

# MASTERTON DISTRICT COUNCIL

## AGENDA

### AUDIT AND RISK COMMITTEE

**WEDNESDAY 18 MAY 2022 AT 12.30PM**

#### 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 18 May 2022 at Waiata House, 27 Lincoln Road, commencing at 12.30pm.

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

12 May 2022



# 1

## **AGENDA ITEMS**

1. CONFLICTS OF INTEREST (Members to declare conflicts, if any)
2. APOLOGIES
3. PUBLIC FORUM
4. LATE ITEMS
5. **MINUTES OF PREVIOUS MEETING TO BE RECEIVED** (013/22) Pages 401-405

## **FOR INFORMATION**

6. **SERVICE PROVISION REPORT – ARATOI REGIONAL TRUST** (054/22)  
Pages 411-414
7. **SERVICE PROVISION REPORT – DESTINATION WAIRARAPA** (055/22)  
Pages 415-420
8. **NON-FINANCIAL PERFORMANCE 2021/22 THIRD QUARTER REPORT** (056/22)  
Pages 421-441
9. **HEALTH AND SAFETY QUARTERLY REPORT** (057/22) Pages 442-451
10. **NINE MONTHS TO DATE FINANCIAL REPORT 2021/22** (058/22) Pages 452-459
11. **PROGRESS REPORT ON AUDIT NZ RECOMMENDATIONS FOR THE YEAR ENDED 30 JUNE 2021** (059/22) Pages 460-463

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## 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

12. Receive the Minutes of the previous meeting held with the public excluded 16 February 2022.

### General Business

13. 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:-

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 16 February 2022	See page 405	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. 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	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

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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.

# 401

013/22

## REPORT OF THE AUDIT & RISK COMMITTEE MEETING HELD BY ZOOM ON WEDNESDAY 16 FEBRUARY 2022 AT 2.00 PM

### PRESENT

Philip Jones (Chair), Mayor L Patterson, Councillors B Gare, G McClymont, T Nixon, T Nelson, and iwi representative Tiraumaera Te Tau

### IN ATTENDANCE

Councillor D Holmes, Chief Executive, Manager Governance and Strategy, Manager Regulatory Services, Communications and Engagement Manager, People and Capability Manager, Policy Manager, Senior Policy Advisor, Financial Accountant and 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

Moved Councillor Nelson

**That the apologies from Councillor Peterson for non-attendance be accepted.**

Seconded by Mayor L Patterson and CARRIED

### MINUTES OF PREVIOUS MEETING TO BE RECEIVED (226/21)

Moved by Councillor T Nixon

**That the minutes of the previous meeting of the Audit and Risk Committee held 17 November 2021 be received.**

Seconded by Mayor L Patterson and CARRIED

Due to the attendance of Council's Appointed Auditor, John Whittal, the item on the Report to the Council on the Audit for the Year ended 30 June 2021 was taken first.

John introduced Council's new Auditor, Jacques DuToit, who would be leading Council's 2022 audits.

### REPORT TO THE COUNCIL ON THE AUDIT FOR THE YEAR ENDED 30 JUNE 2021 (011/22)

The report providing the Audit and Risk Committee with the Report from Council's Auditors, Audit New Zealand on their audit of Council for the year ended 30 June 2021 was taken as read.

# 402

The Auditor advised that there was nothing significant in the report. The new recommendation in relation to the process for the independent review of journals was discussed and it was advised that journals were being independently reviewed but better evidence of that review needed to be provided. Staff will report back on the matter in due course.

Audit advised that they would follow up on the other outstanding recommendations as part of the 2022 audit.

The Chair thanked the Appointed Auditor for his assistance over the time he has undertaken Masterton District Council audits.

Moved by Mayor L Patterson

**That the Audit & Risk Committee receives the Report on the Audit of Masterton District Council for the year ended 30 June 2021 attached to Report 011/22.**

Seconded by Councillor T Nixon and CARRIED

## **PROCUREMENT POLICY** (010/22)

The report seeking endorsement from the Audit and Risk Committee of the revised Procurement Policy (Attachment 1) was taken as read. The Senior Policy Advisor advised the Policy was an update of the previous policy drawing on best practice across local government.

Matters discussed included: the 'Value Wairarapatanga' principle, how that would be applied and the importance of engaging with Māori and Māori business in that process; the reporting of procurement exceptions to assure Council that the Policy was being followed; the need for clarity around the 'value over the whole of life, rather than just the initial cost' statement to make it more explicit that cheaper didn't necessarily mean best value over the longer term; the need to be aware of the importance of supporting contractors to ensure a robust supply chain (which included contractors); and, the need to report back on the implementation and effectiveness of the Policy.

Moved by Councillor Nixon

**That the Audit and Risk Committee:**

- a) notes a review of the Procurement Policy is complete;**
- b) notes the revised Procurement Policy was approved by the Strategic Leadership Team on 3 February 2022; and**
- c) endorses the revised Procurement Policy included as Attachment 1 to Report 010/22**

Seconded by Tiraumaera Te Tau and CARRIED

# 403

## **SERVICE PROVISION REPORT – ARATOI AND NUKU ORA** (006/22)

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.

An update on progress on Council's Service Agreement and Memorandum of Understanding (now expired) with Aratoi was requested.

Moved by Councillor Nixon

**That Council receives Service Provision Report 006/22, which covers:**

- (a) **the summary results of the key result indicators for the quarter 1 October – 31 December 2021 from Aratoi Regional Trust**
- (b) **the summary results of the key initiatives for the six months 1 July – 31 December 2021 from Nuku Ora**

Seconded by Councillor Gare and CARRIED

## **SERVICE PROVISION REPORT – DESTINATION WAIRARAPA** (007/22)

The report providing the Audit and Risk Committee with the second quarter (1 October – 31 December 2021) progress report on key deliverables of Destination Wairarapa was taken as read.

In response to a request for information about how the providers were tracking financially, which was relevant given the uncertain times, it was advised that that was available to elected members on request.

Moved by Councillor Gare

**That the Audit and Risk Committee receives Service Provision Report 007/22 that includes a summary of results of key deliverables for the second quarter, 1 October – 31 December 2021, from Destination Wairarapa.**

Seconded by Councillor Nelson and CARRIED

## **NON-FINANCIAL PERFORMANCE 2021/22 SECOND QUARTER REPORT** (008/22)

The report advising the Committee of performance against non-financial measures for the period from 1 July 2021 to 31 December 2021 was taken as read.

Whether a self-inspection system for swimming pools was possible was raised. Staff advised that they would investigate, but it was noted that there were statutory requirements Council needed to adhere to.

Moved by Philip Jones

**That the Audit and Risk Committee receives the Quarter 2 non-financial performance report for the 2021/22 financial year.**

# 404

Seconded by Councillor B Gare and CARRIED

## **HEALTH AND SAFETY QUARTERLY REPORT (009/21)**

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 presented by the Manager People and Culture.

A correction on page 459 of the report was advised – the report stated under point 3 that “all staff will need to be fully vaccinated” when that wasn’t the case. The agenda on the Council website had been updated to reflect the correction made.

Moved by Mayor L Patterson

## **The Audit and Risk Committee notes the content and receives the Health and Safety Report for the second quarter (1 November 2021 to 31 January 2022).**

Seconded by Councillor Nelson and CARRIED

## **6 MONTHS TO DATE FINANCIAL REPORT 2021/22 (012/22)**

The report providing the Committee with the financial report for the six months to 31 December 2021 was taken as read.

In relation to a question about the rates receivable it was advised that the Manager Finance was of the view that the by the end of the year payments would be back on track.

Moved by Councillor T Nixon

## **That Audit & Risk Committee receives the 6 months to date financial report and commentary, including the Operating and Capital Expenditure Statements contained in Report 012/22.**

Seconded by Mayor L Patterson and CARRIED

## **MATTERS TO BE TAKEN WITH THE PUBLIC EXCLUDED**

Moved by Councillor T Nixon

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 17 November 2021.

### General Business

- 16 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



# 405

48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution is as follows:-

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Minutes of Previous Meeting held 17 November 2021	See page 405-406	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	<p>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.</p> <p>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.</p>	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

Seconded by Tiraumaera Te Tau and CARRIED

**The public was excluded at 3.04pm**

**The meeting returned to open session at 3.40pm**

**The meeting concluded at 3.40pm**

<b>To:</b>	Audit and Risk Committee
<b>From:</b>	Corin Haines, Manager Community Facilities and Activities Deanna Elwin, Personal Assistant
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	18 May 2022
<b>Subject:</b>	<b>Service Provision Report: Aratoi Regional Trust</b>
<b>FOR INFORMATION</b>	
<b>Recommendation:</b> That Council receives the Service Provision Report 054/22, which provides Aratoi Regional Trust's summary of Key Result Areas for the third quarter period of 1 January – 31 March 2022.	

**Purpose**

The purpose of this report is to provide the committee with the third 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 previous 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><b>A sustainable and thriving organisation:</b></p> <ul style="list-style-type: none"> <li>▪ Revenue from other sources (other than Masterton District Council and Masterton Trust Lands Trust) is greater than or equal to 20% of total revenue</li> <li>▪ Increases in self-generated revenue <ul style="list-style-type: none"> <li>➤ <i>[Baseline: increase on 2020/21 result]</i></li> </ul> </li> <li>▪ Resident and visitor satisfaction with Aratoi services <ul style="list-style-type: none"> <li>➤ <i>[Baseline: to be established, then an increase on the previous year result]</i></li> </ul> </li> </ul> <p><b>Provider of arts, culture and heritage services that reflect the history and heritage of the Masterton district and wider Wairarapa region:</b></p> <ul style="list-style-type: none"> <li>▪ 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"> <li>➤ <i>[Baseline: to be established in 2020/21, then no decreases based on the previous year]</i></li> </ul> </li> </ul>	<p>On Track</p> <p>On Track</p> <p>In progress</p> <p>Achieved</p>	<p>36% 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 10% below budget due to COVID-19 restrictions with events cancelled and face to face meetings made via Zoom. The Wairarapa Art Review was very successful and generated \$8,455 in commissions compared with a budget of \$3,000.</p> <p>Baseline to be established</p> <p>Over 25 local artists represented in the retail space</p> <p>Over 1,045 visual artists in exhibitions including:</p> <ul style="list-style-type: none"> <li>▪ <i>Pukana: Te Kura o Te Ika</i> – Moments in Māori Performance</li> <li>▪ Within the Hours of Darkness - Astrophotography</li> <li>▪ The Disappearing Woman</li> <li>▪ More precious than rubies – Treasures from 40 years of stitch</li> <li>▪ Breadcraft Wairarapa Schools Art</li> <li>▪ A year and more of magical thinking – new work by Linda Tilyard</li> <li>▪ Wairarapa Camera Club</li> <li>▪ King Street Artworks 24<sup>th</sup> Annual Exhibition</li> <li>▪ Esther Bunning: Phosphene – A Portrait of a Landscape</li> <li>▪ Wairarapa Art Review</li> <li>▪ ConArt</li> <li>▪ William's Legacy: The Beetham Portraits</li> </ul>

Key Result Areas	Result	Assurance (How Achieved)
<ul style="list-style-type: none"> <li>▪ Taonga Māori display held annually               <ul style="list-style-type: none"> <li>➤ <i>[Baseline: 1 or more per annum]</i></li> </ul> </li> </ul>	Achieved	<ul style="list-style-type: none"> <li>▪ <i>Pukana: Te Kura o Te Ika</i> – Moments in Māori Performance</li> <li>▪ Eye to Eye: Portraits from the Collection</li> <li>▪ <i>Toitū Te Whenua, The Land Will Always Remain</i></li> </ul>
<ul style="list-style-type: none"> <li>▪ Exhibition held that tells the stories of our local history and heritage               <ul style="list-style-type: none"> <li>➤ <i>[Baseline: 1 or more per annum]</i></li> </ul> </li> </ul>	Achieved	<ul style="list-style-type: none"> <li>▪ <i>Pukana: Te Kura o Te Ika</i> – Moments in Māori Performance</li> <li>▪ <i>William’s Legacy: The Beetham Portraits</i></li> </ul>
<p><b>To professionally manage and maintain all Aratoi assets, including the permanent collection:</b></p>		
<ul style="list-style-type: none"> <li>▪ Collections housed in best practice conditions – adherence to professional museum standards</li> </ul>	Achieved	Housed in best practice conditions with adherence to professional museum standards
<ul style="list-style-type: none"> <li>▪ Taonga, artworks and heritage objects are managed in line with the Aratoi Collection Policy</li> </ul>	Achieved	Managed in accordance with the Aratoi Collection Policy
<ul style="list-style-type: none"> <li>▪ Collections are documented in line with professional museum standards</li> </ul>	Achieved (Vernon database)	Documented in line with professional museum standards
<p><b>Genuine partnerships and effective relationships:</b></p>		
<ul style="list-style-type: none"> <li>▪ Iwi and Māori are offered opportunities to contribute towards key projects/initiatives led by Aratoi               <ul style="list-style-type: none"> <li>➤ <i>[Baseline: annual reporting]</i></li> </ul> </li> </ul>	Achieved	<p>Two representatives from each of the following iwi are on the Trust Board:</p> <ul style="list-style-type: none"> <li>▪ Ngāti Kahungunu ki Wairarapa</li> <li>▪ Rangitāne o Wairarapa</li> </ul>
		<p>Exhibitions: <i>Pukana: Te Kura o Te Ika</i> – Moments in Māori Performance developed in partnership with the local Māori community and <i>Eye to Eye: Portraits from the Collection</i></p>

