

MASTERTON DISTRICT COUNCIL

AGENDA

AUDIT AND RISK COMMITTEE

WEDNESDAY 17 NOVEMBER AT 3.00PM

MEMBERSHIP OF THE COMMITTEE

Philip Jones (Chairperson)

Her Worship the Mayor

Cr B Gare

Cr G McClymont

Cr T Nelson

Cr T Nixon

Cr C Peterson

Iwi representative T Te Tau

Quorum: Four

Notice is given that the meeting of the Masterton District Council Audit and Risk Committee will be held on Wednesday 17 November 2021 at Waiata House, 27 Lincoln Rd, Masterton commencing at 3.00pm.

**RECOMMENDATIONS IN REPORTS ARE NOT TO BE CONSTRUED AS COUNCIL
POLICY UNTIL ADOPTED**

12 November 2021



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AGENDA

1. APOLOGIES
2. CONFLICTS OF INTEREST (Members to declare conflicts, if any)
3. LATE ITEMS
4. **MINUTES OF PREVIOUS MEETING TO BE RECEIVED (153/21)** Pages 401-406

FOR INFORMATION

5. **SERVICE PROVISION REPORT - ARATOI FIRST QUARTER (216/21)** Pages 411-414
6. **SEVICE PROVISION REPORT - DESTINATION WAIRARAPA FIRST QUARTER REPORT (217/21)** Pages 415-419
7. **NON-FINANCIAL PERFORMANCE 2021-22 FIRST QUARTER REPORT (218/21)** Pages 420-436
8. **LGFA ANNUAL GENERAL MEETING (219/21)** Pages 437-439
9. **MONITORING OF POLICIES (220/21)** Pages 440-443
10. **HEALTH & SAFETY QUARTERLY REPORT (221/21)** Pages 444-452
11. **NZTA INVESTMENT AUDIT (222/21)** Pages 453-455
12. **THREE MONTHS TO DATE FINANCIAL REPORT (223/21)** Pages 456-461

MATTERS TO BE TAKEN WITH THE PUBLIC EXCLUDED

Moved by

Seconded by

Under section 48 (1) of the Local Government Official Information and Meetings Act 1987 the following matters will be taken with the public excluded :-

Minutes of the previous meeting

13. Receive the Minutes of the previous meeting held with the public excluded 18 August 2021

General Business

14. SLT Risk Discussion.

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

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General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Minutes of Previous Meeting held 18 August 2021	See page 404-406	s48(1)(d) That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in any proceeding to which this paragraph applies
SLT Risk Discussion	7(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.	s48(1)(d) That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in any proceeding to which this paragraph applies
	7(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 to damage the public interest.	

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153/21

REPORT OF THE AUDIT & RISK COMMITTEE MEETING HELD BY ZOOM ON WEDNESDAY 18 AUGUST AT 2.00 PM

PRESENT

Philip Jones (Chair), Mayor L Patterson, Councillors B Gare, G McClymont, T Nixon, T Nelson, and C Peterson and Tiraumaera Te Tau (from 2.11pm to 2.55pm)

IN ATTENDANCE

Acting Chief Executive, Manager Finance, Manager Strategic Planning, Acting Manager Community Facilities and Activities, Communications and Engagement Manager, HR Advisor, Governance Advisor.

CONFLICT OF INTEREST

No conflicts were declared.

LATE ITEMS FOR INCLUSION UNDER SECTION 46A(7) OF THE LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

There were no late items.

APOLOGIES

There were no apologies.

MINUTES OF PREVIOUS MEETING TO BE RECEIVED (090/21)

Moved by Mayor L Patterson

That the minutes of the previous meeting of the Audit and Risk Committee held 12 May 2021 be received.

Seconded by Philip Jones and CARRIED

SERVICE PROVISION REPORT ARATOI AND NUKU ORA (143/21)

The report providing the Committee with the quarterly progress report against key result areas for Aratoi Regional Trust and the six-month report against key initiatives for Nuku Ora was taken as read.

The Director, Aratoi, the Chair, Aratoi Regional Trust and the Nuku Ora Partnership Manager – Wairarapa and Iwi were in attendance by zoom and spoke to their sections of the report.

In response to a question re how and when the baseline for resident and visitor satisfaction at Aratoi would be established, staff advised that it was still a work in progress and would be brought back to the next Audit and Risk Committee meeting.

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Moved by Mayor L Patterson

That Council receives Service Provision Report 143/21, which covers:

- (a) **the summary results of the key result areas for the quarter 1 April– 30 June 2021 from Aratoi Regional Trust**
- (b) **the summary results of the key initiatives for the six months 1 January – 30 June 2021 from Nuku Ora.**

Seconded by Councillor C Peterson and CARRIED

SERVICE PROVISION REPORT: DESTINATION WAIRARAPA (144/21)

The report providing the Committee with the fourth quarter progress report on key deliverables of Destination Wairarapa was taken as read.

The General Manager was in attendance by zoom and spoke to the report.

Moved by Philip Jones

That the Audit and Risk Committee receives Service Provision Report 144/21 that includes a summary of results of key deliverables for the fourth quarter, 1 April – 30 June 2021, from Destination Wairarapa.

Seconded by Councillor G McClymont and CARRIED

(Tiraumaera Te Tau left the meeting at 2.55pm)

NON-FINANCIAL PERFORMANCE 2020/21 YEAR END REPORT (145/21)

The report advising the Committee of performance against non-financial measures that are reported at year end was taken as read. It was noted that the numbers reported could change as a result of the audit process.

Matters discussed included some 'not-achieved' results being out of Council's control, the ability to change a target in the Annual Plan if it was seriously wrong, the building control statistics and measures being taken to try to alleviate the problem (noting that the volume of consents and staff shortage problem was nationwide).

Moved by Councillor Gare

That the Audit and Risk Committee receives the Interim Q4/Year end non-financial performance report for the 2020/21 financial year.

Seconded by Councillor T Nelson and CARRIED

HEALTH AND SAFETY QUARTERLY REPORT (147/21)

The report providing an update to assist elected members carry out their role as officers under the Health and Safety at Work Act 2015 was taken as read.

Matters discussed included whether Council kept a record of staff who were vaccinated (staff advised that there was no record as it was a privacy issue as to whether staff were vaccinated or not), in relation to the traffic light reporting, whether there was a work programme in place to address the amber areas (staff advised that there was), whether Council issued many trespass

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notices which were adhered to (staff advised that they were used, that staff worked with police and that they were a last resort), and in relation to Contractor Management, a request was made for more information to come to the next Audit and Risk Committee meeting about Council's monitoring of contractors in order to fulfil Health and Safety requirements.

Moved by Councillor T Nelson

The Audit and Risk Committee notes the content and receives the Health and Safety Report for the fourth quarter (1 April to 30 June 2021).

Seconded by Mayor L Patterson and CARRIED

TREASURY MANAGEMENT REPORT (148/21)

The report providing Council with information on the 30 June 2021 position with respect to the Council's investments and debt was taken as read. It was noted that the year had been typified by low interest rates which affected both what Council was paying and receiving in interest.

Moved by Councillor B Gare

That the Audit and Risk Committee receives the Treasury Management Report as at 30 June 2021 (Report 148/21).

Seconded by Councillor T Nixon and CARRIED

RATES RECEIVABLE REPORT (149/21)

The report providing the Audit and Risk Committee with information on the 30 June 2021 position with respect to rates collection and arrears was presented by the Manager Finance who noted that a correction in the date range in the first paragraph from 2019/2020 to 2020/2021 was needed.

It was also advised that as it was not possible to pay rates over the counter due to the current COVID-19 Level 4 restrictions people would be able to make late payments, once the office was reopened, without incurring a penalty.

A request was made for an aged percentage to be shown in the next report i.e. what proportion of the outstanding rates were 5 years or older.

Moved by Philip Jones

That the Audit and Risk Committee receives the Rates Receivable Report (149/21) to 30 June 2021.

Seconded by Councillor C Peterson and CARRIED

CAPITAL EXPENDITURE REPORT (DRAFT) (150/21)

The report providing the Audit and Risk Committee with the draft report on capital expenditure projects for the financial year ended 30 June 2021 was presented by the Manager Finance.

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Moved by Philip Jones

That the Audit and Risk Committee receives the draft capital expenditure report and commentary for the 12 months to 30 June 2021

Seconded by Councillor C Peterson and CARRIED

EXTERNAL PROJECT FUNDING (151/21)

The report providing the Audit and Risk Committee with an update on three externally funded projects, including expenditure to date, funding confirmed, funding received to date and project timelines, was presented by the Manager Finance .

Moved Mayor L Patterson

That the Audit and Risk committee receives the report and notes the information regarding the Councils externally funded projects

Seconded Councillor G McClymont and CARRIED

INSURANCE UPDATE (152/21)

The report providing the Audit and Risk Committee with confirmation that all insurance cover has been renewed from 1 July 2021 and providing information about the cost increases of that insurance was presented by the Manager Finance.

Moved Mayor L Patterson

That the Audit and Risk Committee receives the report and notes the information regarding the Councils Insurances

Seconded by Councillor T Nelson and CARRIED

MATTERS TO BE TAKEN WITH THE PUBLIC EXCLUDED

Moved by Philip Jones

Under section 48 (1) of the Local Government Official Information and Meetings Act 1987 the following matters will be taken with the public excluded :-

Minutes of the previous meeting

15. Receive the Minutes of the previous meeting held with the public excluded 12 May 2021.

General Business

16. Cyber Security Update
17. Litigation Update
18. SLT Risk Discussion.

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

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General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Minutes of Previous Meeting held 12 May 2021	See pages 406-407	s48(1)(a)(i) That the public conduct of the whole or 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.
Cyber Security Update	<p>(7)(2)(h) – Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.</p> <p>(7)(2)(j) – Prevent disclosure or use of official information for improper gain or improper advantage.</p> <p>Ground(s) Under Section 48(1) for the Passing of the Resolution</p> <p>7(2)(b)(ii) – Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</p>	<p>s48(1)(a)</p> <p>That the public conduct of the whole or 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. Where the local authority is named or specified in the First Schedule to this Act, under section 6 or section 7 except section 7(2)(f)(i) of this Act.</p>
Litigation Update	<p>7(2)(i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> <p>s7(2)(g)) To maintain legal professional privilege.</p>	<p>s48(1)(a)</p> <p>That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7</p>
SLT Risk Discussion	<p>7(2)(c)(i)</p> <p>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</p>	<p>s48(1)(a)</p> <p>That the public conduct of the whole or 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.</p>

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similar information or information from the same source and it is in the public interest that such information should continue to be supplied.

7(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 to damage the public interest.

Seconded by Councillor T Nelson and CARRIED

The public was excluded at 3.49pm

The meeting returned to open session at 5.10pm

The meeting concluded at 5.10 pm

To:	Audit and Risk Committee
From:	Corin Haines, Manager Community Facilities and Activities Deanna Elwin, Personal Assistant
Date:	17 November 2021
Subject:	Service Provision Report – Aratoi First Quarter
FOR INFORMATION	
Recommendation:	That Council receives Service Provision Report 216/21, which provides the summary results of Key Result Areas for the 1 July – 30 September 2021 quarter, from Aratoi Regional Trust.

Purpose

The purpose of this report is to provide the Committee with the first quarter report against key result areas for Aratoi Regional Trust.

Context

The Aratoi Regional Trust provides Council with a report for funding received, and agreements made through a Provision of Service Agreement and Memorandum of Understanding.

Funding 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*".

The three-year term Provision of Services Agreement and Memorandum of Understanding expired on 30 June 2021 and discussions are in place with Aratoi Regional Trust to work through and agree to key result areas for the next three-year term. This report is based on the existing key result areas in the interim.

