b>	<b>\$ 151,722</b>		

Note: FCC and FFC exclude contingency

Risks/Issues/Outcomes		
Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)		
Risk ID - Risk/Issue	Mitigation	Residual Risk
NEMA T2 Betterment - WP6 / 15 - Constructability difficulties could lead to added expense of project. Possibly exceeding budget or potentially making project untenable	Proceed to construction only once agreed within BDC that budget is sufficient to execute a worthwhile portion of project.	8
NEMA T2 Betterment - WP6 / 4 - Long lead times for key components as some are imported.	Specialist consultant to oversee design, procurement and construction	6
NEMA T2 Betterment - WP6 / 6 - Wet weather will impede the construction programme	Works to be programmed during summer season to reduce risk of rain. Contractor to propose a work method that mitigates inclement weather if and where possible	6
NEMA T2 Betterment - WP6 / 11 - Limited choice of contractors. Procurement plan states that WestReef can be direct appointed	Early award projects under the 3W minor works contract to WestReef. Monitor progress	6
NEMA T2 Betterment - WP6 / 12 - Original plan to drain stormwater to a paddock may not be feasible and a new design will be required	Awaiting design information. Costs of preliminary design are fixed.	6
NEMA T2 Betterment - WP6 / 1 - budget is limited to \$360k and it is likely that this is not sufficient for all pump stations	Prioritise order of remediation and cut out pump stations in order to bring project in under budget. Monthly cost tracking throughout.	4
NEMA T2 Betterment - WP6 / 9 - NEMA funding expires 30/06/2024 and must be spent prior.	Communication with NEMA to agree realistic timescales for expenditure.	4

Communications
<b>An update on media, marketing and communication activity for the programme/project</b>
WW Pump Stations - None to date however this will involve substantial community engagement
SW Backflow Prevention - None required, but description of WaStops and use covered by WN
WW Grit & Sediment - None required
Domain SW Drainage - None required
Alt Drinking Water Supply - No engagement required at this options report stage.
Mill & Roebuck St - None required
Coates St - Project will involve some community engagement. So far BDC have been in contact with the local Pony Club to discuss our provisional plans.

**Risk Key**

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

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

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

BULLER DISTRICT COUNCIL - Infrastructure Strategy - Recovery - Westport Wharf Repair and Reinstatement		
Programme/Project Details		
Location and Region:	Buller, Westport	
Project Budget:	\$5,920,000	
Month End	September-2023	
Financial Period End	August-2023	
Project Principal:	Buller District Council	
Project Partner(s):	National Emergency Management Agency (NEMA)	
Project Manager:	Phil Rossiter	
Programme Outcomes:	Project Scope: This project seeks to repair and reinstate safe and fit-for-purpose wharf infrastructure at the bulk shipping precinct that was damaged during the July 2021 and February 2022 Buller River flood events.	
Project Overview/traffic Light Status/High-Level Summary ( G = Green- Good ; A = Amber- Warning; R = Red - Issue)		
Aspect	Status	Comments
Overall:	A	The project is generally following its intended path, albeit with some programme slip and budget pressure due to the introduction of unscheduled tasks (protracted Importance Level approval and late introduction of a peer review of the proposed Wharf repair design). Resource consent has been secured from the West Coast Regional Council and is expected from the Buller District Council in the next reporting period. A recent updated cost estimate exceeded the available budget by 10%, however this is considered close enough to proceed to market and validate via a tender process, with potential mitigations available, should tendered pricing exceed budget. Beyond this, key matters are in hand.
Budget:	A	A recent (July 2023) independent cost estimate was undertaken and exceeded the total available project budget of \$5,920,000 by approximately 10%. Whilst this flags potential issues with budget adequacy, market engagement has identified keen and willing suppliers with an easing workload, and it is considered appropriate to proceed to tender the repair on this basis and work with a preferred supplier on value engineering options, should this be required. There is risk associated with budget adequacy, but mitigations/value-engineering options have been identified, should they be required.
Scope:	G	The repair scope has been defined based on a combination of user-input, a detailed structural site inspection, and a recently completed 'constructability' review that has further optimised the repair design. The repair design will be based on Importance Level 3.
Resource:	G	Resources required for this stage of the project are secured. Additional resources will be required as the project progresses.
Schedule:	A	The programme is slipping, mainly because of unforeseen delays confirming the Importance Level of the repair design and now because of the need to complete a peer review of the repair design. The design will not be tendered until the design is confirmed, introducing a number of months' delay to the project. The overall programme will be confirmed and re-baselined when construction tenders are received and a programme is accepted. The current forecast is for a mid 2024 completion. It is possible actual completion may remain close to this date, but is to be confirmed when a contractor is secured and programme accepted.
Risks / Issues:	A	A number of risks have been identified and mitigations and management actions are underway and on-going and tracking to plan. The 'traffic light' status of this aspect has been set to amber to reflect the presence of risks and their potential to adversely impact the project, if not controlled.