Key Result Areas	Result	Assurance (How Achieved)
<ul style="list-style-type: none"> <li>▪ Key partnerships are offered to contribute towards key projects/initiatives led by Aratoi <i>[Baseline: annual reporting]</i></li> </ul>	Achieved	<ul style="list-style-type: none"> <li>▪ Alexander Turnbull Library and the local Māori community for <i>Pukana: Te Kura o Te Ika – Moments in Māori Performance</i></li> <li>▪ Breadcraft Wairarapa for <i>Wairarapa Schools Art</i></li> <li>▪ CIRCUIT Artist, Film and Video for <i>Steve Carr: Making Space</i></li> <li>▪ Print Council Aotearoa NZ for <i>Distant Kinship / Verre Verwanten</i></li> <li>▪ Local businesses for <i>Wairarapa Art Review</i></li> <li>▪ ConArt Studios and Gallery for <i>Artist Showcase</i></li> </ul>

## 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 third 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.

<b>To:</b>	Audit and Risk Committee
<b>From:</b>	Matthew Steele, Senior Policy Advisor Economic Development
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	18 May 2022
<b>Subject:</b>	<b>Service Provision Report: Destination Wairarapa</b>
<b>FOR INFORMATION</b>	
<b>Recommendation:</b>	That the Audit and Risk Committee receives the third quarter report (1 January 2022 – 31 March 2022) from Destination Wairarapa.

### **Purpose**

The purpose of this report is to provide the Audit and Risk Committee with the third quarter (1 January 2022 – 31 March 2022) 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 Wairarapa Destination Management Plan has been received and endorsed by Masterton District Council and Carterton District Council, and is expected to be endorsed by South Wairarapa District Council on 18 May 2022.

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

<b>Key Deliverables</b>	<b>Result</b>	<b>Assurance (How Achieved)</b>
<p>To increase the number of visitors to the Wairarapa, the length of time they stay in the region and the amount they spend.</p> <p>Specifically, Destination Wairarapa are 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.</p>	Data reflects continued growth trend	<p>Accommodation Data<sup>1</sup>, February 2022:</p> <ul style="list-style-type: none"> <li>Total guest nights: 21,100 (Q2 21/22 -25,500)</li> <li>Average nights stayed: 1.9 (Q2 21/22-1.9)</li> </ul> <p>The ongoing Omicron outbreak that started in January 2022, led to hesitancy in domestic travel for February 2022. For all Regional Tourism Organisations, the number of guest nights in February fell between 2021 and 2022.</p> <p>Tourism Electronic Card Transactions for Wairarapa<sup>2</sup>: \$158m to year end February 2022. This is a 16% increase on the same period the previous year.</p>
Represent the Wairarapa in the Business Events market in partnership with suitable venues, activities and other services	In progress	<p>Events support:</p> <ul style="list-style-type: none"> <li>Provided support for several events including the NZ Cycle Classic and New Year's Tauherenikau Races, plus others including Wheels over Wairarapa, Festival 121, Country Music, Toast and Harvest Wine Festival, which were subsequently cancelled due to "Red".</li> </ul>
Destination Management Plan	Completed	<ul style="list-style-type: none"> <li>The Wairarapa Destination Management Plan (DMP) has been received and endorsed by both the Masterton District Council, and the Carterton District Council.</li> </ul>

<sup>1</sup> 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.

<sup>2</sup> 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.

<b>Key Deliverables</b>	<b>Result</b>	<b>Assurance (How Achieved)</b>
		<ul style="list-style-type: none"> <li>South Wairarapa District Council will include a presentation of the Wairarapa DMP at their next council workshop meeting on 11 May with the plan expected to be received and endorsed at the full council meeting on the 18 May.</li> </ul>
To provide an online Wairarapa events calendar and a PDF downloadable version of major events	Achieved	<ul style="list-style-type: none"> <li>Available on the Destination Wairarapa website.</li> </ul>
Represent the Wairarapa in the Inbound market in partnership with suitable venues and activities	Achieved	<ul style="list-style-type: none"> <li>With the reopening of borders Destination Wairarapa are working closely with other organisations to take advantage of the associated opportunities.</li> <li>Activities undertaken in the past quarter include: <ul style="list-style-type: none"> <li>Presented at a 'Virtual ' road show with TNZ for Australian agents</li> <li>Working closely with TNZ trade teams as trade re engage.</li> <li>Working with Platinum partners to revisit their trade products and presence in market.</li> </ul> </li> </ul>
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: <a href="https://wairarapanz.com/live-work">https://wairarapanz.com/live-work</a>
To provide a balanced budget	Achieved	The Quarter 3 General Manager's and Marketing Board report for 3 months ended March 2022 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 3 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:

- Support for a number of events including the NZ Cycle Classic and New Year's Tauherenikau Races, plus others including Wheels over Wairarapa, Festival 121, Country Music, Toast and Harvest Wine Festival, which were subsequently cancelled due to "Red".
- Promotion of Wellington Anniversary weekend and Waitangi weekends – both of which attracted high level of accommodation bookings.
- NZMCA partnership – Easter prize development in lieu of major events they wished to focus on
- Delivered a phase of activity within this plan called; Gentle Momentum' focusing on outdoors activity and being 'close to home' for Wellingtonians: "Now's time for a quick trip close to home and a breath of fresh air".
- Developed content for the Tourism NZ funded STUFF Go to Guide (print placement as part of the major feature for Wellington and also sponsored content). It was delayed and will now appear May 8th
- Focused on new product including Le Gra, Skatepark, Karahui, Greytown Honey tour, miniature steam train.

### b) Continuous improvement:

- Nothing for this quarterly report update.

### c) Media:

- Articles on Wairarapa as a destination published both the New Zealand Herald and Stuff websites.
- BBC piece on dark sky reserves, with a focus on Wairarapa.
- Strengthening relationships with new staff members at the Times Age.

### d) Social media and digital marketing:

- The second Digital Acquisition campaign (using STAPP funding) was in this period. The objective was to gain names from the Manawatu for the database – this has always been a challenge for Destination Wairarapa. Destination Wairarapa took full page adverts in the Manawatu Standard from Boxing Day (very low cost) onwards supported by digital ads and a Facebook campaign managed by Tomahawk including remarketing during this period.
- Tomahawk Digital campaign results: 5140 entries in the competition with 103,320 individuals reached and a click thru rate of 0.95% (industry standard in 2021 was 0.9%) - a resounding success.

### e) Funding:

- An application for Trust House funding was successfully applied for by Destination Wairarapa in January and March. Along with the Councils contributions, this funding is gratefully received by the organisation as it provides the base funding to promote the region both in person (iSites) and online (Destination Wairarapa marketing team).

- Destination Wairarapa’s contract with MBIE was varied during the previous quarter to allow the organisation further time to deliver on the outcomes. In addition, and recognising the country’s RTO’s required further investment by the Govt. To continue the work already started under the 3 headings – including adding International (Australia) marketing outcomes, a further \$400k was made available. The existence of this funding has allowed Destination Wairarapa to undertake some activity that has not been affordable previously. It has also allowed the organisation to support some Wairarapa tourism businesses – particularly events, who have struggled over the past two years with the impact of Covid restrictions.

## 2. Other relevant updates

### a) Product development and capability building:

- As identified in the Wairarapa Destination Management Plan under Strategic Imperative 2- ENHANCE THE BEACON – Empowering Destination Development, work has begun on 2 key identified actions.
  - *Develop experiences that support the positioning of the region.* Martin Jenkins Consultancy have completed a funding application for Dark Skies support to build on the work already completed by the councils to apply for international dark skies accreditation, and work towards achieving some of the outcomes in the JMG Dark Skies Reserve Economic Study commissioned by WEDS in 2019. It is intended that this application will be submitted to the Greater Wellington Regional Economic Development Investment panel.
  - *Work with iwi to determine tourism aspirations and provide support in the development of experiences.* Kylie Ruwhiu-Karawana from TRC Tourism has been engaged to develop a Wairarapa Māori Tourism Strategy and Implementation Plan. Due to a change to the red setting in the protection framework in February, progress on this project has been delayed.

## 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.

<b>To:</b>	Audit and Risk Committee
<b>From:</b>	Tania Madden, Corporate Planner
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	18 May 2022
<b>Subject</b>	<b>Non-Financial Performance 2021/22 Quarter 3 Report</b>
<b>INFORMATION</b>	
<b>Recommendation:</b>	
That the Audit and Risk Committee receives the Quarter 3 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 31 March 2022.

**EXECUTIVE SUMMARY**

This is the third 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, 37 were available to report and six 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.

Of the 37 measures available to report, 59.5% (22 measures) were achieved or on-track to be achieved at year-end, and 40.5% (15 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 third 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 generally performed well against targets. However, the rain event in February 2022 has impacted third quarter results for the wastewater and stormwater activities. Four of the six wastewater measures, and two of the five stormwater measures, were not achieved due to the rain event.

The heavy rain caused water to infiltrate the wastewater system leading to overflows in some areas of the district. A large volume of complaints were received and despite working over the weekend of the rain event, and longer hours in the week that followed, staff were unable to respond to all complaints within our targeted response times. The clean-up could not start until water subsided, which took several days, resulting in longer resolution times. Alternative systems (port-a-loos) were provided to 59 affected properties. This number of pro-a-loos exceeds the annual target for alternative systems.

There was also an increased volume of complaints received in relation to stormwater, impacting results for the number of complaints and for median response times to attend flooding events. All other stormwater measures were achieved in Quarter 3 despite the rain event, including results for the number of flooding events reported and the number of habitable floors affected.

The seven water supply measures that were applicable in Quarter 3 were all achieved.

### **Regulatory**

The Quarter 3 results for processing of building consents show that results have improved each quarter, increasing from 52% in Quarter 1 to 87% in Quarter 3, and the average working days to process a consent has dropped from 22 working days to 16. Processing times for code compliance certificates (CCCs) dropped back slightly in Quarter 3 after an improvement in Quarter 2 (dropping from 95% to 85% processed within statutory timeframes). Swimming pool inspections were scheduled to start in Quarter 3, however a staff resignation meant this work stalled. Recruitment is underway.

Improvements in BWOFs were maintained, with 100% reviewed within 20 days and 90% of current BWOFs now compliant.

There was a drop in the number of resource consents processed within the 20 day statutory timeframe due to vacancies in the planning team, however 90.2% were still processed on time.

Animal services are now 'on-track' to achieve all measures for the year having undertaken additional education and engagement activity in Quarter 3 to make up for earlier sessions that were cancelled due to COVID-19.

## **Community Facilities and Activities**

Our community activities measures, in particular the measures relating to usage of the Library and Trust House Recreation Centre, were impacted by COVID-19 lockdown in Quarter 1 and subsequent restrictions in Quarter 2. In Quarter 3 community transmission of COVID-19 Omicron variant and associated restrictions impacted again. These measures were not achieved in Quarters 1-3 and are not expected to be achieved at year end.

In Quarter 3, recreation trail use was again impacted by problems with data loggers and new data loggers are now being investigated.