Aratoi Regional Trust

Key Result Areas	Result	Assurance (How Achieved)
<p>A sustainable and thriving organisation:</p> <ul style="list-style-type: none"> ▪ Revenue from other sources (other than Masterton District Council and Masterton Trust Lands Trust) is greater than or equal to 20% of total revenue ▪ Increases in self-generated revenue <ul style="list-style-type: none"> ➤ <i>[Baseline: increase on 2020/21 result]</i> ▪ Resident and visitor satisfaction with Aratoi services <ul style="list-style-type: none"> ➤ <i>[Baseline: to be established, then an increase on the previous year result]</i> 	<p>On Track</p> <p>On Track</p> <p>In progress</p>	<p>35% of Aratoi's income was from other sources for the period July to September 2021</p> <p>Self-generated income streams for the quarter were 55% below budget due to the nature of the exhibitions and the effect that lockdown had on exhibition timings. Donations are increased from this time last year</p> <p>Baseline yet to be established</p>
<p>Provider of arts, culture and heritage services that reflect the history and heritage of the Masterton district and wider Wairarapa region:</p> <ul style="list-style-type: none"> ▪ Number of programmes/events/activities undertaken annually that include local artists (or artists that whakapapa to the Wairarapa region) <ul style="list-style-type: none"> ➤ <i>[Baseline: to be established in 2020/21, then no decreases based on the previous year]</i> ▪ Taonga Māori display held annually <ul style="list-style-type: none"> ➤ <i>[Baseline: 1 or more per annum]</i> ▪ Exhibition held that tells the stories of our local history and heritage <ul style="list-style-type: none"> ➤ <i>[Baseline: 1 or more per annum]</i> 	<p>Achieved</p> <p>Achieved</p> <p>Achieved</p>	<p>Over 25 local artists represented the shop</p> <p>Over 920 visual artists in exhibitions including:</p> <ul style="list-style-type: none"> ▪ Breadcraft Wairarapa Schools Art ▪ A year and more of magical thinking – new work by Linda Tilyard ▪ Wairarapa Camera Club ▪ More precious than rubies – Treasures from 40 years of stitch ▪ Pukana ▪ Astro photographers ▪ The Disappearing Woman <p>▪ <i>Pukana: Te Kura o Te Ika</i> – Moments in Māori Performance</p> <p>▪ <i>Pukana: Te Kura o Te Ika</i> – Moments in Māori Performance</p>

Key Result Areas	Result	Assurance (How Achieved)
<p>To professionally manage and maintain all Aratoi assets, including the permanent collection:</p> <ul style="list-style-type: none"> ▪ Collections housed in best practice conditions – adherence to professional museum standards ▪ Taonga, artworks and heritage objects are managed in line with the Aratoi Collection Policy ▪ Collections are documented in line with professional museum standards 	<p>Achieved</p> <p>Achieved</p> <p>Achieved (Vernon database)</p>	<p>Housed in best practice conditions with adherence to professional museum standards</p> <p>Managed in accordance with the Collection Policy</p> <p>Documented in line with professional museum standards</p>
<p>Genuine partnerships and effective relationships:</p> <ul style="list-style-type: none"> ▪ Iwi and Māori are offered opportunities to contribute towards key projects/initiatives led by Aratoi <ul style="list-style-type: none"> ➤ <i>[Baseline: annual reporting]</i> ▪ Key partnerships are offered to contribute towards key projects/initiatives led by Aratoi <ul style="list-style-type: none"> ➤ <i>[Baseline: annual reporting]</i> 	<p>Achieved</p> <p>Achieved</p>	<p>Two representatives from each of the following iwi are on the Trust Board:</p> <ul style="list-style-type: none"> ▪ Ngāti Kahungunu ki Wairarapa ▪ Rangitāne o Wairarapa <p>Exhibition: <i>Pukana: Te Kura o Te Ika</i> – Moments in Māori Performance developed in partnership with the local Māori community</p> <ul style="list-style-type: none"> ▪ Hedley’s Booksellers - cancelled due to COVID-19 ▪ Colin McCahon: The Aratoi Collection in Context ▪ Alexander Turnbull Library and the local Māori community (<i>Pukana: Te Kura o Te Ika</i> - Moments in Māori Performance)

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implication

Aratoi Regional Trust contributes towards Council's community outcomes and key strategies of *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 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 this service provider for this first quarter of 2021/22 was via the 2021-31 Long-Term Plan and as stated in the Provision of Services Agreement and Memorandum of Understanding.

Treaty Considerations/Implications for Māori

There are no Treaty considerations/Implications for Māori arising out of the report provided.

Communications/Engagement Plan

There is no requirement for communication or engagement on the report provided.

Environmental/Climate Change Impact and Considerations

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

To:	Audit and Risk Committee
From:	Nerissa Aramakutu, Policy Manager
Endorsed by:	David Hopman, Acting Chief Executive
Date:	17 November 2021
Subject:	Service Provision Report - Destination Wairarapa First Quarter
FOR INFORMATION	
Recommendation:	That the Audit and Risk Committee receives Service Provision Report 217/21 that includes a summary of results of key deliverables for the first quarter, 1 July – 30 September 2021, from Destination Wairarapa.

Purpose

The purpose of this report is to provide the Audit and Risk Committee with the first quarter (1 July – 30 September 2021) progress report on key deliverables of Destination Wairarapa.

Context

Destination Wairarapa is a regional tourism organisation 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 that sets out key deliverables to be met by Destination Wairarapa in alignment with funding and investment from the Councils. A three-year term (1 October 2019 to 30 September 2022) Memorandum of Understanding is in place.

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	Data reflects continued growth trend	Accommodation Data ¹ , August 2021: <ul style="list-style-type: none"> Total guest nights: 9,700 (Q4 20/21 -16,300) Average nights stayed: 1.9 (Q4 20/21-1.9)

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)
tasked with delivering 3% growth in domestic and 6% in international visitor spend per annum and in line with the Tourism Industry Aotearoa's Tourism Beyond 2025 framework. 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.		Tourism Electronic Card Transactions for Masterton District ² : \$88m in 2021 (\$77m in 2020). Despite the impact of lockdown on the region during August, tourism electronic card transactions for the Masterton District were higher in this period compared to the same time last year.
Represent the Wairarapa in the Business Events market in partnership with suitable venues, activities and other services	In progress	Events support: <ul style="list-style-type: none"> • Provided support to Longbush Cottage Tulip Festival held on 25 and 26 September 2021. 900 attendees (owners initial estimates were 100).
Destination Management Plan	Completed	<ul style="list-style-type: none"> • Destination Management Plan completed and will be presented to Council on 17 November 2021. • Destination Wairarapa and Masterton District Council both represented at first Wellington Region Destination Management Plan working group.
To provide an online Wairarapa events calendar and a PDF downloadable version of major events	Achieved	<ul style="list-style-type: none"> • Available on the Destination Wairarapa website.
Represent the Wairarapa in the Inbound market in partnership with suitable venues and activities	Achieved	<ul style="list-style-type: none"> • Contributed to revisiting of regional content as a response to the initial announcement of the trans-Tasman travel bubble.
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

² Interim data methodology, Tourism Electronic Card Transactions (TECTs), was used due to the COVID-19 disruptions. It is solely based on physical electronic card transactions and does not include any other form of spending such as cash, pre-purchases or online spend.

Key Deliverables	Result	Assurance (How Achieved)
To provide a balanced budget	Achieved	The Quarter 1 General Manager's and Marketing Board report for 3 months ended September 2021 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 1 General Manager's and Marketing Board Report has been received and reported on in this report.

1. Other activities undertaken during this reporting period

a) Examples of promotion:

- Placement of Wairarapa Lifestyle magazines in Koru Club Lounges
- Focus on Wellington on a Plate (WOAP) including development of a dedicated Wairarapa mini WOAP brochure
- Support to the two Wairarapa winter festivals, including advertising support
- Partnership with Wellington Airport – placement in their e-newsletter to 100,000 customers
- Paid partnership with Tots to Teens, including nationwide prize promotion

b) Continuous improvement:

- Nothing for this update.

c) Media hosting:

- Hosted 15 top food writers on a day long familiarisation programme – they were attendees of the NZ Food Writers Conference in Wellington. Response was strong and established relationships for the future.
- Hosted a STUFF reporter for the opening night of the Festival of Christmas which resulted in a full page spread in STUFF papers.
- Hosted NZ Herald food writer Anna King which resulted in a food story in the Herald.
- Hosted leading travel writer Mike Yardley which resulted in stories on the Newstalk ZB website ad in the August Air NZ Kia Ora magazine.

d) Examples of social media reach:

- Wairarapa Winter events round-up reached 25,336 and engaged 2,545
- Greytown video reached 19,330, engaged 3,420
- Hosted influencers who got significant views on Instagram and Tik Tok content
- Launched the Lola campaign – unique approach for the region which is seeing results through engagement

e) Funding

- Destination Wairarapa receives funding from the Ministry of Business, Innovation and Employment (MBIE) via the Strategic Tourism Assets Protection Programme to deliver a Destination Management Plan, capability building and domestic marketing.

2. Other relevant updates

a) Regional Events Fund:

- In September 2020, the Regional Events Fund was developed as part of the New Zealand Government's Tourism Recovery Package in response to COVID-19's impact on international tourism.
- \$3.5 million was made available to the Wellington region to invest in events. The purpose of the Wellington Regional Events Fund is to support events that will drive domestic visitation and spend to the Wellington region; encouraging expenditure missed by international visitors.

Since the opening of the fund, there have been 18 expressions of interests for events to be held in the Wairarapa – with two successfully gaining funding to date. The Festival of Christmas in Greytown, and the 121 Music Festival at Tauherenikau Racecourse.

b) Product development and capability building:

- Martin Jenkins Consultancy continue to look at the feasibility of developing Dark Skies tourism product and Agri tourism product in the region.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implication

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.

Treaty Considerations/Implications for Māori

Destination Wairarapa have been working with Wairarapa iwi regarding the Destination Management Plan.

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.

To:	Audit and Risk Committee
From:	Tania Madden, Corporate Planner
Endorsed by:	David Hopman, Acting Chief Executive
Date:	17 November 2021
Subject	Non-Financial Performance 2021/22 Quarter 1 Report
INFORMATION	
Recommendation:	
That the Audit and Risk Committee receives the Quarter 1 non-financial performance report for the 2021/22 financial year.	

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 2021 to 30 September 2021.

EXECUTIVE SUMMARY

This is the first non-financial performance report for Year 1 (2021/22) 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. Of the 43 measures, 36 were available to report and seven were not applicable in this quarter. Four roading measures and two water measures rely on data that is only produced annually at the end of the financial year. One stormwater measure relates to response times for attending flooding events and was not applicable in this quarter as no flooding events were reported.

Of the 36 measures available to report, 77.8% (28 measures) were achieved and 22.2% (8 measures) were not achieved.

Further information is provided in Attachment 1.

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 first non-financial performance report for Year 1 of the 2021-31 Long-Term Plan (LTP).

The performance measure framework was 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

Three Waters

Our water infrastructure activities have continued to perform well against targets. Wastewater, stormwater and water supply services have achieved 100% (all 17) applicable measures for this quarter.

Roading

Response times for non-urgent roading customer service requests have been an area of focus and have continued to improve. At the end of the 2019/20 financial year only 69% of non-urgent requests were responded to within agreed timeframes. Results improved over the last year and for this quarter, 100% were responded to on time. There was also a reduction in the number of non-urgent complaints received compared to the same quarter last year which may have contributed to the result. This is also a positive trend. All 79 urgent requests were also responded to on time.

