

**Document No:** A642106

**Report To:** Council



**Meeting Date:** 29 November 2022

**Subject:** **Deputation: Representatives from Oparure Marae, Kohanga Reo and Wharekura – Roothing and Speed Issues**

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to advise that Representatives from Oparure Marae, Kohanga Reo and Wharekura to address the Council in regard to roading and speed concerns on Oparure Road in the vicinity of the Marae, Kohanga Reo and Wharekura.

## Suggested Resolutions

The Deputation from rrepresentatives from Oparure Marae, Kohanga Reo and Wharekuraawa be received.

A handwritten signature in blue ink, appearing to read "Michelle Higgie", with a stylized, cursive script.

MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

## WAITOMO DISTRICT COUNCIL

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### MINUTES OF THE 2022-2025 TRIENNIUM INAUGURAL MEETING OF THE WAITOMO DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON TUESDAY 25 OCTOBER 2022 AT 9.30AM

**PRESENT:** Mayor John Robertson, Council Members Allan Goddard, Eady Manawaiti, Janene New, Janette Osborne, Dan Tasker and Gavin Todd

**IN ATTENDANCE:** 14 Family Members and Supporters

1 Member of the Media (King Country News)

Ben Smit, Chief Executive; Michelle Higgie, Manager – Governance Support; Helen Beever, General Manager – Community Services; Alex Bell, General Manager – Strategy and Environment; Shyamal Ram, General Manager – Infrastructure Services and Alister Duncan, General Manager – Business Support

The Chief Executive called the meeting to order, welcoming all present and explained the requirement for the Chief Executive to preside over the meeting until the Mayor has made and attested a Declaration required by the Local Government Act 2002.

#### **1. Making and Attesting of Declarations**

Mayor Robertson made and attested his declaration pursuant to Clause 14 of Schedule 7 of the Local Government Act 2002. Upon completion of his declaration, Mayor Robertson took the Chair.

Council Members Goddard, Manawaiti, New, Osborne, Tasker and Todd made and attested their declarations pursuant to Clause 14 of Schedule 7 of the Local Government Act 2002.

#### **2. Appointment of Deputy Mayor**

Council considered a business paper advising of the Local Government Act 2002 requirement to appoint a Deputy Mayor and setting out the options for making the appointment.

Mayor Robertson advised that the Council have discussed and agreed on the appointment of a Deputy Mayor and therefore he would be exercising the Mayoral power as provided in Subsection 41A(3)(a) of the Local Government Act 2002 in appointing the Deputy Mayor.

##### **Resolution**

- 1 The business paper on Appointment of Deputy Mayor be received.
- 2 Council noted the appointment of Allan Goddard as Deputy Mayor in accordance with Section 41A(3)(a) of the Local Government Act 2002.

Moved/Seconded Robertson/New

### 3. General Legal Issues Facing Members of the Council

Council considered a business paper presenting a general explanation, as required under Section 21 of Schedule 7 of the Local Government Act 2002, of:

- 1 The Local Government Official Information and Meetings Act 1987; and
- 2 Other laws affecting members including:
  - the appropriate provisions of the Local Authorities (Members Interests) Act 1968
  - sections 99, 105, and 105A of the Crimes Act 1961; and
  - the Secret Commissions Act 1910; and
  - the Financial Markets Conduct Act 2013.

The Chief Executive expanded verbally on the business paper and advised that if any member finds themselves in a situation where they have concerns in respect to any of the above legislation they can approach him at any time.

#### Resolution

The business paper on General Legal Issues Facing Members of the Council be received.

Moved/Seconded Robertson/Osborne

### 4. Setting Date and Time of the first Council Business Meeting

Council considered a business paper requiring the fixing of the date and time of the first ordinary business meeting of the Council in accordance with Schedule 7, Section 21(5)(d) of the Local Government Act 2002.

Mayor Robertson advised that the Council have discussed and agreed on the date and time of the first business meeting of the Council following the 2022 Triennial Elections.

#### Resolution

- 1 The business paper on Setting Date and Time of the first Council Business Meeting be received.
- 2 The first ordinary business meeting of the Council following the 2022 Triennial Elections be scheduled for Tuesday 29 November 2022 at 9.00am in the Council Chambers, Queen Street, Te Kuiti.
- 3 A Meeting Schedule for the 2023 Calendar Year be presented for consideration at that meeting.

Moved/Seconded Robertson/Manawaiti

In closing the meeting, Mayor Robertson welcomed the returning and newly elected members, gave a brief on the governance role of elected members, significant projects that are currently underway, Three Waters Reform, Better Off Funding projects, and Council's obligations to assist with the delivery of the Maniapoto Claims Settlement.

There being no further business the meeting closed at 10.00am.

Dated this 29<sup>th</sup> day of November 2022.

JOHN ROBERTSON  
**MAYOR**

**Document No:** A462074

**Report To: Council**



**Meeting Date:** 29 November 2022

**Subject:** **Mayor's Report – November 2022**

The new Council gets down to business today. There are many challenges ahead that involve Council infrastructure.

As a governance body, we are charged with considering these, developing policies and strategies to address them, and prioritising them.

Yet to be completed are the following significant items.

1. **Roading:** We have a backlog of storm damage and normal maintenance to attend to on our roads, likely in excess of \$15 million. For our rural community, this is important work. Governance needs to keep abreast of this. I have requested progress reports at every meeting of Council.
2. **Te Kuiti Drinking Water Infrastructure:** The last Council scoped the work needed to mitigate risk around the delivery of drinking water to Te Kuiti residents. This has moved into a design and costing phase, which the governing body will need to consider further as it progresses. Preliminary estimates put this work at \$9 million.
3. **Te Kuiti Stormwater and Wastewater Infrastructure:** There are issues during heavy rain events with some of Te Kuiti's underground piping network. This has always been an issue but has been more highlighted by the stadium project work stream.
4. **Te Kuiti Landfill and Te Kuiti Aerodrome:** The last Council requested the Executive to review the business plans around these. They have traditionally been treated as cost centres. We need to understand the financials behind them. This work is yet to be completed.
5. **Holiday Parks:** We have holiday parks in Te Kuiti, Marokopa, Mokau and Piopio. Te Kuiti is little used and costs ratepayers, Marokopa runs at a loss, and at Mokau the Tainui Wetere Domain is run by a community group without any underlying lease arrangements. Initiatives to lease out Marokopa are underway, and work to negotiate a lease at Mokau are awaiting finalisation of a Reserve Management Plan.

Close to completion are the following significant items.

1. **Mokau:** Mokau has received considerable Council investment over the past two years. This has included funding improvements to the Mokau drinking water supply to tackle issues of water quality and pipe maintenance and renewal of the Mokau toilets and filtration fields on State Highway 3. Work will soon be underway to improve parking at this village. These works combined are in excess of \$2 million.
2. **Indoor Stadium:** The stadium in Te Kuiti will be ready for opening in February 2023. The business case for this project was reset in late 2021 when Council, Te Kuiti High School and the Ministry of Education assumed the responsibilities of ownership and delivery. The \$9 million capital build of this project has been under the control of Council and has proceeded with relatively few issues. I expect the same positive performance with the appointment of Belgravia Leisure as operator.

We will shortly begin the work to review the previous Council's budgets for the year beginning 1 July 2023.

The next three years will test us, as we turn our attention to investing in infrastructure and providing public services in a climate of high inflation, something not seen for many decades.

A handwritten signature in blue ink, appearing to read "John Robertson".

JOHN ROBERTSON, QSO

**MAYOR**

<b>Document No:</b> A642068	
<b>Report To:</b>	<b>Council</b>
	<b>Meeting Date:</b> 29 November 2022
	<b>Subject:</b> <b>Adoption of Standing Orders for Meetings of Council (including Council Committees)</b>
	<b>Type:</b> Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to review its Standing Orders for the conduct of its meetings and those of its committees.

## Relevant Legislation

- 2.1 It is a legal requirement under the Local Government Act 2002 (LGA) for councils to adopt a set of Standing Orders for the conduct of its meetings and those of its committees.
- 2.2 There is no statutory requirement for the Standing Orders adopted by the previous Council to be reviewed following a general election. However, it is deemed appropriate for a new Council to review Standing Orders to ensure that they are up to date with latest legislation changes.
- 2.3 Approval of at least 75 per cent of members present at a meeting is required to adopt (or amend) standing orders.

## Background

- 3.1 In November 2019, the Council adopted Local Government New Zealand's (LGNZ) version of New Zealand Model Standing Orders NZS 9202:2003 with the following amendments:

Clauses 13.11 - 13.16	Attendance by audio and audio-visual link be available if the appropriate quality conditions can be met.
Clause 19.3	Provision is included for a Chairperson casting vote.
Clause 22	Option C be the default position for general procedures for speaking and moving motions.
- 3.2 In early 2020, to address COVID-19 business continuity issues, the Government passed the COVID-19 Response (Urgent Management Measures) Legislation Act 2020 which included temporary amendments to the Local Government Official Information and Meetings Act 1987 (LGOIMA). Some of the amendments included making provision for councils to convene audio and/or audiovisual meetings i.e. via ZOOM and in addressing how those meetings could be "open to the public" required audio or video recordings of meetings to be made available on council websites.