The work on ventilation that was to be completed in a unit that was leased in Quarter 2 (leading to non-compliance with the healthy home standards measure in that quarter) has been remedied, and the units let in Quarter 3 met standards. All units are now 100% compliant (or exempt) for heating, insulation, moisture/drainage and draught stopping. Over half of all units comply for ventilation, and remaining units are on track to comply by the end of the financial year. Despite that, the non-compliance in Quarter 2 does mean that the result for this measure will be 'not achieved' at year end.

## **COVID-19 Implications**

The COVID-19 Alert Level 4 lock down in Quarter 1, subsequent restrictions in Quarter 2 and community transmission and associated restrictions in Quarter 3 continue to impact results for some measures:

- The target for library usage was not achieved. The library was closed for 19 days and unable to issue physical items due to Alert Level 4 restrictions in Quarter 1. There were also restrictions on numbers in the library during subsequent alert levels. Quarter 2 and 3 results show an increase in usage compared to Quarter 1, and we expect this to continue in Quarter 4. However, based on year to date (YTD) results, this measure is not expected to be achieved at year end.
- The number of in-person library visits has been down in all quarters (compared to the average of approximately 37,000 per quarter for the last five years) but digital visits (in Quarter 1 in particular) and housebound visits (especially in Quarter 2) are up compared to 5-year quarterly averages, resulting in the target being achieved overall and being on track to be achieved at year end.
- The target for Trust House Recreation Centre usage is tracking below the 5 year average. This result has also been impacted by COVID-19 Alert level restrictions, and the complete closure

of the facility between 18 August and 8 September 2021 lock down. Quarter 3 results were up compared to Quarters 1 and 2 and exceeded the 5 year quarterly average for swim, gym and stadium sports, but would need to increase again by similar numbers in Quarter 4 for the year-end target to be achieved. As at 31 March 2022, this measure is not expected to be achieved at year end.

- The target for animal control community education and engagement activities was not achieved in Quarter 1 as sessions were cancelled due to COVID-19 restrictions. However, as already noted, additional sessions were scheduled, and the team have turned the result around, achieving their year-end target of six sessions by the end of Quarter 3.
- There have also been some indirect impacts of COVID-19 on building team results, especially earlier in the financial year.

## **SUPPORTING INFORMATION**

### **Strategic, Policy and Legislative Implications**

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

### **Significance, Engagement and Consultation**

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

### **Financial Considerations**

There are no specific financial considerations associated with this update.

### **Treaty Considerations/Implications for Māori**

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

### **Communications/Engagement Plan**

Not applicable.

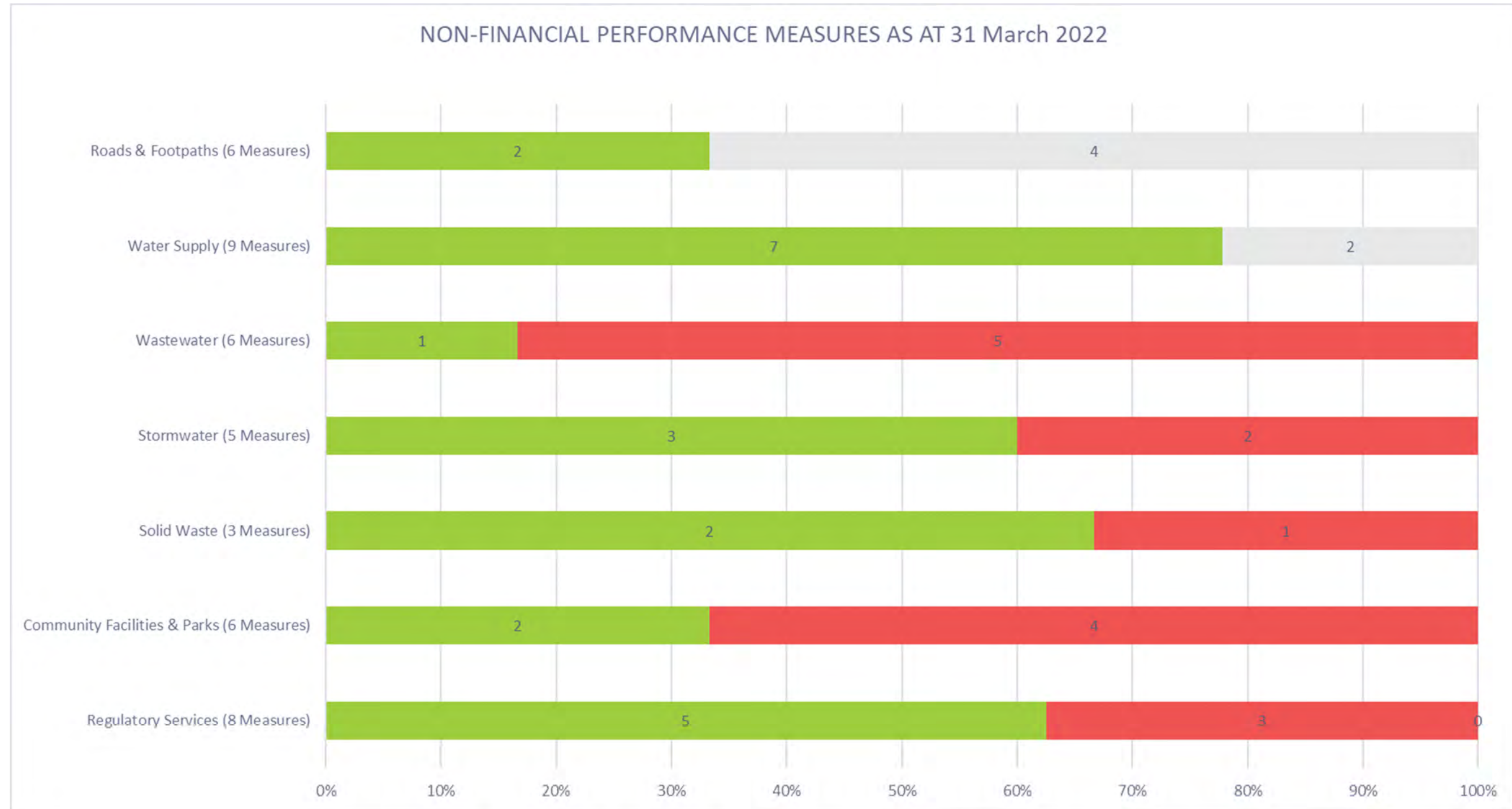
### **Environmental/Climate Change Impact and Considerations**

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

## ATTACHMENT 1: Non-Financial Performance Measures for 2021/22 Quarter 3

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

- have been achieved as at 31 March 2022 (green);
- have not been achieved as at 31 March 2022:
  - and are not expected to be achieved at year end (red) or
  - could be achieved at year end (orange)
- Are not applicable and/or information is not available as at 31 March 2022 (grey).





## 2021/22 Quarter 3 Non-Financial Performance Measure Results

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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)	
<b>Roading</b>						
Number of fatalities and serious injury crashes on the local road network. <b>(Mandatory Measure)</b>	No more than the 5 year average.	This measure relies on data that is published annually at the end of each financial year.	<b>Not Applicable</b>	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. <b>(Mandatory Measure)</b>	Maintain or improve on 90%	This measure relies on data that is published annually at the end of each financial year.	<b>Not Applicable</b>	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. <b>(Mandatory Measure)</b>	Maintain within 5-7%	This measure relies on data that is published annually at the end of each financial year.	<b>Not Applicable</b>	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 <b>(Mandatory Measure)</b>	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.	<b>Not Applicable</b>	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. <b>(Mandatory Measure)</b>	95% within specified timeframe	99.5%  224 of 225 urgent requests were responded to within two days.	<b>Achieved</b>	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)	YTD Result: 99.5%  224 out of 225 urgent requests have been responded to within specified timeframes.  2021/22 Quarterly Results: Q1: 100% (79/79) Q2: 97.8% (44/45) Q3: 100% (101/101) Q4:  There have been fewer urgent requests year to date than for the same period in the previous two financial years. 100% of all urgent requests have been responded to on time.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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><b>(Mandatory Measure)</b></p>	70% within specified timeframe	<p>89.7%</p> <p>551 of 614 non-urgent requests were responded to within the timeframe.</p>	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>YTD Result: 89.7%</p> <p>551 out of 614 non-urgent requests have been responded to within specified timeframes.</p> <p>2021/22 Quarterly Results: Q1: 100% (173/173) Q2: 81.3% (161/198) Q3: 89.3% (217/243) Q4:</p> <p>In 2021/22 Q2 89.3% of non-urgent service requests were responded to within specified timeframes. The variability in results for non-urgent requests responded to on time reflects the broad variety and often complex nature of requests in this category. This trend will be monitored. The result is above target, and the YTD result at 89.7% is comparable with response rates for the previous year (2020/21) and is a significant improvement on 2019/20 results.</p>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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)	
<b>Water Supply</b>						
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.  <b>(Mandatory Measure)</b>	Less than or equal to 6 complaints/1000 connections	1.65 complaints/1000 connections  Complaints: 16	<b>Achieved</b>	Year End Result: 2.45 complaints/1000 connections  Year End: Actual Complaints: 23  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)	Year End Result: 3 complaints/1000 connections  Actual Complaints: 27  2019/20 Quarterly Results: Q1: 1/1000 (9) Q2: 0.89/1000 (8) Q3: 0.89/1000 (8) Q4: 0.22/1000 (2)	YTD Result: 1.65 complaints/1000 connections YTD: Actual Complaints: 16  Q3 Result: 0.72 complaints/1000 connections Q3 Actual Complaints: 7  2021/22 Quarterly Results: Q1Result:0.41/1000(4) Q2 Result: 0.52/1000 (5) Q3 Result: 0.72/(1000) (7) Q4 Result:
Response time to call outs to a fault or unplanned interruption to MDC's networked reticulation system:						
a) attendance at urgent call outs (from notification to arrival on site)  <b>(Mandatory Measure)</b>	60 minutes or less	38 minutes	<b>Achieved</b>	Year End: 34 minutes  2020/21 Quarterly Results: Q1: N/A – no call outs Q2: 20 minutes Q3: 43 minutes Q4: 6 minutes	Year End: 15 minutes  2019/20 Quarterly Results: Q1: 12.5 minutes Q2: 40 minutes Q3: 16 minutes Q4: N/A - none	YTD: 38 minutes  2021/22 Quarterly Results: Q1: 39 minutes Q2: 30 minutes Q3: 38 minutes Q4:
b) resolution of urgent call outs (from notification to confirmation of resolution)  <b>(Mandatory Measure)</b>	480 minutes or less	142 minutes	<b>Achieved</b>	Year End: 102 minutes  2020/21 Quarterly Results: Q1: N/A – no call outs Q2: 49 minutes Q3: 111 minutes Q4: 104 minutes	Year End: 25 minutes  2019/20 Quarterly Results: Q1: 22.5 minutes Q2: 342 minutes Q3: 28.5 minutes Q4: N/A - none	YTD: 142 minutes  2021/22 Quarterly Results: Q1: 196 minutes Q2: 142 minutes Q3: 78 minutes Q4:
c) attendance at non-urgent call outs (from notification to arrival on site)  <b>(Mandatory Measure)</b>	7 days or less	77 minutes	<b>Achieved</b>	Year End: 119 minutes  2020/21 Quarterly Results: Q1: 665 minutes Q2: 21 minutes Q3: 73 minutes Q4: 88 minutes	Year End: 47 minutes  2019/20 Quarterly Results: Q1: 15 minutes Q2: 63 minutes Q3: 55 minutes Q4: 26 minutes	YTD: 77 minutes  2021/22 Quarterly Results: Q1: 22 minutes Q2: 67 minutes Q3: 49 minutes Q4:  In the 2020/21 financial year staff were working on water meter installation as a priority. This resulted in longer response times. Meter installation is now almost complete.
d) resolution of non-urgent call outs (from notification to confirmation of resolution)	3 months or less	115 minutes	<b>Achieved</b>	Year End: 172 minutes  2020/21 Quarterly Results: Q1: 704 minutes Q2: 43 minutes	Year End: 86.5 minutes  2019/20 Quarterly Results: Q1: 81 minutes Q2: 112 minutes	YTD: 115 minutes  2021/22 Quarterly Results: Q1: 53 minutes Q2: 94 minutes

