



MEETING

of the

Audit and Risk Committee

AGENDA

Time: 1:00 pm
Date: Wednesday, 21 February 2024
Venue: Waiata House, 27 Lincoln Road,
Masterton

MEMBERSHIP

Chair Philip Jones (Chairperson)

Mayor Gary Caffell

Councillor Bex Johnson

Councillor Craig Bowyer

Councillor Brent Goodwin

Councillor David Holmes

Councillor Tom Hullena

Councillor Stella Lennox

Councillor Tim Nelson

Iwi Representative Ra Smith

Councillor Marama Tuuta

Values

1. **Public interest:** members will serve the best interests of the people within the Masterton district and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively and uphold the values of honesty, integrity, accountability and transparency.
3. **Ethical behaviour:** members will not place themselves in situations where their honesty and integrity may be questioned, will not behave improperly and will avoid the appearance of any such behaviour.
4. **Objectivity:** members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others:** will treat people, including other members, with respect and courtesy, regardless of their ethnicity, age, religion, gender, sexual orientation, or disability. Members will respect the impartiality and integrity of Council staff.
6. **Duty to uphold the law:** members will comply with all legislative requirements applying to their role, abide by this Code, and act in accordance with the trust placed in them by the public.
7. **Equitable contribution:** members will take all reasonable steps to ensure they fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, attending civic events, and participating in relevant training seminars.
8. **Leadership:** members will actively promote and support these principles and ensure they are reflected in the way in which MDC operates, including a regular review and assessment of MDC's collective performance.

These values complement, and work in conjunction with, the principles of section 14 of the LGA 2002; the governance principles of section 39 of the LGA 2002; and our MDC governance principles:

Whakamana Tangata	Respecting the mandate of each member, and ensuring the integrity of the committee as a whole by acknowledging the principle of collective responsibility and decision-making.
Manaakitanga	Recognising and embracing the mana of others.
Rangatiratanga	Demonstrating effective leadership with integrity, humility, honesty and transparency.
Whanaungatanga	Building and sustaining effective and efficient relationships.
Kotahitanga	Working collectively.

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1 CONFLICTS OF INTEREST

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

2 APOLOGIES

The Chair invites notice from members of apologies, including apologies for lateness and early departure from the meeting.

3 PUBLIC FORUM

4 ITEMS NOT ON THE AGENDA

The Chairperson will give notice of items not on the agenda as follows:

Matters requiring urgent attention as determined by resolution of the Council

- The reason why the item is not on the agenda; and
- The reason why discussion of the item cannot be delayed until a subsequent meeting.

Minor matters relating to the general business of Council

No resolution, decision or recommendation may be made in respect of the item except to refer it to a subsequent meeting of Masterton District Council for further discussion.

5 REPORTS FOR DECISION

5.1 HEALTH AND SAFETY QUARTERLY REPORT AND HEALTH & SAFETY POLICY

File Number:

Author: Ben Jessep, General Manager Corporate

Authoriser: Kym Fell, Chief Executive

PURPOSE

Under the Health and Safety at Work Act 2015, all elected members are deemed 'officers' and must exercise a duty of due diligence in relation to health and safety. These quarterly reports provide information to assist elected members to carry out that role. This report also asks Council to endorse the updated Masterton District Council Workplace Health and Safety and Staff Wellbeing Policy.

EXECUTIVE SUMMARY

The last quarter has been quiet regarding recorded events, and there has been timely progress made within the key health and safety risk areas of contractor management, managing negative community interactions, and leave management. There has also been significant progress in the health and safety culture program which launches in the next quarter. A new Chief Executive (CE) and Executive Leadership Team (ELT) offers the chance for a good refresh and chance to implement a new, improved health and safety culture. The key will be to ensure best practice becomes embedded in our internal processes whilst maintaining momentum in ensuring our external partners join us and keep pace on this journey. This will proffer a safer environment for both our community and our internal workforce.

RECOMMENDATIONS

That the Audit and Risk Committee

1. notes the content and receives the Health and Safety Report for the quarter: (1 Oct 2023 to 31 December 2023).
2. notes a review of the Health and Safety Policy has been completed and the revised Policy was approved by the Strategic Leadership Team on 26 October 2023; and
3. recommends that Council endorses the updated MDC (Masterton District Council) Workplace Health and Safety and Staff Wellbeing Policy included as Attachment 1.

CONTEXT

Key Updates for the Quarter

1. Community Behaviours

This has been a positive outcome over this quarter with a stable level of instances maintained. This is especially important given the effects of negative community behaviours on MDC staff; psychosocial safety and wellbeing has a direct correlation as any threat is lowered.

Extra steps have been taken to bolster the standpoint of Masterton District Council in informing the public that these behaviours will not be tolerated and there are consequences for instances of negative behaviours. Signage has been signed off for installation in public areas of MDC customer service areas, the Library and contracted sites, Trust House Recreation Centre, and the Parks Depot.

A tiered threat level lockdown procedure is in final development, and this will be rolled out over 2024 with regular, ongoing revisions. Further security measures are being assessed for future development requirements.

Further training/refresher courses are being investigated for customer service staff and business units which interact with the public. Widening these training parameters will strengthen our staff toolkit across the organisation; improving awareness and recognition of the signs of stress and knowledge of de-escalation techniques for potentially stressful/difficult interactions.

2. H&S Culture change programme

Over the past 12 months improvements have been made to MDC processes around health and safety and over this coming year a programme will be rolled out to refresh, revisit, and reinvigorate standards of health and safety and review the new digital platforms, created to streamline contractor management, events, and incident reporting. This programme of works will reinforce the importance of MDC staff taking a moment to assess how actions affect both themselves and others with regards to health and safety. The key driver being to reduce incidents which cause harm and a re-embedding of the message from MDC of requirements and expectations of staff and those undertaking work on our behalf.

The Policy team have completed the review of the Workplace Health and Safety and Staff Wellbeing Policy with assistance from the Health, Safety and Wellbeing Advisor to update the previous version. This has been undertaken and adopted by the Senior Leadership Team in October 2023. The Policy is presented here to the Audit and Risk Committee for endorsement (see Attachment 1).

In the last quarter, MDC elected a new Health and Safety Committee, and this group had its initial meeting in January and brings a fresh perspective and diverse range of experience to the table.

The new organisational structure is also a wonderful opportunity to utilise the ELT to oversee safety observations, site, and contractor audits across active sites, offering a renewed understanding of the hazards and risk profiles across the organisation. As a first step in this process, the General Manager Corporate alongside the Health, Safety and Wellbeing Advisor has recently completed a full day of auditing to assess Health and Safety processes over multiple sites from four business units. This ELT assessment process of MDC health and safety will be conducted monthly with a rostered ELT member accompanying the Health, Safety and Wellbeing Advisor. The results of these audits will inform part of future Health and Safety Audit Report.

Contractor Management

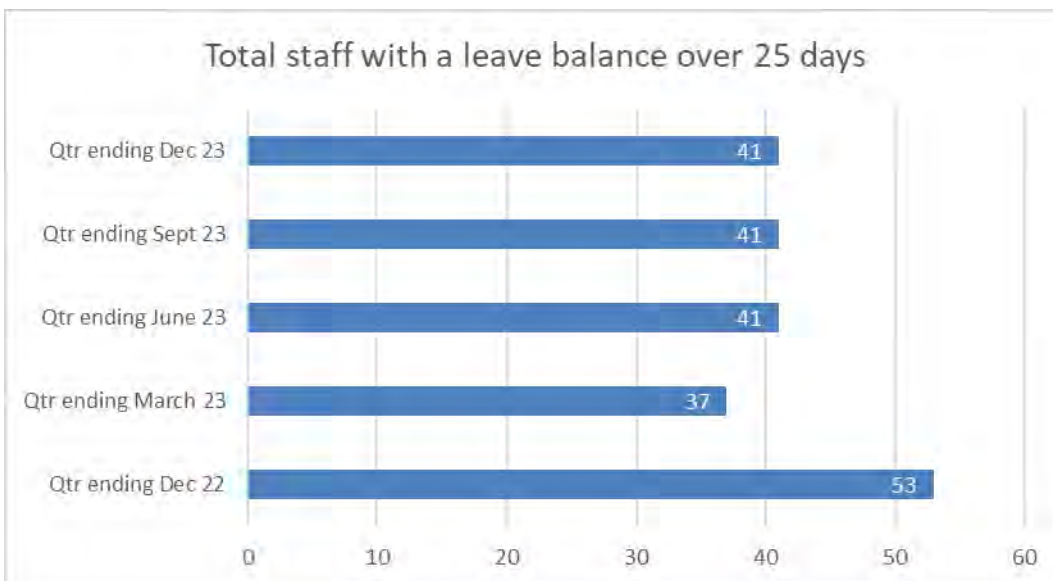
The prequalification platform SiteWise has continued to progress. Our contractor list to date shows that 76 of 139 contractors are signed on and/or developing their registration with SiteWise with 72 of these contractors scoring an average of 88%.

In the roading team, as part of emergency management planning, work has begun on assessing the role of rural persons/businesses assisting in times of need. The development of a specific SiteWise list of these persons will allow the team to utilise members of the affected community to assist undertaking works on behalf of MDC while being assured that the work carried out is done in a safe manner. Further discussions are being conducted with WREMO (Wellington Region Emergency Management Office) to outline the future process; who will manage the risk, liability during times of extreme duress and methods of communication in an active EOC.

People and Culture Metrics

Metrics were first reported to the last Audit and Risk Committee meeting in August 2022. These are now part of the MDC regular reporting cycle, enabling greater insights into key issues such as health, safety, and wellbeing initiatives.

Excessive Annual Leave



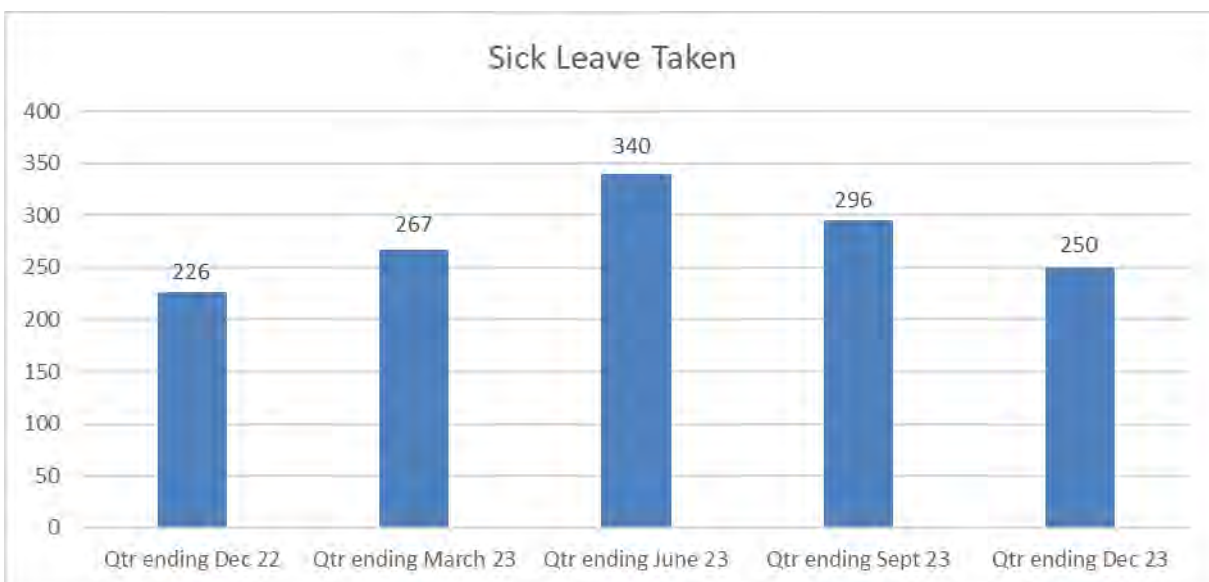
The current balance of staff with an annual leave balance of 25 days or more of 41 people has remained consistent for the last three quarters. There are currently discussions underway with staff who have excessive annual leave balances to create annual leave plans to reduce these. The key mitigation tasks will include workforce management activities which will involve reviewing that the right staff resources and operational processes are available in key critical areas to reduce hazards which may occur due to staff fatigue.

Annual Leave



Annual leave usage has seen a significant increase for the last quarter compared to the corresponding quarter last year. This could be due to excellent weather conditions in the last quarter and a proactive approach by the Chief Executive and Executive Leadership team (ELT) to encourage all non-essential employees to take leave over the Christmas period. Good leave management will continue to be promoted via the MDC digital leave system, which would also support a potential smoothing of MDC leave profile due to staff conducting more considered medium and long-term annual leave planning.

Sick Leave



Total sick leave taken for this quarter has decreased but is still higher than the same quarter in 2022. This is not seen as a significant risk at this point but will be monitored as MDC continue to manage long-term sick leave through robust return to work plans.

Lag Health and Safety Indicators

All incidents notified via the H&S system are reviewed by the relevant manager in addition to the H&S Committee, who then review the implementation of appropriate measures to mitigate the likelihood of future incidents.



Reported incidents logged into the health and safety reporting system (GOSH) reflect the greatest area of reporting. These are incidents relating to abusive behaviours or other interactions, for customer facing roles. There has been an obvious decline in reported behaviour incidents which reflects the work done by MDC and other organisations to alleviate the causes. Hazards identified are minimized or removed where practicable. There is still recognition of the requirement for an education program to ensure all hazards and incidents are recorded.

Due Diligence Summary

There has been no change to the traffic light reporting below for this quarter. See Appendix 1 for details.

MDC TOP HEALTH AND SAFETY RISKS

Description of risk	Controls and reduction measures	Update
Contractor Management	<ul style="list-style-type: none"> Regular communication between contractors and MDC relationship managers. Quarterly/ annual reporting. 	<p>MDC's Contractor Management approach is a key part of the Health and Safety Review, and updates are to be made over the next quarter.</p> <p>These include:</p> <ul style="list-style-type: none"> Stage 3 of implementation of a third-party contractor pre-qualification system to ensure all contractors fulfil their H&S obligations prior to

		<p>engagement by MDC.</p> <ul style="list-style-type: none"> Exempt contractors are being processed and manually entered Sitewise. These make up a small proportion of our database. <p>Contractors are required to prove they have robust H&S systems in place. Following their engagement on any high risk or longer-term projects, daily or weekly site visits will be conducted, including health and safety checks. For smaller low risk projects, only contractors from an approved database are to be used and monitoring will be on an as needed basis; particularly if they have been previously engaged without incident.</p>
<p>Vehicles, Roads, Driving</p> <p>(1) Driver risk factors (2) Journey risk factors (3) Vehicle risk factors (4) Working with/near vehicles risk factors.</p>	<ul style="list-style-type: none"> Driver training. Fleet maintenance. Hazard identification. 	<p>Driver training for 4x4 vehicles.</p>
<p>Stressors</p> <p>Fatigue (physical & mental), time pressure, bullying, harassment, mental health.</p>	<ul style="list-style-type: none"> Employee Assistance Programme (EAP). Leadership support. Staff engagement. Staff Surveys. Workforce Planning activities <ul style="list-style-type: none"> Recruitment Succession Planning Employee Development 	<p>MDC's employee assistance provider Vitae's proactive services continues. People leaders communicate the opportunity for any staff to contact Vitae via online/app based or direct contact to access appropriate services.</p> <p>There is a continued commitment to workforce planning mitigations to manage excessive workload risk. This has included an implementation of a growth and goal setting program, remuneration and benefits strategy, and continued workplace culture programs.</p> <p>Discussion in the Quarter 4 Risk Management Update Report under CORP5 – Loss Of or inability to Secure Key Staff also has links to this risk area.</p>

<p>Pandemic response</p> <p>Global pandemic. Public health risk.</p>	<ul style="list-style-type: none"> • Workplace H&S plans • Hygiene protocols. • Business Continuity Planning. 	<p>MDC will monitor the ongoing effects of Covid in the community and within its workforce, including the effects of long Covid amongst staff.</p> <p>This issue is decreasing with an observed downward trend of employees contracting Covid.</p>
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Lead Health and Safety Indicators

Lead indicators are proactive in nature and focus upon regular activities carried out to prevent accidents, injuries and/or incidents and control risk.

<p>Lead Indicators</p>	
<p>H&S committee meetings</p>	<p>Meetings continue to be held every six weeks.</p>
<p>H&S training</p>	<p>The H&S Committee is aiming to get all members trained to a minimum of H&S rep training Level 2.</p>
<p>H & S Culture</p>	<p>Training sessions have cemented organisational awareness of the importance of each person’s role in contributing to a successful H&S culture across the workplace and the wider Masterton region as representatives of MDC. The connection between business units and access to teams via leaders has improved the dissemination of information throughout the organisation.</p> <p>Measures have been discussed and prepared regarding behavioural incidents in MDC public facing spaces. The effectiveness of these will be monitored over the coming months against incident report numbers for the previous year.</p>
<p>Staff inductions</p>	<p>All new staff have been inducted following MDC established H&S induction process.</p> <p>The Health and Safety Committee members and team leaders will be conducting the generic H&S inductions with new staff.</p> <p>The development of an MDC induction handbook has been completed.</p> <p>The revamp of the Health and Safety manual will become a key mitigation to ensure MDC conducts best health and safety practice</p>

<p>Wellbeing initiatives</p>	<p>Employee Assistance Program (EAP) contracted onsite visits continue to occur, with the representative ensuring coverage of MDC workplaces.</p> <p>Staff participation has been key in the development of The Wellbeing Calendar. The calendar has flexibility to add additional special interest events, such as health, financial and charity events.</p> <p>The LMS (Learning Management System) provides a useful and positive tool for staff learning and to source relevant topics.</p>
<p>Good catch: A good catch is action oriented; staff recognise a situation or condition with potential to cause an incident, but it does not because of corrective action and/or timely intervention.</p>	<p>All incidents notified via the H&S system are reviewed by the appropriate manager who must be satisfied that appropriate action has been taken to reduce the likelihood of future incidents.</p> <p>Good catch summary Q1 Oct - Dec 24 = 0</p>
<p>Near miss: Event not causing harm, but potential to.</p>	<p>All incidents notified via the H&S system are reviewed by the appropriate manager who must be satisfied that appropriate action has been taken to reduce the likelihood of future incidents.</p>

Supporting Information

Strategic, Policy and Legislative Implications:

In accordance with Health and Safety at Work Act 2015, Masterton District Council, as a Person Conducting a Business or Undertaking (PCBU), must ensure, as far as is reasonably practicable, the health and safety of Council's employees, volunteers, or contractors (including their subcontractors), and that other people are not put at risk by our work. This includes visitors to our workplaces and members of the public who could be affected by work done.

Significance, Engagement and Consultation:

The recommendation to receive this report does not trigger criteria under the significance and engagement policy.

Financial Considerations:

There are no specific financial considerations associated with this update. There are financial implications associated with the recruitment and retention of staff, provision of leave, health, safety, and wellbeing.

Treaty Considerations/Implications for Māori:

There are no Treaty considerations or implications for Māori arising out of this report.

Communications/Engagement Plan:

Not applicable.

Environmental/Climate Change Impact and Considerations:

There are no environmental/climate change impact or considerations arising from this report.

ATTACHMENTS

1. **Workplace Health and Safety and Staff Wellbeing Policy** [↓](#) 

WORKPLACE HEALTH AND SAFETY AND STAFF WELLBEING POLICY

APPLICABLE TO:	All MDC workers and others	POLICY NUMBER:	MDC002
ISSUED BY:	Chief Executive	LAST APPROVED:	26/10/2023
CONTACT PERSON:	People and Culture Manager	REVIEW DATE:	26/10/2026

PURPOSE

The purpose of this policy is to ensure the health, safety, and wellbeing of all workers in Masterton District Council (MDC) workplaces.

SCOPE

This policy applies to all MDC workplaces and workers as defined in section 19 of the Health and Safety at Work Act 2015 which includes employees, contractors, sub-contractors, and volunteer workers.

This policy also applies to our wider community in instances where they are either in an MDC workplace or encountering MDC workers, such as visitors, customers and bystanders. In this policy they are referred to as others.

STATEMENT OF COMMITMENT

MDC is committed to meeting its obligations under the Health and Safety at Work Act 2015 and all other relevant legislation and regulations. MDC will take all reasonable steps to provide and maintain a safe and healthy workplace, and staff wellbeing programme, for workers and others.

Bullying, harassment, and discrimination are not tolerated at MDC. We recognise that these matters relate to having a safe and healthy workplace. Details of how MDC addresses these matters are outlined in our Bullying and Harassment Procedure.

RESPONSIBILITIES

At MDC, its everyone's responsibility to take reasonable care of their own health, safety and wellbeing, and the safety of other people. All workers will commit to a positive culture of health, safety and wellbeing, and contribute to a healthy and safe workplace by:

- complying with MDC health, safety and wellbeing instructions, policies, procedures and safe ways of working.
- knowing what work-place hazards workers and others could be exposed to and appropriate mitigations.
- reporting any health, safety and wellbeing concerns, hazards, accidents, incidents or near misses as soon as possible.

- role modelling good health, safety and wellbeing behaviours, and encouraging others to do the same; and
- actively participating in health, safety and wellbeing training and initiatives.

To keep people healthy and safe at work, our Strategic Leadership Team and Managers will commit to a positive culture of health, safety and wellbeing by:

- fostering an environment of continuous improvement, through regularly reviewing our health and safety system, keeping up to date with health and safety matters, and engaging with other councils and businesses on best practice health and safety.
- maintaining, reviewing and evaluating clear health, safety and wellbeing policies and procedures and helping workers and others in the workplace understand them.
- making available appropriate resourcing for health, safety and wellbeing.
- making reporting tools or channels clear and available for workers so they can easily report incidents, hazards and near misses.
- supporting open discussions about workplace behaviour, accidents, incidents, near misses, hazards, wellbeing, inclusion, and workload pressures, where people are encouraged to raise and report any issues. Creating a just culture of open reporting focused on learning, not blame.
- undertaking investigations, identifying remedial actions, and putting appropriate mitigations in place.
- engaging with workers and their representatives in managing workplace health, safety and wellbeing.
- having health, safety and wellbeing as a standing agenda item at team meetings.
- ensuring accountability for health, safety and wellbeing performance by putting health, safety and wellbeing goals in position descriptions, setting health, safety and wellbeing KPIs and including health, safety and wellbeing discussions in performance appraisals.
- working with the People and Culture team to ensure workers are trained and skilled in health, safety and wellbeing by participating in the MDC wide health, safety and wellbeing training programme, including bespoke health, safety and wellbeing learning solutions.
- supporting workers who are injured or unwell while they recover and work with them (and any applicable providers) on a return-to-work plan.

To keep healthy and safe while working for MDC, Contractors, their Workers and Sub-Contractors will:

- partner with MDC Managers and workers in safe ways of working.
- keep communicating during the tenure of the work, and report any health, safety and wellbeing concerns, hazards, accidents, incidents, near misses or initiatives as soon as possible.
- undertake investigations, identifying remedial actions, and putting appropriate mitigations in place.

MDC encourages any community groups that undertake projects in the Masterton District to work in a safe and organised way. This is particularly important for projects that have financial support from Council.

THE HEALTH AND SAFETY COMMITTEE

MDC is committed to having a Health and Safety Committee (the Committee) to support the implementation of this policy and wider health, safety, and wellbeing initiatives across the organisation in line with Part 2 of the Health and Safety at Work Act 2015.

The Committee will be comprised of worker representation across our different workplaces. Members will be provided relevant health and safety training and time to carry out their role. Their role includes:

- facilitating co-operation between MDC and workers in instigating, developing, and carrying out measures designed to ensure the workers' health, safety, and wellbeing at work; and
- assisting in developing any standards, rules, policies, or procedures relating to health, safety, and wellbeing that are to be followed or complied with at the workplace; and
- making recommendations relating to work health, safety and wellbeing to the Strategic Leadership Team or the People and Culture Team; and other relevant health, safety and wellbeing duties as agreed and indicated in their Terms of Reference.

TERM AND REVIEW OF POLICY

The term of this policy is three years following date of endorsement.

This policy will be reviewed annually by the People and Culture Team and the Health and Safety Committee to ensure consistency with legislation and regulations. Any variation to this policy requires the same levels of approval as if the term of the policy had expired.

RELATED DOCUMENTS

- Health and Safety Manual
- MDC Good Employer Policy
- MDC/PSA Collective Employment Agreement
- Bullying and Harassment Procedure

REFERENCES

- Health and Safety at Work Act 2015
- Health and Safety at Work (General Risk and Workplace Management) Regulations 2016
- Health and Safety at Work (Worker Engagement, Participation and Representation) Regulations 2016
- Health and Safety at Work (Asbestos) Regulations 2016

DEFINITIONS

Wellbeing - made up of physical and mental health, as well as social and relational wellbeing (that is, having strong supportive social connections and relationships), all of which are interconnected.

Workplace - Any place where a worker goes or is likely to be while at work, or where work is being carried out or is customarily carried out.

Worker - An individual who carries out work in any capacity for a PCBU. A worker may be an employee, a contractor or sub-contractor, an employee of a contractor or sub-contractor, an employee of a labour hire company, an outworker (including a homeworker), an apprentice or a trainee, a person gaining work experience or on a work trial, or a volunteer worker. Workers can be at any level (eg managers are workers too). PCBU is also a worker if the PCBU is an individual who carries out work in that business or undertaking.

Hazard - Anything that can cause harm. Under HSWA, hazard is defined as “includes a person’s behaviour where that behaviour has the potential to cause death, injury, or illness to a person (whether or not that behaviour results from physical or mental fatigue, drugs, alcohol, traumatic shock, or another temporary condition that affects a person’s behaviour)”.

VERSION CONTROL

Version	Date	Summary of Amendments	Approved By

6 REPORTS FOR INFORMATION

6.1 MINUTES OF THE PREVIOUS MEETING HELD ON 15 NOVEMBER 2023

File Number:

Author: Harriet Kennedy, Governance Advisor

Authoriser: Kym Fell, Chief Executive

PURPOSE

For the Audit and Risk Committee to receive the minutes of the previous meeting held 15 November 2023.

EXECUTIVE SUMMARY

The minutes of the Committee held on 15 November 2023 were confirmed by Council at its meeting on 13 December 2023 and are being brought to the Committee for their receipt.

RECOMMENDATION

That the Audit and Risk Committee receives the minutes of the previous meeting held 15 November 2023.

ATTACHMENTS

- 1. Minutes Audit and Risk Committee Meeting held 15 November 2023** [↓](#) 



MINUTES

Audit and Risk Committee Meeting **Wednesday, 15 November 2023**

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MINUTES OF MASTERTON DISTRICT COUNCIL
AUDIT AND RISK COMMITTEE MEETING
HELD AT WAIATA HOUSE, 27 LINCOLN ROAD, MASTERTON
ON WEDNESDAY, 15 NOVEMBER 2023 AT 3:00 PM

PRESENT: Philip Jones (Chair), Mayor Gary Caffell and Councillors B Johnson, C Bowyer, B Goodwin, D Holmes, T Hullena, S Lennox, T Nelson and M Tuuta

IN ATTENDANCE: Chief Executive, Manager Finance, Manager Strategy and Governance, Manager Community Facilities and Activities, Manager Communications and Engagement, Manager People and Culture, Interim Manager Assets and Operations, Policy Advisor, Team Leader Community Development, Senior Policy Advisor, Health Safety and Wellbeing Advisor, and Governance Advisor.

1 CONFLICTS OF INTEREST

No conflicts of interest were declared.

2 APOLOGIES

There were no apologies.

3 PUBLIC FORUM

There was no public forum

4 ITEMS NOT ON THE AGENDA

There were no late items.

5 REPORTS FOR DECISION

The Chair advised that Item 5.2 would be brought forward and considered prior to Item 5.1 due to staff availability.

5.1 ASSET MANAGEMENT POLICY

The report seeking the Audit and Risk Committee's endorsement of the revised Asset Management Policy (Attachment 1) was presented by the Senior Policy Advisor.

Whether the condition of assets should be reviewed more often than three yearly was discussed. Staff advised that the previous policy included reporting on the condition of assets in the Annual Report but this was onerous and costly. Reporting to the Audit and Risk Committee instead would focus on assuring the Committee that the programmes of work in the Asset Management Plans were being delivered. Staff also advised that critical assets like the water treatment plant were continuously being assessed.

The Chair proposed redefining the description under the Lifecycle Management "Operate and Maintain" as critical assets (e.g. water and roading) should be given higher grading than those non-critical assets which would be at the core level (e.g. Parks). An addition to the staff

recommendation was made to include "with minor modifications".

An amendment to the Policy was proposed, to add Council/Elected Members to the 'Roles and Responsibilities' to set out that the role of elected members in the AMP process being: to represent the interests of the community, help to set the strategic direction, budgets, levels of service and appropriate levels of risk, to approve the Infrastructure Strategy and Asset Management Plans and to provide strategic governance oversight of operational and capital expenditure. The amendment would make it clear that councillors would be involved the next time the Asset Management Policy was reviewed.

The proposed amendment was discussed and there was a view that what was outlined was councillors' role and not unique to asset management and therefore that didn't need clarifying in the Asset Management Policy. It was also noted that the Policy came to Council three years ago.