Note: The requirements of the above Act which influence Standing Orders were only in place for the duration of the Epidemic Preparedness (COVID-19) Notice, which expired on 20 October 2022.
- 3.3 Prior to COVID-19, WDC did not record any meetings, had no suitable audio/visual technology for webcasting meetings from its Council Chambers and had no Protocols in place for the Webcasting of its meetings.
- 3.4 In late 2020 Council agreed, irrespective of the requirements of the COVID-19 Response (Urgent Management Measures) Legislation Act 2020, that it would move to webcasting Council meetings starting in 2021.

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3.5 With the introduction of webcasting meetings, in March 2021 Council made further amendments to its Standing Orders to provide more clarity of webcasting protocols, and in particular to protect the privacy of meeting attendees as much as possible. Those amendments are summarised as follows:

- Clause 4.4 Replacement Clause 4.4 "Webcasting meetings" added to provide for public excluded meetings and the length of time webcasts are to be available on WDCs website.
- Clause 12.4 Replacement Clause 12.4 "Public may record meetings" added to include protection of privacy for observers attending meetings.
- Appendix 7 Replacement Appendix 7 added to provide more detailed protocols for the recording and webcasting of meetings.

3.6 A copy of the current Standing Orders are not attached, but can be located on the Waitomo District Council website –

<https://www.waitomo.govt.nz/media/gl4nilvq/standing-orders-12-march-2021.pdf>

<b>Commentary</b>
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- 4.1 Historically, the Waitomo District Council has taken a very relaxed perspective relating to Standing Orders, mainly as a result of the small size of the Council. In the past, there have been very few instances where Standing Orders have been referred to.
- 4.2 LGNZ updates its Standing Orders template every three years to ensure they reflect new legislation and incorporate evolving standards of good practice.
- 4.3 The table below sets out the changes to Standing Orders made by LGNZ since the 2019 template.

<b>Standing Order</b>	<b>Changes made to the 2019 LGNZ standing orders template (2022)</b>
Definitions	New definitions and amendments: <ul style="list-style-type: none"> <li>• Matariki as a public holiday</li> <li>• Member of the Police</li> <li>• Appointed member</li> <li>• Emergency under "meeting"</li> <li>• debate</li> <li>• conflict of interest,</li> <li>• division,</li> <li>• Item,</li> <li>• leave of the hui,</li> <li>• officer,</li> <li>• open voting, and</li> <li>• pecuniary interest</li> <li>• definition of chair and presiding member tweaked</li> <li>• definition of workshops tweaked with change to standing orders advice</li> <li>• definition of seconder expanded by addition of 'amendment'.</li> </ul>
3.5	Motion to suspend standing orders – 'may' replaced with 'must identify the specific standing orders to be suspended'.
7.2	Confirmed that District Licensing Committees do not need to be reconstituted.
9.1	Preparation of an agenda – amended to make it clear that a chief executive prepares an agenda on behalf of the chairperson and 'must' consult the chair, or person acting as chair, when preparing it.
9.5	Chair's recommendation – an addition, to make it clear that any recommendation by a chair must comply with the decision-making provisions of Part 6, LGA 2002.

Standing Order	Changes made to the 2019 LGNZ standing orders template (2022)
12.2	Statutory reference inserted - s. 50 LGOIMA.
12.4	Public may record hui - slight amendments to improve practicality.
13.3	Leave of absence – amended to remove ambiguity.
13.7 & 13.17	To confirm that if a chairperson is concerned that confidential information might be at risk, they may terminate an audio and/or audio-visual link
18.5	Release of public excluded information - requirement that the CEO will inform the subsequent hui, has been deleted due to administrative impracticality.
19.1	Decisions by majority vote - tweaked to better align with statutory reference in Schedule 7, LGA 2002.
21.12	Clarification made to the option that allows a member who moves a motion to reserve their right of reply.
23.1	Commas after 'motion' and 'debate'.
23.1	Proposing and seconding – amended to make it clear that movers and seconders are NOT required to stay for the subsequent debate.
23.5	Amendments to be relevant - this Standing Order has been expanded with a list of reasons that can be used for not accepting amendments.
23.6 (previous)	'Chairperson may recommend an amendment' - deleted.
23.6 (formerly 23.7)	Foreshadowed amendments – changes to better communicate intent.
23.10 (formerly 23.11)	Withdrawal of motion – changes made to clarify standing order intent.
27.7	Repeat notices of motion – the phrase, 'in the opinion of the chairperson', deleted as not helpful.
28.2	Matters recorded in the minutes - new bullet point (i) added to clarify that "items tabled at the hui" should be included in the minutes.
Appendix 8	Specific standing order references have to the powers of a chair where relevant.
Appendices shifted to Standing Order Guide	<ul style="list-style-type: none"> <li>• Process for applying S.41A</li> <li>• Workshops</li> </ul>

4.4 The majority of councils adopt LGNZ's latest template of Standing Orders following each election and make their own personalized amendments to suit their own situations.

4.5 It is prudent and recommended that Council consider adopting LGNZ's latest Standing Orders template, with relevant personalization, to ensure compliance with the latest relevant legislation.

#### **4.6 Consideration of Matters for Personalization to Waitomo District Council**

4.7 There are three specific areas of the LGNZ Standing Orders which all councils must consider as follows:

- 1 Attendance by audio or audiovisual link (Clause 13.7)
- 2 Provision for Chairperson casting vote (Clause 19.3)
- 3 Speaking and moving motions (Clause 22)

## **4.8 Attendance by Audio and Audiovisual Link (Clauses 13.7)**

4.9 Clause 25A, Schedule 7 of the LGA allows using an audio link or audiovisual link to enable members to join meetings subject to meeting certain conditions for quality.

Note: While members attending a meeting via audio/audiovisual link can take part in discussions and vote, they do not form part of the quorum. This limits the number of members that could take up this option of attendance at any one meeting.

4.10 WDC has appropriate technology and equipment in its Council Chambers to enable attendance by audio/audiovisual, however the quality is not only dependent on WDC's technology and equipment, but also by the person linking in.

4.11 The LGNZ 2022 Standing Orders template includes provision for members to attend meetings by audio/audiovisual link as and it is recommended that Council retain this provision. The Draft Standing Orders attached for consideration have been marked up on the basis of retaining this provision.

## **4.12 Provision for Chairperson Casting Vote (Clause 19.3)**

4.13 Clause 24, Schedule 7 of the LGA provides that a Chairperson may have a casting vote only if the Standing Orders expressly provide. The casting vote can be used when there is a 50/50 split in voting.

4.14 Council has historically provided for a casting vote to be exercised at the discretion of the Chairperson.

4.15 The LGNZ 2022 Standing Orders template includes provision for the Chairperson to have a casting vote and it is recommended that Council retain this provision. The Draft Standing Orders attached for consideration have been marked up on the basis of retaining this provision.

## **4.16 General procedures for speaking and moving motions (Clause 22)**

4.17 There are three options providing different rules for speaking to and moving motions when dealing with different situations. The three options provided for are:

**Option A** Repeats the provisions from the Model Standing Orders which limit the ability of members to move amendments if they have previously spoken.

**Option B** Provides more flexibility by allowing any member, regardless of whether they have spoken before, to move or second an amendment

**Option C** Provides for further flexibility –

- The mover and seconder of a motion can move or second an amendment
- Any members, regardless of whether they have spoken to the original or substituted motion, may move or second an amendment to it.
- The mover or seconder of an amendment whether it is carried or lost can move or second further amendments.
- Members can speak to any amendment.
- The meeting by agreement of the majority of members present may amend a motion with the agreement of the mover and seconder.

4.18 Due to Council being so small (in comparison with the majority of councils), during the last 15 years the Mayors/Chairs have not restricted speaking rights at Council/Committee meetings unless time was limited. This position has worked very well for the Council. The need for Standing Orders to make provision for speaking restrictions is totally relevant for large councils, but not so critical for a small Council like Waitomo.