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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)	
<b>(Mandatory Measure)</b>				Q3: 93 minutes Q4: 132 minutes	Q3: 104 minutes Q4: 46 minutes	Q3: 137 minutes Q4:  In the 2020/21 financial year staff were working on water meter installation as a priority. This resulted in slower response times. Water meter installation is now almost complete.
Council's drinking water supply complies with:						
a) part 4 of the Drinking Water Standards (bacteria compliance criteria). <b>(Mandatory Measure)</b>	Fully compliant	Fully Compliant	<b>Achieved</b>	Fully compliant	Fully compliant	YTD: Fully Compliant
b) part 5 of the Drinking Water Standards (protozoal compliance criteria). <b>(Mandatory Measure)</b>	Fully compliant	Fully Compliant	<b>Achieved</b>	Fully compliant	Fully compliant	YTD: Fully Compliant
Percentage of real water loss from MDC's reticulation system (calculated using minimum night flow). <b>(Mandatory Measure)</b>	No more than 37%  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 result is calculated and reported at year end.	<b>Not Applicable</b>	34%	37%	
Average consumption of drinking water per day per resident within the district. <b>(Mandatory Measure)</b>	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 result is calculated and reported at year end.	<b>Not Applicable</b>	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	
<b>Wastewater</b>						
Number of complaints received about sewerage odour, system faults, system blockages, MDC's response to issues with its sewerage system.	Less than or equal to 8 complaints/1000 connections.	14.69 complaints/1,000 connections  Actual Complaints: 140	<b>Not Achieved</b>	Year End: 7.34 complaints/1000 connections  Actual Complaints: 69  2020/21 Quarterly Results:	Year End: 5.22 complaints/ 1000 connections  Actual Complaints: 47  2019/20 Quarterly Results:	YTD: 14.69 complaints/1000 connections  YTD Actual Complaints: 140  2021/22 Quarterly Results: Q1: 1.99/1000 (19 complaints) Q2: 1.26/1000 (12 complaints)

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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)	
<b>(Mandatory Measure)</b>				Q1: 3.09/1000 (29 complaints) Q2: 2.02/1000 (19) Q3: 0.64/1000 (6) Q4: 1.60/1000 (15)	Q1: 2.11/1000 (19 complaints) Q2: 1.56/1000 (14) Q3: 1/1000 (9) Q4: 0.56/1000 (5)	Q3: 11.43/1000 (109 complaints) Q4:  During the February 2022 record rain event water infiltrated the sewer system leading to overflows. As a result, there were an increased number of complaints. Port-a-loos were provided to impacted properties, and overflows were cleaned up once the water subsided, which took several days.  The increased number of complaints, and the time it took for water to subside, also impacted results for attendance and resolution, as noted below.
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) <b>(Mandatory Measure)</b>	6 hours or less	752 minutes (12.5 hours)	<b>Not Achieved</b>	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: 752 minutes (12.5 hours)  2021/22 Quarterly Results: Q1: 30 minutes Q2: 47 minutes Q3: 2829 minutes (47.15 hours) Q4:  The flooding event happened afterhours during Saturday-Sunday. The volume of complaints received over the period of the rain event resulted in longer attendance times despite staff working extra hours and over the weekend.
b) resolution (from time of notification to the time service personnel confirm resolution) <b>(Mandatory Measure)</b>	12 hours or less	1400 minutes (23.33 hours)	<b>Not Achieved</b>	Year End: 139 minutes  2020/21 Quarterly Results: Q1: 153 mins Q2: 63 mins Q3: 146 minutes Q4: 219 minutes	Year End: 143 minutes  2019/20 Quarterly Results: Q1: 190 minutes Q2: 149.5 minutes Q3: 143 minutes Q4: 97 minutes	YTD: 1400 minutes (23.33 hours)  2021/22 Quarterly Results: Q1: 161 minutes Q2: 147 minutes Q3: 3950 minutes (65.83 hours) Q4:  The cleaning up of overflows could not be completed until the water subsided. This took several days, impacting resolution times.
Number of dry weather sewerage overflows from MDC's sewerage system <b>(Mandatory Measure)</b>	Less than or equal to 2/ 1000 connections	0.94/1000 connections (9 complaints)	<b>Achieved</b>	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)	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)	YTD: 0.94 complaints/1000 connections  YTD Actual: 9 complaints  2021/22 Quarterly Results: Q1: 0.31/1000 (3 complaints) Q2: 0.21/1000 (2 complaints) Q3: 0.42/1000 (4 complaints) Q4:

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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: 0.21/1000 (2 complaints)	Q3: 0.22/1000 (2 complaints) Q4: 0.22/1000 (2 complaints)	
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.  <b>(Mandatory Measure)</b>	100% - no consent breaches	One infringement received	<b>Not Achieved</b>	100% - no consent breaches	100% - no consent breaches	YTD: One infringement  Q1: No consent breaches Q2: Infringement received Q3: No consent breaches  An infringement was received in Quarter 2 due to an overflow (with limited effects) that resulted from a sewer line blockage. The blockage was caused by foreign material being flushed into the sewer. The blocked line was in the process of being upgraded and work has now been completed on that section.  Note: This was incorrectly reported as an infringement for stormwater rather than wastewater in the Q2 report.
Alternative system provided where loss of service exceeds 24 hours	Less than or equal to 1/1000 connections	6.2/1000 connections (59 port-a-loos provided)	<b>Not Achieved</b>	0.64/1000 connections (6 port-a-loos provided)  Three port-a-loos 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 port-a-loos provided)  No loss of service exceeded 24 hours.	YTD: 6.2/1000 connections  Q1: 0/1000 connections (No port-a-loos required) Q2: 0/1000 connections (No port-a-loos required) Q3: 6.2/1000 connections (59 port-a-loos required)  Port-a-loos were provided to properties that experienced wastewater overflows as a result of the rain event in Q3.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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)	
<b>Stormwater:</b>						
Number of flooding events that occur in the district <b>(Mandatory Measure)</b>	10 events or less	3 flooding events reported	<b>Achieved</b>	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: 3 Flooding Events Q1: No flooding events Q2: No flooding events Q3: 3 flooding events Q4:
For each flooding event, the number of habitable floors affected <b>(Mandatory Measure)</b>	Less than or equal to 1/1000 connections	0.22/1000 connections 2 habitable floors affected	<b>Achieved</b>	Year End: 0.22/1000 connections. Two habitable floors affected Q1: No events Q2: One habitable floor affected Q3: No events Q4: One habitable floor affected	Year End result: No habitable floors affected as no events All Quarters: No habitable floors affected as no events	YTD: 0.22/1000 connections. 2 habitable floors affected Q1: No habitable floors affected Q2: No habitable floors affected Q3: 2 habitable floors affected 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. <b>(Mandatory Measure)</b>	100% compliance	100% - no consent breaches	<b>Achieved</b>	100% - no consent breaches	100% - no consent breaches	YTD: 100% - no consent breaches  In Quarter 2 it was reported that we had received an infringement for stormwater. This infringement should have been reported against our wastewater measure. This has been corrected in the Q3 report.
Number of complaints received about the performance of MDC's stormwater system <b>(Mandatory Measure)</b>	Less than or equal to 3/1000	3.22 complaints/1000 connections  Actual Complaints: 29	<b>Not Achieved</b>	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: 3.22 complaints/1000 connections YTD Actual: 29 complaints 2021/22 Quarterly Results: Q1: 0.56/1000 (5 complaints) Q2: 0.67/1000 (6 complaints) Q3: 2/1000 (18 complaints) Q4:
Median response time to attend a flooding event (from time of notification to the time service personnel arrive onsite) <b>(Mandatory Measure)</b>	60 minutes or less	6530 minutes (109 hours)	<b>Not Achieved</b>	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: 6530 (109 hours) Q1: N/A – no flooding events reported Q2: N/A – no flooding events reported Q3: 6530 minutes Q4:  The volume of complaints received relating to flooding and wastewater issues over the period of the rain event in Q3 resulted in longer response times, despite staff working extra hours and over the weekend.

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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)	
<b>Solid Waste</b>						
Number of call backs due to non-collection of official rubbish bag in each weekly collection	No more than 52 call-backs per annum.	4 call backs	<b>Achieved</b>	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: 4 Call Backs  2021/22 Quarterly Results: Q1 Result: 1 Q2 Result: 1 Q3 Result: 2 Q4 Result:
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.	0.605 tonne per head of population (Q3 annualised)  <i>(estimated population as at 30/6/21: 28,200)</i>  12,792 tonnes of waste transferred ex Masterton  (20.8% increase on prior YTD tonnage and excludes 277 tonnes of recyclable materials that were damaged and dumped as a result of a fire in the MRF in August)	<b>Not Achieved</b>	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.  Q1 Result: 0.549 tonne per head of population (annualised)  Q2 Result: 0.581 tonne per head of population (annualised)  Q3 Result: 0.605 tonne per head of population (annualised)  <i>All quarterly results are based on estimated population of 28,200</i>  Excluded from the tonnage figures are 277 tonnes of 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	<b>Achieved</b>	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.	The next compliance report will be issued in February 2023.



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					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 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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)	
<b>Community Facilities and Parks</b>						
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"> <li>Physical issues</li> <li>Digital issues</li> <li>Computer/Wi-Fi sessions</li> </ul>	<p>Library Usage: 188,920</p> <ul style="list-style-type: none"> <li>Physical issues: 134,314</li> <li>Digital issues: 30,955</li> <li>Computer/Wi-Fi sessions: 23,651</li> </ul>	<b>Not Achieved</b>	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"> <li>Physical issues: 231,430 (57,584 average per quarter)</li> <li>Digital issues: 12,958 (3,239 average per quarter)</li> <li>Computer/Wi-Fi sessions: 74,298 (18,574 average per quarter)</li> </ul> <p>YTD Library Usage: 188,920</p> <ul style="list-style-type: none"> <li>Physical issues: 134,314</li> <li>Digital issues: 30,955</li> <li>Computer/Wi-Fi sessions: 23,651</li> </ul> <p>Quarterly Results:</p> <p>Q1 Library Usage: 53,666</p> <ul style="list-style-type: none"> <li>Physical issues: 40,529</li> <li>Digital issues: 8,751</li> <li>Computer/Wi-Fi sessions: 4,386</li> </ul> <p>Q2 Library Usage: 63,777</p> <ul style="list-style-type: none"> <li>Physical issues: 47,147</li> <li>Digital issues: 11,844</li> <li>Computer/Wi-Fi sessions: 4,786</li> </ul> <p>Q3 Library Usage: 71,517</p> <ul style="list-style-type: none"> <li>Physical issues: 46,638</li> <li>Digital issues: 10,400</li> <li>Computer/Wi-Fi sessions: 14,479</li> </ul> <p>In quarter 3 we are behind the quarterly average for Library Usage, but we are seeing a trend of increased usage overall each quarter. Year to date digital issues have exceeded the 5 year average already.</p> <p>Lower numbers compared to the 5 year average is in part due to being closed for 19 days and unable to issue physical items due to COVID-19 Alert Level 4 restrictions in Quarter 1. The reduction in the number of computers from ten to four to maintain physical distancing requirements has also impacted library usage. In Q2 and again in Q3 we have seen an increase in numbers. With the move from 'red' to 'orange' in the Covid framework we should see further increases in Q4.</p>