MOTION

Moved by Philip Jones
Seconded by Councillor B Johnson

That the Audit and Risk Committee:

- i) notes a review of the Asset Management Policy has been completed;
- ii) notes the revised Asset Management Policy was approved by the Strategic Leadership Team on 2 November 2023; and
- iii) endorses the revised Asset Management Policy with minor modifications included as Attachment 1.

AMENDMENT

Moved by Councillor B Goodwin
Seconded by Councillor T Nelson

That the Audit and Risk Committee:

- i) notes a review of the Asset Management Policy has been completed;
- ii) notes the revised Asset Management Policy was approved by the Strategic Leadership Team on 2 November 2023; and
- iii) endorses the revised Asset Management Policy included as Attachment 1 with the addition of the following in the 'Roles and Responsibilities' section:

Council/Elected Members	<ul style="list-style-type: none"> • Represent the interests of the community • Set the strategic direction, budget, levels of service and appropriate level of risk • Approve the Infrastructure Strategy and Asset Management Plans • Provide strategic governance oversight of operational and capital expenditure
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LOST

COMMITTEE RESOLUTION 2023/36

Moved by Philip Jones

Seconded by Councillor B Johnson

That the Audit and Risk Committee:

- i) notes a review of the Asset Management Policy has been completed;
- ii) notes the revised Asset Management Policy was approved by the Strategic Leadership Team on 2 November 2023; and
- iii) endorses the revised Asset Management Policy with minor modifications included as Attachment 1.

CARRIED

[Note: the final Asset Management Policy with the minor modifications incorporated is attached as Minutes Attachment 1]

5.2 NON FINANCIAL PERFORMANCE 2023/24 QUARTER 1 REPORT

The report advising the Audit and Risk Committee of performance against non-financial measures year to date, for the period from 1 July 2023 to 30 September 2023, was presented by the Principal Advisor Strategy and Governance.

Members discussed the two water measures referred to in the staff recommendation and it was agreed that the measure revert to the original, rather than the reduced targets proposed at the previous meeting, as although most of the water meters had been installed they were not fully operational yet so would not influence water consumption. The Chair noted that whatever targets were set internally, Council was still required to report on the targets set in the Long Term Plan. Staff advised that the Long Term Plan envisaged the measure being reviewed annually as a result of the water meter implementation. It was noted that the opportunity to revise targets and measures for water (along with other assets) would be part of the discussions leading up to the Long Term Plan consultation.

COMMITTEE RESOLUTION 2023/37

Moved by Councillor B Goodwin

Seconded by Councillor T Nelson

That the Audit and Risk Committee

- i) Receives the Quarter 1 non-financial performance report for the 2023/24 financial year.
- ii) Recommends Council confirm the Year 3 (current year) targets for the two water measures that are reported annually as follows:
 - Percentage of Real Water Loss – target for Year 3: no more than 32.5%.
 - Average Consumption - target for Year 3: no more than 578/litres/person/day.

CARRIED

6 REPORTS FOR INFORMATION

6.1 MINUTES OF THE PREVIOUS MEETING HELD ON 23 AUGUST 2023

For the Audit and Risk Committee to receive the minutes of the previous meeting held 23 August 2023.

COMMITTEE RESOLUTION 2023/38

Moved by Mayor G Caffell
Seconded by Councillor B Johnson

That the Audit and Risk Committee receives the minutes of the previous meeting held 23 August 2023.

CARRIED

6.2 SERVICE PROVISION REPORT - ARATOI REGIONAL TRUST

The report providing the Committee with the quarterly report against key result indicators for Aratoi Regional Trust was presented by the Manager Community Facilities and Activities. Sarah McLintock, Director of Aratoi, was in attendance to speak to her report.

COMMITTEE RESOLUTION 2023/39

Moved by Councillor B Johnson
Seconded by Councillor C Bowyer

That the Audit and Risk Committee receives the Service Provision Report Aratoi Regional Trust covering the summary results of the key result indicators for the quarter 1 July - 30 September 2023.

CARRIED

6.3 DESTINATION WAIRARAPA QUARTERLY REPORT (1 JULY 2023 TO 30 SEPTEMBER 2023)

The report providing the Audit and Risk Committee with the first quarter (1 July 2023 – 30 September 2023) progress report on key deliverables for Destination Wairarapa was presented by Anna Nielsen, General Manager, Destination Wairarapa.

COMMITTEE RESOLUTION 2023/40

Moved by Councillor C Bowyer
Seconded by Councillor D Holmes

That the Audit and Risk Committee receives the first quarter report (1 July 2023 – 30 September 2023) from Destination Wairarapa.

CARRIED

Report 6.5 was taken before Report 6.4 due to the attendance on Teams of Council's Audit Director.

6.4 CORPORATE CARBON EMISSIONS REDUCTION PLAN IMPLEMENTATION: PROGRESS REPORT

The report advising the Audit and Risk Committee of progress on the implementation of the Corporate Carbon Emissions Reduction Plan (CCERP 2021) was presented by the Climate Change Activator.

The EV Strategy was discussed and staff advised it was due for review in 2024.

COMMITTEE RESOLUTION 2023/41

Moved by Councillor T Nelson
Seconded by Councillor B Johnson

That the Audit and Risk Committee receives the second six-monthly progress report on the implementation of the Corporate Carbon Emissions Reduction Plan.

CARRIED

6.5 2022/2023 ANNUAL REPORT

The report providing the draft Annual Report for 2022/23, for information and ahead of Council consideration for adoption on 29 November 2023 was presented by the Manager Finance who advised that the report should have been adopted at the end of October but that had not been possible due to internal resourcing and a delay in valuations. The Report would be brought to Council for adoption on 29 November 2023.

Council's Audit Director was in attendance on Teams to answer any questions. The Audit Director advised that the audit had gone very well and they were well placed to issue an unmodified Audit Opinion at the end of the month.

COMMITTEE RESOLUTION 2023/42

Moved by Mayor G Caffell
Seconded by Councillor D Holmes

That the Audit and Risk Committee:

- i) receives the draft (pre-final) audit opinion, Annual Report for 2022/23; and
- ii) notes the final Annual Report for 2022/23 will be considered for adoption by Council on 29 November 2023.

CARRIED

6.6 2024-2034 LONG-TERM PLAN UPDATE

The report providing the Audit and Risk Committee with an update on progress with the development of the 2024-34 Long Term Plan was presented by the Manager Strategy and Governance.

COMMITTEE RESOLUTION 2023/43

Moved by Philip Jones

Seconded by Councillor C Bowyer

That the Audit and Risk Committee

- i) Receives the 2024-34 Long-Term Plan update report.
- ii) Notes the risks identified in this report.

CARRIED

6.7 THREE MONTHS TO DATE FINANCIAL REPORT QUARTER 1 2023/2024

The report providing the Audit and Risk Committee with financial reporting for the three months to 30 September 2023 was presented by the Manager Finance.

COMMITTEE RESOLUTION 2023/44

Moved by Councillor B Johnson

Seconded by Councillor S Lennox

That the Audit and Risk Committee receives the financial report and commentary for the 3 month period to 30 September 2023.

CARRIED

7 PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION 2023/45

Moved by Councillor T Nelson

Seconded by Mayor G Caffell

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
7.1 - Minutes of the Audit and Risk Committee Meeting held with the public excluded on 23 August 2023	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	<p>confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p> <p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p> <p>s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p> <p>s7(2)(e) - the withholding of the information is necessary to avoid prejudice to measures that prevent or mitigate material loss to members of the public</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	
7.2 - Health and Safety Quarterly Report	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
7.3 - SLT Risk Discussion	s7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	<p>information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p> <p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p>	
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CARRIED

The Meeting moved into public excluded at 5.13pm
The Meeting moved out of public excluded at 5.55pm
The Meeting closed at 5.55pm

The minutes of this meeting were confirmed at the Council meeting held on 13 December 2023.

.....
CHAIRPERSON

MINUTES ATTACHMENT 1

Asset Management Policy

Applicable to:	MDC Staff	Policy Number:	MDC023
Issued by:	Chief Executive	Last Approved:	02 November 2023
Contact Person:	Manager Assets and Operations	Review Date:	02 November 2026

Purpose

The purpose of the Asset Management Policy is to state Masterton District Council's/Te Kaunihera ā-rohe o Whakaoriri (MDC's) commitment to asset management and set a consistent framework for asset management at MDC.

Policy Context

Masterton District Council (MDC) manages infrastructure assets like water, sewerage, stormwater, roading, community facilities, and senior housing to serve residents, businesses, and visitors. MDC is committed to systematic asset management for efficiency and cost-effectiveness. Asset management is a significant part of Council's budget, covering creation, operation, maintenance, renewal, and disposal of assets. Council's goal is to ensure sustainable, long-term asset management for community benefit.

Strategic Context

A number of internal strategic and statutory documents outline the Council's roles, services, and operations. These documents must align to ensure the efficient and effective delivery of asset-related functions, services, and activities.

The relationship between this Asset Management Policy, the Infrastructure Strategy, Long-Term Plan and the various levels of asset management is set out below:



Scope

This policy applies to all MDC infrastructure assets. In general terms the categories of assets and associated asset types that Council owns, or controls, and are covered by this policy are:

Activities	Example of Assets
Parks and open spaces	Public open space, street and park trees, stadium, cemeteries, playgrounds, lakes
Community facilities and property	Recreation Centre, Library, Public toilets
Roading	Roads, bridges, culverts, footpaths, kerb and channels, shared paths, cycle lanes, cycle paths, streetlights, signs, traffic signals, road markings and bus shelters
Water Supply ¹	Treatment plants, pipelines, reservoirs, and connections (laterals, tables and meters)
Solid Waste	Landfill and transfer stations
Stormwater ¹	Pipelines, open drains, and land drainage scheme
Wastewater ¹	Treatment plants, gravity pipelines, rising mains, and pump stations

Council contractor assets are exempt from this policy.

Principles of Asset Management

Council takes an integrated and multi-disciplinary approach to asset management. Assets are managed with the primary purpose of providing a desired level of service, in the most cost-effective manner, to meet present and future needs.

A systematic, whole of life approach is taken to manage assets, as illustrated by the asset lifecycle following.

¹ Three Waters assets are part of the council, but they will be transferred to the National Transition Unit (NTU) of DIA before July 1, 2026. So, it might not be an asset to the council after that period. NTU is responsible for the Three Waters AMP, and all the geospatial data related to Three Waters is sent to NTU.



All asset management decisions will be made in accordance with the following principles:

- Assets will be created or acquired for their service delivery potential. Service delivery needs and levels of service will be defined in consultation with the community, also taking into consideration relevant demographic, social, environmental, ~~technical~~ and financial factors.
- Asset management planning will be fully integrated with all activities across MDC.
- Asset management decisions will be made in line with service provision determined through the Long-Term Plan and Section 17A reviews.
- Assets will be managed to ~~effectively and efficiently meet the needs of the community now~~ and in the future.
- Responsibilities for the control and management of assets will be defined.

Asset Management Plans

Asset Management Plans (AMPs) document the activities, resources and timeframes required for assets to achieve MDC's objectives. MDC develops AMPs for all key asset and activity areas, namely:

- Parks and open spaces;
- Community facilities and property;
- Roading;
- Water Supply;
- Solid Waste;
- Stormwater; and
- Wastewater.

Each of the key asset and activity areas will be assigned an Asset Manager, responsible for the development and implementation of the AMP. AMPs should be updated regularly, in line with budget and planning decisions, with a strategic review every three years, in line with the LTP development.

Lifecycle Management

Asset lifecycle management is the process used to ensure we get the full life out of assets via planning and maintenance to boost productivity, extend asset lifespans, and reduce costs. The four major stages of an asset's lifecycle are plan, acquire, operate/use, maintain, dispose.

MDC will effectively manage its assets throughout the lifecycle. This is further detailed below:

<u>lifecycle stages</u>	<u>lifecycle activities</u>
Plan	<ul style="list-style-type: none"> - Identify an asset's necessity, its technical requirements, and potential solutions for procurement. - Evaluation, prioritisation and selection of capital investment proposals will be based on lifecycle cost-benefit analysis. - Budget for new assets and asset renewals will be considered and approved through the Long-Term Plan (LTP) and Annual Plan process.
Acquire/Build	<ul style="list-style-type: none"> - Organisation and control of the purchase of new, updated or renewed assets. - All purchases should follow the principles and objectives of the MDC Procurement Policy.
Operate and <u>Maintain</u>	<ul style="list-style-type: none"> - Assets will be used for the purposes set out in the planning stage. - Operation of assets is tracked with regular evaluation of function and use. - Infrastructure assets will be managed, at a minimum, in accordance with the Core Asset Management Practices as defined in the New Zealand Asset Management Support's (NAMS) International Infrastructure Management Manual 2020. As part of the improvement plans for each Asset Management Plan, Council is committed (reflecting available resources) to developing the maturity level of the plans, where appropriate. - Detailed asset registers will be maintained for all MDC-owned or controlled assets.
Dispose	<ul style="list-style-type: none"> - All assets will be assigned an 'economic life' and valuations and depreciation will be defined in accordance with all relevant MDC financial policies. - Any disposals will be undertaken as per any

	contractual terms, consideration of mana whenua, and in accordance with relevant MDC policies.
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Audit & Reporting

An independent peer review of the AMPs will be completed every three years, in addition to audits of the AMPs by the Office of the Auditor General as part of the LTP process.

Roles & Responsibilities

Roles	Responsibilities
CEO	<ul style="list-style-type: none"> - Take charge and lead the charge in promoting dynamic asset management among the staff, council, and the community. - Collaborate with senior management to promote a cross-functional approach to asset management. - Monitor compliance with this asset management policy.
Senior Management Team	<ul style="list-style-type: none"> - Ensure that asset managers are equipped with all the essential skills, training, resources, and assistance required to achieve their asset management goals successfully. - Act as a review panel for asset management plans and projects. - Ensure approved AMPs are implemented within budget and service parameters. - Ensure that accurate and reliable information is presented to Council for decision making. - Ensure agreed work programme relating to AMPs is delivered. - Monitor and review organisational performance in achieving the asset management strategy. - Ensure community consultation is undertaken at appropriate times and in accordance with the Local Government Act 2002 and MDC's Significance and Engagement Policy, and that other legal and statutory obligations are met.
Asset Managers (Individuals)	<ul style="list-style-type: none"> - Assist in the development of appropriate policy, strategy and guidelines/processes as required. - Ensure their asset group data is accurate

	<p>and current.</p> <ul style="list-style-type: none"> - Develop AMPs for their asset group in accordance with the requirements of this policy. - Implement improvement plans for their asset group. - Implement approved AMPs for their asset group. - Deliver levels of service for their asset group to agreed risk and cost standards. - Review AMPs to agreed timeframes, in consultation with the Asset Planning Engineer.
Asset Planning Engineer	<ul style="list-style-type: none"> - Develop and enhance asset management functions within MDC. - Raise awareness of the value of asset management within MDC. - Coordinate and review asset management systems and processes, objectives and guidelines. - Coordinate AMP development, implementation and review. - Audit and report on asset management. - Seek external expertise as needed.

Review of Policy

This policy will be reviewed in conjunction with the LTP every three years.

Definitions

Asset: Any item, thing or entity that has potential or actual value to an organisation.

Asset Management: The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner.

Lifecycle Cost Analysis: A method of determining the cost-effective option to purchase, operate, maintain and dispose of an asset, when each available option is equally appropriate to be implemented on technical grounds.

Related Documents

- Asset Management Plans (published each LTP cycle)
- [Masterton District Council Long-Term Plan](#)
- [Masterton District Council Procurement Policy](#)
- [Masterton District Council Significance and Engagement Policy](#)

References

- [Local Government Act 2002](#)

Version Control

Version	Date	Summary of Amendments	Approved By
1.0	11/7/2017	Removal of procedural content.	Senior Management Team Endorsed by Council 20/09/2017
2.0	08/12/2023	Addition of further context and update of formatting. Updated requirements on condition assessment reporting. Inclusion of CE in roles and responsibilities. Change of role description from Asset Management Advisor to Asset Planning Engineer – to reflect current staffing.	Senior Leadership Team approved 2/11/2023 Endorsed by Council 15/11/2023

6.2 DESTINATION WAIRARAPA QUARTERLY REPORT (1 OCTOBER 2023 TO 31 DECEMBER 2023)

File Number:

Author: Karen Yates, General Manager Strategy & Development

Authoriser: Kym Fell, Chief Executive

PURPOSE

The purpose of this report is to provide the Audit and Risk Committee with the second quarter (1 October 2023 – 31 December 2023) progress report on key deliverables for Destination Wairarapa.

RECOMMENDATION

That the Audit and Risk Committee receives the second quarter report (1 October 2023 – 31 December 2023) from Destination Wairarapa.

CONTEXT

Destination Wairarapa is a regional tourism organisation (RTO) servicing the Wairarapa region. Their role is to attract visitors to the region, to help grow tourism revenue, and to support local tourism operators.

The three Wairarapa District Councils and Destination Wairarapa have a Memorandum of Understanding (MOU) that sets out key deliverables to be met by Destination Wairarapa in alignment with council funding and investment. An updated MOU was endorsed by all three Wairarapa District Councils in September 2022, with Masterton and South Wairarapa committing to a three-year funding term. Carterton committed to a two-year funding term, with funding being reviewed as part of their Long-Term Plan process.

The Wairarapa Destination Management Plan, endorsed by the three Wairarapa District Councils in 2022, further details tourism priorities for the region. This plan is reflected in the Wairarapa Economic Development Strategy (WEDS).

The following table outlines the results against each of the key deliverables of Destination Wairarapa:

Key Deliverables	Result	Assurance (How Achieved)
To increase the number of visitors to the Wairarapa, the length of time they stay in the region and the amount they spend. Specifically, Destination Wairarapa are tasked with	Not Achieved Accommodation Data for this period does not reflect growth,	Accommodation Data ¹ , November 2023: <ul style="list-style-type: none"> Total guest nights: 23,700 (November 22 – 24,400) Average nights stayed: 1.8 (November 22 – 1.8)

¹ The Accommodation Data Programme replaced Commercial Accommodation Monitor in 2019. This data captures 33 registered accommodation establishments in Wairarapa. This methodology does not capture unregistered establishments.

Key Deliverables	Result	Assurance (How Achieved)
<p>delivering growth in domestic and in international visitor spend per annum and in line with the Tourism Industry Aotearoa's Tourism Beyond 2025 framework.</p> <p>In particular this growth needs to be seen across the winter period. This information will be reported as Wairarapa-wide and by TLA where available.</p>	<p>neither does spend data.</p>	<p>Nationwide (all RTO's) - Total guest nights are up on last year's levels. Like Wairarapa, domestic guest nights were down nationally however international guest nights were up significantly. Having a heavily skewed domestic market protected the region somewhat from global impacts – such as the recent pandemic, but it leaves us very vulnerable to domestic influences such as high inflation/interest rates.</p> <p>A similar trend has been observed in Wellington over the past couple of months.</p> <p>MRTE data for Wairarapa²: Domestic tourists in the Wairarapa spent \$15.9 million in October 2023. This was 22.5% down on October 2022. This was a nationwide trend and most likely due – as predicted, to the effect of the national elections, higher cost of living and increased interest rates.</p> <p>International tourists in Wairarapa spent \$1.2m in October 2023.</p> <p>We are yet to receive the spend data for November, which may be boosted by the 12,000 who attended Wings Over Wairarapa and 6,000 who attended Toast Martinborough.</p>
<p>Represent the Wairarapa in the Business Events market in partnership with suitable venues, activities and other services.</p>	<p>In progress</p>	<p>Provide support and promotion for a wide range of events:</p> <ul style="list-style-type: none"> • Wairarapa Wedding Expo • Walking Festival • Toast Martinborough • Lighthouse Gin Garden Party • Wings Over Wairarapa

² The Monthly Regional Tourism Estimates (MRTEs) provide estimates of regional monthly expenditure that indicate tourism's contribution to the national and regional economies. The MRTEs estimates are based on Tourism Electronics Card Transaction (TECT), Tourism Satellite Account (TSA), and International Visitor Survey (IVS) data

Key Deliverables	Result	Assurance (How Achieved)
		<ul style="list-style-type: none"> • Smokefest Burnout Comp • Rita Anguus exhibition at Aratoi • Pukaha Garden Tour • World Space Week • The Bookshop Hop
Destination Management Plan	Completed	The Wairarapa Destination Management Plan (DMP) has been received and endorsed by all three of the Wairarapa District Councils. It is a plan for the sustainable growth of tourism in the region, and key elements are reflected in the new MOU, as well as the refreshed Wairarapa Economic Development Strategy (WEDS).
To provide an online Wairarapa events calendar and a PDF downloadable version of major events.	Achieved	Available on the Destination Wairarapa website.
Represent the Wairarapa in the Inbound market in partnership with suitable venues and activities.	Achieved	Hosted Tourism NZ product manager familiarisation for German and UK product managers, which received a positive response. Presented a regional showcase webinar to 60 South East Asian front line travel sellers via Tourism NZ Singapore.
Host the Wairarapa core economic development information around “Buy & Invest”, “Live & Work” and “Study” on the Destination Wairarapa website.	Achieved	Accessible on the following website link: https://wairarapanz.com/live-work
To provide a balanced budget.	Achieved	The Quarter 2 General Manager’s and Marketing Board ended December 2023 has been received.
To report quarterly to the council, including attending council meetings. The report is to cover progress towards all deliverables.	Achieved	The Quarter 2 General Manager’s and Marketing Board Report ended December 2023 has been received and reported on in this report.

1. Other activities undertaken during this reporting period

a) Examples of promotion:

- Provided support and promotion for a wide range of events including the Wairarapa Walking Festival, Toast Martinborough, Wings Over Wairarapa and the Pūkaha Garden Tour.
- Toast Martinborough received Regional Events Funding (REF). Destination Wairarapa worked with WellingtonNZ and the Toast Martinborough marketing team to work on maximising ticket sales in the days leading up to the event.

b) Media:

- Hosted a Tourism NZ Singaporean media familiarisation – three social media influencers with large followings. Produced a great amount of social media content, with a particular focus on dark skies.
- Hosted content creators and freelancers for Jetstar. They created the content for Jetstar channels as well as sharing on their own channels. This visit led to some high-quality social media content.
- Supported Longbush Cottage with a media release announcing them being awarded prestigious four-star Garden of Significance rating from the NZ Gardens Trust.
- Features on different Wairarapa tourism opportunities across the mainstream news media, including Queen Elizabeth Park featuring in a [Stuff article](#) about family friendly opportunities.

c) Funding:

- The Strategic Tourism Assets Protection Programme (STAPP) funding finished at the end of the financial year (June 2023). The end of this funding limits the print and sponsored activity Destination Wairarapa can undertake in the future.
- Funding was secured from WEDS to retain a staffing resource (Chrissy Cummings) to begin work on developing a multi-stakeholder, regional programme aimed at leveraging the opportunity that International Dark Skies accreditation has brought the region. Chrissy is also part of the team providing advice for the Masterton Dark Skies accreditation process.

d) Trade promotion

- Hosted Tourism NZ product manager familiarisation for German and UK product managers. There has been a strong response to the trade ready product.
- Worked with Classic New Zealand Wine Trail regional partners to develop a familiarisation for TRENZ 2024 along the whole trail (TRENZ is New Zealand's largest international tourism business event).
- Presented a regional showcase webinar to 60 South East Asian frontline travel sellers via Tourism NZ Singapore.

Other relevant updates

a) Website development:

- The new website is due to be rolled out in March/April. Work is now focused on ensuring that when the website is rolled out, it will synchronise with NZ.com (Tourism NZs website)

b) Wairarapa Dark Sky International Reserve:

- A regional Dark Sky MOU expressing a desire to work together to leverage the opportunity has been developed, and signed by the following stakeholders: Destination Wairarapa, Wellington Regional Economic Development Agency (WgtnNZ) Business Wairarapa, Wairarapa Dark Sky Reserve Association, Carterton District Council, South Wairarapa District Council and Masterton District Council. Feedback on the MOU from Ngāti Kahungunu ki Wairarapa, and Rangitāne Tu Mai Ra Trust is still to come.
- MDC have connected with the Wairarapa Dark Sky Reserve Association to take forward the application process.
- Connections are being made between various tourism businesses to leverage the opportunities available through dark skies. In particular, the accommodation sector are pointing customers towards the various opportunities available.
- The funding to support the employment of Chrissy Cummings, Product Development Manager, is due to finish at the end of March. Unless alternative funding sources can be found, this role will not continue, which is a risk to the both the Wairarapa Dark Sky Reserve Project as well as MDC's project to join the dark sky reserve.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

The work undertaken by Destination Wairarapa supports Council's community outcome and economic development vision statement in *He Hiringa Tangata, He Hiringa Whenua* (Councils Wellbeing Strategy): *Masterton/Whakaoriori has a strong, sustainable economy that supports our people and places.*

Significance, Engagement and Consultation

The information contained in this report has been assessed against Council's Significance and Engagement Policy. The report does not include any decisions that impact on matters identified in the assessment of significance within the policy.

Financial Considerations

Funding for Destination Wairarapa is part of the Memorandum of Understanding with the three Wairarapa District Councils.

Implications for Māori

Destination Wairarapa secured funding to support the development of a Māori Tourism Strategy. Key to the successful development of this Strategy will be inclusion and support from iwi, hapū, marae and those leading Māori tourism initiatives.

Communications/Engagement Plan

There are no decisions for this report that require either a communication or engagement plan.

Environmental/Climate Change Impact and Considerations

There are no environmental/climate change impacts or considerations arising out of the report provided.

ATTACHMENTS

Nil

6.3 SERVICE PROVISION REPORT: ARATOI REGIONAL TRUST AND NUKU ORA

File Number:

Author: Corin Haines, General Manager Community

Authoriser: Kym Fell, Chief Executive

PURPOSE

The purpose of this report is to provide the Audit and Risk Committee with the quarterly report against key result indicators for Aratoi Regional Trust, and the six-month key initiatives for Nuku Ora.

RECOMMENDATIONS

That the Audit and Risk Committee receives the Service Provision Report Aratoi Regional Trust and Nuku Ora, covering the summary of key result indicators for the quarter 1 July – 31 December 2023 and key initiatives for the six months 1 July – 31 December 2023.

CONTEXT

The Aratoi Regional Trust and Nuku Ora provide Council with reports for funding they respectively receive, and agreements made through a Provision of Services Agreement and Memorandum of Understanding, and a Partner Plan. Please see Attachments 1 and 2 for the Aratoi Regional Trust 2023-2024 Quarter 2 Report and the Nuku Ora Six Month Report July to December 2023.

Funding for these service providers was confirmed via the 2021-31 Long Term Plan.

Aratoi Regional Trust

The Aratoi Regional Trust provides community infrastructure and a community service, to support council's outcome "*Pride in our Identity and Heritage.*"

A Provision of Services Agreement and Memorandum of Understanding commenced on 1 July 2021, for a six-year term and will expire on 30 June 2027.

Nuku Ora

Nuku Ora provides a community public service to support council's outcome "*An Engaged and Empowered Community.*"

A Partner Plan was established in April 2018 between the Chief Executive, Masterton District Council and Chief Executive Officer, Nuku Ora.

Masterton District Council takes part in the Regional Spaces and Places Steering group which has representation from councils across the greater Wellington region and is chaired by the Regional Spaces and Places Lead who is co-funded across these councils.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implication

Both service providers contribute towards Council's community outcomes and key strategies: *He Hiringa Tangata*, *He Hiringa Whenua*, the Arts, Culture and Heritage Strategy and the Wairarapa Economic Development Strategy.

Significance, Engagement and Consultation

The information contained in this report has been assessed against the Council's Significance and Engagement Policy and is of no significance as there is no decision that impacts on any matters identified in the assessment of significance.

Financial Considerations

Funding to these service providers was via the 2021-31 Long-Term Plan and as agreed in the Provision of Services Agreement and Memorandum of Understanding, and Partner Plan.

Implications for Māori

Included in Aratoi's key result indicators is a measure to ensure that Taonga Māori is displayed and an ongoing relationship between the institution and iwi is maintained and fostered.

Nuku Ora's mahi of He Oranga Poutama in supporting and growing community leadership and participation in play, active recreation, and sport as Māori, is progressing and relationship building with iwi and mana whenua is underway.

Communications/Engagement Plan

There is no requirement for communication or engagement in the reports provided.

Environmental/Climate Change Impact and Considerations

There are no environmental/climate change impact considerations arising out of the reports provided.

ATTACHMENTS

1. **Aratoi Regional Trust 2023-2024 Quarter 2 Report** [↓](#) 
2. **Nuku Ora Six Month Report July to December 2023** [↓](#) 



Aratoi Regional Trust - 2023-24 Quarter 2

Introduction

The Financial Statements for the three months 1 October – 31 December 2023 are presented, subject to approval by the Aratoi Regional Trust Board.

They show a six-month period deficit of \$21,930 compared with a budgeted deficit of \$11,037.

The financial statements and accompanying variance narrative for the period follows below.

