

1
WAITOMO DISTRICT COUNCIL
AUDIT AND RISK COMMITTEE

MINUTES OF A MEETING OF THE WAITOMO DISTRICT COUNCIL AUDIT AND RISK COMMITTEE HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON TUESDAY 13 FEBRUARY 2024 AT 9.08AM

PRESENT: Independent Chairperson Bruce Robertson
Deputy Mayor Allan Goddard
Councillor Gavin Todd
Councillor Janene New
Councillor Janette Osborne

IN ATTENDANCE: Chief Executive, Ben Smit
Manager – Governance Support, Michelle Higgin
Manager – Strategy and Policy, Charmaine Ellery
Senior Strategy and Policy Advisor, Alice Tasker
Chief Financial Officer, Tina Hitchen
General Manager – Community Services, Helen Beaver
Health and Safety Administrator, Nicole Sheward

1. Apologies

Resolution

The apology from Mayor Robertson be received and leave of absence granted.

B Robertson/New

Carried

2. Declarations of Member Conflicts of Interest

No declarations made.

3. Confirmation of Minutes – 17 October 2023

Resolution

The Minutes of the Waitomo District Council Audit and Risk Committee meeting held on 17 October 2023 be confirmed as a true and correct record.

B Robertson/Goddard

Carried

4. Mastercard Expenditure Report (September 2023 – January 2024)

The Committee considered a business paper presenting for the Committee's information and consideration, details of expenditure incurred via Waitomo District Council issued Corporate Mastercard.

The Manager – Governance Support and Chief Executive expanded verbally and answered members questions.

The Chair asked that the Chief Executive confirm that the provision of petrol vouchers to a volunteer does not run foul of tax requirements, etc.

Resolution

The Mastercard Expenditure Report for the period (September 2023 – January 2024 be received.

Osborne/New

Carried

5. Progress Report: Key Performance Indicators - period ended 31 December 2023

The Committee considered a business paper presenting Waitomo District Council's delivery performance on non-financials for the 2022/23 financial year ending 31 December 2023.

The Manager – Strategy and Policy, Chief Executive and Senior Strategy and Policy Advisor expanded verbally on the business paper and answered Members' questions.

The Chief Financial Officer entered the meeting at 9.19am.

The Committee noted that where a KPI is not able to be measured at this time then it should be a blue dot (data not available) and not a yellow dot (off track). The example used was the KPI for Effective Communication with our community which will not be able to be measured until the annual survey is completed.

Resolution

The Progress Report: Key Performance Indicators for the period ended 31 December 2023 be received.

Osborne/Goddard Carried

The Manager – Strategy and Policy and Senior Strategy and Policy Advisor left the meeting at 9.39am.

6. Treasury Management Report for the period ended 31 December 2023

The Committee considered a business paper providing an update on Waitomo District Council's debt position and compliance with borrowing limits for the period ending 31 December 2023 (Quarter 2).

The Chief Financial Officer expanded verbally on the business paper and answered Members' questions.

The General Manager – Community Services and Health and Safety Administrator entered the meeting at 9.42am.

The Committee noted the two breaches over fixed rate cover and liquidity, and the actions taken to remedy those breaches.

Resolution

The business paper on Treasury Management Report for period ended 31 December 2023 be received.

B Robertson/Osborne Carried

7. Progress Report: Health and Safety

The Committee considered a business paper providing a brief on Waitomo District Council's health and safety performance during the 2023/2024 year.

The General Manager – Community Services and Health and Safety Administrator expanded verbally on the business paper and answered Members' questions.

The General Manager – Community Services advised that Committee that the Health and Safety Administrator, Nicole Sheward would be finishing up with WDC after three years of service and returning to Auckland. The Committee thanked Nicole for her work with Waitomo District Council over the last three years and wished her well for the future.

The General Manager – Infrastructure Services entered the meeting at 9.56am.

Resolution

The Progress Report: Health and Safety be received.

Osborne/New Carried

The General Manager – Community Services and Health and Safety Administrator left the meeting at 10.04am.

8. Progress Report: WDC Resource Consents – Compliance Monitoring

The Committee considered a business paper providing a brief on compliance reporting against Resource Consent conditions, due during the second quarter of the 2023/2024 financial year.

The General Manager – Infrastructure Services and Chief Executive expanded verbally on the business paper and answered Members' questions.

Resolution

The Progress Report: WDC Resource Consents – Compliance Monitoring be received.

Goddard/Osborne Carried

9. Progress Report: Procurement Summary Schedule (October 2023 – December 2023)

The Committee considered a business paper presenting a summary of the procurements made in the period July to September 2023 in accordance with Waitomo District Council's Procurement Policy.

The General Manager – Infrastructure Services expanded verbally on the business paper and answered Members' questions.

Resolution

The Progress Report: Procurement Summary Schedule (1 October 2023 – 31 December 2023) be received.

B Robertson/Todd Carried

The Chair noted the approach to be taken for reviewing risk will be undertaken in association with adoption of the Long Term Plan including initiation of the Risk Management Framework.

The Chief Executive briefed the Committee on progress with development of the consultation documentation for the Long Term Plan.

There being no further business the meeting closed at 10.25am

Dated this day of 2024

BRUCE ROBERTSON
INDEPENDENT CHAIRPERSON

Document No: A719337

Report To: Audit and Risk Committee



Meeting Date: 14 May 2024
Subject: **Mastercard Expenditure Report
 February/April 2024**
Type: Information Only

Purpose of Report

- 1.1 The purpose of this business paper is to present for the Committee's information and consideration, details of expenditure incurred via WDC issued Corporate Mastercard.

Commentary

2.1 Introduction

2.2 In today's technological climate, the use of credit cards is an everyday norm. The issue of WDC Corporate Mastercards is also deemed a prudent and sometimes necessary form of currency.

2.3 Many purchases can be made online with discounts not applicable through other purchasing avenues, necessitating the use of a credit card. In other circumstances the only purchase method available is online. Online purchases also significantly reduce staff time in making purchases.

2.4 From time to time WDC's Senior Management Team incur work related expenses where the use of a WDC corporate credit card is the most expedient method of payment. The use of corporate credit cards avoids time consuming processes for arranging pre-purchase cheques, petty cash or making payment personally and claiming back the expense after the fact.

2.5 Acknowledgement of Risk

2.6 However, it is also acknowledged that as with dealing with any type of cash equivalent, there is always a risk.

2.7 To mitigate the level of risk in WDC employees utilising credit cards, WDC has an implemented Credit Card Policy.

2.8 Policy

2.9 A summary of the Policy is as follows:

- Provides guidance on the use of a WDC Corporate Credit Card
- Limits approval of the issue of any credit card to the Chief Executive
- Requires a bi-annual review of both Cardholders and the Policy
- Details what is valid expenditure and what is not
- Makes an allowance for exceptional circumstances
- Requires all credit card purchases (both online and telephone) to reflect good security practice, to meet the criteria of WDC's Procurement Policy and comply with authorized Financial Delegations.
- Requires reimbursement of any unauthorized expenditure.
- Details the procedure for documenting monthly statements, monitoring by the Chief Executive and the approval (sign-off) of expenditure.
- Details card "limits" and the process for dealing with lost or stolen cards

2.10 **Presentation of Expenditure Details**

- 2.11 Copies of the monthly "Mastercard Statement Authorisation Forms" are presented to each Audit and Risk Committee Meeting.
- 2.12 Copies of the supporting invoices/receipts are not included in any Agendas, however should a Committee Member wish to view any of this supporting information, that information can be made available by arrangement.
- 2.13 The publishing of credit card expenditure in Committee Agendas has also reduced requests made under the Local Government Official Information and Meetings Act for this information.

Suggested Resolution

The Mastercard Expenditure Report for the period February - April 2024 be received.



MICHELLE HIGGIE

MANAGER – GOVERNANCE SUPPORT

Attachments: Mastercard Authorisation Forms: February - April 2024



6
A710940

CONSOLIDATED STATEMENT

TAX INVOICE
GST NO. 93 259 688

RECEIVED

27 February 2024

05 MAR 2024

THE DIRECTOR
WAITOMO DISTRICT COUNCIL
P O BOX 404
TE KUITI 3941

WAITOMO DISTRICT
COUNCIL

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Facility Number: **0030 1565 8499**
Total Cardholder Limit: **\$20,000.00**
Total Cardholder Net Balance: **\$4,792.03**
Total Interest and Fees: **\$0.00**

Statement period: **28/01/2024 to 27/02/2024**

Consolidated summary

CARDHOLDER NAME	ACCOUNT NUMBER	LIMIT \$	BALANCE \$
Ms M D Higgle	0030 2936 5933	10,000	1,228.25
Mr A M Bell	0030 6627 0319	5,000	1,368.78
Mr S C Ram	0030 6674 8769	5,000	2,195.00
TOTALS		\$20,000	\$4,792.03

Direct Debit payment

We advise that \$4,792.03 will be directly charged to your account 03-0449-0070201-00 on 20 March 2024, please note this transaction for your records.

Mastercard is a registered trademark and the circles design is a trademark of Mastercard International Incorporated.

Westpac Business Mastercard Conditions of Use and applicable fees apply. See westpac.co.nz/business/products-services/credit-cards/business-mastercard/ for details.

Mastercard Statement Authorisation Form ⁷

Name: Michelle Higgie
Position: Manager – Governance Support
Statement Date: 27 / 02 / 2024

(1) **Creditor:** Waka Kotahi NZ Transport Agency
Date: 30 January 2024
Amount: \$772.44
GL Code: 82027776
Expenditure: 10,000 km Road User Charges for WDC Fleet Vehicle (Rego NJS791) - Building Officer

(2) **Creditor:** Adobe Software
Date: 7 February 2024
Amount: \$455.91
GL Code: 413 24 710
Expenditure: Purchase of photos of the Waitomo District for communications and promotional purposes

I certify that:

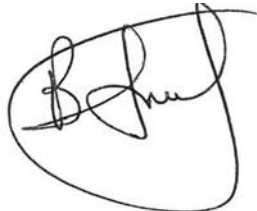
- 1 I have attached the necessary supplementary docket or receipt.
- 2 The account is payable.
- 3 The debt incurred is work related.
- 4 That any private component is identified and the amount has been reimbursed as follows:

**Signature of
Manager – Governance Support**



Date: 3 April 2024

**Authorised by
Chief Executive:**



Date: 3 April 2024

**Authorised by
Mayor:**



Date: 3 April 2024



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CARDHOLDER STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 February 2024

Ms M D Higgle
Waitomo District Council
P O Box 404
Te Kuiti 3941

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Opening Balance	\$3,089.76
Payments & Credits	\$3,089.76 CR
Purchases, Cash Advances, Charges & Interest	\$1,228.25
Closing Balance	\$1,228.25

Card number: **** * 9264
Account number: 0030 2936 5933
Statement period: 28/01/2024 to 27/02/2024
Credit limit: \$10,000.00

Transactions

DATE	REFERENCE	DETAILS	AMOUNT \$
19 Feb 24	13900099000219999948030	Direct Debit Payment	3,089.76 CR
30 Jan 24	MT240310138000010478930	NZ Transport Agency-Ec Palmerston No NZL	772.44
07 Feb 24	MT240390249000010016164	Adobe SFTW AUD Dublin Irl 413.99 AUD, Foreign Currency Fee \$11.10 NZD Included	455.81

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Transactional information

Please retain copies of your receipts and proof of purchases to verify them against this statement, and retain your statement as a permanent record of transactions. If you would like to dispute a transaction, please contact us.

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Mastercard Statement Authorisation Form

Name: Alex Bell
Position: General Manager – Strategy and Environment
Statement Date: 27 / 02 / 2024

(1) **Creditor:** Airedale Boutique Suites
Date: 23 January 2024
Amount: \$781.96
GL Code: 522 40 704
Expenditure: Accommodation (Bed and Breakfast x 3 nights) – Building Control Officer - Building Surveying Diploma in Auckland on 30 January – 2 February 2024

(2) **Creditor:** UPS New Zealand
Date: 31 January 2024
Amount: \$372.15
GL Code: 51140550
Expenditure: Customs Duty Tax for catchpoles ordered for Animal Control from Australia (ODC)

(3) **Creditor:** Airedale Boutique Suites
Date: 2 February 2024
Amount: \$214.67
GL Code: 522 40 704
Expenditure: Meals and Car Parking (3 days) – Building Control Officer - Building Surveying Diploma in Auckland on 30 January – 2 February 2024

I certify that:

- 1 I have attached the necessary supplementary docket or receipt.
- 2 The account is payable.
- 3 The debt incurred is work related.
- 4 That any private component is identified and the amount has been reimbursed as follows:

Signature of
GM – Strategy and Environment



Date: 28 March 2024

Authorised by
Chief Executive:



Date: 3 April 2024



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CARDHOLDER STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 February 2024

Mr A M Bell
Waitomo District Council
P O Box 404
Te Kuiti 3941

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Opening Balance	\$0.00
Payments & Credits	\$0.00
Purchases, Cash Advances, Charges & Interest	\$1,368.78
Closing Balance	\$1,368.78

Card number: **** * 9089
Account number: 0030 6627 0319
Statement period: 28/01/2024 to 27/02/2024
Credit limit: \$5,000.00

Transactions

DATE	REFERENCE	DETAILS	AMOUNT \$
30 Jan 24	MT240310138000010368674	Scenic Auckland Auckland NZL	781.96
31 Jan 24	MT240320140000010002246	Fliway United Parcel Auckland NZL	372.15
02 Feb 24	MT240340138000010414466	Scenic Auckland Auckland NZL	214.67

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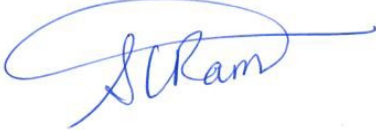

Transactional information

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Mastercard Statement Authorisation Form

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Name: Shyamal Ram	
Position: General Manager – Infrastructure Services	
Statement Date: 27 / 02 / 2024	
(1) Creditor: Chartered Certifications Advisors	
Date: 22 February 2024	
Amount: \$2,195.00	
GL Code: 81738700 - PD/Training	
Expenditure: NZ Construction Contract Law and Dispute Management Course (via Zoom) – Project Engineer	
I certify that:	
1 I have attached the necessary supplementary docket or receipt.	
2 The account is payable.	
3 The debt incurred is work related.	
4 That any private component is identified and the amount has been reimbursed as follows:	
Signature of GM – Infrastructure Services	Authorised by Chief Executive:
	
Date: 27 March 2024	Date: 3 April 2024



CARDHOLDER STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 February 2024

Mr S C Ram
Waitomo District Council
PO Box 404
Te Kuiti 3941

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Opening Balance	\$0.00
Payments & Credits	\$0.00
Purchases, Cash Advances, Charges & Interest	\$2,195.00
Closing Balance	\$2,195.00

Card number: **** * 4448
Account number: 0030 6674 8769
Statement period: 28/01/2024 to 27/02/2024
Credit limit: \$5,000.00

Transactions

DATE	REFERENCE	DETAILS	AMOUNT \$
23 Feb 24	MT240540246000010047382	Chartered Certificatio Singapore SGP	2,195.00

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Transactional information

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CONSOLIDATED STATEMENT

TAX INVOICE
GST NO. 93 259 688

RECEIVED

08 APR 2024

WAITOMO DISTRICT
COUNCIL

27 March 2024

THE DIRECTOR
WAITOMO DISTRICT COUNCIL
P O BOX 404
TE KUITI 3941Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026

36563070976201005P13762

Business Mastercard®

Account summary

Facility Number: 0030 1565 8499
Total Cardholder Limit: \$25,000.00
Total Cardholder Net Balance: \$11,720.82
Total Interest and Fees: \$0.00

Statement period: 28/02/2024 to 27/03/2024

Consolidated summary

CARDHOLDER NAME	ACCOUNT NUMBER	LIMIT \$	BALANCE \$
Ms M D Higgie	0030 2936 5933	10,000	7,077.54
Mr A M Bell	0030 6627 0319	5,000	3,065.86
Mr B E Smit	0030 6638 4672	5,000	1,577.42
Mr S C Ram	0030 6674 8769	5,000	0.00
TOTALS		\$25,000	\$11,720.82

Direct Debit payment

We advise that \$11,720.82 will be directly charged to your account 03-0449-0070201-00 on 20 April 2024, please note this transaction for your records.

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Mastercard Statement ¹⁴ Authorisation Form

Name:	Michelle Higgie
Position:	Manager – Governance Support
Statement Date:	27 / 03 / 2024

(1)	Creditor:	Air New Zealand
	Date:	27 February 2024
	Amount:	\$1,035.20
	GL Code:	111 42 700
	Expenditure:	Return Airfares – Councillors Goddard and Osborne attendance at Local Government New Zealand Rural and Provincial Sector Meeting in Wellington on 10 and 11 April 2024.

(2)	Creditor:	Waka Kotahi NZ Transport Agency
	Date:	27 February 2024
	Amount:	\$2,317.32 (breakdown as below)
	Amount:	\$772.44
	GL Code:	82027742
	Expenditure:	10,000km Road User Charges for Waitomo District Council Fleet Vehicle (Rego LHC172)-Water Services
	Amount:	\$772.44
	GL Code:	82027779
	Expenditure:	10,000km Road User Charges for Waitomo District Council Fleet Vehicle (Rego PFN107)-CEO
	Amount:	\$772.44
	GL Code:	82027747
	Expenditure:	10,000km Road User Charges for Waitomo District Council Fleet Vehicle (Rego LPS811) - Water Services

(3)	Creditor:	Hotel Ibis Wellington
	Date:	27 February 2024
	Amount:	\$1,407.70
	GL Code:	111 42 700
	Expenditure:	Accommodation and Breakfasts (2 nights x2) – Councillors Goddard and Osborne attendance at Local Government New Zealand Rural and Provincial Sector Meeting in Wellington on 10 and 11 April 2024.

(4)	Creditor:	Waka Kotahi NZ Transport Agency
	Date:	13 March 2024
	Amount:	\$772.44
	GL Code:	82027792
	Expenditure:	10,000 km Road User Charges for Waitomo District Council Fleet Vehicle (Rego PFN108)-Water Services.

(5)	Creditor:	Waka Kotahi NZ Transport Agency
	Date:	14 March 2024
	Amount:	\$772.44
	GL Code:	82027777
	Expenditure:	10,000 Road User Charges for WDC Fleet Vehicle (Rego NLD334) - Water Services.