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<p>Visits:</p> <p>No less than 5 year average for number of visits to the library and archive</p> <p>Visits consists of:</p> <ul style="list-style-type: none"> <li>In Person Visits</li> <li>Digital (website, OPAC, social media)</li> <li>Housebound</li> </ul>	<p>Library Visits: 177,619</p> <p>Visits consists of:</p> <ul style="list-style-type: none"> <li>In Person Visits: 61,628</li> <li>Digital (website, OPAC, social media) Visits: 115,128</li> <li>Housebound Visits: 863</li> </ul>	<p><b>On Track to Achieve</b></p>	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"> <li>In Person Visits: 148,062 (37,105 per quarter average)</li> <li>Digital (website, OPAC, social media) Visits: 66,745 (16,686 per quarter average)</li> <li>Housebound Visits: 694 (174 per quarter average)</li> </ul> <p>YTD Library Visits: 177,619</p> <ul style="list-style-type: none"> <li>In Person: 61,628</li> <li>Digital: 115,128</li> <li>Housebound: 863</li> </ul> <p>Quarterly Results:</p> <p>Q1 Library Visits: 64,440</p> <ul style="list-style-type: none"> <li>In Person: 20,798</li> <li>Digital: 43,412</li> <li>Housebound: 230</li> </ul> <p>Q2 Library Visits: 54,911</p> <ul style="list-style-type: none"> <li>In Person: 21,469</li> <li>Digital: 33,041</li> <li>Housebound: 401</li> </ul> <p>Q3 Library Visits: 58,268</p> <ul style="list-style-type: none"> <li>In Person: 19,361</li> <li>Digital: 38,675</li> <li>Housebound: 232</li> </ul> <p>Q3 results exceed the 5 year quarterly average for library visits and are on track to exceed the 5 year annual average for library visits at year end.</p> <p>Our in-person visits are down year to date (compared to the annual and quarterly averages). For Q1 this was attributed to the library being closed due to COVID-19 restrictions. Customers did utilise the website and social media pages over that quarter.</p> <p>Digital visits and housebound visits have already exceeded the 5 year average year to date, with digital visits almost double.</p>	
<p>Percentage of Council parks and open spaces urgent customer service requests that are resolved within 4 work hours.</p>	<p>90% resolved within 4 work hours.</p>	<p>100% responded to within 4 hours.</p> <p>31 urgent requests were received and responded to within 4 hours.</p>	<p><b>Achieved</b></p>	N/A – New Measure	N/A – New Measure	<p>Year to Date: 100% responded to within 4 hours.</p> <p>31 urgent requests received.</p> <p>Q1: 100% (7 urgent requests) Q2: 100% (14 urgent requests) Q3: 100% (10 urgent requests)</p>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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>	73,958	Not Achieved	<p>Year End: Results unable to be reported due to issues with data loggers through the year.</p>	<p>Year End: 266,783</p> <p>2019/20 Q1 &amp; Q2 result: 148,309</p> <p>2019/20 Q3 &amp; 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) was: 289,612 (this equates to approximately 72,403 per quarter).</p> <p>YTD Result: 73,958</p> <p>Q1: 47,531 Q2: 12,219 Q3: 14,208</p> <p>The quarter 2 and 3 results have been impacted by issues with data loggers. New data loggers are being investigated.</p> <p>The 2 year average was 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"> <li>• Swim</li> <li>• Gym</li> <li>• Stadium Sports</li> </ul>	<p>Trust House recreation Centre Usage: 73,826</p> <p>Usage consists of:</p> <ul style="list-style-type: none"> <li>• Swim: 48,209</li> <li>• Gym: 19,499</li> <li>• Stadium Sports: 2,268</li> <li>• Stadium Events: 3,850</li> </ul>	Not Achieved	N/A – New Measure	N/A – New Measure	<p>Currently this measure is not expected to be achieved by year end.</p> <p>The 5 year average for Trust House recreation Centre Usage is: 106,018 (equating to a quarterly average of 26,505). This consists of:</p> <ul style="list-style-type: none"> <li>• Swim: 70,348 (quarterly average: 17,587)</li> <li>• Gym: 25,695 (quarterly average: 6424)</li> <li>• Stadium Sports: 2,761 (quarterly average: 690)</li> <li>• Stadium Events: 7,215 (quarterly average: 1804)</li> </ul> <p>YTD Usage: 73,826</p> <ul style="list-style-type: none"> <li>• Swim: 48,209</li> <li>• Gym: 19,499</li> </ul>

MEASURE	CURRENT YEAR END RESULTS			PREVIOUS YEAR END RESULTS (WHERE APPLICABLE)		COMMENTARY
	2021/22 Annual Target	Quarter 3: Result as at 31/3/22 (Year 1 of 2021-31 LTP)	Status at 31/3/21	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)	
	<ul style="list-style-type: none"> <li>Stadium Events</li> </ul>					<ul style="list-style-type: none"> <li>Stadium Sports: 2,268</li> <li>Stadium Events: 3,850</li> </ul> <p>Q1 Usage: 21,716</p> <ul style="list-style-type: none"> <li>Swim: 14,247</li> <li>Gym: 5,002</li> <li>Stadium Sports: 787</li> <li>Stadium Events: 1,680</li> </ul> <p>Q2 Usage: 23,697</p> <ul style="list-style-type: none"> <li>Swim: 15,241</li> <li>Gym: 6,653</li> <li>Stadium Sports: 757</li> <li>Stadium Events: 1,046</li> </ul> <p>Q3 Usage: 28,413</p> <ul style="list-style-type: none"> <li>Swim: 18,721</li> <li>Gym: 7,844</li> <li>Stadium Sports: 724</li> <li>Stadium Events: 1.124</li> </ul> <p>Results in Q3 are up on Q1 and Q2, and exceeding the 5 year quarterly average for swim, gym and stadium sports. However to achieve the year end result, there would have to be a further increase in numbers again in Q4.</p> <p>Numbers have been impacted by the cancellation of events (e.g. swimming and big stadium events) and reduced capacity 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>
Compliance with the healthy homes standards for Council owned rental units and houses.	<p><b>Year 1 and Year 2:</b></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</p>	<p>Proportion of new/renewed tenancy agreements where the unit/house rented is compliant (or has an exemption) at the time of lease:</p> <p>80% (4/5)</p>	Not Achieved	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>YTD: 80% - Five units have been let. Four were fully compliant at the time of lease.</p> <p>Q1: 100% - One unit was let. That unit was fully compliant. Q2: 50% - Two units were let in Q2. One was fully compliant at the time of lease. The non-compliance in the other unit has been addressed and that unit is also compliant now. Q3: 100% - Two units were let. Both were fully compliant.</p>

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	<p>exemptions) at the time they are leased.</p> <p><b>From Year 3:</b></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>The non-compliance in Q2 was due to the ventilation in that unit not being completed at the time of lease. The non-compliance has been addressed and the unit is now 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 do not already comply.</p> <p>Heat pump installation is now complete. All units and rental properties now have heating that complies with the health homes standards.</p> <p>Mechanical ventilation has been installed and compliant in 45 properties, and remaining ventilation is on track to be installed by 30/06/2022.</p> <p>Insulation standards have been revised. As a result, 14 units needed an insulation 'top up' or under floor moisture barriers installed. This work was completed in March 2022.</p> <p>Air conditioner installation was completed in December 2021.</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:  Heating – 100%  Insulation – 100% (85/85 compliant or exempt)  Ventilation – 53% (45/85)  Moisture/Drainage – 100% (85/85)  Draught Stopping – 100%</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>

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<b>Regulatory:</b>						
Response time to attend Priority 1 urgent call outs (e.g. dog attacks).	90% attended within one hour	92.9% (105 out of 113 urgent call-outs attended on time)	<b>Achieved</b>	N/A – New Measure	N/A – New Measure	YTD: 92.9% (105/113 attended on time)  Q1 – 98.08% (51/52) Q2 – 90.62% (29/32) Q3 – 86.21% (25/29)
Response time to attend noise control call outs.	90% attended within one hour	94.9% (545 of 574 complaints attended within one hour)	<b>Achieved</b>	N/A – New Measure	N/A – New Measure	YTD: 94.9% (545/574 attended on time)  Q1 – 95.6% (132/138) Q2 – 96% (264/275) Q3 – 92.5% (149/161)  The increased number of call outs in Quarter 2 is likely to reflect seasonal change – i.e. moving into spring/early summer with more people socialising outdoors, using power tools etc.
Number of animal control community education and engagement activities.	A minimum of 6 per annum related to high priority issues or concerns	6 Education/Engagement Activities	<b>Achieved</b>	N/A – New Measure	N/A – New Measure	YTD: 6 education/engagement activities  Q1 – No education/engagement activities Q2 – 2 Q3 – 4  Two sessions were booked for Q1 at Masterton Intermediate School's career day. These were cancelled due to COVID-19 restrictions. Staff scheduled additional sessions in Q3 to make up for this, achieving the annual target of 6 sessions in Q3.
Percentage of building consents processed within statutory timeframes	90%	70% (339 of 481 consents issued were processed within statutory timeframes)	<b>Not Achieved</b>	78% (664 of 851 consents issued were processed within statutory timeframes)	91.4% (635 of 695 consents received were processed within statutory timeframes)	This measure will not be achieved at year end.  Quarter 3: 165 building consents were issued. The average processing time was 16 working days.  YTD: 70% (339/481) / 18 working days  Q1: 52% (93/178) / 22 working days Q2: 74% (102/138) / 15 working days Q3: 87% (144/165) / 16 working days  The building team had a difficult first quarter, but results improved in Q2 and have further improved in Q3.
Percentage of code compliance certificates processed within statutory timeframes	90%	83% (352 of 422 code compliance certificates were processed within statutory timeframes)	<b>Not Achieved</b>	N/A – New Measure	N/A – New Measure	The Q3 result for this measure was 'not achieved' and is unlikely to be achieved at year end.  Quarter 3: 114 code compliance certificates were issued. The average processing time was 14 working days.  YTD: 83% (352/422) / 15 working days  Q1: 72% (118/163) / 15 working days

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						Q2: 95% (137/145) / 9 working days Q3: 85% (97/114) / 14 working days
Percentage of resource consents processed within statutory timeframes	90%	96.6% (170 of 176 resource consents were processed within statutory timeframes)	<b>Achieved</b>	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)	YTD: 96.6% (170/176) Q1: 98% (52/53) Q2: 100% (72/72) Q3: 90.2% (46/51)
Percentage of commercial Building Warrant of Fitness' (BWOFS) that have been reviewed within 20 days of their due date.	At least 90% of BWOFS have been reviewed within 20 days of their due date.	100%	<b>Achieved</b>	N/A – New Measure	N/A – New Measure	90% current compliance across 390 Building Warrant of Fitness. YTD: 100% reviewed within 20 days of the due date. Q1: 100% Q2: 100% Q3: 100%  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 90% by Q3 of 2021/22).
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.	<1%	<b>Not Achieved</b>	N/A – New Measure	N/A – New Measure	The Q3 result for this measure is 'not achieved' and the result is unlikely to be achieved at year end. YTD: 15 inspections undertaken. Q1: No swimming pool inspections undertaken. Q2: No swimming pool inspections undertaken. Q3: 15 inspections undertaken.  Pool inspections scheduled for Q3 were impacted by a lack of resource in the team due to a resignation. Recruitment is underway.

#### 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.



<b>To:</b>	Audit and Risk Committee
<b>From:</b>	Ben Jessep, People and Culture Manager
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	18 May 2022
<b>Subject:</b>	<b>Health and Safety Quarterly Report</b>
<b>FOR INFORMATION</b>	
<b>Recommendation:</b>	
The Audit and Risk Committee notes the content and receives the Health and Safety Report for the quarter (1 February 2022 to 30 April 2022).	

### **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**

This quarter, the key health and safety issues were related to managing the impact of COVID, including the significant increase in COVID cases within the Wairarapa community. This resulted in several changes in the Government's COVID Traffic light system; initially there was an update to relax RED light settings and in April a move to ORANGE settings.

Masterton District Council (MDC) updated its COVID response in order to align with Ministry of Health guidelines as well as to mitigate the impacts on MDC staff of increasing numbers of COVID cases identified in the community, and the effects of this on the ability to maintain service provision.

The key focus was to implement business continuity planning in each council business unit with a view to reduce onsite presence at MDC and, if employees were in the office, an on-site shift-based system; creating bubbles to reduce the potential spread of COVID throughout whole teams.

Public facing teams were challenged when implementing shift-based systems due to staffing requirements. This required careful assessment of risks to both staff and the public and consideration of whether these facilities could remain open to the public. Through careful management the impact of closing council facilities was minimal.

The percentage of employees who either had COVID or were a close contact of someone with COVID reached levels of 10% at times during the quarter. This placed several teams within the council under significant pressure as they had increased numbers of their staff identified with COVID.

The move to the ORANGE light setting under their COVID-19 Protection Framework signals the start of our return to a more usual way of working at Council; Including reviewing and implementing more relaxed business continuity plans and allowing more employees back into the workplace.

## Key Updates for the Quarter

### Health and Safety Review

Julie Wallace, a Health and Safety Specialist and a previous Senior Health and Safety Advisor with Council, has completed the review which has given a state of health for our current systems of orange in a traffic light system. This review highlights the work that needs to be done to bring process, documents, and systems up to date. Priorities are being compiled to create a workplan for the coming months.

The current suitability of the H&S management system (GOSH) is highlighted in this review and will continue to be reviewed before further investment is applied to the systems functionality.