Current Updated Programme	
Previous Reporting Period	Next Reporting Period
<p>The repair design has been completed and an independent peer review is underway and close to completion. The peer review was not programmed and has delayed milestones and the project's expenditure profile. A statutory approvals review has been completed. Resource consents are required from the West Coast Regional Council and Buller District Council. An Assessment of Environmental Effects has been completed, along with supporting studies (ecological impact assessment and archaeological assessment) and application for resource consent from The West Coast Regional Council has been secured, and resource consent from the Buller District Council has been recommended for issue by the Processing Officer and is expected in the next reporting period. Liaison with the Buller District Council (as Building Consent Authority) was undertaken and a Building Consent Exemption will be processed under its discretionary authority when the peer review is completed and the repair design finalised. An independent cost-check was completed to inform budget adequacy and produced a total project estimate approximately 10% beyond available budget. The design will be put to market (tender) in its current form to validate this, once the peer review process is complete and the design is locked down.</p>	<p>Substantially conclude (if not conclude) independent peer review of repair design. Receive resource consent from the Buller District Council. Progress construction repair procurement. Lodge building consent exemption application with Buller District Council. Formalise construction access with Kiwirail.</p>



Updated Project Road Map/Schedule															
Project task	2023						2024							Comments	
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		
Project management, coordination, and delivery (Sep '22 to Jul '24)	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Scheduled to continue to July 2024 but TBC when tenders received
Investigations & planning (Sep '22 to Sep'23)	█	█	█												
Design (Sep '22 to Oct '23)	█	█	█	█											
Consents & approvals (Jun '23 to Oct '23)	█	█	█												
Construction procurement (Jun '23 to Nov '23)	█	█	█	█											
Construction & site management (Oct '23 to Jun '24)				█	█	█	█	█	█	█	█	█	█	█	Scheduled to continue to June 2024 but TBC when tenders received
Handover & closeout (Jul '24)													█		Programmed to commence July 2024 but dependant on precursor milestones

Milestones				
Milestone / Task	Baseline Finish	Forecast/Actual Finish	% completion	Comments
Conceptual engineering design	23-Sep-22	23-Sep-22	100%	Complete
Geotechnical investigation & assessment	11-Nov-22	11-Nov-22	100%	Complete
Topographical survey acquisition	9-Nov-22	9-Nov-22	100%	Complete
Detailed engineering inspection and assessment	16-Nov-22	16-Nov-22	100%	Complete
Kiwirail liaison and building fate determination	28-Feb-23	28-Jan-23	100%	Complete
Preliminary engineering design	14-Dec-22	14-Jan-23	100%	Complete
Construction supplier engagement/validation	18-Jan-23	24-Apr-23	100%	Complete
Statutory approvals	10-May-23	10-Oct-23	90%	
Detailed design	12-Apr-23	31-Oct-23	90%	
Construction procurement	7-Jun-23	21-Dec-23	30%	
Construction	30-Jun-24	30-Jun-24	0%	
Handover	31-Jul-24	31-Jul-24	0%	