(6) **Creditor:** Waka Kotahi NZ Transport Agency
Date: 26 March 2024
Amount: \$772.44
GL Code: 82027766
Expenditure: 10,000km Road User Charges for Waitomo District Council Fleet Vehicle (Rego LHC173) Animal Control

I certify that:

- 1 I have attached the necessary supplementary docket or receipt.
- 2 The account is payable.
- 3 The debt incurred is work related.
- 4 That any private component is identified and the amount has been reimbursed as follows:

**Signature of
 Manager – Governance Support**



Date: 8 May 2024

**Authorised by
 Chief Executive:**



Date: 8 May 2024

**Authorised by
 Mayor:**



Date: 8 May 2024



CARDHOLDER STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 March 2024

Ms M D Higgie
Waitomo District Council
P O Box 404
Te Kuiti 3941

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Opening Balance	\$1,228.25
Payments & Credits	\$1,228.25 CR
Purchases, Cash Advances, Charges & Interest	\$7,077.54
Closing Balance	\$7,077.54

Card number: **** * 9264
Account number: 0030 2936 5933
Statement period: 28/02/2024 to 27/03/2024
Credit limit: \$10,000.00

Transactions

DATE	REFERENCE	DETAILS	AMOUNT \$
19 Mar 24	13900099000319999947430	Direct Debit Payment	1,228.25 CR
27 Feb 24	MT240590140000010219974	Air NZ Online Auckland NZL	1,035.20
27 Feb 24	MT240590140000010464239	NZ Transport Agency-Ec Palmerston No NZL	2,317.32
27 Feb 24	MT240590248000010000231	Htl*hotelibiswelll 800-468-3578 TX 846.00 USD, Foreign Currency Fee \$34.32 NZD Included	1,407.70
13 Mar 24	MT240740140000010503212	NZ Transport Agency-Ec Palmerston No NZL	772.44
14 Mar 24	MT240750140000010528415	NZ Transport Agency-Ec Palmerston No NZL	772.44
26 Mar 24	MT240870140000010474373	NZ Transport Agency-Ec Palmerston No NZL	772.44


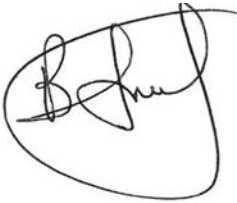
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Transactional information

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Mastercard Statement Authorisation Form ¹⁷

Name:	Alex Bell
Position:	General Manager – Strategy and Environment
Statement Date:	27 / 03 / 2024
<hr/>	
(1) Creditor:	Paypal TechExpress
Date:	28 February 2024
Amount:	\$1,599.00
GL Code:	511 40 550
Expenditure:	Purchase of Animal Control Catch Nets and Applicator
<hr/>	
(2) Creditor:	Air New Zealand
Date:	13 March 2024
Amount:	\$485.60
GL Code:	81738700
Expenditure:	Flights - Hamilton to Wellington (Andrew BOINZ conference) 19-22 May 2024
<hr/>	
(3) Creditor:	Hamilton Airport
Date:	13 March 2024
Amount:	\$50.00
GL Code:	81738700
Expenditure:	Airport parking (Andrew BOINZ conference) 19-22 May 2024
<hr/>	
(4) Creditor:	InterContinental Hotel
Date:	13 March 2024
Amount:	\$931.26
GL Code:	81738700
Expenditure:	Accommodation in Wellington (Andrew BOINZ conference) 19-22 May 2024
<hr/>	
I certify that:	
1 I have attached the necessary supplementary docket or receipt.	
2 The account is payable.	
3 The debt incurred is work related.	
4 That any private component is identified and the amount has been reimbursed as follows:	
Signature of GM – Strategy and Environment	Authorised by Chief Executive:
	
Date: 8 May 2024	Date: 8 May 2024



CARDHOLDER STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 March 2024

Mr A M Bell
Waitomo District Council
P O Box 404
Te Kuiti 3941

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Opening Balance	\$1,368.78
Payments & Credits	\$1,368.78 CR
Purchases, Cash Advances, Charges & Interest	\$3,065.86
Closing Balance	\$3,065.86

Card number: **** * 9089
 Account number: 0030 6627 0319
 Statement period: 28/02/2024 to 27/03/2024
 Credit limit: \$5,000.00

Transactions

DATE	REFERENCE	DETAILS	AMOUNT \$
19 Mar 24	13900099000319996428180	Direct Debit Payment	1,368.78 CR
28 Feb 24	MT240600249000010006380	Paypal 'techexpress 4029357733 SGP	1,599.00
13 Mar 24	MT240740140000010233893	Air NZ Online Auckland NZL	485.60
13 Mar 24	MT240740140000010238594	Hamilton Intional Apor Hamilton NZL	50.00
14 Mar 24	MT240760141000010592015	Intercontinentalreceipt Wellington Wel	931.26

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Transactional information

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Westpac Business Mastercard Conditions of Use and applicable fees apply. See westpac.co.nz/business/products-services/credit-cards/business-mastercard/ for details.

Mastercard Statement Authorisation Form

19

Name: Ben Smit		
Position: Chief Executive		
Statement Date: 27 / 03 / 2024		
(1) Creditor: Kahoot		
Date: 17 March 2024		
Amount: \$1,577.42		
GL Code: 816 21 700		
Expenditure: Annual Subscription - Kahoot! 360 Pro for Microsoft Teams		
I certify that:		
1 I have attached the necessary supplementary docket or receipt.		
2 The account is payable.		
3 The debt incurred is work related.		
4 That any private component is identified and the amount has been reimbursed as follows:		
Signature of Chief Executive: 	Authorised by Mayor: 	Authorised by Manager – Governance Support 
Date: 8 May 2024	Date: 8 May 2024	Date: 8 May 2024



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CARDHOLDER STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 March 2024

Mr B E Smit
Waitomo District Council
PO Box 404
Te Kuiti 3941

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Opening Balance	\$0.00
Payments & Credits	\$0.00
Purchases, Cash Advances, Charges & Interest	\$1,577.42
Closing Balance	\$1,577.42

Card number: **** * 2942
 Account number: 0030 6638 4672
 Statement period: 28/02/2024 to 27/03/2024
 Credit limit: \$5,000.00

Transactions

DATE	REFERENCE	DETAILS	AMOUNT \$
17 Mar 24	MT240790141000010042245	Kahoot! Asa Oslo Dub 936.00 USD, Foreign Currency Fee \$38.45 NZD Included	1,577.42

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Transactional information

Please retain copies of your receipts and proof of purchases to verify them against this statement, and retain your statement as a permanent record of transactions. If you would like to dispute a transaction, please contact us.

Westpac Business Mastercard Conditions of Use and applicable fees apply. See westpac.co.nz/business/products-services/credit-cards/business-mastercard/ for details.



21

CONSOLIDATED STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 April 2024

THE DIRECTOR
WAITOMO DISTRICT COUNCIL
P O BOX 404
TE KUITI 3941

RECEIVED
06 MAY 2024
WAITOMO DISTRICT
COUNCIL

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Facility Number: **0030 1565 8499**
Total Cardholder Limit: **\$30,000.00**
Total Cardholder Net Balance: **\$1,935.83**
Total Interest and Fees: **\$0.00**

Statement period: **28/03/2024 to 27/04/2024**

Consolidated summary

CARDHOLDER NAME	ACCOUNT NUMBER	LIMIT \$	BALANCE \$
Ms M D Higgle	0030 2936 5933	10,000	1,544.88
Mrs H M Beever	0030 3956 2081	5,000	252.65
Mr A M Bell	0030 6627 0319	5,000	0.00
Mr B E Smit	0030 6638 4672	5,000	0.00
Mr S C Ram	0030 6674 8769	5,000	138.30
TOTALS		\$30,000	\$1,935.83

Direct Debit payment

We advise that \$1,935.83 will be directly charged to your account 03-0449-0070201-00 on 20 May 2024, please note this transaction for your records.

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Mastercard Statement Authorisation Form

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Name:	Michelle Higgle
Position:	Manager – Governance Support
Statement Date:	27 / 04 / 2024

(1) Creditor:	Waka Kotahi NZ Transport Agency
Date:	27 March 2024
Amount:	\$772.44
GL Code:	82027766
Expenditure:	10,000km Road User Charges for Waitomo District Council Fleet Vehicle (KBU339) - Animal Control

(2) Creditor:	Waka Kotahi NZ Transport Agency
Date:	18 April 2024
Amount:	\$772.44
GL Code:	82027793
Expenditure:	10,000km Road User Charges for Waitomo District Council Fleet Vehicle (PFN109) Water Team

I certify that:

- 1 I have attached the necessary supplementary docket or receipt.
- 2 The account is payable.
- 3 The debt incurred is work related.
- 4 That any private component is identified and the amount has been reimbursed as follows:

Signature of Manager – Governance Support  Date: 8 May 2024	Authorised by Chief Executive:  Date: 8 May 2024	Authorised by Mayor:  Date: 8 May 2024
--	---	---



CARDHOLDER STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 April 2024

Ms M D Higgle
Waitomo District Council
P O Box 404
Te Kuiti 3941

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Opening Balance	\$7,077.54
Payments & Credits	\$7,077.54 CR
Purchases, Cash Advances, Charges & Interest	\$1,544.88
Closing Balance	\$1,544.88

Card number: **** * 9264
Account number: 0030 2936 5933
Statement period: 28/03/2024 to 27/04/2024
Credit limit: \$10,000.00

Transactions

DATE	REFERENCE	DETAILS	AMOUNT \$
19 Apr 24	13900099000419999949270	Direct Debit Payment	7,077.54 CR
27 Mar 24	MT240880140000010529845	NZ Transport Agency-Ec Palmerston No NZL	772.44
18 Apr 24	MT241100140000010529285	NZ Transport Agency-Ec Palmerston No NZL	772.44


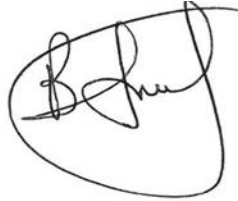
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Mastercard Statement Authorisation Form ²⁴

Name:	Helen Beever
Position:	General Manager – Community Services
Statement Date:	27 / 04 / 2024
<hr/>	
(1) Creditor:	Te Kūiti Mitre 10
Date:	28 March 2024
Amount:	\$98.65
GL Code:	431 24 710
Expenditure:	Hardware – Great NZ Muster
<hr/>	
(2) Creditor:	Pizza Zone Te Kūiti
Date:	10 April 2024
Amount:	\$70.00
GL Code:	412 40 15
Expenditure:	Youth Engagement - Wharekura
<hr/>	
(3) Creditor:	Pizza Zone Te Kūiti
Date:	27 March 2024
Amount:	\$84.00
GL Code:	412 40 715
Expenditure:	Youth Engagement – Te Kūiti High School
<hr/>	
I certify that:	
1 I have attached the necessary supplementary docket or receipt.	
2 The account is payable.	
3 The debt incurred is work related.	
4 That any private component is identified and the amount has been reimbursed as follows:	
Signature of GM – Community Services:	Authorised by Chief Executive:
	
Date: 8 May 2024	Date: 8 May 2024



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CARDHOLDER STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 April 2024

Mrs H M Beever
Waitomo District Council
P O Box 404
Te Kuiti 3941Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026

Business Mastercard®

Account summary

Opening Balance	\$0.00
Payments & Credits	\$0.00
Purchases, Cash Advances, Charges & Interest	\$252.65
Closing Balance	\$252.65

Card number: **** * 2585
Account number: 0030 3956 2081
Statement period: 28/03/2024 to 27/04/2024
Credit limit: \$5,000.00

Transactions

DATE	REFERENCE	DETAILS	AMOUNT \$
27 Mar 24	MT240880140000010100030	Delicious Pizza Limite Te Kuiti NZL	84.00
28 Mar 24	MT240890140000010298840	Mitre 10 Te Kuiti Te Kuiti NZL	98.65
10 Apr 24	MT241020140000010096558	Delicious Pizza Limite Te Kuiti NZL	70.00



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Transactional information

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Mastercard Statement Authorisation Form ²⁶

Name:	Shyamal Ram
Position:	General Manager – Infrastructure Services
Statement Date:	27 / 04 / 2024
<hr/>	
(1) Creditor:	Woolworths Te Awamutu
Date:	12/04/2024
Amount:	\$45.00
GL Code:	81739705
Expenditure:	Flowers purchased for Staff Member in hospital.
<hr/>	
(2) Creditor:	Waikato Hospital Parking Building
Date:	12 April 2024
Amount:	\$1.50
GL Code:	81739705
Expenditure:	Parking whilst visiting staff member in Hospital
<hr/>	
(3) Creditor:	Novus Glass Te Awamutu
Date:	18 April 2024
Amount:	\$91.80
GL Code:	82027781
Expenditure:	Windscreen Chip Repair for Fleet Vehicle (PME141) - General Manager-Infrastructure Services
<hr/>	
I certify that:	
1 I have attached the necessary supplementary docket or receipt.	
2 The account is payable.	
3 The debt incurred is work related.	
4 That any private component is identified and the amount has been reimbursed as follows:	
Signature of GM – Infrastructure Services	Authorised by Chief Executive:
	
Date: 8 May 2024	Date: 8 May 2024



27

CARDHOLDER STATEMENT

TAX INVOICE
GST NO. 93 259 688

27 April 2024

Mr S C Ram
Waitomo District Council
PO Box 404
Te Kuiti 3941

Westpac Cards Services
53 Galway Street
Auckland 1010
Phone: 0800 888 111
From overseas: +64 9 914 8026



Business Mastercard®

Account summary

Opening Balance	\$0.00
Payments & Credits	\$0.00
Purchases, Cash Advances, Charges & Interest	\$138.30
Closing Balance	\$138.30

Card number: **** * 4448
Account number: 0030 6674 8769
Statement period: 28/03/2024 to 27/04/2024
Credit limit: \$5,000.00

Transactions

DATE	REFERENCE	DETAILS	AMOUNT \$
12 Apr 24	MT241030268000010067848	Woolworths NZ 9449 Te Awamutu NZL	45.00
12 Apr 24	MT241040140000010486851	Waikato Hospital Parki Hamilton Ham	1.50
18 Apr 24	MT241100140000010402732	Novus Te Awamutu Te Awamutu NZL	91.80

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Document No: A718665

Report To: Audit and Risk Committee



Meeting Date: 14 May 2024

Subject: **Progress Report: Key Performance Indicators for the period ended 31 March 2024**

Type: Information Only

Purpose of Report

- 1.1 The purpose of this business paper is to present Waitomo District Council's delivery performance on non-financials for the 2023/24 financial year for the period ending 31 March 2024 (Quarter 3).
- 1.2 A copy of the KPI (Key Performance Indicator) Report is included as an attachment to this business paper.

Background

- 2.1 The WDC Ten Year Plan (10YP) 2021-2031 was adopted in June 2021 which includes the outcomes Council is aiming to deliver for the community through each activity area. Each group of activities has a level of service that we have agreed with the community to deliver.
- 2.2 These outcomes and levels of service are reported on to the community via the Annual Report at the end of each financial year.
- 2.3 Each quarter a report is produced to monitor the performance of the activities and levels of service by way of the KPI's developed through the 10YP 2021-2031.

Commentary

3.1 **SERVICE PERFORMANCE SUMMARY**

- 3.2 Of the 54 key performance indicators measured, 4 (7%) have been achieved, 40 are on track (74%), 8 (15%) are not achieved, and 2 (4%) are off track.

Leadership

- 3.3 Two measures are on track, these are for Council agendas and the evaluation of the annual Civil Defence exercise.
- 3.4 The next Civil Defence exercise for evaluation is scheduled for May or June this year, results will be available for year end.
- 3.5 Council communications is marked as off-track as the result from the last Residents Survey was 87%, down from the target of 90%. This will be reassessed before the end of the financial year in the 2024 survey, due to be out in late May.

Community and Partnership

- 3.6 One measure has been achieved, one on-track, and one not-achieved.

- 3.7 There is a KPI target for the youth council to undertake two youth related projects each year, this has been marked as not-achieved as the youth council has not been active and there are no intention to restart this year.

Recreation and Property

- 3.8 Four measures on track, the three survey results will be reassessed in May.

Regulatory Services

- 3.9 Three measures are on track, and two not achieved.
- 3.10 One not achieved measure is due to one building consent running one day over the statutory timeframe due to reports not being properly monitored in Q1 and one consent running 9 days over in Q3.
- 3.11 One LIM report was also not processed within the statutory timeframe which resulted in a not-achieved.

Resource Management

- 3.12 The one measure in this area is on track with all resource consents processed within statutory timeframes.

Solid Waste

- 3.13 Two measures on track.

Stormwater

- 3.14 Three measures not achieved following the Te Kūiti flash flooding event on 8 October 2023.
- 3.15 WDC recorded 17 flooded habitable floors, equivalent to 6.2 per 1000 connections. During and related to this event, 18 complaints were received, with four further in Q3 totaling 8 per 1000 connections.
- 3.16 Targets around response times and infringement notices were all achieved.

Wastewater

- 3.17 Of the seven KPIs for wastewater, six are on track.
- 3.18 The measure for complaints in Piopio is not-achieved due to the high level of complaints in the township. These are most commonly related to septic tank alarms going off.
- 3.19 The response time for callouts in Piopio, which was off-track in Q1, is back on track.
- 3.1 WDC received a wastewater abatement notice from Waikato Regional Council in September 2023 for an incident that occurred at the Te Kūiti wastewater treatment plant in May 2023. This was due to an emergency overflow from the wastewater oxidation pond following high rainfall. Although the notice was received in Q1, it will be reported in the 2022/23 Annual Report because that is the period that the non-compliance occurred. The abatement notice remains in place for 6 – 12 months.

Water Supply

- 3.2 Sixteen of the seventeen measures for water supply are on track.
- 3.3 One is off track for high average consumption of water. The target for 2023/24 has reduced to ≤ 375 litres per person per day. The Q3 result is 503 l/day which is an improvement on the Q2 result of 528 l/day.
- 3.4 High consumption overall is due to high consumption in Te Kūiti and Piopio. This has increased following recent leak detection work in Piopio, in Q3 2023 the average consumption per person was 780l/day compared to 600 l/per day in Q3 this year.

Roads and Footpaths

- 3.5 Two measures are on track.
- 3.6 The other three measures are achieved, two are already achieved due to tri-annual results that won't be re-assessed this year. The other is for the percentage of unsealed roads metalled each year; the annual target for this has already been met.
- 3.7 The final measure is not-achieved with work for the year having been completed in Q3. The chip sealing programme was reduced after the prioritisation of asphaltting Rora St and increased costs to carry out work.

Suggested Resolution

The Progress Report: Key Performance Indicators for the period ended 31 March 2024 be received.



ALICE TASKER
SENIOR STRATEGY AND POLICY ADVISOR



CHARMAINE ELLERY
MANAGER STRATEGY AND POLICY

Attachment: Quarter 3 KPI Progress Report for period ending 31 March 2024 A16965

Key Performance Indicators Progress Report Q3

For the period 1 January 2024 to 31 March 2024

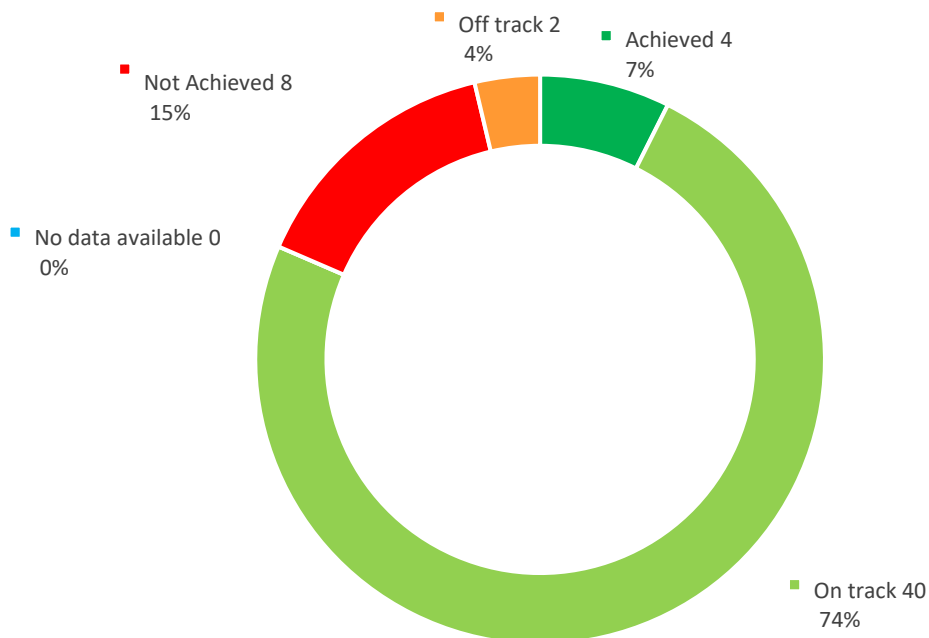
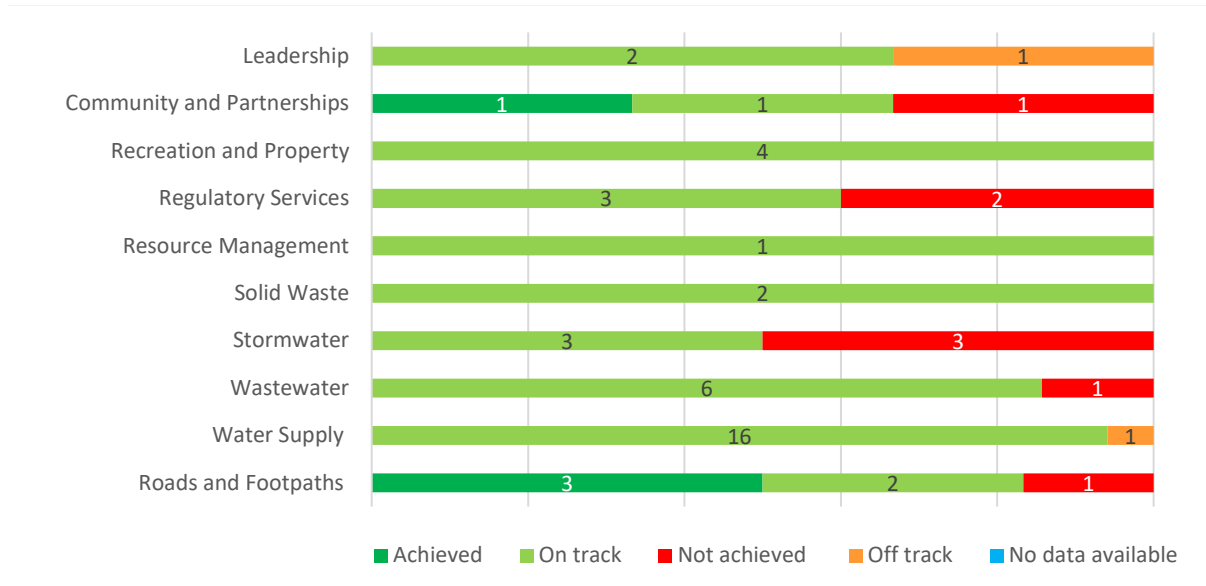


INTRODUCTION

The 2021-31 10 Year Plan (10YP) was adopted in June 2021. It sets out outcomes we aim to deliver for our community, through the activities we undertake. Within each group of activities outlined in the 10YP, we have outlined the levels of service we intend to deliver.