- 4.19 Council's current Standing Orders provide that Option C applies, unless on the recommendation of the Chairperson at the beginning of a meeting, the meeting resolves [by simple majority] to adopt either Option A or Option B for the meeting generally, or for any specified items on the agenda.
- 4.20 It is recommended Council retain Option C as its default for moving and speaking to motions.
- 4.21 As well as the above, there were also amendments made by the previous Council which have worked well and are recommended to be re-considered as follows:
- 1 Webcasting meetings (Clause 4.4)
  - 2 Public may record meetings (Clause 12.4)
  - 3 Webcasting protocols (Appendix 7)

#### **4.22 Webcasting meetings (Clause 4.4)**

- 4.23 Based on the legislated reason for recording and publishing meetings (i.e. admission of public to meetings) there is currently no obligation for Council to record the public excluded portion of any meeting as the public are excluded for reasons already legislated for in LGOIMA.
- 4.24 For transparency purposes, it is suggested that the following be added to Standing Orders clause 4.4 "Webcast meetings":
- Meetings (including parts of meetings) which are public excluded in accordance with the Local Government Official Information and Meetings Act 1987 will not be recorded.*
- 4.25 There is also no legislated timeframe for making webcast meetings available online. Networking of peers has indicated that most Councils have not given any thought to the length of time a webcast meeting is available online and all councils vary in this.
- 4.26 The previous Council was of the view that the recorded meetings should be available for the triennium in which they were recorded, but that each newly elected Council should consider how long a meeting is available online and amend its Standing Orders accordingly.
- 4.27 It is suggested that meeting recordings be available online for both the current and prior triennial periods. All recorded meetings, even once the link is removed from the website, will remain an official public record and will be available for viewing upon request. On this basis, it is recommended that the following be added to Standing Orders clause 4.4 "Webcast meetings":

*Recordings of webcast meetings shall be available via a link on the Council's website for both the current and previous trienniums.*

#### **4.28 Public may record meetings (Clause 12.4)**

- 4.29 Since introducing webcasting of meetings, the incidence of members of the public recording meetings has become almost non-existent. However, the previous Council in noting its obligations in respect to both achieving public transparency of meeting proceedings while also protecting the privacy of members of the public attending meetings as observers is still applicable.
- 4.30 It is suggested that the following be added to Standing Orders clause 12.4 "Public may record meetings":

*Members of the public in attendance and making their own recording of any Council/Committee meeting are to ensure that their recording is focused solely on the proceedings of the meeting and shall not film or record any other persons present.*

## 4.31 Webcasting protocols (Appendix 7)

- 4.32 The previous Council adopted a comprehensive set of protocols when implementing webcasting as an amendment to Appendix 7 of the Standing Orders. These protocols have worked well, however now that we have more experience in working the technology for webcasting meetings, it is recommended that a simplified version of our existing protocols replace the LGNZ version.
- 4.33 The main reason for the majority of the amendments recommended is to reduce the resourcing required for managing the webcasting requirements during a meeting.
- 4.34 Currently at each Council/Committee meeting the Committee Secretary is responsible for -
- Taking of Minutes
  - Providing meeting governance advice as required
  - Managing the recording (including camera views) for webcasting purposes
  - Hosting of all presentations to the Projector Screen and TV
- 4.35 The protocols recommended are designed to make it as simple as possible for the Committee Secretary to manage both the committee secretary role as well as the webcasting requirements.
- 4.36 Below is the LGNZ version (blue font) marked up with the recommended amendments (strike-out and red font).

- 1 The default shot will be ~~on the chairperson or~~ a wide-angle shot of the meeting room.
- 2 Cameras ~~will~~ may cover a member who is addressing the meeting. Cameras ~~will~~ may also cover other key participants in a meeting, including staff when giving advice and members of the public when addressing the meeting ~~during the public input time.~~
- 3 ~~Generally, interjections from other members or the public are not covered. However, if the chairperson engages with the interjector, the interjector's reaction can be filmed.~~ In the event of any interjections from elected members, any general disorder, or a disturbance from the public gallery, recording will continue unless the majority of members in attendance agree to stop the recording.
- 4 PowerPoint presentations, ~~recording of votes by division~~ and any other matters displayed by overhead projector ~~may be shown~~ shall be the focus of the recording.
- 5 Shots unrelated to the proceedings, or not in the public interest, are not permitted.
- 6 If there is general disorder or a disturbance from the public gallery, coverage will revert to the chairperson.
- 7 Appropriate signage will be displayed both inside and outside the meeting room alerting people that the proceedings are being webcast.
- 8 Council meetings shall be webcast in real time.
- 9 Recorded webcast meetings shall be made available to the public by way of a link located on the Waitomo District Council Website.
- 10 The following Disclaimer will apply to the webcasting of Council/Committee meetings and will be displayed on the Waitomo District Council Website:

### **Disclaimer - Webcasting of Public Council Meetings**

All public meetings of Council and its Committees shall be webcast in real time, recorded and made available to the public after the meeting via a link on this website.

Webcasting in real time allows you to watch and listen to the meeting in real time, giving you greater access to Council debate and decision making and encouraging openness and transparency.

Every care is taken to maintain individuals' privacy and attendees are advised they may be recorded.

There may be situations where, due to technical difficulties, a webcast in real time may not be available. Technical issues may include, but are not limited to – the availability of the internet connection, device failure or malfunction, unavailability of social media platforms or power outages. While every effort will be made to ensure the webcast and website are available, Waitomo District Council takes no responsibility for, and cannot be held liable for the webcast, if Council's website is temporarily unavailable due to technical issues.

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## Suggested Resolution

- 1 The business paper on Adoption of Standing Orders for Meetings of Council (including Council Committees) be received.
- 2 Council adopt new Standing Orders for Meetings of Council (including Council Committees) based on the Local Government New Zealand 2022 template with the following personalization:
  - 1 Attendance by audio or audiovisual link (Clause 13.7)**

Retain provision for members to attend meetings by audio/audiovisual link as provided for in the LGNZ 2022 Standing Orders template.
  - 2 Provision for Chairperson casting vote (Clause 19.3)**

Retain provision for the Chairperson to have a casting vote as provided for in the LGNZ 2022 Standing Orders template.
  - 3 Speaking and moving motions (Clause 22)**

Retain Option C as the default rule for speaking and moving motions.
  - 4 Webcasting meetings (Clause 4.4)**

The following paragraphs be added to Clause 4.4 -

*Meetings (including parts of meetings) which are public excluded in accordance with the Local Government Official Information and Meetings Act 1987 will not be recorded.*

*Recordings of webcast meetings shall be available via a link on the Council's website for both the current and previous trienniums.*
  - 5 Public may record meetings (Clause 12.4)**

The following paragraph be added to Clause 12.4 -

*Members of the public in attendance and making their own recording of any Council/Committee meeting are to ensure that their recording is focused solely on the proceedings of the meeting and shall not film or record any other persons present.*
  - 6 Webcasting protocols (Appendix 7)**

Appendix 7 be amended to read as follows:

    - 1 The default shot will be a wide-angle shot of the meeting room.
    - 2 Cameras may cover a member who is addressing the meeting. Cameras may also cover other key participants in a meeting, including staff when giving advice and members of the public when addressing the meeting.

- 3 In the event of any interjections from elected members, any general disorder, or a disturbance from the public gallery, recording will continue unless the majority of members in attendance agree to stop the recording.
- 4 PowerPoint presentations and any other matters displayed by overhead projector shall be the focus of the recording.
- 5 Shots unrelated to the proceedings, or not in the public interest, are not permitted.
- 6 If there is general disorder or a disturbance from the public gallery, coverage will revert to the chairperson.
- 7 Appropriate signage will be displayed both inside and outside the meeting room alerting people that the proceedings are being webcast.
- 8 Council meetings shall be webcast in real time.
- 9 Recorded webcast meetings shall be made available to the public by way of a link located on the Waitomo District Council Website.
- 10 The following Disclaimer will apply to the webcasting of Council/Committee meetings and will be displayed on the Waitomo District Council Website:

### **Disclaimer - Webcasting of Public Council Meetings**

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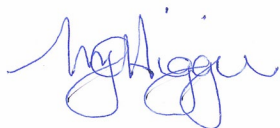
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MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

Separate Enclosure:

Draft Standing Orders (LGNZ version marked up for WDC Personalisation)

**Document No:** A642067

**Report To:** Council



**Meeting Date:** 29 November 2022

**Subject:** Adoption of Code of Conduct and Policy

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to review its Code of Conduct for the current triennium and consider implementation of a Policy for dealing with alleged breaches of the Code.

## Background

- 2.1 A code of conduct is a statutory requirement under the Local Government Act 2002 (LGA), introduced to provide a mechanism for setting standards of behaviour amongst members of the governing body.
- 2.2 The Code of Conduct sets out the expectations adopted by members themselves about how they will act (as members) towards one another, council staff, and the public as well as including a range of provisions concerning disclosure of information and obligations under statutes, such as the Local Government Official Information Act 1987.