Financials						
Budget and Expenditure Summary						
Programme/Project Item	Current Budget	Cost To Date (CTD)	Forecast Cost to Complete (FCC)	Final Forecast Cost (FFC)	Project Variance	Commentary
Business Case (Phase 0)	\$0	\$0	\$0	\$0	\$0	
Planning (Phase 1 - 3)	\$108,000	\$95,675	\$15,000	\$110,675	\$2,675	
Consents and Approvals (inc land and legal) (Phase 4)	\$61,200	\$0	\$17,200	\$17,200	-\$44,000	
Design (Phase 4)	\$150,000	\$90,990	\$47,932	\$138,922	-\$11,078	
Construction (Phase 4)	\$5,432,387	\$0	\$5,484,135	\$5,484,135	\$51,748	
Closeout (inc operational readiness, handover, as built) (Phase 5)	\$12,000	\$0	\$12,000	\$12,000	\$0	
Project Management	\$156,000	\$54,828	\$102,240	\$157,068	\$1,068	
<b>Total</b>	<b>\$5,920,000</b>	<b>\$241,493</b>	<b>\$5,678,500</b>	<b>\$5,920,000</b>	<b>\$0</b>	
Contingency	\$413		\$0			

Risks/Issues/Outcomes		
Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)		
Risk ID - Risk/Issue	Mitigation	Residual Risk
10232 / 3 - Because the materials specified in the repair design are scarce and/ or have very long-lead times	Monitor and communicate	8
10232 / 4 - Because it is more complicated than necessary and unfit-for-purpose.	Monitor and communicate	8
10232 / 1 - Because there is insufficient consideration or estimation of cost effective repair/construction approaches and materials and/or collaboration with the construction/repair market	Monitor and communicate	6
10232 / 5 - Because the project is seen as too hard, or too distant, or not interesting	Monitor and communicate	6

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

Some external communication/media was undertaken in relation to the geotechnical drilling and investigation work and the purpose of this and relation to the wider repair programme. It is appropriate to progress further planning and design work and clarify matters such as programme timing and next steps before further communications are considered. No physical works are expected at the site until at least spring of 2023. On-going updates have been provided via BDC's communication team as part of wider flood recovery reporting.

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

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

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

## BULLER DISTRICT COUNCIL - Solid Waste - Recovery - Reefton Historic Landfill



### Programme/Project Details

<b>Location and Region:</b>	Buller, Westport
<b>Project Budget:</b>	\$1,324,000
<b>Month End</b>	September-2023
<b>Financial Period End</b>	August-2023
<b>Project Principal:</b>	Buller District Council
<b>Project Partner(s):</b>	National Emergency Management Agency (NEMA)
<b>Project Manager:</b>	Brendon Russ
<b>Programme Outcomes:</b>	Historic Reefton Landfill: The Reefton Historic Landfill was scoured out as a result of the February 2022 flood event. The Inangahua River watercourse is now exposed to the contents of the historic landfill, with the landfill sidewall now requiring reinstatement to return it to its pre-flood condition.

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

Aspect	Status	Comments
<b>Overall:</b>	G	Project is running in accordance with our expectations with works being carried out in a professional manner by the contractor
<b>Budget:</b>	G	Project expenditure for the month stills shows project forecast to be completed under budget. No known issues at this time
<b>Scope:</b>	G	The Reefton Historic Landfill was scoured out as a result of the February 2022 flood event. The landfill sidewall now requires reinstatement to return it to its pre-flood condition with an element of betterment funded by BDC.
<b>Resource:</b>	G	Brendon Russ (BDC-Project Manager), Mark Smith (WSP-Design) monitoring project with Roscos identified as local contractor undertaking works
<b>Schedule:</b>	G	Works on programme with stage 2 works still programmed to commence October 2023
<b>Risks / Issues:</b>	G	Risk & opportunities register updated and included as part of this report.