The purpose of this report is to provide high-level updates of these Council activities for the months of October to December 2023. The report covers progress on groups of activities non-financial KPI (Key Performance Indicators).






SERVICE PERFORMANCE SUMMARY AS AT 31 March 2024












Of the 54 key performance indicators measured, 4 (7%) have been achieved, 40 are on track (74%), 8 (15%) are not achieved, and 2 (4%) are off track.

SERVICE PERFORMANCE MEASURES

Performance Measure Status

				
Not Achieved	Off Track	Achieved	On Track	Data not available

Leadership

You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
Provide and promote governance processes that are robust and transparent for our community.	Percentage of Council agendas that are publicly available two working days or more before the meeting.					Target: 100% Result: 100%	All Council and committee agendas have been publicly available two or more working days before the meeting.
Effective communication with our community.	Percentage of residents satisfied with the effectiveness and usefulness of Council Communications.					Target: 90% Result: 87%	The result from the June 2023 Residents Survey was 87%. This will be reassessed in June.
Emergency preparedness through community-based emergency management.	The evaluation of annual exercise as a measure of effectiveness of training.					Target: Increasing trend Result: Previous result was 66% 'Advancing'	An annual exercise has been scheduled to assess this in June 2024.

Community and Partnerships							
You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
Contestable grant funding ¹ is disseminated through a robust process.	Percentage of grants funding available is disseminated.	○	○	○		Target: ≥ 80% Result: 77%	\$231,511 has been disseminated to date through the contestable grants.
Council supports the delivery of youth related projects by the Youth Council.	Youth Council undertakes two youth related projects per year.	○	●	●		Target: 2 Result: 0	Youth Council will not resume this year.
Involvement in economic development initiatives and promotional opportunities.	≥ 5 initiatives or promotional opportunities.	○	○	●		Target: ≥ 5 Result: 5	District profiled in key publications via Hamilton Waikato Tourism; Matariki 2023; Tiaki in Waitomo; 8 trade famils; Great NZ Muster 2024

Recreation and Property							
You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
We provide parks and open spaces across our district.	Percentage of residents satisfied with or parks and open spaces.	○	○	○		Target: ≥ 83% Result: 83 %	The result from the June 2023 Residents Survey was 83%.
We provide pools and community facilities that are compliant with legislative standards.	Current Building Warrant of Fitness (BWOFF) for facilities with compliance schedules.	○	○	○		Target: Achieve Result: Achieved	All BWOFF's have been received and are current.
We will provide a comprehensive library facility for our community.	Percentage of residents satisfied with the quality of the library facility and service.	○	○	○		Target: ≥ 85% Result: 95%	The result from the June 2023 Residents Survey was 95%.
We provide public toilets for our community and visitors to the district.	Percentage of residents satisfied with the quality of public toilets.	○	○	○		Target: ≥ 85% Result: 89%	The result from the June 2023 Residents Survey was 89%.

¹ Contestable grant funds include WDC's Single-Year Community Assistance Grant, Multi-Year Community Partnership Grant, and the Community Events Fund.

Regulatory Services							
You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
We ensure the public sale and supply of alcohol is undertaken safely and responsibly.	All premises that sell alcohol are licensed.	○	○	○		Target: 100% Compliance Result: 100% Compliance	All premises that sell alcohol are licensed.
Building consents are processed in a timely fashion.	Building consents are processed within 20 working days.	●	●	●		Target: 100% Result: 98%	One consent ran over the statutory timeframe by one day in Q1, 100% compliance in Q2, one consent ran 9 days over in Q3.
Council will process, inspect, and certify building work in the Waitomo District.	WDC maintains building control systems and process to meet IANZ Audit requirements	○	○	○		Target: BCA Accreditation achieved Result: BCA Accreditation achieved	Assessed in June 2022, not due again until June 2024.
We provide land information Services (LIMs) efficiently.	LIMs are processed within statutory timeframe.	○	○	●		Target: 100% Result: 96%	One LIM processed outside of statutory timeframes (11 rather than required 10 days).
We provide an effective Animal Control Service.	Percentage of residents satisfied with the provision of the Animal Control Service.	○	○	○		Target: ≥ 75% Result: 77%	77% of respondents were satisfied with Animal Control services in the June 2023 Residents Survey.

Resource Management							
You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
Resource consents are processed in accordance with legislation.	All non-notified resource consents are processed within statutory timeframes.	○	○	○		Target: 100% Result: 100%	All non-notified resource consents were processed within statutory timeframes.

Solid Waste							
You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
We provide safe solid waste facilities within District.	Percentage of users that are satisfied with the rural transfer service stations.	○	○	○		Target: ≥ 91% Result: 91%	Result of the June 2023 Residents Survey was 91%
We will provide a reliable kerbside rubbish collection to stop rubbish becoming a health risk. ²	There are no more than 10 justifiable complaints per week about uncollected rubbish.	○	○	○		Target: ≤ 10 per week Result: 0.8 per week	8 complaints received in Q1, 10 in Q2, and 12 for Q3 or 0.8 per week over 39 weeks.

Stormwater							
You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
We maintain and operate the stormwater network in a way that minimises the likelihood of stormwater entering habitable buildings.	The number of flooding events ³ that occur in the district in a financial year.	○	●	●		Target: 0 Result: 1	No flooding during Q3. There was one flooding event in Q2 on 8 October 2023 which resulted in habitable floor flooding.
	For each flooding event the number of habitable floors affected in a financial year.	○	●	●		Target: ≤ 1 per 1000 connections (2,724 connections) Result: 6.2 per 1000 connections	17 habitable floors in Te Kūiti were recorded as flooded during the 8 October flooding event.
We comply with our resource consent conditions and minimise the impact of stormwater on the environment.	The number of infringement notices related to the management of the stormwater system.	○	○	○		Target: ≤ 2 Result: 0	There have been no notices received.
	The number of abatement, enforcement or conviction actions related to the management of the stormwater system.	○	○	○		Target: 0 Result: 0	There have been no notices received.

² Kerbside collection services offered in Te Kuiti, Waitomo Village, Piopio, and Mokau.













³ A flooding event means an overflow of stormwater from a territorial authority's stormwater system that enters a habitable floor. Habitable floor refers to the floor of a building (including a basement) but does not include ancillary structures such as stand-alone garden sheds or garages.







<p>We will respond within a reasonable timeframe to flooding.</p>	<p>The median response time⁴ to attend a flooding event³ (measured from the time that the notification is received to the time that service personnel reach the site).</p>					<p>Target: ≤ 180 minutes (3hrs) Result: 28 mins</p>	<p>There was one service request received about flooding with a response time of 28 minutes.</p>
<p>The Council provides a reliable stormwater collection service.</p>	<p>The number of complaints received about the performance of the Council's urban stormwater system per 1,000 properties connected.</p>					<p>Target: ≤ 4 complaints per 1,000 connections (2724 connections) Result: 8.08 per 1000 connections</p>	<p>There were 18 complaints received about the performance of the Council's urban stormwater system in Q2 and 4 received in Q3.</p>

Wastewater							
You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
<p>We will attend and resolve issues with the wastewater system within a reasonable timeframe.⁵</p>	<p>The median attendance time for callouts, from the time that we received notification to the time that our service personnel reach the site.</p>					<p>Target: ≤180 minutes (3hrs) Result: 32 mins</p>	<p>This is the median attendance time by our contractors for callouts to service requests.</p>
	<p>The median resolution time of callouts, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved.</p>					<p>Target: Rest of District ≤540 minutes (9hrs) Result: 3 hr 53 mins</p>	<p>This is the median resolution time by our contractors for completing service requests callouts.</p>
	<p>The median resolution time of callouts, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved.</p>					<p>Target: Piopio ≤540 minutes (9hrs) Result: 7 hrs 55 mins</p>	<p>This is the median resolution time by our contractors for completing service requests callouts in Piopio.</p>

⁴ The median response times for resolution, in a year, measured from the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.

⁵ The median response times for resolution, in a year, measured from the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.

We comply with our resource consent conditions and minimise the impact of wastewater on the environment.	The number of abatement or infringement notices, enforcement orders, or convictions issued for overflow from the wastewater system.					Target: 0 Result: 0	No notices have been received relating to incidents this quarter.
Our wastewater system is operated and maintained to minimise odour and blockages.	The number of complaints about wastewater odour, system faults or blockages and complaints about our response to issues with its wastewater system.					Target: Piopio complaints per 1,000 connections ≤ 35 (Total number of connections 223) Result: 183.9 per 1000 connections	A total of 41 complaints or 183.9 per 1000 connections received, with 21 of those in Q3.
						Target: Rest of District complaints per 1,000 connections ≤ 35 (Total number of connections 1934) Result: 11.9 per 1,000 connections	A total of 23 complaints or 11.9 per 1000 connections received, with 5 in Q3.
Our wastewater system is optimised to reduce the risk of harm to the community and environment.	Number of dry weather overflows in a financial year					Target: Total complaints per 1,000 connections ≤ 10 (Total number of connections 2,157) Result: 2.8 per 1,000 connections	A total of 6 complaints related to dry weather overflows or 2.8 per 1000 connections.

Water supply							
You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
We provide water that is safe to drink and hygienic to use which meets the drinking water standards.	Water quality complies with the drinking water standards for (a) bacteria					Target: Achieve Compliance Result: Achieved	All bacteriological test passed.
	Water quality complies with the drinking water standards for (b) protozoa					Target: Achieve compliance Result: Achieved	Complied with the Drinking Water Quality Assurance rules 2022.

We provide an efficient and effective water supply. We will achieve this by undertaking activities such as water leakage detection and maintaining the network of water pipes. ⁶	Percentage of real water loss from the Council's networked reticulation system in a financial year in:						
	Te Kūiti					Target: ≤ 20% Result: 18.76%	Percentage calculated using Minimal Night Flow which assumes that there is little consumption overnight, therefore remaining flow is attributed to water loss.
	Mōkau					Target: ≤ 5% Result: 1.98%	
	Piopio					Target: ≤ 5% Result: 1.01%	
	Maniaiti/Benneydale					Target: ≤ 10% Result: 1.87%	
We provide efficient management of demand for water for our community.	The average consumption of drinking water per Waitomo District resident, per day.					Target: ≤ 375 litres per person per day Result: 503 l/day	Piopio leak detection programme found leaks in Piopio to be repaired. High consumption overall due to high consumption in Te Kūiti and very high consumption in Piopio.
We will respond within a reasonable timeframe to issues with the water supply. ⁷	The median attendance time ⁸ for urgent callouts, from the time that we received notification to the time that our service personnel reach the site.					Target: ≤ 180 minutes (3hrs.) Result: 21 mins	This is the median attendance time by our contractors for callouts to service requests.
	The median resolution time ⁹ of urgent callouts, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved.					Target: ≤ 540 minutes (9hrs) Result: 51 mins	This is the median resolution time by our contractors for callouts to service requests.

⁶ Water Losses includes real losses through leaks in the network and apparent losses through metering inaccuracies or water theft. This does not include unauthorised consumption.

⁷ Resolution and attendance based on working days are defined as Monday – Friday, excluding public holidays. If notification is received on the weekend or public holiday the timeframes start from the next working day.

⁸ Measured from the time that the local authority received notification to the time that service personnel reach the site.

⁹ Measured from the time that the local authority received notification to the time that service personnel confirm resolution of the fault or interruption.










	The median attendance time for non-urgent callouts, from the time that we received notification to the time that our service personnel reach the site.					Target ≤ 660 minutes (11 hrs) Result: 2 hr 2 mins	This is the median attendance time by our contractors for callouts to service requests.
	The median resolution time of non-urgent callouts, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved.					Target: ≤ 96 hours (4 days) Result: 18 hrs 41 mins	This is the median resolution time by our contractors for completing service requests callouts.
We provide water that is wholesome and is reliably supplied. The measure indicates customers and community satisfaction with the quality of the water.	The total number of complaints received by Council in a year for: ¹⁰						
	Drinking water clarity.					Target: ≤ 20 per 1000 connections Result: 2.9	8 complaints about clarity or 2.9 per 1000 connections
	Drinking water taste.					Target: ≤ 5 per 1000 connections Result: 1.8	5 complaints about taste or 1.8 per 1000 connections
	Drinking water odour.					Target: ≤ 5 per 1000 connections Result: 1.5	4 complaints about odour or 1.5 per 1000 connections
	Drinking water pressure flow.					Target: ≤ 20 per 1000 connections Result: 2.6	7 complaints about pressure flow or 2.6 per 1000 connections
	Continuity of supply.					Target: ≤20 per 1000 connections Result: 3.3	9 complaints about continuity of supply or 3.3 per 1000 connections
	Council's response to any of these issues.					Target: ≤20 per 1000 connections Result: 0	0 complaints related to Council's response to any of these issues

¹⁰ Total number of connections is 2640

Roads and Footpaths							
You can expect	Measure	Q1	Q2	Q3	Q4	Target/Result	Commentary
We are working towards a safe network with a vision of a decreasing trend of deaths and serious injuries on Waitomo District roads within ten years. We aim to achieve this by delivering projects that are focused on maintaining, upgrading, or changing the conditions of the roading environment to keep our community safe	The change from the previous financial year in the number of fatalities and serious injury crashes on Waitomo District's local road network. ¹¹					Target: ≤ 4 Result: Serious Injury crashes YTD: 2 Fatal crashes YTD: 1	One fatal crash in Q2, two serious crashes in Q3.
We aim for a smooth road that provides comfort for road users and improves the safety of the roads.	The average smooth travel exposure rating across the sealed road network. ¹²					Target: 90% (of total network) Result: 90%	Achieved at 90% below 150 NAASRA count.
We will maintain the overall condition of the unsealed roads to a specified adequate standard.	Percentage of unsealed road metaled each year.					Target: 10% (of total network) Result: 15.24%	16.4% of the network has received renewals and/or heavy maintenance grading.

¹¹ This is using NZTA Crash Analysis System definitions: fatal is defined as a death occurring as the result of injuries sustained in a road crash within 30 days of the crash, serious is defined as injury (fracture, concussion, severe cuts or other injury) requiring medical treatment or removal to and retention in hospital.

¹² Percentage of measured sealed road lane kilometres not exceeding a NAASRA roughness count rating of 150 to be at least 90%. NAASRA is a generally acceptable measure of road roughness. A NAASRA count of less than 150 indicates an acceptable level of ride comfort.

<p>We will maintain the road network by resealing it as needed. Resurfacing is only undertaken as required depending on the condition of the surface in that financial year.</p>	<p>The percentage of Waitomo District's sealed local road network that is resurfaced each year.</p>					<p>Target: 7% (Of total network)</p> <p>Result: 4.10 %</p>	<p>Chip sealing programme was reduced after the prioritisation of asphaltting Rora St and increased costs to carry out work. Resurfacing has been completed for this FY. Sites deferred from this year will be completed next season.</p>
<p>We will provide footpaths that are well maintained. The measure is the percentage of footpaths that meet the service level</p>	<p>The percentage of footpath network that falls within a condition rating of 3.¹³</p>					<p>Target: 90%</p> <p>Result: 97%</p>	<p>Condition rating of footpaths is undertaken every 3 years, the assessment was completed in June 2022. A majority of the non-compliant footpaths are being treated in this year's footpath renewals programme.</p>
<p>We will investigate and respond to the customer about their request for service relating to road and footpath issues.</p>	<p>The percentage of customer service requests relating to roads and footpaths responded to within 10 working days.</p>					<p>Target: 85%</p> <p>Result: 98%</p>	<p>Of the 152 customer service requests received this quarter, 149 were responded to within the required 10 day period, with 3 outside this period. Q1 and Q2 results were 99%.</p>

¹³ Acceptable ratings being 1-very good 2-good and 3-fair as assessed by industry trained raters.

Document: A719062

Report To: Audit and Risk Committee



Date: 14 May 2024
Subject: Progress Report: Health and Safety
Type: Information Only

Purpose of Report

- 1.1 The purpose of this business paper is to brief the Committee on Waitomo District Council's (WDC) health and safety performance during quarter three of the 2023/24 year.

Background

- 2.1 Elected Members are provided ongoing progress reports to provide visibility of health and safety performance and agreed Key Performance Indicators. This report covers the January to March period.
- 2.2 This report has been structured to align with the SafePlus Programme developed by WorkSafe NZ, ACC and MBIE in 2017. The programme is voluntary and aims to support organisations wanting to improve their health and safety culture and exceed minimum compliance requirements.

Commentary

- 3.1 **LEADERSHIP COMMITMENT**
- 3.2 Under the Health and Safety at Work Act 2015, "Officers" are required to exercise due diligence to provide them with a level of assurance that health and safety is being effectively managed. Due diligence requires the need for "Officers" to keep up to date with health and safety matters and information; ensure critical risks are effectively controlled; ensure health and safety is adequately resourced; ensure appropriate monitoring and reviews are conducted to provide assurance and verify that health and safety matters are being appropriately addressed.
- 3.3 The Annual Plan for 2023/24 was approved by the Senior Management Team in June 2023. The Key Performance Indicators below provide an indication of how WDC is tracking against the set objectives.

KPI	TARGET	STATUS
Site Inspections	5 per month	
Workplace Inspections	1 quarterly	
Health & Safety Committee Meetings	1 per month	
Actions in Tomo are promptly completed and closed	0 overdue actions	
Near Miss Reporting	10% increase	

Figure 1: Key Performance Indicators

Red light = target not reached – management focus required
 Yellow light = target almost reached – maintain management focus
 Green light = target achieved or exceeded

- 3.4 There are currently two outstanding actions in Tomo, these actions relate to the completion of the Location Compliance Certificate at the Treatment Plants.
- 3.5 As outlined in the graph below, there were 19 site inspections undertaken during the period.

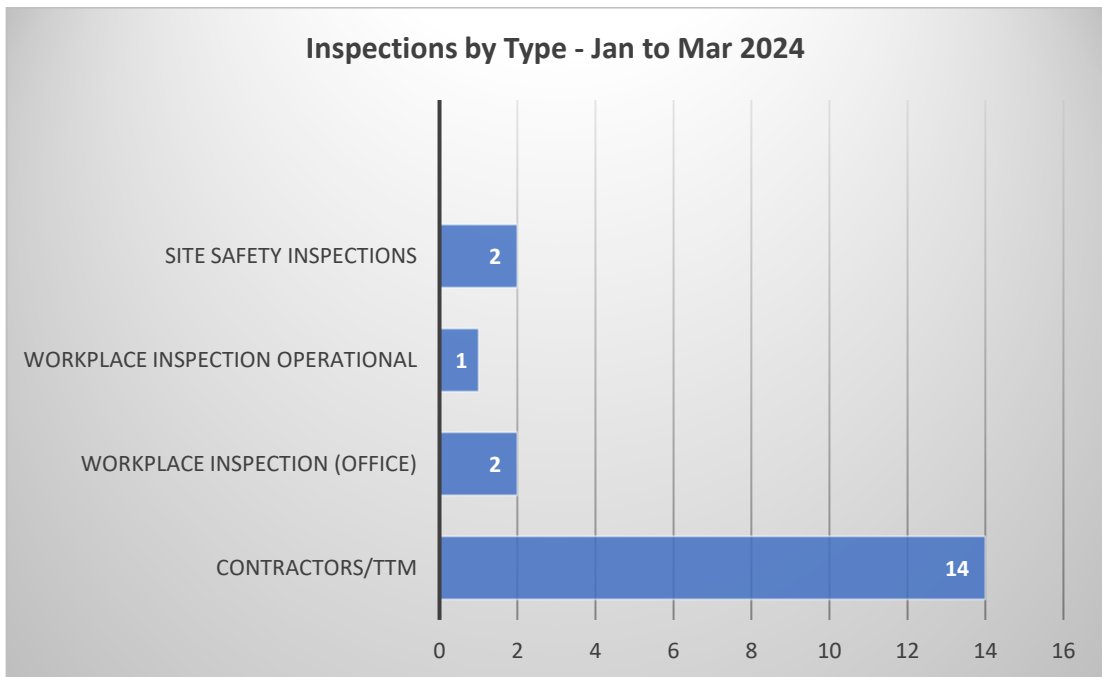


Figure 2: Inspections by Type

- 3.6 For this quarter 25 events have been reported. Most notably are three critical events, two involved violent/aggressive behaviour from a member of the public, the other a near miss involving a Tanker crossing the centre line.