Financial Reports - Variances to Budget for the half year July to December YTD 2023/2024.

- 1) YTD Trading Income is above budget.
 - Local council funding received from MDC and CDC is as per the Annual budget. SWDC turned down funding for Aratoi in the 2023/2024 year.
 - Grant Funding for Education and Exhibitions has been brought to account to match relevant expenditure as it is incurred. Exhibition funding bought in to match expenditure is 23% over budget due to expenses for the Rita Angus exhibition and timings of exhibition changeovers. Grant funding received was a Matariki grant for funding public programmes (\$850).
 - Self-generated income streams for the quarter were 20% above budget.
 - The Front of House Retail space was 19% below budget for the year.
 - Corporate sponsorship for the period is \$21,000 this is ahead of budget due to timing of sponsorship to be received over the course of the year.
- 2) For the quarter October – December 2023, 42% of Aratoi's income was from sources other than MDC and MTLT.
- 3) The costs for the educator in the Education Programme are matched with funding in the Education Funding line. Expenses are 56% over budget with the new educator working increased hours during term time and purchasing of education supplies.
- 4) Advertising and promotion expenses are 2% over budget for the half year.
- 5) Collection expenses are 40% over budget for the half year with investment in new storage containers for collection items and higher than budgeted insurance costs.
- 6) Property expenses are 13% over budget mainly due to an increase in Opex costs for the year and catch up Opex costs from the previous year.
- 7) Employment expenses are 2% below budget for the period.
- 8) Rental of building costs are matched by MTLT rental grant.
- 9) General Operation costs are under budget by 3% for the year.



Risk Management and Internal Control

- 1) Working capital (current assets less current liabilities) is \$99,329 at 31 December 2023. ART is able to meet its financial commitments as they fall due.

Insurance coverage is in place until 31/03/2024. Copies of all insurance policies are on file in the Director's office. Management is confident that there are sufficient insurances in place to cover the Collection, works on loan and visiting works.



YTD Financial Performance Report to 31 December 23

Aratoi Regional Trust For the 6 months ended 31 December 2023

	ACTUAL	BUDGET	VARIANCE	VARIANCE %	FULL YEAR BUDGET
Trading Income					
Local Authority Funding					
Local Auth funding - MDC	172,260	172,260	-	-	344,520
Local Auth funding - SWDC	-	4,998	(4,998)	-100%	10,000
Local Auth funding - CDC	5,000	4,998	2	0%	10,000
Total Local Authority Funding	177,260	182,256	(4,996)	-3%	364,520
Friends of Aratoi Funding	20,000	20,000	-	-	40,000
Education Funding	27,514	23,482	4,032	17%	39,968
Exhibition Funding	39,158	30,000	9,158	31%	60,000
Grants & Other Funders	850	5,000	(4,150)	-83%	5,000
Major Donations	20,000	-	20,000	-	-
Self Generated Income	16,833	14,000	2,833	20%	28,000
Corporate sponsorship	21,000	12,498	8,502	68%	25,000
Retail Space	80,570	99,998	(19,428)	-19%	200,000
Building Rental Grant	173,486	173,484	2	0%	346,968
Wal Review	-	-	-	-	10,000
Total Trading Income	576,670	560,718	15,952	3%	1,119,456
Cost of Sales					
Cost of Sales	50,215	65,001	(14,786)	-23%	130,000
Total Cost of Sales	50,215	65,001	(14,786)	-23%	130,000
Gross Surplus/(Deficit)	526,455	495,717	30,738	6%	989,456
Expenses					
Education programme	27,514	19,986	7,528	38%	39,968
Exhibitions Expenses	39,180	30,000	9,180	31%	60,000
Event Expenses	1,143	-	1,143	-	-
Advertising Expenses	14,574	14,314	260	2%	28,631
Collection Expenses	11,801	8,418	3,383	40%	16,828
Property Expenses	64,913	57,224	7,689	13%	112,808
Employment Expenses	164,964	169,106	(4,142)	-2%	337,404
General Operations	33,489	34,372	(883)	-3%	68,574
Rental of Buildings	173,486	173,484	2	0%	346,968
Donation Given	20,000	-	20,000	-	-
Total Expenses	551,064	506,904	44,160	9%	1,011,181
Other Income					
Interest Income	2,679	150	2,529	1,686%	300
Total Other Income	2,679	150	2,529	1,686%	300

YTD Financial Performance Report to 31 December 2023 | Aratoi Regional Trust

YTD Financial Performance Report to 31 December 23

	ACTUAL	BUDGET	VARIANCE	VARIANCE %	FULL YEAR BUDGET
Surplus/(Deficit)	(21,930)	(11,037)	(10,893)	99%	(21,425)



Balance Sheet

Aratoi Regional Trust As at 31 December 2023

31 DEC 2023

Assets

Current Assets

Bank accounts and cash	
Aratoi Regional Trust	34,834
ART Collections Account	16,318
ART Deposit Account - Deposit Account	3,751
ART Savings Account	116,571
Prepaid Multiloan Card	982
Cash on Hand	140
Total Bank accounts and cash	172,595
Debtors and prepayments	10,840
Inventory	16,209
Total Current Assets	199,644

Fixed Assets	384,667
Total Assets	584,311

Liabilities

Current Liabilities

Creditors and accrued expenses	61,976
Unused donations and grants with conditions	22,497
Exhibition Income Received in Advance	15,842
Total Current Liabilities	100,315

Total Liabilities	100,315
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Net Assets	483,996
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Equity

Current Year Earnings	(21,930)
Retained Earnings	498,426
Reserve - Aratoi Artists Auction	7,500
Total Equity	483,996

Balance Sheet Aratoi Regional Trust



KEY RESULT AREAS

SERVICE ONE – COLLECTIONS

We will care for our collections. We will research our collections. We will share our collections with communities. We will strategically develop our collections.

ACQUISITIONS

DONATIONS

Item: Teapot
 Description: plain oval shaped teapot with embossed coat of arms and engraved award dedication
 Maker: Walker & Hall, Sheffield, England
 Date: c.1960
 Materials: silverplate



The engraved inscription across the lower portion of the teapot reads: “L.M. REEVES, FIRST ASSISTANT GREYTOWN COOP DAIRY CO. LTD. / POINTS PRIZE FIRST ASSISTANT FOR CHEESE CLASSES / 1962”

A growing part of the Aratoi Collection are tangible examples of significant local industry and business. The teapot helps to tell the story of the growth of the local dairy industry as well as the way agricultural shows encouraged and rewarded the workers within those industries.

Artist: Rhondda Greig (b.1940)
 Title: Pukeko in Rome
 Date: 1999
 Medium: charcoal on paper
 Dimensions: 1000 x 700 mm (h x w) frame



In Pukeko in Rome Greig is exploring her place in the world by placing a quiet pūkeko amongst abstracted building shapes and busy gestural lines that is possibly a metaphor for the age and activity of that city. It joins 3 of her works in Aratoi’s collection.

LOANS

- Auckland Art Gallery borrowed **Robin White’s Summer Grass** (2001) and **Sam’s Place, Bottle Creek** (1971) for the major Robin White survey exhibition *Something is happening here*.
 Loan dates: March 2022 – December 2023. The exhibition opened at Te Papa on 4 June 2022, it then opened 28 October at Auckland Art Gallery Toi o Tāmaki before traveling to Dunedin Public Art Gallery where it opened on 11 March 2023. The exhibition opened Christchurch Art Gallery Te Puna o Waiwhetu on 21 July and closed 5 November 2023 and was returned to Aratoi in December 2023.



SERVICE TWO – EXHIBITIONS

We will tell our history and stories and connect with our communities. We will be a community forum for learning, understanding and participation in art, history and culture.

Date	Exhibition	Classification
Until November 202	<i>Waipupū Waka</i>	Taonga Māori, history
20/05 – 16/07	<i>Our Moon: Then, Now & Beyond</i>	History, Art (international), Science
17/06 – 26/11	<i>Light and Space: Sculpture from the collection</i>	Art (local), Art (national), Collection
15/07/23 – 18/05/24	<i>Choice: Staff picks from the collection</i>	Social History, Natural History
29/07 – 29/10	<i>Wairarapa Camera Club: Reflecting on Our Place</i>	Art (local)
23/09 – 22/10	<i>Breadcraft Wairarapa Schools Art</i>	Art (local), Education
30/09 – 26/10	<i>Rita Angus: New Zealand Modernist</i>	Art (national)
28/10 – 02/12	<i>Dwayne Duthie: Double Edge Sword</i>	Art (national), Art (Māori)
11/11/23 – 18/02/24	<i>Natasha Ratuva: Buiniga</i>	Art (local), Art (Pacific)
09/12/23 – 18/02/24	<i>Kathy Bartlett: Tea Light Lunches</i>	Art (local)
09/12/23 – 10/03/24	<i>Tatyana Kulida: Wairarapa Felt</i>	Art (local)
09/12/23 – 10/03/24	<i>Leanne Sheather: Handle with Care</i>	Art (national)
09/12/23 – 10/03/24	<i>Madison Edmond: The River Sees</i>	Art (international)
15/12/23 – 18/02/24	<i>New Zealand Sotheby's International Realty Wairarapa Art Review</i>	Art (local)

Exhibition support programmes

- **Trust House tour of gallery/collection store**, 2 October, 9 attendees
- **Singing with Rita**, 6 October 5.30-7.00pm
- **Book Launch: In the Temple**, 13 October, 12-1pm, 7 attendees
- **Rita Angus exhibition tour**, for the Ranfurly Club, 19 October, 7-8pm, 33 attendees
- **Taeko Ogawa calligraphy demonstration with Caitlin Morris on cello**, 26 October, 12-1.30pm, 22 attendees. This event also involved filming for Robin White's documentary as Taeko is one of her collaborators.
- **Dwayne Duthie: Double Edge Sword**, opening 27 October, 5.30-7pm, 14 attendees with a blessing by Mike Kawana
- **Dwayne Duthie: Double Edge Sword**, artist talk, 28 October, 11am, 7 attendees
- **Cabinet of Dr Caligari film screening**, 31 October, 7-8.30pm, organised by MDC with Goethe-Institut New Zealand, 24 attendees
- **Peace Poster Prizegiving**, 9 November, 4.30pm, 20 attendees
- **Friends Sneak Peek**, 9 November, 5.30pm, 12 attendees
- **Natasha Ratuva: Buiniga**, opening day events, 11 November, 70 attendees
- **Rotary talk and tour of Rita Angus**, 14 November, 7-8pm, 18 attendees
- **Lea- Anne Sheather: Artist Talk**, 9 December, 11am-12pm, 5 attendees
- **Kathy Bartlett: Teas Light Lunches Opening**, 9 December, 3-5pm, 75 attendees
- **Wairarapa Art Review and Summer season opening**, 15 December, 5.30pm, 200+ attendees
- **Tatyana Kulida: Artist Talk**, 16 December, 11am – 12pm, 24 attendees
- **Madison Emond: Artist Talk**, 16 December 1.30 – 2.30pm, 9 attendees
- **Arts Quarter evening** (focus on retail), 20 December, 5-7pm, approx. 50 attendees



SERVICE THREE – ACCESS & ENGAGEMENT

We will partner and engage with Wairarapa communities. We will be a valued community resource. We will encourage dialogue and interaction onsite, offsite and online.

- Weekly articles in Wairarapa Midweek with assistance from Aratoi educators and Friends of Aratoi.
- Regular articles in Carterton Crier, Featherston Phoenix, Greytown Grapevine, Martinborough Star, and Wairarapa Lifestyle Magazine
- Aratoi’s monthly radio programme with Arrow FM *Ara Toi: Pathway to Art* highlights artists and creatives in the Wairarapa.

Volunteer hours

A total of 750+ volunteer hours/quarter to Aratoi (550+ hours Friends and Volunteers including assisting at Front of House/Gallery security/exhibition opening events; 200+ hours Trust Board).



KEY RESULT INDICATORS (KPIs) – Summary July 2023 – June 2024

Key Result Area	Target
A sustainable and thriving organisation	Revenue from other sources (other than MDC and MTLT) is greater than or equal to 20% of total revenue ➤ In progress
	Increases in self-generated revenue (Baseline: Increase on 2020-21 result) ➤ In progress
	Resident and visitor satisfaction with Aratoi services (Baseline for 2023-24 80% (4 or 5 stars)) ➤ On track as per online ratings etc (4.6 on Google, 4.5 on Facebook, 4.5 on TripAdvisor) ➤ Museum survey scheduled for March 2024
Provider of arts, culture and heritage services that reflect the history and heritage of the Masterton District and wider Wairarapa region	Number of programmes/events/activities undertaken annually that include local artists (or artists that whakapapa to the Wairarapa region) (Baseline: to be established in 2019-20, then no decreases based on the previous year) ➤ 500+ artists in exhibitions and programmes (Including hundreds of Wairarapa school children exhibiting in the <i>Breadcraft Wairarapa Schools Art</i>) ➤ 25+ local artists represented in retail space
	Taonga Māori display held annually (Baseline: 1 or more per annum) ➤ Achieved (the display of the Waipūpū Waka in the Main Gallery, Dwyane Duthie: Double Edge Sword and a Taonga exhibition in development)
	Exhibition held that tells the stories of our local history and heritage (Baseline: 1 or more per annum) ➤ In progress (exhibitions in development include Bragge’s historic photographs of the Wairarapa, a collection-based social history exhibition, and the ongoing vestibule exhibitions that display historical objects from the collection as in the current ‘Choice’ exhibition).
To professionally manage and maintain all Aratoi assets, including the permanent collection	Collections housed in best practice conditions – adherence to professional museum standards ➤ Achieved
	Taonga, artworks and heritage objects are managed in line with the Aratoi Collection’s Policy ➤ Achieved
	Collections are documented in line with professional museum standards ➤ Achieved (Vernon database)
Genuine partnerships and effective relationships	Iwi and Māori are offered opportunities to contribute towards key projects/initiatives led by Aratoi (Baseline – annual reporting) ➤ Two representatives from both iwi (Ngāti Kahungunu ki Wairarapa and Rangitāne o Wairarapa) on Trust Board ➤ Exhibitions developed with iwi and Māori input (Waipūpū Waka)
	Key partnerships are offered to contribute towards key projects/initiatives led by Aratoi (Baseline – annual reporting) ➤ Breadcraft Wairarapa Ltd. for Wairarapa Schools Art ➤ Partnership with Lions Club (International Peace Posters) ➤ Partnerships with King Street Artworks, ConArt, Hau Kāinga, Wairarapa Word, New Zealand Pacific Studios for the Arts Quarter evening



Masterton District Council
6 month report
1 July – 31 December 2023

Nuku Ora 6 Month Masterton District Council report: For period 1 July – 31 December 2023

Reporting against Partner Plan between Nuku Ora and Masterton District Council

Reporting to Funding Agreement 2021/22 to 2023/24

1. NUKU ORA – ORGANISATION CONTEXT

Nuku Ora is in the final year of the current strategic period and is currently refreshing the priorities that sit within Strategy 2032. Alongside this we await the release of Sport NZ's Strategic Plan, tendering results for ACC post 30 June 2024, and the future of all Te Whatu Ora contracts which expire June 30, 2024.

Operationally, Nuku Ora continues to build and strengthen relationships within the community. This is evidenced particularly since the appointment of Antonia Kilmister Thompson as the Neighbourhood Manager reported in our last report, Antonia's local knowledge and existing relationships has enabled her to hit the ground running and her efforts in the South Wairarapa area are having positive flow on to Masterton.

Since our last Council reporting we said goodbye to Kerewai Tatana. Kerewai worked in the Green Prescription Team supporting individuals and whānau within the Wairarapa through physical activity and nutrition coaching. Kerewai will not be lost to the sector starting a role with Wairarapa Secondary School Sports Association in January. Recruitment is underway for a replacement, in the short-term Wellington staff will be supporting our Wairarapa whānau, specifically Sam Wallis and Fuamai Moeka'a.

Chloe Frederiksen, Wairarapa Partnership Manager, has gone on maternity leave from November 2023 with anticipated return, November 2024. Michelle Hayward and the wider Wellington team have covered the role during recruitment. Andrea Jackson has been appointed to the maternity cover position and began her contract on 17 January 2024.

The mahi of He Oranga Poutama in supporting and growing community leadership and participation in play, active recreation, and sport as Māori has progressed, with Nuku Ora supporting the running of the Wairarapa Māori Sports Awards, and relationship building with Iwi and mana whenua underway. The GM Māori Partnerships, Pembroke Chambers will continue to build whanaungatanga in the coming 6 months.

The Well Wairarapa project funded through Te Whatu Ora has continued to build momentum in South Wairarapa with events and programmes for whānau and kaumatua underway. The Well Wairarapa plan also recommends the project evolves to include the neighbourhoods in Masterton central and east. Nuku Ora will be meeting with Te Whatu Ora to discuss this expansion in the first quarter 2024.

Positive progress has been made across all areas of the partner plan in the reporting period with information towards this provided below.

As an organisation and team, Nuku Ora remains thankful to Masterton District Council for the ongoing partnership and financial support provided. This support provides an extension to the capacity of the Central Government funds, ensuring the Wairarapa community and sport, active recreation and play organisations have local support and connection, and providing insights into local funding and programme needs.

2. REGIONAL PRIORITY – PARTICIPATION OPPORTUNITIES

A. Physical Activity Insights

Living Well Outcome: Informed Communities

Outcomes

Customer insights	Ensure a thorough understanding of current and potential participants and share information to support informed, evidence based decision making	<ul style="list-style-type: none"> - We understand our communities - We understand barriers to participation - Our decisions are evidence based and participant focussed - Relevant information, insights and research is shared with our respective communities to influence their delivery
<i>Share relevant and meaningful intelligence to better service the sport and active recreation sector</i>		

Understanding Communities & Their Barriers

The ActiveNZ 2022 report was released in late 2023, with regional datasets available. By using this data to understand the general trends and patterns of physical activity behaviours in the Wellington region, as well as current barriers and the inequity that exists in overcoming them, we can create a holistic picture, in combination with qualitative methods, to affirm what aspirations or interests local communities have.

Compared to other districts in New Zealand, Masterton has an older population. As evident in Figure 1, barriers decrease over lifespan, as the 75+ age group experience 2 barriers, the fewest number of barriers for all age groups. The over 75+ respondents spent 5.3 hours of mean time in physical activity per week – the second highest of all adult age groups regionally.

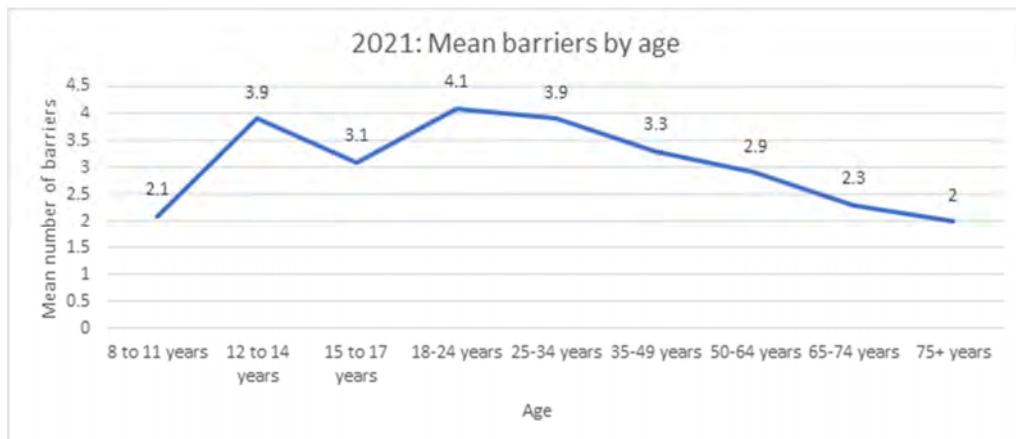


Figure 1: Mean number of barriers over lifespan (2021) (2022 averages not provided)

Despite having the lowest mean number of barriers across adult age groups, only 32% of older adults aged 75+ are meeting physical activity guidelines – compared to 39% and 40% of 50-64 and 65-74 year olds.

Feedback from Wairarapa communities, such as the Pirinoa kaumātua group, affirmed that there is an opportunity to support older adults achieve their social movement aspirations and Nuku Ora kaimahi have been working alongside providers to achieve this.

Regionally, most barriers have decreased from 2021 to 2022, however exceptions include;

- There are no appropriate facilities conveniently located to do what I want to do
- I have to get to places
- I have no one to do it with

Concerns around accessibility align with qualitative concerns heard from previous research conducted for the Well Wairarapa report – whereupon stakeholders and community members mentioned “the lack of access to service providers.” Masterton is more densely populated than the rest of Wairarapa and issues with accessing resources may not be as prevalent, but it is worth noting.

Sport New Zealand’s ActiveNZ survey identifies that a higher proportion of people living in areas of high deprivation (such as Masterton East) are citing barriers to do with material wealth and accessibility. For example, 13% of people living in areas of high deprivation in the Wellington region mentioned ‘I don’t have the equipment I need’ as a barrier, compared to 6% of people living in areas of low deprivation. Perhaps due to cost, a larger proportion of young people living in areas of high deprivation participate in play and informal activities as opposed to more structured forms of physical activity. Tū Manawa funding is used to both support organisations providing these activities in Masterton, through play streets, whilst also giving young people the option to try structured sports that may otherwise be inaccessible, such as softball with Giants Softball Club.

Evidence-Based & Participant Focused

As well as using ActiveNZ to understand barriers and considerations into Masterton’s varied communities, Nuku Ora has used our locally-led approach to ensure our processes are fit for purpose and align with community aspirations. The following are areas, amongst others, that Nuku Ora is continuously supporting;

- Rangatahi

As mentioned above, rangatahi face the highest number of barriers, and thus have a high drop out rate from sport– a concern that prompted the [Future of Rangatahi Sport](#) conducted in 2022. Physical activity is particularly important for this age group as some biological development that occurs in this period sets the foundations for health in later life. Thus, Nuku Ora supports continued interventions in this area, such as funding and support of the Motuoru Youth outdoor programme for rangatahi facing anxiety and/or bullying.

- Whānau-based Participation

Taking a whānau-based approach to physical activity intervention has the potential to positively influence parental and child physical activity levels, as active parents encourage active children. The support of whānau-based opportunities (such as Tātai 84, a wānanga to learn about whakapapa and

whānau through tākaro and waiata) in Masterton through Tū Manawa funding confirms that this participation style is sought after by the community.

- Older Adults

Physical activity aimed at promoting strength and balance in older adults is an effective way of reducing the risk of falling for older adults, as well as combatting loneliness and isolation. Nuku Ora supports Masterton’s ageing population through events such as the Wairarapa Senior Regional Games, where feedback is gathered from participants to help provide insights to providers about their aspirations, such as 68% of respondents wanting more group activities in the future.

Sharing Research

Along with the Future of Rangatahi Sport and the ActiveNZ survey, two significant pieces of work were published in August 2023, the Regional Indoor Courts and Sports Fields Reports (see Spaces & Places section for more information). These pieces of research aimed to provide a picture of the sports field and indoor court use and supply landscape. The insights from the reports have been shared with local councils and regional sporting organisations. This research has shown gaps in existing information about facility usage and capacity and highlighted a need for greater collaboration. Both reports are accessible through the Nuku Ora website with data found in the Appendices.

B. Integration of Physical Literacy Approach

Living Well Outcome: Active People

Outcomes

Integration of physical literacy approach	To take a holistic view of the participant and ensure that our delivery and that of our partners meets participant needs and inspires ongoing participation	<ul style="list-style-type: none"> - Increased understanding of physical literacy concepts and factors - Physical literacy concepts are incorporated into community delivery including MDC and Nuku Ora programme delivery - Delivery is age and stage appropriate - Physical literacy application and interpretation is consistent across all stakeholders
<i>Upskilling relevant sport delivery workforce in physical literacy</i>		

Holistic Participant Experiences & Inspiring ongoing participation through physical literacy

An integrated approach is taken to building capability and understanding aligned to physical literacy. Key workstreams include working through schools in Healthy Active Learning, supporting coach development, specifically through student coaches, and in the evolution of the Regional Play Network which councils are part of.

Healthy Active Learning in the Wairarapa

Healthy Active Learning is a joint initiative between Sport New Zealand and the Ministries of Health and Education, to improve the wellbeing of tamariki through healthy eating and drinking and quality physical activity.

The second half of 2023 was focused on establishing sustainable practices and targeting the school strategic plans. This included attending Ministry of Education workshops alongside School Principals to prepare for the new strategic planning requirements in 2024. Aligning Healthy Active Learning support with schools' strategic goals is seen as a way to make sustainable change around improvements in the wellbeing of tamariki.

Te Wiki Tākaro o Aotearoa (Play Week) gave us an opportunity to provide schools with integrated resources based around the theme of Ngā Atua (Māori Gods). Nuku Ora collaborated with the three Wairarapa councils and Kia Hākinakina to provide schools and communities with opportunities to access the Waka Tākaro trailer over the week. This was successful and has prompted a desire to collaborate more in the future. It also highlighted the existence of the trailer, which has brought about many more school and community bookings following Play Week.

Teacher workshops based around innovative ideas and effective teaching of athletics took place at Greytown, Solway Primary and Featherston Schools. The philosophy of teaching fundamental movement skills and physical literacy approaches in more inclusive and engaging ways was the focus of these in-school workshops.

Quote from the Solway Primary Lead H/PE Teacher, *"the teachers were very positive about the Athletics PLD session and were out using your ideas the next day."*

Quote from another Solway Primary teacher, *"At last we have been shown how to teach the fundamental movement skills rather than just how to pick the school team."*

The OnBoard Skate school and community sessions continued to be supported. This included the Carterton Community initiative based out of Carterton School and Greytown School linked to the new park development.

There has been a conscious effort to share resources and information more widely across the Wairarapa region and this has been helped by forging solid working relationships with a range of different organisations.

Quote from a South End School teacher *"I just wanted to flick you a quick email before the craziness of term 4 really kicks in - to say a big thanks for all the great work you've done for our region this year. I was reminded because of the resource you just shared that contained Athletics-focused activities - just when I was about to go hunting. It's felt like Nuku Ora has been involved in every important event this year, supporting in some way, and furthering the aims of getting kids moving, building health and happiness etc."*

Our People and whānau at the heart of tākarō!!

Aligning the kaupapa of Living Well and our Tākarō Pou Tarāwaho (Regional Play Framework) has led to a greater sharing and collaboration of journeys in play. We have gained major momentum in the Wairarapa through improving collaborative approaches resulting in greater collective impact on wellbeing outcomes acquired through play. Access to quality physical literacy focused experiences continues to bring people, stakeholders, partners and the voice of tamariki together to better understand what play looks like, sounds like and feels like for tamariki in the Wairarapa.

In the past six months, the following has been achieved:

- Our Regional Play network has continued to meet collaborating for shared impact. These efforts involve forming partnerships among leadership organisations from various sectors, which are essential for creating a more efficient and resilient regional approach to play provision.
- Our [Tākarō Pou Tarāwaho](#) has amplified the opportunity for sharing the passion, energy, knowledge and understanding which has led to increased value for tākarō in children's lives and a way for celebrating the uniqueness of the taonga that is Wairarapa tākarō. The framework has supported the creation of opportunities for bringing tākarō to life across schools and in communities alongside whānau and neighbourhoods.
- Through adopting a regional approach Masterton District Council, Carterton District Council and the South Wairarapa District Council continue to positively influence play opportunities and provision across the Wairarapa. For example:
 - Te Rautaki Rangatahi o Wairarapa Youth Strategy Is the regional approach for Rangatahi in the Wairarapa to have opportunities to grow, develop and reach their full potential.
 - [Masterton District Council Year One: 2023/2024 Implementation Plan](#) of weaving tākarō through their action plan
 - Waka Kori Play Trailer has been a recognisable resource across the Wairarapa region where other organisations are also utilising at their activities and events.
 - [Kia hakinakina](#) has been a leading organisation amplifying Tākarō opportunities across the Wairarapa region as the delivery team in partnership with the Wairarapa District Councils and Nuku Ora specifically over Te wiki o tākarō (National Play Week) where play was seen everywhere - in schools and communities and celebrated by over 1628 tamariki across the Wairarapa Region.
 - Pirinoa Pop up Play opportunities directly engaging with tamariki and whanau to participate in a way that enhances Physical Activity being local and accessible for whānau!

Student Coaching

The Wairarapa Secondary School Sports Association, formed by the secondary schools in the Wairarapa is a key partner in the student coaching programmes. The Association has been seeking the appointment of a Regional Sport Director which was achieved at the end of 2023. The proposed student coaching day was scheduled for September but was postponed due to low numbers and the challenge promoting the opportunity without the Regional Sports Director in place. It is hoped a replacement can be scheduled for April 2024 to meet the needs of student coaches who are the key people in ensuring athletes have a quality sporting experience and continue to participate in sport.