Current Updated Programme	
Previous Reporting Period	Next Reporting Period
Stage 1 (river re-training) of project 100% complete Stage 2 of project now essentially complete with further advice from WSP around further minor river re-training to complete WSP have provided a report on river training that is required to complete this project and meet resource consent conditions. Rosco Contractors have provided a price of \$108,969.76 to complete river training as detailed in the WSP Report - Funding split for this work is: - NEMA \$99,427.36 - BDC \$9,542.40	Bird survey to be completed prior to commencement of works due to possibility of nesting Banded Dotterels. Rosco Contractors to start river training onsite October and complete in November 2023

Updated Project Road Map/Schedule														
Project task	2022			2023									Comments	
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov		
Planning and BDC Approvals														Project Budget approved July 2022.
Resource Consent														WSP have completed a recourse consent application for this project
Design														WSP have been engaged to design on the remedial works required for the Historic Reefton Landfill. This design has been completed
Contract Award														Contract was awarded on 23 May 2023
Construction - Stage 1														Construction is expected to take 10 weeks
Construction - Stage 2														Construction to commence October 2023 and expected
Handover and Asset Manager Acceptance														

Milestones				
Milestone / Task	Baseline Finish	Forecast/Actual Finish	% completion	Comments
Planning and Scope Approval	30-Sep-22	30-Sep-22	100%	
Resource Consent Granted	28-Feb-23	20-Jun-23	100%	
Design	12-Feb-23	17-Feb-23	100%	
Tender	10-Mar-23	10-Mar-23	100%	
Contract Awarded	31-Mar-23	23-May-23	100%	
Construction - Stege 1	30-May-23	30-Sep-23	100%	
Construction - Stege 2	5-Jun-23	30-Nov-23	0%	
Handed over and Asset Manager accep	5-Jun-23	20-Dec-23	0%	

Financials						
Budget and Expenditure Summary						
Programme/Project Item	Current Budget	Cost To Date (CTD)	Forecast Cost to Complete (FCC)	Final Forecast Cost (FFC)	Project Variance	Commentary
Business Case (Phase 0)	\$0	\$0	\$0	\$0	\$0	
Planning (Phase 1 - 3)	\$10,515	\$11,869	\$0	\$11,869	\$1,354	
Consents and Approvals (inc land and legal) (Phase 4)	\$30,000	\$21,907	\$8,093	\$30,000	\$0	
Design (Phase 4)	\$106,225	\$114,315	\$0	\$114,315	\$8,090	
Construction (Phase 4)	\$1,037,640	\$756,095	\$120,000	\$876,095	-\$161,545	
Closeout (inc operational readiness, handover, as built) (Phase 5)	\$0	\$0	\$0	\$0	\$0	
Project Management	\$85,920	\$75,182	\$10,738	\$85,920	\$0	
<b>Total</b>	<b>\$1,324,000</b>	<b>\$979,368</b>	<b>\$138,838</b>	<b>\$1,118,199</b>	<b>\$205,801</b>	
Contingency	\$53,700		\$205,801			

Risks/Issues/Outcomes		
Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)		
Risk ID - Risk/Issue	Mitigation	Residual Risk
10019 / 1 - Caused by flooding of the Inangahua River combined with the temporary nature of the current stop bank	On going maintenance required on the temporary stop bank	5
10019 / 2 - Caused by excavation of contaminated ground	Agree method with contractor then follow up with regular site inspections by BDC	5

**Communications**

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

A media release was prepared May 2023, updating the public on the Contract being awarded to Rosco Contracting and the proposed start date. Internal BDC stakeholders are being updated on a regular basis