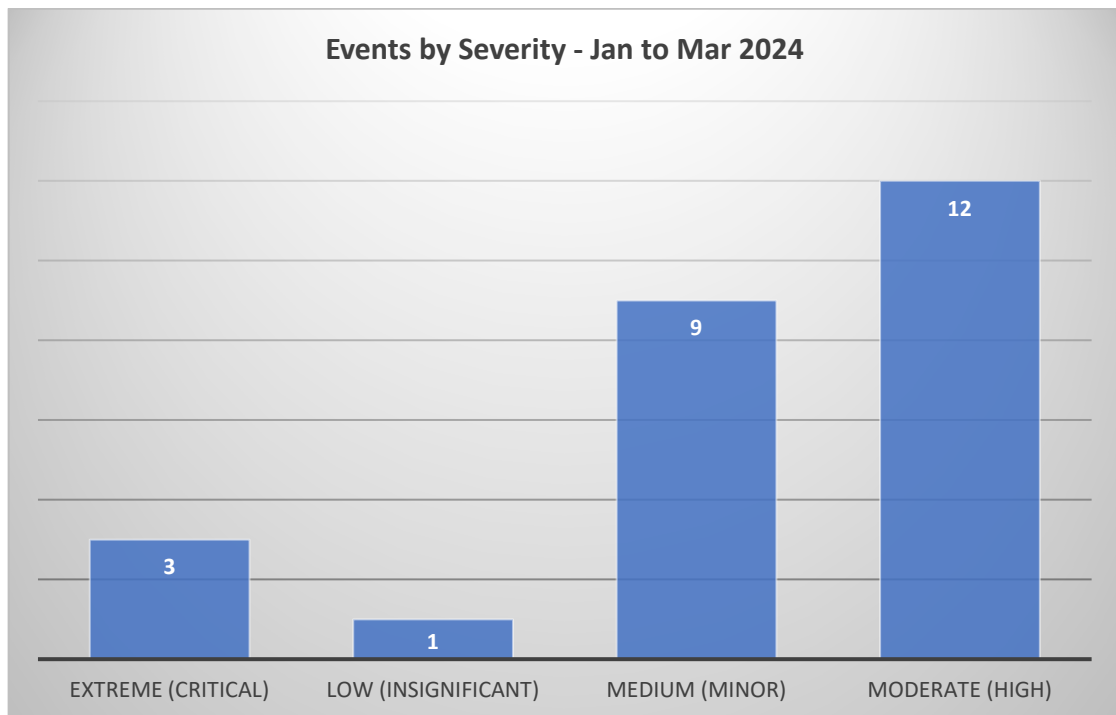


Figure 3: Events by Severity

- 3.7 Of the 25 events, 11 events occurred while carrying out work associated with four of the top five critical risks. Actions have been put in place to help mitigate a reoccurrence of the events.

- **Aggressive Behaviour** – Frontline staff are trained in dealing with aggressive people. Duress and lone worker devices are in place. Frontline staff work in pairs, when required.
- **Driving and Vehicle Usage** - Where driving and vehicle usage was involved in the event, staff were reminded of safe driving practices. Staff were also reminded to undertake a brief safety check of their vehicles and trailers, in addition to their monthly vehicle checks, before driving.
- **Dangerous/Aggressive Animals** – Additional safety tools to assist in handling aggressive animals have been obtained.
- **Contractor Carrying Out Work** – Drive to the conditions, use defensive driving techniques.

No. of Events by Type of Dangerous Occurrence

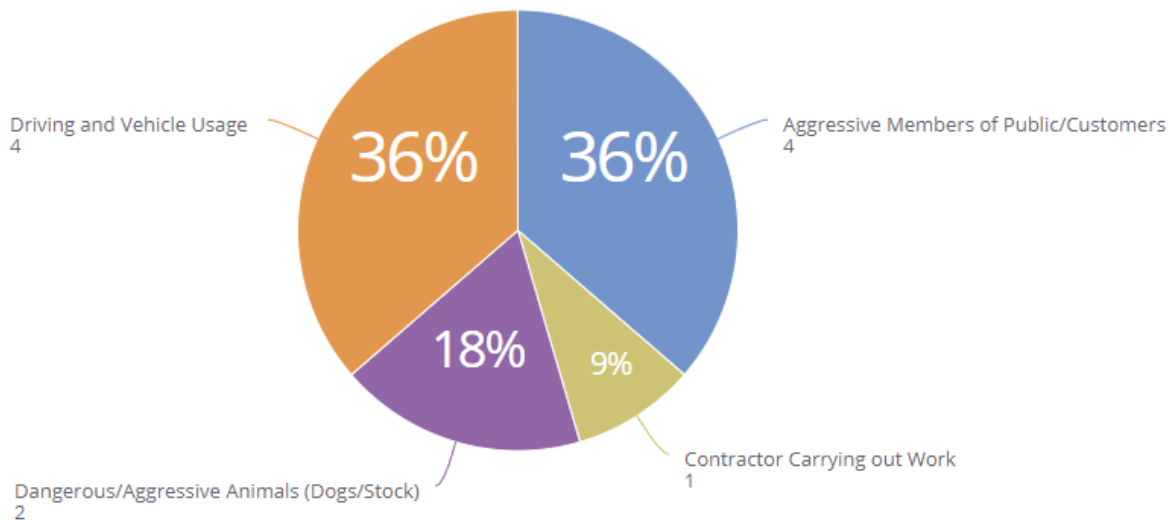


Figure 4: Critical Risk Event Types

3.8 **WORKER ENGAGEMENT PARTICIPATION AND REPRESENTATION**

- 3.9 WDC continues to maintain an active Health and Safety Committee. The Committee consists of five elected Health and Safety Representatives (HSR's), a senior management representative, Health and Safety Coordinator and WDC's external Health and Safety Advisor.
- 3.10 The Health and Safety Committee meets monthly and has been well attended. The minutes of these meetings are maintained on the WDC document management system. To ensure all actions are tracked to completion, all actions are transferred into Tomo.
- 3.11 The HSR's will be developing a three-year plan to promote Health, Safety and Wellbeing initiatives across the organisation.
- 3.12 Workplace inspections have continued to be completed by HSR's, with managers completing site inspections. All are on track for this reporting period.
- 3.13 Three training courses were attended during this quarter to ensure compliance is maintained and to provide tools and education to employees.

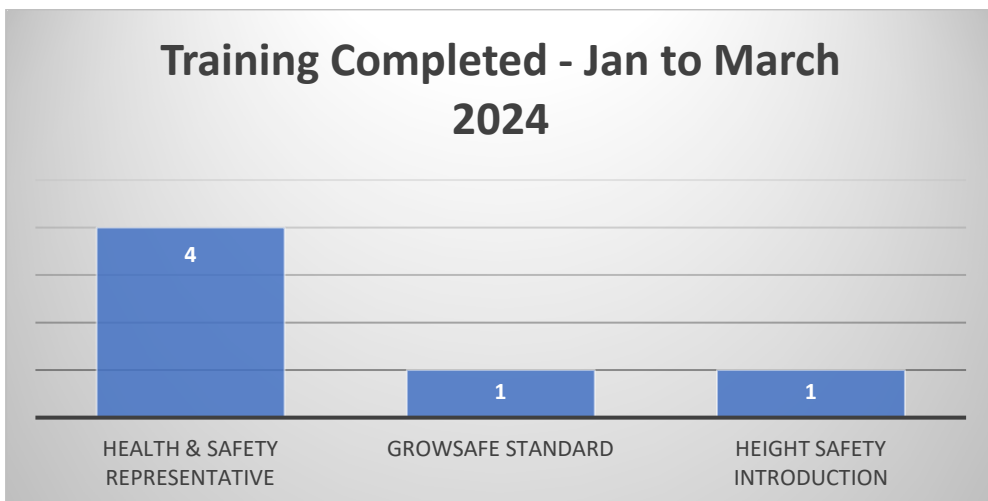


Figure 5: Training completed.

3.14 **RISK MANAGEMENT**

3.15 All Risk Registers have been developed using WDC's risk matrix and undergo an annual review with consultation from staff and HSRs.

3.16 The top five risks previously identified by the Senior Management Team remain unchanged:

1. **Working Alone** – Lone worker devices are in place and monitored to provide staff with security/support at all hours. Vehicle monitoring devices (Smartrak) are installed in vehicles to provide vehicle location (in cell network coverage areas only).
2. **Contractor Management** – The SHE Pre-Qualification used by WDC - contractor's health and safety processes, evidence and insurances which are evaluated and approved before carrying out physical works, gives WDC an assurance that contractors are managing health and safety.
3. **Aggressive Behaviour** – Refresher training for customer facing roles occurred in November 2023. Lone worker devices are available to all field staff and duress buttons available for Customer Services staff to use as necessary. Any aggressive behaviour is recorded as a near miss and investigated.
4. **Driving and Vehicle Usage** – Driver training has been delivered to those staff who drive off-road and for those who tow trailers. Smartrak is installed in all vehicles to monitor vehicle locations as needed.
5. **Confined Spaces** - Training is current. A Job Safety Analysis and permit system has been set up for staff to use when planning a confined space entry. Site safety inspections are required during this activity to ensure safe work practices and procedures are being followed.

3.17 A Fire Emergency Drill for the WDC office was carried out in March 2024 as per schedule.

3.18 Hazardous substances compliance requirements at the Treatment Plants are progressing:

- Stationary Containment Certificate assessments have been carried out for both Te Kuiti Water Treatment and Wastewater Treatment Plants' bulk chemical storage tanks. Minor modifications are to be completed to obtain the certifications. Works are scheduled for completion by 7 June 2024.
- The Piopio Water Treatment Plant Location Compliance Certification assessment will be carried out during Quarter Four.
- The Fire Evacuation application for the Te Kuiti Water Treatment Plant remains pending. Any potential actions that may arise from the application are unknown at this stage.

3.19 **STAFF WELFARE AND WELLBEING**

3.20 A recent engagement report from My Everyday Wellbeing details staff access to the portal, and the topics viewed. The report provides ideas for future engagement, promoting participation.

3.21 Each month a wellbeing topic is promoted to encourage physical health and mental wellbeing. The programme includes national health campaigns.

Continuous Improvement - Quarter Four Focus

- 4.1 Implementation of the 2023/24 Health and Safety Annual Plan with objectives and Key Performance Indicators actively tracked. A copy is attached to this business paper as Appendix A.
- 4.2 Location Compliance Certificates to be obtained for Te Kuiti Water and Wastewater Treatment Plants, and Piopio Water Treatment Plant.

- 4.3 Support and encourage a continued increase in safety inspections and near miss recording.
- 4.4 Initiate a full review of all Health and Safety compliance requirements across WDC.
- 4.5 Review Health and Safety Committee Terms of Reference.

Suggested Resolution

The Progress Report: Health and Safety be received.



HELEN BEEVER
GENERAL MANAGER – COMMUNITY SERVICES

6 May 2024

Attachment: Appendix A – Health & Safety Annual Plan 2023/24

HEALTH AND SAFETY ANNUAL PLAN 2023/24



Providing a safe and healthy work environment - enabling our people to create a vibrant district, where people can live and feel safe.



<p>LEAD HEALTH AND SAFETY</p> <ul style="list-style-type: none"> ✓ Provide a safe and healthy workplace ✓ Ensure all risks are managed ✓ Demonstrate commitment to health and safety 	<p>ENGAGE WORKERS</p> <ul style="list-style-type: none"> ✓ Consult with workers where decisions may impact their health and safety ✓ Seek learning opportunities and/or improvements for workers 	<p>MANAGE RISKS</p> <ul style="list-style-type: none"> ✓ Identify hazards/risks ✓ Know and understand our critical risks ✓ Monitor controls to ensure they are effective
<p>OUR OBJECTIVES/PRIORITIES</p> <ul style="list-style-type: none"> → Our health and safety management system is implemented and effective → Identify and implement preventative actions to enable continuous improvement 	<p>OUR OBJECTIVES/PRIORITIES</p> <ul style="list-style-type: none"> → Regular team/committee meetings are held → All health and safety events are recorded → Consult with workers regularly on our objectives and priorities 	<p>OUR OBJECTIVES/PRIORITIES</p> <ul style="list-style-type: none"> → Hazards/risks and their controls are understood → Work practices and controls are implemented → Workers have the relevant training
<p>MEASURES</p> <ul style="list-style-type: none"> ✓ Management system internal audit carried out with no critical non-conformances ✓ Zero overdue actions in Tomo 	<p>MEASURES</p> <ul style="list-style-type: none"> ✓ Daily and monthly meetings held ✓ Near hits recorded and investigated ✓ Workers are involved in consultation processes 	<p>MEASURES</p> <ul style="list-style-type: none"> ✓ Critical risks are reviewed six monthly ✓ Worksite inspections carried out monthly ✓ Training is current

Document No: A652531

Report To: Audit and Risk Committee



Meeting Date: 14 May 2024

Subject: **Progress Report – Strategic Risk Management and Monitoring**

Type: Information Only

Purpose of Report

- 1.1 The purpose of this business paper is to provide an update on the progress and status of the risk mitigation actions for Waitomo District Council's Strategic Risks.

Background

- 2.1 Council adopted its first Risk Management Framework (RMF) and Risk Management Implementation Plan (RMIP) in May 2019.
- 2.2 The review of the Strategic Risk was started in December 2020, nine strategic risks were identified and described. The risk appetite (acceptable level of risk) was set for each of the risks.
- 2.3 Two additional Strategic risks were identified in April 2022, development and assessment of these risks followed the same process as the original nine strategic risks.
- 2.4 The risks were assessed using the Risk Management Framework, pre-mitigation risk level was assessed, current mitigation actions were identified and recorded, and the post mitigation (residual risk) was then determined.
- 2.5 In-depth analysis of two or three strategic risks were workshopped at each of the workshops in February, April, May, August, and October 2022.
- 2.6 The final in-depth analysis workshop covering the strategic risks was completed in October 2022.
- 2.7 The Strategic Risk Register have been attached and form part of the business paper.

Commentary

- 3.1 The progress that has been achieved over the last twelve months following the first in-depth analysis of each of the strategic risks is as follows.
- 3.2 **SR01 Health Safety and Wellbeing**
- 3.3 As detailed in the separate health and safety (H&S) reports in the Audit and Risk agenda papers, good process is being made with the implementation of the new H&S system and development and implementation of processes.
- 3.4 **SR02 Cyber Security**
- 3.5 Focus had been placed on this strategic risk and significant improvement has been achieved.

- 3.6 A future report will update on the current status and future plans for this risk.
- 3.7 **SR03 Climate Change and Adaption**
- 3.8 A future report will update on the current status and future plans for this risk. Council's focus has been on adaptation in relation to damage to roading and the impact of increased storm and flood events. The draft Long Term Plan has had a strong focus on mitigation of flooding risks through improved stormwater management and infrastructure particularly in Te Kuiti. The impact of extreme rainfall events, changes in average annual rainfall, sea-level rise and storm surges (particularly as this impacts our coastal settlements) . Having said that Council is looking for ways to reduce energy consumption and our production of carbon. It is also communicating with Waikato Regional Council to look for shared learning and improvement opportunities.
- 3.9 **SR04 Significant Internal and External Disruptions**
- 3.10 WDC's emergency management processes have been tested over the last two years and learnings gained from post event reviews. There is good engagement from staff in training and support this in the future.
- 3.11 **SR05 Programme and Project Delivery**
- 3.12 A Project Management Framework (PMF) has been developed and implemented. The executive and governance 'dashboard' reporting will to implemented for 2024-25. A project management function and team has been developed but resourcing in this area is problematic but good progress has been made. Continual improvement and implementation of the philosophy and the PMF is the focus now. It is a significant culture shift in the organization.
- 3.13 **SR06 Theft Fraud and Corruption**
- 3.14 The refinement and implementation of procurement and contract management controls established has had added significant control and monitoring into these areas. That in conjunction with the PMF have had and will in the future have significant benefits.
- 3.15 **SR07 Fit for Purpose Assets**
- 3.16 There is always ongoing review of the need and implementation of the assets that best service the outcomes of our community, but no significant progress has been completed in recent times. The Long Term Plan capital expenditure and level of service highlights were emphasis should be.
- 3.17 **SR08 Three Waters Infrastructure**
- 3.18 This is an area of large effort and progress. Projects have included:
- Waikato Waters Done Well project – involvement in a Waikato wide business case to consider various options for an aggregated '3 Waters' delivery and ownership solution.
 - The Te Kuiti Water Resilience project – installation of raising main, additional reservoir storage and reservoir upgrades.
 - Te Kuiti flooding / stormwater remedies
 - The wastewater plan sludge disposal investigation
 - Mokau upgrading of water treatment plant completed.
 - Proposed implementation of water meters in Te Kuiti and Piopio to try to reduce water loss

- Ongoing replacement of older technology with latest technology in the water and sewer pump station/treatment plants.
- Future work includes the updating of disaster recovery plans for water and wastewater treatment and reticulation.

3.19 **SR09 Financial**

3.20 Similarly to the fraud risk the refinement and implementation of procurement and contract management controls established has had added control and monitoring of our financials.

3.21 **SR10 Stakeholder Relationships**

3.22 Good community engagement and working more closely with community, government agencies, mana whenua and iwi groups means that these relationships are improving for the benefit of the total community.

3.23 **SR11 District Vibrancy / Growth**

3.24 The development and ongoing implementation of the housing strategy, the new direction for Vibrant Waitomo, the revitalization of Centennial Park and

Suggested Resolution

The business paper on Progress Report – Strategic Risk Management Monitoring be received.