C. Low Participant Group initiatives.

Living Well Outcome: Active People

Outcomes

Low participant group initiatives	To work alongside low participation communities to develop targeted programmes and services which reduce barriers and increase participation in sport and physical activity	<ul style="list-style-type: none"> - Increased number of low participant groups engaged in physical activity - Programmes are targeted, relevant and address barriers to participation - Our respective communities are supported to adapt their delivery for low participant groups - Improved well-being of low participant groups
<p><i>Healthy lifestyle interventions (Green Prescription, Community Group Strength and Balance (Older adults)) are delivered to improve the lives of the individuals and their families through education, motivation and support.</i></p>		
<p><i>Tū Manawa Active Aotearoa funding is distributed to enable low participant groups to be active.</i></p>		

Guided by research, Nuku Ora works with communities to support changes to the system where people face great health inequities. Aligned contracts in this space come from ACC – working with older adults and kaumatua, and Te Whatu Ora. Insights through the Wairarapa team aligned to work through the partner plan provide support to these impacts.

Wairarapa Community Strength and Balance

This ACC funded programme has had a number of events and progress in the last 6 months, including the appointment of Carolyn Patchell as our new Older Adults Lead. A deliverer of Group Fitness Classes in the Wellington region, Carolyn has great knowledge of working in the sector and understands the challenges and requirements. She is well connected and since starting has already reconnected with a number of people in the Wairarapa who are keen to set up new CSB classes. Other events and progress include:

- **Asinosino Health Screening Day 28 July**

Nuku Ora’s Older Adult Lead was privileged to be invited to promote the NymbL App as well as community strength and balance classes at the Pasifika o Wairarapa Trust Aosinasina Health Check Day. The day was a huge success and an amazing opportunity to reach the Pasifika community.

- **CSB regional function for Wairarapa providers**

Thanks to support from ACC, Nuku Ora organised a function in Carterton on 4 December for all Wairarapa providers. The function included presentations on: new sign-up and user incentive for providers to promote to their participants for the Jan-March 2024 quarter; NYMBL - the benefits, progress update, registration process, Q&A; LS4L update from Joe Harwood, ACC; Feedback - what’s working well, what’s not, ideas and suggestions for 2024. Feedback relevant to the partner plan included:

- Access to suitable facilities for classes is an ongoing limitation. Action: Nuku Ora to create a spreadsheet of known suitable facilities.
- There is a wide range of ability in classes – trying to cater for all of them in the one class is challenging as some think it’s too easy and boring while for others it’s out of reach/too hard. Need a variety and continuum of activities. Action: Nuku Ora to run a workshop to upskill instructors.
- There are similarities between the needs of disabled people and older people – same kaupapa.
- Would like the Ready, Steady, Balance class recording to be in te reo. Action: Nuku Ora to discuss this with ACC as this will be needed nationwide.
- Marketing of the classes needs to be in hardcopy as a lot of people don’t use/don’t have access to the internet. Action: Nuku Ora to print more flyers.
- Want to see ALL available physical activities for older adults promoted in the Nuku Ora brochures, not just the CSB approved ones as there are other good offerings available but they don’t meet the CSB approved tick criteria. Action: Nuku Ora to discuss this further with ACC (conversations are underway).
- **Wairarapa Senior Regional Games Date Confirmed**
Organisation is underway for the Wairarapa Senior Regional Games to take place on 24 April at the Trust House Recreation Centre in Masterton from 10am-1pm. Along with the usual sport offerings and modified games, we are in discussions with Whaiora to deliver traditional Māori games.
- **Monthly Presence in the Wairarapa**
As well as visits when required, Carolyn will have a set day each month e.g. the first Tuesday of every month, to be in the Wairarapa. This will enable providers and stakeholders to know when to expect her and will help with forming connections.
- **Tū Ora Fractures and Liaisons Network**
Our Older Adults Lead is part of the Tū Ora Fractures and Liaisons Network. This group provides valuable community insights and connections. In September, the University of Otago Medical department requested support from the Wairarapa Providers for a short Q&A to community participants. Future doctors had the opportunity to connect with the participants and felt like their eyes were opened to how resilient the community is despite the lack of medical doctors. It was sad for them to see the reality of the current state of lack of doctors but also amazed to see how the older adults have embraced exercise and health lifestyles to try preventing slips, trips and falls. The University was very thankful and hope to support the Wairarapa community for the future years to come.

Neighbourhood manager – A Community Led approach

As mentioned earlier, Nuku Ora is undertaking phase one of the Well Wairarapa implementation plan within South Wairarapa and is seeking to bring the work to Masterton East and Central in the future with Te Whatu Ora support. A snapshot of the kinds of work this would bring include:

- **Kaumatua Initiative**

Due to community feedback from multiple hui held with community organisations and community members, Nuku Ora partnered with a local Māori health provider to provide a service for the kaumatua of South Wairarapa.

“We need something for our Kaumatua, we have an aging population and minimal support and minimal things for them to do. It would be fantastic to have something to offer them, especially in the way of physical activity. A group that meets weekly would be ideal especially that it would allow them time and space to socialize.” – Pirinoa Clinic staff

Over 36 kaumatua registered for the program and over the course of 2 months 4 wānanga were held at different marae across the south Wairarapa district. The purpose was to connect them with their culture and identity as well as promoting physical activities and alternatives as well as getting them active to support fall prevention.

“ I would like to thank you all for putting this on for us kaumatua of the South Wairarapa. We are forgotten about. I have thoroughly enjoyed my time and wish for things like this to continue” – Kaumatua from Greytown

Based on the success and local insights the training of a local instructor to deliver CSB classes for Kaumatua in Pirinoa/Kohunui is about to get underway for the programme to continue.

- **Supporting Kapa Haka Festival**

Nuku Ora supported Pirinoa School with the hosting of the South Wairarapa Kapa Haka Festival held at Pirinoa Hall. A festival bringing whanau and community together to celebrate Kapa Haka and Māori culture. A part of Nuku Oras support was providing games and physical activities for students to participate in while waiting for their school performances and to help prevent boredom.

- **South Wairarapa Waka Ama Project**

Nuku Ora have been supporting multiple agencies in the formation of a South Wairarapa Waka Ama project. The priority group for this kaupapa are rangatahi and whanau, more specifically rangatahi and whanau in need. The project has been driven by Wairarapa Police and supporting community members and agencies. Our purpose in this project is to provide guidance and funding opportunities such as Tu Manawa Active Aotearoa. This project is in the planning phase.

Green Prescription and Active Families

Over the past 6 months Green Prescription (GRx) and Active Families have supported 50 individuals and whānau from the Wairarapa with healthy eating, physical activity, and wellbeing support, enabling participants to progress towards their health and wellbeing goals.

A common theme from the network of providers in the Wairarapa has been diabetes support and prevention. Hui have been held, exercise and activity sessions completed and this will continue in 2024 with investigation into Pasifika and rangatahi specific programmes.

Other initiatives have included building networks with organisations who are the experts in working with tangata whaikaha and in working with Pasifika Health networks.

3. REGIONAL PRIORITY: SPACES AND PLACES

Reporting to Funding Agreement 2021/22 to 2023/24

A. Regional Facilities Plan

Living Well Outcome: Connected Spaces and Places Network6

Outcomes

Regional Facilities Plan	To develop an integrated network of local and regional places and spaces that provide more people in the region with better places to participate and support event hosting	<ul style="list-style-type: none"> - We have a clear understanding of what the regional facility network should look like - We understand the state of the existing network of facilities – quantity and quality as well as usage and capacity - Identify and agree any significant gaps in current facility provision - Develop a sense of what the future state should look like - Recognise the partners who might cooperate in future facility development - Prioritise key projects and outcomes over clearly defined timeframes - Agree a process for collaboration and decision-making about any future regional facility development
<i>To develop a coordinated approach to providing an accessible, fit for purpose network of regional spaces and places that support and encourage sport and active recreation</i>		

Integrated network of local and regional places and spaces

In the past six months, significant progress has been made towards a more collaborative, accessible, fit-for-purpose sport and recreation facilities network across the Wellington region. The Regional Spaces and Places Steering Group, which meets bi-monthly, continues to strengthen in attendance and depth of discussions as working relationships across councils grow. A detailed process for decision-making for regional-level projects has been developed with the steering group and is in the process of ‘real world’ testing and iterations. In light of the increasing number of local-level support requests Nuku Ora has been receiving, we are also working on a step-wise process which councils and sports clubs/community organisations can follow for facility challenges of any scale. This will be a simple diagram aiming to clarify key information for project holders to collate and when to consult Nuku Ora and/or their local council.

The two priority projects for informing councils’ LTPs and decision-making, the [Regional Indoor Courts Report](#) and [Regional Sports Fields Report](#), were published and shared with the sector in August 2023. The

completed projects provide an updated sense of the current and future states of quantity, quality, usage and capacity of fields and court spaces across the region and explore a range of options to maximise and improve the network. Nuku Ora CEO has been meeting with council CEs to discuss the value of these reports and potential actions, to positive reception. We are pleased to know that the reports are already being utilised for planning by councils, codes, and community organisations alike.

‘Optimised and connected school facilities’ is one of the Implementation Plan priorities and was also emphasised through the findings of the Indoor Courts and Sports Fields reports as a key part of the puzzle in improving the regional network. A large number of our sport and recreational facilities are within schools, and majority of these have limited or no community access/usage. We are partnering with Aktive (Auckland’s RST) and College Sport Wellington to develop a School Facilities Partnership Toolkit, the aim of which is to support and empower school boards and management to offer safe and effective community access to their sport and rec facilities. We have also continued to build relationships with Ministry of Education, to enable better sharing of information and planning between councils and Regional MOE teams. Another important strategic partnership we have been forming is with Kainga Ora, to influence the planning of sport/recreation/play spaces within housing developments.

In recent months, and moving forward, we are prioritising more individualised support for our council partners, particularly for the Wairarapa. Given the more limited capacity and resources of the three councils in the Wairarapa, a need has been identified for further localised support and facilitation between community groups/sporting codes.

Some of the upcoming projects for 2024 as per the Regional Spaces and Places Implementation Plan include:

- Connected spaces and places:
Many of our communities face transport barriers. This is a piece of work to explore what the sector’s role could be in advocating for and enabling connected spaces and places, ensuring communities ease of access to spaces and places that support and encourage physical activity. We are particularly keen to work alongside the three Wairarapa councils in this space to support and advocate for existing and future cycling/walking trails networks within and across the five towns.
- Understand the value of spaces for play and active recreation:
An explorative piece of work to understand the demand for play and active recreation spaces across our region. Unpacking the wider use and value of sports fields and green spaces beyond the provision for sport and formal bookings.
- Review the Wellington Region Spaces and Places Framework:
This piece of work sits within the wider LivingWell/Regional Strategy review which is underway. This emphasises the importance of access to spaces and places to enable people to be regularly physically active.

4. WORKFORCE EXCELLENCE

A. Supporting Sports and Clubs Capability

Living Well Outcome: An enabling environment

Improving Sports and Clubs capability	To support sports and clubs to grow their capability and deliver high quality sport and active recreation opportunities to participants	<ul style="list-style-type: none"> - Evidence of robust governance and leadership - Sustainable sporting organisations - Quality local community delivery and increasing participant numbers - RSOs and clubs providing innovative opportunities to participate that are responsive to changing participant needs - Volunteer sector and its trends are understood - New and emerging sports are supported to grow and develop where there is strong demand from potential or current participants - Sustainable, well managed infrastructure including shared services and facilities where appropriate
<p><i>To improve sports organisations' ability to recruit, train, recognise and retain volunteers</i> <i>To increase the knowledge of RSO leaders in the Wairarapa and provide networking and advocacy opportunities</i> <i>Development and delivery of a leadership framework and training opportunities</i> <i>Engage with sport organisations to support recruitment, selection and support of key staff and Board members.</i></p>		

Leadership and Sport Sustainability

During the six-months to December several initiatives were delivered in the Wairarapa or for Wairarapa participants responding to requests for support or in sharing information that has become available:

- In October, Nuku Ora hosted an [RSO network meeting](#) to update RSO's on what is happening in the [Balance is Better](#) space and started discussions on what this might look like for the Wairarapa region whilst highlighting what RSO's were already doing in this space. This work will support positive change in behaviours and attitudes in the community to drive quality participation opportunities and increase participation numbers. The appointment of the new Regional Sports Director by Wairarapa Secondary School Sport and the maternity cover Partnership Manager Wairarapa, both starting in January 2024 will give this some impetus.
- The Nuku Ora Regional Conference (October 17) and Power Up! Keeping youth in sport forum (November 28) provided the RSO network with opportunities to network and increase their knowledge with Kuranui College, Wairarapa Councils, Wairarapa Hockey and Wairarapa community groups joining the discussion to provide up-to-date information on quality sport delivery and emerging trends in the sector.

- Governance 101 Workshop, Featherston – 17/10/23
We had 12 participants attend the Governance 101 Workshop that was run in Featherston. They were an engaged group from a range of organisations, interests and experience. There were four staff from MDC in attendance, along with local sports club representatives. They participated fully in the dialogue and had plenty of questions for the facilitator, Sandy Thompson from LEAD. In the three-month follow-up survey comments from those who attended confirmed the value of the session including now having an induction process for new Trustees and gaining an understanding of Board life cycles.
- Central Netball and Netball Wairarapa have both reached out to Nuku Ora to support their ongoing development. Planning for next steps is underway with opportunities like a “Building Better Boards” workshop one idea for after the AGM.
- Midday Mastery Webinar Series. Nuku Ora introduced a new webinar series in mid-2023 and two sessions were delivered:
 1. Fundraising and Sponsorship; and
 2. Developing a Safeguarding Culture

A number of attendees represented Wairarapa organisations including MDC, Special Olympics Wairarapa, Hockey Wairarapa and Greytown Sports and Leisure Society. Both sessions provided fundamental material and information on how to better deliver in the sector.

5. STRATEGIC INVESTMENT

A. Aligned Investment

Living Well Outcome: An enabling environment

Aligned investment	To ensure our investment into sport and recreation is aligned and targeted to provide best return and support increased participation	<ul style="list-style-type: none"> - We take a coordinated approach to funding sport and recreation - Investment aligns with local and regional priorities
<p><i>Support for the Wairarapa Funders Forum</i> <i>RSO LTP engagement</i></p>		

Nuku Ora continues to invest into opportunities for physical activity in the Wairarapa through the Tū Manawa Active Aotearoa fund. In striving for alignment, Nuku Ora is an active member of the Wairarapa Funders forum and has included the DIA grants representative on the Tū Manawa Active Aotearoa open panel for the region providing valuable insights into the Wairarapa. Programmes funded are:

Organisation	Physical Activity Domain	Programme Description	Funding Amount	Programme Start and End Dates
Wairarapa Cricket.	Active Recreation	Kia Hakinakina develops a journey for young people through Fundamental and Functional Movement Skills & Play, centering on engendering a life-long love of physical activity for all.	\$71,060	1 January 2024 – 31 December 2024
Masterton District Council	Play	The purpose is to pilot a Masterton Play Street initiative, in conjunction with our five residents' associations, to extend inter-generational play locally, as well as supporting and strengthening community engagement and connection.	\$3,810	13 January 2024 – 14 January 2024
Motuoru Trust	Active Recreation	We wish to provide the members of our youth group with the opportunity to learn about our outdoor environment, care for the natural flora and fauna, and challenge themselves at the same time.	\$2,758	10 September 2023 – 28 January 2024
Chanel College	Sport	New equipment for the softball team at Chanel College.	\$600	25 October 2023 – 6 December 2023
YMCA Central Inc.	Sport	Kia Kaha Ake Sports Leagues – Masterton "give it a go" leagues where sports are simply used as a vehicle to give kids the opportunity to be active by removing as many barriers as we can.	\$30,000	24 April 2023 – 31 December 2023
Kuranui College	Sport	The Get Moving programme will provide transport to rangatahi attending Kuranui (and home school students part of our teams) to participate in opportunities to be active ensuring sport is accessible to as many as possible.	\$5,000	7 February 2023 – 8 December 2023
Pae Karanga ki Hineteaorangi	Active Recreation	The Karanga Wananga programme hold on-going series of wananga	\$8,400	1 August 2023 – 1 August 2024

		<p>designed for young (and a couple older) wahine</p> <p>at Te Ore Ore Marae in Masterton.</p> <p>This physical activity, doing kapa haka will include mau rakau, Kapa Haka, mau patu can be quite strenuous.</p>		
<p>WAISSport – Wairarapa Secondary School Sport</p>	<p>Sport</p>	<p>The Active Bodies Active Minds programme involved sports such as Ki-o-rahi, Lacrosse, Futsal, AWD Tenpin Bowling, Smallbore, Golf and Give it a Go days. It will also involve some new initiatives including Mountain Biking, Squash and a Pride Sport and Recreation Festival Day.</p>	<p>\$10,000</p>	<p>24 February 2023 – 10 November 2023</p>

APPENDIX: FINANCIALS

Note: Budget includes contract income from three councils and Well Wairarapa.

Budget Variance

Nuku Ora

For the 6 months ended 31 December 2023

Cost Centre is 701 - Wairarapa.

Account	Jul-Dec 2023	Budget	Variance
Trading Income			
Council Funding	33,000.00	33,000.00	0.00
Te Whatu Ora Well Wairarapa Income	62,250.00	62,250.00	0.00
Total Trading Income	95,250.00	95,250.00	0.00
Gross Profit			
	95,250.00	95,250.00	0.00
Operating Expenses			
Advertising	152.17	0.00	152.17
Catering	296.51	0.00	296.51
Cleaning	584.34	582.00	2.34
Conference & Training	739.13	0.00	739.13
Contract Fee	150.00	0.00	150.00
Health & Safety	0.00	87.00	(87.00)
Holiday Pay	(2,161.60)	900.00	(3,061.60)
Management Costs Internal Transfer	54,000.00	54,000.00	0.00
Meeting Expenses	30.70	600.00	(569.30)
Mobile Phones	369.28	312.00	57.28
Office Equipment	0.00	88.00	(88.00)
Other Programme Expenses	0.00	4,998.00	(4,998.00)
Overhead Charge	1,682.70	1,188.00	494.70
Parking Expenses	0.00	11.00	(11.00)
Personal Vehicle Use	37.80	300.00	(262.20)
Personnel; Costs	21.82	0.00	21.82
Postage	0.00	140.00	(140.00)
Printing	112.54	120.00	(7.46)
Rental	5,400.00	7,200.00	(1,800.00)
Resource Purchases	1,834.64	0.00	1,834.64
Salaries	60,856.27	61,007.00	(150.73)
Stationery	0.00	30.00	(30.00)
Subscriptions	150.00	150.00	0.00
Travel & Accommodation	347.83	0.00	347.83
Vehicle Running Expenses	1,076.98	1,998.00	(921.02)
Venue Hire	395.85	0.00	395.85
Total Operating Expenses	126,076.96	133,711.00	(7,634.04)
Net Profit			
	(30,826.96)	(38,461.00)	7,634.04

6.4 NON-FINANCIAL REPORT QUARTER 2 2023-2024

File Number:

Author: Tania Madden, Strategic Planning Manager

Authoriser: Kym Fell, Chief Executive

PURPOSE

The purpose of this report is to advise the Audit and Risk Committee of performance against non-financial measures year to date. The figures in this report are for the period from 1 July 2023 to 31 December 2023.

EXECUTIVE SUMMARY

This is the second non-financial performance report for Year 3 (2023/24) of the 2021-31 Long-Term Plan (LTP).

Results against performance measures are reported for seven activity areas. The activity areas are:

- Roads and Footpaths
- Water Supply
- Wastewater
- Stormwater
- Solid Waste
- Community Facilities and Parks
- Regulatory Services

In total there are 43 measures across the seven activity areas, with 36 available to report in Quarter 2 of 2023/24.

Of the 36 measures reported, 94.4% (34 measures) were achieved or expect to be achieved, and 5.6% (2 measures) were not achieved or not on track to be achieved at year end. Seven measures were not available to report, with the majority of these being measures that are only reported at year-end. Further information is provided in Attachment 1.

For comparison, at the end of Quarter 2 of the 2022/23 financial year, of the 36 measures reported, 83.3% (30 measures) were achieved/expected to be achieved, and 16.7% (6 measures) were not achieved or not expected to be achieved at year end. Seven measures were not available to report.

Results for Quarter 2 of the 2023/24 financial year are an improvement on the same quarter last year. In particular, regulatory, wastewater and stormwater results have seen an increase in the number of measures that have been achieved or are expected to be achieved compared to the equivalent period last year.

Q2 Results – Current Year vs Previous Year

	Q2 2023/24 (current year)	Q2 2022/23 (previous year)

Achieved/Expect to Achieve	79.1% (34)	69.8% (30)
Not Achieved/Not Expected to be Achieved at Year End	4.7% (2)	14% (6)
Not Available to Report	16.3% (7)	16.3% (7)
Total:	43	43

The number of measures achieved/expected to be achieved compared to Q2 of the previous year:

Number of Measures Achieved:	Q2 2023/24 (current year)	Q2 2022/23 (previous year)
Roads (6 measures - 4 reported at year end)	2	2
Wastewater (6 measures)	6	3
Stormwater (5 measures)	5	4
Water Supply (9 measures – 2 reported at year end)	5	7
Solid Waste (3 measures)	3	3
Community Facilities & Activities (6 measures – 1 no longer available to report)	5	5
Regulatory (8 measures)	8	6
Total:	34	30

RECOMMENDATION

That the Audit and Risk Committee receives the Quarter 2 non-financial performance report for the 2023/24 financial year.

CONTEXT

The Local Government Act 2002 requires Councils to include performance measures and targets for activity areas in its Long-Term Plan. This is the second non-financial performance report for Year 3 of the 2021-31 Long-Term Plan (LTP).

The performance measure framework was last reviewed and revised as part of the 2021-31 Long-Term Plan process.

There are some mandatory measures identified by the Department of Internal Affairs (DIA) that all Councils must report on. These primarily relate to infrastructure services and have been included

in the performance measure framework. They are identified as Mandatory Measures in Attachment 1.

The measures that were adopted as part of the 2021-31 Long-Term Plan apply from 1 July 2021.

Council is required to report on progress against the measures and targets at least annually.

Highlights in Quarter 2 include:

Roading

The two measures available to report have been achieved; and there has been a decrease in the number of urgent (51 vs 62) complaints in Quarter 2 compared to the same period last year.

Three Waters

As noted in previous reports to Audit & Risk, rain and weather events since February 2022 have impacted results for Council's wastewater and stormwater services over the past 18 months. However, for Quarter 1 and 2 of this year, the majority of measures that are available to report have been achieved.

- Wastewater complaints are significantly lower with 40 complaints year to date compared to 179 for the same period last year. Twelve complaints were received in Q2, comparable with results prior to the February 2022 rain event. (12 complaints in Q2 of 2021/22). Attendance and resolution times for the quarter have also improved compared to the same quarter last year.
- Stormwater complaints have also decreased from 31 for Q1 last year to 14 this year. Most complaints related to wastewater/stream maintenance.
- One port-a-loo was deployed in Q2 compared to 27 for the same period last year. Q1 and Q2 of this financial year have required the lowest number of port-a-loos to be deployed since the February 2022 rain event.
- No flooding events were reported.
- There were no urgent call outs related to water supply in Q2. This is the only quarter in the 2021-31 LTP cycle where there have been no urgent call outs.

Two water measures are reported as not achieved. These relate to compliance with Part 4 and Part 5 of the Drinking Water Standards. The data requirements for these measures has changed, resulting in a technical non-compliance. This has been addressed but will mean, given the non-compliance in this quarter, that these measures will not be achieved in the current year.

Community Facilities and Parks

Quarter 2 results for community facilities and parks were positive. All five measures that were available to report were again achieved.

Trust House Recreation Centre gym usage is tracking up compared to the previous two years, while swim use is comparable to last year. Stadium events have declined from 5,054 in the period from 1 July to 31 December last year to 2,456 events this year. This is primarily a reflection of the

B-Legends childcare programme that previously used the stadium frequently closing down. Stadium sports are also down for the same period – from 2912 for the first six months of the financial year last year to 2,469 this year.

In the Library, overall library use is trending up compared to the same periods last year and the year before, however there has been a small decline in the number of physical issues in Q2 compared to previous years. The number of in-person and digital visits are trending up, while housebound visits are at a level comparable with previous years after an increase in Q2 compared to Q1 of this year.

Regulatory

Five of the eight regulatory measures were achieved in Q2, and six for the period from 1 July to 31 December. The measure related to number of resource consents processed within statutory timeframes was not quite achieved in Q2 (89.6% compared to a target of 90%), but the year to date is achieved. Two were not achieved in Q2 but are expected to be achieved at year-end, including the number of swimming pool inspections completed. In Q1 we reported that this measure was not expected to be achieved at year end. Currently the team have inspected 68% of all known pools, compared to 53% in Q1. The target for Year 3 of the 2021-31 LTP is an increase to 80% from 50% last year.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

Under legislation, Council is required to identify performance measures and targets for its activity areas and periodically report on these. Council must also report on those measures that are identified as mandatory for all Councils.

Significance, Engagement and Consultation

The recommendation to receive this report does not trigger criteria under the significance and engagement policy.

Financial Considerations

There are no specific financial considerations associated with this update.

Treaty Considerations/Implications for Māori

There are considerations or implications specific to Māori arising out of the receipt of this report.

Communications/Engagement Plan

Not applicable.

Environmental/Climate Change Impact and Considerations

There are no environmental/climate change impacts or considerations arising from the receipt of this report.

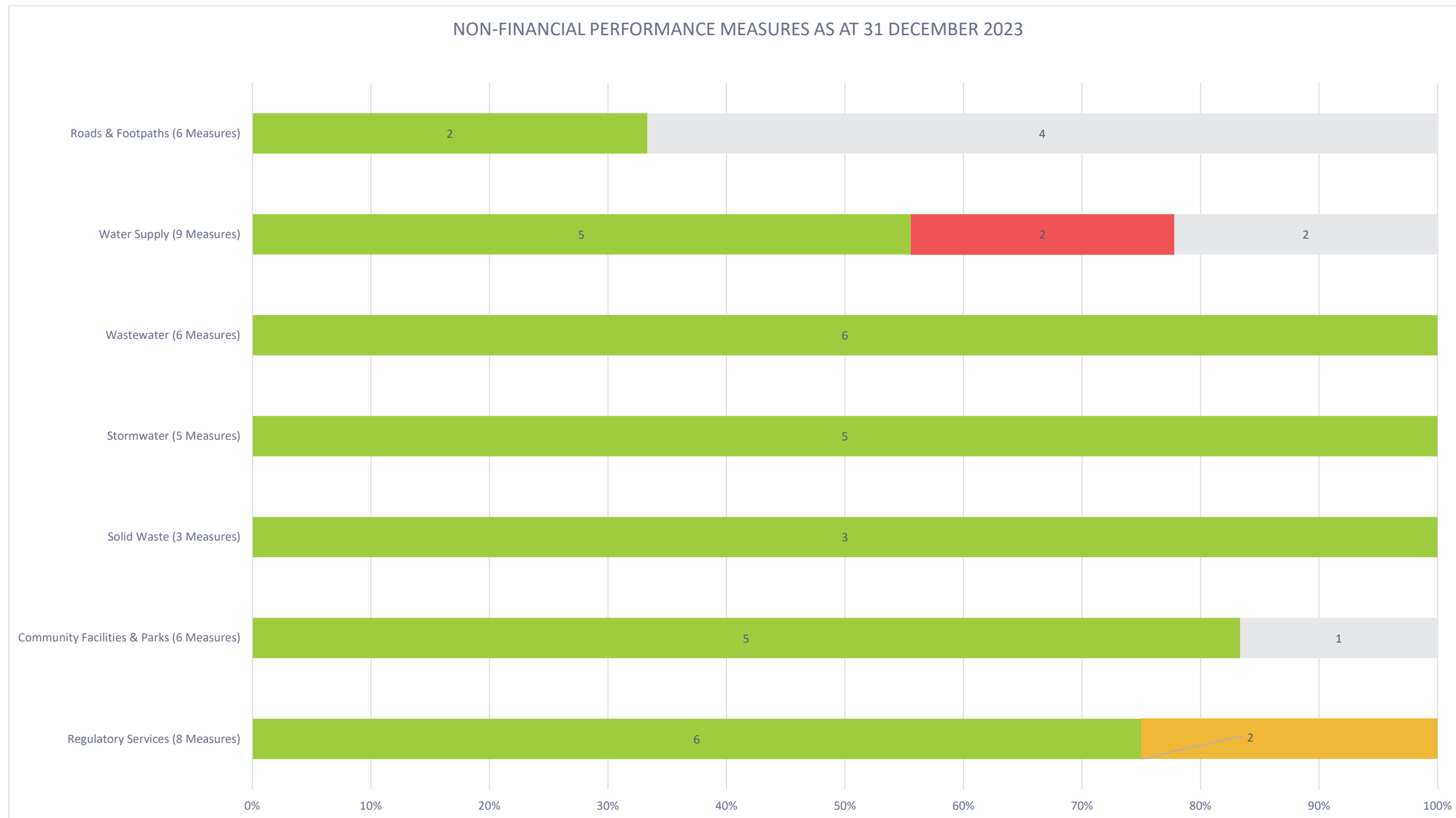
ATTACHMENTS

- 1. Non Financial Performance Measures Quarter 2 2023-2024**  

ATTACHMENT 1: Non-Financial Performance Measures for 2023/24 Quarter 2

The graph below shows the percentage of measures against each activity area that:

- have been achieved as at 31 December 2023 (green);
- have not been achieved as at 31 December 2023 but expect to be achieved at year end (orange);
- have not been achieved as at 31 December and not expected to be achieved at year end (red);
- Are not applicable and/or information is not available as at 31 December 2023 (grey).