Building

The target for building consents and code compliance certificates processed within statutory timeframes, and swimming pool inspections undertaken, were not achieved. These results reflect vacancies in the team and factors impacting the sector, such as more complex inspections as builders struggle with supply and substitution issues, in part related to COVID-19.

In addition, the increased volumes of consents issued over 2018 and 2019 are now reaching code compliance certificate (CCC) stage after delays due to COVID-19, resulting in increased volumes of CCCs to be processed.

On a positive note, the team now has dedicated compliance staff focussing on Building Warrant of Fitness (BWOF) processes and have seen the proportion of commercial buildings with current compliance schedules increase to over 85% (from approximately 65%). For Quarter 1, all BWOFs due for review have been completed on time.

COVID-19 Implications

The COVID-19 Alert Level 4 lock down in Quarter 1, and subsequent restrictions, have impacted results for some measures:

- The target for library usage was not achieved. This is in part due to the library being closed for 19 days and unable to issue physical items due to Alert Level 4 restrictions. There have been restrictions on numbers in the library during subsequent alert levels.
- The number of in-person library visits was down (20,798 in this quarter compared to an average of approximately 37,000 per quarter for the last five years), but digital visits were up resulting in the target being achieved overall.
- The target for Trust House Recreation Centre usage was not achieved. This result was also impacted by COVID-19 Alert level restrictions requiring complete closure of the facility between 18 August and 8 September 2021, and restrictions on numbers in subsequent alert levels.
- The target for animal control community education and engagement activities was not achieved. Two sessions that were booked for Quarter 1 were cancelled due to COVID-19 restrictions.
- As noted above, there have also been some indirect impacts of COVID-19 on building team results.

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

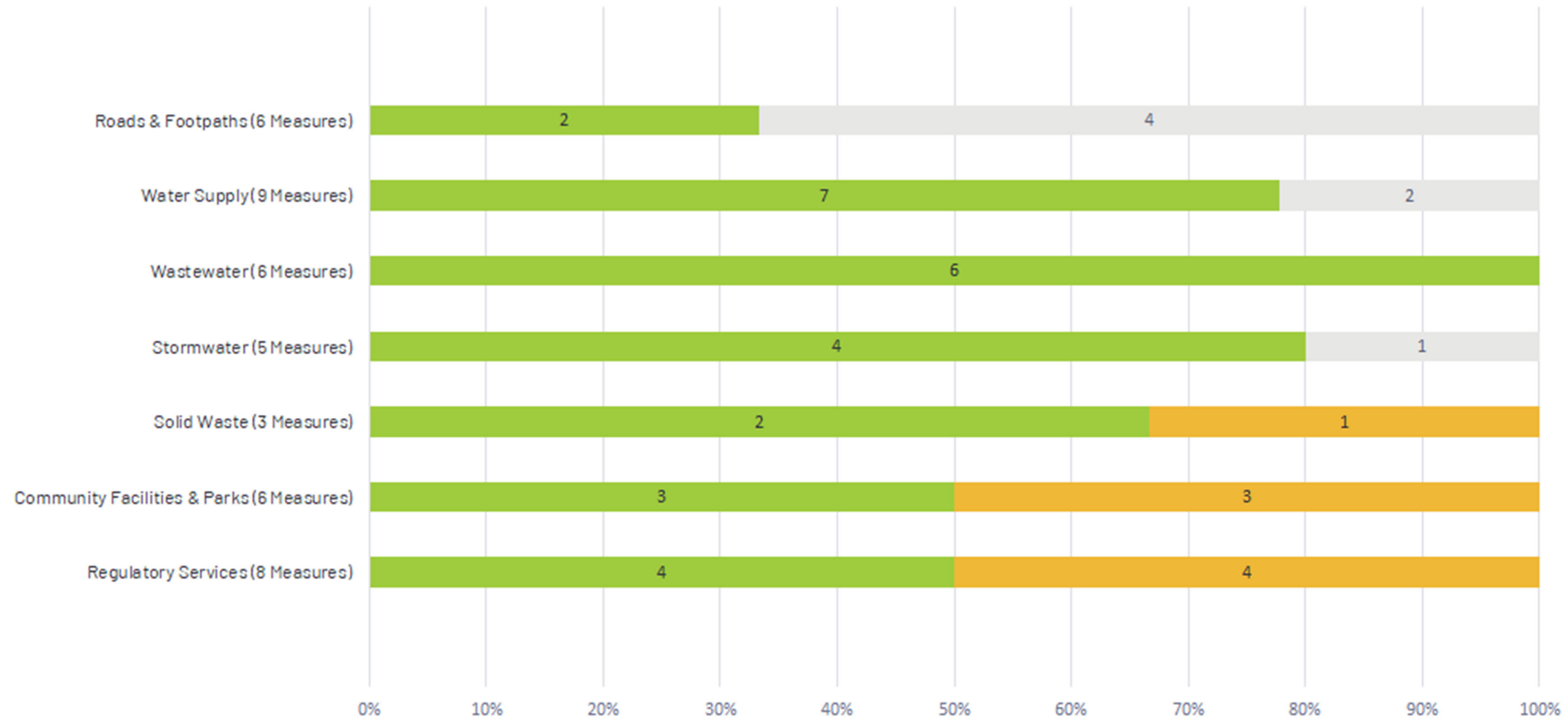
There are no environmental/climate change impacts or considerations arising from the receipt of this report

ATTACHMENT 1: Non-Financial Performance Measures for 2021/22 Quarter 1

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

- GREEN - have been achieved as at 30 September 2021;
- ORANGE - have not been achieved as at 30 September 2021;
- GREY – are not applicable or not available to report as at 30 September 2021.

NON-FINANCIAL PERFORMANCE MEASURES AS AT 30 SEPTEMBER 2021



2021/22 Quarter 1 Non-Financial Performance Measure Results

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
Number of fatalities and serious injury crashes on the local road network. (Mandatory Measure)	No more than the 5 year average.	This measure relies on data that is published annually at the end of each financial year.	Not Applicable	No fatalities and twelve serious injury crashes.	One fatality and nine serious injury crashes.	The five-year average (1/07/2015-30/06/2020) is 2 fatalities and 9 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%	This measure relies on data that is published annually at the end of each financial year.	Not Applicable	91% network smooth travel exposure (as at 30/06/21).	92% network smooth travel exposure (as at 30/6/20).	
Percentage of sealed local road network that is resurfaced. (Mandatory Measure)	Maintain within 5-7%	This measure relies on data that is published annually at the end of each financial year.	Not Applicable	5% Resurfaced 26.4km of the total 532.5km sealed local road network.	6.5% Resurfaced 34.4km of the total 529.5km 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	This measure relies on data that is published annually at the end of each financial year.	Not Applicable	92% 181.6km of 198.2km of the footpath network surveyed to June 2021 is condition rated excellent, good or fair.	94% 182.5km of 195km of the footpath network surveyed to June 2020 is condition rated excellent, good or fair.	
Percentage of urgent customer service requests responded to within 2 days. (Mandatory Measure)	95% within specified timeframe	100% 79 of 79 urgent requests were responded to within two days	Achieved	Year End Result: 99.7% 360 out of 361 urgent requests have been responded to within specified timeframes. 2020/21 Quarterly Results: Q1: 100% (128/128) Q2: 100% (103/103) Q3: 100% (62/62) Q4: 98.5% (67/68)	Year End Result: 100% 347 of 348 urgent requests were responded to within two days. 2019/20 Quarterly Results: Q1: 100% (107/107) Q2: 99.1% (110/ 111) Q3: 100% (70/70) Q4: 100% (60/60)	Q1 Result: 100% 79 out of 79 urgent requests have been responded to within specified timeframes. 2021/22 Quarterly Results: Q1: 100% (79/79) Q2: Q3: Q4: Year to date there have been less urgent requests than for the same period last year. 100% have been responded to on time.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 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	100% 173 of 173 non-urgent requests were responded to within the timeframe.	Achieved	<p>Year End Result: 91.3% 705 out of 772</p> <p>2020/21 Quarterly Results: Q1: 92.2% (200/217) Q2: 90.7% (165/182) Q3: 89.6% (146/163) Q4: 92.4% (194/210)</p>	<p>Year End Result: 69% 515 out of 749</p> <p>2019/20 Quarterly Results: Q1: Not Available Q2: 62.4% (128/205) Q3: 70.6% (161/228) Q4: 76% (75/99)</p>	<p>Q1 Result: 100%</p> <p>173 out of 173 non-urgent requests have been responded to within specified timeframes.</p> <p>2021/22 Quarterly Results: Q1: 100% (173/173) Q2: Q3: Q4:</p> <p>The 2021/22 Q1 result achieved 100% response time for non-urgent service requests. The number of requests received is lower than the same period last year. This is an improvement.</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	0.41 complaints/1000 connections Actual Complaints at Q1: 4 YTD Complaints: 4	Achieved	<p>Year End Result: 2.45 complaints/1000 connections</p> <p>Year End: Actual Complaints: 23</p> <p>2020/21 Quarterly Results: Q1 Result: 0.42/1000 (4) Q2 Result: 0.53/1000 (5) Q3 Result: 0.85/1000 (8) Q4 Result: 0.64/1000 (6)</p>	<p>Year End Result: 3 complaints/1000 connections</p> <p>Actual Complaints: 27</p> <p>2019/20 Quarterly Results: Q1: 1/1000 (9) Q2: 0.89/1000 (8) Q3: 0.89/1000 (8) Q4: 0.22/1000 (2)</p>	<p>YTD Result: 0.41 complaints/1000 connections</p> <p>YTD: Actual Complaints: 4</p> <p>2021/22 Quarterly Results: Q1 Result: 0.41/1000 (4) Q2 Result: Q3 Result: Q4 Result:</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	39 minutes	Achieved	<p>Year End: 34 minutes</p> <p>2020/21 Quarterly Results: Q1: N/A – no call outs Q2: 20 minutes Q3: 43 minutes Q4: 6 minutes</p>	<p>Year End: 15 minutes</p> <p>2019/20 Quarterly Results: Q1: 12.5 minutes Q2: 40 minutes Q3: 16 minutes Q4: N/A - none</p>	<p>YTD: 39 minutes</p> <p>2021/22 Quarterly Results: Q1: 39 minutes Q2: Q3: Q4:</p>
<p>b) resolution of urgent call outs (from notification to confirmation of resolution)</p> <p>(Mandatory Measure)</p>	480 minutes or less	196 minutes	Achieved	<p>Year End: 102 minutes</p> <p>2020/21 Quarterly Results: Q1: N/A – no call outs Q2: 49 minutes Q3: 111 minutes Q4: 104 minutes</p>	<p>Year End: 25 minutes</p> <p>2019/20 Quarterly Results: Q1: 22.5 minutes Q2: 342 minutes Q3: 28.5 minutes Q4: N/A - none</p>	<p>YTD: 196 minutes</p> <p>2021/22 Quarterly Results: Q1: 196 minutes Q2: Q3: Q4:</p>
<p>c) attendance at non-urgent call outs (from</p>	7 days or less	22 minutes	Achieved	<p>Year End: 119 minutes</p>	<p>Year End: 47 minutes</p>	<p>YTD: 22 minutes</p>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
notification to arrival on site) (Mandatory Measure)				2020/21 Quarterly Results: Q1: 665 minutes Q2: 21 minutes Q3: 73 minutes Q4: 88 minutes	2019/20 Quarterly Results: Q1: 15 minutes Q2: 63 minutes Q3: 55 minutes Q4: 26 minutes	2021/22 Quarterly Results: Q1: 22 minutes Q2: Q3: Q4: Median time from notification to arrival on site has decreased compared to last year. In the last financial year staff were working on water meter installation as a priority. Meter installation is now almost complete.
d) resolution of non-urgent call outs (from notification to confirmation of resolution) (Mandatory Measure)	3 months or less	53 minutes	Achieved	Year End: 172 minutes 2020/21 Quarterly Results: Q1: 704 minutes Q2: 43 minutes Q3: 93 minutes Q4: 132 minutes	Year End: 86.5 minutes 2019/20 Quarterly Results: Q1: 81 minutes Q2: 112 minutes Q3: 104 minutes Q4: 46 minutes	YTD: 53 minutes 2021/22 Quarterly Results: Q1: 53 minutes Q2: Q3: Q4: Median time from notification to arrival on site has decreased compared to last year. In the last financial year staff were working on water meter installation as a priority. Meter installation is now almost complete.
Council's drinking water supply complies with:						
a) part 4 of the Drinking Water Standards (bacteria compliance criteria). (Mandatory Measure)	Fully compliant	Fully Compliant	Achieved	Fully compliant	Fully compliant	Q1: Fully Compliant
b) part 5 of the Drinking Water Standards (protozoal compliance criteria). (Mandatory Measure)	Fully compliant	Fully Compliant	Achieved	Fully compliant	Fully compliant	Q1: Fully Compliant
Percentage of real water loss from MDC's reticulation system (calculated using minimum night flow).	No more than 37% Note: From Year 2 - Target to be established as part of the Annual Plan	This measure relies on data that is available annually at the end of each financial year.	Not Applicable	34%	37%	