BEN SMIT
CHIEF EXECUTIVE

8 May 2024

Attachment: Strategic Risk Register (A652576)

WAITOMO DISTRICT COUNCIL STRATEGIC RISK REGISTER

RISK AND IMPACT DESCRIPTION	RISK DRIVERS (EXISTING AND POTENTIAL CAUSES)	RISK APETITE	PRE-CONTROLS LIKELIHOOD	PRE-CONTROLS CONSEQUENCES	PRE-CONTROLS RISK RATING	RESIDUAL RISK (POST-CONTROL LIKELIHOODS)	RESIDUAL RISK (POST-CONTROL CONSEQUENCES)	RESIDUAL RISK RATING (POST CONTROL & TREATMENTS)
SR01 – HEALTH, SAFETY AND WELLBEING								
<p>SR1.1 There is a risk of impact on the health, safety and wellbeing of staff, caused by external and internal events that may result in physical and / or emotional harm, low staff morale, prosecutions leading to reputational damage and financial loss.</p> <p>Risk Appetite: Waitomo District Council (Council) does not accept a post-control of a medium risk and would like to see the post control brought down to low, recognising that implementing additional controls to fully mitigate this risk is not achievable due to external factors.</p>	<p>Lack of or inadequate:</p> <ul style="list-style-type: none"> Health and Safety Framework. Consistent application of policies, frameworks and demonstrating expected behaviours. Consistent and/or effective performance monitoring. Effective Health and Safety training and awareness (competence) Sharing of lessons learned across Council Sufficient capacity and/or capability of staff Supportive work environment (workloads, bullying). Preparedness for security and physical threats to people including violence. <p>In addition:</p> <ul style="list-style-type: none"> Disease Outbreak (e.g. Covid-19 and other contagious diseases) Organisational changes Risk management framework and mitigation actions not being fit for purpose and not being reported. 	LOW	Probability 51-90% Likely (4)	Health and Safety / Wellness Server (5) Financial Moderate (3)	Extreme (20)	Probability 26-50% Possible (3)	Health and Safety / Wellness Minor (2) Financial Insignificant (1)	Medium (6)
SR02 – CYBER SECURITY								
<p>SR2.1 There is a risk of breach of Councils system caused by increased cyber-security attacks which may result in loss of personal data, intellectual property, reputational damage, business interruption due to loss of systems, impact on supply chains and financial loss including damage to reputation.</p> <p>Risk Appetite: Waitomo District Council (Council) does not accept a post-control of a high risk and would like to see the post control brought down to medium, recognising that implementing additional controls to fully mitigate this risk would be unachievable as there are a lot of external factors driving this risk.</p>	<ul style="list-style-type: none"> Increased digitisation without proper integration with processes. Inadequate cyber security mechanisms \ strategy. Technical failure to protect IT systems. Malicious or innocent employee activities. Ineffective training \ awareness. Move to flexible working (remote access) creates less secure connections. Increased cyber attacks (e.g. Ransomware). 	MEDIUM	Probability >90% Almost Certain (5)	Legislative Major (4) Financial Major (4) Reputation Major (4) Service Delivery Severe (5)	Extreme (25)	Probability 26-50% Possible (3)	Legislative Insignificant (1) Financial Major (4) Reputation Minor (2) Service Delivery Severe (4)	High (12)
SR03 – CLIMATE CHANGE AND ADAPTATION								
<p>SR3.1 There is a risk that Waitomo District Council's adaptation and mitigating actions (e.g. reducing emissions) may not be adequate to response, absorb and / or reduce impacts of climate change, including severe weather events.</p> <p>This may result in tangible and intangible consequences, such as environmental degradation, economic inequity, social vulnerability, financial and reputation damage.</p> <p>Risk Appetite: Waitomo District Council (Council) accepts a medium risk, recognising that implementing additional controls to fully mitigate this risk would be unachievable as the drivers of the risks are not within Council's control.</p>	<p>Lack of or inadequate:</p> <ul style="list-style-type: none"> Planning provisions to ensure appropriate ongoing zoning for land and housing development and urban design planning with respect to climate change impacts. Leadership to ensure alignment of council response and prioritised delivery of key actions. Collaboration between council business units and Council Controlled Organisations. Consistent risk perceptions (across public and private sectors) and different understandings and prioritisation of climate risks. Quality advice to decision makers to ensure effective management and governance oversight. Robust and accessible data and fit for purpose information systems. Sufficient resources and/or capability of staff. Design quality of coastal, flooding and other climate resilience projects. Strategic approach to coastal erosion, sea level rise, flooding and inundation issues. Resource consenting and Land Information Memorandum (LIM) processes <p>In addition:</p> <ul style="list-style-type: none"> Changes to extreme weather patterns (frequency, extent and intensity). Legacy risk caused by historic decisions to permit development (including critical assets) in areas of risk (e.g. housing, roads, utilities etc). The complex urban planning system and misalignment with finance, policy, operations, regulation, legal and risk. 	MEDIUM	Probability 26-50% Possible (3)	Financial Server (5) Service Delivery Sever (5) Reputation Major (4)	High (15)	Probability 26-50% Possible (3)	Financial Minor (3) Service Delivery Moderate (3) Reputation Minor (2)	Medium (9)
SR04 – SIGNIFICANT INTERNAL AND EXTERNAL DISTRUPTIONS								
<p>SR 4.1 There is a risk of significant disruptions in the operations of Waitomo District Council and/or a civil emergency due to major natural catastrophes, pandemics, technology and/or communication failure, power outage and asset failure, which</p>	<p>Lack of or inadequate:</p> <ul style="list-style-type: none"> Business continuity and/or disaster recovery framework. Civil emergency management framework. 	MEDIUM	Probability >90%	Financial Major (5) Service Delivery Severe (5)	Extreme (25)	Probability 26-50% Possible (3)	Financial Moderate (3) Service Delivery Moderate (3)	Medium (9)

RISK AND IMPACT DESCRIPTION	RISK DRIVERS (EXISTING AND POTENTIAL CAUSES)	RISK APETITE	PRE-CONTROLS LIKELIHOOD	PRE-CONTROLS CONSEQUENCES	PRE-CONTROLS RISK RATING	RESIDUAL RISK (POST-CONTROL LIKELIHOODS)	RESIDUAL RISK (POST-CONTROL CONSEQUENCES)	RESIDUAL RISK RATING (POST CONTROL & TREATMENTS)
<p>may result in financial loss or reputation damage, loss of life and loss of trust and confidence in Waitomo District Council.</p> <p>Risk Appetite: Waitomo District Council (Council) accepts a medium risk, recognising that implementing additional controls to fully mitigate this risk would be unachievable as the drivers of the risks are not within Council's control.</p>	<ul style="list-style-type: none"> Effective and/or consistent BCPs across council due to lack of BCP testing for each business unit. Clarity of BCP accountability across council. Commitment to crisis management team process. Insurance protection and cover. Deployment of system upgrades and changes. Patch Management. Performance monitoring. Problem and incident management processes. Alternative / backup facilities for key operations (including systems and buildings). Sufficient resources and/or capability of staff. <p>In addition:</p> <ul style="list-style-type: none"> Increased natural catastrophes (super storms, sever winds, coastal inundation, flooding, volcanoes, earthquakes, etc.). Infectious human and animal disease pandemics. Break in the supply chain inter-dependencies. Withdrawal of regulatory approval or service license (Including downgrade of credit rating). Technology failure (including Lifeline). Human error. System and power outages. Loss of communication and building. 	High	Almost Certain (5)	Reputation Moderate (3)	High		Reputation Minor (2)	High
SR05 – PROGRAMME AND PROJECT DELIVERY								
<p>SR5.1 There is a risk of project budgets and scope overruns, project delays, substandard construction, workstreams not leveraging off each other to drive decision making and optimise efficiencies caused by inadequate planning which may result in adverse environmental impacts, financial loss (including return on investment / benefit realisation not met), reputation damage and not meeting 10YP project deliverables.</p> <p>Risk Appetite: Waitomo District Council (Council) does not accept a post-control of a medium risk, recognising that there are opportunities for improvement and with additional controls the risk can be brought down to low.</p>	<p>Lack of:</p> <ul style="list-style-type: none"> Embedded fit for purpose project framework and project risk management framework including efficient risk assessment process for high risk projects and clear risk tolerances and escalation processes. Robust financial controls or a financial system which provide an up-to-date reporting ability. Effective governance structures. Effective risk management. Effective tools / systems. Effective monitoring, review and challenge. Resources and/or capability of staff. Funding. Adherence to the Investment Delivery Framework (project management framework) from inception through to post implementation reviews. <p>In Addition:</p> <ul style="list-style-type: none"> Poor integration between aspirations and objectives of Council and CCOs and project outcomes. Programme and project plans generated prior to Council or SMT agreement as appropriate Capability in performing comprehensive cost benefit analysis. Resistance to banking those benefits. Delivery of projects is reliant on individual departmental requirements and activities. Multiple departments have responsibility to deliver to the project management and quality standards which can result inefficient delivery of projects and programmes. 	LOW	Probability 51-90% Likely (4)	Financial Major (4) Environmental Moderate (3) Reputation Moderate (3)	High (16)	Probability 6-25% Unlikely (2)	Financial Moderate (3) Environmental Minor (2) Reputation Minor (2)	Medium (6)
SR06 – THEFT FRAUD AND CORRUPTION								
<p>SR6.1 There is a risk of Internal or external fraud, corruption or other unethical behaviour perpetrated within or against Council that could lead to financial loss, reputational damage, and/or operational risk to council.</p> <p>Risk Appetite: Waitomo District Council (Council) has a post-control of a low risk appetite, noting that fraudulent activity is not tolerated, and the organisation will work towards implementing additional controls.</p>	<p>Lack of or inadequate:</p> <ul style="list-style-type: none"> Pre-employment checks. Training and awareness. User access management controls. Segregation of Duties controls. Controls around procurement and contract management. Rigorous management of declarations and conflicts of interest. Mandate to review budgets vs actuals <p>In addition:</p> <ul style="list-style-type: none"> Insider knowledge impacting tendering process. Collusion between staff and external suppliers. Poor financial literacy for budget holders. Inconsistently applying policies and demonstrating expected behaviours. Undetected substandard and/or unapproved building products used in construction. 	LOW	Probability 51-90% Likely (4)	Financial Major (4) Reputation Major (4)	High (16)	Probability 6-25% Unlikely (2)	Financial Moderate (3) (Reputation Moderate (3)	Medium (6)

RISK AND IMPACT DESCRIPTION	RISK DRIVERS (EXISTING AND POTENTIAL CAUSES)	RISK APETITE	PRE-CONTROLS LIKELIHOOD	PRE-CONTROLS CONSEQUENCES	PRE-CONTROLS RISK RATING	RESIDUAL RISK (POST-CONTROL LIKELIHOODS)	RESIDUAL RISK (POST-CONTROL CONSEQUENCES)	RESIDUAL RISK RATING (POST-CONTROL & TREATMENTS)
SR07 – FIT FOR PURPOSE ASSETS								
<p>SR7.1 There is a risk of failure to effectively manage and protect council owned assets so they are fit for purpose to deliver the required levels of service caused by ineffective operational planning which may result in:</p> <ul style="list-style-type: none"> inability to deliver environmental and economic outcomes sought by Waitomo District harm to staff, contractors and public's health and safety and wellbeing financial loss (e.g., loss of investment and unbudgeted costs), and loss of trust and confidence <p>Risk Appetite: Waitomo District Council (Council) has a post-control of a low risk appetite, noting it is a priority for WDC to ensure that we have and maintain fit for purpose assets.</p>	<ul style="list-style-type: none"> Lack of or inadequate understanding and management of significant asset risks including: <ul style="list-style-type: none"> Asbestos Mould Seismic Durability of assets Weather tightness Impacts on assets from extreme weather events (eg flooding) Geotechnical (including accelerated deterioration caused by hazards and events exacerbated by climate change) Existing residual risks that cannot be removed (eg closed landfills) Non-compliance with regulatory and legislative obligations Lack of aligned service need strategy and asset management strategy, plan or policy for reinvestment or divestment opportunities. Incomplete, inaccurate, and delayed information and data on assets. Lack of tools to manage the utilisation, criticality, and performance of the assets. Funding shortfalls. Over- or under-maintenance. Inefficient asset management practices due to inadequate suppliers, staff capacity and capability, lack of standardised processes and systems. 	LOW	Probability <90% Almost Certain (5)	Financial Major (4) Legislative Minor (2) Reputation Major (4)	Extreme (20)	Probability 26-50% Possible (3)	Financial Minor (2) Legislative Minor (2) Reputation Moderate (3)	Medium (9)
SR08 – THREE WATERS INFRASTRUCTURE								
<p>SR8.1 There is a risk of Council not being able to provide quality drinking water caused by a lack of available potable water in the district resulting in Council not meeting its legislative obligation.</p>	<p>Lack of or inadequate:</p> <ul style="list-style-type: none"> Up-to-date data (e.g., consenting framework is not robust enough to provide confidence in how we manage water. Integration of the consenting data and planning mechanisms at local and regional scales. Escalation processes to notify when information needs are to be increased / enhanced. Proportional information to the size of the consent. storm water overwhelming the capacity of drainage systems Asset understanding / management (capacity and age). A focus on disaster prevention rather than disaster recovery. Technology upgrades / incentives. Integration and transparency of the Resource Management Act Reform. Security of water supply and standards of bore sources. Compliance with statutory requirements. <p>In addition:</p> <ul style="list-style-type: none"> Changing Climate (Increased rainfall intensity, storm, droughts, landslides, sea level rise, air temperature rise and flood events). Reliance on historic data to manage the future. Changes in land use (Rural land becoming urban / industrial) and tracking contaminants. Cost of construction. Perception of value of natural, including intrinsic value. Treaty Settlements expectations. Increased water demand for different uses of land (horticulture). Unknown private devices (e.g., septic's and storm water). 	LOW	Probability 6-25% Unlikely (2)	Financial Major (4) Legislative Minor (2) Reputation Major (4)	Medium (8)	Probability 6-25% Unlikely (2)	Financial Moderate (3) Legislative Minor (2) Reputation Major (4)	Medium (8)
<p>SR8.2 There is a risk of Council not being able provide quality drinking water caused by inadequate treatment, monitoring and reporting resulting in Council not meeting its legislative obligation, loss of reputation and compromising health of the community.</p>	<p>In addition:</p> <ul style="list-style-type: none"> Changing Climate (Increased rainfall intensity, storm, droughts, landslides, sea level rise, air temperature rise and flood events). Reliance on historic data to manage the future. Changes in land use (Rural land becoming urban / industrial) and tracking contaminants. Cost of construction. Perception of value of natural, including intrinsic value. Treaty Settlements expectations. Increased water demand for different uses of land (horticulture). Unknown private devices (e.g., septic's and storm water). 	LOW	Probability <90% Almost Certain (5)	Financial Major (4) Legislative Minor (2) Reputation Major (4)	Extreme (20)	Probability 26-50% Possible (3)	Financial Moderate (3) Legislative Minor (2) Reputation Major (4)	High (12)
<p>SR8.3 There is a risk of ineffective removal and treatment of wastewater system at Council owned or managed facilities caused by inadequate and non-reticulated wastewater system resulting in Council breaching its legislative obligations.</p>	<p>In addition:</p> <ul style="list-style-type: none"> Changing Climate (Increased rainfall intensity, storm, droughts, landslides, sea level rise, air temperature rise and flood events). Reliance on historic data to manage the future. Changes in land use (Rural land becoming urban / industrial) and tracking contaminants. Cost of construction. Perception of value of natural, including intrinsic value. Treaty Settlements expectations. Increased water demand for different uses of land (horticulture). Unknown private devices (e.g., septic's and storm water). 	LOW	Probability <90% Almost Certain (5)	Financial Major (4) Legislative Minor (2) Reputation Major (4)	Extreme (20)	Probability 26-50% Possible (3)	Financial Moderate (3) Legislative Minor (2) Reputation Major (4)	High (12)
<p>SR8.4 There is a risk of flooding in the district caused by severe weather events due to the lack of capacity and management of water assets (infrastructure) resulting in safety issues, loss of trust and confidence and breach of legislation and potential effects on the ecological health of our urban streams and coastal waters, as well as on the economic, social and cultural value of these environments.</p>	<p>In addition:</p> <ul style="list-style-type: none"> Changing Climate (Increased rainfall intensity, storm, droughts, landslides, sea level rise, air temperature rise and flood events). Reliance on historic data to manage the future. Changes in land use (Rural land becoming urban / industrial) and tracking contaminants. Cost of construction. Perception of value of natural, including intrinsic value. Treaty Settlements expectations. Increased water demand for different uses of land (horticulture). Unknown private devices (e.g., septic's and storm water). 	LOW	Probability <90% Almost Certain (5)	Financial Major (4) Legislative Minor (2) Reputation Major (4)	Extreme (20)	Probability 26-50% Possible (3)	Financial Moderate (3) Legislative Minor (2) Reputation Major (4)	High (12)
SR09 – FINANCIAL								

RISK AND IMPACT DESCRIPTION	RISK DRIVERS (EXISTING AND POTENTIAL CAUSES)	RISK APETITE	PRE-CONTROLS LIKELIHOOD	PRE-CONTROLS CONSEQUENCES	PRE-CONTROLS RISK RATING	RESIDUAL RISK (POST-CONTROL LIKELIHOODS)	RESIDUAL RISK (POST-CONTROL CONSEQUENCES)	RESIDUAL RISK RATING (POST CONTROL & TREATMENTS)
<p>SR9.1 There is a risk that Council is unable to maintain its service delivery to the level outlined in its 10 year Plan due to not having a fit for purpose funding framework to effectively attract and allocate sufficient funding, which may result in Council reducing levels of services or stopping some services to the community.</p> <p>Risk Appetite: Waitomo District Council accepts a post control medium risk, recognising that financial sustainability is fundamental and it is willing to accept a moderate amount of risk to achieve its objectives.</p>	<ul style="list-style-type: none"> ineffective organisational planning and budgeting processes (10YP, EAP, Activity management Plans / projects / District Plan) insufficient and or ineffective insurance cover unexpected circumstances (such as a pandemic) that means, the loss or reduced revenue) 	MEDIUM	Probability 26-50% Possible (3)	Financial Server (5) Reputation Major (4)	High (15)	Probability 6-25% Unlikely (2)	Financial Minor (2) Reputation Moderate (3)	Medium (6)
SR10 – STAKEHOLDER RELATIONSHIPS								
<p>SR10.1 There is a risk of impact on the effective governance of Waitomo District Council leading to reputational damage and delay in delivering services.</p> <p>Risk Appetite: Waitomo District Council (Council) does not accept a post-control of a medium risk and would like to see the post control brought down to low, recognising that implementing additional controls to fully mitigate this risk is not achievable due to external factors.</p>	<p>Lack of or inadequate:</p> <ul style="list-style-type: none"> Effective communication Stakeholder engagement Transparency in decision making 	LOW	Probability 90-100% Almost Certain (5)	Reputation Major (4)	Extreme (20)	Probability 26-50% Possible (3)	Reputation Moderate (3)	Medium (9)
SR11 – DISTRICT VIBRANCY / GROWTH								
<p>SR11.1 There is a risk failing to effectively provide/promote opportunities to enhance the vibrance and growth within the district.</p> <p>Risk Appetite: Waitomo District Council (Council) does not accept a post-control of a medium risk and would like to see the post control brought down to low, recognising that implementing additional controls to fully mitigate this risk is not achievable due to external factors.</p>	<p>Lack of or inadequate:</p> <ul style="list-style-type: none"> Strategic Planning/Vision District Promotion Development opportunities 	LOW	Probability 90-100% Almost Certain (5)	Reputation Major (4)	Extreme (20)	Probability 26-50% Possible (3)	Reputation Moderate (3)	Medium (9)

Document No: A718315

Report To: Audit and Risk Committee



Meeting Date: 14 May 2024

Subject: Progress Report: Procurement Summary Schedule (January 2024 – April 2024)

Information Only

Purpose of Report

- 1.1 The purpose of this business paper is to present to the Committee a summary of the procurements made in the period 1 January 2024 to 31 March 2024 in accordance with Waitomo District Council's Procurement Policy.

Background

- 2.1 Waitomo District Council's (WDC) Procurement Register (Register) provides a formal "one stop" reference to record WDC's procurement decisions.
- 2.2 The Register, at an operational level, provides a summary of the procurement decisions together with the associated financial components.
- 2.3 The Register provides procurement information including:
- Procurement Description.
 - Type of Contract: Physical Works, or Professional services, or goods and services.
 - Term of contract.
 - Procurement Selection process adopted: All of Government (AOG), Syndicated, Tender, Quote or Direct Appointment.
 - Reason for exemption (if applicable).
 - Number of tenders/quotes received.
 - Tender/quote range.
 - Evaluation method.
 - Awarded contract value.
 - Contractor/supplier.
- 2.4 The Register provides key financial information for each procurement including:
- Total cumulative value.
 - Price range of Tenders/Quotes received.
- 2.5 The keeping of records is part of an overall Risk Management Framework and assists in the early identification of risks.
- 2.6 All procurement documents such as the quotes, tender responses, notices to tenderers and related correspondence are held in the relevant physical contract folder, captured electronically, and the detail added to the Register.

Commentary

- 3.1 WDC's Procurement Policy (the Policy) was last reviewed and adopted with amendments by Council on 31 May 2022.
- 3.2 Changes made to the Policy include amending policy thresholds and procurement requirements.

- 3.3 The Tenders Subcommittee (a subcommittee of WDC's Senior Management Team) operates to assist the Chief Executive in undertaking the management of procedures to ensure sound probity methods are followed, risks are mitigated, and quality documentation is produced in relation to the procurement of goods and services necessary to deliver WDC's work programme and operations as provided for in the adopted 10 Year Plan and Annual Plans.

Procurement Summary Schedule

- 4.1 The attached Procurement Summary Schedule (PSS) Report provides details of procurements that result in a total contract award over \$200,000 + GST, and/or where the supplier selection method has deviated from the Procurement Policy, and a procurement exemption has been approved by the Chief Executive.

4.2 EXEMPTION REASON

- 4.3 The Audit and Risk Committee has requested that the reason for granting a Procurement Exemption be included in the PSS. As a result, the headings of the five criteria provided for in the Policy will now be included in the PSS as the reason for granting an exemption.
- 4.4 The Policy extract below provides detail of those five criteria, of which at least one must be met for a Procurement Exemption to be granted.