### Well-being Survey completed

Launched on 25/03 and closing on 06/04 with a completion rate of 69% (89 completed surveys), the survey covered a good cross section of staff within MDC. This ensured data to be collated via many demographics, for example, age, gender, department, worksites and now offers the ability to analyse the data and identify specific areas of interest, leading to pinpointed messaging addressing key areas of concern.


Insights from this survey will inform the People and Culture Team of opportunities for further training and well-being initiatives for either specific business units or the whole organisation, as well as access to modules in our learning management system and via our health insurance provider, Southern Cross.


The development of a touch point in TOHU (our intranet system) which will include a Wellbeing Calendar, has commenced. Once everything is prepared and a communication strategy has been developed, a roll out of a multitude of initiatives to the organisation can commence.




The Well-being Survey will be resent in 6 months from the original date in order to track effectiveness and evaluate the programmes delivered to date.

### Due Diligence Summary

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

MDC OFFICERS H&S DUE DILIGENCE PLAN MONITORING			
	Objectives	Status	Rating
<b>Know</b>	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.	
<b>Understand</b>	Understand the nature of the Council's business and its hazards and risks	The main organisational risks continue to be reviewed and assessed with each work group identifying their specific work group risks (ongoing). The hazard & risk register is currently being updated in conjunction with each work group. Worksite safety inspections for risks; including actions for Managers to address any issues identified. (This is a regular audit for non-project based sites also).	

	<b>Objectives</b>	<b>Status</b>	<b>Rating</b>
<b>Resource</b>	Ensure H & S person has appropriate resources and processes to manage risks to health and safety	Action items are addressed on a priority basis. GOSH, our H&S tool has been upgraded and is accessible from Tohu.	
<b>Monitor</b>	Ensure there are appropriate reporting and investigation processes in place	The H&S system ensures work group managers are aware of investigations and act in conjunction with the People and Culture team.  People leaders will be upskilled and the Health and Safety Committee will ensure that Investigations are completed for all reported incidents, accidents and near misses.	
<b>Comply</b>	Ensure the Council has, and implements, processes for complying with duties under the HSWA Act 2015	Processes are being reviewed across all work groups in consultation with H&S Committee and subject matter experts.  The ongoing message to staff and managers is 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.	

## TOP HEALTH AND SAFETY RISKS ORGANISATION-WIDE

Description of risk	Controls and reduction measures	Update
<p><b>COVID-19</b></p> <p>Global pandemic</p> <p>Public health risk</p>	<ul style="list-style-type: none"> <li>• Workplace H&amp;S plans</li> <li>• Hygiene protocols</li> <li>• Contact tracing</li> <li>• Information requests for vaccination and vulnerable status of employees</li> <li>• Business Continuity Planning</li> <li>• COVID Leave approach adopted</li> </ul>	<p>H&amp;S Discussions at SLT focus on the need for vigilance and readiness for the impact of COVID in the community.</p> <p>iPads are placed at the entrance to each building and staff are to record their entry and exit times, creating a real time record of staff present in buildings at any given time.</p> <p>Business continuity plans have been developed for each department, ensuring appropriate measures are taken, where possible, that critical staff are always available.</p> <p>The COVID leave scheme has been implemented, to further support employees. All absences related to COVID will be treated as paid special leave; thus negating the impact of any COVID related leave on employee sick leave entitlement.</p>
<p><b>Vehicles, Roads, Driving</b></p> <p>(1) Driver risk factors</p> <p>(2) Journey risk factors</p> <p>(3) Vehicle risk factors</p> <p>(4) Working with/near vehicles risk factors.</p>	<ul style="list-style-type: none"> <li>• Driver training</li> <li>• Fleet maintenance</li> <li>• Hazard identification</li> <li>• Fleet tracking</li> </ul>	<p>The updated RT base unit has been installed in Waiata House (vehicles have RT units)</p> <p>A fleet management system will be investigated further once the Fleet Manager position has been filled.</p> <p>Driver training options are currently being explored.</p>
<p><b>Interacting with customers</b></p> <p>Violence, mental health issues, conflict</p>	<ul style="list-style-type: none"> <li>• De-escalation training</li> <li>• Personal safety training</li> <li>• Leadership support for staff</li> </ul>	<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>Further training for personal safety, conflict de-escalation, and mental resilience will be invested in for implementation during 2022.</p>

		The customer services team resilience training was in completed in March with Library staff sessions to be held in the next quarter.
<p><b>Stressors</b></p> <p>Fatigue (physical &amp; mental), time pressure, bullying, harassment, mental health</p>	<ul style="list-style-type: none"> <li>• Employee Assistance Programme (EAP)</li> <li>• Leadership support</li> <li>• Staff engagement</li> <li>• Staff Surveys</li> <li>• Leave</li> </ul>	<p>MDC’s employee assistance provider Vitae’s proactive services continues. People leaders communicate the opportunity for any staff to contact Vitae to speak to counsellors.</p> <p>Completion of the ‘Pulse’ survey which focussed on the culture here at MDC; this was a follow up to the full scale staff engagement survey completed last year. Results from the Pulse survey indicated that some improvements have been made since July 2021. However, there is still additional work required to improve the overall culture at MDC.</p> <p>Implementation of a policy to address how Council will deal with staff who have excessive leave balances. Mangers will be required to start conversations with staff regarding the development of Leave Plans to get balances under control.</p> <p>The Wellbeing Calendar is under development and will soon be open to all and visible via the staff intranet Tohu.</p>
<p><b>Lone worker safety</b></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"> <li>• Lone worker tracking system trial</li> <li>• MiCollab / Outlook/ Teams</li> <li>• Communication in teams</li> <li>• Personal safety training</li> <li>• Fleet management system investigation</li> </ul>	<p>Each work group has their own system, given that their circumstances vary (for example, call outs for animal control).</p> <p>A fleet monitoring project is currently paused until the appointment of a new fleet manager.</p> <p>A flexible working policy has been developed including the working from home checklist; designed to assist staff to audit their home workspaces and maintain a safe working environment.</p>
<p><b>Contractor Management</b></p>	<ul style="list-style-type: none"> <li>• Regular communication between contractors and MDC relationship managers</li> </ul>	<p>Our contractor Management approach is key part of our Health and Safety Review. There are key recommendations which will be implemented over the next quarter.</p>

	<ul style="list-style-type: none"> <li>• Quarterly/ annual reporting</li> </ul>	<p>These include:</p> <ul style="list-style-type: none"> <li>• A collective database is being developed by GWRC to record contractors with the correct H&amp;S compliance record. All councils in the wider region will be able to access and use this data.</li> <li>• Contractor process and forms have been redesigned for rollout to staff and Contractors. A video is being produced to assist with technical role inductions.</li> <li>• Work has commenced to audit contractor compliance and provide support as required. There is significant work to be done on this prior to full implementation.</li> </ul> <p>Contractors will need to prove they have robust H&amp;S systems in place. Following their engagement on any high risk or longer-term projects, daily or weekly site visits will be conducted, including health and safety checks. For smaller low risk projects, contractors from an approved database are used and monitoring is on an as needed basis, particularly if they have been previously engaged without incident.</p>
<p><b>Change resilience</b></p>	<ul style="list-style-type: none"> <li>• Local Government reform</li> <li>• Three Waters</li> </ul>	<p>In the last quarter, activity in the two major industry change initiatives (Local Government reform and Three Waters) focused on information requests from the Department of Internal Affairs.</p> <p>We completed two information requests for the three-water program during the last quarter; taking a significant resource to complete. It is expected that the additional requests in the next quarter will continue to require significant internal resource. A resourcing plan will need to be completed to ensure that operational impacts are not created due to this increased workload.</p> <p>With the potential for significant change within the local government sector, it is important</p>

		that change resilience becomes a key part of our well-being strategy. To be successful during a period of uncertainty, we will be focusing on ensuring our people are change resilient.
<b>Workforce Planning</b>	<ul style="list-style-type: none"> <li>• Recruitment</li> <li>• Succession</li> </ul>	<p>It has been noted within the last six months that for certain, largely specialised positions, the number of applicants is rapidly diminishing. MDC is not alone in this; many other local authorities are reporting similar issues.</p> <p>In an attempt to mitigate this, in roles where specialist qualifications are not involved, positions may be available internally in the first instance; adopting a “grow your own” practice.</p> <p>We will be establishing a more structured succession planning framework to ensure we have more proactive plans to support the potential loss of critical people and roles.</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 Oct to Dec 21	Q3 Jan to March 22	Q4 April to June22	Q1 July to Sept 22
Serious Harm / Lost time injury	0	0		
Medical Treatment Injury (beyond First Aid)	0	1		



## 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	
<b>H&amp;S committee meetings</b>	Meetings continue to be held every six weeks.
<b>H&amp;S training</b>	<p>A record of H&amp;S Rep training to be complied with the view of updating training. An in-house option is being explored</p> <p>The H&amp;S Committee is looking at getting all members trained to a minimum of H&amp;S rep training Level 2</p> <p>H&amp;S training units are available through the new LMS system, these are to be reviewed and further developed to cover a broad range of topics.</p>
<b>H &amp; S Culture</b>	<p>Training sessions have built awareness across the organisation of the importance of everyone's role in H&amp;S culture across the workplace and the Masterton region as representatives of MDC. Further areas of interest are being investigated for future training.</p> <p>We are currently implementing a system of Competency Assessment and Goal Achievement to replace the traditional Performance Appraisal. We have determined four Core Competencies that will apply to every position. One of those is Health and Safety. The descriptor of the Competency is:</p> <p><b>HEALTH AND SAFETY</b></p>



	<p><i>Committing to applying core safety knowledge, skills and attitudes to everyday work to optimise health and safety.</i></p> <p><i>Promoting safety through effective communication.</i></p> <p><i>Anticipating, recognising and managing situations that place individuals at risk. Recognising the occurrence of an incident or near miss, responding effectively to mitigate harm to individuals, ensuring proper reporting and preventing recurrence.</i></p>
<p><b>Staff inductions</b></p>	<p>All new staff have been inducted following our established H&amp;S induction process.</p> <p>The Health and Safety Committee members and team leaders will be conducting the generic H&amp;S inductions with new staff.</p> <p>We are currently reviewing our induction process including providing creating a guide to all new employees. We hope to have this implemented in the next quarter.</p> <p>A staff orientation plan is currently in development where all new employees of three months tenure or less will receive an introduction to the Council, its senior managers and all its functions to give these new staff a comprehensive understanding of what Councils do and how they work.</p>
<p><b>Wellbeing initiatives</b></p>	<p>Employee Assistance Program (EAP) contracted onsite visits continue to occur, with the representative ensuring coverage of MDC workplaces.</p> <p>Staff wellbeing survey has been conducted to gather baseline data on staff wellbeing. This will drive initiatives and training as a calendar of events is populated.</p> <p>The Wellbeing Calendar is in development with staff participation being key. Areas of interest are being investigated for inclusion in the calendar throughout the year. Delivery poses a challenge, but work will be done to overcome this to get maximum participation from staff.</p> <p>The LMS (Learning management system) provides a great tool for staff learning supported by The People and Culture Team to source relevant topics.</p>
<p><b>Good catch:</b> A good catch is action oriented; staff recognise a situation or condition with potential to</p>	<p>All incidents notified via the H&amp;S system are reviewed by the appropriate manager who must be satisfied that appropriate</p>

cause an incident but it doesn't because of corrective action and/or timely intervention.	action has been taken to reduce the likelihood of future incidents.		
<b>Near miss:</b> Event not causing harm, but potential to.	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.		
<b>Good catch summary</b>			
<b>Q2 Oct to Dec 21</b>	<b>Q3 Jan to March 22</b>	<b>Q4 April to June22</b>	<b>Q1 July to Sept 22</b>
0	0		

## 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.

<b>To:</b>	Audit and Risk Committee
<b>From:</b>	David Paris, Manager Finance
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	18 May 2022
<b>Subject:</b>	<b>9 Months to Date Financial Report 2021/22</b>
<b>FOR INFORMATION</b>	
<b>Recommendation:</b>	
That Audit & Risk Committee receives the 9 months to date financial report and commentary, including the Operating and Capital Expenditure Statements contained in Report 058/22.	

**PURPOSE**

To provide the Audit and Risk Committee with the financial report for the nine months to 31 March 2022.