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
(Mandatory Measure)	process to align with water meter installation and associated data.					
Average consumption of drinking water per day per resident within the district. (Mandatory Measure)	Year 1: No more than 601 litres/person/day Note: From Year 2 - Target to be established as part of the Annual Plan process (to align with water meter installation and associated data).	This measure relies on data that is available annually at the end of each financial year.	Not Applicable	639 litres/person/day The rainfall events over summer were less frequent than the previous year resulting in slightly higher garden watering demand.	601 litres/person/day	
Wastewater						
Number of complaints received about sewerage odour, system faults, system blockages, MDC's response to issues with its sewerage system. (Mandatory Measure)	Less than or equal to 8 complaints/ 1000 connections.	1.99 complaints/ 1,000 connections Actual Complaints: 19	Achieved	Year End: 7.34 complaints/1000 connections Actual Complaints: 69 2020/21 Quarterly Results: Q1: 3.09/1000 (29 complaints) Q2: 2.02/1000 (19) Q3: 0.64/1000 (6) Q4: 1.60/1000 (15)	Year End: 5.22 complaints/ 1000 connections Actual Complaints: 47 2019/20 Quarterly Results: Q1: 2.11/1000 (19 complaints) Q2: 1.56/1000 (14) Q3: 1/1000 (9) Q4: 0.56/1000 (5)	YTD: 1.99 complaints/1000 connections YTD Actual Complaints: 19 2021/22 Quarterly Results: Q1: 1.99/1000 (19 complaints) Q2: Q3: Q4:
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	30 minutes	Achieved	Year End: 27 minutes 2020/21 Quarterly Results: Q1: 27 minutes Q2: 23 minutes Q3: 21 minutes Q4: 46 minutes	Year End: 32 minutes 2019/20 Quarterly Results: Q1: 31 minutes Q2: 33 minutes Q3: 33 minutes Q4: 32 minutes	YTD: 30 minutes 2021/22 Quarterly Results: Q1: 30 minutes Q2: Q3: Q4:
b) resolution (from time of notification to the time service personnel confirm resolution) (Mandatory Measure)	12 hours or less	161 minutes	Achieved	Year End: 139 minutes 2020/21 Quarterly Results: Q1: 153 mins Q2: 63 mins Q3: 146 minutes	Year End: 143 minutes 2019/20 Quarterly Results: Q1: 190 minutes Q2: 149.5 minutes Q3: 143 minutes	Year End: 161 minutes 2021/22 Quarterly Results: Q1: 161 minutes Q2: Q3:

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
				Q4: 219 minutes	Q4: 97 minutes	Q4:
Number of dry weather sewerage overflows from MDC's sewerage system (Mandatory Measure)	Less than or equal to 2/ 1000 connections	0.31/1000 connections (3 complaints)	Achieved	Year End: 0.96 complaints/1000 connections Actual: 9 complaints 2020/21 Quarterly Results: Q1: 0.53/1000 (5 complaints) Q2: 0.21/1000 (2 complaints) Q3: 0/1000 (no complaints) Q4: 0.21/1000 (2 complaints)	Year End: 1.22/1000 connections Actual Complaints: 11 2019/20 Quarterly Results: Q1: 0.44/1000 (4 complaints) Q2: 0.33/1000 (3 complaints) Q3: 0.22/1000 (2 complaints) Q4: 0.22/1000 (2 complaints)	YTD: 0.31 complaints/1000 connections YTD Actual: 3 complaints 2021/22 Quarterly Results: Q1: 0.31/1000 (3 complaints) Q2: Q3: Q4:
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. (Mandatory Measure)	100% - no consent breaches	100% - no consent breaches	Achieved	100% - no consent breaches	100% - no consent breaches	
Alternative system provided where loss of service exceeds 24 hours	Less than or equal to 1/1000 connections	0/1000 connections (No portaloos required)	Achieved	0.64/1000 connections (6 portaloos provided) Three portaloos were deployed on 10 November 2020 and three were deployed on 21 June 2021, both due to heavy rain causing a sewer back up in Cockburn Street and Colombo Road.	0/1000 connections (No portaloos provided) No loss of service exceeded 24 hours.	
Stormwater:						
Number of flooding events that occur in the district (Mandatory Measure)	10 events or less	No flooding events reported	Achieved	Year End: 2 Flooding Events Q1: No events Q2: One flooding event Q3: No events Q4: One flooding event	Year End Result: No events All Quarters: No events	YTD: No Flooding Events Q1: No flooding events Q2: Q3: Q4:
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	Year End: 0.22/1000 connections. Two habitable floors affected Q1: No events Q2: One habitable floor affected	Year End result: No habitable floors affected as no events All Quarters: No habitable floors affected as no events	YTD: 0/1000 connections. No habitable floors affected Q1: No habitable floors affected Q2:

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
				Q3: No events Q4: One habitable floor affected		Q3: Q4:
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	
Number of complaints received about the performance of MDC's stormwater system (Mandatory Measure)	Less than or equal to 3/1000	0.56 complaints/ 1000 connections Actual Complaints: 5	Achieved	Year End: 2.33 complaints/1000 connections Actual: 21 complaints 2020/21 Quarterly Results: Q1: 0.44/1000 (4 complaints) Q2: 0.56/1000 (5 complaints) Q3: 0.33/1000 (3 complaints) Q4: 0.99/1000 (9 complaints)	Year End: 0.67 complaints/ 1000 connections Actual: 6 complaints 2019/20 Quarterly Results: Q1: 0.11/1000 (1) Q2: 0/1000 (None) Q3: 0.55/1000 (5) Q4: 0/1000 (None)	YTD: 0.56 complaints/1000 connections YTD Actual: 5 complaints 2021/22 Quarterly Results: Q1: 0.56/1000 (5 complaints) Q2: Q3: Q4:
Median response time to attend a flooding event (from time of notification to the time service personnel arrive onsite) (Mandatory Measure)	60 minutes or less	N/A – no flooding events reported	Not Applicable	Year End: 22 minutes Q1: No flooding events Q2: 30 minutes Q3: No flooding events Q4: 14 minutes	Year End: No flooding events N/A -No flooding events occurred through the year.	YTD: N/A – no flooding events reported Q1: N/A – no flooding events reported Q2: Q3: Q4:
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.	1 call back	Achieved	Year End: 26 Call Backs 2020/21 Quarterly Results: Q1 Result: 2 Q2 Result: 10 Q3 Result: 6 Q4 Result: 8	Year End: 49 Call Backs 2019/20 Quarterly Results: Q1 Result: 4 Q2 Result: 15 Q3 Result: 18 Q4 Result: 12	YTD: 1 Call Backs 2021/22 Quarterly Results: Q1 Result: 1 Q2 Result: Q3 Result: Q4 Result:

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
Tonnage of waste transferred to landfill per head of population	Reduction on previous year (0.527 tonne per head of population) Note: When the new bylaw is implemented, a new baseline will be established for reporting purposes.	0.563 tonne per head of population (Q1 annualised) <i>(estimated population as at 30/6/20: 27,500)</i> 3,869 tonnes of waste transferred (28% increase on previous year)	Not Achieved	0.527 tonne per head of population <i>(estimated population as at 30/6/20: 27,500)</i> 14,480 tonnes of waste transferred (25.9% increase on previous year) <i>Note: The 30 June 2020 and 30 June 2021 results both refer to population as at 30 June 2020 but the estimated population is different. That is because the estimated population as at 30 June 2020 was revised after the 2019/20 results were published. If the revised population was used as the basis for the calculation, the tonnage per head of population in 2019/20 would be less than reported. This would not change the not achieved result in 2020/21.</i>	0.429 tonne per head of population <i>(est. population as at 30/6/20: 26,800)</i> 11,505 tonnes of waste transferred (19.3% decrease on previous year) The 2019/20 waste tonnages were affected by the COVID-19 lockdown and the increased competition between waste collection contractors, some of whom take waste directly to Wellington landfills.	Currently this measure is not tracking to be achieved by year end. YTD result: 0.563 tonne per head of population is the annualised figure of waste transferred to landfill from Masterton district (last year 0.527). Excluded from the tonnage figures are materials diverted from recycling to landfill due to a fire in the Earthcare recycling facility.
Urban and rural transfer stations, recycling, composting facilities and landfills operate within approved resource consent conditions	100% compliance	100% compliance	Achieved	100% compliance	Two non-compliance conditions. The Greater Wellington Regional Council compliance report gave MDC 2 stars out of 4 stars for compliance. The non-compliance conditions were a result of not turning windrows monthly and failing to seek advice when a minor exceedance occurred with a COD (Chemical Oxygen Demand) reading. Action has been taken to ensure these matters are addressed and do not result in future non-compliance.	