Procurement Exemption

The supplier selection method and process for the relevant threshold should be followed fully. If deviation from the process is required, the reason for the deviation should comply with one or more of the following criteria:

1. **Monopoly or limited supplier situation:** *Where there is a monopoly or very limited supplier situation and only one or two Suppliers capable of supplying the requirements (e.g. engaging an arrangement for the supply of electricity on a network where the network is owned by a single party); or*
2. **Proprietary technology:** *Where a Supplier is the sole Supplier and/or patent holder of a specific product that is required by WDC. WDC must be satisfied that the proprietary technology is the most appropriate for the needs of WDC; or*
3. **High Risk Activities:** *The risks of a competitive process outweigh the benefits of competition and would potentially create risk for WDC; or*
4. **Unique business proposition:** *Where a Supplier has a unique business proposition that can minimise risks or costs to WDC. This could include existing knowledge relevant to a project; or*
5. **Existing contract:** *If goods, services and/or works are in addition to, or necessary for the completion of, delivery of an existing contract, provided that the original contract was publicly advertised, and a change of Supplier cannot be made for economic, technical, legal, or practical reasons.*

The key requirement is the direct appointment represents best value for WDC. Poor planning or organisation of procurement is not justification for deviation from the framework. In all instances a procurement exemption must be signed off by the Chief Executive.

Suggested Resolution

The Progress Report: Procurement Summary Schedule (1 January 2024 to 31 March 2024) be received.



SHYAMAL RAM
GENERAL MANAGER – INFRASTRUCTURE SERVICES

29 April 2024

Attachment: Procurement Summary Schedule (Doc A718316/Sheet 2024_Q1)

Contract / Order No.	Contract Title / Procurement Description	Type of Contract (Physical Works, Professional Services or Goods and Services)	Term of Contract	One-off or Ongoing Supply	Selection Process (AOG, Syndicated, Panel, Tender, Quote or Direct Appointment)	Exemption Reason	No. of Tenders / Quotes Received	Tender / Quote Range (GST exclusive)	Evaluation Method	Awarded Contract Value (Total cumulative)	Awarded To	Meeting Date	GM	Remarks
500/23/026	Te Kuiti SW Short Term Improvements	Physical Works	N/A	One-off	Tender	N/A	11	\$391,499 - \$1,024,475	LPC	\$ 543,013	JC Civil Ltd	21/02/24	Infrastructure Services	
500/23/020	Fullerton & Mairoa Roads Retaining Walls	Physical Works	N/A	One-off	Tender	N/A	5	\$842,774 - \$1,693,611	PQM	\$ 842,774	Nicholls & Uttinger Civil	17/01/24	Infrastructure Services	
500/23/019	Te Anga Road Pavement Rehabilitations & Storm Repairs	Physical Works	N/A	One-off	Tender	N/A	5	\$1,341,911 - \$2,438,221	PQM	\$ 1,341,911	Graham Contractors	17/01/24	Infrastructure Services	
500/22/041	Mangatoa Road Slip Repairs RP 2.3 - 3.2	Physical Works	N/A	One-off	Direct Appointment	Existing Contract	N/A	N/A	N/A	\$ 999,240	Camex Civil	N/A	Infrastructure Services	A706898

Document No: A718331

Report To: Audit and Risk Committee**Meeting Date:** 14 May 2024**Subject:** **Progress Report: WDC Resource Consents – Compliance Monitoring (January to March 2024)****Type:** Information Only**Purpose of Report**

- 1.1 The purpose of this business paper is to brief the Committee on compliance reporting against Resource Consent conditions, due during the third quarter (2023/2024).

Risk Considerations

- 2.1 This is a progress report only, and as such no risks have been identified regarding the information contained in this business paper.

Commentary

- 3.1 Waitomo District Council (WDC) is required to report on resource consent compliance to Waikato Regional Council (WRC) in accordance with the conditions that regulate the various resource consents held by WDC.
- 3.2 The following tables set out details of the compliance reporting requirements for WDC's resource consents:

RESOURCE CONSENT	REPORT DUE
Monthly	
No. 116844 - Benneydale Water Treatment Plant Condition 9 (Surface Water Take)	Monthly
No. 117290 - Piopio Wastewater Treatment Plant Condition 26 (Discharge)	Monthly
No. 140685 - Rangitoto Quarry Landfill, William Street, Te Kuiti Conditions 65 & 66	<i>Not yet commenced</i>
Quarterly	
No. 112639 - Te Kuiti Wastewater Treatment Plant Conditions 7 - 19 (Discharge) Condition 30	Jan, April, July and Oct
No. 140685 - Te Kuiti Landfill, William Street, Te Kuiti Conditions 65 & 66	<i>Not yet commenced</i>
No. 101753 - Te Kuiti Landfill, William Street, Te Kuiti Condition 11 (Within 2 months of sampling)	February, May, August, November
Six Monthly	

RESOURCE CONSENT	REPORT DUE
No. 133317 - Te Kuiti Water Treatment Plant Conditions 5, 6, 10 & 11	January/July
No. 118813 - Benneydale Wastewater Treatment Plant Conditions 16 - 23	January/July
No. 117945 - Benneydale Water Treatment Plant (Backwash) Condition 3	April/October
No. 107477 - Piopio Water Treatment Plant Conditions 6, 7, 8 & 9	Jan/July
No. 107478 - Piopio Water Treatment Plant Conditions 10, 15 & 16	June/Dec
No. 120048 - Te Kuiti Wastewater Treatment Plant Discharge to Land (via seepage)	Feb/Aug
No. 140685 - Te Kuiti Landfill, William Street, Te Kuiti Conditions 62 & 63 (Within 2 months of sampling)	<i>Not yet commenced</i>
Annual	
No. 118813 - Benneydale Wastewater Treatment Plant Condition 26	31 March
No. 120340 - Mokau Closed Landfill Conditions 3, 6 & 10	Monitoring ceased by mutual agreement with WRC (11/2017)
No. 105054/55/56/57/58/59/60 - Waitomo Stormwater Schedule A (22) Conditions 4 - 6	31 May
No. 105054 - Te Kuiti Stormwater Condition 6	31 May
No. 116274 - Benneydale Water Treatment Plant Conditions 2, 3, 4 & 7 (Groundwater Take)	1 June
No. 113544 - Mokau Water Treatment Plant (Water Take) Conditions 2 & 4	July
No. 113545 - Mokau Water Treatment Plant (Backwash) Conditions 2 - 8	July
No. 140685 - Rangitoto Quarry Landfill, William Street, Te Kuiti Annual Report Condition 71	<i>Not yet commenced</i>
No. 101753 - Te Kuiti Landfill, William Street Annual Report Condition 4 Independent Peer Reviewer	May
No. 120048 - Te Kuiti Wastewater Treatment Plant Condition 7	1 December
No. 112639 - Te Kuiti Wastewater Treatment Plant Condition 20 (Discharge)	September
No. 138063 - Te Waitere Wastewater Condition 16	July

RESOURCE CONSENT	REPORT DUE
No. 103287, 103288 and 103289 - Te Kuiti, Walker Road - Closed Landfill	November
No. 103193 - Benneydale Closed Landfill SH30 Conditions 2, 3 & 5 No. 103194 - Conditions 2 & 3	Monitoring ceased by mutual agreement with WRC (08/2018)
No. 103196 - Piopio Closed Landfill Conditions 2, 3 & 4	Monitoring ceased by mutual agreement with WRC (08/2018)
No. 103198 - Aria Closed Landfill Conditions 2 & 4	Monitoring ceased by mutual agreement with WRC (08/2018)
Biennial	
No. 117290 - Piopio Wastewater Treatment Plant Conditions 7 & 9 (Discharge) (Review Operations and Management)	September 2014 (<i>and every two years after</i>)
No. 112639 - Te Kuiti Wastewater Treatment Plant Condition 24 (Review Operations Management Plan)	June 2015 (<i>and every two years after</i>)
No. 118813 - Benneydale Wastewater Treatment Plant Condition 27 (Review Management Plan Review)	From 2010 every two years
Other	
No. 112639 - Te Kuiti Wastewater Treatment Plant Condition 28 (Complete Passage/Migration Barrier Assessment within 3 years of commencement date)	Within 3 years: 18 December 2017 Completed: 1 July 2020

Resource Consent Compliance Reports: January to March 2024

4.1 The following Resource Consent Compliance Reports have been made to WRC during the third quarter of 2023/24:

**1. AUTH116844.01.01 – Maniaiti/Benneydale Water Treatment Plant
Condition 9 (Surface Water Take)
Report Due: Monthly**

Activity Description	Take up to 180 cubic metres per day of water from an unnamed tributary of the Mangapeehi Stream for Benneydale water supply purposes.
Reporting Period:	January 2024
Compliance Status:	Compliant
WDC Reference:	A707777

Activity Description	Take up to 180 cubic metres per day of water from an unnamed tributary of the Mangapeehi Stream for Benneydale water supply purposes.
Reporting Period:	February 2024
Compliance Status:	Partially Compliant - There was one instance that water extraction rate exceeded the 3.3 l/s consent limit which occurred on 13 February 2024 (extracted rate 4.4 l/s) due to communication error. It was not immediately acknowledged by the system that the set value had surpassed.
WDC Reference:	A712622

Activity Description	Take up to 180 cubic metres per day of water from an unnamed tributary of the Mangapeehi Stream for Benneydale water supply purposes.
Reporting Period:	March 2024
Compliance Status:	Compliant
WDC Reference:	A715091

**2. AUTH117290.01.01 – Piopio Wastewater Treatment Plant
Condition 26 (Discharge)
Report Due: Monthly**

Activity Description	Discharge up to 135.4 cubic metres of treated municipal sewage in any 24-hour period from the Piopio Wastewater Treatment System to the Mokau River.
Reporting Period:	January 2024
Compliance Status:	Partially Complaint – The concentration of faecal coliform resulted in 1100 cfu/100mL which exceeded its consent limit of 500 cfu/100mL. This is because the UV sleeve was coated with slime and algae. After cleaning the UV sleeves, retest was conducted yielding a result of <180 cfu/100 mL which demonstrates compliance. Also, there was one exceedance in the discharge rate occurring on 29 January 2024 due to heavy rainfall on 27 & 28 January 2024. During heavy rainfall, surface run-off can enter the sewer system.
WDC Reference:	A708010

Activity Description	Discharge up to 135.4 cubic metres of treated municipal sewage in any 24-hour period from the Piopio Wastewater Treatment System to the Mokau River.
Reporting Period:	February 2024
Compliance Status:	Compliant
WDC Reference:	A712899

Activity Description	Discharge up to 135.4 cubic metres of treated municipal sewage in any 24-hour period from the Piopio Wastewater Treatment System to the Mokau River.
Reporting Period:	March 2024
Compliance Status:	Compliant
WDC Reference:	A715823

**3. AUTH101753.01.01 – Te Kuiti Landfill Condition 11 (Leachate Monitoring)
Report Due: Quarterly**

Activity Description	Place up to 232,000 tonnes of municipal solid waste onto or into land, in the Rangitoto Quarry Landfill, William Street, Te Kuiti.
Reporting Period:	October to December 2023
Compliance Status:	<p>Non-compliant - There were exceedances in conductivity, chloride, and ammoniacal nitrogen for this reporting period. These indicate possible contamination or infiltration from leachate.</p> <p>After identifying incorrect sampling locations from the previous report, the team took measures to ensure accuracy by installing a hose within the ring drainpipe. Because initially we thought that the exceedances were due to incorrect sampling but after inspection revealed a brownish discharge from the ring drain which confirmed that there was a contaminant or infiltration from leachate. Further investigation undertaken. The exceedances were reported to the Waikato Regional Council on December 20, 2023.</p>
WDC Reference:	A716884

**4. AUTH112639.01.01 – Te Kuiti Wastewater Treatment Plant – Discharge Conditions 7, 17, 21 and 30
Report Due: Quarterly**

Activity Description	To discharge treated wastewater to the Mangaokewa Stream from the Te Kuiti Wastewater Treatment Plant.
Reporting Period:	October - December 2023
Compliance Status:	Compliant
WDC Reference:	A704339

**5. AUTH133317.01.01 – Te Kuiti Water Treatment Plant – Water Take
Report Due: Semi-Annual**

Activity Description	To take water from the Mangaokewa Stream for domestic and municipal water supply purposes.
Reporting Period:	1 July – 31 December, 2023
Compliance Status:	Compliant
WDC Reference:	A704327

6. AUTH118813.01.01– Maniati/Benneydale Wastewater Treatment Plant Discharge Conditions 7, 9, 16, 21 and 23
Report Due: Semi-Annual

Activity Description	Discharge up to 85 cubic metres per day of treated municipal wastewater on to land on a seasonal basis or discharge to the Mangapeehi Stream.
Reporting Period:	July 1 – December 31, 2023
Compliance Status:	Compliant
WDC Reference:	A704928

7. AUTH107478.01.02 – Piopio Water Treatment Plant – Surface Water Take Conditions 5, 6, 7 and 9
Report Due: Semi-Annual

Activity Description	Take up to 165,929 cubic metres per year of water from Kuratahi Stream for municipal water supply purposes.
Reporting Period:	1 July - 31 December 2023
Compliance Status:	<p>Partially Compliant – There were exceedances in July, September, November and December 2023.</p> <p>In July 2023, inaccurate reading of flow meter because it was submerged in water resulted in burned-out wiring. The flow meter was re-installed on July 25, 2023.</p> <p>In September 2023, the settings of the system were accidentally changed to 600 m³/daily. Emailed sent to the telemetry provider to change the set value to 450 m³/daily.</p> <p>In November 2023, a SCADA glitch occurred. Emailed SCADA contractor to fix the issue. Despite attempts to resolve the issue, it recurred in December, leading the team to adjust the set point from 450 m³/daily to 448 m³/daily to allow a 2m³ buffer in case of late system acknowledgments.</p> <p>Since December 2023, we have made changes to our operating system at the Treatment Plant and at the town reservoir to ensure continuous breaches of water take are eliminated. The team also conducted a leak detection program which identified 20 private and 5 public leaks.</p> <p>And as per record, the total volume of water taken for Piopio Water Treatment Plant from Jan to Dec 2023 was 158,589 m³ which did not exceed the allowable maximum water take of 165,929 m³ for one year.</p>
WDC Reference:	A706402

8. AUTH120048.01.01 – Te Kuiti Wastewater Treatment Plant Discharge to Land (via seepage)
Report Due: Semi-Annual

Activity Description	To discharge treated wastewater (via seepage) to land and groundwater from activities associated with the Te Kuiti Wastewater Treatment Plant
Reporting Period:	August 2023 - January 2024
Compliance Status:	Compliant
WDC Reference:	A686043

8. AUTH118813.01.01 – Benneydale Wastewater Treatment Plant Condition 26
Report Due: Annually

Activity Description	Discharge up to 85 cubic metres per day of treated municipal wastewater on to land on a seasonal basis or discharge to the Mangapeehi Stream.
Reporting Period:	January to December 2023
Compliance Status:	<p>Partially Compliant – There were exceedances on 85m³ per day consent limit:</p> <ol style="list-style-type: none"> 1. Feb 13-14, 2023 - due to a remote system malfunction. 2. April 24-25, 2023 - because of faulty flow meter 3. May 9-16, 2023 - communication error, slight delay in the acknowledgement of readings and accumulated volume on the indicated dates. <p>1 November 2022 up until April 30, 2023, should be shifted from the stream to soakage field, there should be no records of discharge from the mentioned dates. However, there were instances that the flow meter recorded the rainwater which occurred on January 28 to February 3, 2023. The treated water pond discharging to stream was filled with rainwater and flowed through the pipe leading to the stream which was recorded by the flow meter connected to the pipe. In April 2023, the flow meter was malfunctioning. The electrician found that the wiring was not connected properly, and it was fixed immediately. For November 1, 2023, there was a slight delay in the acknowledgement of the system which resulted in a 4m³ discharge to stream.</p> <p>The soakage discharge has slightly uneven distribution. The application system was inspected and tested in October.</p> <p>The results for all quality parameters were of good quality and remained well below consent limits.</p>
WDC Reference:	A706402

9. AUTH101753.01.01, AUTH101754.01.01 and AUTH124718.01.01 – Waitomo District Council (Rangitoto Quarry Landfill) – Formal Warning

Activity Description	<p>AUTH101753.01.01 - Discharge of municipal solid waste into or onto land.</p> <p>AUTH101754.01.01 - Discharge contaminants to air from a Rangitoto Quarry Landfill site.</p>
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	AUTH124718.01.01 - Discharge leachate from a sanitary landfill into ground.
Assessment Period:	1 July 2022 - 30 June 2023
Compliance Status:	The WRC recently issued a formal warning to the WDC regarding its environmental compliance practices during the 2022/2023 period. Through this warning, areas for improvement have been identified, particularly concerning the monitoring and reporting of leachate and stormwater quality, which are essential for safeguarding the surrounding environment. Additionally, there were opportunities highlighted for enhanced communication between WDC and WRC regarding exceedances during sampling activities, which are crucial for prompt action and mitigation measures. Furthermore, discussions have centred around strengthening the inspection protocols for incoming waste to ensure optimal environmental management practices at the landfill site.
WDC Reference:	A717103

10. AUTH140685.01.01– Waitomo District Council (Rangitoto Quarry Landfill) – New Resource Consent Update

Compliance Status:	There have been ongoing meetings to determine whether to proceed with a continued landfill operation or to mothball the Landfill. As the new resource consent will lapse in September 2024, a request for 2 years extension of lapse date is being presented to WRC. Should the decision be made to mothball the Landfill, the new resource consent will give the Council a consented landfill until 2054. The Landfill has been operating since 1999, prior to which the site was a quarry. The Landfill is a fully lined Class 1 municipal waste facility that receives approximately 7,500 tonnes of waste annually, with a total consented limit of 232,000 tonnes. With the current fill rate, it is anticipated that this threshold will be reached by 2026, necessitating careful consideration for the future. The primary aim of the resource consent is to prolong the Landfill's lifespan by increasing the total limit to approximately 467,000 cubic meters (note that the original limit is in tonnes, not cubic meters). Consequently, the applicant has applied for a 35-year consent term.
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11. AUTH107477.01.02 & AUTH107478.01.02 – Piopio Water Take & Backwash Discharge Resource Consents Renewal

Activity Description	Take up to 165,929 cubic metres per year of water from Kuratahi Stream for municipal water supply purposes. Discharge up to 8 cubic meters of filter backwash water and waste over a 4-minute period, twice a week to the Kuratahi Stream in association with the operation of a municipal water supply.
Expiration:	1 August 2023
Compliance Status:	We are waiting for a response from WRC about the details they asked for. If they don't have any more

	questions, they will provide us a draft resource consent.
WDC Reference:	N/A

12. Piopio, Mokau, Marokopa, Te Waitere, Benneydale and Waitomo Village Stormwater Resource Consents Renewal

Activity Description	<p>AUTH105054.01.01 - To divert and discharge urban stormwater runoff and associated contaminants at multiple locations to land, the Mangaokewa Stream, and use discharge structures in the vicinity of the Te Kuiti urban area that is reticulated by the Te Kuiti municipal stormwater system.</p> <p>AUTH105055.01.01 - To divert and discharge urban stormwater runoff and associated contaminants at multiple locations to land, the Mokau River, Piopio & Kuratahi Streams, and use discharge structures in the vicinity of the Piopio urban area that is reticulated by the Te Kuiti municipal stormwater system.</p> <p>AUTH105056.01.01 - To divert and discharge urban stormwater runoff and associated contaminants at multiple locations to land, the Mokau River, and use discharge structures in the vicinity of the Mokau urban area that is reticulated by the Mokau municipal stormwater system.</p> <p>AUTH105057.01.01 - To divert and discharge urban stormwater runoff and associated contaminants at multiple locations to land, the Marokopa River, and use discharge structures in the vicinity of the Marokopa urban area that is reticulated by the Marokopa municipal stormwater system.</p> <p>AUTH105058.01.01 - To divert and discharge urban stormwater runoff and associated contaminants at multiple locations to land, the Kawhia Harbour, and use discharge structures in the vicinity of the Te Waitere urban area that is reticulated by the Te Waitere municipal stormwater system.</p> <p>AUTH105059.01.01 - To divert and discharge urban stormwater runoff and associated contaminants at multiple locations to land, the Mangapeehi Stream, and use discharge structures in the vicinity of the Benneydale urban area that is reticulated by the Benneydale municipal stormwater system.</p> <p>AUTH105060.01.01 - To divert and discharge urban stormwater runoff and associated contaminants at multiple locations to land, the Waitomo Stream, and use discharge structures in the vicinity of Waitomo urban area that is reticulated by the Waitomo municipal stormwater system.</p>
Expiration:	1 July 2024
Compliance Status:	The application was submitted to WRC on 28/03/2024 for Te Kuiti, Piopio, Mokau, Marokopa, Te Waitere, Waitomo Village, Benneydale, and Awakino Stormwater Resource Consents. Once Awakino was added, bringing the total number of stormwater consents to 8 instead of the

	original 7.
WDC Reference:	N/A

13. AUTH116274.01.01 – Benneydale Groundwater Take Resource Consent Renewal

Activity Description	Take up to 180 cubic metres per day of groundwater, at a rate of 3.3 litres per second, for Benneydale municipal supply purposes.
Expiration:	15 May 2022
Compliance Status:	WDC submitted a request for the renewal of resource consent last in 2022 and WRC has responded with a preliminary resource consent draft, granting permission for a daily water extraction limit of 180 m ³ and an annual allowance of 44,000 m ³ . No extraction rate limit compared to the old resource consent.
WDC Reference:	N/A

14. AUTH113545.01.01 – Mokau Backwash Discharge Formal Warning

Activity Description	Discharge up to 10 cubic metres of filter backwash water to an unnamed tributary of the Coastal Marine Area in association with a municipal treatment plant in Mokau
Assessment Period:	1 July 2022 – 30 June 2023
Compliance Status:	<p>The WRC has issued a formal warning regarding the Mokau Water Treatment Backwash Discharge under resource consent AUTH113545.01.01, citing a breach of Section 15(1)(a) of the Resource Management Act 1991 due to repeated instances where the discharge consented limit of 10m³ was exceeded. WDC requested a six-month grace period to rectify the problem which was granted by the WRC. It was realised that the consent was originally granted for an outdated sand filter backwash system that had since been decommissioned.</p> <p>The Treatment Plant underwent an upgrade in 2022, implementing new treatment processes such as chemical coagulation/flocculation, sedimentation, and filtration. These changes resulted in a significant increase in the volume of backwash water generated, but with an improvement in water quality compared to the previous system.</p> <p>To address the issue, measures were implemented: 1) Commissioning of silo storage tanks to regulate the flow of backwash water; 2) Adjustments to the frequency and duration of backwash cycles; and 3) Installation of turbidimeters to monitor suspended solids loading.</p> <p>Since February, WDC has been able to comply with the 10m³ consent limit for backwash. However, it's noted that the existing resource consent is not applicable to the upgraded Mokau Treatment Plant, necessitating a re-application for resource consent. The timeline for this re-application is uncertain and will depend on budget</p>

	availability and approval process.
WDC Reference:	A705872

Suggested Resolution

The Progress Report, WDC Resource Consents – Compliance Monitoring, be received.