### 2.3 Legislative Requirement

- 2.4 Clause 15 of Schedule 7 of the Local Government Act 2002 created the legal requirement for each local authority to adopt a code of conduct for its elected members.
- 2.5 Clause 15 of Schedule 7 of the Local Government Act 2002 reads as follows:

#### **15 Code of conduct**

- (1) *A local authority must adopt a code of conduct for members of the local authority as soon as practicable after the commencement of this Act.*
- (2) *The code of conduct must set out—*
- (a) *understandings and expectations adopted by the local authority about the manner in which members may conduct themselves while acting in their capacity as members, including—*
- (i) *behaviour toward one another, staff, and the public; and*
- (ii) *disclosure of information, including (but not limited to) the provision of any document, to elected members that—*
- (A) *is received by, or is in the possession of, an elected member in his or her capacity as an elected member; and*
- (B) *relates to the ability of the local authority to give effect to any provision of this Act; and*
- (b) *a general explanation of—*
- (i) *the Local Government Official Information and Meetings Act 1987; and*
- (ii) *any other enactment or rule of law applicable to members.*
- (3) *A local authority may amend or replace its code of conduct, but may not revoke it without replacement.*

- (4) *A member of a local authority must comply with the code of conduct of that local authority.*
- (5) *A local authority must, when adopting a code of conduct, consider whether it must require a member or newly elected member to declare whether or not the member or newly elected member is an undischarged bankrupt.*
- (6) *After the adoption of the first code of conduct, an amendment of the code of conduct or the adoption of a new code of conduct requires, in every case, a vote in support of the amendment of not less than 75% of the members present.*
- (7) *To avoid doubt, a breach of the code of conduct does not constitute an offence under this Act.*

2.6 A review of Council's current Code of Conduct was completed in October 2020 (the first full review since 2007) in accordance with recommendations following a Code of Conduct investigation earlier that year. The outcome of that review was that the Code remained largely unchanged and for the most part followed the LGNZ template of that time, with the main change being to provide a dedicated section within the Code on the Use of Social Media.

2.7 Council's existing Code of Conduct has not been attached to this paper, however it can be viewed on the WDC website.

<https://www.waitomo.govt.nz/media/mj3km2f0/code-of-conduct-adopted-27-october-2020-a496003.pdf>

## Commentary

3.1 Pursuant to Clause 15 of Schedule 7 of the Local Government Act 2002, once a Code of Conduct is adopted there is no set timeframe for any review, however it is deemed prudent following a general election to provide the new Council with the opportunity to review and take ownership of the Code of Conduct.

3.2 In order for the Council to either amend or adopt a new Code of Conduct, at least 75% of members present must vote in support.

### **3.3 LGNZ Guidelines and Template**

3.4 During the 2019-2022 triennium, LGNZ has made a significant change to its Code of Conduct template to focus on managing specific types of behaviors, such as bullying or harassment, regardless of the place or platform on which the member is engaging, such as social media, in meetings, or interactions between members. The following have also been added to the LGNZ template:

- An explicit description of unacceptable behaviours.
- An acknowledgement of Te Tiriti o Waitangi as the foundational document for Aotearoa New Zealand and a description of Te Tiriti principles and how they apply to kaunihera.
- An acknowledgement of the principles of good governance (the Nolan principles), drawn from the UK Government's Committee on Standards in Public Life and the findings of the 1994 Nolan Inquiry
- An amended approach to investigating and assessing alleged breaches designed to ensure the process is independent and focused on serious rather than minor or trivial complaints.

- 3.5 The changes to LGNZ's template have addressed many of the changes made to Council's Code of Conduct in 2020, and more, including the recommendation that councils adopt a separate policy for assessing alleged breaches of the Code.
- 3.6 The majority of Councils adopt LGNZ's template. A benefit to adopting this template is that when matters of conduct arise, experience and advice can be shared between councils when they are all working from the same Code.
- 3.7 Following Council's guidance in considering the LGNZ templates (Code and Policy) at the Council Workshop on 8 November 2022, drafts of both a Code and a Policy utilizing the LGNZ template and personalized for WDC purposes have been prepared on the basis that dealing with breaches is to be a single step process and rulings of an independent investigator are to be binding. Copies of the draft Code and Policy are enclosed separately for Council's consideration.
- 3.8 Once Council adopts the Policy for dealing with alleged breaches of the Code the Chief Executive can compile a panel of independent investigators for Council's consideration as detailed in the LGNZ Code of Conduct 2022 template supporting information.

## Suggested Resolutions

- 1 The business paper on Adoption of Code of Conduct and Policy be received.
- 2 The Code of Conduct | Anga Tikanga Whanonga be adopted.
- 3 The Policy for dealing with alleged breaches of the Code | Te kaupapahere hei whakahaere i ngā whakapae i takahia te Tikanga be adopted.



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

### Separate Enclosures:

- 1 Draft Code of Conduct | Anga Tikanga Whanonga
- 2 Draft Policy for dealing with alleged breaches of the Code | Te kaupapahere hei whakahaere i ngā whakapae i takahia te Tikanga

**Document No:** A642075

## **Report To: Council**



**Meeting Date:** 29 November 2022

**Subject:** **Establishment of Committees (including adoption of Terms of Reference)**

**Type:** Decision Required

### **Purpose of Report**

- 1.1 The purpose of this business paper is for Council to consider a Committee Structure for the current 2022-2025 triennium.

### **Commentary**

#### **1.1 Local Government Act 2022 (LGA)**

1.2 The LGA makes provision for councils to appoint discharge or reconstitute committees, subcommittees, and other subordinate decision-making bodies as it considers appropriate.

1.3 S41 of the LGA (Role and powers of mayors) provides the following powers to the Mayor –

- To establish committees
- To determine membership of committees
- To appoint chairpersons of committees (including appointing himself chairperson)

1.4 However, in the event of dissention, Section 41 also makes provision for the Council override the above powers of the Mayor.

1.5 S41 also makes the Mayor a member of each committee of Council, unless specific legislation provides otherwise, such as a committee established under section 189 of the Sale and Supply of Alcohol Act 2012 (i.e., the District Licensing Committee).

#### **1.6 Local Government Official Information and Meetings Act 1987 (LGOIMA)**

1.7 Under LGOIMA, a local authority is defined as –

- (c) *any committee or subcommittee or standing committee or special committee or joint standing committee or joint special committee which the local authority is empowered to appoint under its standing orders or rules of procedure or under any enactment or Order in Council constituting the local authority or regulating its proceedings; and*
- (d) *a committee of the whole local authority*

1.8 This means that Council and all committees of Council (including subcommittees) fall under the requirements of the LGA, LGOIMA and Standing Orders i.e., they require –

- Appointment of a Chairperson
- Agendas to be prepared
- Minute records to be taken
- To be publicly notified
- To be recorded and webcast in accordance with Standing Orders

1.9 Workshops (of either Council or Committees) are defined as a gathering of elected members for the purpose of considering matters of importance to the local authority at which no decisions are made and to which Standing Orders will not apply, unless required by the local authority. Workshops may include non-elected members and may also be described as briefings.



- 1.10 Council convenes many workshops, especially in the process of developing a Long Term Plan. The fact that Standing Orders do not apply gives the Council freedom to have free and frank discussions on issues before it.

## **Establishment of Committees**

- 2.1 Council at its Workshop on 8 November 2022 discussed a Committee Structure for the current 2022-2025 triennium and the following has been prepared based on the Council's guidance at that workshop.

- 2.2 Council will establish three Committees.

### **2.3 Audit and Risk Committee**

- 2.4 It is proposed that an Audit and Risk Committee be established.

- 2.5 The membership of the Committee will be the full Council plus an Independent Chairperson. Bruce Robertson has been approached and has agreed to continue as Independent Chairperson for the current triennium.

- 2.6 The Committee will meet four times per annum in February, May, August and October and any other time should it be required.

- 2.7 The Terms of Reference for this Committee will be based on the Terms of Reference for the previous Audit, Risk and Finance Committee, with removal of the general financial reporting. The reason for removal of the general financial report is that this reporting is required more regularly and therefore will be reported to Council meetings bi-monthly.

- 2.8 A draft Terms of Reference is attached for Council's consideration.

### **2.9 Te Raangai Whakakaupapa Koorero (Māori Relationship Committee)**

- 2.10 It is proposed that an Māori Relationship Committee be established to be known as Te Raangai Whakakaupapa Koorero.

- 2.11 The membership of Te Raangai Whakakaupapa Koorero will be the Mayor and Councillors Eady Manawaiti and Dan Tasker. The Chairperson of this Committee will be Councillor Eady Manawaiti.

- 2.12 Te Raangai Whakakaupapa Koorero will meeting on an as required basis with the first meeting scheduled for Thursday 23 February 2023.

- 2.13 A draft Terms of Reference is attached for Council's consideration.

### **2.14 Appointments and Chief Executive Relationship Committee**

- 2.15 It is proposed that a Committee be established to deal with the processes for the appointment of directors to Council Control Organisations and the Chief Executive review process.

- 2.16 The membership of the Committee will be the full Council.

- 2.17 The Committee will meet on an as required basis, but not less than twice per year.

- 2.18 A draft Terms of Reference is attached for Council's consideration.

### **2.19 Establishment of Working Parties**

- 2.20 Council notes that the current Citizens Awards Policy provides for a Working Party to be established, however the current Policy is under review and therefore no Working Party consideration will be made until that review has been completed.