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
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>Library Usage: 53,666</p> <p>Usage consists of:</p> <ul style="list-style-type: none"> Physical issues: 40,529 Digital issues: 8,751 Computer/Wi-Fi sessions: 4,386 	Not Achieved	N/A – New Measure	N/A – New Measure	<p>Currently this measure is not tracking to be achieved by year end.</p> <p>The 5 year average for Library Usage is: 318,686 (this equates to a quarterly average of 79,671) made up of:</p> <ul style="list-style-type: none"> Physical issues: 231,430 Digital issues: 12,958 Computer/Wi-Fi sessions: 74,298 <p>We are slightly behind the quarterly average for Library Usage. This is in part due to being closed for 19 days and unable to issue physical items due to COVID-19 Alert Level 4 restrictions.</p>
Visits:	<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 (website, OPAC, social media) Housebound 	<p>Library Visits: 64,440</p> <p>Visits consists of:</p> <ul style="list-style-type: none"> In Person Visits: 20,798 Digital (website, OPAC, social media) Visits: 43,412 Housebound Visits: 230 	Achieved	N/A – New Measure	N/A – New Measure	<p>The 5 year average for Library Visits is: 215,501 (this equates to a quarterly average of 53,875) made up of:</p> <ul style="list-style-type: none"> In Person Visits: 148,062 Digital (website, OPAC, social media) Visits: 66,745 Housebound Visits: 694 <p>We are slightly ahead of the quarterly average. While our in-person visits are down due to the library being closed, customers utilised the website and social media pages over the quarter. Our year-end average for digital visits is just over 66K. In this quarter, the result at 43K is almost two thirds of the annual target.</p>
Percentage of Council parks and open spaces urgent customer service requests that are resolved within 4 work hours.	90% resolved within 4 work hours.	<p>100% responded to within 4 hours.</p> <p>7 urgent requests were received. All were responded to within 4 hours.</p> <p>No urgent requests required resolution within 4 hours.</p>	Achieved	N/A – New Measure	N/A – New Measure	Seven urgent requests were received in Q1. All requests were responded to within 4 hours. None of these requests required resolution within 4 hours.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
Number of people using the recreational trails that are part of our parks and reserves network	<p>Utilisation = at least the 2 year average</p> <p>The 2 year average (as at 30/6/20) equates to: 289,612</p> <p>Targets change from Year 2:</p> <p>Year 2: Utilisation = at least the 3 year average</p> <p>Year 3: Utilisation = at least the 4 year average</p> <p>From Year 4: Utilisation = at least the 5 year average</p>	Q1 utilisation: 47,531	Not Achieved	Year End: Results unable to be reported due to issues with data loggers through the year.	<p>Year End: 266,783</p> <p>2019/20 Q1 & Q2 result: 148,309</p> <p>2019/20 Q3 & Q4 result: 118,474</p> <p>There were issues with data loggers in 2019/20 that impacted results. Given that, the actual results in 2019/20 are likely to be higher than the reported result.</p>	<p>Currently this measure is not tracking to be achieved by year end.</p> <p>The 2 year average (as at 30/6/20) is: 289,612 (this equates to approximately 72,403 per quarter).</p> <p>This is calculated based on year end results for: 2019/20: 266,783 2018/19: 312,440 2020/21: Data was unable to be reported at year end due to issues with data loggers through the year.</p>
Number of people using the Trust House Recreation Centre	<p>No less than 5 year average for overall Trust House Recreation Centre usage total</p> <p>Usage consists of:</p> <ul style="list-style-type: none"> • Swim • Gym • Stadium Sports • Stadium Events 	<p>Trust House recreation Centre Usage: 19,947</p> <p>Usage consists of:</p> <ul style="list-style-type: none"> • Swim: 12,376 • Gym: 5,726 • Stadium Sports: 645 • Stadium Events: 1,200 	Not Achieved	N/A – New Measure	N/A – New Measure	<p>Currently this measure is not tracking to be achieved by year end.</p> <p>The 5 year average for Trust House recreation Centre Usage is: 141,687 (equating to a quarterly average of 35,422).</p> <p>A break down of the 5 year average for activities will be provided in the next quarterly report.</p> <p>Quarter 1 figures indicate that the 5 year average is not on track to be achieved at year end. Quarter 1 numbers are reduced due to the cancellation of events (e.g. swimming and big stadium events) due to COVID-19 restrictions and the complete closure of the facility at Alert Levels 3 and 4 between 18 August and 8 September 2021.</p>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
<p>Compliance with the healthy homes standards for Council owned rental units and houses.</p>	<p>Year 1 and Year 2:</p> <p>Applies to all new or renewed tenancy agreements for Council rental units/houses from 1 July 2021:</p> <p>All units/houses comply with the healthy home standards (or have exemptions) at the time they are leased.</p> <p>From Year 3:</p> <p>Applies to all Council rental units/houses:</p> <p>All units/houses comply with the healthy home standards (or have exemptions).</p> <p><i>Note: This aligns with the requirement for all private rentals to comply (or have been granted exemptions) by 1 July 2024. Council properties are categorised as private rentals.</i></p>	<p>Proportion of new/renewed tenancy agreements where the unit/house rented is compliant:</p> <p>100% (1/1)</p>	<p>Achieved</p>	N/A – New Measure	N/A – New Measure	<p>In Year 1 and 2, the measure applies to new or renewed tenancy agreements for Council rental units/houses from 1 July 2021. From Year 3 the measure applies to all Council rental units/houses.</p> <p>One unit was let in Quarter 1. That unit is fully compliant.</p> <p>A work programme is currently underway to install mechanical ventilation in all bathrooms and kitchens, and air conditioning units in all housing that does not already comply. Air conditioner installation is scheduled for completion by 15 December 2021. Mechanical ventilation is programmed for completion by year-end 2022. All rental properties are fully compliant with insulation, moisture/drainage and draught stopping requirements.</p> <p>All Council housing is expected to be fully compliant with new standards by year end 2022.</p> <p>Compliance relates to the following individual standards:</p> <ul style="list-style-type: none"> • Heating – 40% (34/85) • Insulation – 100% compliant or exempt • Ventilation – 13% (11/85) • Moisture/Drainage – 100% • Draught stopping – 100% <p><i>Note: This aligns with the requirement for all private rentals to comply (or have been granted exemptions) by 1 July 2024. Council properties are categorised as private rentals.</i></p>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
Regulatory:						
Response time to attend Priority 1 urgent call outs (e.g. dog attacks).	90% attended within one hour	98.1% (51 of 52 urgent call-outs attended on time)	Achieved	N/A – New Measure	N/A – New Measure	
Response time to attend noise control call outs.	90% attended within one hour	95.6% (132 of 138 complaints attended within one hour)	Achieved	N/A – New Measure	N/A – New Measure	
Number of animal control community education and engagement activities.	A minimum of 6 per annum related to high priority issues or concerns	No Education/Engagement Activities	Not Achieved	N/A – New Measure	N/A – New Measure	<p>Currently this measure is not tracking to be achieved by year end.</p> <p>Two sessions were booked for Q1 at Masterton Intermediate School's career day. These were cancelled due to COVID-19 restrictions.</p> <p>While the result for Q1 is not currently on track to be achieved, a micro-chipping event is planned for November and an email has been sent to all schools and childcare centres offering a Dog Education visit.</p> <p>The year-end target may still be achievable dependent on COVID-19 Alert Level restrictions.</p>
Percentage of building consents processed within statutory timeframes	90%	52% (93 of 178 consents issued were processed within statutory timeframes)	Not Achieved	78% (664 of 851 consents issued were processed within statutory timeframes)	91.4% (635 of 695 consents received were processed within statutory timeframes)	<p>Quarter 1: 178 building consents were issued. The average processing time was 22 working days.</p> <p>This result reflects vacancies in the team and factors impacting the sector, such as more complex inspections as builders struggle with supply and substitution issues, in part related to COVID-19.</p>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 1 Result as at 30/09/21 (Year 1 of 2021-31 LTP)	Status at 30/09/21	Year End Result as at 30/06/21 (Year 3 of 2018-28 LTP)	Year End Result as at 30/06/20 (Year 2 of 2018-28 LTP)	
Percentage of code compliance certificates processed within statutory timeframes	90%	72% (118 of 163 code compliance certificates were processed within statutory timeframes)	Not Achieved	N/A – New Measure	N/A – New Measure	<p>Quarter 1: 163 code compliance certificates were issued. The average processing time was 15 working days.</p> <p>As noted above, this result reflects vacancies in the team and factors impacting the sector. In addition, the increased volumes of consents issued over 2018 and 2019 are now reaching code compliance certificate (CCC) stage after delays due to COVID-19, resulting in increased volumes of CCCs to be processed.</p>
Percentage of resource consents processed within statutory timeframes	90%	98% (52 of 53 resource consents were processed within statutory timeframes)	Achieved	98% (202 of 207 resource consents received were processed within statutory timeframes)	97.5% (116 of 119 resource consents received were processed within statutory timeframes)	<p>Quarter 1: 53 resource consents were issued.</p>
Percentage of commercial Building Warrant of Fitness' (BWOs) that have been reviewed within 20 days of their due date.	At least 90% of BWOs have been reviewed within 20 days of their due date.	100%	Achieved	N/A – New Measure	N/A – New Measure	<p>The addition of dedicated compliance staff working in this area has enabled improvements and an increase in the proportion of commercial buildings with current compliance schedules (up from 64% in 2019/20 to 86% by the end of 2020/21).</p>
Proportion of known residential swimming pools that have been inspected.	25% Target changes from Year 2: Year 2: 50% Year 3: 80% Years 4-10: cycle to be repeated but ensuring 100% of pools have been re-inspected by the end of Years 6 and 9.	0%	Not Achieved	N/A – New Measure	N/A – New Measure	<p>No swimming pool inspections were undertaken in Q1.</p> <p>As noted above, this result reflects vacancies in the team and factors impacting the sector.</p>

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.

To:	Audit and Risk Committee
From:	David Paris, Manager Finance
Endorsed by:	David Hopman, Acting Chief Executive
Date:	17 November 2021
Subject	Local Government Funding Agency's Annual General Meeting
FOR INFORMATION	
Recommendation:	That the Audit and Risk Committee notes the proxy vote to be cast under delegated authority on behalf of the Council at the Local Government Funding Agency's Annual General Meeting being held on 23 November 2021.

Purpose

To report to the Committee the action being taken under delegated authority with respect to voting on resolutions at the Local Government Funding Agency (LGFA) Annual General Meeting (AGM) which will be held on 23 November 2021.

Background

The LGFA provides debt funding to local authorities. Masterton District Council has an equity stake of 0.4% in the LGFA; is a borrower with net long-term loans of \$48.5 million and is a guarantor of any losses incurred by the LGFA from borrower defaults.

A Shareholders' Agreement establishes a Shareholders' Council (SC) to advise shareholders on relevant matters that require shareholder resolutions. The Shareholders' Agreement also contains foundation policies for LGFA lending.

There are 63 Council guarantors of the LGFA's total lending, of which the Council has a 0.4% share (based on a proportionate share of rates income). Total debt issued by the LGFA is \$13.68 billion; however, the LGFA has access to liquid assets of \$2.24 billion before council guarantees would be called.

LGFA AGM Issues to be voted On

The CE & Manager Finance intend casting a proxy vote as follows:

- In favour - to re-elect Craig Stobo as an independent director of the company. He is retiring by rotation.

- In favour - to elect Alan Adcock (Whangarei DC) as a non-Independent Director of the company. Previous incumbent was Michael Timmer (GWRC) who has retired. No other candidate is standing.
- In favour - to elect as a Nominating Local Authority to the Shareholders' Council - Christchurch City Council and New Plymouth District Council (for the two places available). No other Councils have put themselves forward.
- In favour - Council intends to vote in favour of proposed changes to the Foundation Policies. These changes require shareholder approval by Ordinary Resolution. They relate to:
 1. A review undertaken by Deloitte in mid-2021 intended to identify and remove duplication between the Treasury Policy and Foundation Policies;
 2. Refine the Foundation Policies to focus on the controls related to lending to councils and CCOs; and
 3. Rewriting of the Treasury Policy to ensure it is fit for purpose and aligned with contemporary good practice.

A tracked changes version of the Foundation Policies is available for members if interested.

- In favour – the proposed changes to the Shareholders' Agreement. Changes relate to number of directors, rotation of directors and re-election of retiring directors.
 - The Shareholders' Council has requested the Board size be increased by one to a maximum of seven, allowing better succession planning and rotation.
 - The policy for rotation of all directors will be standardized to three-year fixed terms, this will include the non-independent director
 - If no-one stands against a director who is retiring by rotation, they are deemed to have been re-elected, unless it is resolved to not fill the vacancy or a resolution for re-election of that Director is put to the meeting and lost.
- In favour - of the resolution regarding Director's remuneration.

An independent external review in August 2021 is the basis for the increases which range from 5.3% to 6.8% and were last reviewed and adjusted in 2019.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

The LGFA's AGM resolutions that seek to approve changes to the Foundation Policies will achieve a modernised and improved set of policies that form the basis of controls on lending to councils and CCOs, including financial covenant compliance.