2023/24 Quarter 2 Non-Financial Performance Measure Results

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
Roading						
Number of fatalities and serious injury crashes on the local road network. (Mandatory Measure)	No more than the 5 year average.	Reported at Year End	Not Available to Report	No fatalities and nine serious injury crashes.	One fatality and twelve serious injury crashes.	
Average quality of ride on a sealed local road network, measured by smooth travel exposure. (Mandatory Measure)	Maintain or improve on 90%	Reported at Year End	Not Available to Report	94% network smooth travel exposure (as at 30/6/23)	94% network smooth travel exposure (as at 30/6/22)	
Percentage of sealed local road network that is resurfaced. (Mandatory Measure)	Maintain within 5-7%	Reported at Year End	Not Available to Report	1.9% Resurfaced 10.05 km of the total 535 km sealed local road network.	5% Resurfaced 28.5km of the total 534.5km sealed local road network.	
Percentage of footpaths where the condition falls within the level of service defined in MDC's Asset Management Plan (Mandatory Measure)	90% of footpaths are rated excellent, good or fair	Reported at Year End	Not Available to Report	91.7% 196.2km of 214km of the footpath network surveyed to June 2023 was condition rated excellent, good and Average. (Other condition ratings are poor, very poor and unknown)	92% 193km of 210km of the footpath network surveyed to June 2022 was condition rated excellent, good or fair.	
Percentage of urgent customer service requests responded to within 2 days. (Mandatory Measure)	95% within specified timeframe	98.9% 90 of 91 urgent requests were responded to within two days.	Achieved	98.9% 270 of 273 urgent requests were responded to within two days. Q1: 100% (96/96) Q2: 100% (62/62) Q3: 97.3% (72/74) Q4: 97.6% (40/41)	99.6% 283 out of 284 urgent requests were responded to within two days. Q1: 100% (79/79) Q2: 97.8% (44/45) Q3: 100% (101/101) Q4: 100% (59/59)	YTD Result: 98.9% 90 out of 91 urgent requests have been responded to within specified timeframes. 2023/24 Quarterly Results: Q1: 97.5% (39/40) Q2: 100% (51/51)

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
<p>Percentage of non-urgent customer service requests responded to within the timeframes specified in MDC's Asset Management Plan and placed on appropriate maintenance programme. Specified response times for non-urgent requests vary by category, ranging from 7 days to 30 days.</p> <p>(Mandatory Measure)</p>	70% within specified timeframe	86.1% 389 out of 452 non-urgent requests were responded to within the timeframe.	Achieved	82.9% 978 out of 1167. Q1: 81.5% (276/340) Q2: 87.5% (175/200) Q3: 79.2% (240/303) Q4: 88.6% (287/324)	91.5% 762 out of 833 Q1: 100% (173/173) Q2: 81.3% (161/198) Q3: 89.3% (217/243) Q4: 96.3% (211/219)	<p>YTD Result: 86.1%</p> <p>389 out of 452 non-urgent requests have been responded to within specified timeframes.</p> <p>2023/24 Quarterly Results: Q1: 82.4% (220/261) Q2: 88.5% (169/191)</p> <p>The variability in results for non-urgent requests responded to on time reflects the broad variety and often complex nature of requests in this category. Often a request is responded to within the specified timeframe but not resolved.</p>
Water Supply						
<p>Number of complaints received about drinking water clarity, taste, odour, pressure or flow, continuity of supply, or MDC's response to any of these issues.</p> <p>(Mandatory Measure)</p>	Less than or equal to 6 complaints/1000 connections	0.9 complaints/1000 connections Actual Complaints: 9	Achieved	4.88 complaints/1000 connections Actual Complaints: 48 Q1: 0.711/1000 (7) Q2: 0.61/1000 (6) Q3: 2.03/1000 (20) Q4: 1.52/1000 (15)	2.37 complaints/1000 connections Actual Complaints: 23 Q1 Result: 0.41/1000(4) Q2 Result: 0.52/1000 (5) Q3 Result: 0.72/1000 (7) Q4 Result: 0.72/1000 (7)	<p>YTD: 0.9 complaints/1000 connections</p> <p>Year to date: Actual Complaints: 9</p> <p>2023/24 Quarterly Results: Q1: 0.5/1000 (5 complaints) Q2: 0.4/1000 (4 complaints)</p>
Response time to call outs to a fault or unplanned interruption to MDC's networked reticulation system:						
<p>a) attendance at urgent call outs (from notification to arrival on site)</p> <p>(Mandatory Measure)</p>	60 minutes or less	23 minutes	Achieved	50 minutes Q1: 50 minutes Q2: 54 minutes Q3: 32 minutes Q4: 47 minutes	38 minutes Q1: 39 minutes Q2: 30 minutes Q3: 38 minutes Q4: 28 minutes	<p>YTD: 23 minutes</p> <p>2023/24 Quarterly Results: Q1: 23 minutes Q2: No urgent calls</p>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
b) resolution of urgent call outs (from notification to confirmation of resolution) (Mandatory Measure)	480 minutes or less	177 minutes	Achieved	113 minutes Q1: 125 minutes Q2: 155 minutes Q3: 85 minutes Q4: 113 minutes	137 minutes Q1: 196 minutes Q2: 142 minutes Q3: 78 minutes Q4: 58 minutes	YTD: 177 minutes 2023/24 Quarterly Results: Q1: 177 minutes Q2: No urgent calls
c) attendance at non-urgent call outs (from notification to arrival on site) (Mandatory Measure)	7 days or less	74 minutes	Achieved	69 minutes Q1: 102 minutes Q2: 68 minutes Q3: 61 minutes Q4: 59 minutes	53 minutes 2021/22 Qtly Results: Q1: 22 minutes Q2: 67 minutes Q3: 49 minutes Q4: 34 minutes	YTD: 74 minutes 2023/24 Quarterly Results: Q1: 57 minutes Q2: 91 minutes
d) resolution of non-urgent call outs (from notification to confirmation of resolution) (Mandatory Measure)	3 months or less	178 minutes	Achieved	108 minutes Q1: 130 minutes Q2: 188 minutes Q3: 100 minutes Q4: 182 minutes	115 minutes Q1: 53 minutes Q2: 94 minutes Q3: 137 minutes Q4: 71 minutes	YTD: 178 minutes 2023/24 Quarterly Results: Q1: 94 minutes Q2: 186 minutes
Council's drinking water supply complies with:						
a) part 4 of the Drinking Water Standards (bacteria compliance criteria). (Mandatory Measure)	Fully compliant	Partially Compliant	Not Achieved	Fully compliant	Fully compliant	Changes to DWQAR in 2022 have resulted in technical non-compliance. Data is collected but there is a new requirement to now continually monitor parameters. This has required installation of new technology. Systems are now installed and future years will be compliant.
b) part 5 of the Drinking Water Standards (protozoal compliance criteria). (Mandatory Measure)	Fully compliant	Partially Compliant	Not Achieved	Fully Compliant for 98.9% of days (361 out of 365 days). There were 4 days where filtered turbidity exceeded the standard for more than 1% of the time.	Fully compliant	Changes to DWQAR in 2022 have resulted in technical non-compliance. Data is collected but there is a new requirement to now continually monitor parameters. This has required installation of new technology. Systems are now installed and future years will be compliant.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
Percentage of real water loss from MDC's reticulation system (calculated using minimum night flow). (Mandatory Measure)	Year 2: No more than 32.5% Note: The Year 3 Target is to be established (to align with water meter installation and associated data).	Reported at Year End	Not Available to Report	32.4%	32.5%	
Average consumption of drinking water per day per resident within the district. (Demand management). (Mandatory Measure)	Year 2: No more than 578 litres/person/day Note: The Year 3 Target is to be established (to align with water meter installation and associated data).	Reported at Year End	Not Available to Report	586 litres/person/day	578 litres/person/day	

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Wastewater						
<p>Number of complaints received about sewerage odour, system faults, system blockages, MDC's response to issues with its sewerage system.</p> <p>(Mandatory Measure)</p>	Less than or equal to 8 complaints/1000 connections.	<p>4.04 complaints/1,000 connections</p> <p>Actual Complaints: 40</p>	Achieved	<p>26.56 complaints/1000 connections</p> <p>Actual Complaints: 257</p> <p>Q1: 14.16/1000 (137) Q2: 4.3/1000 (42) Q3: 4.44/1000 (43) Q4: 3.62/1000 (35)</p> <p>The higher number of complaints this year were primarily related to a continuation of issues with the wastewater network resulting from groundwater tables that have remained high since the February 2022 heavy rain event.</p>	<p>15.95 complaints/1000 connections</p> <p>Actual Complaints: 152</p> <p>Q1: 1.99/1000 (19) Q2: 1.26/1000 (12) Q3: 11.43/1000 (109) Q4: 1.26/1000 (12)</p> <p>During the February 2022 record rain event water infiltrated the sewer system leading to overflows. As a result, there were an increased number of complaints. Port-a-loos were provided to impacted properties, and overflows were cleaned up once the water subsided, which took several days.</p> <p>The increased number of complaints, and the time it took for water to subside, also impacted results for attendance and resolution, as noted below.</p>	<p>YTD: 4.04 complaints/1000 connections</p> <p>YTD Actual Complaints: 40</p> <p>2023/24 Quarterly Results: Q1: 2.83/1000 (28 complaints) Q2: 1.21/1000 (12 complaints)</p> <p>The result for Q1 of this year is more comparable with results prior to the February 2022 rain event. Results over the past 18 months have been impacted by heavy rain and high groundwater.</p> <p>Work is being progressed to mitigate the impact of heavy rainfall on our wastewater networks, especially in areas that have experienced challenges for an extended period of time.</p>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
Median response time to sewerage overflows resulting from a blockage or other fault to MDC's sewerage system:						
a) attendance (from time of notification to the time service personnel arrive onsite) (Mandatory Measure)	6 hours or less	26 minutes	Achieved	YTD: 52 minutes Q1: 75 minutes Q2: 50 minutes Q3: 37 minutes Q4: 35 minutes	Year End: 131 minutes (2.18 hours) Q1: 30 minutes Q2: 47 minutes Q3: 2829 minutes (47.15 hours) Q4: 48 minutes The February 2022 flooding event happened afterhours. The volume of complaints received resulted in longer attendance times despite staff working extra hours and over the weekend.	YTD: 26 minutes 2023/24 Quarterly Results: Q1: 32 minutes Q2: 22 minutes
b) resolution (from time of notification to the time service personnel confirm resolution) (Mandatory Measure)	12 hours or less	108 minutes	Achieved	102 minutes 2022/23 Quarterly Results: Q1: 159 minutes Q2: 75 minutes Q3: 59 minutes Q4: 136 minutes	1084 minutes (18.07 hours) Q1: 161 minutes Q2: 147 minutes Q3: 3950 minutes (65.83 hours) Q4: 105 minutes The clean-up of overflows in Q3 following the February 2022 flood event could not be completed until the water subsided. This took several days, impacting resolution times.	YTD: 108 minutes 2023/24 Quarterly Results: Q1: 135 minutes Q2: 84 minutes
Number of dry weather sewerage overflows from MDC's sewerage system (Mandatory Measure)	Less than or equal to 2/1000 connections	0.5 complaints/1000 connections (5 complaints)	Achieved	0.41/1000 connections Actual: 4 complaints Q1: 0.10/1000 (1) Q2: 0.10/1000 (1) Q3: 0.10/1000 (1) Q4: 0.10/1000 (1)	1.15/1000 connections Actual: 11 complaints Q1: 0.31/1000 (3) Q2: 0.21/1000 (2) Q3: 0.42/1000 (4) Q4: 0.21/1000 (2)	YTD: 0.5 complaints/1000 connections YTD Actual: 5 complaints 2023/24 Quarterly Results: Q1: 0.4/1000 (4 complaints) Q2: 0.10/1000 (1 complaints)

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<p>Compliance with MDC's resource consents for discharge from its sewerage system, measured by the number of abatement notices, infringement notices, enforcement orders or convictions received by MDC in relation to those consents.</p> <p>(Mandatory Measure)</p>	100% - no consent breaches	100% compliant	Achieved	<p>One abatement notice served.</p> <p>An Abatement Notice was served on MDC on 25/8/22, requiring compliance with consent conditions.</p> <p>This related to a breach of Resource Consent conditions due to occasional high E-Coli results detected in the final treatment pond (not the wastewater discharge).</p>	<p>One infringement received</p> <p>An infringement was received in Quarter 2 due to an overflow (with limited effects) that resulted from a sewer line blockage. The blockage was caused by foreign material being flushed into the sewer. The blocked line was in the process of being upgraded and work has now been completed on that section.</p>	<p>YTD: 100% compliant</p> <p>Q1: 100% compliant</p> <p>Q2: 100% compliant</p>
<p>Alternative system provided where loss of service exceeds 24 hours</p>	Less than or equal to 1/1000 connections	0.2/1000 connections (2 port-a-loos provided)	Achieved	<p>YTD: 16.53/1000 connections (160 port-a-loos required)</p> <p>2022/23 Quarterly Results: Q1: 8.37/1000 (81 required) Q2: 2.79/1000 (27 required) Q3: 2.99/1000 (29 required) Q4: 2.38/1000 (23 required)</p> <p>The high number of port-a-loos provided in Q1 were primarily a result of issues with the wastewater network resulting from groundwater tables remaining high following the heavier than usual rainfall through before and during Q1. The groundwater conditions and heavy rainfall continued to impact through the year.</p>	<p>6.4/1000 connections (61 port-a-loos required)</p> <p>Q1: 0/1000 Q2: 0/1000 Q3: 6.2/1000 (59 required) Q4: 0.21/1000 (2 required)</p> <p>Port-a-loos were provided to properties that experienced wastewater overflows as a result of the February 2022 rain event in Q3.</p> <p>The two port-a-loos reported in Q4 related to the flooding event in Q3. Service requests for these two port-a-loos were completed in Q4.</p>	<p>YTD: 0.2/1000 connections (2 port-a-loos required)</p> <p>2023/24 Quarterly Results: Q1: 0.1/1000 connections (1 required) Q2: 0.1/1000 connections (1 required)</p> <p>Results over the past 18 months have been impacted by heavy rain and high groundwater. The results YTD are more comparable with results prior to the February 2022 rain event.</p>

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Stormwater:						
Number of flooding events that occur in the district (Mandatory Measure)	10 events or less	No Flooding Events reported	Achieved	5 Flooding Events Q1: 3 flooding events Q2: 2 flooding events Q3: No flooding events Q4: No flooding events	2 Flooding Events Q1: No flooding events Q2: No flooding events Q3: 2 flooding events Q4: No flooding events	YTD: No Flooding Events Reported Q1: No flooding events Q2: No flooding events
For each flooding event, the number of habitable floors affected (Mandatory Measure)	Less than or equal to 1/1000 connections	0/1000 connections. No habitable floors affected	Achieved	0/1000 connections. No habitable floors affected Q1: No habitable floors affected Q2: No habitable floors affected Q3: No habitable floors affected Q4: No habitable floors affected	0.33/1000 connections. 3 habitable floors affected Q1: No habitable floors affected Q2: No habitable floors affected Q3: 2 habitable floors affected Q4: 1 habitable floors affected The habitable floor reported in Q4 was related to the flooding event in Q3. The service request was completed in Q4.	YTD: 0/1000 connections. No habitable floors affected Q1: No habitable floors affected Q2: No habitable floors affected
Compliance with MDC's resource consents for discharge from its stormwater system, measured by the number of abatement notices, infringement notices, enforcement orders or convictions received by MDC in relation to those consents. (Mandatory Measure)	100% compliance	100% - no consent breaches	Achieved	100% - no consent breaches	100% - no consent breaches	YTD: 100% - no consent breaches

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<p>Number of complaints received about the performance of MDC's stormwater system</p> <p>(Mandatory Measure)</p>	Less than or equal to 3/1000	<p>2.2 complaints/1000 connections</p> <p>Actual Complaints: 19</p>	Achieved	<p>10.11 complaints/1000 connections</p> <p>Actual: 91 complaints</p> <p>Q1: 3.44/1000 (31) Q2: 1.33/1000 (12) Q3: 2.22/1000 (20) Q4: 3.11/1000 (28)</p> <p>The higher number of complaints are primarily related to groundwater tables remaining high following the heavier than usual rainfall since February 2022.</p>	<p>4.11 complaints/1000 connections</p> <p>Actual: 37 complaints</p> <p>Q1: 0.56/1000 (5) Q2: 0.67/1000 (6) Q3: 2/1000 (18) Q4: 0.89/1000 (8)</p> <p>The February 2022 rain event in Q3 contributed to an increased number of complaints in that quarter.</p>	<p>YTD: 2.2 complaints/1000 connections</p> <p>YTD Actual: 19 complaints</p> <p>Q1: 1.6/1000 (14 complaints) Q2: 0.6/1000 (5 complaints)</p> <p>The number of complaints received has reduced compared to last year, but is still higher than results prior to the February 2022 rain event. Most complaints related to wastewater/stream maintenance.</p>
<p>Median response time to attend a flooding event (from time of notification to the time service personnel arrive onsite)</p> <p>(Mandatory Measure)</p>	60 minutes or less	N/A – no flooding events reported	Achieved	<p>21 minutes</p> <p>2022/23 Quarterly Results: Q1: 47 minutes – 3 flooding events reported Q2: 16 minutes – 2 flooding events reported Q3: N/A – no flooding events reported Q4: N/A – no flooding events reported</p>	<p>6531 (109 hours)</p> <p>Q1: No flooding events Q2: No flooding events Q3: 6530 minutes Q4: 25 minutes</p> <p>The volume of complaints relating to flooding and wastewater issues over the period of the rain event in Q3 resulted in longer response times, despite staff working extra hours and over the weekend.</p> <p>The response time reported in Q4 was related to the flooding event in Q3. The service request was completed in Q4.</p>	<p>YTD: N/A</p> <p>2023/24 Quarterly Results: Q1: No flooding events Q2: No flooding events</p>

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Solid Waste						
Number of call backs due to non-collection of official rubbish bag in each weekly collection	No more than 52 call-backs per annum.	8 call backs	Achieved	8 Call Backs Q1 Result: 2 Q2 Result: 3 Q3 Result: 3 Q4: Result: 0	9 Call Backs 2021/22 Quarterly Results: Q1 Result: 1 Q2 Result: 1 Q3 Result: 2 Q4 Result: 5	YTD: 8 Call Backs Q1 Result: 6 Q2 Result: 2
Tonnage of waste transferred to landfill per head of population	Reduction on previous year (0.513 tonne per head of population) Note: When the new bylaw is implemented, a new baseline will be established for reporting purposes.	0.483 tonne per head of population (Q2 annualised) <i>(est. population as at 30/6/23: 29,000)</i> 7,009 tonnes of waste transferred ex Masterton in first 6 months (last year 8,184 tonnes)	Achieved	0.513 tonne per head of population (Q4 annualised) <i>(est. population as at 30/6/22: 29,000)</i> 14,882 tonnes YTD of waste transferred ex Masterton	0.599 tonne per head of population <i>(est. population as at 30/6/21: 28,200)</i> 16,883 tonnes of waste transferred (16.6% increase on previous year) Result excludes 277 tonnes of recyclable materials that were damaged and dumped as a result of a fire in the MRF in August 2021.	YTD Result: 0.483 tonne per head of population (annualised) – 7,009 tonne of waste transferred Q1 – 0.472 tonne per head of population (annualised) – 3,420 tonne of waste transferred Q2 – 0.483 tonne per head of population (annualised) – 7,009 tonne of waste transferred <i>Results are based on estimated population of 29,000 as at 30/6/22.</i>
Urban and rural transfer stations, recycling, composting facilities and landfills operate within approved resource consent conditions	100% compliance	100% compliance	Achieved	100% compliance	100% compliance	

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Community Facilities and Parks						
Number of people using our library and archive reflected by: Overall library usage and number of visits to the library and archive.	<p>Library Usage:</p> <p>No less than 5 year average for overall library usage</p> <p>Usage consists of:</p> <ul style="list-style-type: none"> Physical issues Digital issues Computer/Wi-Fi sessions 	<p>YTD Library Usage: 173,216</p> <ul style="list-style-type: none"> Physical issues: 95,577 Digital issues: 31,859 Computer/Wi-Fi sessions: 45,780 	On Track to Achieve	<p>Library Usage: 324,662</p> <p>Physical issues: 187,344</p> <p>Digital issues: 52,431</p> <p>Computer/Wi-Fi sessions: 84,887</p> <p>The 5 year average for Library usage was: 290,315 made up of:</p> <p>Physical issues: 214,591</p> <p>Digital issues: 16,614</p> <p>Computer/Wi-Fi sessions: 59,110</p> <p>Q1 Library Usage: 79,668</p> <p>Physical issues: 46,211</p> <p>Digital issues: 13,369</p> <p>Computer/Wi-Fi sessions: 20,088</p> <p>Q2 Library Usage: 80,294</p> <p>Physical issues: 46,517</p> <p>Digital issues: 11,745</p> <p>Computer/Wi-Fi sessions: 22,032</p> <p>Q3 Library Usage: 76,205</p> <p>Physical issues: 46,777</p> <p>Digital issues: 13,000</p> <p>Computer/Wi-Fi sessions: 16,428</p> <p>Q4 Library Usage: 88,495</p> <p>Physical issues: 47,839</p> <p>Digital issues: 14,317</p> <p>Computer/Wi-Fi sessions: 26,339</p>	<p>Library Usage: 278,960</p> <p>Physical issues: 182,546</p> <p>Digital issues: 44,838</p> <p>Computer/Wi-Fi sessions: 51,576</p> <p>The 5 year average for Library usage was: 318,686 made up of:</p> <p>Physical issues: 231,430</p> <p>Digital issues: 12,958</p> <p>Computer/Wi-Fi sessions: 74,298</p> <p>Q1 Library Usage: 53,666</p> <p>Physical issues: 40,529</p> <p>Digital issues: 8,751</p> <p>Computer/Wi-Fi sessions: 4,386</p> <p>Q2 Library Usage: 63,777</p> <p>Physical issues: 47,147</p> <p>Digital issues: 11,844</p> <p>Computer/Wi-Fi sessions: 4,786</p> <p>Q3 Library Usage: 71,517</p> <p>Physical issues: 46,638</p> <p>Digital issues: 10,400</p> <p>Computer/Wi-Fi sessions: 14,479</p> <p>Q4 Library Usage: 87,326</p> <p>Physical issues: 48,226</p> <p>Digital issues: 12,073</p> <p>Computer/Wi-Fi sessions: 27,027</p>	<p>The 5 year average for Library Usage is: 277,238 (this equates to a quarterly average of 69,310) made up of:</p> <ul style="list-style-type: none"> Physical issues: 202,520 Digital issues: 20,636 Computer/Wi-Fi sessions: 54,082 <p>YTD Library Usage: 173,216</p> <ul style="list-style-type: none"> Physical issues: 95,577 Digital issues: 31,859 Computer/Wi-Fi sessions: 45,780 <p>Quarterly Results:</p> <p>Q1 Library Usage: 87,840</p> <ul style="list-style-type: none"> Physical issues: 50,531 Digital issues: 15,993 Computer/Wi-Fi sessions: 21,316 <p>Q2 Library Usage: 85,376</p> <ul style="list-style-type: none"> Physical issues: 45,046 Digital issues: 15,866 Computer/Wi-Fi sessions: 24,464 <p>Physical issues are comparable with the same quarter (Q2) of the previous two years. Digital issues and computer/wi-fi sessions are increasing.</p> <p>Overall, this result is on track to be achieved at year end.</p>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
<p>Library Visits:</p> <p>No less than 5 year average for number of visits to the library and archive</p> <p>Visits consists of:</p> <ul style="list-style-type: none"> In Person Visits Digital Housebound <p>Note: Digital visits include website, OPAC and social media.</p>	<p>YTD Library Visits: 147,483</p> <p>Visits consists of:</p> <ul style="list-style-type: none"> In Person: 52,601 Digital: 94,226 Housebound: 656 	On Track to Achieve	<p>Library Visits: 329,929</p> <p>Visits consist of:</p> <p>In Person: 99,132 Digital: 229,709 Housebound: 1,088</p> <p>The 5 year average for Library visits was: 233,332 made up of:</p> <p>In Person Visits: 128,351 Digital Visits: 104,178 Housebound Visits: 803</p> <p>Q1 Library Visits: 59,240</p> <p>In Person: 24,748 Digital: 34,168 Housebound: 324</p> <p>Q2 Library Visits: 71,457</p> <p>In Person: 23,405 Digital: 47,740 Housebound: 312</p> <p>Q3 Library Visits: 78,484</p> <p>In Person: 24,021 Digital: 54,249 Housebound: 214</p> <p>Q4 Library Visits: 98,216</p> <p>In Person: 26,709 Digital: 71,269 Housebound: 238</p>	<p>Library Visits: 363,490</p> <p>Visits consist of:</p> <p>In Person: 83,400 Digital: 278,944 Housebound: 1,146</p> <p>The 5 year average for Library visits was: 215,501 made up of:</p> <p>In Person Visits: 148,062 Digital Visits: 66,745 Housebound Visits: 694</p> <p>Q1 Library Visits: 64,440</p> <p>In Person: 20,798 Digital: 43,412 Housebound: 230</p> <p>Q2 Library Visits: 54,911</p> <p>In Person: 21,469 Digital: 33,041 Housebound: 401</p> <p>Q3 Library Visits: 58,268</p> <p>In Person: 19,361 Digital: 38,675 Housebound: 232</p> <p>Q4 Library Visits: 185,871</p> <p>In Person: 21,772 Digital: 163,816 (social media only measured at year end) Housebound: 283</p>	<p>The 5 year average for Library Visits is: 245,616 (this equates to a quarterly average of 61,404) made up of:</p> <ul style="list-style-type: none"> In Person Visits: 113,191 (28,298 per quarter average) Digital Visits: 131,524 (32,881 per quarter average) Housebound Visits: 901 (225 per quarter average) <p>Digital visits include website, OPAC and social media.</p> <p>YTD Library Visits: 147,483</p> <ul style="list-style-type: none"> In Person: 52,601 Digital: 43,123 Housebound: 656 <p>Quarterly Results:</p> <p>Q1 Library Visits: 71,756</p> <ul style="list-style-type: none"> In Person: 28,409 Digital: 43,123 Housebound: 224 <p>Q2 Library Visits: 75,732</p> <ul style="list-style-type: none"> In Person: 24,192 Digital: 51,103 Housebound: 432 <p>Overall visits have increased in Q2 of this year compared to the previous two years. In person have continued to trend up (compared to Q2 of the previous two years), likely reflecting people returning to the library in person after previous years with COVID-19 concerns and restrictions. There has also been an increasing trend in digital visits. Housebound visits are higher than the same quarter in the previous two years.</p> <p>This measure is on track to be achieved at year end.</p>	