SHYAMAL RAM
GENERAL MANAGER – INFRASTRUCTURE SERVICES

29 April 2024

Document No: A718438

Report To: Audit and Risk Committee



Meeting Date: 14 May 2024

Subject: **Recommendation to Council – Removal of Overdraft Facility**

Type: Decision Required

Purpose of Report

- 1.1 The purpose of this business paper is to seek a recommendation from the Audit and Risk Committee (ARC) to the Council to remove the overdraft facility from the Council's operating bank account.

Background

- 2.1 Council's transactional banking requirements are satisfied through an All of Government Contract (AoG). Council's operating account has a historic overdraft facility with a limit of \$100,000.
- 2.2 The overdraft facility is no longer used and has become surplus to the requirements of WDC.
- 2.3 The current Treasury Policy requires that any new or amended borrowing facilities are approved by the full Council following recommendation from the ARC.

Commentary

- 3.1 The overdraft facility has been in place for some time with the original intention to provide cover in the event of an unexpected transaction occurring overnight that would overdraw the account.
- 3.2 There has been minimal use of the overdraft facility in recent times. Finance staff monitor the operational account to mitigate the risk of drawing the account into overdraft and the call advance facility is available to meet the daily cashflow requirements.
- 3.3 The costs associated with maintaining this facility have increased. Previously the facility cost \$40 per month however this cost has now increased to \$100 per month.
- 3.4 In addition, we are unable to earn interest on the operational account whilst the overdraft facility is in place. In the past this has meant that we have entered into term deposits to be able to receive interest on these surplus funds however this takes time to administer and monitor.
- 3.5 Westpac have advised that we can receive interest on our main operating account if we remove the overdraft facility. Under that arrangement interest can be earned on the operating account at a rate OCR plus 0.05%. At the current rate that would be approximately 5.55% for funds in credit. Interest revenue is received on monies held in the retentions account on the same basis.
- 3.6 Any interest revenue received on surplus funds partly offsets the interest cost for Council's debt.

Analysis of Options

- 4.1 There are two options available for consideration.
- 4.2 Status quo - leave the overdraft facility in place.

- 4.3 The alternative option is to remove the overdraft facility which will reduce costs by removing the monthly charge and provide the ability to earn interest revenue on surplus funds in the operational account.

Considerations

5.1 Risk

- 5.2 There is minimal risk with this decision. In the unlikely event the operational account inadvertently goes into overdraft, it would be remedied the next working day.

5.3 Consistency with Existing Plans and Policies

- 5.4 This decision is consistent with Council's Treasury Policy, where the Audit and Risk Committee can make recommendations to Council for any changes.

5.5 Significance and Community Views

- 5.6 Improving financial performance in a prudent way is consistent with community views and this decision does not trigger a decision to be made under the Significance Policy.

Recommendation

- 6.1 The removal of the overdraft facility from Council's operating bank account be recommended to Council for approval.

Suggested Resolutions

- 1 The business paper on Recommendation to Council - Removal of the Overdraft Facility be received.
- 2 The Audit and Risk Committee recommend the removal of the overdraft facility from Council's operating bank account be referred to Council for approval.



WAYNE LA ROCHE
ASSET ACCOUNTANT



TINA HITCHEN
CHIEF FINANCIAL OFFICER

Document No: A718399

Report To: Audit and Risk Committee



Meeting Date: 14 May 2024

Subject: **Treasury Management Report for the period ended 31 March 2024**

Type: Information only

Purpose of Report

- 1.1 The purpose of this business paper is to provide an update on WDC's debt position and compliance with borrowing limits for the period ended 31 March 2024.
- 1.2 Miles O'Connor, Bancorp Treasury Services Limited will be presenting the Treasury Management Report to the Council via Zoom.

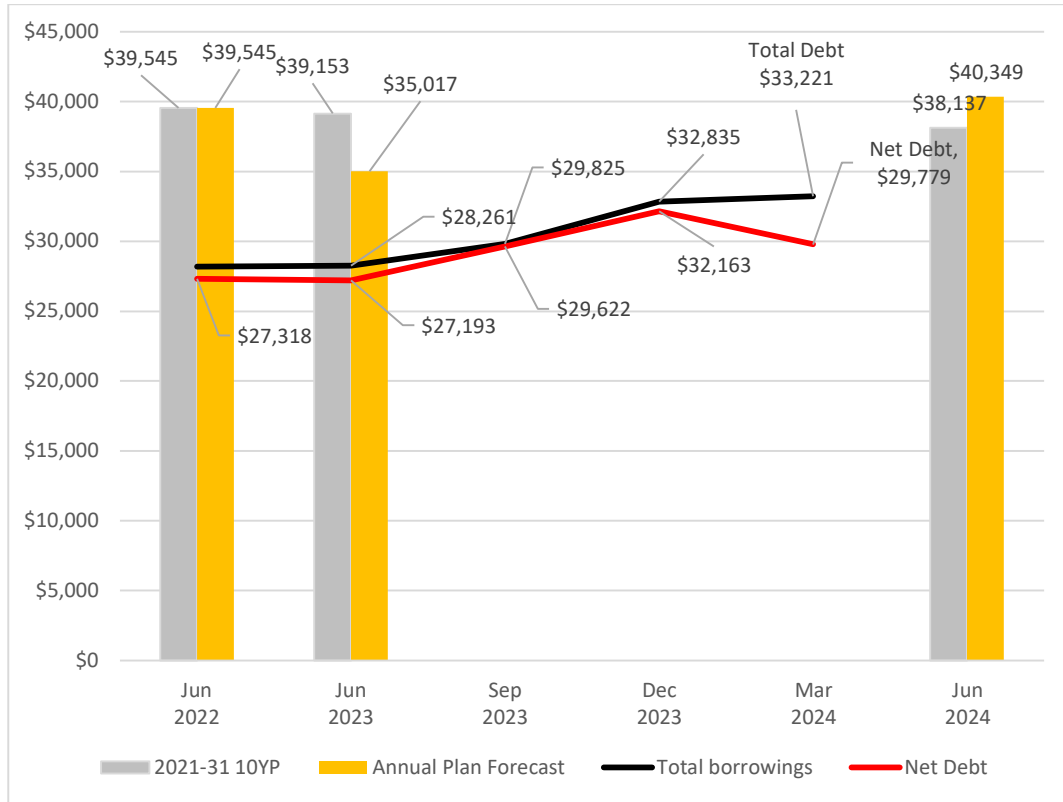
Background

- 2.1 The total borrowings and net debt position are regularly reviewed and monitored against current interest rates and compared to the current 10YP and Annual Plan Forecasts. This includes monitoring against WDC's borrowing limits as set in the Financial Strategy, with reporting to the Audit and Risk Committee on a quarterly basis.
- 2.2 Bancorp, Council's external treasury advisors, prepare a quarterly Treasury Reporting Dashboard that includes information on:
 - Market environment impacting interest rates and Local Government Funding Agency (LGFA) borrowing rates,
 - Council's funding profile,
 - Council's debt and hedging profile,
 - Council's cost of borrowing funds, and
 - Council's compliance with its Treasury Management Policy.
- 2.3 A copy of the Bancorp Treasury Reporting Dashboard for the period ended 31 March 2024 is enclosed separately and forms part of this business paper.

Commentary

- 3.1 **PUBLIC DEBT**
- 3.2 At 31 March 2024 public debt was **\$33.2 million** and net debt¹ was \$29.8 million.
- 3.3 At 30 June 2023 public debt was \$28.3 million and net debt was \$27.2 million.
- 3.4 The following graph shows the total borrowings and net debt position compared to forecast debt from the 10YP 2021-31 and the Annual Plan 2023/24.

¹ Net debt is total public debt less LGFA Borrower notes and unrestricted cash.



3.5 **INTEREST EXPENSE**

3.6 Total interest expense for the period ending 31 March 2024 was \$1,153,000 which was \$68,000 less than the year to date budget of \$1,221,000.

3.7 The assumed interest rate used in the Annual Plan for the 2023/24 year was 5.38%. The weighted average interest rate at 31 March 2024 was 5.33%, and including the Westpac Call Advance credit facility fee is 5.47%.

3.8 It is anticipated that floating interest rates have reached their peak for the short term and interest expense is expected to plateau at the current monthly level for at least the remainder of the financial year. Of the total borrowings of \$33.2 million, the floating interest rate debt totals \$22 million at 31 March 2024 which may be affected by interest rate changes, the remaining \$11 million of public debt is on a fixed interest rate exposure which is unaffected by short term interest rate changes, up until the date fixed rate arrangement expires (the remaining amount is accrued interest and finance lease liability).

3.9 **BORROWING LIMITS**

3.10 The borrowing limits set in the Financial Strategy are:

- The ratio of net debt to total revenue will not exceed 165%
- Net interest will not exceed 20% of annual rates.

	Limit	Actual Jun 2023	Actual Mar 2024
Net debt to total revenue	<165%	58%	Measured at the end of the year.
Net interest to annual rates	<20%	6%	7%

3.11 WDC is currently well below these limits so has borrowing capacity should this be required.

3.12 A standby credit facility with Westpac bank with a credit limit of \$6 million is in place of which none was drawn at 31 March 2024.

3.13 **INTEREST RATE EXPOSURE**

3.14 WDC is currently operating outside its policy limits for fixed rate hedging percentages for both the '0 to 2 year' and '2 to 4 year' bands, as highlighted on page 4 the Bancorp Treasury Reporting Dashboard and depicted in the top left chart on page 5.

3.15 The forecast debt profile has been updated to reflect the draft Long Term Plan 2024-34 forecasts, which is currently out for public consultation. The forecast profile is significantly different from the previous forecast presented for the December 2023 quarter and reflects the best estimate of the future level of borrowings to measure interest rate hedging compliance. Any changes to the forecast debt profile as part of final LTP may impact on the level of interest rate cover required.

3.16 Under the previous debt profile presented at the 13 February 2024 Audit and Risk Committee meeting, there was a breach of the '0 to 2 year' band and this was noted by the Committee.

3.17 It is recognised that there is a need to become policy compliant, however in the current economic environment fixing interest rate exposure would be costly given the widely held view by the market that rates are high and are expected to fall. The advice received to date has been to maintain a watching brief over the swap rates with the view to enter into interest rates swaps once these interest rates decrease.

3.18 A suggested plan to become policy compliant is detailed on page 6 of the Bancorp report. This involves entering into swaps; \$5 million starting May 2024 ending July 2027 with a target fixed rate of 4.35%, placing a forward start order for \$4 million starting June 2024, ending April 2028 with a target fixed rate 4.25%. Finally placing a forward order for \$5 million starting July 2026, ending July 2030. From the rates quoted there is a large difference between the current market rate and the suggested target rate.

3.19 It is noted that interest rates may not decrease to a suitable level to allow fixing interest rates at an acceptable interest cost, which could result in a possible breach position at balance date.

3.20 The Treasury Management Committee will be keeping a watching brief over these, with a view to move to policy compliance as soon as possible. This position will be reassessed in early June. If interest rates do not reduce as expected, the Treasury Management Committee will make a recommendation to the Chief Executive to maintain the current position and remain in breach of the policy bands or enter into fixed rate cover to become policy compliant by 30 June 2024.

3.21 **TREASURY TRANSACTIONS SINCE 31 MARCH 2024**

3.22 A \$5 million Commercial Paper (CP) that was raised in February 2024 to meet cashflow needs was continued through to April at which point it was converted into \$2 million CP and a \$3 million Floating Rate Note (FRN). The CP will mature in August 2024 and will be combined with an existing \$4 million CP and be extended out for another 6 months in order to attract the lowest interest rate available. The \$3 million FRN matures in April 2028.

3.23 A \$3 million FRN that matured in April 2024 was extended out four years and has a maturity of April 2027. This has provided an improved maturity profile compared to the graph on page 4 of the Bancorp report.

3.24 As per the Annual Plan Budget, debt is projected to increase, meaning that during the year more long term type debt solutions are required to manage the debt within policy parameters set. By borrowing from the LGFA for this core debt, leaves the Westpac Call Advance facility available to meet daily cashflow needs as they arise going forward.

Suggested Resolutions

- 1 That the business paper on Treasury Management Report for period ended 31 March 2024 be received.
- 2 That the Committee note the policy breaches for fixed interest hedging bands and the plan to remedy the breaches.



WAYNE LA ROCHE
ASSET ACCOUNTANT



TINA HITCHEN
CHIEF FINANCIAL OFFICER

Attachment: Bancorp Dashboard Treasury Management Report as at 31 March 2024 (A719124)



Treasury Reporting Dashboard

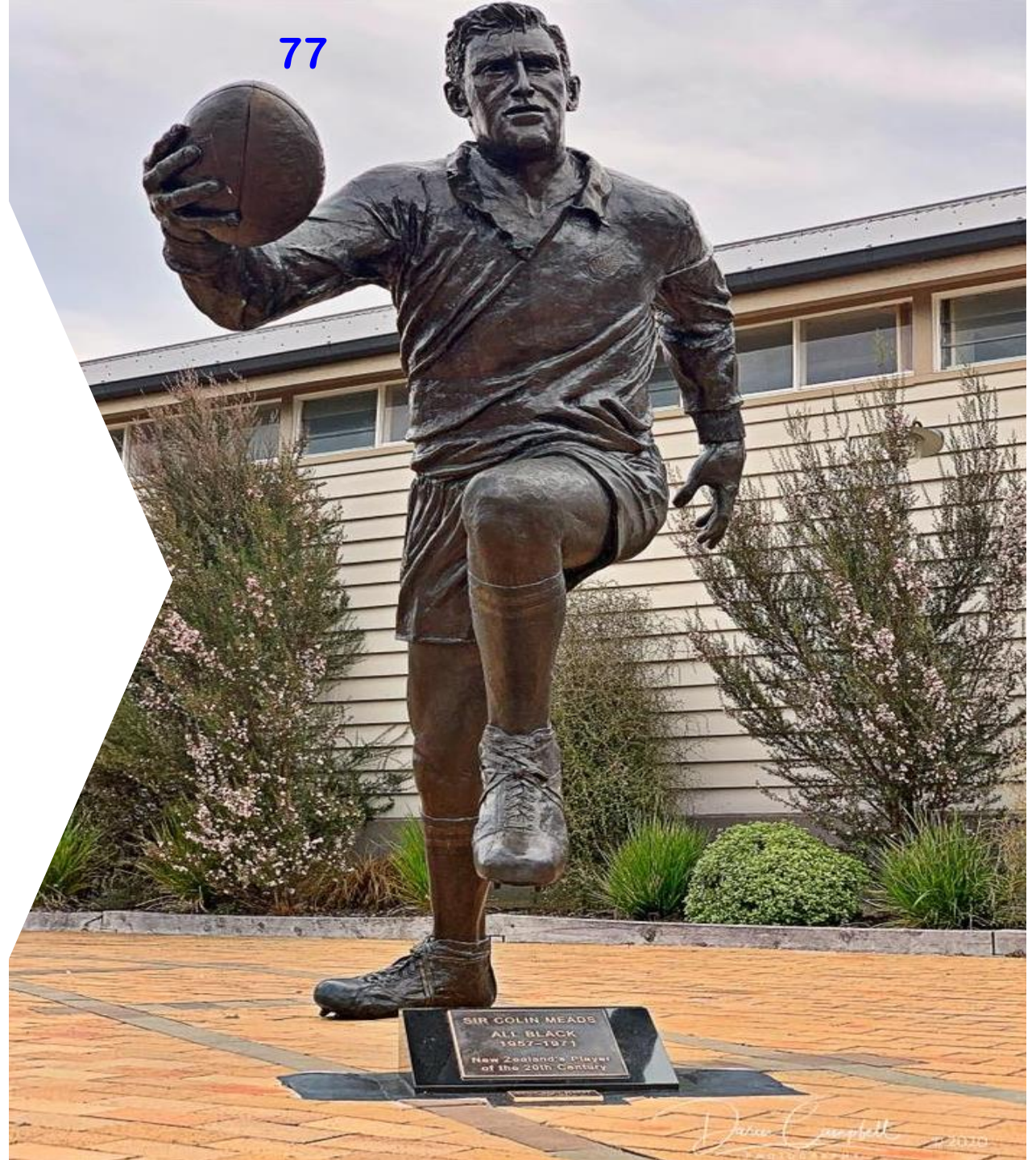
As at 31 March 2024

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BANCORP

BANCORP TREASURY SERVICES LIMITED



Global (for the March 2024 quarter)

The first quarter of 2024 was another volatile one for the US bond market, with the 10-year treasury starting the year at 3.88% and closing on 31 March at 4.32% which was back at the quarter's highs. Within the quarter, there was significant volatility with both sharp rallies and significant sell off in rates.

The February US Federal Open Market Committee ("FOMC") statement provided some positivity about interest rate cuts with the removal of the previous reference that "additional policy firming" may be required. The statement did however highlight that the timing of the easing cycle will be data-dependent stating that, "*The Committee does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2.0%.*" Market pricing is assigning a 64% chance that the first cut will occur in June and a 100% chance that it will happen in July.

New York Fed member, John Williams, continued to push back against an aggressive cutting cycle given the stickiness of inflation stating, "*at some point, I think it will be appropriate to pull back on restrictive monetary policy, likely later this year. But it's really about reading that data and looking for consistent signs that inflation is not only coming down but is moving towards that 2% longer-run goal.*"

One of the key questions for 2024, with the global GDP growth outlook deteriorating, was which country, or economic block, will contribute to global growth alongside the US, or if the US falters. At this stage, it appears highly unlikely that the Chinese economy will provide such stimulus given that the domestic economy appears to be in a deflationary spiral with CPI at -0.3% and PPIs at -2.7% for the last 12 months, with the ongoing monthly declines worse than those seen in the Asian Crisis in the late 1990s. While GDP printed at 5.2% for 2023, it was China's slowest annual pace of annual growth since the 1990s and many independent analysts argue that it was closer to zero given the ongoing plunge in property prices and construction levels. IMF President, Kristalina Georgieva, probably summed it up best at the meeting in Davos when she stated, "*China needs structural reforms to continue to open up the economy, to balance their growth model more towards domestic consumption.*"

The increasing and worrying risk for both New Zealand and the global economy continues to be China. This was reinforced again last week, when the People's Bank of China ("PBOC") announced its biggest ever reduction in the benchmark mortgage rate, as authorities again tried to support the struggling property market and thus the broader economy. The 25bps cut to the five-year loan prime rate ("LPR") was the largest since the reference rate was introduced in 2019 and was more than what was expected. The LPR now stands at 3.95% from 4.20% previously, while the one-year LPR was left unchanged at 3.45%.