## **2.21 District Plan Hearings Commissioner Panel**

2.22 Council notes that the Hearings Commission Panel established by a Council resolution on 8 October 2019 as below, will continue for the entire District Plan Review process and not action is required at this time.

- 1 *The business paper on the Appointment of Commissioners for Proposed District Plan Hearings be received.*
- 2 *In accordance with Section 34A of the Resource Management Act 1991 Council appoint Mr Greg Hill as an Independent Commissioner Chair of the Hearings Panel for the Proposed Waitomo District Plan.*
3. *In accordance with Section 34A of the Resource Management Act 1991 Council appoints Councillors Allan Goddard and Phil Brodie as Hearing Commissioners to the Hearings Panel for the Proposed Waitomo District Plan.*
4. *In accordance with Section 34A(1A) of the Resource Management Act 1991 and the Maniapoto Māori Trust Board Engagement Strategy 2017, at least one further Independent Hearing Commissioner with an understanding of Tikanga Māori and of the perspectives of mana whenua, be appointed to make-up the Hearings Panel of the Proposed Waitomo District Plan.*
5. *Council delegates to the Hearings Panel all powers, duties and functions under the Resource Management Act 1991 (Clauses 8AA to, and including, Clause 10 of the First Schedule of the Resource Management Act 1991) to case manage, consider, hear, deliberate and decide on all submissions and further submissions received on, and provisions of, the Proposed Waitomo District Plan.*
6. *Council delegates the powers to determine the composition of the Hearings Panel for specific topics and/or individual hearings of submissions and further submissions on the Proposed Waitomo District Plan, to the Independent Commissioner Chair appointed under clause (2) of these resolutions.*

2.23 Councillor Goddard and Phil Brodie hold current certification as accredited commissioners under the Resource Management Act 1991 (expiring on 31 December 2024) and are very familiar with the Proposed District Plan, which was notified on 20 October 2022.

Note: RMA Accreditation Certificates are issued with an expiry date to ensure decision-makers have their knowledge and skills re-evaluated regularly (three years from initial certification and every five years after).

2.24 While Phil Brodie has not been re-elected, it was the intent that both Allan Goddard and Phil Brodie would remain on the District Plan Hearings Panel for its duration, in their own right as accredited commissioners and not just as elected members, due to their first-hand knowledge of the Proposed District Plan.

## **2.25 District Licensing Committee**

2.26 Council notes that the District Licensing Committee appointed by resolution in October 2021 as below, will continue for a period of five years and no action is required at this time.

2.27 In October 2021, Council resolved to establish its District Licensing Committee as follows:

- 1 *The business paper on Reappointment of the Waitomo District Licensing Committee be received.*
- 2 *One District Licensing Committee be retained for Waitomo District.*
- 3 *Pursuant to section 193 of the Sale and Supply of Alcohol Act 2012, Sarah Grayson be reappointed Commissioner (Chairperson) of the District Licensing Committee.*
- 4 *Pursuant to section 193 of the Sale and Supply of Alcohol Act 2012, Tegan McIntyre be reappointed as the Alternate Commissioner (Chairperson) of the District Licensing Committee.*
- 5 *Pursuant to section 189(3) of the Sale and Supply of Alcohol Act 2012, Councillor Guy Whitaker be reappointed as Deputy Chairperson of the District Licensing Committee.*

6 Pursuant to section 192 of the Sale and Supply of Alcohol Act 2012, the following persons be reappointed as members of the District Licensing Committee:

- Mr Ross Murphy
- Ms Patsi Davies
- Dr Michael Cameron
- Mr Roy Johnston
- Mr John Gower
- Mr Guy Whitaker
- Ms Tegan McIntyre

7 All appointments be for a period of five years.

- 2.28 Under Section 186 of the Sale and Supply of Alcohol Act 2012 (the Act), Council is required to appoint a District Licensing Committee (DLC) (with a quorum of at least three members, one of whom must be the Chairperson). A DLC is responsible for considering applications made under the Act.
- 2.29 DLC's hear and determine all applications (including those with opposition), with only enforcement applications (applications by Police and Inspectors to suspend or cancel licenses) and appeals of DLC decisions going to the Alcohol Regulatory and Licensing Authority.
- 2.30 DLC's have the powers of Commissions of Enquiry, and function in a similar way to a Court in that they are able to require attendance and examination of witnesses and the presentation of evidence as required; and hear all applications and reports from reporting agencies.
- 2.31 The Act is clear that members of the DLC must have experience in matters related to alcohol licensing and that Chairpersons or Commissioners must have good standing in the community and sufficient skills, knowledge and experience to manage hearings.
- 2.32 Appointments to DLCs, unlike other committees, can be made for longer than a triennial term (for a period up to 5 years). This is possible as DLCs are statutory committees that are not automatically discharged at the end of a term.
- 2.33 Waitomo District Council has been sharing resources for its District Licensing Committee with Waipa District Council and Otorohanga District Council since 2013. However, it must be noted that while Council shares the Chair and members (excluding Councillors) with Otorohanga District Council and Waipa District Council, each Council has its own separate DLC.
- 2.34 The same members were adopted by Otorohanga and Waipa Districts.
- 2.35 Section 189 of the Act details the required composition of a DLC as follows:

**189 Composition of licensing committees**

- (1) *Each licensing committee consists of 3 members appointed by the territorial authority for that territorial authority's district.*
- (2) *A territorial authority must appoint 1 member as the chairperson and that person must be a member of that territorial authority or a commissioner appointed to the licensing committee.*
- (3) *A territorial authority may appoint a member of that territorial authority to be deputy chairperson, and act in place of the chairperson if the chairperson is unable to act because of illness or absence from New Zealand, or for other sufficient reason.*
- (4) *While acting in place of the chairperson, the deputy chairperson is a member of the committee and has all the powers and duties of the chairperson.*
- (5) *No act done by the deputy chairperson serving as acting chairperson in the chairperson's absence, and no acts done by the committee while the deputy chairperson is so serving, can in any proceedings be questioned on the ground that the occasion for his or her so serving had not arisen or had ceased.*

- (6) *The other 2 members of each licensing committee must be appointed from the territorial authority's list maintained under section 192.*
- (7) *For the purposes of subsection (2), a member of a territorial authority means an elected member of a territorial authority and, in relation to the Auckland Council, includes a member of the governing body (as defined in section 4 of the Reprinted as at 4 November 2019 Sale and Supply of Alcohol Act 2012 Part 2 s 189 101 Local Government (Auckland Council) Act 2009) or a member of a local board established under section 10 of that Act.*

2.36 Council notes that former elected member Guy Whitaker has been WDC's representative on the DLC since 2013, has considerable experience and is willing to continue on the DLC for Waitomo for the duration of the current five year term (due to expire in October 2026).

## Suggested Resolutions

- 1 The business paper on Establishment of Committees (including adoption of Terms of Reference) be received.

### Audit and Risk Committee

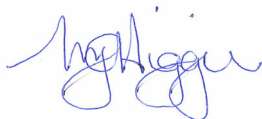
- 2 Council establish an Audit and Risk Committee with a membership consisting of the full Council plus an Independent Chairperson, to convene four times per year in February, May, August and October and any other times that may be required.
- 3 Council adopt the Terms of Reference for the Audit and Risk Committee as presented. (Doc A642048)

### Te Raangai Whakakaupapa Koorero

- 4 Council establish a Māori Relationship Committee to be known as Te Raangai Whakakaupapa Koorero with membership consisting of the Mayor, Councillor Eady Manawaiti (Chairperson) and Councillor Dan Tasker, to convene on an as required basis.
- 5 Council adopt the Terms of Reference for Te Raangai Whakakaupapa Koorero as presented. (Doc A641565)

### Appointments and Chief Executive Relationship Committee

- 6 Council establish an Appointments and Chief Executive Relationship Committee with a membership consisting of the full Council, with the Mayor as Chairperson, to convene on an as required basis, but not less than twice per year.
- 7 Council adopt the Terms of Reference for the Appointments and Chief Executive Relationship Committee as presented. (Doc A642049)



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

### Attachments:

- 1 Terms of Reference: Audit and Risk Committee (#A642048)  
2 Terms of Reference: Te Raangai Whakakaupapa Koorero (#A641565)  
3 Terms of Reference: Appointments and Chief Executive Relationship Committee (#A642049)

# Waitomo District Council

## Audit and Risk Committee

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### **Draft** Terms of Reference

<b>First Adopted:</b>	
<b>Review History:</b>	
<b>Date of Next Review:</b>	November 2025 (or sooner if required)
<b>Responsibility:</b>	General Manager – Business Support
<b>Adopted by:</b>	

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## **Audit and Risk Committee**

### **Draft Terms of Reference**

#### **1. PURPOSE AND SCOPE**

- 1.1 The purpose of the Audit and Risk Committee (the Committee) is to provide guidance, assurance and assistance to Waitomo District Council on matters specific to risk, compliance, controls and external accountabilities by:
- 1 Overseeing that control mechanisms are in place that ensure compliance with standards, regulatory and legislative requirements
  - 2 Ensuring appropriate management and monitoring processes in place to manage significant risks
  - 3 Monitoring internal and external audits and the resolution of issues raised.
  - 4 Provide clear line of communication between Council, Management and External and Internal Auditors; and
  - 5 Seeking reasonable assurance regarding the integrity of Councils financial and non-financial planning and reporting

#### **2. RESPONSIBILITIES**

##### **2.1 External Audit**

- 2.6 To engage with Council's external auditors regarding the audit programme and agree the terms and arrangements for the external audit programme.
- 2.7 To review Council's Annual Report in depth and provide advice and recommendation to Council with respect to the integrity and appropriateness of the documents and disclosures and also recommend adoption.
- 2.8 To review matters raised in the audit reports and recommend organisational response priorities based on significance and risk.
- 2.9 To monitor the extent to which recommendations made in the audit report are implemented.