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
Percentage of Council parks and open spaces urgent customer service requests that are resolved within 4 work hours.	90% resolved within 4 work hours.	100 % responded to within 4 hours. All 9 urgent requests have been responded to within 4 hours.	Achieved	93.8% responded to within 4 hours. 46 out of 49 urgent requests received were responded to within 4 hours. Q1: 90% (18/20) Q2: 90% (9/10) Q3: 100% (11) Q4: 100% (8)	96% responded to within 4 hours. 54 out of 56 urgent requests were responded to within 4 hours. Q1: 100% (7) Q2: 100% (14) Q3: 100% (10) Q4: 92% (25)	Year to Date: 100% responded to within 4 hours. 9 out of 9 urgent requests received were responded to within 4 hours. Q1: 100% (5/5 urgent requests) Q2: 100% (4/4 urgent requests)
Number of people using the recreational trails that are part of our parks and reserves network	Utilisation = at least the 2 year average The 2 year average (as at 30/6/20) equates to: 289,612 See note regarding targets in commentary column.	This measure was set as part of the 2021-31 Long-Term Plan process. At that time, data loggers were recording the number of people using the recreational trails. However, over the past two years we have been unable to report results due to ongoing issues with the data loggers that have not been permanently resolved.	Not Available to Report	Year End: Results unable to be reported due to issues with data loggers through the year.	Year End: Results unable to be reported due to issues with data loggers through the year.	Work to resolve the Trail Counter functionality has been attempted but has not produced reliable results over the reporting period. Despite being unable to report usage, staff have received consistent positive feedback about the trails.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
Number of people using the Trust House Recreation Centre	No less than 5 year average for overall Trust House Recreation Centre usage total Usage consists of: <ul style="list-style-type: none">SwimGymStadium SportsStadium Events	Trust House Recreation Centre Usage YTD 73,780: <ul style="list-style-type: none">Swim: 51,863Gym: 16,992Stadium Sports: 2,469Stadium Events: 2,456	On Track to Achieve	Usage:152,095 made up of: Swim: 106,191 Gym: 27,687 Stadium Sports: : 5,830 Stadium Events: 12,387 The 5 year usage was: 121,703. This consists of: Swim: 79,983 Gym: 30,152 Stadium Sports: 3,367 Stadium Events: 8,202 Q1 Usage: 34,476 Swim: 24,333 Gym: 6,244 Stadium Sports: 1,775 Stadium Events: 2,124 Q2 Usage: 39,272 Swim: 28,490 Gym: 6,715 Stadium Sports: 1,137 Stadium Events: 2,930 Q3 Usage: 44,213 Swim: 28,728 Gym: 7,972 Stadium Sports: 1,760 Stadium Events: 5,753 Q4 Usage: 34,134 Swim: 24,640 Gym: 6,756 Stadium Sports: 1,158 Stadium Events: 1,580	Usage: 99,899 made up of: Swim: 65,357 Gym: 25,214 Stadium Sports: 3,717 Stadium Events: 5,601 The 5 year usage was: 106,018. This consists of: Swim: 70,348 Gym: 25,695 Stadium Sports: 2,761 Stadium Events: 7,215 Q1 Usage: 21,716 Swim: 14,247 Gym: 5,002 Stadium Sports: 787 Stadium Events: 1,680 Q2 Usage: 23,697 Swim: 15,241 Gym: 6,653 Stadium Sports: 757 Stadium Events: 1,046 Q3 Usage: 28,413 Swim: 18,721 Gym: 7,844 Stadium Sports: 724 Stadium Events: 1.124 Q4 Usage: 26,063 Swim: 17,148 Gym: 5,715 Stadium Sports: 1,449 Stadium Events: 1,751	The 5 year average for Trust House recreation Centre usage is: 123,364 (equating to a quarterly average of 30,841). This consists of: <ul style="list-style-type: none">Swim: 82,366 (quarterly average: 20,591)Gym: 28,383 (quarterly average: 7,096)Stadium Sports: 3,844 (quarterly average: 961)Stadium Events: 8,771 (quarterly average: 2,193) YTD Usage: 73,780 <ul style="list-style-type: none">Swim: 51,863Gym: 16,992Stadium Sports: 2,469Stadium Events: 2,456 Q1 33,693 <ul style="list-style-type: none">Swim: 22,878Gym: 8,729Stadium Sports: 1,579Stadium Events: 507 Q2 40,087 <ul style="list-style-type: none">Swim: 29,985Gym: 8,263Stadium Sports: 890Stadium Events: 1,949 Compared to Q2 last year, gym and swim use has increased, but there have been declines in stadium sports and events use. The decline in stadium events is a reflection of the closure of the B-Legends childcare programme. Overall usage is comparable with the same quarter last year, and is tracking ahead of the 5 year quarterly average.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
Compliance with the healthy homes standards for Council owned rental units and houses.	Applies to all Council rental units/houses: All units/houses comply with the healthy home standards (or have exemptions).	Proportion of new/ renewed tenancy agreements where the unit/house rented is compliant (or has an exemption) at the time of lease: 100% (5/5)	Achieved	100% Five units were let and all five were fully compliant at the time of lease	83.3% Six units were let and five were fully compliant at the time of lease. The non-compliance was addressed within the same quarter.	YTD: 100% - 4 units and 1 house have been Let. All were fully compliant at the time of lease. Q1: 100% - 1 unit was let. That unit was fully compliant. Q2: 100% - 3 units and 1 house was let. All were fully compliant. All Council housing is now fully compliant with new standards, ahead of schedule (31 December 2022) and the legal deadline for compliance (1 July 2024).
Regulatory:						
Response time to attend Priority 1 urgent call outs (e.g. dog attacks).	90% attended within one hour	91.35% (74 out of 81 urgent call-outs attended on time)	Achieved	Year End: 95.3% 162/170 attended on time Q1 – 93.54% (29/31) Q2 – 90.39% (47/52) Q3 – 100% (48/48) Q4 - 97.5% (38/39)	Year End: 94% 141/150 attended on time Q1 – 98.08% (51/52) Q2 – 90.62% (29/32) Q3 – 86.21% (25/29) Q4 – 92.11% (35/38)	YTD: 91.35% (74/81 attended on time) Q1 – 86.4% (38/44) Q2 – 97.29% (36/37) Priority 1 call outs include dog attacks on people, animals, protected wildlife and stock, as well as rushing's, stock worrying, welfare and police assistance. In Q1 – ten call outs were for attacks on people. All of these call outs were attended within time. In Q2 - eight of the 37 call outs in Q2 were for attacks on people. All of these call outs were attended within time.
Response time to attend noise control call outs.	90% attended within one hour	95.9% (311 out of 324 complaints attended within one hour)	Achieved	Year End: 93% 573/616 attended on time Q1 – 95.83% (115/120) Q2 – 91.38% (159/174) Q3 – 89.1% (139/156) Q4 – 96.4% (160/166)	Year End: 93.7% 687/733 attended on time Q1 – 95.6% (132/138) Q2 – 96% (264/275) Q3 – 92.5% (149/161) Q4 – 89.3% (142/159)	YTD: 95.9% (311/324 attended on time) Q1 – 93.8% (122/130) Q2 – 97.4% (189/194)
Number of animal control community education and engagement activities.	A minimum of 6 per annum related to high priority issues or concerns	Engagement Activities: 1	Expect to achieve at year-end.	YTD: 8 education/ engagement activities Q1 – No education/ engagement activities Q2 – 5 Q3 – 3 Q4 – No education/ engagement activities	8 education/engagement activities Q1 – No education/ engagement activities Q2 – 2 Q3 – 4 Q4 - 2	YTD: One microchipping event was held at Henley Lake in November. Q1 – No education/engagement activities Q2 – 1 education/engagement activity The team still anticipate completing six activities through the year to meet the annual target.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
Percentage of resource consents processed within statutory timeframes	90%	93.3% (85 of 91 resource consents were processed within statutory timeframes)	Achieved	92.2% 142 of 154 resource consents were processed within statutory timeframes Q1: 90% (28/33) Q2: 97.5% (39/40) Q3: 94.1% (32/34) Q4: 91.5% (43/47)	93% 210 of 226 resource consents were processed within statutory timeframes Q1: 98% (52/53) Q2: 100% (72/72) Q3: 90.2% (46/51) Q4: 89.7% (35/39)	YTD: 93.3% (85/91) Q1: 97.7% (42/43) Q2: 89.6% (43/48) The target was not quite achieved in Q2 but YTD the target has been achieved. The Q2 result is a reflection of the proposed WCDP being notified and applications now having to be assessed against two district plans; and an increased number of sub-division applications received prior to notification of the proposed plan. Fifty sub-division consents have been received YTD compared to 34 in the same period last year.
Percentage of building consents processed within statutory timeframes	90%	91.5% (293/320 consents issued were processed within statutory timeframes)	Achieved	83% 538 of 649 consents issued were processed within statutory timeframes. The average processing time was 16.5 working days. Q1: 73% (141/194) / 17 days Q2: 77% (124/161) / 19 days Q3: 94% (130/138) / 15 days Q4: 92% (143/156) / 15 days	65% 442 of 685 consents issued were processed within statutory timeframes. The average processing time was 20 working days. Q1: 52% (93/178) / 22 days Q2: 74% (102/138) / 15 days Q3: 87% (144/165) / 16 days Q4: 75% (156/207) / 17 days	Quarter 2: 136 of 147 building consents were issued within statutory timeframes. The average processing time was 15 working days. YTD: 91.5% (293/320) / 15 average working days Q1: 91% (158/174) / 14 working days Q2: 92.5% (136/147) / 15 working days Targets for processing consents were achieved in Q1 and Q2. This is an improvement on the same period over the last two years, reflecting growth in the team's capacity. Consent numbers for Q1 and Q2 of this year were also lower than the same period last year.
Percentage of code compliance certificates processed within statutory timeframes	90%	94% (259 of 276 certificates were processed within statutory timeframes)	Achieved	90% 520 of 577 certificates were processed within statutory timeframes. The average processing time was 15 working days. Q1: 83% (130/156)/20.9 days Q2: 87% (159/183) /13 days Q3: 97% (95/98) /16 days Q4: 97% (136/140) /10 days.	79% 453 of 573 code compliance certificates were processed within statutory timeframes. The average processing time was 17 working days. Q1: 72% (118/163)/15 days Q2: 95% (137/145)/9 days Q3: 85% (97/114)/14 days Q4: 85% (139/163)/13 days	Quarter 2: 129 code compliance certificates were issued, with 94.5% processed within statutory timeframes. The average processing time was 12 working days. YTD on time: 94% (259/276) / 17 working days Q1: 94% (133/141) / 15 working days Q2: 94.5% (122/129) / 12 working days Results are comparable with the last six months of 2023 and an improvement on Q1 and Q2 in previous years.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2023/24 Annual Target	Quarter 2: Result as at 31/12/23 (Year 3 of 2021-31 LTP)	Status at 31/12/23	Year End Result as at 30/06/23 (Year 2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Year 1 of 2021-31 LTP)	
Percentage of commercial Building Warrant of Fitness' (BWOFS) that have been reviewed within 20 days of their due date.	At least 90% of BWOFS have been reviewed within 20 days of their due date.	91% of BWOFS received were reviewed within 20 working days	Achieved	100% reviewed within 20 days of the due date. Q1: 100% Q2: 100% Q3: 100% Q4: 100% 98% compliance across 398 Building Warrant of Fitness.	100% reviewed within 20 days of the due date. Q1: 100% Q2: 100% Q3: 100% Q4: 100% 90% compliance across 387 Building Warrant of Fitness.	YTD: 91% reviewed within 20 days of the due date. Q1: 92% - 101 BWOFS were due in Q1 – 8 are overdue. Q2: 89% - 80 BWOFS were due in Q2 – 9 are overdue. Overdue means that the building owner (or their agent) has not provided a BWoF in the month of their anniversary date, and MDC are following up.
Proportion of known residential swimming pools that have been inspected.	The year 3 target is 80% The year 1 target was 25%. The year 2 target was 50% Target changes from Year 4: Years 4-10: cycle to be repeated but ensuring 100% of pools have been re-inspected by the end of Years 6 and 9.	68% of total pools inspected 56% of total pools compliant YTD: 192 inspections undertaken	Expect to achieve at end of year	48% inspected 508 inspections undertaken Q1: 233 inspections undertaken over 190 pools = 23% inspected and 13% of total pools compliant Q2: 44 inspections undertaken over 26 pools = 27% inspected and 19% of total pools compliant Q3: 87 inspections undertaken over 87 pools = 37% inspected and 30% of total pools compliant Q4: 144 inspections undertaken over 144 pools = 48% inspected and 39% of total pools compliant	3% inspected 28 inspections undertaken. Q1: No inspections. Q2: No inspections. Q3: 15 inspections. Q4: 13 inspections. Pool inspections scheduled for 2021/22 were impacted by a lack of resource in the team due to a resignation.	YTD: 191 inspections undertaken over 191 recorded pools, with 98 of those pools remaining on our database* of pools inspected. 93 pools included on the database were not located upon site inspection and were removed from the database. Q1: 60 inspections undertaken over 27 pools = 53% of total pools inspected and 45% of total pools compliant Q2: 131 inspections undertaken over 71 pools = 68% of total pools inspected and 56% of total pools compliant Based on current results, the team expect to achieve the target of 100% of pools inspected by year end. <i>*Note: Some pools are decommissioned following inspection and/or the pool is confirmed as no longer existing when staff visit the site.</i>
Leadership, Strategy and Corporate Services						
Every year Council produces an Annual Report that informs our community about what has been achieved and how well we performed against the plans and budgets that were set for that year. In addition, there is regular reporting to the Senior Leadership Team and Council on progress with work and projects in this activity group, and once every three years Council undertakes a Community Satisfaction Survey that includes questions about Council's leadership and reputation.						

6.5 KEY POLICIES MONITORED BY THE AUDIT AND RISK COMMITTEE

File Number:

Author: Karen Yates, General Manager Strategy & Development

Authoriser: Kym Fell, Chief Executive

PURPOSE

The purpose of this report is to provide a status update of policies that are monitored by the Audit and Risk Committee.

RECOMMENDATIONS

That the Audit and Risk Committee:

1. **notes** that the following policies are monitored by the Audit and Risk Committee:
 - Asset Management Policy
 - Fraud, Dishonesty and Corruption Control Policy
 - Workplace Health and Safety and Staff Wellbeing Policy
 - Procurement Policy
 - Revenue and Financing Policy
 - Risk Management Policy
 - Significance and Engagement Policy
 - Sensitive Expenditure Policy, and
 - Treasury Management Policy.
2. **notes** the status update for each of these policies in this Report.

CONTEXT

Masterton District Council (Council) has an approved Terms of Reference for the Audit and Risk Committee that were approved at the inaugural council meeting on 26 October 2022. Key functions of the Audit and Risk Committee include:

- enhancing the governance framework, risk management practices, and the controls Council uses to monitor achievements; and
- providing the Council with assurance of the integrity and reliability of Councils internal control framework.

The Audit and Risk Committee also has delegation to recommend draft policies and strategies associated with Council's risk management, compliance, and internal control functions to the Council for adoption. The monitoring of these policies aligns with the function and delegated authority of the Audit and Risk Committee Terms of Reference.

For example:

- The Workplace Health and Safety and Staff Wellbeing Policy aligns with the Audit and Risk Committee’s responsibility for oversight of Council’s health, safety and wellbeing responsibilities;
- The Significance and Engagement Policy, Revenue and Financing Policy, and Treasury Management Policy aligns with the Audit and Risk Committee’s responsibility of oversight for Councils legislative compliance; and
- The Sensitive Expenditure Policy and Fraud, Dishonesty and Corruption Control Policy aligns with the Audit and Risk Committee’s responsibility for processes to report and manage sensitive expenditure, conflict of interest and fraud.

ANALYSIS AND ADVICE

There are currently nine policies that are monitored by the Audit and Risk Committee. Of these, seven are current and two are overdue for review.

The current policies include the Workplace Health and Safety and Staff Wellbeing Policy approved by SLT in October 2023 and presented at this meeting for endorsement. The two overdue policies are currently under review and scheduled to be completed this financial year.

Table 1: Status update of policies monitored by the Audit and Risk Committee

Policy	Status	Date Approved	Approval by	Comments
Asset Management Policy	Current	2023	Strategic Leadership Team and endorsed Audit and Risk Committee	Next review due November 2026.
Fraud, Dishonesty and Corruption Control Policy	Overdue	2018	Strategic Leadership Team and endorsed Audit and Risk Committee	Review due in 2021. Review underway. Audit and Risk Committee endorsement to be sought in May 2024.
Workplace Health and Safety and Staff Wellbeing Policy	Current	2023	Strategic Leadership Team and endorsed by Audit and Risk Committee	Approved by SLT October 2023. Audit and Risk Committee endorsement being sought 21 February 2024.
Procurement Policy	Current	2022	Strategic Leadership Team and endorsed by Audit and Risk Committee	Next review due in 2025. Implementation is supported by a cross council (officers) project team
Revenue and Financing Policy	Current	2021	Council	Review underway. Consultation took place in Oct/Nov 2023 and hearings and deliberations were held in Nov/Dec 2023. The final policy will be adopted alongside the

Policy	Status	Date Approved	Approval by	Comments
				2024-34 Long Term Plan.
Risk Management Policy	Current	2022	Audit and Risk Committee	Next review scheduled in 2024 (for a revised policy to be in place by 2025).
Significance and Engagement Policy	Current	2023	Council	Next review due in three years to align with 2027-37 Long Term Plan.
Sensitive Expenditure Policy	Overdue	2018	Audit and Risk Committee	Review due in 2021. Review underway. Audit and Risk Committee endorsement to be sought in May 2024.
Treasury Management Policy (includes the Liability Management Policy and Investment Policy)	Current	2023	Council	Next review due May 2026.

Policies overdue for review are being updated this financial year

Sensitive Expenditure Policy and Fraud, Dishonesty and Corruption Control Policy

A review of the Sensitive Expenditure and Fraud, Dishonesty and Corruption Control policies is currently underway. The review is being progressed as follows:

- Background research (February/March 2024)
 - review best practice guidance, including the Audit-General’s Controlling Sensitive Expenditure Guide for Public Organisations, and Ministry of Justice Fraud and Corruption Guidance.
 - address recommendations from the Audit Report for the ended 30 June 2022 (provided June 2023). This report noted management should review its sensitive expenditure policies against Audit New Zealand’s good practice guidelines and review its processes around approval of sensitive expenditure to ensure compliance with policies and delegations [Council Report 8.1 June 2023- refers].
 - review style and content of other council policies.
- Internal consultation with relevant staff members (March/April 2024)
- Policy drafting and SLT approval (April 2024)
- Audit and Risk Committee endorsement (May 2024).

Update on wider 2023/24 policy programme

Other policies that are either currently under review or in development include:

- Lease Policy – the policy is undergoing final amendments and internal review, following discussions around the most recent draft. It is expected that the policy will go to Council for adoption in May 2024.

Financial policies associated with the Long-Term Plan (Rates Remission and Postponement Policies (set of three) and Development and Contributions Policy) - review underway alongside the development of the 2024-34 LTP.

- Wairarapa Class 4 Gambling and Standalone TAB Venues Policy – review underway with the Carterton and South Wairarapa District Councils. Consultation is expected to occur throughout February/March 2024.
- Wairarapa Local Alcohol Policy – review underway with the Carterton and South Wairarapa District Councils.
- Policies in development to support the Cultural Competency Framework, including the Cultural Competency Policy and Bilingual Signage Policy. Te reo me ōna Tikanga Policy is also being revised due to the flow on effects of the development of the Cultural Competency Framework.

Selection and Acquisition Policy (Archival materials) – development of this policy is underway.

Policies adopted or approved in the past six months

Asset Management Policy – approved by SLT and endorsed by the Audit and Risk Committee in November 2023

Significance and Engagement Policy – confirmed by Council in December 2023.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

Policy reviews that are programmed for review will consider alignment with other relevant Council strategies, plans, bylaws and policies.

Significance, Engagement and Consultation

Monitoring the policies listed in this report is procedural in nature and has therefore been assessed as not significant against the Council's Significance and Engagement Policy.

Financial Considerations

There are no financial implications for the status update of policies monitored by the Audit and Risk Committee. Any reviews planned to be undertaken in 2023/24 will be met from within existing budgets.

Implications for Māori

There are no implications for Māori arising from the status update of policies monitored by the Audit and Risk Committee.

Communications/Engagement Plan

A Communications/Engagement Plan is not required for the status update of policies monitored by the Audit and Risk Committee.

Environmental/Climate Change Impact and Considerations

There are no environmental/climate change impacts or considerations arising from the status update of policies monitored by the Audit and Risk Committee.

NEXT STEPS

Progressing the work outlined in the Analysis and Advice section of this Report.

ATTACHMENTS

Nil

6.6 2024-34 LONG-TERM PLAN UPDATE

File Number:

Author: Karen Yates, General Manager Strategy & Development

Authoriser: Kym Fell, Chief Executive

PURPOSE

The purpose of this report is to provide the Audit and Risk Committee with an update on progress with the development of the 2024-34 Long Term Plan.

RECOMMENDATIONS

That the Audit and Risk Committee

1. Receives the 2024-34 Long-Term Plan update report.
2. Notes the risks identified in this report.

CONTEXT

Under section 93 of the Local Government Act 2002, councils are required to prepare and adopt a Long-Term Plan (LTP) every three years.

Section 93 of the LGA stipulates that the purpose of a long-term plan is to:

- describe the activities of the local authority; and
- describe the community outcomes of the local authority's district or region; and
- provide integrated decision-making and co-ordination of the resources of the local authority; and
- provide a long-term focus for the decisions and activities of the local authority; and
- provide a basis for accountability of the local authority to the community.

The LTP is Council's key planning document setting out council's strategic direction, activities and projects over a ten-year period, including services that will be provided, projects to be undertaken, how much will be spent, how it will be paid for and how performance and success will be measured.

The LTP process offers a timely mechanism for reviewing Council's services and activities, its financial policies, and for assessing/addressing any gaps or conflicts in our strategic direction.

Preparation of an LTP is a significant project that involves collaboration across all areas of council.

The 2024-34 LTP must be adopted by Council by **30 June 2024**.

DISCUSSION

In May 2023 the Audit and Risk Committee endorsed the scope of work, and noting it is not possible to comprehensively review all components of the LTP in one planning cycle, also endorsed three priorities for the 2024-34 LTP, being:

1. The Revenue and Policy Review.

2. Levels of Service Review.
3. Budget Review.

The three priority areas identified for full review as part of the 2024-34 LTP are:

1. Revenue & Finance Policy

Revenue & Financing Policy (R & F Policy) deliberations took place at the Council meeting held on 9 December 2023, following the hearing held on 29 November 2023.

Having considered community feedback, Council resolved to make the following changes to the Policy:

- maximise user fees wherever possible;
- change the funding split for animal control services from 85 percent user / 15 per cent community to 70 per cent user / 30 per cent community;
- change the rates allocation basis for Community Development activities from Capital Value to a Targeted Uniform Charge;
- change the rates funding split of the subsidised roading programme from 31 per cent urban / 69 per cent rural to 30 per cent urban / 70 per cent rural;
- change the rates allocation basis for urban water supply and wastewater services from 25 per cent Targeted Uniform Charge / 75 per cent Capital Value to 30 per cent Targeted Uniform Charge / 70 per cent Capital Value;
- change the urban/rural rates allocations that are based on the population split from 77.5 per cent urban / 22.5 per cent rural to 79 per cent urban / 21 per cent rural; and
- change the storm damage road repair funding split to 70 per cent rural / 30 per cent urban to align with the subsidised roading funding split.

These changes are being incorporated into the policy which is scheduled for adoption on 6 March 2024. New rating valuations have been delayed but are expected to be available prior to 6 March.

Fees and charges for the 2024-34 LTP will reflect the decisions made at the deliberations meeting, noting some changes will be staged to align with the policy over 2 or more years.

Further information is included in *Report 7.5 Revenue and Financing Policy Deliberations* in the agenda for the [13 December Council meeting](#) (see pages 169-206).

2. Levels of Service Review

Council committed to undertaking a full review of levels of service for the 2024-34 LTP, with the emphasis being on achieving efficient, effective and equitable service delivery that is appropriate for our community.

Through the Levels of Service (LOS) review Council identified several opportunities for potential change/improvement. Projects identified through the LOS that will be included in our 2024-34 LTP work programmes include:

- Customer Services – needs and opportunities
- Identification of assets/land and rural halls that could be divested or repurposed
- Sports and Facilities – needs analysis and opportunities
- Street Tree Maintenance and Policy - review
- Playground Utilisation - needs and opportunities
- Public Toilet Facilities – utilisation and needs
- Community Development priorities
- Grants Structure - review

Feedback on customer service utilisation will be sought through the LTP consultation period to help inform this project.

Levels of service are also considered in our Asset Management Plans (AMPs). AMPs have been workshopped with Council. Key AMP directions included focussing on:

- Water resilience
- Water meter charging
- Addressing wastewater challenges
- Maintaining roading levels of service, noting the budget uplift required to achieve this
- Exploring road prioritisation
- Maintaining and improving our networks
- Delivering key projects.

Council has been considering prioritisation through detailed budget discussions, and priorities will be reflected in the draft budget and programme for consultation.

3. Budget Review

Initial budget reviews were completed over October/November 2023, with a high-level indicative rate increase shared with Council mid-December 2023. Options identified as part of the level of service review were incorporated into the budget review, along with any other 'new or different' expenditure that was identified – e.g. if something new or different is required given legislative change or community growth/demand. Other factors such as inflation assumptions and depreciation increase as a result of asset revaluations have also been incorporated.

Council has signalled a desire to minimise future rates impacts for our community, and since the initial budget workshop, there has been an emphasis on identifying priorities and efficiencies.

Other Policy Reviews

In addition to the Revenue and Finance Policy, a range of other policies are scheduled for review as we develop the LTP. In May 2023 it was noted that other policy reviews will be targeted given they were reviewed as part of the 2021-31 LTP process.

The other policies scheduled for review are:

Policy:	Current Status:
Treasury Management Policy <ul style="list-style-type: none"> • Liability Management Policy • Investment Policy 	Review Complete - Reviewed by Audit & Risk in May 2023.
Development & Contributions Policy	Scheduled for review. Noting proposed changes that are arising out of the review of the Wairarapa Combined District Plan. Staff are currently assessing whether changes to the Policy need to reflect the WCDP proposed new regime, prior to it being finalised.
Postponement & Remission of Rates on Māori Freehold Land Policy	Currently being reviewed – scheduled for adoption for Consultation with the LTP Consultation Document on 3 April 2024.
Rates Remission Policy	Reviewed with Revenue & Finance Policy – scheduled for adoption 6 March 2024.
Rates Postponement Policy	Reviewed with Revenue & Finance Policy – scheduled for adoption 6 March 2024.
Significance & Engagement Policy	Review Complete – Policy was adopted in December 2023.
Asset Management Policy	Review Complete – Policy was endorsed by Audit and Risk in November 2023.

Other LTP Work

The **Environmental Scan** was finalised in September 2023. A copy of the E-Scan is available on the [Council's website](#).

Updates on other LTP related work that is currently being progressed includes:

- **Forecasting Assumptions** –
 - **Climate change assumptions** have been workshopped with Council. A follow up workshop was also held to consider the implications for Council assets and activities.
 - **Population, growth and economic assumptions** were shared with Council in December 2023 and workshopped in February 2024. A final review of economic assumptions will be undertaken once the Infometrics December quarterly update is released. This is scheduled for 29 February 204.
 - The BERL financial indicators are used as the basis for our **financial assumptions**. Staff are currently revising the financial assumptions.
- **Asset Management Plans** for Roading, Solid Waste, Parks and Open Spaces and Property and Facilities are being finalised and quality checked. Workshops have been held to consider all AMPs – Roading, Three Waters, Solid Waste, Parks and Open Spaces and Property and Facilities.
- A **Communications and Engagement Plan** for the 2024-34 LTP has been drafted. Workshops with Council have been scheduled to socialise the approach and key issues for consultation prior to finalising the plan.
- **Strategic Vision and Outcomes** for the 2024-34 LTP were workshopped with Council at the end of 2023 (see November 2023 report), and again in February 2024. These are being finessed as council works through its priorities and potential efficiencies.
- A **Strategy Stocktake** has been completed to assess how current strategies and policies align with the direction from Council. The assessment has been workshopped with Council. Work that has been identified through the Strategy Stocktake will be built into 2024-34 LTP work programmes.
- Council's **Infrastructure and Financial Strategies** are currently being reviewed drawing on our Asset Management Plans and feedback from workshops to inform the Level of Service, Budget and Revenue and Finance Policy Reviews. Workshops on both strategies have been held with Council.
- A **targeted review** of Council's **performance measure** framework has been completed, noting a full review was undertaken for the 2021-31 LTP. This has been workshopped with Council and is scheduled for adoption on 6 March 2024.

- A Council meeting has been scheduled for 6 March 2024 for Council to consider reports regarding the **key consultation issues**; and other Consultation Document content. At this meeting Council will also adopt **draft supporting information** content for Audit review.
- Work has begun on drafting the **Consultation Document** (CD) to be adopted on 3 April 2024. The CD will be finalised once budgets and issues for consultation are confirmed on 6 March 2024.

Uncertainties and Assumptions

As previously reported, there are always uncertainties in an LTP process. Council's assumptions acknowledge uncertainties and how we have responded to those. We use the best data or information that is available to us at the time a decision is required and clearly state in our assumptions the data or information that we have relied upon and any potential limitations of that. We also outline the potential consequences of, for example, higher or lower growth, inflation, interest rates etc.

For the 2024-34 LTP process key uncertainties that have been identified to date include:

- Three Waters Reform – with a change in direction following the election of the new government we are now planning for three waters for the full ten years of the LTP. The Water Services Act Repeal Bill repealing the previous Government's Affordable Water Reform (or Three Waters) has now passed through Parliament. The Bill is expected to come into force before the end of February.
- Potential changes in central government policy direction are also possible with a new government. We will continue to monitor and respond accordingly to any policy changes.
- Economic uncertainty will impact our financial assumptions and cost estimates in particular. We will draw on BERL 2023 forecasts for our financial assumptions.
- Potential outcomes or implications of the Wairarapa Combined District Plan review process were signalled in May 2023. Submissions on the proposed Plan are currently being worked through, with hearings to be held later in 2024. Any changes that result won't be confirmed until after the 2024-34 LTP is adopted. We will consider the proposed Plan in the development of the LTP, and will address any other changes through the Annual Plan or LTP process that follows the final revised WCDP.

LTP Project Risks

Risks and associated mitigation strategies identified by the project team have been included in previous LTP update reports received by the Audit and Risk Committee in May 2023; August 2023 and November 2023. Links to these reports are available on the Masterton District Council website [Minutes and Agendas page](#).

As reported previously, the key project risk currently is capacity to complete the work required for the 2024-34 LTP noting staffing shortages, vacancies and competing priorities in the Strategy and

Governance team; the Finance team; and the Assets and Operations (A&O) team, noting the A&O team lead the development of AMPs and the Infrastructure Strategy.