**EXECUTIVE SUMMARY**

The **Rates Requirement Summary** to 31 March 2022 shows the Council's net spending of rates funding at \$24.06m compared to \$24.45m planned year to date, 1.6% less. Significant variances from the budgeted position are explained in the commentary below. Overall, the Council's net spending shows some unders and overs, but overall is 1.6% underspent after nine months of the financial year. The reason for the actual and planned Surplus of rates income after nine months is the timing of the planned debt repayment – the 2021/22 debt reduction payments will occur in the last quarter of the year.

The **Statement of Revenue & Expenditure** shows a YTD (after 9 months) accounting surplus of \$2.18m. This is \$2.47m better than the planned YTD deficit, due to three main things: higher financial contributions, higher roading subsidies and higher operating revenue (including building consents and solid waste fees). Total Operating expenses are 0.8% more than planned at 9 months year to date, but there are variances between the expenditure types as described below.

Variances from Plan include:

- Financial Contributions of \$2.26m are 109.4% ahead of planned and reflect the continuing strong level of activity of urban subdivision development;
- Roothing subsidies are more than planned as a result of the Plan anticipating a funding reduction by Waka Kotahi, but the reduction did not occur. No loan funding has been required for the 2021/22 roading renewals programme, but the budget allowed for it.
- Revenue from building consents of \$1.226m is 23.8% ahead of planned;
- Revenue from transfer station charges of \$2.81m was 24.6% ahead of planned;

- Personnel costs are running 5.5% less than the plan at 9 months YTD due to a number of positions allowed in the plan not filled for some of the period.
- Interest expense is 7.1% more than planned due to pre-funding (borrowing early) for two scheduled LGFA bond repayments. Interest earned on depositing the drawn funds has offset the extra expense and the bonds have been repaid in April and May 2022.
- Other operating expenditure is 5.3% more than plan due to costs in a number of areas exceeding the levels planned. Two areas where the dollars are significant are in building services and solid waste where costs have exceeded budgets due to higher consent numbers and higher waste tonnages respectively. Because both these areas have high proportions of user charges, the extra volumes have driven additional revenue to cover the extra costs.

The **Summary Statement of Capital Expenditure** at three quarters through the year shows \$16.2m spent which is 42% of the full year capital budget total. The statement also includes a projection of the full year capital expenditure. Based on a number of assumptions about projects currently due for completion by 30 June, that currently is expected to be \$24.9m or 65% of the total capital budget.

Commentary on variances and progress on some items is also included in the Statement. Three high value projects that have not progressed as per the Plan include the Civic facility, Airport upgrade and animal shelter. One project spend (Upper Plain water reservoir land purchase) was unbudgeted. Excluding these four projects from the formula for value of work completed versus planned, results in a projected 84% spent.

<b>Statement of Revenue &amp; Expenditure</b>						
<b>9 months 2020/21 Actual</b>	<b>9 Months Year to Date to 31 March 2023</b>	<b>9 months</b>		<b>9 months</b>		<b>Full Year 2021/22</b>
		<b>2021/22 Actual</b>	<b>2021/22 Plan</b>	<b>Variance</b>		
	<b>Revenue</b>					
24,127,784	Rates Revenue*	25,975,746	25,902,442	73,304	0.3%	34,741,289
202,937	Interest Received (external)	229,306	322,497	(93,191)	-28.9%	431,000
4,238,675	NZTA Rooding Subsidies	5,305,809	4,873,504	432,305	8.9%	5,818,281
1,256,609	Financial Contributions	2,261,697	1,080,003	1,181,694	109.4%	1,481,000
8,036,139	Fees, Charges & Other Revenue	9,046,545	7,855,203	1,191,342	15.2%	17,871,190
37,862,144	<b>Total Operating Revenue</b>	42,819,103	40,033,649	2,785,454	7.0%	60,342,760
	<b>Expenditure</b>					
7,663,935	Personnel Costs	9,045,113	9,571,104	525,991	5.5%	13,078,498
17,663,565	Other Operating Expenditure	19,155,762	18,197,606	(958,156)	-5.3%	24,500,162
1,628,107	Interest Expense	1,445,447	1,349,892	(95,555)	-7.1%	1,799,808
9,866,581	Depreciation & amortisation	10,988,879	11,203,659	214,780	1.9%	14,938,115
36,822,189	<b>Total Operating Expenses</b>	40,635,201	40,322,261	(312,940)	-0.8%	54,316,583
<b>\$1,039,956</b>	<b>Operating Surplus/(Deficit)</b>	<b>\$2,183,902</b>	<b>(\$288,612)</b>	<b>\$2,472,514</b>		<b>\$6,026,177</b>

\*Rates Revenue excludes rates on Council properties

## 2021/22 9 Months to 31 March 2022

2020/21 9 Months	Rates Requirement Summary	2021/22 9 months	2021/22 YTD Plan	Variance		2021/22 Full Year Plan
\$		\$	\$	\$	%	\$
	<b>RATES REQUIRED BY ACTIVITY</b>					
	<b>Transport</b>					
4,625,469	Roading	5,095,080	4,940,833	(154,247)		7,334,938
	<b>Water Services</b>					
2,542,726	Urban Water supply	2,719,099	2,716,074	(3,025)		3,592,193
40,672	Rural Water supplies & races	53,716	43,128	(10,588)		124,033
	<b>Wastewater Services</b>					
3,513,278	Urban Sewerage system	3,550,393	3,505,048	(45,345)		6,542,117
135,200	Rural Sewerage systems	223,112	219,635	(3,477)		361,901
	<b>Stormwater Services</b>					
411,044	Stormwater	507,604	447,862	(59,742)		664,267
	<b>Solid Waste Services</b>					
518,256	Solid Waste Services	175,546	417,547	242,001		722,235
342,238	Waste Minimisation Services	280,052	245,421	(34,631)		299,233
	<b>Community Facilities</b>					
2,242,491	Parks, Reserves & Sportsfields	2,243,416	2,425,102	181,686		3,325,011
900,227	Trust House Recreation Centre	1,039,078	1,084,950	45,871		1,444,592
93,353	Cemeteries	91,074	130,534	39,459		156,901
1,597,980	Library & Archive	1,718,290	1,777,293	59,003		2,375,523
377,111	District Building	341,284	395,011	53,727		539,814
86,701	Housing for Elderly	148,677	146,816	(1,861)		144,226
572,767	Other Property	658,832	663,583	4,752		989,633
176,891	Hood Airport	177,203	169,912	(7,291)		314,244
51,050	Mawley Holiday Park	26,068	94,459	68,391		167,512
	<b>Regulatory Services</b>					
619,593	Resource Mgmt & Planning	749,592	756,793	7,201		991,705
223,375	Building Development	548,762	474,486	(74,276)		657,845
304,620	Environmental Services	432,105	462,613	30,508		590,273
44,027	Parking Control	(4,644)	(18,384)	(13,740)		(\$24,509)
121	Animal Services	5,294	10,768	5,474		117,795
181,428	Emergency Management	190,897	218,637	27,740		255,502
	<b>Leadership, Strategy &amp; Corporate Services</b>					
577,167	Representation	521,452	469,651	(51,801)		725,607
92,174	Internal Functions (net)	499,942	327,409	(172,533)		0
794,280	Community Development	745,326	910,222	164,896		1,137,126
392,364	Arts & Culture	371,788	372,460	672		582,283
787,066	Economic Devlpmt & Promo	725,679	802,039	76,360		945,297
179,518	Environmental Initiatives	227,588	242,415	14,827		320,095
\$ 22,423,185	<b>Total Rates Requirement</b>	\$ 24,062,306	\$ 24,452,316	\$ 390,010	1.6%	\$ 35,397,389
	<b>RATES INCOME</b>					
24,824,122	Masterton District Council rates	26,560,176	26,518,042	42,134		35,357,389
104,617	Penalty Income	193,424	168,000	25,424		210,000
(140,129)	Rates Remissions	(132,610)	(127,500)	(5,110)		(170,000)
\$ 24,788,610	<b>Net Rates Income</b>	\$ 26,620,991	\$ 26,558,542	\$ 62,449	0.3%	\$ 35,397,389
\$ 2,365,425	<b>Surplus/(Deficit) of Rates Income</b>	\$ 2,558,684	\$ 2,106,227	\$ 452,458	1.9%	\$ 0

Summary Statement of Capital Expenditure					
	Actual 9 Months \$	Plan 9 Months \$	Plan Full Year 2021/22 \$	Full Year Forecast 2021/22 \$	Comments on progress
Roading - subsidised	4,227,478	4,472,379	7,406,340	7,960,100	Completion of 2 construction jobs that carried over from prior year - Te Ore Ore Rd roundabout & Taueru retaining wall, so full year will exceed budget.
Roading - non-subsidised	1,802,456	818,594	1,474,792	1,848,847	Full year includes two jobs carried over from prior year - Essex St carpark and under veranda lighting renewals. Northern entrance work has been delayed.
Water Services	4,316,386	3,071,125	6,788,500	5,713,039	Stimulus projects largely on track, water meter installation on-going but will not need full budget, some mains renewal contracts yet to start, materials shortages, will not spend all of the budget. Land purchase included here, unbudgeted, offsets other underspending.
Wastewater Services	1,448,801	1,551,500	2,042,000	2,130,000	Stimulus funded projects largely on track, including aerators and private property lateral renewals. Sewer renewals projected to be overspent due to priority work brought forward.
Stormwater Services	482,905	490,000	660,000	650,000	Opaki Road stormwater upgrade completed, stimulus-funded creek cleaning work (opex) also completed.
Solid Waste Services	9,320	45,315	260,420	90,000	Cage renewal work expected to be underway.
Parks, Reserves & Sportsfields	2,032,039	1,464,739	2,864,650	2,650,332	Skate park project was budgeted over 2 years but majority of costs fell in 2021/22, so reporting as over-spend in current year, offset by underspend on sportsground buildings where projects remain in the planning stages.
Wellbeings (Amenities)	104,401	122,679	563,570	551,570	Youth hub project spending is underway, delivery of building expected before financial year end.
Other Property	198,515	298,725	1,094,300	523,300	Bentley St asbestos removal project \$600k on-hold, to be scoped further.
Civic Facility	218,080	258,750	4,945,000	300,000	Full year projection of project costs to date, including project management.
Recreation Centre	44,955	101,250	255,000	51,000	Some of the plant & equipment renewals programme will be delayed.

Summary Statement of Capital Expenditure					Comments on progress
	Actual 9 Months \$	Plan 9 Months \$	Plan Full Year 2021/22 \$	Full Year Forecast 2021/22 \$	
Housing for the Elderly	266,467	255,750	341,000	306,000	Work includes upgraded insulation, heat pump installs and extractor fans.
Library & Archive	164,125	225,064	1,366,750	1,017,800	Budget allows for new shelving for Wairarapa Archive - project is now underway to move to a new location, including new shelving, commitment for the majority of the budget is expected in current year.
Airport	332,309	300,167	6,873,553	512,500	Completed current services extensions, roading & fencing. Further refining masterplan. Land purchase settlement is not expected before year end.
Regulatory Services	206,850	227,000	1,336,000	222,000	Animal shelter project includes demolition of old pound and conversion of a temporary facility. New animal shelter now projected in next financial year.
Corporate Services	347,895	270,000	280,000	381,000	IT hardware budget will be fully spent, some software application upgrades and security enhancements were not budgeted but were needed, incl software for information mgmt, to improve productivity and security enhancements.
<b>TOTAL COUNCIL</b>	<b>\$ 16,202,981</b>	<b>\$ 13,973,037</b>	<b>\$ 38,551,875</b>	<b>\$ 24,907,488</b>	
% spent of full year Plan	<b>42%</b>			<b>65%</b>	Shortfall largely due to Civic Facility, Airport and Animal shelter projects not progressing as quickly as anticipated in the Plan.

After excluding Civic facility, Airport, animal shelter and Upper Plain land purchase.

**84%**

## Commentary on Rates Requirement Summary variances from Plan

The variances year to date may not translate to the full year result, but the Plan figures for six months to date have been adjusted to match expected timing of income and expenditure, where known.