Australian inflation rose 3.4% in the January year, its lowest level since November 2021. The increase was led by insurance and financial services (8.2%), alcohol and tobacco (6.7%), food and non-alcoholic beverages (4.4%), and housing (4.6%).

	OCR	90 day	2 years	3 years	5 years	7 years	10 years
31 Dec 2023	5.50%	5.64%	4.64%	4.33%	4.08%	4.07%	4.14%
31 Mar 2024	5.50%	5.64%	4.80%	4.51%	4.30%	4.29%	4.37%
Change	0%	0%	+0.16%	+0.18%	+0.22%	+0.22%	+0.23%

The March 2024 quarter saw significant volatility, with the benchmark 5-year swap opening the year at 4.08%, reaching a high of 4.77% on 14 February before closing the quarter at 4.30%. At the shorter end of the yield curve the 2 year swap traded in a 4.64% to 5.27% range, finishing the quarter at 4.80%.

The year opened with significant optimism that significant rate cuts were on the near-term horizon, with this being a function of optimism of significant cuts from both the US Fed and the RBNZ, with at one point six 25 basis point rate cuts being built into market pricing of both the NZ and US markets.

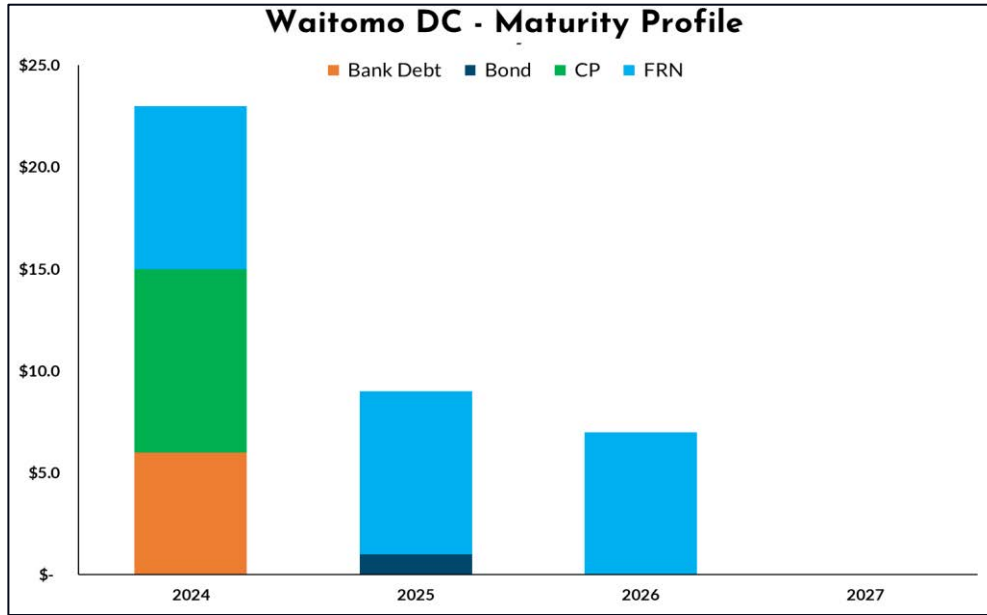
The Reserve Bank of New Zealand (“RBNZ”) seemed to want to temper these expectations with a speech from its Chief Economist Paul Conway on the 30th January saying that while the September GDP print was very weak and the June number was revised lower, its focus was on continuing capacity pressures, stronger than expected private demand, continuing strong net inward migration and that non-tradeable inflation was uncomfortably high at 5.9%. The message from this was that the RBNZ has a long way to get inflation back to the midpoint of 2.0%.

This statement was likely behind one of the strangest calls from a local bank for quite some time, with the ANZ coming out with a revised forecast of two consecutive OCR increases, which would have taken the rate from 5.50% to 6.00%, the market reaction was severe flipping from a 40% chance of a cut in May to the strong probability of an increase and pushing swap rates noticeably higher.

The RBNZ’s Monetary Policy Committee (“MPC”) torpedoed any hopes the ANZ had, maintaining the OCR at 5.50% with the MPC statement and the Q&A session taking a slightly ‘dovish’ stance. The RBNZ downgraded its 2024 CPI and unemployment forecasts and lowered its OCR forecasts slightly with the central bank projecting rate cuts to start in H1 2025 with the OCR falling to 3.00% by 2026. In the Q&A session, Governor Orr confirmed the committee had considered raising rates but decided to hold on to a “*very strong consensus*”. This saw the local swaps curve immediately fall by 25bps to 30bps with the market projecting the first cut to occur in August this year and for the OCR to be 4.00%-4.25% by July 2025. Recent data tends to favour the easing cycle starting sooner than the RBNZ is projecting, with unemployment up to 4.0% in Q4 and retail sales volumes contracting by 1.9% over the same period, despite surging immigration and higher retail pricing, while residential building consents are down 28% on an annual basis.

NZ economic data throughout the quarter has been almost universally poor, with the only exception being tourism-related data. When adjusting the poor economic data with the strong net migration, the per capita data reveals an even poorer economic picture. Adding to this theme are regular announcements of job losses occurring in both the private and public sectors. On the 21st of March, Q4 2023 GDP data officially confirmed NZ was in a recession with a 0.1% contraction in the December quarter.

Funding, Liquidity and Hedging Bands ⁸⁰



Core Debt
\$33.0m
 External Council Drawn Debt

LGFA Debt
\$33.0m
 Funds Drawn from LGFA

Headroom = undrawn bank facility + cash in bank
\$10.06m

Liquidity Ratio (must be >110%)
130.48%
 Definition: Includes Cash Reserves + Undrawn lines of Credit + Drawn Debt)/Drawn Debt (excludes Borrower Notes and restricted cash).

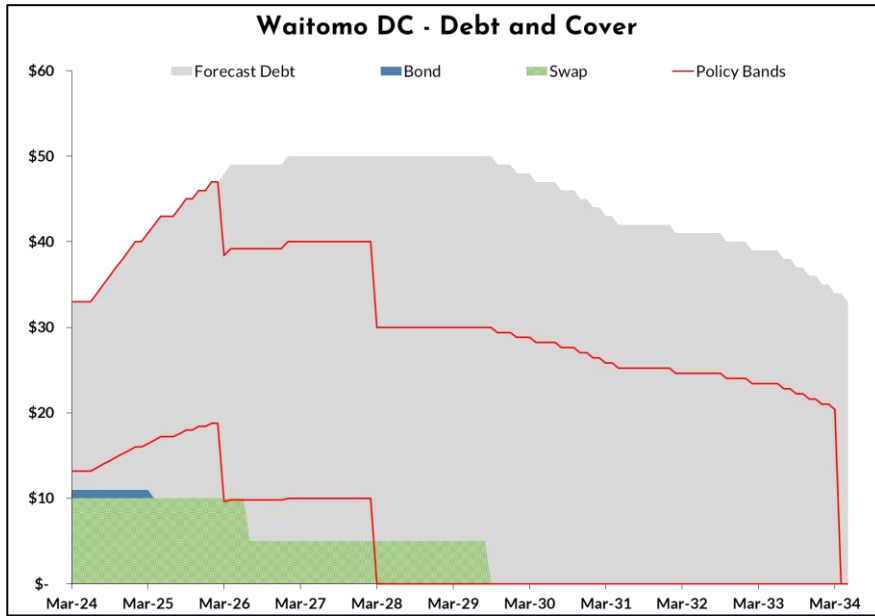
Cost of Funds as at 31 March
5.47%

Policy Compliance	Compliant
Have all transactions been transacted in compliance with policy?	Yes
Is fixed interest rate cover within policy control limits?	No
Is liquidity within LGFA control limits?	Yes
Are swaps transacted with approved counterparties?	Yes

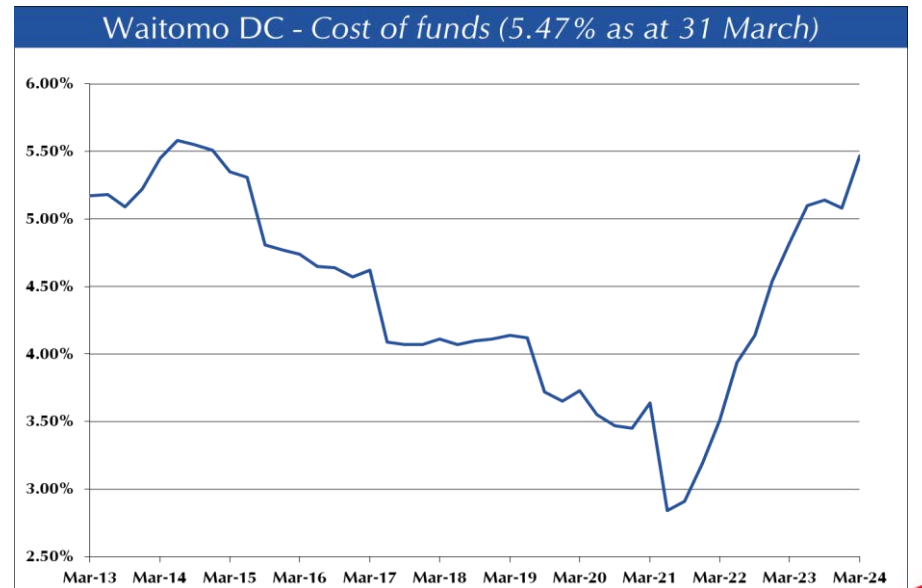
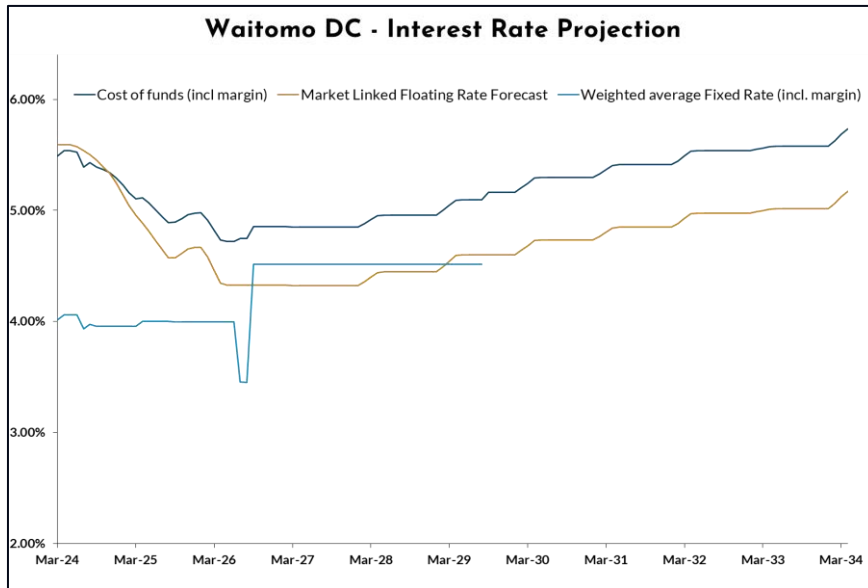
Commentary about the non compliance is contained in Slide 6.

Fixed Rate Hedging Bands			
	Minimum	Maximum	Policy
0 - 2 years	40%	100%	Non-Compliant
2 - 4 years	20%	80%	Non-Compliant
4 - 8 years	0%	60%	Compliant

Interest Rate Risk Management ⁸¹



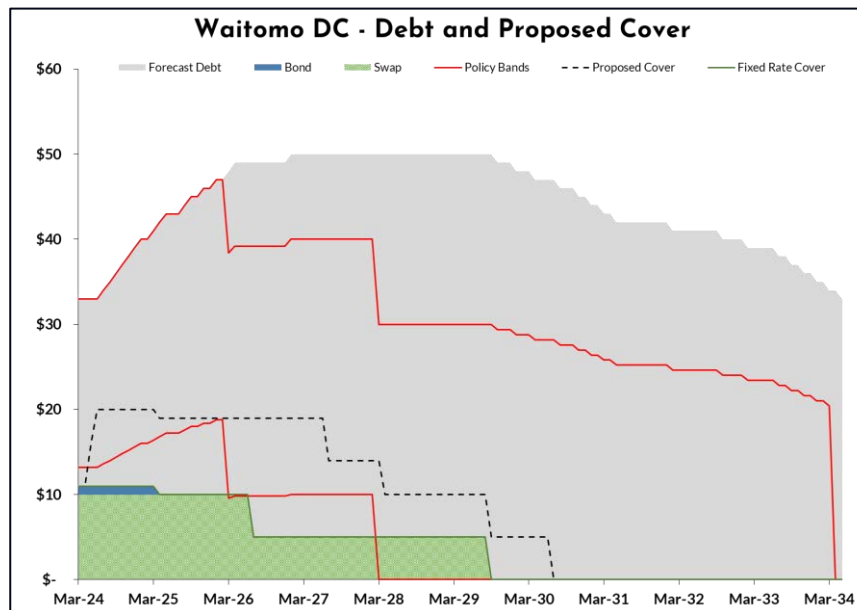
Current % of Debt Fixed	33.3%
Current % of Debt Floating	66.7%
Value of Fixed Rate (m)	\$11.0
Weighted Average Cost of Fixed Rate Instruments	3.43%
Value of Forward Starting Cover	\$10.0
Weighted Average Cost of Forward Starting Cover	3.95%
Value of Floating Rate (m)	\$22.0
Current Floating Rate	5.63%
Current Floating Rate (incl margin)	6.23%
All Up Weighted Average Cost of Funds Including Margin	5.47%
Total Facilities In Place	\$39.0



Interest Rate Risk Management⁸²

Position and Strategy

- › During the March quarter WDC was policy compliant after an interest rate swap for \$5.0 million starting in September 2026 and maturing in September 2029 at a rate of 3.96% was transacted. The debt and cover position incorporating this swap was based on the current and projected debt levels that prevailed at the time. These had the current debt at \$28.0 million, progressively declining to \$10.0 million by 2031. As a result of the Long Term Plan process WDC have a significantly altered debt forecast with the debt now at \$33.0 million and projected to increase to \$50.0 million by mid 2028. As a result of this sharp increase WDC is not compliant with the policy.
- › Medium and long term Interest rates increased sharply during the quarter and we were reluctant to immediately enter into interest rate swaps to remedy the breach that the new profile produced as this would have locked WDC into fixed rates at what we considered to be elevated levels. The swaps that have been identified to rectify the policy breaches are as follows
 - \$5.0 million May 2024 to July 2027, current rate is 4.68%, targeting 4.35%.
 - \$4.0 million June 2024 to April 2028, current rate is 4.57%, targeting 4.25%.
 - \$5.0 million July 2026 to July 2030, current rate is 4.32%, targeting 3.95%.
- › While the RBNZ is projecting no rate cuts until mid 2025 year, softening local data and cuts coming elsewhere mean that we think that the RBNZ will be forced to cut earlier than what it is currently projecting. The market is currently projecting the first OCR cut in either October or November of this year We see the 'neutral' OCR somewhere between 3.00% and 3.50% and expect that the OCR will fall at least 200 basis points to 3.50% or below when we finally move to an easing cycle. This will push swap rates lower towards the targets that are outlined above. The debt and cover profile with the new swaps which are indicated by the dotted line is depicted in the following graph.



LGFA Borrowing Rates

83

7

As at 31 March

Listed below are the credit spreads and applicable interest rates as of 31 March for Commercial Paper (“CP”), Floating Rate Notes (“FRN”), and Fixed Rate Bonds (“FRB”), at which Waitomo District Council (“WDC”) could source debt from the Local Government Funding Agency (“LGFA”).

Maturity	Margin	FRN (or CP Rate)	FRB
3 month CP	0.20%	5.84%	N/A
6 month CP	0.25%	5.82%	N/A
April 2024	0.47%	6.11%	6.05%
April 2025	0.57%	6.21%	5.90%
April 2026	0.64%	6.28%	5.50%
April 2027	0.77%	6.41%	5.34%
May 2028	0.86%	6.50%	5.28%
April 2029	0.95%	6.59%	5.30%
May 2030	1.03%	6.67%	5.36%
May 2031	1.12%	6.76%	5.48%
April 2033	1.19%	6.83%	5.59%
May 2035	1.27%	6.91%	5.73%
April 2037	1.33%	6.97%	5.86%



WDC - LGFA Borrowings ⁸⁴

As at 31 March 2024, WDC had \$33.0 million of core debt, all of which is sourced from the LGFA using Commercial Paper, FRNs, and FRBs. WDC also has a bank facility with Westpac Bank for \$6.0 million that matures on 1 July 2024, which has a margin of 95 basis points and a line fee of 40 basis points. Details of WDC's drawn debt as at 31 March is as follows:

Instrument	Maturity	Yield	Margin	Amount
LGFA FRN	18-Apr-24	6.30%	0.66%	\$3,000,000
LGFA CP	22-Apr-24	5.79%	0.20%	\$5,000,000
LGFA CP	29-Aug-24	5.94%	0.20%	\$4,000,000
LGFA FRN	11-Sep-24	6.34%	0.69%	\$5,000,000
LGFA FRB	19-Apr-25	3.68%	N/A	\$1,000,000
LGFA FRN	22-Apr-25	6.13%	0.49%	\$5,000,000
LGFA FRN	30-Aug-25	6.21%	0.57%	\$3,000,000
LGFA FRN	24-Jul-26	6.31%	0.66%	\$5,000,000
LGFA FRN	30-Aug-26	6.30%	0.66%	\$2,000,000



Swap details and valuation⁸⁵

As at 31 March

As at 31 March, WDC had four interest rate swaps which convert a portion of the floating interest rate exposures into a fixed rate. Details of the swaps are contained in the following table.

Start date	Maturity date	Rate	Amount	Market Value
20-Apr-20	20-Apr-25	3.930%	5,000,000	\$82,522
11-Sep-20	11-Sep-26	2.890%	5,000,000	\$206,102
22-Apr-25	22-Jul-26	3.960%	5,000,000	\$11,295
11-Sep-26	11-Sep-29	3.960%	5,000,000	(\$1,644)
Total swap hedging			\$20,000,000	\$298,276

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Document No: A719341

Report To: Audit and Risk Committee



Meeting Date: 14 May 2024

Subject: **Motion to Exclude the Public for the Consideration of Council Business**

Type: Decision Required

Purpose

- 1.1 The purpose of this business paper is to enable the Committee to consider whether or not the public should be excluded from the consideration of Council business.

Note: It is the Committee's choice whether to consider any of the items listed below in the public or public excluded portion of the meeting.

Commentary

- 2.1 Section 48 of the Local Government Official Information and Meetings Act 1987 gives the right, by resolution, to exclude the public from the whole or any part of the proceedings of any meeting, only on one or more of the grounds contained within that Section.

Suggested Resolutions

- 1 The public be excluded from the following part of the proceedings of this meeting.
- 2 The general subject of each matter to be considered while the public is excluded and the reason for passing this resolution in relation to each matter, as specified by Section 48(1) of the Local Government Official Information and Meetings Act 1987 are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Section 48(1) grounds for the passing of this resolution
1. Annual Report and Summary Annual Report 2023/24 – Audit Engagement, Proposal, Service Plan and Timeline	Section 7(2)(c)(1) (c) 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 – (i) 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;	Section 48(1)(d)
2. Progress Report - Audit findings for year ended June 2023	Section 7(2)(c)(1) (c) 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 – (i) 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;	Section 48(1)(d)

- 3 The Committee agree the following staff, having relevant knowledge to assist in the consideration of the items of business to be public excluded, remain in attendance to assist the Committee with its decision making:

Staff Member	Reason for Remaining in Attendance
Chief Executive	Council CEO
Manager – Governance Support	Committee Secretary
Chief Financial Officer	Portfolio Holder
Manager – Strategy and Policy	Portfolio Holder

- 4 This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in the public.



MICHELLE HIGGIE
MANAGER – GOVERNANCE SUPPORT