Financial Implications

The LGFA is the Council's lender of choice. It is set up to provide the best value option for Councils' debt funding. The resolutions assist the LGFA to efficiently manage their business and benefit the Council financially as both a shareholder and borrower.

Significance, Engagement and Consultation

The LGFA resolutions have been assessed as not significant to warrant engagement and consultation.

Communications/Engagement Plan

A Communications/Engagement Plan is not required in relation to this matter.

Treaty Considerations/Implications for Māori

The LGFA's resolutions that are up for decision by shareholders are not considered to have any Treaty considerations or implications for Māori.

Environmental/Climate Change Impact and Considerations

The LGFA's resolutions that are up for decision by shareholders do not have any direct environmental impacts or considerations.

To:	Audit and Risk Committee
From:	Nerissa Aramakutu, Policy Manager
Endorsed by:	David Hopman, Acting Chief Executive
Date:	17 November 2021
Subject:	Policies monitored by the Audit and Risk Committee
INFORMATION	
Recommendation:	
That the Audit and Risk Committee	
<p>(a) notes that the following policies are monitored by the Audit and Risk Committee;</p> <ul style="list-style-type: none"> - 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 - Treasury Management Policy, and 	
<p>(b) notes the status update for each of these policies in Report 220/21.</p>	

Purpose

To provide a status update for each of the policies that the Audit and Risk Committee are responsible for monitoring:

- 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
- Treasury Management Policy.

Context

At the inaugural Council meeting held on 30 October 2019, Council approved the Audit and Risk Committee Terms of Reference. Key functions of the Audit and Risk Committee include:

- enhancing the governance framework, risk management practices, and controls the Masterton District Council (Council) uses to monitor achievements; and
- providing the Council with assurance of the integrity and reliability of MDC's 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 Council's legislative compliance; and
- The Sensitive Expenditure Manual 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 the nine policies monitored by the Audit and Risk Committee, 7 are current and 2 are under review. Of the 7 policies that are current, 4 are due for review within the next 12 months.

Reviews are underway for the Procurement Policy and Asset Management Policy. We are yet to commence reviews for the Fraud, Dishonesty and Corruption Policy and Sensitive Expenditure Policy Manual.

Reviews for the Risk Management Policy and the Workplace Health and Safety and Staff Wellbeing Policy are scheduled to commence in 2022.

Summary of Considerations

Strategic, Policy and Legislative Implications

Any legislative policies have been reviewed within the required timeframes. Policy reviews that are underway will consider alignment with other relevant Council strategies 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.

Communications/Engagement

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

Financial Considerations

There are no financial implications for the status update of policies monitored by the Audit and Risk Committee. Any reviews planned or underway of these policies will be covered from within existing budgets.

Treaty of Waitangi Considerations/Implications for Māori

There are no considerations or implications for Māori arising from 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

Policies that are currently under review will be submitted to the Audit and Risk Committee for endorsement as per the review cycle.

Attachment 1: Policies monitored by the Audit and Risk Committee

KEY

Current - No review pending
Review underway
Due for review within 12 months
Review overdue

Policy	Status	Policy Type	Current Version		Comments
			Dated	Approved By	
Asset Management Policy	Under Review	Internal	2017	Strategic Leadership Team and endorsed by Council	Review commenced in 2020. Review on hold due to staffing changes.
Fraud, Dishonesty and Corruption Control Policy	Current	Internal	2018	Strategic Leadership Team and endorsed by Audit and Risk Committee	Review yet to commence in 2021.
Workplace Health and Safety and Staff Wellbeing Policy	Current	Internal	2021	Strategic Leadership Team and endorsed by Audit and Risk Committee	Next review is due in 2022.
Procurement Policy	Under Review	Internal	2017	Strategic Leadership Team and endorsed by Audit and Risk Committee	The Procurement Policy is under review, but has been delayed due to competing priorities and staffing changes.
Revenue and Financing Policy	Current	Legislative	2021	Council	Next review scheduled in the next triennium.
Risk Management Policy	Current	Internal	2019	Audit and Risk Committee	Next review scheduled in 2022.
Significance and Engagement Policy	Current	Legislative	2021	Council	Next review is due in 2024.
Sensitive Expenditure Policy	Current	Internal	2018	Audit and Risk Committee	Review yet to commence in 2021.
Treasury Management Policy (includes the Liability Management Policy and Investment Policy)	Current	Legislative	2020	Council	Next review scheduled for 2023.

To:	Audit and Risk Committee
From:	Ben Jessep, People and Culture Manager
Endorsed by:	David Hopman, Acting Chief Executive
Date:	17 November 2021
Subject:	Health and Safety Quarterly Report
FOR INFORMATION	
Recommendation:	
The Audit and Risk Committee notes the content and receives the Health and Safety Report for the quarter (1 Jul 2021 to 31 Oct 2021).	

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.

Executive Summary

Work continues as normal in the knowledge that extra awareness is necessary owing to the continuing presence of Covid 19.

We have recently welcomed Ben Jessep to Masterton District Council as our People and Culture Manager. In addition, Peter Rickman has joined the team as an HR Consultant and will be with us for at least six months. More importantly we have also in the last week appointed a new Health, Safety and Wellbeing Adviser and we are hopeful that, following a period of induction, we will now start to again make some progress on many health, safety and wellbeing initiatives.

Key Updates for the Quarter

GOSH Upgrade

The latest upgrade to our Health and Safety tool GOSH took place on 29 Oct 21. Time will now be spent exploring the new capability and reporting processes that come with the upgrade

Covid Vaccinations

Under the recent Covid-19 Public Health Order there are roles which are mandated to have a covid vaccination. In particular roles in both the education and health sectors.

For Masterton District Council this is particularly relevant for roles which provide education services. See definition of coverage below:

Everyone who works for a school or kura who may have contact with children or students or will be present at a time when children and students are also present.

- *The order also applies to unpaid workers, such as volunteers and any members of the community (including Council staff) who are regularly on site during a time when children and students may be present.*

- *The vaccination requirements apply wherever in person schooling occurs, such as on the school or early learning service sites, but also at school camps, swimming pools, museums, or where other education outside the classroom (EOTC) programmes take place (this potentially includes other Council venues such as libraries or community facilities).*

There are several councils who have begun consultation with their employees on whether their roles should be mandated to be vaccinated. There is though inconsistent approach from councils in applying the Public Health Order. Wellington City Council have focused on consulting with roles where education services are provided, while Porirua Council are consulting with their entire workforce.

Masterton District Council is currently going to implement a similar approach to Wellington City Council. We have begun conversations with employees who work in locations where education services are provided. A formal consultation process with this section of the workforce will begin once we have further clarity on the industry approach.

Additionally, we will be collecting information from this potentially impacted part of our workforce on their vaccination status.

We believe the risk for Masterton District Council is low due to the majority of our employees being vaccinated. This information was collected through informal conversations between employees and their leaders. We are committed to work with any employees who may be in a situation where they are not vaccinated and are in roles which require it.

In parallel we will be starting to conduct risk assessment for all roles with-in the council to assess their covid risk. This assessment focuses on the contact the role has with the public.




We are also continuing to monitor vulnerable workers to ensure we have plans in place to ensure we minimise any health and safety risk due to Covid.



Remote, isolated, lone workers

Work has been done in both Lone Worker space and in a system of tracking our cars/people at any given time. We have been working with an external team at Fleetpin, including testing their live system. It is envisaged that a proposal will be put before SLT in the near future.

Due Diligence Summary

There has been no change to the traffic light reporting below this quarter.

MDC OFFICERS H&S DUE DILIGENCE PLAN MONITORING			
	Objectives	Status	Rating
Know	Keep up to date with health and safety matters	Health, Safety and Wellbeing is a standing item at each SLT meeting. Currently, requests and issues from the H&S committee are escalated via rotating SLT rep. Each SLT member is also able to escalate requests and issues via this forum.	
Understand	Understand the nature of the Council's business and its hazards and risks	<p>Top organisational risks continue to be reviewed and assessed with each work group to identify specific work group risks (ongoing). The hazard & risk register is being updated as we work on these with each work group.</p> <p>With the appointment of a new Health, Safety and Wellbeing Adviser we will again commence worksite safety inspections for risks. This will include actions for Managers to address any issues identified.</p>	
Resource	Ensure the person running the Council has appropriate resources and processes to manage risks to health and safety	<p>The new Health, Safety and Wellbeing Adviser who is currently the Acting Chairperson of the Health and Safety Committee, will commence in the role soon.</p> <p>Action items are addressed on a priority basis.</p> <p>GOSH, our H&S tool has been upgraded and is accessible from TOHU.</p>	

	Objectives	Status	Rating
Monitor	Ensure there are appropriate reporting and investigation processes in place	<p>The H&S system ensures work group managers are in copy of and act in conjunction with the People and Capability team.</p> <p>We are upskilling our people leaders and the Health and Safety Committee to ensure that Investigations are completed for all reported incidents, accidents and near misses.</p>	
Comply	Ensure the Council has and implements processes for complying with duties under the HSWA Act 2015	<p>Processes are being reviewed across all work groups in consultation with H&S Committee and subject matter experts.</p> <p>The ongoing message to staff and managers is that H&S is everyone's responsibility (not just the committee and P&C) and that all workers and managers are expected to give H&S high priority across all activities carried out by Council.</p>	

TOP HEALTH AND SAFETY RISKS ORGANISATION-WIDE

Description of risk	Controls and reduction measures	Update
<p>COVID-19</p> <p>Global pandemic</p> <p>Public health risk</p>	<ul style="list-style-type: none"> • Workplace H&S plans • Hygiene protocols • Contact tracing • Roles risk assessments • Information requests for vaccination and vulnerable status of employees 	<p>MDC continues to support and encourage contact tracing. H&S Discussions at SLT are focused on the need to remain vigilant and the need to be prepared for potential community transmission in future.</p> <p>MDC Covid plans, and Workplace plans have been reviewed and are updated as required.</p> <p>A risk matrix has been developed to assist in identifying roles where Covid vaccination would be required. That matrix does not identify any staff member who would require a Covid vaccine in the current Alert Level in order to continue their role.</p> <p>Covid risk assessments have been started on MDC roles.</p> <p>Commenced employee requests on their vaccination and vulnerability status</p>

Description of risk	Controls and reduction measures	Update
<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 • Fleet tracking 	<p>The updated RT base unit has been installed in Waiata House (vehicles have RT units), but support is required to work through some technical issues. Training has yet to be delivered, and we are working with Teletronics on training design and delivery.</p> <p>The Fleetpin system potentially to be installed in all of our vehicles is an ongoing project. Reps from Council have been reviewing options and testing in a live environment. Reports to SLT should be available in the next 2 to 3 weeks.</p> <p>Driver training options are currently being explored.</p>
<p>Interacting with customers</p> <p>Violence, mental health issues, conflict</p>	<ul style="list-style-type: none"> • De-escalation training • Personal safety training • Leadership support for staff 	<p>Aggressive and/ or abusive customer events continue to be reported.</p> <p>Each specific incident continues to be investigated by the department manager and procedures updated, and training provided where appropriate.</p> <p>Extensive training for personal safety and conflict de-escalation took place in September 2020. We will continue to evaluate when we will need to repeat this training and engage an appropriate provider where necessary.</p> <p>Free mental health training funded by the Ministry of Health was offered, and staff who have yet to undertake this training have now been booked to do so.</p>