In the Activity areas:

- Roading – subsidised maintenance expenditure of \$4.82m is 10% above the planned level due to more pavement repair work being needed early in the year and the costs of flood response in February. There has been 69% of the road renewals programme spent at the 75% through the year.
- Roading contributions from subdivisions (\$842.7k) are running at 225% of the level planned. This revenue is transferred into reserve funds and is not available to offset rates.
- Urban Water Supply net rates required of \$2.72m is very close to the Plan
- Urban Wastewater activity rates requirement of \$3.55m is 1.3% more than planned with costs of responding to the weather event in February being the main reason for this.
- Rural wastewater systems at Riversdale Beach and Castlepoint have continued to run at close to the planned levels. While Stormwater net rates required of \$0.51m is 13.3% more than planned due to the expected costs of responding to the February event.
- Solid Waste revenue (gate fees) at Nursery Road of \$2.81m is 24.6% ahead of Plan due to greater waste tonnages coming through the gate. Revenue from sale of bags for the Council bag collection remains close to the level planned. The tonnes of waste sent to landfill were 12,792 vs last year to date of 10,590, a 20.8% increase. Direct costs of disposing to landfill are up on plan by 16.4%, largely reflecting that increased volume. Overall, Solid Waste has run at \$207,370 less than the Planned rates required.
- The Community Facilities & Activities YTD net expenditure is tracking below planned levels, with savings in the Parks & Reserves, the Recreation Centre, Cemeteries and Other Property areas. Some of those savings relate to staff roles yet to be filled, while in the Property activities there a maintenance budgets underspent YTD.
- The Airport operating costs reflect legal costs related to lease documentation reviews, but these are largely offset by improved revenue from leases.
- Library & Archive net operating costs of \$1.72m have run 3.3% below the level planned.
- Community Development net expenditure of \$0.745m is 18.1% less than planned due to delays in recruiting staff and events such as the Civic awards and Christmas-related events not incurring the planned levels of expenditure.
- Economic Development activity is 9.5% underspent due to less spending on the WEDS review and events.
- Resource Management and Planning income from financial contributions is 76.5% ahead of plan, while consent fee income is 122% ahead of plan (\$269k vs \$121k). Financial contributions are transferred to reserves, while extra operating costs have been incurred in processing the high volume of consents.
- Building Services revenue of \$1.23m is 23.8% ahead of the planned level, reflecting the high numbers of consents that have been processed. While operating costs are 18.8% more than the planned level largely due to using external contractors to process the high volumes of consents.
- Parking Control revenue is down 5.1%. Animal Control revenue is up on Plan by 6.8% due to more dogs and more infringements being issued.



- Representation costs reflect legal, recruitment and other professional services costs that have exceeded the level planned YTD.
- Across the Internal functions there are under and over expenditure areas. In the ICT and Info Mgmt areas costs have run ahead of plan, relating to the digitisation project and the enhanced security programme (that Council approved). Cost savings have arisen in Finance, Comms and People & Capability. Overall some \$160,100 more net costs than budgeted, which is 2.9% of the Planned expenditure across those activities.
- Interest income of \$417k is 23% less than planned as term deposits and bond fund investments have not performed as well as expected.

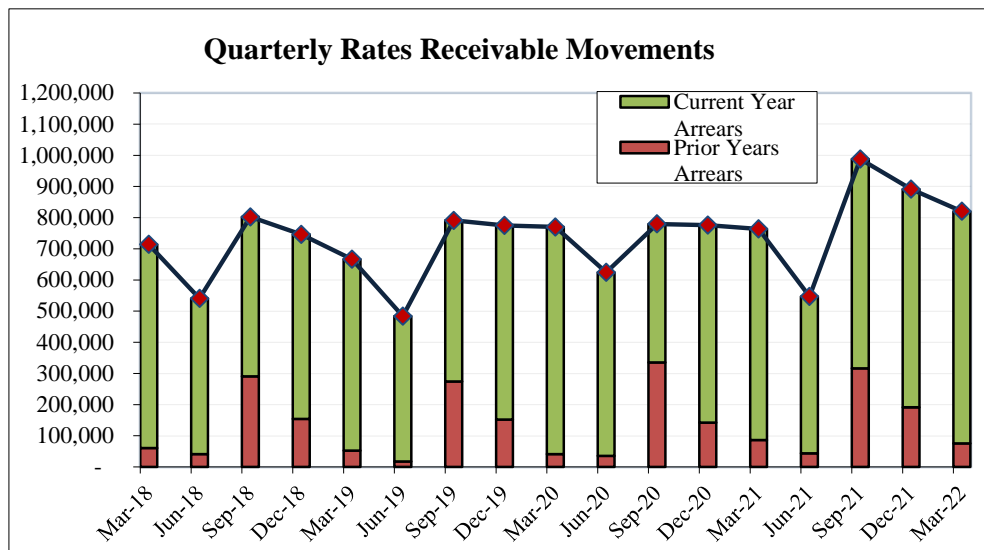
### Three Waters Stimulus Funding – report on progress

In November 2020 the Council successfully applied for \$4.4 million of funding to progress a number of new initiatives in the three waters activities. The funds are required to be expended by 30 June 2022. As at 31 March 2022 the Council has spent \$2.92 million. Regular reporting to Department of Internal Affairs (DIA) has been done and discussions regarding changes to the original approved projects have been useful.

The initial 12 separate projects have had their budget amounts varied and moved between projects as the work has been better defined. There are constraints on some of the projects, such as materials availability, resource consent, land purchase delays and contractor capacity due to the February flooding event to deliver the work within the timeframe. Discussion with DIA for modifications to the timeframe and budgets of some projects is ongoing. Every effort will be made to maximise the use of the available stimulus package funding.

### Rates Receivable

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



At the end of March 2022 the balance of all rates unpaid was \$820,348.

This is 7.4% more than the figure of \$763,766 at 31 March 2021.

There were 701 properties (2020 = 753) with more than \$100 of rates unpaid at an average of \$1,092 (2020 = \$970).

The rates arrears figure at 31 March 2022 is 1.77% of the value of rates being levied in 2021/22 (including GWRC rates and GST).

Arrears from prior years were \$75,253, which is 13.8% of the balance of all arrears at 30 June 2021. This compares to \$86,354 and 13.8% at 31 March 2021. There is a residual effect of the delayed due date from the August instalment where a number of properties (largely urban residential) had fallen behind in their rates. Demands on mortgage holders have been made in the last quarter and achieved recovery of a large proportion of prior year arrears.

Current year rates unpaid at 31 March 2022 were 10.0% more, at \$745,095, than the equivalent figure at 31 March 2021. The growth is not yet a cause for concern. There was a growth in the total value of rates receivable (including GWRC rates) of some 9.4%. Our expectation is that unpaid rates will track back closer to historical levels (1.5% of rates levied) by 30 June 2022.

<b>To:</b>	Audit and Risk Committee
<b>From:</b>	David Paris, Manager Finance
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	18 May 2022
<b>Subject</b>	<b>Progress Report on Audit NZ Recommendations for the year ended 30 June 2021</b>
<b>FOR INFORMATION</b>	
<b>Recommendation:</b>	
That the Audit & Risk Committee receives the report on the progress against recommendations made by Audit NZ following the audit of Masterton District Council for the year ended 30 June 2021.	

### **Purpose**

To provide the Audit and Risk Committee with an update on progress against the recommendations made by Audit NZ following their audit for the financial year ended 30 June 2021.

### **Executive Summary**

Audit New Zealand, Council's Auditors, undertook their audit from 28 September 2021 through until early November 2021. Council adopted the audited Annual Report on 9 November 2021, noting the usual statutory deadline of 31 October for adoption of the Annual Report was relaxed in 2020 and 2021 due to the impacts of Covid-19.

At the completion of the audit, Audit NZ issued a report that included recommendations for Council. The report was received in full by the Audit & Risk Committee in February 2022.

Staff have been progressing action against the recommendations made by Audit NZ. An update on progress is set out below.

### **Audit of 2021/22 Annual Report**

Audit New Zealand have been undertaking their interim audit work last week (9-13 May) and they are working on an Audit Plan for the audit of the 2021/22 Annual Report. That Plan was not finalised at the time of preparation of this report. What has been confirmed verbally is that Audit NZ's available staff resources means the audit of Masterton District Council's Annual Report will need to be delayed, with a start in the week commencing 14 November, and with the adoption of the Annual Report by the Council in December (prior to Christmas).

This timing (after the 2022 Local Election in October) means the Council will be asked to adopt a report for the year prior to their election to Council.

The statutory deadline for Councils to adopt their Annual Report has been extended for the third year in recognition of the impacts of the Covid-19 pandemic on councils' and auditors' ability to resource the work.

## Quarterly Progress Report on Audit Recommendations

Recommendation	First raised	Status and update on progress made to date
<b>Necessary</b>		
<p><b>Revaluation of Property, Plant and Equipment</b></p> <p>The independent valuer has raised recommendations for the District Council to work through for future valuations. These recommendations should be implemented and monitored to ensure the valuations remain appropriate.</p>	2019/20	<p><b>In Progress</b></p> <p>These recommendations are specific to infrastructural asset valuations, and improvements to the data around asset component ages and condition.</p> <p>There have been significant improvements to the data since the last revaluation, and new assets vested from subdivisions are being added on a more timely basis.</p> <p>A revaluation of these assets is not currently scheduled until 2023, but impairment assessment needs to take account of inflation if it is significant, potentially triggering a revaluation one year early (30 June 2022).</p>
<p><b>Procurement</b></p> <p>The District Council maintains appropriate documentation, proportionate to the value and risk of each procurement, to support evaluation of pre-conditions, and to demonstrate that conflict of interest management processes followed. Appropriate documentation is important to demonstrate that a robust process was followed, which supports accountability.</p>	2019/20	<p><b>In Progress</b></p> <p>The Procurement Policy has been through further development to improve its relevance to day-to-day decision making.</p> <p>The revised Procurement Policy was approved by SLT (Strategic Leadership Team) on 3 February 2022 and was subsequently endorsed by the Audit and Risk Committee on 16 February 2022.</p> <p>The revised policy includes three new principles, a set of clearly defined objectives, with a focus on both social and environmental sustainability (that link to our Wellbeing Strategy), as well as the addition of a monitoring and evaluation section.</p> <p>We will welcome Audit NZ's review of the new policy.</p> <p>In addition, Council's roading team have received formal endorsement from Waka Kotahi for the Roothing Procurement Strategy.</p>

Recommendation	First raised	Status and update on progress made to date
<p><b>Procurement Policy – staff training</b></p> <p>We recommend staff receive training on the updates to the Procurement Policy and policy requirements as soon as practicable.</p>	2016/17	<p><b>In Progress</b></p> <p>Training on the new policy remains ‘to do’ but is now included in the Policy team’s work programme for the next six months.</p>
<b>Beneficial</b>		
<p><b>Contract Management – roading</b></p> <p>Management is due to update the roading Contract Management Plan (CMP), the update should ensure that the CMP reflects what the Council requires in terms of the frequency and content of reporting and meetings. Management should ensure that actual contract management is operating in line with the CMP.</p> <p>We also recommend that management complete a regular formal review of the contractor’s performance using the quarterly contract performance evaluation template set out in the contract.</p>	Interim 2019/20	<p><b>In Progress</b></p> <p>The Roading Maintenance and renewals CMP (Contract Management Plan) is a living document and was last updated in collaboration with Higgins on the 11th of August 2021.</p> <p>Performance Evaluations are carried out 3 monthly using the PACE (Performance Assessment by Coordinated Evaluation) system. Performance Evaluations performed by the contract management group have been completed as per the CMP timeframes and contract specifications.</p>
<p><b>Contract management</b></p> <p>We recommend the District Council improves its contract management and reporting processes by implementing a standardised approach to contract management.</p>	2016/17	<p><b>In Progress</b></p> <p>A software application to enable improved contract management and reporting is scheduled to be installed as part of the upgrade to Magiq Cloud. Realistically, it will be 2023 before this application will be implemented across the operational areas that can utilise it.</p>

Recommendation	First raised	Status and update on progress made to date
<p><b>Timeliness of reconciliations</b></p> <p>We recommend review of monthly bank, debtors and creditors reconciliations should occur before the end of the next month.</p>	2016/17	<p><b>In Progress</b></p> <p>Timely reviews of master file maintenance are being done. Reconciliations of bank, debtors and creditors have generally been completed within the recommended timeframe, but there are still instances when resources and other priorities result in reconciliations being done later than one month after year end. The bank transactions continue to be cleared and reconciled daily.</p>