**Risk Key**

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

**Table 5: Likelihood of Occurrence**

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

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

## Project Status Report – Better Off Funding Projects overview – August 2023



### Programme/Project Details

<b>Location and Region:</b>	Buller District
<b>Contracted Amount:</b>	\$3,500,000
<b>Reporting Period:</b>	August 2023
<b>Project Principal:</b>	Buller District Council (BDC)
<b>Project Partner(s):</b>	DIA (Crown Infrastructure)
<b>Programme Manager:</b>	Penny Bicknell
<b>Programme Outcomes:</b>	The scope is made up of 9 projects approved by DIA that meet the funding criteria and demonstrate wellbeing outcomes. 2 further projects have been discontinued with funding reallocated or awaiting reallocation.



Project Overview/traffic Light Status/High-Level Summary (G = Green; A = Amber; R = Red)		
Aspect	Status	Comments
<b>Overall:</b>	G	The programme was prioritised by Council and approved by Crown Infrastructure
<b>Budget:</b>	G	\$3,500,000
<b>Scope:</b>	G	<p>The Programme of works includes the following approved projects:</p> <ul style="list-style-type: none"> <li>• Three Waters projects</li> <li>• Reefton Wastewater/Stormwater modelling</li> <li>• Climate Change Adaptation and Master Planning</li> <li>• Community Hub Feasibility Study</li> <li>• Civil Defence</li> <li>• Airport Relocation options study</li> <li>• Karamea Reserve Water</li> <li>• Westport Emergency Water supply</li> <li>• Reefton Campground</li> <li>• \$650k unallocated</li> </ul>
<b>Resource:</b>	G	Resource to be assigned to each project as required
<b>Schedule:</b>	G	Schedule to be determined. Final deadline for Crown Infrastructure projects programme is 30 June 2027
<b>Risks / Issues:</b>	G	Scope of works may need to be reduced in some projects to ensure they remain in budget

State of Play	
Last Month (September)	Next Month (October)
<ul style="list-style-type: none"> <li>Workshop with Councillors held on 13 September to debate options for the unallocated \$650k</li> <li>3 Waters – Procurement plan finalised and split into 4 bundles of work</li> <li>Reefton modelling – prepare a request for proposal and select consultants to price from an approved consultants list.</li> <li>Climate Change Adaptation – scheduled SLT and Council workshop for October for the Risk Explorer (RE) Tool. Budget for University of Canterbury (UC) transferred.</li> <li>Master Planning - Stage 1 – Vision – project - tender evaluation completed</li> <li>Community Hub Feasibility Study - Feldspar continuing to investigate potential sites and fund-raising opportunities. Feldspar to complete bulk &amp; location drawings and rough order costs. Application for additional funds for design concept</li> <li>Civil Defence – Bulk of procurement complete</li> <li>Airport Relocation Options study - draft report received</li> <li>Karamea Reserve Water – project completed.</li> <li>Westport Emergency Water supply – pilot study underway. Application for additional funds for placement of water tanks</li> <li>Reefton Campground cabins - Scoping document signed off and initial stakeholder meetings held</li> </ul>	<ul style="list-style-type: none"> <li>Council paper for resolution to approve 6 projects for the unallocated \$650k.</li> <li>Draft applications for Crown Infrastructure/DIA approval and complete DIA claims process for existing projects</li> <li>Projects in 4 bundles to be sent out for tender pricing.</li> <li>Reefton modelling and report to be completed by February 2024.</li> <li>Confirm timing of Community engagement - contingent on Council workshop. Continuing work with UC.</li> <li>Contract negotiation with preferred supplier. Site visits to be held mid-October.</li> <li>Community Hub – Feldspar continuing to investigate potential sites and fund-raising opportunities. Feldspar to complete bulk &amp; location drawings and rough order costs – workshop in Westport end October</li> <li>Complete order by Oct</li> <li>Finalise report.</li> <li>Final report required for DIA portal.</li> <li>Westport Emergency Water supply – complete final procurement.</li> <li>Project plan to be completed.</li> </ul>