##### **2.10 Risk Management**

- 2.11 To monitor Council's treasury management practices in order to provide assurance that policy limits are being adhered to. Recommendations should be made to Council when there are good reasons to exceed policy.
- 2.12 To review Council's insurance covers and limits on an annual basis for appropriateness.
- 2.13 To work in conjunction with the Chief Executive and Group Manager – Business Support in order to be satisfied with the existence and quality of appropriate cost effective financial risk management systems and processes and the proper application of these.
- 2.14 To recommend to Council any internal audit work or additional work streams required to strengthen Council's risk management framework.



- 2.15 To maintain an overview of the non-financial performance with a view to providing assurance that these are within parameters established in the Annual or Long Term Plans.
- 2.16 To consider all matters referred to the Committee by the Council.

### **3. DELEGATIONS**

3.1 The Council delegates to the Committee the following powers and duties:

- 1 Recommend changes to its Terms of Reference to the Council for adoption
- 2 Receive and consider staff reports on audit, internal controls, financial and risk management related matters
- 3 Recommend new accounting and reporting requirements or changes to accounting policies
- 4 Approve the engagement and arrangement letters of Auditors
- 5 Make recommendations to Council on financial, internal control and risk management and financial policy and procedure matters as appropriate
- 6 Recommend the adoption or non-adoption of the Annual Report
- 7 The Audit and Risk Committee may not delegate any of its responsibilities, duties or powers.

### **4. MEMBERSHIP**

- 4.1 The Committee shall be appointed by resolution of Council.
- 4.2 The Committee shall comprise all of the elected members of Council and such independent member(s) as the Council may resolve from time to time.
- 4.3 An independent member will Chair the Committee.
- 4.4 All members of the Committee, including independent members, will have voting rights.
- 4.5 The Chief Executive and General Manager - Business Support shall attend all meetings in an advisory capacity but are not members and have no voting rights. Other staff as may be required will attend the meetings.

### **5. MEETINGS**

- 5.1 Meetings of the Committee shall be conducted in accordance with Standing Orders for Meetings of the Waitomo District Council.
- 5.2 The Committee will meet once every three months and at least four times in each financial year.
- 5.3 All minutes and recommendations of the Committee will be presented to the Council.

### **6. REVIEW OF TERMS OF REFERENCE**

- 6.1 These Terms of Reference will be reviewed by the Council no later than the November following a triennial election.

# Waitomo District Council

**Te Raangai Whakakaupapa Koorero**  
Māori Relations Committee

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## **Draft** Terms of Reference

<b>First Adopted:</b>	
<b>Review History:</b>	
<b>Date of Next Review:</b>	November 2025
<b>Responsibility:</b>	Manager – Governance Support
<b>Adopted by:</b>	

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## **Te Raangai Whakakaupapa Koorero** (Waitomo District Council Māori Relations Committee)

### **Draft Terms of Reference**

#### **1. PURPOSE AND SCOPE**

- 1.1 The purpose of the Committee is to provide guidance, assistance, and support to Waitomo District Council (WDC) on matters specific to Iwi and Mana Whenua relationships.
- 1.2 The Committee may also be a place where deputations occur on matters which are of particular interest to Māori.
- 1.3 This Committee will not replace the existing relationship that WDC has formed with the Regional Management Committees (RMCs) through the Proposed District Plan (PDP) process and direct relationships with hapu such as Te Kuiti Pa committee. WDC will continue to work with the RMCs through the PDP and other engagement processes.
- 1.4 This agreement does not alter or override any of our obligations in the Joint Management Agreement that was developed as part of the Nga Wai o Maniapoto (Waipa River) Act 2012.

#### **2. RESPONSIBILITIES**

- 2.1 To be the Committee where matters specific to the Maniapoto Settlement are canvassed:
  - a. Motakiora
  - b. Mangaokewa Reserve
  - c. Others that are yet to be advised.
- 2.2 To be the Committee where partnership opportunities with Iwi / Mana Whenua for community initiatives are canvassed, including:
  - a. Housing and Papakainga.
  - b. Youth initiatives, for example Rangatahi Vocational Pathways.
  - c. Methamphetamine Harm Reduction Programme.
  - d. Town entrance gateways and cultural hubs.
  - e. Central Government Reforms.
- 2.3 To be the Committee that supports Council with advice on matters like:
  - a. Māori Wards
  - b. Cultural awareness and understanding of staff and elected members (Te Ao Māori, Tiriti, Te Reo).
  - c. General relationships with iwi and mana whenua.
  - d. Workplace practices and protocols.
- 2.4 To be the Committee that assists Council reflect cultural values in terms of strategy, policy, and the written content of Plans.

### **3. DELEGATIONS**

- 3.1 The Council delegates to the Committee the following powers and duties:
- a. Recommend changes to its Terms of Reference to the Council for adoption.
  - b. Receive and consider staff reports.
  - c. Make recommendations to Council with respect to any of the matters listed as Responsibilities in Section 2 above.

### **4. MEETINGS**

- 4.1 Meetings of the Committee shall be conducted in accordance with Model Standing Orders for Meetings of the Waitomo District Council.
- 4.2 The Committee will meet a maximum of once every two months.
- 4.3 All minutes and recommendations of the Committee will be presented to the Council.

### **5. REVIEW OF TERMS OF REFERENCE**

- 5.1 These Terms of Reference will be reviewed by the Council no later than the November following every triennial election.

Draft

# Waitomo District Council

## Appointments and Chief Executive Relationship Committee

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### **Draft** Terms of Reference

<b>First Adopted:</b>	
<b>Review History:</b>	
<b>Date of Next Review:</b>	November 2025 (or sooner if required)
<b>Responsibility:</b>	Manager – Governance Support
<b>Adopted by:</b>	



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## **Appointments and Chief Executive Relationship Committee**

### **Draft Terms of Reference**

#### **1. PURPOSE AND SCOPE**

- 1.1 The purpose of the Committee is to undertake processes relative to –
- a. Reviewing the Chief Executive's performance
  - b. Appointment of directors to Council Controlled Organisations

#### **2. RESPONSIBILITIES**

- 2.1 To review the Chief Executive's performance and recommend to Council the terms and conditions of the Chief Executive's employment including any performance agreement measures and annual remuneration.
- 2.2 To conduct the performance review required in the Chief Executive's employment agreement.
- 2.3 To oversee any recruitment and selection process for a Chief Executive and make recommendations to Council.
- 2.4 To assist the Chief Executive with newly elected member induction programmes and oversee any development and training needs for Councillors.
- 2.5 To oversee any appointment process for directors to Council Controlled Organisations and make recommendations to Council.

#### **3. DELEGATIONS**

- 3.1 The Council delegates to the Committee the following powers and duties:
- a. Recommend changes to its Terms of Reference to the Council for adoption.
  - b. Receive and consider staff reports.
  - c. Make recommendations to Council with respect to any of the matters listed in the Purpose and Scope in Section 2 above.

#### **4. MEETINGS**

- 4.1 Meetings of the Committee shall be conducted in accordance with Standing Orders for Meetings of the Waitomo District Council.
- 4.2 The Committee will meet a minimum of twice per year.

#### **5. REVIEW OF TERMS OF REFERENCE**

- 5.1 These Terms of Reference will be reviewed by the Council no later than the November following every triennial election.

**Document No:** A642092

**Report To:** Council



**Meeting Date:** 29 November 2022

**Subject:** Elected Member Appointments, Roles and Responsibilities

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to consider elected member appointments, roles and responsibilities within the District and wider region.