Description of risk	Controls and reduction measures	Update
<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 	<p>MDC's Employee assistance programme (EAP) provider Vitae proactive services continues. People leaders communicate the opportunity to for any staff to contact Vitae to speak to counsellors.</p> <p>MDC has developed a flexible working policy to support staff and their work/ life balance. This is yet to be approved.</p> <p>Free 30 minute basic medical and mind checks have been organised through MedPro for 16-18 Nov 21 incl. A very good uptake in the opportunity saw the options extend into a 3rd day</p>
<p>Personal safety</p> <p>Knowing where people are, that they are accounted for, tracking when out of the office for safety purposes, after hours, working alone</p>	<ul style="list-style-type: none"> • Sign in/ out kiosks • Lone worker tracking system review • MiCollab / Outlook • Regular communication in teams • Personal safety training • Potentially a Fleetpin monitoring system 	<p>Each work group has their own system, given that their circumstances vary (e.g. call outs for animal control).</p> <p>A Fleet monitoring project is nearing completion with proposal being prepared for SLT.</p>
<p>Contractor Management</p>	<ul style="list-style-type: none"> • Regular communication between contractors and MDC relationship managers 	<p>A collective database is being developed by GWRC to record contractors with the correct H&S compliance record. All councils in the wider region are invited to share in that space.</p> <p>Contractors need to satisfy us they have robust H&S systems in place. Following their engagement on any high risk or longer-term projects daily or weekly site visits are conducted which include health and safety checks. For smaller low risk projects contractors from an approved database are used and monitoring is on an as needed basis,</p>

		<p>particularly if they have been previously engaged without incident.</p> <p>Work has commenced to audit contractor compliance and provide support as required. There is further work to be done on this prior to full implementation.</p>
Consultation, cooperation, coordination and monitoring	<ul style="list-style-type: none"> Quarterly/ annual reporting 	<p>Our contractor process and forms have been redesigned for rollout to staff and Contractors. A video is being produced to assist with technical role inductions.</p>

Lag indicators

These indicators measure our performance in the form of past statistics.

All incidents that have been notified via the H&S system are reviewed by the appropriate manager as well as the H&S Committee, who must be satisfied that appropriate action has been taken to reduce the likelihood of future incidents.

Incident type	Q2 Jan 21	Q3 March 21	Q4 June21	Q1 Sept 21
Serious Harm / Lost time injury	0	0	0	1
Medical Treatment Injury (beyond First Aid)	3	0	2	0

The Injury accident was work related and resulted in a break to the staff member's heel. The employee visited hospital for XRays and treatment. Likely to be off work 6 weeks.

Lead indicators

Lead indicators are proactive in nature and look at regular activity carried out to prevent accidents, injuries and/or incidents and control risk.

Lead Indicators	
H&S committee meetings	Meetings continue to be held every six weeks.

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<p>H&S training</p>	<p>A record of H&S Rep training to be complied with the view of updating training. An in-house option is being explored</p> <p>The H&S Committee is looking at getting all members trained to a minimum of H&S rep training Level 2.</p>		
<p>Staff awareness/communication</p>	<p>Training sessions have built awareness across the organisation of the importance of everyone's role in H&S.</p>		
<p>Staff inductions</p>	<p>All new staff have been inducted following our established H&S induction process.</p> <p>The Health and Safety Committee will be conducting the generic H&S inductions with new staff.</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>Initiatives will be picked up by the new Health, Safety and Wellbeing Advisor once appointed</p>		
<p>Good catch: A good catch is action oriented; staff recognise a situation or condition with potential to cause an incident but didn't because of corrective action and/or timely intervention by the employee.</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>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>		
<p>Good catch summary</p>			
<p>Q2 Jan 21</p>	<p>Q3 March 21</p>	<p>Q4 June 21</p>	<p>Q1 Sept 21</p>
<p>2</p>	<p>0</p>	<p>0</p>	<p>1</p>

Wellbeing

Our Values

The updated Values will be announced and adopted in the very near future

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, so 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 the work we do.

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 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.

To:	Audit and Risk Committee
From:	Kaine Jaquiery, Roding Services Manager
From:	David Hopman, Acting Chief Executive
Date:	17 November 2021
Subject:	NZTA Investment Audit Report Update
INFORMATION	
Recommendation:	
That the Audit and Risk Committee receives the update on the actions arising out of the September 2020 NZTA Investment Audit Report.	

Purpose

The purpose of this report is to provide the Committee with an update on the actions arising out of the 2020 NZTA Investment Audit as requested at the 18 November 2020 meeting of the Audit and Risk Committee.

NZTA Investment Audit Report

To obtain NZTA funding for Council's Roding Activity, Council has to follow the legal planning processes set out in the Land Transport Management Act and meet NZTA's Investment Assessment Criteria.

Audits are carried out to provide assurance that the Waka Kotahi NZ Transport Agency's (Waka Kotahi) investment in Masterton District Council's (MDC) land transport programme is being well managed and delivering value for money. Assurance is also sought that MDC is appropriately managing risk associated with Waka Kotahi's investment. Improvements are recommended where appropriate.

The NZTA Investment Audit report undertaken in August 2020 was received at the [18 November 2020 Audit and Risk Committee](#) meeting. At that meeting the Committee requested an update on the implementation of the Audit Report's recommendations in November 2021.

The 2020 Audit Report confirmed that Masterton District Council had good processes to manage the delivery of its Land Transport Programme. It also identified the key procurement risks facing the Council as the lack of contractor competition and the apparent limited resources available in the district.

A summary of Council's actions required to address the audit report issues were as follows:

1. Recommend that Masterton District Council ensures that evidence of all tender evaluations be held on file.
2. Recommend that Masterton District Council retains evidence on file of appropriately authorised contract variations.

The actions proposed in response to the audit were reported to the Committee in November 2020. These have now been implemented as set out in the table below:

3. Procurement Procedures	Some Improvement Needed
<p>Six physical works contracts were reviewed for compliance with Waka Kotahi approved procurement procedures. This represents 60% of contracts let during the last two years. While there were detailed recommendations for contract approvals on file, only one documented tender evaluation was seen for the five tenders reviewed that used the Lowest Price Conforming procurement method. The only professional services contracts let during the time covered by the audit were of small value and procured by direct appointment. Most professional services are provided in-house.</p> <p>The key procurement risk facing Council is the lack of contractor competition. At the time of the last audit (February 2018) an average 2.66 tenders were being received for each contract let. Now that figure has dropped to 1.5 tenders per contract. Council is keenly aware of this and is concerned they could potentially receive no tenders for less 'attractive' work.</p> <p>Council is reminded of the need to complete Conflict of Interest declarations for all members of Tender Evaluation Teams. Declarations were completed for the most recent contract let but not others reviewed. Council has a current Procurement Strategy in place, endorsed by Waka Kotahi. The strategy expires in April 2022.</p>	
Recommendation	We recommend that Masterton District Council ensures that evidence of all tender evaluations be held on file.
Masterton District Council update on actions taken	<ul style="list-style-type: none"> • Conflict of Interest Declarations have been completed for all members on Tender Evaluation Teams. • All Tender evaluations have been recorded on the appropriate available form and retained on file

4. Contract Management	Some Improvement Needed
<p>Council has well established procedures in place for ensuring contracts are effectively managed. Good processes were evident for monitoring and managing the delivery of professional services and physical works contracts. MDC maintains an office at the main contractor's worksite (Higgins Ltd) and Council staff participate in all day to day road maintenance decisions as well as overseeing completed works. Joint network inspections are also regularly undertaken. Minutes from scheduled supplier meetings and regular progress reports were all well documented. Quarterly Performance Assessment by Coordinated Evaluation (PACE) system reviews did not happen in the first year of the current road maintenance contract but are now being undertaken. Note the annual PACE review for year one was completed.</p> <p>A secondary risk arising out of the lack of contractor competition in the Masterton market is the apparent limited 'over stretched' resources available to contractors. This is translating into concerns about the timeliness of work being undertaken. Quality issues are not apparent.</p> <p>The impact of COVID-19 on the Council's land transport programme has been the deferral of programmed works. This was exacerbated by a major weather event which meant the deferral of other work to address the event. However, the resilience of the Council to improvise and maintain a business as usual approach to delivering on its agreed land transport programmes, is a testament to its robust business continuity plans and procedures.</p> <p>The documentation of contract variations still needs to be addressed. Council has good documentation between itself and the contractor showing the agreed contract variation. However, documentation was not provided showing that the financial implications of the variation have been considered and appropriately authorised.</p> <p>Council now has good processes for ensuring road safety audits or exemption certificates are completed. Quarterly Wairarapa road safety council meetings are used to obtain input into the development of the Low-Cost Low-Risk Programme. Participants include the NZ Police and Waka Kotahi</p>	
Recommendation	We recommend that Masterton District Council retains evidence on file of appropriately authorised contract variations.
Masterton District Council update on actions taken	<p>Masterton District Council has adopted a system that records the following:</p> <ul style="list-style-type: none"> • variation number, contract name and contract number • an explanation of the reason for any proposed variation, • an estimate of any financial implications for Council • if required comment on potential third-party funding (e.g. Waka Kotahi) for any increased costs. • any time implications for the contract's completion. • signed/dated recommendation for approval by author/engineer • signed/dated by somebody with the delegated authority to do so.

To:	Audit and Risk Committee
From:	David Paris, Manager Finance
Endorsed by:	David Hopman, Acting Chief Executive
Date:	17 November 2021
Subject:	Three Months to Date Financial Report 2021/22
FOR INFORMATION	
Recommendation:	
That the Audit and Risk Committee receives the 2021/2022 Three Months to Date Financial Report and Commentary contained in Report 223/21.	

PURPOSE

To provide the Audit and Risk Committee with the financial report for the three months to 30 September 2021.

EXECUTIVE SUMMARY

The **Rates Requirement Summary** (Table 1 below) to 30 September 2021 shows the Council's net spending of rates funding at \$9.0m compared to \$9.13m planned year to date, 1.4% less. Significant variances from the budgeted position are explained in the commentary below. Overall, the Council's net spending is less than budget after three months of the financial year.

The **Statement of Revenue & Expenditure** (Table 2 below) shows a YTD (after 3 months) accounting deficit of \$0.145m. This is \$1.014m better than the planned YTD deficit, due to three main things:

- Higher roading spending on renewals and maintenance, therefore more subsidy than planned
- Higher financial contributions year to date (98% more than planned, 72.5% more than prior year to date)
- Fees, Charges & other revenue is 11.7% more than planned (\$0.32m) This includes resource consent and building consent fee income both well ahead of planned year to date.

The reason for the actual and planned deficit of rates income after three months is the timing of expenditure – some full year costs are incurred in the first quarter (eg insurance, rates and some grants).

In the expenditure area, personnel costs are running close to the plan at 3 months YTD. Other operating expenditure is also showing savings in some areas and higher costs in others, 1.6% less than planned overall – see variance explanations below.

The **Summary Statement of Capital Expenditure** (Table 3 below) at a quarter through the year shows \$3.9m spent (last year \$2.67m), which is 10% of the full year capital budget. The summary table of capital expenditure spend to date for 2021/22 and full year is included at the end of this report. Commentary on variances and progress on some items is included in the summary. No projection to year end has been attempted at this stage of the year.

Rates Receivable

The graph below provides a picture of the changes in the value of rates receivable by quarter.

At 30 September 2021 the balance of rates unpaid was \$988,039. This is 26.7% up from \$780,000 at 30 September 2020. Arrears from prior years were \$316,229, which is 57.8% of the balance of all arrears at 30 June 2021. This compares to \$335,180 and 53.7% at 30 September 2020.