Project Road Map/Schedule (Deadline for completion 30 June 2027)																			
Project task	Feb 2023	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan 2024	Feb	Mar	Apr	May	Jun	Jul	Comments
3 Waters																			Construction to commence Oct 2023 and be complete by July 2024
Reefton WW/SW modelling																			Modelling and Report to be completed by February 2024
Climate Change Adaptation																			Ongoing – linked to other funding
Master planning																			Contract negotiation and initial site visits
Community Hub feasibility study																			Feldspar contracted complete by December 2023
Civil Defence																			Complete in October
Airport relocations options study																			In progress – draft received
Karamea Reserve Water																			Completed
Westport emergency Water Supply																			Procurement in progress
Reefton Campground																			Project planning/scope approved

Financials (31 August 2023)						
Budget and Expenditure Summary.						
Programme/Project Item	Budget	Actual Spend	Drawdown /claim	Forecast cost to complete	Project Variance	Commentary
3 Waters (10264, 65,75,76,77,78)	\$1,260,000	\$ 83,916	\$ 5,000	\$ 1,176,084		
Reefton WW modelling (10266)	\$ 150,000	\$ 0		\$ 150,000		
Climate Change adaptation (10270)	\$ 250,000	\$ 130,000		\$ 120,000		
Master planning (10268)	\$ 250,000	\$ 11,138		\$ 238,862		
Community Hub Feasibility (10271)	\$ 150,000	\$ 76,258	\$ 5,000	\$ 73,742		
Civil Defence (10272)	\$ 275,000	\$ 205,513	\$ 275,000	\$ 69,487		
Airport Relocation options (10273)	\$ 50,000	\$ 15,096		\$ 34,904		
Karamea Reserve Water (10269)	\$ 65,000	\$ 65,000	\$ 65,000	\$ 0		Total cost \$75,000. \$10k Res Fund Contributions
Westport Emergency Water (10274)	\$ 100,000	\$ 60,876		\$ 39,124		
Reefton Campground Accom. (10267)	\$ 300,000	\$ 0		\$ 300,000		
Unallocated Funding	\$ 650,000			\$ 650,000		For Council resolution - October
<b>Total</b>	<b>\$3,500,000</b>	<b>\$ 647,797</b>	<b>\$ 350,000</b>	<b>\$ 2,852,203</b>		<b>\$367,284 reimbursement to be claimed</b>

## Communications

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

Westport News reported on the request to reprioritise funding from Waimangaroa and Westport smoke testing projects and the subsequent discussions at the April Council meeting. Better off Funding Tranche 2 funding has been withdrawn by Government.

Westport News reported on the additional funding available of \$950k from the Westport Wastewater/stormwater smoke testing project and Waimangaroa water project discontinuation.

Westport News reported on the allocation of \$300k to Reefton Campground Accommodation

## RISK AND AUDIT COMMITTEE

11 OCTOBER 2023

### AGENDA ITEM 13

**Prepared by** Douglas Marshall  
Chief Financial

#### PUBLIC EXCLUDED

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#### 1. REPORT SUMMARY

Subject to the Local Government Official Information and Meetings Act 1987 (LGOIMA) s48(1) right of Local Authority to exclude public from proceedings of any meeting on the grounds that:

#### 2. DRAFT RECOMMENDATION

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

Item No.	Minutes/ Report of:	General Subject	Reason For Passing Resolution under LGOIMA
PE 2	Steve Gibling - Chief Executive Officer	Project Management Office Review - Morrison Low	<b>(s 7(2)f)</b> - Maintain the effective conduct of public affairs through the protection of such members, officers, employees, and persons from improper pressure or harassment.
PE 3	Steve Gibling - Chief Executive Officer	LGOIMA Summary	<b>(s 7(2)a)</b> - Protect the privacy of natural persons, including that of deceased natural persons;