The following actions have been undertaken to mitigate the risk to the LTP project:

- The Strategy & Governance Team have reprioritised the work programme to focus on LTP related work, noting some other work (such as non LTP related policy reviews) have been paused and/or deferred until current vacancies are filled.
- Contract support was secured to lead the Revenue and Finance Policy workstream through until 31 December 2023. The policy team is currently finalising the R&F policy and progressing the review of the Remissions on Māori Freehold Land Policy.
- The Senior Policy Advisor has supported work on the Parks and Open Spaces and Community Facilities AMPs, enabling the A&O team to prioritise work on the Roothing, Three Waters and Solid Waste AMPs.
- Contract support has been secured to undertake a quality assurance review of the AMPs; lead the review of the Infrastructure Strategy and support non-financial content for the Financial Strategy.
- Staff across all teams are working additional hours as required to progress the work needed to deliver the 2024-34 LTP and its component parts.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

Under the Local Government Act 2002 (LGA), councils are required to prepare and adopt a Long-Term Plan (LTP) every three years.

Section 93 of the LGA stipulates that the purpose of a long-term plan is to:

- describe the activities of the local authority; and
- describe the community outcomes of the local authority's district or region; and
- provide integrated decision-making and co-ordination of the resources of the local authority; and
- provide a long-term focus for the decisions and activities of the local authority; and
- provide a basis for accountability of the local authority to the community.

An audit of the LTP Consultation Document and the final LTP document are undertaken by Council's Auditors, Audit New Zealand, to ensure Council has complied with the requirements of the Act in developing it's LTP.

Significance, Engagement and Consultation

The adoption of an LTP is a significant decision. The Local Government Act (LGA) requires Council to follow the Special Consultation Procedure (SPC) as prescribed in Section 83 of the LGA when adopting an LTP. The SCP requirements include adopting a Consultation Document, consulting for a period of at least one month and providing opportunities for our community to be heard.

Financial Considerations

Substantive resourcing is required to produce an LTP. This is primarily existing staff time with support from external consultants and legal advisors where necessary. Core project team members reflect the breadth of work and include staff from Finance, Policy, Asset Management, Communications and Community Development teams.

In addition to staff time, key costs include the cost of the audit process; any engagement and consultation that is undertaken; external consultant costs needed to support any element of the LTP process (eg asset management plan risk chapters); and support for any research or supporting information needed – e.g. to ascertain accurate costings for projects, to undertake condition assessments of assets etc.

Budget provisions across asset and corporate departments of Council total some \$270,000. These sums have been allowed for across the 2022/23 and 2023/24 Annual Plans. It includes the cost of the LTP audit which is expected to be close to \$100,000 and excludes staff time.

Treaty Considerations/Implications for Māori

The communication and engagement plan will identify opportunities for iwi, hapū, marae, hapori Māori to contribute to the decision-making of the LTP 2024-34.

Communications/Engagement Plan

A communications and engagement plan has been drafted for the 2024-34 LTP. This will be finalised after a workshop on the consultation approach has been held with Council.

Environmental/Climate Change Impact and Considerations

Climate change implications and actions have been considered as part of the development of the LTP 2024-34.

ATTACHMENTS

Nil

6.7 AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2023

File Number:

Author: David Paris, General Manager Finance

Authoriser: Kym Fell, Chief Executive

PURPOSE

To provide the Committee with the auditor's report on the recently completed audit of the Annual Report for the year ended 30 June 2023. The report was adopted by the Council on 29 November 2023 and this auditor's report is provided at the earliest opportunity.

EXECUTIVE SUMMARY

The Council's auditors, Audit New Zealand, undertook their audit spanning the months of October and November 2023. They were able to conduct their work with a combination of on-site and off-site work with information exchanged via an AuditDashboard cloud software tool.

The audit work was completed on 29 November 2023 when the Annual Report was adopted. That adoption date was outside the statutory deadline for adoption which was 31 October 2023. The delays with the preparation of the report and final audit were noted in reports to the Council in October and November 2023. The reasons for the late adoption included delays receiving independent infrastructural asset valuations and internal resourcing within the Council's finance and assets teams.

The report notes the issuing of an unmodified audit opinion and concludes that the overall control environment is effective. They have included an emphasis of matter paragraph in relation to the uncertainty of impacts and developments relating to the water services reform programme.

The auditor's report includes one new matter relating to the methodology of measuring water network losses. The report allows for the inclusion of a management comment in response to the issue raised and also lists previously raised issues. None of the issues are flagged by the auditor as 'urgent'.

The Auditor's Report is attached as Attachment 1.

RECOMMENDATION

That the Audit and Risk Committee **receives** the Auditor's Report to the Council on the audit of Masterton District Council for the year ended 30 June 2023.

ATTACHMENTS

- 1. Report to the Council on the audit of Masterton District Council for the year ended 30 June 2023** [↓](#) 

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Report to the Council on the audit of

Masterton District Council

For the year ended 30 June 2023

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Key messages

We have completed the audit for the year ended 30 June 2023. This report sets out our findings from the audit and draws attention to areas where the Masterton District Council (the District Council) is doing well and where we have made recommendations for improvement.

Audit opinion

We issued an unmodified audit opinion dated 29 November 2023.

Our audit opinion includes an emphasis of matter paragraph in relation to the uncertainty of impacts and developments relating to the water services reform programme. We elaborate on this in section 2.1 of this report.

Assessment of the control environment

Based on our audit work completed, our conclusion is that the overall control environment is effective for the purposes of our audit.

Areas of focus

In our Audit Plan we identified areas that we consider to be a significant risk and other specific areas of audit focus for the 2023 audit. We conclude on these areas in section 4 of this report.

Thank you

We would like to thank the Council, management and staff for their assistance in completing the audit, for their preparedness for the audit, and for their engagement with us.

Karen Young

Karen Young
Appointed Auditor
13 February 2024

1 Recommendations



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

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

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

Priority	Priority			
	Urgent	Necessary	Beneficial	Total
Open	-	7	2	9
Implemented or closed	-	1	-	1
Total	-	8	2	10

2 Our audit report

2.1 We issued a non-standard audit report



We have issued an unmodified opinion dated 29 November 2023. This means we are satisfied that the financial statements and statements of service performance present fairly the District Council's activity for the year and its financial position at the end of the year.

Without further modifying our opinion, we included an emphasis of matter paragraph drawing the readers' attention to the disclosure in the annual report which outlines developments in the Government's water services reform programme.

The Water Services Entities Act 2022, as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023 and the Water Services Legislation Act 2023 on 31 August 2023, establishes ten publicly owned water services entities to carry out responsibilities for the delivery of three waters services and related assets and liabilities currently controlled by local authorities. Water services entities' establishment dates are staggered, with all the water services entities becoming operational between 1 July 2024 and 1 July 2026. The financial impact of the water services reform on the District Council remains uncertain until the relevant water services entity's establishment date is known, and the allocation schedule of assets, liabilities, and other matters to be transferred is approved. In addition, there is uncertainty around the water services reform legislation. With the change in government, it may be repealed or substantially amended.

In forming our audit opinion, we considered the following matters. Refer to section 4 for further detail on these matters.

2.2 Uncorrected misstatements in the financial statements and statement of service provision

The financial statements and statement of service provision are free from material misstatements, including omissions. During the audit, we have discussed with management any misstatements that we found, other than those which were clearly trivial.

All identified misstatements were corrected by management.

2.3 Quality and timeliness of information provided for audit



Management needs to provide information for audit relating to the annual report of the District Council. This includes the draft annual report with supporting working papers.

The District Council was good in the delivery of supporting information during the final audit and utilised the AuditDashboard to ensure documentation was provided within a reasonable timeframe.

We were able to work collaboratively with the Council, management and staff, and acknowledge their assistance, willingness to help and professionalism throughout the year.

3 Assessment of internal control



The District Council, with support from management, is responsible for the effective design, implementation, and maintenance of internal controls. Our audit considers the internal control relevant to preparing the financial statements and the service performance information. We review internal controls relevant to the audit to design audit procedures that are appropriate in the circumstances. Our findings related to our normal audit work, and may not include all weaknesses for internal controls relevant to the audit.

3.1 Control environment

The control environment reflects the overall attitudes, awareness and actions of those involved in decision-making in the organisation. It encompasses the attitude towards the development of accounting and performance estimates and its external reporting philosophy and is the context in which the accounting system and control procedures operate. Management, with the oversight of those charged with governance, need to establish and maintain a culture of honesty and ethical behaviour through implementation of policies, procedures and monitoring controls. This provides the basis to ensure that the other components of internal control can be effective.

We have performed a high-level assessment of the control environment, risk management process, and monitoring of controls relevant to financial and service performance reporting. We considered the overall attitude, awareness, and actions of the District Council and management to establish and maintain effective management procedures and internal controls.

The elements of the control environment provide an appropriate foundation for other components of internal control.

3.2 Internal controls

Internal controls are the policies and processes that are designed to provide reasonable assurance as to the reliability and accuracy of financial and service performance reporting. These internal controls are designed, implemented and maintained by the District Council and management.

We reviewed the internal controls, in your information systems and related business processes. This included obtaining an understanding of the controls in place for your key financial and service performance information systems.

We found the systems were operating as described, with internal controls operating effectively throughout the year. We did not identify any new matters to bring to your attention.

We also considered the systems and controls for the material performance measures included in the annual report.

Our findings and recommendations from the current year audit are outlined in section 5 and recommendations outstanding from previous years are included in Appendix On.

4 Matters raised in the Audit Plan



In our Audit Plan for 2022/23, we identified the following matters as the main audit risks and issues:

Audit risk/issue	Our audit response
Revaluation of property, plant and equipment (Roading and Three Water assets)	
<p>The District Council revalues its infrastructure assets classes held at fair value whenever there is expected to be a material movement in the fair value of these assets. The last revaluation was performed at 30 June 2020. Because of the recent inflationary environment most councils have been revaluing more frequently.</p> <p>The accuracy of the valuation depends on the valuation method applied, the completeness and accuracy of the source data and the appropriateness of underlying assumptions. Because of the large value of the assets held by the District Council, a small movement in the key assumptions can have a significant impact on the valuation and consequential depreciation expense recognised in the financial statements.</p>	<p>We:</p> <ul style="list-style-type: none"> assessed the valuation process including the competence and experience of the person completing the valuation, and obtained an assurance letter from the valuers; held discussions with the valuer to understand their process, methodology used and the assumptions; reviewed the valuation report to assess whether the requirements of PBE IPSAS 17 – <i>Property, plant and equipment</i> have been met; ensured changes to useful lives have been appropriately taken up; assessed the presentation and disclosure of information related to the valuation in the financial statements; and enquired into the processes employed by the District Council to ensure that the items revalued are complete and how the District Council satisfies itself that the revaluation is appropriate. <p>We are satisfied that roading and three water assets have been accounted for, and appropriately disclosed in the financial statements.</p>
The risk of management override of internal controls	
<p>Our audit response to this risk includes:</p> <ul style="list-style-type: none"> testing the appropriateness of selected journal entries; reviewing accounting estimates for indications of bias; and 	<p>The District Council has appropriate controls, processes and policies in place to prevent and detect fraud. Discussions were held with senior management and Council on matters concerning fraud risk awareness, identification of susceptible areas, and we have confirmed that appropriate segregation of duties has been incorporated into systems and processes.</p>

Audit risk/issue	Our audit response
<ul style="list-style-type: none"> evaluating any unusual or one-off transactions, including those with related parties. 	<p>We completed audit procedures on journal entries and considered significant transactions outside the normal course of business for the District Council. We assessed the accounting treatment for identified transactions fitting the criteria as reasonable. Based on our journals testing at year end, we confirmed that journals were appropriately prepared and there were no issues with the accuracy or level of support for journals. We utilised computer aided audit-tools for journal testing to focus on journals based on risk factors.</p> <p>We assessed management’s significant accounting judgements and assumptions as part of our testing of the valuation of property plant and equipment. We did not identify any issues.</p> <p>We have also considered accounting estimates, for bias and maintained awareness of any significant transactions that were outside the normal course of business, or that otherwise appear to be unusual given our understanding of the District Council, and other information obtained during the audit.</p> <p>We have not identified any instances of management override of control, we have however continued to raise some recommendations in relation to processes and controls – refer to Appendix 1: Review of journals.</p>
<p>Fair value assessment of property, plant and equipment (operational land and buildings) (non-revaluation year)</p>	
<p>For those assets that the District Council is not planning to revalue (including operational land and buildings which were last revalued as at 30 June 2021), the District Council should perform a fair value movement assessment to determine whether there is a significant difference between the fair value and the carrying value. Where the estimated difference is significant a revaluation may be necessary.</p> <p>An assessment should:</p> <ul style="list-style-type: none"> factor in local cost information; utilise relevant and reliable price movement indicators; and 	<p>The fair value assessment showed an indicative movement, which we agreed was immaterial hence an off-cycle revaluation was not required to be performed for the year ended 30 June 2023.</p> <p>We have reviewed the valuer’s report and assessed the results of their assessment, and we are satisfied that the fair value assessment complies with the requirements of PBE IPSAS 17 – <i>Property, plant, and equipment</i>.</p> <p>We are satisfied that the carrying value of these assets materially reflects the fair value of operational land and building assets at 30 June 2023.</p>

Audit risk/issue	Our audit response
<ul style="list-style-type: none"> involve consulting with valuers, if necessary. <p>Alternatively, the District Council could engage valuers to assist in preparing a fair value assessment.</p>	
Asset impairment considerations	
<p>In accordance with PBE IPSAS 21, <i>Impairment of Non-Cash-Generating Assets</i> and PBE IPSAS 26 <i>Impairment of Cash-Generating Assets</i>, at each reporting date management must assess whether there is any indication that an asset may be impaired. If management identifies any indication of an impairment, then they must estimate the recoverable service amount of the asset.</p> <p>Assets are required to be assessed for indicators of impairment on an annual basis.</p> <p>Irrespective of whether there are any indications of impairment, intangible assets not yet available for use (that is, work in progress) and intangible assets with indefinite useful lives must be <i>tested</i> for impairment at least annually.</p> <p>Work-in-progress (WIP) values on projects that span an extended period of time should be assessed regularly for impairment over the life of the project. The District Council needs to ensure that as phases of a project are completed, and assets become operational, capitalisation of the WIP balance occurs in a timely manner. This will ensure that depreciation expense on these assets is recognised and accounted for appropriately.</p>	<p>We are satisfied that impairment has been appropriately accounted for within the financial statements and that appropriate disclosures about the nature of the impairment and capitalisation of work in progress – these disclosures comply with the requirements of the relevant accounting standards.</p>
Drinking water quality performance measures	
<p>Providing safe drinking water is a core function of the council and reporting how Council has performed in respect of this function in the annual report is important performance information.</p>	<p>The District Council engaged an independent external expert to assess its compliance with the drinking water standards - old and new.</p> <p>We assessed the Expert’s work and were satisfied that the work of the expert was suitable to use as audit evidence.</p>

Audit risk/issue	Our audit response
<p>The regulatory regime in place over the safety of drinking water has transitioned in the current year from the Drinking Water Quality Standards (DWS) to the new Drinking Water Quality Assurance Rules (DWQARs) which came into effect on 14 November 2022.</p> <p>Performance measures about compliance with the DWS are currently mandated by the Department of Internal Affairs who have issued mandatory performance measures that are required to be reported against in Council’s annual report.</p> <p>There are currently no similar performance measures with respect to the new DWQARs. Despite this it is important that the Council includes appropriate performance information about their compliance with the new DWQARs. This performance information will be subject to audit and therefore it is important that Council is able to support the performance results that they report.</p>	<p>We were satisfied that compliance with drinking water standards have been fairly reflected in the annual report.</p>
Three waters reform	
<p>The Three waters reform programme (the Reform) is expected to result in significant structural changes to the management, funding and ownership of water supply, wastewater, and stormwater assets in the local government sector.</p> <p>The Government has recently announced a number of changes to the reform. On 13 April 2023, the Government outlined changes to the number of water services entities and a staggering of their establishment dates starting from early 2025, with all the water services entities to be established by 1 July 2026. The timing of the transfer of assets and liabilities is therefore uncertain until amendments to existing legislation are passed.</p> <p>The Bill to enable the transfer of three waters related assets and liabilities to the water services entities is currently with the select committee and will need to be passed to enable water assets to transfer to the related water entity.</p>	<p>We are satisfied that the District Council has included appropriate disclosure about the impacts of the reform within the financial statements as part of the Events after the end of the reporting period disclosure.</p> <p>As the impact could be significant, but is uncertain, an emphasis of matter paragraph in the audit report remains appropriate.</p>

Audit risk/issue	Our audit response
<p>The timing of the legislation through Parliament will impact the 30 June 2023 annual report. If the legislation has not passed before 30 June an updated disclosure may still be appropriate. If the legislation is passed before 30 June, there will likely be some additional accounting and disclosure requirements.</p> <p>The Council should ensure that sufficient disclosure about impact of the reform (to the extent that the impact is known) is included in the annual report.</p>	
<p>New accounting standard - First-time adoption of PBE IPSAS 41 Financial Instruments</p>	
<p>PBE IPSAS 41: <i>Financial Instruments</i> is effective for periods beginning on, or after 1 January 2022. Earlier application was permitted however the Council did not early adopt the standard.</p> <p>The standard introduces new and amended classification, measurement, impairment and hedging requirements and disclosure for financial assets and financial liabilities. This standard replaces both PBE IPSAS 29 and PBE IFRS 9.</p> <p>The main changes introduced by PBE IPSAS 41 are that the standard:</p> <ul style="list-style-type: none"> • Introduces a new classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held. This could result in some instruments moving from amortised cost accounting to fair value accounting, or vice versa. • Applies a forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing. • Introduces a hedge accounting model that broadens the hedging arrangements in scope of the guidance and removal of the 80-125% effectiveness “bright line” test. The 	<p>Our audit response to this risk included:</p> <ul style="list-style-type: none"> • Reviewing the transition/first time adoption analysis prepared by the Council for reasonability. • Reviewing that the updated accounting policies, presentation and disclosure in the financial statements is in accordance with the requirements of the standard. • Reviewing the expected credit loss assessment for significant receivables and other financial assets. <p>We concluded that the District Council complied with the accounting standard.</p>

Audit risk/issue	Our audit response
<p>model develops a strong link between an entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. Entities that adopt PBE IPSAS 41 have a choice of either adopting the new hedging model of PBE IPSAS 41 or continuing to apply the hedging model of PBE IPSAS 29.</p> <p>There are also new disclosure requirements as the standards setters believe additional information on risks such as credit risk are increasingly important to users of the financial statements.</p>	
New accounting standard - Adoption of PBE FRS 48 <i>Service Performance Reporting</i>	
<p>PBE FRS 48 <i>Service Performance Reporting</i> replaced that part of PBE IPSAS 1 <i>Presentation of Financial Statements</i> that deals with service performance reporting requirements and is effective for annual reporting periods beginning on or after 1 January 2022, that is, for the Council, it is for the year ending 30 June 2023.</p> <p>The objective of the standard is “to establish principles and requirements for an entity to present service performance information that is useful for accountability and decision-making purposes in a general purpose financial report”.</p> <p>PBE FRS-48 requires an appropriate and meaningful mix of performance measures and/or descriptions, including, where appropriate, measures of both the goods and services provided and of what has been achieved in the Council’s areas of responsibility.</p>	<p>The reporting standard establishes generally accepted accounting practice and requirements for reporting on service performance.</p> <p>In addition to the requirement to provide contextual information on why the District Council exists, what it intends to achieve, and what was done during the reporting period towards its broader aims and objectives, it also requires disclosure of significant assumptions and judgements for the selection, measurement, aggregation, and presentation of the service performance information.</p> <p>We reviewed the District Council’s disclosures against the requirements of the reporting standard.</p> <p>We are satisfied the District Council’s service performance reporting met the requirements of the standard.</p>

5 Matters identified during the audit

5.1 Performance measure: Water loss calculation

The District Council have adopted the minimum night flows approach in calculating its water loss and have used a single minimum flow, rather than an average, to calculate the result. The single minimum flow used was recorded on 31 July 2022 at 4am.

The issue with the District Council's approach is it is unclear whether the approach taken to calculate its water loss meets the intent of the Water Loss Guidelines 2010. However, on balance, we have accepted the District Council's treatment as it has made adequate disclosure in the 2022/23 annual report on this, specifically with the following additional disclosures have been made:

- 1 Methodology applied in calculating its water loss has been set out, i.e. that the result is based on the single lowest night-time flow, which was recorded on 31 July 2022 at 4am.
- 2 Disclosure of the inherent uncertainty in the reported result. Disclosure of the uncertainty in the reported result is important as the Water Loss Guidelines 2010 note that any water loss calculation that "is not based on an annual water balance can only be regarded as an indicative value" and therefore should be identified as such to avoid confusion with losses calculated from a water balance calculation.

Since it is unclear whether the approach taken by the District Council aligns to the intent of the Water Loss Guidelines 2010, **we recommend** the District Council review how it measures and calculates water loss going forward.

We note that in the District Council's 2021-23 Long-term plan, reference is made to installation of water meters – as such, it may be appropriate in future for the District Council to move to a water balance approach if this provides a more reliable calculation of water losses.

Management comment

For the 2023/24 Annual Report the Council will better align its methodology for measuring water loss to the Water Loss Guidelines 2010 and use multiple samples and report averaged data.

6 Public sector audit



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

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

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

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

We did not identify any issues to bring to your attention in relation these areas.

Appendix 1: Status of previous recommendations

Open recommendations

Recommendation	First raised	Status
Necessary		
<p>Lack of segregation of duties in expenditure system</p> <p>Review expenditure process and implement segregation of duties as far as practicable to ensure the person approving the invoice and/or confirming receipt of goods and services is different to the persons authorising payment of the related invoice.</p>	2021/22	<p>In progress</p> <p>Due to competing priorities, the review has yet to take place. We will follow up progress in addressing our recommendation during our 2023/24 audit.</p> <p>Management’s comment from 2021/22 audit brought forward:</p> <p><i>The Council has implemented an electronic purchase order and approvals system and the internal controls include the ability to apply “one up” approvals. For practicality and efficiency, the “one up” approval control has not been uniformly applied. The value of delegated expenditure remains the key control, but the Finance Manager will undertake a review as recommended.</i></p>
<p>Sensitive expenditure approvals not within delegation or does not align with good practice</p> <p>Review sensitive expenditure policies against OAG good practice guidelines and review process around approval of sensitive expenditure to ensure compliance with policies and delegations.</p>	2021/22	<p>In progress</p> <p>Due to competing priorities, the review of sensitive expenditure policies against current accepted good practice in the public sector has yet to take place.</p> <p>During our testing of sensitive expenditure, we continued to find instances where approval of sensitive expenditure was not by an appropriate person – the appropriate person is a person that is “one-up” from the person incurring the expenditure, and therefore the approval is not in compliance with the District Council’s sensitive expenditure policy and not consistent with accepted good practice in the public sector.</p> <p>We will follow up progress in addressing the recommendations during our 2023/24 audit.</p> <p>Management’s comment from 2021/22 audit brought forward:</p> <p><i>The Policy is due for review, subject to resourcing. Where minor items of expenditure have been approved outside of current policy, education has been undertaken.</i></p>

Recommendation	First raised	Status
<p>Frequency of review of useful lives of fixed assets not compliant with standards</p> <p>Review the useful lives of assets at least annually as required by the accounting standards to ensure assets are depreciated over the period which the assets are expected to be available for use by the District Council.</p>	2021/22	<p>In progress</p> <p>Due to competing priorities, the review has yet to take place. We will follow up progress in addressing our recommendation during our 2023/24 audit.</p> <p>Management’s comment from 2021/22 audit brought forward:</p> <p><i>The compliance with his accounting standard remains subject to staff resourcing. The review of asset lives annually requires a level of asset management staff expertise to be applied and these staff are generally fully committed to service delivery.</i></p>
<p>Review of journals</p> <p>The Finance team should ensure that the process for independent review of journals and the evidence of this review is adequately documented.</p>	2020/21	<p>In progress</p> <p>Lack of evidence of independent review of manual journals remains. The Manager Finance conducts periodic review of Senior Accountants journals and Senior Accountants review and post Manager Finance’s journals.</p> <p>The review control is not sufficiently robust - the Manager Finance ideally should not prepare journals as reviews should be completed by someone more senior than the preparer.</p>
<p>Recommendations from revaluation of property, plant and equipment</p> <p>The independent valuer has raised recommendations for the District Council to work through for future valuations. These recommendations should be implemented and monitored to ensure the valuations remain appropriate.</p>	2019/20	<p>In progress</p> <p>The District Council continue to work on improving the data and implementing the recommendations as part of the District Council’s asset management plan improvement programme.</p> <p>The valuers have noted that since the last revaluation in 2020, they have noted significant improvement in data on the roading assets and continued improvement in the GIS system for 3 Waters.</p>
<p>Procurement</p> <p>The District Council maintains appropriate documentation, proportionate to the value and risk of each procurement, to support evaluation of pre-conditions, and to demonstrate that conflict of interest management processes followed. Appropriate documentation is important to demonstrate that a robust process was followed, which supports accountability.</p>	2019/20	<p>In progress</p> <p>An update of the Procurement Policy and Delegations policy was completed during 2021/22.</p> <p>The scope of our audit for the current year did not include a follow up procurement and contract management review. We will review progress in a future audit.</p>

Recommendation	First raised	Status
<p>Procurement Policy – staff training Staff receive training on the updates to the Procurement Policy and policy requirements as soon as practicable.</p>	2016/17	<p>In progress. The updated policy has been developed with staff that regularly procure services, so there is good understanding of the new policy, but procurement-specific training across the organisation has yet to be implemented due to competing priorities. We will review progress in a future audit.</p>
Beneficial		
<p>Contract management District Council improves its contract management and reporting processes by implementing a standardised approach to contract management.</p>	2016/17	<p>In progress A standardised approach to contract management has not been implemented and is not on the District Council’s current work programme. The scope of our audit for the current year did not include a follow up procurement and contract management review. We will review progress in a future audit.</p>
<p>Timeliness of reconciliations Review of monthly bank, debtors and creditors reconciliations should occur before the end of the next month.</p>	2016/17	<p>In progress Through our testing of reconciliations, we have found that most reconciliations have been prepared and reviewed before the end of the next month. However, there were instances where this was not the case.</p>

Implemented or closed recommendations

Recommendation	First raised	Status
Necessary		
<p>2022/23 annual plan does not include required examples that show the impact of the rating proposals</p> <p>As per schedule 10 of the Local Government Act, the Funding Impact Statement in the annual plan should include examples that show the impact of the rating proposals on the rates assessed on different categories of rateable land with a range of property values. This was not included in the 2022/23 annual plan.</p> <p>We recommended that management review its processes for legislative compliance to ensure the District Council complies with all relevant legislative requirements.</p>	2021/22	<p>Implemented</p> <p>The impact of the rating proposals on the rates assessed on different categories of rateable land with a range of property values are in the 2023/24 Annual Plan.</p>

Appendix Two: Mandatory disclosures

Area	Key messages
Our responsibilities in conducting the audit	<p>We carried out this audit on behalf of the Controller and Auditor-General. We are responsible for expressing an independent opinion on the financial statements and performance information and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001.</p> <p>The audit of the financial statements does not relieve management or the Council of their responsibilities.</p> <p>Our Audit Engagement Letter contains a detailed explanation of the respective responsibilities of the auditor and the District Council.</p>
Auditing standards	<p>We carried out our audit in accordance with the Auditor-General’s Auditing Standards. The audit cannot and should not be relied upon to detect all instances of misstatement, fraud, irregularity or inefficiency that are immaterial to your financial statements. The Council and management are responsible for implementing and maintaining your systems of controls for detecting these matters.</p>
Auditor independence	<p>We are independent of the District Council in accordance with the independence requirements of the Auditor-General’s Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: <i>International Code of Ethics for Assurance Practitioners</i>, issued by New Zealand Auditing and Assurance Standards Board.</p> <p>In addition to our audit of the audited information and our report on the disclosure requirements, we have performed a limited assurance engagement related to the District Council’s Debenture Trust Deed. Other than these engagements, we have no relationship with, or interests in, the District Council.</p>
Fees	<p>The audit fee for the year is \$179,543 plus GST, as agreed in our Audit Proposal Letter.</p> <p>Other fees charged in the period is our fee for the Debenture Trust Deed limited independent assurance report, \$6,750 plus GST as agreed in our engagement letter.</p>
Other relationships	<p>We are not aware of any situations where a spouse or close relative of a staff member involved in the audit occupies a position with the District Council that is significant to the audit.</p> <p>We are not aware of any situations where a staff member of Audit New Zealand has accepted a position of employment with the District Council during or since the end of the financial year.</p>

AUDIT NEW ZEALAND

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6.8 SIX MONTHS TO DATE FINANCIAL REPORT 2023/2024

File Number:

Author: David Paris, General Manager Finance

Authoriser: Kym Fell, Chief Executive

PURPOSE

To provide the Audit & Risk Committee with financial reporting for the six months to 31 December 2023.