Current year rates unpaid at 30 Sept 2021 were \$671,810 compared to \$444,613 at 30 Sept 2020. This amounts to 5.8% of the value of the first instalment (last 30 Sept = 4.2%). The COVID-19 Delta lockdown in mid-August coincided with the 1st instalment due date, meaning payment of rates at the Council offices was not possible until we were back to Level 2. The office opening did occur before the end on the quarter and ratepayers were given time to make payment before the late penalty was applied. The second instalment was sent in October and is due on 20th November. Further reporting in December will indicate if the first instalment increase in unpaid rates has been reversed.

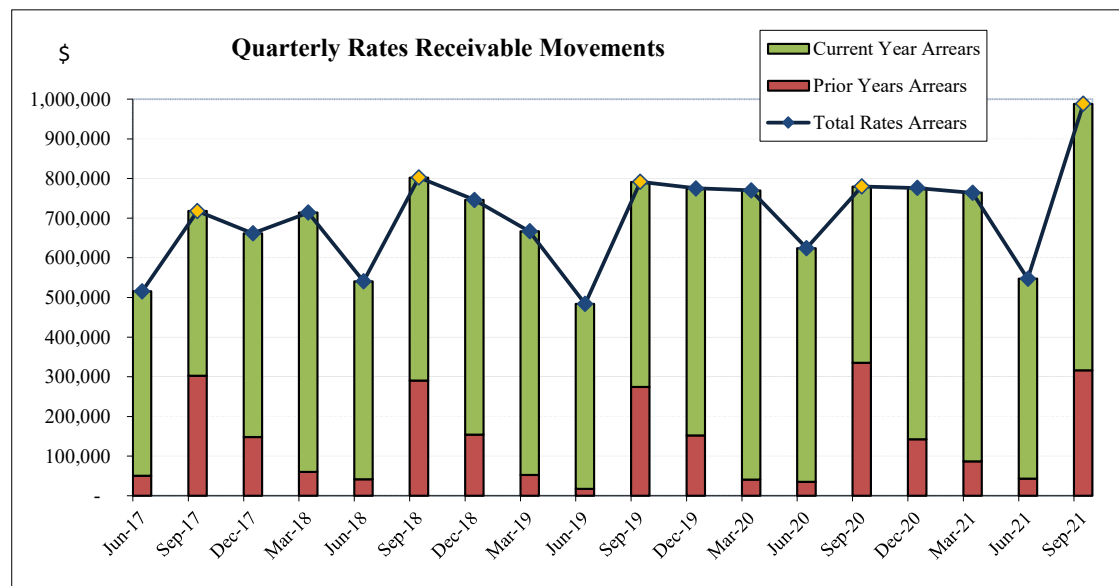


TABLE 1

2021/22 3 Months to 30 September 2021

2020/21 3 Months	Rates Requirement Summary	2021/22 3 months	2021/22 YTD Plan	Variance		2021/22 Full Year Plan
\$		\$	\$	\$	%	\$
	RATES REQUIRED BY ACTIVITY					
	Transport					
1,596,713	Roading	1,645,316	1,447,381	(197,935)		7,334,938
	Water Services					
957,570	Urban Water supply	988,552	986,358	(2,194)		3,592,193
83,443	Rural Water supplies & races	75,028	85,568	10,540		124,033
	Wastewater Services					
1,300,419	Urban Sewerage system	1,210,360	1,266,245	55,885		6,542,116
99,197	Rural Sewerage systems	90,365	103,383	13,018		361,901
	Stormwater Services					
167,330	Stormwater	215,539	188,142	(27,397)		664,267
	Solid Waste Services					
182,447	Solid Waste Services	103,244	168,490	65,246		722,235
91,666	Waste Minimisation Services	167,973	102,026	(65,947)		299,233
	Community Facilities/Activities					
807,841	Parks, Reserves & Sportsfields	823,638	899,935	76,297		3,325,011
388,488	Trust House Recreation Centre	397,408	459,419	62,011		1,444,592
28,870	Cemeteries	30,131	39,140	9,009		156,901
584,898	Library & Archive	574,899	611,657	36,758		2,375,524
193,767	District Building	172,120	187,435	15,315		539,814
121,852	Housing for Elderly	153,214	131,090	(22,124)		144,226
254,585	Other Property	307,289	335,980	28,691		989,633
(5,723)	Hood Airport	130,245	115,438	(14,807)		314,244
32,129	Mawley Holiday Park	47,782	44,750	(3,032)		167,512
	Regulatory Services					
291,568	Resource Mgmt & Planning	171,464	211,178	39,714		991,705
153,402	Building Development	24,183	164,754	140,571		657,845
102,208	Environmental Services	135,963	146,270	10,307		590,273
32,673	Parking Control	5,270	(6,128)	(11,398)		(\$24,509)
(293)	Animal Services	(676)	2,784	3,460		117,795
63,929	Emergency Management	70,346	68,629	(1,717)		255,502
	Leadership, Strategy & Corporate Services					
208,468	Representation	188,225	172,270	(15,955)		725,607
(53,053)	Internal Functions (net)	494,434	363,580	(130,854)		0
360,319	Community Development	355,561	400,409	44,848		1,137,126
143,413	Arts & Culture	128,082	126,510	(1,572)		582,283
325,955	Economic Devlpmt & Promo	240,468	234,987	(5,481)		945,297
80,995	Environmental Initiatives	53,824	68,785	14,961		320,095
\$ 8,595,077	Total Rates Requirement	\$ 9,000,249	\$ 9,126,465	\$ 126,216	1.4%	\$ 35,397,389
	RATES INCOME					
8,278,103	Masterton District Council rates	8,853,718	8,839,347	14,371		35,357,389
(893)	Penalty Income	89,883	82,500	7,383		210,000
(47,362)	Rates Remissions	(43,098)	(42,500)	(598)		(170,000)
\$ 8,229,848	Net Rates Income	\$ 8,900,503	\$ 8,879,347	\$ 21,156	0.2%	\$ 35,397,389
(\$365,229)	Surplus/(Deficit) of Rates Income	(\$99,746)	(\$247,116)	\$ 147,372	1.6%	\$ 0

Commentary on Operating Variances to Plan

In the Activity areas:

- Roading has run 13.7% more than the planned rates required at 3 months to date. Work on retaining wall repairs (minor events budget) has exceeded the YTD plan, while completion of the Te Ore Ore Road roundabout was delayed and has had expenditure falling into the 2021/22 year, not planned. Completion of the Essex Street carpark was another job that has carried over from the prior year.
- Urban Water Supply operating costs have been 1.3% less than planned year to date.
- Urban Wastewater costs have been 2.1% less than planned year to date.
- Rural Wastewater, Riversdale Beach scheme operating costs are running 27% below plan.
- Stormwater operating costs are 14.6% more than planned YTD due to costs of tree removal work on the Oxford St stream.
- Solid Waste revenue (gate fees) at Nursery Road is running 19% above plan YTD (\$139k) but rubbish bag recoveries (for blue bag collection & disposal) is 40% (\$22k) below the planned level. Despite this, tonnages from blue bags are 20% higher YTD (at 126.5T). There have been supply issues from the bag supplier. The tonnes of waste sent to landfill were 4,301 vs last year to date of 3,024, resulting in direct costs of disposal of 11.4% more than planned.
- The Community Facilities & Activities YTD expenditure is tracking below plan YTD. Parks, Recreation Centre and Property activities are all running below plan YTD expenditure. The Airport income does not yet reflect the annual lease charges, while operating costs are running 12% more than planned.
- Community Development expenditure is 7.5% less than planned as some staffing roles in this area are yet to be filled.
- Library and Archive operating costs have run 3.2% below the level planned.
- Resource Management and Planning income from financial contributions is 108% ahead of plan YTD, while consent fee income is 127% ahead of plan (\$91.5k vs \$40.3k)
- Environmental Health has achieved operating cost savings of 8.1% YTD.
- Building Services revenue exceeds the planned level by 52% while operating costs are 6.4% more than plan YTD, but overall there is a \$140k surplus of rates funding for this activity YTD.
- Parking Control has run a deficit of \$11.4k as income is running 18% below planned – partly due to the COVID-response lockdown during August.
- Internal functions, including asset and project management and corporate areas have incurred higher costs than planned – overall some 2.9% YTD. It is expected that this variance will be eliminated as the year progresses.

TABLE 2

Statement of Revenue & Expenditure						
3 months 2019/20 Actual	3 Months Year to Date to 30 September 2021					Full Year 2021/22
	3 months 2021/22 Actual	3 months 2021/22 Plan	Variance			
	Revenue					
7,569,022	Rates Revenue*	8,255,258	8,223,247	32,011	0.4%	34,741,289
303,962	Interest Received (external)	70,750	107,499	(36,749)	-34.2%	431,000
1,342,230	NZTA Roading Subsidies	1,503,614	1,346,047	157,567	11.7%	5,818,281
425,348	Financial Contributions	733,962	339,501	394,461	116.2%	1,481,000
2,918,676	Fees, Charges & Other Revenue	3,089,473	2,790,599	298,874	10.7%	17,871,190
12,559,239	Total Operating Revenue	13,653,057	12,806,894	846,163	6.6%	60,342,760
	Expenses					
2,408,318	Personnel Costs	3,018,534	3,025,828	7,294	0.2%	13,078,498
7,023,804	Other Operating Expenditure	6,630,633	6,736,072	105,439	1.6%	24,500,162
554,616	Interest Expense	481,957	469,964	(11,993)	-2.6%	1,799,808
3,300,402	Depreciation & amortisation	3,667,401	3,734,553	67,152	1.8%	14,938,115
13,287,139	Total Operating Expenses	13,798,526	13,966,417	167,891	1.2%	54,316,583
(\$727,901)	Operating Surplus/(Deficit)	(\$145,469)	(\$1,159,523)	\$1,014,055		\$6,026,177

TABLE 3

Summary Statement of Capital Expenditure				Comments on progress
	Actual 3 Months \$	Plan 3 Months \$	Full Year Plan 2021/22 \$	
Roading	1,724,619	1,288,525	8,881,132	Completion of 3 construction jobs that carried over from prior year - Te Ore Ore Rd roundabout, Essex St carpark and under-veranda lighting renewal.
Water Services	464,969	590,375	6,788,500	Water reservoir deposit paid, water meter installation on-going, main renewal contracts yet to start.
Wastewater Services	273,796	410,500	2,042,000	Stimulus funded aerators ordered, deposit paid.
Stormwater Services	230,159	270,000	660,000	Opaki Road stormwater upgrade started.
Solid Waste Services	9,320	65,105	260,420	Little spent to date.
Parks, Reserves & Sportsfields	615,620	658,625	2,864,650	Skate park project of \$562k after 3 months in new financial year. Progress of other capital projects in the planning stages.
Wellbeings (Amenities)	0	0	563,570	Youth hub project yet to start.
Other Property	114,352	129,575	6,039,300	Full year budget includes \$4.9m for Civic Facility. YTD spend is on minor property renewals.
Recreation Centre	0	0	255,000	Yet to commence renewals programme
Housing for the Elderly	48,049	45,250	341,000	Heat pump installs have started.
Library & Archive	37,939	59,188	1,366,750	Provision allowed for archive shelving of \$1.1m is on hold.
Airport	78,547	119,938	6,873,553	Completed current services extensions & fencing. Work on progressing the masterplan is the focus of the Projects team.
Regulatory Services	104,974	100,000	1,336,000	Animal shelter project has seen demolition of old pound and conversion of temporary facility.
Corporate Services	213,787	90,000	280,000	IT hardware upgrades, records management software upgrade, records digitisation project, security upgrades and software to improve productivity are all included in Q1 capital spending. Projection is this budget will be over-spent by year end.
TOTAL COUNCIL	\$ 3,916,131	\$ 3,827,081	\$ 38,551,875	
% spent of full year Plan	10%			