## Commentary

- 2.1 A Schedule of Elected Member and Other Appointee Roles and Responsibilities made by the Council in the last triennium, and which includes appointed committees, groups and Elected Member appointments and portfolios is attached. This Schedule includes in the "Appointment" column appointments made by the previous Council during the 2019-2022 Triennium.
- 2.2 Consideration of a Committee Structure (including Working Parties) is dealt with in a separate paper in this Agenda.
- 2.3 Trusts Providing for Council Appointments**
- 2.4 Historically, there has been an approach taken by Trusts and Societies to include in their Trust Deed or Rules for membership to include either an elected member or a representative appointed by the Council.
- 2.5 Council should consider this approach carefully when making appointments as it is not always reasonable for a Trust/Society to enforce the legal responsibilities of being a Trustee onto an elected member.
- 2.6 There are of course exceptions. For example, the North King Country Development Trust to which both Waitomo and Otorohanga District Councils are Settlers and also Appointees for the Trust.
- 2.7 In most circumstances however, the preferred approach for Trusts/Societies providing for Council appointments would be that the Trust/Society appoint a Management Committee for the purpose of the day to day administration of the Trust. They could then request Council representation on that Committee without the elected member (or the Council's appointee if not an elected member) needing to become an actual Trustee.
- 2.8 The current Trusts providing for Council to make appointments are:
- North King Country Development Trust
  - Maru Energy Trust
- 2.9 North King Country Development Trust**
- 2.10 The North King Country Development Trust (NKCDT) was established in 1993 as part of reforms to the electricity industry to administer a Trust Fund (resultant of the electricity reforms) for the benefit of residents living within the area over which the former Waitomo Electric Power Board was authorised to supply electricity.
- 2.11 The Settlers of the Trust were the Waitomo and Otorohanga District Councils.
- 2.12 The Trust Deed (Part 2, Clause 1(a)) provides that Waitomo, Otorohanga and Taupo District Councils (the Councils) jointly, are an Appointor for the Trust and are to appoint two Trustees.

- 2.13 The two current Trustees appointed by the respective Councils are John Robertson and Max Baxter.

Note: Historically the Councils' appointees have been either Mayors or Chief Executives, but there is nothing within the Trust Deed requiring an appointee to be either an employee or elected member of the Councils.

- 2.14 The Term of Office is four years from the date of appointment and Trustees shall be eligible for reappointment. Mayor Robertson was appointed by resolution of Council on 25 August 2020, replacing former Mayor Brian Hanna, and therefore his term does not expire under August 2024.

- 2.15 Part 1, Clause 3.2(d) of the Trust Deed provides that a Trustee shall cease office if the Appointor which appointed that Trustee gives a notice under Rule 3.5 removing that Trustee from his office as Trustee.

- 2.16 Rule 3.5 of the Trust Deed states:

*"From the date of this Deed the Appointors referred to in Part 2 of this Schedule shall each be entitled, by notice to the Secretary or Chairperson, to appoint the number of Trustees referred to in Part 2 and to remove that Trustee or Trustees and appoint another in his or her or their place or fill any vacancy should the Trustee or Trustees appointed by them cease for any reason to hold office as Trustee."*

- 2.17 As no notice has been given as above, Mayor Robertson will remain the appointed Trustee until the end of his term.

## **2.18 Maru Energy Trust**

- 2.19 Maru Energy Trust is a not-for-profit charitable trust, established in August 2018 by The Lines Company. The Trust provides support to improve the energy efficiency of households and wellbeing of the occupants including:

- A. Developing and implementing educational programmes to help households and the community understand how to better manage their energy use.
- B. Identifying households within the community who would benefit from advice and assistance regarding their energy use.
- C. Facilitate physical modifications to the home and environment to improve energy use.
- D. Securing funding to support the charitable purposes of the Trust; and
- E. Undertaking any other purpose that benefits households or the community in keeping with the charitable purposes of the Trust.

- 2.20 The Trust Board must comprise of at least three and no more than eight Trustees appointed in accordance with the Trust Deed.

- 2.21 One Trustee is to be appointed to represent the Waitomo, Otorohanga, Taupo and Ruapehu District Councils jointly. The term of this Trustee is three years.

- 2.22 The four councils are currently liaising on the appoint of a representative for the current term.

## **2.23 D C Tynan Trust**

- 2.24 The DC Tynan Trust is an outlier in respect to Trusts. Firstly, it is not a registered Trust. Secondly, the Trust falls into the category of an External Funding Partner administered by Council and thirdly, it is also classified as a Council Controlled Organisation (CCO) under the Local Government Act 2002, section 7(3) because the power to appoint and remove trustees is vested with the Council.

- 2.25 This Trust was established in 1982 for the purpose of making disbursements from a very generous bequest made to the former Borough of Te Kuiti by the late Daniel Tynan. In terms of his will, it was Mr Tynan's wish that his bequest be utilised for such social, cultural, educational or recreational purposes within the former Borough of Te Kuiti as the trustees think fit.

- 2.26 Delivery of the Trust Deed rests with four Trustees, three of which are the Waitomo District Council urban Councillors (as the purpose of the Trust is limited to the Urban ward). The funds of the Trust are held in a Trust Account with Forgeson Law, and Diane Forgeson is the fourth Trustee.

## 2.27 Other Appointments./ Roles / Responsibilities

2.28 There are numerous other appointments and general roles and responsibilities of elected members. The Schedule contained in the Suggested Resolutions below set out some of these with suggested appointments as discussed by the Council at its workshop on 8 November 2022.

### Suggested Resolutions

- 1 The business paper on Elected Member Appointments, Roles and Responsibilities be received.
- 2 Council note and make appointments as set out in the Schedule below

Details	Appointment
<b>Waitomo District Council Committees</b>	
<p><b>Audit, Risk and Finance Committee</b> The purpose of the Audit, Risk and Finance Committee is to provide guidance, assurance and assistance to Waitomo District Council on matters specific to risk, compliance, controls and external accountabilities (both financial and non-financial).</p>	<p>All Elected Members Independent Chairperson - Bruce Robertson Deputy Chairperson – Mayor</p>
<p><b>Te Raangai Whakakaupapa Koorero</b> The purpose of the Committee is to provide guidance, assistance and support to Waitomo District Council (WDC) on matters specific to Iwi and Mana Whenua relationships.</p>	<p>Mayor John Robertson Councillor Manawaiti (Chairperson) Councillor Tasker</p>
<p><b>Appointments and Chief Executive Relationship Committee</b> The purpose of this Committee is to undertake processes relative to –</p> <ol style="list-style-type: none"> <li>a. Reviewing the Chief Executive’s performance</li> <li>b. Appointment of directors to Council Controlled Organisations</li> </ol>	<p>All Elected Members Mayor (Chairperson)</p>
<p><b>District Licensing Committee</b> <i>Note: A TA’s DLC established pursuant to s186 of the Sale and Supply of Alcohol Act 2012 is not a Committee of Council under the LGA. Therefore a DLC is not discharged following a General Election.</i> Under Section 186 of the Sale and Supply of Alcohol Act 2012 (the Act), Council is required to appoint a District Licensing Committee (DLC) (with a quorum of three members, one of whom must be the Chairperson). Section 192(1)(b) of the Act requires that TAs together with 1 or more other territorial authorities establish, maintain and publish a “list” of persons jointly approved by the TAs to be members of the TA’s DLC. Since 2013, Waitomo, Otorohanga and Waipa DCs have been sharing resources for its DLC and maintain a joint list. The DLC is responsible for considering applications made under the Act.</p>	<p><i>Council Resolution 26 October 2021</i> Sarah Brown (Commissioner/Chair) Tegan McIntyre (Alt Commissioner) Guy Whitaker (Deputy Chair) Ross Murphy Patsi Davies Dr Michael Cameron Roy Johnstone John Gower <i>Note: All appointments were made for a 5 year period</i></p>

Details	Appointment
<b>Waitomo District Council Hearings Panels</b>	
<p><i>Note: With the exception of the District Plan Hearings Panel, the authority to make appointments of a commissioner(s) for Hearings has been delegated to the Chief Executive, Group Manager – Strategy and Environment and Principal Planner. (Refer WDC Delegations Register – Doc #A434592)</i></p>	
<p><b>District Plan Hearings Panel</b> The role of the Hearings Panel is to consider all submissions received, hear the evidence of Submitters. Council has appointed an Independent Commissioner Chair to hear the District Plan. The Independent Commissioner Chair in combination with Councillors and Iwi, will form hearings panels to hear submissions on different topics. The final composition of the topics (and therefore the hearings) will not be known until submissions have been received. Council has delegated to the Hearings Panel all powers, duties and functions under the Resource Management Act 1991 (clauses 8AA to, and including, 10 of the First Schedule of the RMA) to case manage, consider, hear, deliberate and decide on all submissions and further submissions received on, and provisions of, the Proposed Waitomo District Plan; and to the Hearings Panel Chairperson the powers to determine the composition of the Hearings Panel for specific topics and/or individual hearings of submissions and further submissions on the Proposed Waitomo District Plan, to the Independent Commissioner Chair</p>	<p><i>Council Resolution 8 October 2019</i> Greg Hill (Independent Commissioner and Chair) Allan Goddard RMA Accredited Phil Brodie RMA Accredited 1 x Commissioner with an understanding of Tikanga Māori and of the perspectives of mana whenua (yet to be appointed)</p>