RECOMMENDATION

That the Audit and Risk Committee receives the 6 months to date financial report and commentary.

CONTEXT

The Council sets operating and capital budgets through its Long Term Plan and Annual Plan and reports against those budgets on a quarterly basis.

Revenue from rates is set in June each year, based on the budgets and is collected in four instalments across the financial year. The degree to which the rates revenue has been collected, paid or is still outstanding is reported quarterly to the Council via this report.

DISCUSSION

The financial statements commentary for the 6 months to 31 December 2023 is reported below.

The **Statement of Revenue & Expenditure** shows an accounting surplus of \$3.41 million which is 7.2% less than the planned \$3.68 million at 6 months to date. This result is influenced by the following major aspects:

- Revenue from financial contributions of \$810k being 23.7% less than planned YTD reflecting fewer subdivisions reaching the stage of completion when contributions are payable.
- Fees, charges and other revenue of \$6,112k is 2.4% more than planned. There is variability between different revenue areas eg building consents are up and transfer station fee income is down on the levels planned.
- Roading subsidies of \$9,277k are close to the planned level. These figures assume all the budgeted subsidy will be paid. Currently there has been \$3.6m of work done in response to the 2023 cyclone damage that has yet to have subsidy confirmed by Waka Kotahi.
- Personnel costs of \$7,354k year to date are very close to the level planned.
- Other Operating expenditure of \$15,486k is 3.6% more than budgeted as a result of more subsidised road maintenance costs incurred in the first six months than planned and higher operational and maintenance costs in the water and wastewater activities.

Statement of Revenue & Expenditure							
6 months 2022/23 Actual	6 Months Year to Date to 31 December 2023		6 months 2023/24 Actual	6 months 2023/24 Plan	Variance		Full Year Plan 2023/24
	Revenue						
18,584,382	Rates Revenue*		20,215,363	20,101,299	114,064	0.6%	40,891,297
228,754	Interest Received (external)		803,534	495,502	308,032	62.2%	1,184,750
7,192,817	Roading Subsidies		9,277,153	9,239,926	37,228	0.4%	22,022,968
2,127,605	Financial Contributions		810,235	1,006,748	(196,513)	-19.5%	2,123,500
6,135,974	Fees, Charges & Other Revenue		6,112,240	5,970,848	141,392	2.4%	21,124,580
34,269,533	Total Operating Revenue		37,218,524	36,814,323	404,201	1.1%	87,347,095
	Expenses						
6,526,027	Personnel Costs		7,354,318	7,361,892	7,574	0.1%	14,723,796
15,236,275	Other Operating Expenditure		15,486,524	14,950,327	(536,197)	-3.6%	27,537,524
958,979	Interest Expense		1,468,921	1,382,846	(86,075)	-6.2%	2,965,665
8,027,994	Depreciation & amortisation		9,495,235	9,473,119	(22,116)	-0.2%	18,946,210
30,749,275	Total Operating Expenses		33,804,998	33,168,184	(636,814)	-1.9%	64,173,195
\$3,520,258	Operating Surplus/(Deficit)		\$3,413,526	\$3,646,139	(\$232,612)		\$23,173,900

The Rates Requirement Summary to 31 December 2023 shows the Council's net spending of rates funding at \$22.1 million which is 0.7% less than the level planned.

There are activities where income and expenditure levels have varied from the budgets and the main areas are listed below.

The deficit of rates funding year to date (\$1.17m actual, \$1.41m Plan) reflects a number of costs incurred in the first six months that are to cover the full year (including software licenses, insurance and rates on Council properties) and more expenditure on Roothing maintenance in the first six months, while rates income is spread evenly across the 4 quarters.

The Council has had to use short term borrowing in January 2024 to fund the cashflow deficit that has arisen from both this mismatch of costs and revenue and the non-receipt of Waka Kotahi subsidies on cyclone damage repairs.

Commentary on significant variances of Rates Requirements after 6 months YTD:

Roothing \$6.14m is 2.2% more than planned due to more work done on rural road drainage in the first six months. Repair and recovery work relating to weather events has progressed, with some \$7.65m worth of work paid for against a Plan total of \$18.9m. It is expected that some of the \$18.9m will be carried into the 2024/25 year. The subsidy rate on the work done to date has been assumed to be 76%.

Urban Water \$2.43m is running at 6.1% more than planned (\$140k) due largely to costs of responding to a higher level of water reticulation repairs than planned.

2023/24 6 Months to 31 December 2023

2022/23 Interim	Rates Requirement Summary	2023/24 Actual	2023/24 Plan	Variance		2023/24 Full Year Plan
\$		\$	\$	\$	%	\$
	RATES REQUIRED BY ACTIVITY					
	Transport					
3,023,749	Roading	6,139,366	6,007,953	(131,413)	-2.2%	8,834,722
	Water Services					
2,307,933	Urban Water supply	2,431,009	2,290,626	(140,383)	-6.1%	4,522,195
(7,325)	Rural Water supplies & races	74,339	80,669	6,330	7.8%	152,816
	Wastewater Services					
2,421,142	Urban Sewerage system	3,045,103	2,903,743	(141,360)	-4.9%	7,556,951
147,374	Rural Sewerage systems	227,816	206,688	(21,128)	-10.2%	441,570
	Stormwater Services					
523,264	Stormwater	507,387	472,733	(34,654)	-7.3%	922,216
	Solid Waste Services					
535,218	Solid Waste Services	697,125	587,563	(109,562)	-18.6%	1,312,958
	Community Facilities/Activities					
1,672,323	Parks, Reserves & Sportsfields	1,764,338	1,798,058	33,721	1.9%	3,543,262
731,198	Trust House Recreation Centre	845,223	844,649	(575)	-0.1%	1,503,867
92,273	Cemeteries	82,199	81,153	(1,046)	-1.3%	167,941
1,320,951	Library & Archive	1,445,555	1,462,944	17,389	1.2%	2,841,295
247,943	District Building	327,452	310,318	(17,134)	-5.5%	511,274
147,114	Housing for Elderly	175,349	175,797	447	0.3%	195,593
527,619	Other Property	548,712	548,785	73	0.0%	1,027,256
57,209	Hood Airport	174,737	140,922	(33,815)	-24.0%	427,755
31,761	Mawley Holiday Park	107,345	120,360	13,015	10.8%	153,971
	Regulatory Services					
644,163	Resource Mgmt & Planning	679,302	745,164	65,862	8.8%	1,259,158
415,157	Building Development	494,912	622,962	128,050	20.6%	1,144,840
310,984	Environmental Services	402,964	384,752	(18,212)	-4.7%	712,562
(5,553)	Parking Control	(5,317)	1,364	6,681		\$2,729
1,319	Animal Services	13,324	12,536	(788)	-6.3%	138,455
113,285	Emergency Management	132,936	151,662	18,726	12.3%	284,033
	Leadership, Strategy & Corporate Services					
415,281	Representation	369,248	400,817	31,569	7.9%	918,808
179,719	Internal Functions (net)	(156,535)	315,083	471,618		0
556,357	Community Development	625,500	613,323	(12,177)	-2.0%	1,126,373
267,151	Arts & Culture	292,045	288,761	(3,284)	-1.1%	562,232
607,808	Economic Devlpmt	477,917	483,702	5,785	1.2%	912,958
129,085	Environmental Initiatives	181,795	196,497	14,702	7.5%	451,208
\$ 17,414,501	Total Rates Requirement	\$ 22,101,147	\$ 22,249,584	\$ 148,437	0.7%	\$ 41,628,998
	RATES INCOME					
19,205,258	Masterton District Council rates	20,831,206	20,764,499	66,707	0.3%	41,528,998
164,920	Penalty Income	209,993	162,000	47,993	29.6%	275,000
(93,163)	Rates Remissions	(106,171)	(87,500)	(18,671)		(175,000)
19,277,015	Net Rates Income	\$ 20,935,028	\$ 20,838,999	\$ 96,029	0.4%	\$ 41,628,998
\$ 1,862,514	Surplus/(Deficit) of Rates	(\$1,166,120)	(\$1,410,584)	\$ 244,466	1.1%	\$ 0

Wastewater urban is \$3.045m or 4.9% more than planned due largely to unbudgeted costs associated with the temporary sewer pump arrangement at the Colombo Road bridge being required for longer than expected.

Stormwater costs of \$507,387 are 7.3% more than planned YTD due to extra costs associated with cleaning of drains and streams. The potential for this budget to be overspent by year end is high if demand for these services continues at similar levels.

Solid Waste costs of \$697k are \$110k more than planned YTD as waste tonnages received at the transfer station have been 5.6% below the level planned, resulting in less revenue to cover fixed overheads, while recycling and e-waste costs have exceeded planned levels.

Community Facilities net costs overall are \$12,000 less than planned (0.2%). Variances include lower than planned costs on library & parks, higher legal fees for airport leases and better than planned YTD result for Mawley Holiday Park.

Regulatory functions – Building Development revenue has been 25% more than planned, while costs have been close to the level planned. This has produced \$128,050 YTD lower rates required. Planning has been 8.8% less rates required than planned due to higher revenue and lower costs than planned.

Across the Council's asset management and corporate functions there have been net savings achieved resulting in \$471,600 less rates required YTD. Better interest earned on investments has contributed to this result.

Summary Statement of Capital Expenditure shows \$11.4 million spent which is 23% of the full year capital budget total.

Commentary on variances and progress on some the majors capital projects is included in the Statements on the following pages.

Summary Statement of Capital Expenditure				Comments
	Actual 6 Months \$000s	Plan 6 Months \$000s	Full Year Plan 2023/24 \$000s	
Roading - subsidised	2,264	2,468	8,122	This includes the urban and rural renewals programme as well as minor improvements work (co-funded by Waka Kotahi). Under spends relate to minor improvements and urban renewals.
Roading - non-subsidised	283	305	977	This area includes budget for masterton revamp, South Entrance revamp and Kitchener to Gordon Street extension. Work continues on the Paper Road upgrade but no more costs expected for the South Entrance revamp.
Roading - Emergency Works	3,572	3,660	18,920	
Water Services	1,386	1,376	2,677	Water reticulation renewals are on track with budget for the first 6 months of the year. Overspends against Water connection budget as increased focus on replacing leaking laterals over patching up leaks
Wastewater Services	2,250	2,357	6,415	Millard Avenue work has not yet started and not expected to start now until future years. \$1.3m budget for the year. Wastewater reticulation renewals are continuing at pace as well as work on the Colombo Rd bridge sewer pump station upgrade. An additional \$2.115m of BOF funding has been allocated this year for wastewater renewals taking the total renewals budget to \$3.3m. Some of the BOF funding is expected to roll over to the 24/25 financial year.
Stormwater Services	235	240	692	The contribution to flood protection works of \$160,000 has now been spent. Stormwater renewal projects are now progressing.
Solid Waste Services	7	20	421	There is a \$400k budget for the year relating to transfer station renewals. This mainly relates to pit flooring repairs which is expected to be completed by June 24.
Parks, Reserves & Sportsfields	94	164	2,180	This is a diverse range of budgets relating to parks, reserves and sports building upgrades. The larger budgets are for Memorial Park upgrades, Henley Lake level management, upgrading the Henley Lake playgrounds (co-funding with Lions) and sports building upgrades. Douglas Villa ramp, demolition of the tennis pavilion and work around the South Park building are all imminent or ongoing.
Wellbeings (Amenities)	21	160	347	The majority of the budget is for a youth hub solution at the skatepark with small budgets for security camera renewals, christmas decorations and decorative streetlighting, none of which has incurred costs to date.

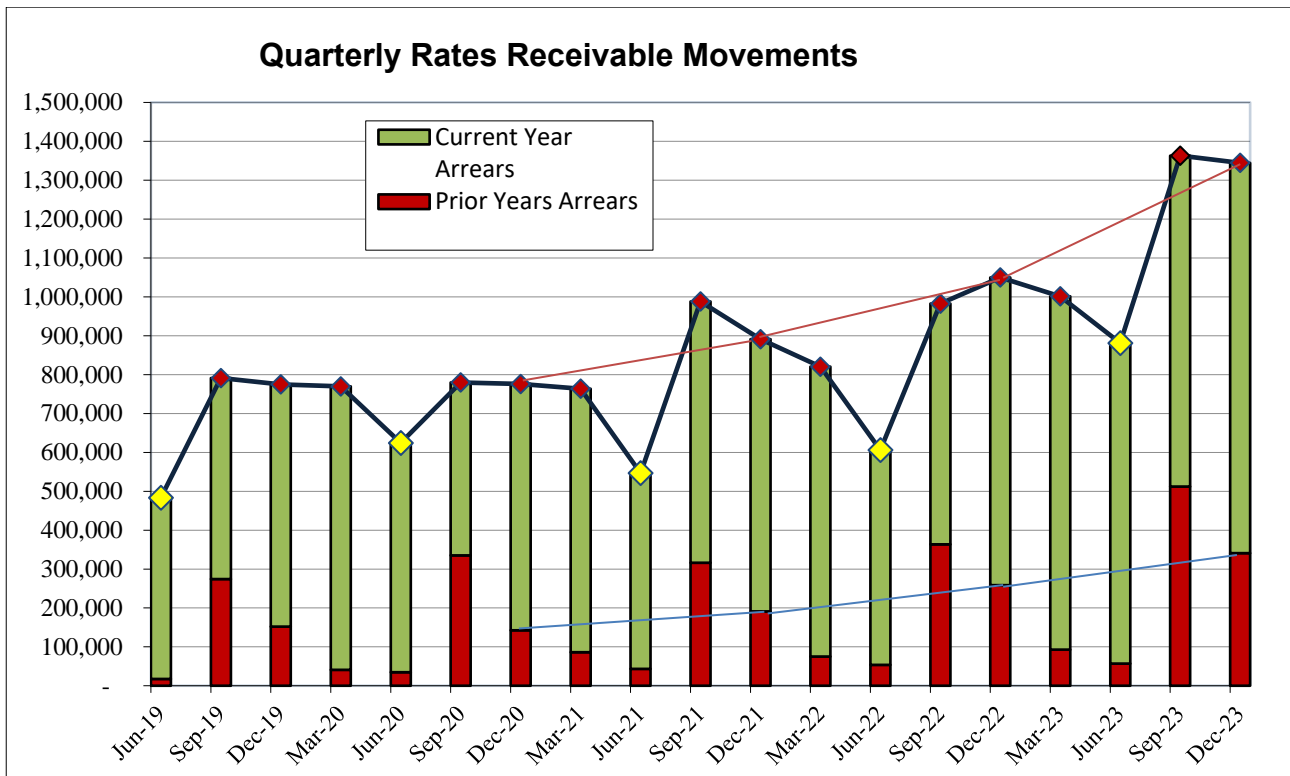
Summary Statement of Capital Expenditure				
	Actual 6 Months	Plan 6 Months	Full Year Plan 2023/24	Comments
Other Property	118	196	693	Includes Waiata House upgrades, cemeteries, public conveniences, mawley park, rural halls and rental properties. There was a \$120k provision included for asbestos removal which has been mitigated without this significant spend - this accounts for \$60k of the YTD underspend.
Civic Facility	81	85	300	This budget relates to stage options development work for the Library and Town Hall facilities.
Recreation Centre	75	110	500	Budget is for upgrades at the Trust House Recreation Centre. Recently received the condition assessment which will be circulated with council shortly. Insurance claim has been settled for the toddler pool roof replacement so spend is coming for this. Heating system and filtration system renewal needs will be clearer after reviewing the masterplan and condition assessment report recently received.
Housing for the Elderly	291	289	448	This budget relates to renewal work on the senior housing portfolio (Laurent Place, Bodmin Flats, Truro Flats and Panama Village). There has been \$200k spend YTD for work on the Panama carpark. Additional spend planned on the Panama Homestead garages due to be repaired after fire damage and a new carpark at Laurent Place for residents if the budget allows.
Library & Archive	45	60	196	Purchase of books and incidental furniture and equipment as required. Underspend relates to minimal new furniture and equipment needing to be replaced so far this year.
Regulatory Services	16	74	2,547	\$2.5m of the budget relates to the new animal shelter. No spend so far this year on this project, but the construction contract has been let so work is due to start soon.
Corporate Services	280	293	456	Includes budgets for IT upgrades, GIS aerial photography and fleet vehicle replacements. There will be two more vehicles replaced before the end of the financial year. Spend is also occurring in the computer / IT upgrade space with a laptop restock in July followed by Teams capability being added to meeting rooms in September. We have also invested in a Magiq Service request integration to RAMM in August.
TOTAL COUNCIL	\$ 11,404	\$ 12,258	\$ 49,694	
% spent of full year Plan	23%			

Rates Receivable

The graphs below provide a picture of the changes in the value of rates receivable by quarter.

At 31st December 2023 the balance of rates unpaid was \$1,344,520. This is 28% more than the same quarter end last year. Arrears from prior years were \$340,958, which is 32% more than the same quarter last year and 39% of the balance of total arrears at 30 June 2023, ie 61% of the 30 June 2023 arrears had been paid by 31 Dec 2023. This compares to 57% at 31 Dec 2022.

Current year rates unpaid at 31 Dec 2023 were \$1,003,562 compared to \$791,292 at 31 Dec 2022. This amounts to 3.6% of the value of the first two instalments (last 31 Dec = 3.1%).

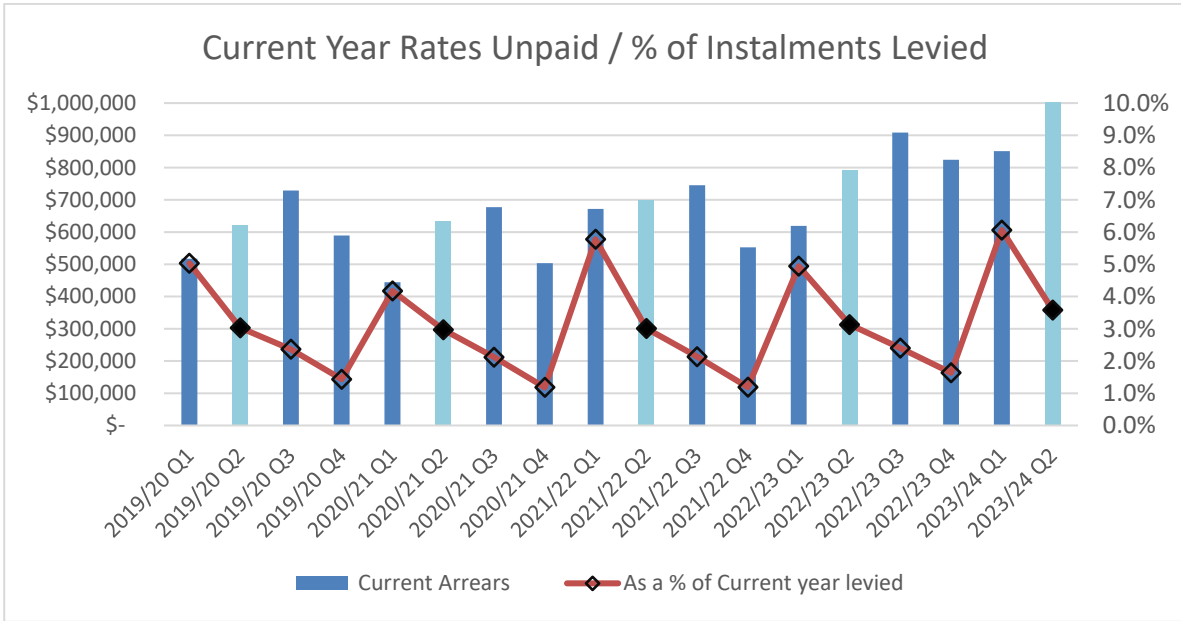


The small decrease in rates receivable in the December quarter is consistent with most prior years, and indicates that many ratepayers who missed the first instalment have since caught up to at least the second instalment.

The Council continues to contact ratepayers who are falling behind and looks to work with them to catchup. The reported revenue for rates penalties is 29.6 ahead of planned, but is subject to remissions if ratepayers make (and keep) arrangements to bring their rates up-to-date.

Letters to mortgage-holding banks were sent before Christmas and have been followed up on in January, with a significant portion of the arrears balance being cleared in February. Arrangements to pay off rate arrears have been negotiated with a number of ratepayers with arrears and no mortgage, while legal steps are on-going with seven properties.

The graph below shows the value of current years rates unpaid at the end of each quarter and that value as a % of the dollars levied progressively through each year. It is noted that the trends are consistent, with the Qtr 2 percentage (of 3.6%) not a lot higher than the average of around 3%. This percentage is expected to track down as the year progresses to an average of below 2%.



SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

Any strategic considerations relating to the year to date financial report will be picked up as the Council develops its Long Term Plan for 2024-34.

Significance, Engagement and Consultation

It is noted that the quarterly financial reporting is an important element of Council’s accountability to the community.

Financial Considerations

This report includes summary financial information on the Council’s performance versus the Planned position as at 6 months year-to-date, 2023/24. There are no financial considerations beyond the report itself.

Implications for Māori

The adoption of this report does not trigger any Treaty of Waitangi considerations or implications specific to Māori.

Communications/Engagement Plan

The information included in this report is public and will be available with the agenda. No further communications or engagement is planned.

Environmental/Climate Change Impact and Considerations

There are no environmental/climate change impacts or considerations arising from this report. .

ATTACHMENTS

Nil

6.9 BETTER OFF FUNDING UPDATE

File Number:

Author: David Paris, General Manager Finance

Authoriser: Kym Fell, Chief Executive

PURPOSE

The purpose of this report is to provide Council with an update on progress with Better Off Funding projects.

RECOMMENDATION

That Council receives the Better Off Funding Update report.

CONTEXT

As part of the Three Waters Reform central government funding was made available to support councils to invest in community wellbeing. Two tranches of funding were originally proposed, however with the change in government and direction for three waters reform, Tranche 2 funding will not proceed.

Masterton District Council was entitled to \$3.88 million of Tranche 1 Better Off Funding. In September 2022, following a series of workshops and community engagement, Council submitted a proposal for funding that was subsequently approved. This included eight projects, however through the 2023 Annual Plan process, Council resolved to seek approval from DIA to cancel two projects: 1) Urban Safe Active Transport Routes (Incorporating History) Implementation Plan/ Business Case with provision of \$50K and 2) Air Quality Actions Scope and Business Case with provision of \$100K. The funding for a third project, Mana Whenua Partnerships/Climate Resilience Projects, was reduced from \$575K to \$300K. The \$425K from these projects was reallocated to increase the spend on targeted wastewater renewals.

More information on the original proposal (2022), and changes to that (2023), are included in the following reports:

- [14 September 2022 Council Agenda](#) Report 130/22 (see page 228) – original funding proposal:
- [28 June 2023 Council Agenda](#) Report 7.4 (see page 483) – Adoption of the 2023-2024 Annual Plan including revisions

DISCUSSION

The status of the six remaining projects, with financials as at 31 December, is outlined below:

	Description:	Funding 2023:	Current Status:
1.	Targeted wastewater renewals	\$2.675M over 2 years	<p>\$1,357,206 has been spent and claimed.</p> <p>The remaining \$1,317,794 is forecast to be spent by 30 June 2025.</p> <p>Two kilometres of wastewater pipes were renewed in 2022/23.</p>
2.	Planting for biodiversity and fish passages (primarily Mākoura Stream/ Homebush)	\$200K	<p>No funding has been claimed.</p> <p>Milestone 1 is for MDC, Iwi, GWRC and Sustainable Wairarapa to identify priority sites for plantings and fish passage improvement. This was scheduled for completion by 30 June 2023. Due to capacity within the projects team, this project was delayed.</p> <p>The project has now been allocated to the Climate Change Activators to progress. Initial discussions were held pre-Christmas 2023 and the team are currently scheduling meetings to progress this project. The target for completing this milestone, and future milestones, has been revised to ensure completion by the deadline for funding of 30 June 2027.</p>
3.	Contribution to Pūkaha Mount Bruce development project	\$335K	<p>Contribution of \$335K was made to Pūkaha Mount Bruce on 17 February 2023, and has been claimed.</p>
4.	Climate Change Activator for 3 Years	\$250K	<p>\$59,007 has been claimed.</p> <p>The funding was for 1FTE Climate Activator to support the implementation of the Climate Action Plan. The position was filled by two part time employees who share the role. Both commenced in April 2023.</p> <p>In the 10 months the Activators have been employed by Council they have contributed to a range of climate actions including: supporting the Climate Action Group to establish; supporting the Community Climate Fund process; exploring local composting options and drafting a community composting plan; progressing work on a Food Resilience Strategy; initiating a Council Climate Champions group to support action within Council; progressing work to implement E-bench (the tool Council is using to measure emissions and energy use); attending community meetings, networking forums and events to establish relationships and promote the Climate Action Plan. As noted above, the Activators will</p>

	Description:	Funding 2023:	Current Status:
			also be supporting the delivery of the Biodiversity and Fish Passages project.
5.	Mana Whenua Partnerships/ Climate Resilience Projects	\$300K	No funding has been claimed. Milestone 1 is to deliver a Mana Whenua Climate Change Conference. This was scheduled for completion by 31 March 2023. Due to capacity and staff changes, this project was delayed. Initial meetings have been held with mana whenua. Council's Environmental & Climate Lead and Pou Ahurea are working with mana whenua to deliver the Climate Change Conference. Initial discussions have also been held around the Project Scope, which is Milestone 2.
7.	Trust House Recreation Centre/War Memorial Stadium Assessment including feasibility of a Splash Pad	\$120K	\$65,158 has been claimed. The final report has been received and workshopped with Council. The funding proposal included provision for refinement and costing of work identified. If the full \$120K is not required for this step, staff propose seeking approval to allocate the balance of funding toward implementation of actions identified in the report.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

The projects funded by the Three Waters Better Off Funding align with the criteria to improve wellbeing for our community. They also align with Council's community outcomes, Climate Change Action Plan, *He Hiringa Tangata He Hiringa Whenua* (our Wellbeing Strategy), Infrastructure Strategy and Biodiversity Strategy.

Significance, Engagement and Consultation

Community engagement was undertaken to inform the final list of projects that were selected. Mana whenua were consulted regarding the changes that were made in 2023.

Financial Considerations

Council has until 30 June 2027 to spend the funding allocated to these projects. The table below sets out the financial picture as at 31 December 2023.

Better Off Funding

		\$\$\$						
Project	Original Approved	Change Request	Revised Approved	YTD Spend @ Dec 23	Remaining Spend	Expected full spend	Completion Date	
1	Targeted Wastewater Renewals	2,250,000	425,000	2,675,000	1,357,206	1,317,794	2,675,000	Jun-25
2	Biodiversity Planting/Fish Passages	200,000		200,000	-	200,000	200,000	Jun-27
3	Pukaha Funding Contribution	335,000		335,000	335,000	-	335,000	Complete
4	Climate Change Activator for 3 years	250,000		250,000	59,007	190,993	250,000	Jun-26
5	Mana Whenua Partnership/Climate Resilience	575,000	- 275,000	300,000	-	300,000	300,000	Mar-25
6	Urban Safe Transport Routes Implement/ Business Case	50,000	- 50,000	-		-	-	Discontinued
7	THRC and War Memorial Stadium Assessment/Splash Pad Feasibility	120,000		120,000	65,158	54,842	120,000	Jun-24
8	Air Quality Actions Scope	100,000	- 100,000	-		-	-	Discontinued
		3,880,000	-	3,880,000	1,816,371	2,063,629	3,880,000	

Implications for Māori

The criteria for Better Off funding stated that Councils were expected to engage with iwi/Māori in determining how the funding will be used. Council undertook engagement to inform the selection of projects. Council’s Pou Ahurea Māori discussed the projects that were included in the community survey with mana whenua representatives ahead of engagement taking place. The views of Māori who completed the survey (21.1% of survey participants identified as Māori) were extracted and considered alongside the overall survey results. Delivery of the Planting for biodiversity and fish passages and Mana Whenua Partnerships/ Climate Resilience Projects are structured to be delivered with Iwi. In particular, the Mana Whenua Partnerships/ Climate Resilience Project requires co-development.

Communications/Engagement Plan

Communications and engagement will take place as appropriate at a project level.

Environmental/Climate Change Impact and Considerations

There is a strong environmental focus in the projects that were included in our Funding proposal, and alignment with our Climate Action Plan, Wellbeing Strategy and Biodiversity Strategy These projects will improve environmental outcomes for our community.

NEXT STEPS

Staff will continue to progress the projects included in our Better Off Funding proposal. The next report to DIA is due in July for the period from 1 January 2024 to 30 June 2024. We will update Council on progress at the Audit and Risk meeting that follows the submission of that report.

ATTACHMENTS

Nil

7 PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

RECOMMENDATIONS

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<p>7.1 - Minutes of the Audit and Risk Committee Meeting held with the public excluded on 15 November 2023</p>	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p> <p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p> <p>s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p> <p>s7(2)(e) - the withholding of the information is necessary to avoid prejudice to measures that</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>

	<p>prevent or mitigate material loss to members of the public</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	
7.2 - Wairarapa Recovery Risk Report	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
7.3 - ELT Risk Discussion	<p>s7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p> <p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>