Details	Appointment
<b>Regional and Sub-Regional Appointments</b>	
<p><b>Taranaki Regional Council – State Highway 3 Working Party</b></p> <p>The SH3 Working Party was formed by the Taranaki Regional Council in 2002.</p> <p>The purpose of the Working Party is to liaise, monitor, co-ordinate, advocate and collate information on the section of State Highway 3 between Piopio and the SH3/3A junction north of New Plymouth, with a view to formulating recommendations to promote the integrity and security of this section of the state highway network in recognition of its strategic importance.</p> <p>WDC is represented on the Working Party by both an elected representative and a staff member.</p>	<p>Councillor Todd Alternate – Mayor</p>
<p><b>Waikato Civil Defence Emergency Management Joint Committee</b></p> <p>Pursuant to the Civil Defence Act, Civil Defence throughout the Waikato Region is overseen at a political level by a Joint Committee known as the Civil Defence Emergency Management Group (CDEMG).</p> <p>Civil Defence Emergency Management Groups (CDEM Groups) are responsible for the implementation of local CDEM in an efficient and effective manner.</p> <p>CDEM Groups are formed from local authorities that work together and with other organisations to provide co-ordinated CDEM planning for reduction, readiness, response, and recovery.</p> <p>The Joint Committee is a local government committee with one elected representative from each council. The role of the joint committee is to provide political oversight and governance to ensure that the functions and obligations of the Waikato Civil Defence Emergency Management Group are fulfilled.</p> <p>The members of the Waikato CDEM Joint Committee are:</p> <ul style="list-style-type: none"> <li>• Waikato Regional Council</li> <li>• Hamilton City Council</li> <li>• Hauraki District Council</li> <li>• Matamata-Piako District Council</li> <li>• Otorohanga District Council</li> <li>• South Waikato District Council</li> <li>• Taupo District Council</li> <li>• Thames-Coromandel District Council</li> <li>• Waikato District Council</li> <li>• Waipa District Council</li> <li>• Waitomo District Council</li> </ul>	<p>Deputy Mayor Alternate - Mayor</p>

Details	Appointment
<b>Regional and Sub-Regional Appointments</b>	
<p><b>Waikato Mayoral Forum</b></p> <p>Pursuant to Section 15 of the Local Government Act 2002, not later than 1 March after each triennial general election of members, all local authorities within each Region must enter into an agreement (Waikato Triennial Agreement) containing protocols for communication and co-ordination among them during the period until the next triennial general election of members.</p> <p>In March 2012, the Regional Triennial Forum governing body (which undertook reviews of the Regional Triennial Agreement at that time) recommended the formation of a Regional Governance body with appropriate delegated authority to provide Regional leadership and representation on matters of strategic importance for the Waikato in accordance with the Triennial Agreement, including completing future reviews of the Triennial Agreement in accordance with the LGA 2002.</p> <p>As a result, in 2012 the Waikato Mayoral Forum (WMF) was established. Since its formation, the Waikato Mayoral Forum has been collaboratively and successfully pursuing its goal of collaborating and working together to develop tangible benefits for the Region through greater local government co-operation.</p> <p>The Forum – made up of Mayors and the Regional Council Chair – has initiated a series of work streams aimed at improving joint planning, economic development and local government efficiency generally.</p> <p>Two of these work streams have now become standalone, independent processes:</p> <ul style="list-style-type: none"> <li>• A joint committee of council representatives is overseeing the creation of a common Waikato Plan to guide the region’s future</li> <li>• A business-led governance body is implementing the Waikato Means Business economic development strategy.</li> </ul> <p>Other work streams covering the key areas of policy and bylaws, water services and roading have also been delivering tangible results in the areas of cutting red tape, positioning councils for major water savings and significant efficiencies on roading services.</p> <p>All this work dovetails with related efforts by councils through the jointly owned Waikato Local Authority Shared Services company to drive savings and other efficiencies.</p>	<p>Mayor Alternate - Deputy Mayor</p>

Details	Appointment
<b>Regional and Sub-Regional Appointments</b>	
<p><b>Waikato Plan Joint Committee</b></p> <p>The Waikato Plan aims to be the collective voice for the Waikato Region on high priority issues, challenges and opportunities that affect the regional community. The Plan will:</p> <ul style="list-style-type: none"> <li>• Set a strategic direction for the Waikato and its communities.</li> <li>• Outline a high level development strategy that identifies settlement, infrastructure and service needs.</li> <li>• Provide an evidential basis to support policy and investment decision making within the Waikato.</li> <li>• Enable coherent and co-ordinated decision making by the local authorities, Central Government and other parties to determine the future location and timing of critical infrastructure, services, and investment within the Waikato.</li> <li>• Provide a basis for aligning the implementation plans, regulatory plans and funding programmes of local government and strategic partner agencies.</li> </ul> <p>The Waikato Plan Joint Committee was established to facilitate and encourage the implementation of the Waikato Plan and undertake any reviews or updates to the Plan. The Committee functions as a facilitator and influencer, encouraging the allocation of resources to achieve agreed regional priorities. It also acts as the facilitator of the Waikato message, building the authority and influence the Waikato has by encouraging the many legitimate voices in the Region to say the same thing and advocate for the same outcomes for the region.</p> <p>As a Committee of Waikato Regional Council, the Committee is not able to make decisions on behalf of other local authorities.</p> <p>The Committee currently operates under an Agreement developed pursuant to Clause 30A, Schedule 7 of the Local Government Act 2002. The Agreement provides that the Committee is not discharged at the next election, however the current membership of the Committee expired on the date of the triennial Local Government election.</p> <p>Membership of the Committee is comprised:</p> <ul style="list-style-type: none"> <li>• One voting member appointed by the Waikato Regional Council</li> <li>• One voting member appointed by the Future Proof Group (Hamilton City Council, Waipa District Council, Waikato District Council)</li> <li>• One voting member jointly appointed by Hauraki District Council, Matamata-Piako District Council and Thames Coromandel District Council.</li> <li>• One voting member jointly appointed by Otorohanga District Council, South Waikato District Council, Taupo District Council, and Waitomo District Council</li> <li>• One voting member appointed by Hamilton City Council</li> <li>• Up to six voting members appointed by Tāngata whenua and confirmed as members by the Waikato Regional Council</li> <li>• Up to four voting members being business and/or community representatives confirmed as members by the Waikato Regional Council</li> <li>• One non-voting member being a representative of the Waikato District Health Board</li> <li>• One non-voting member being a representative of the New Zealand Transport Agency</li> <li>• Ministry of Social Development</li> <li>• Ministry of Education non-voting members being representatives of relevant Government Agencies as required.</li> </ul>	<p style="text-align: center;">Note:</p> <p>Otorohanga Mayor Max Baxter was jointly appointed by Otorohanga District Council, South Waikato District Council, Taupo District Council, and Waitomo District Council for the 2019-2022 triennium.</p> <p>Liaison is currently underway with the other Councils to appoint a representative.</p> <p>Mayor Max Baxter will be supported should he indicate his willingness to continue in the current triennium.</p>
<p><b>Waikato Regional Council – Regional Transport Committee</b></p> <p>The RTC is a WRC Committee and its purpose is to plan and coordinate land transport and road safety and to recommend WRC's policy on land transport.</p> <p>The RTC also prepares the Regional Land Transport Strategy and Regional Land Transport Programme.</p>	<p>Councillor Osborne Alternate – Mayor</p>



Details	Appointment
<b>Regional and Sub-Regional Appointments</b>	
<p><b>Waikato Regional Council – Regional Connections Committee</b></p> <p>The RCC is a WRC Committee and its objective is to enhance the wellbeing of our communities through the achievement of the goals set out in the Regional Public Transport Plan. The particulars of its scope of activities are:</p> <ul style="list-style-type: none"> <li>• Consider and recommend on matters relevant to the implementation and monitoring of the Regional Public Transport Plan</li> <li>• Develop the draft Regional Public Transport Plan and recommend it to Council (via the Strategy &amp; Policy Committee) for public consultation (as required)</li> <li>• Ensure all policy developed in the Regional Public Transport Plan is consistent with the operative Regional Land Transport Plan.</li> </ul> <p>Membership of the committee is:</p> <ul style="list-style-type: none"> <li>• 3 voting members from WRC and the Chair or Deputy Chair WRC (full voting rights)</li> <li>• 4 voting members appointed by Hamilton City Council</li> <li>• 1 voting member from each Territorial Authority by invitation</li> <li>• 1 non-voting member from each of the following agencies: Waka Kotahi – NZ Transport Agency and Access and Mobility Sector</li> </ul>	<p>Same membership as RTC above at the invitation of WRC.</p> <p>Councillor Osborne Alternate - Mayor</p>
<p><b>Waikato River Authority</b></p> <p>The Waikato River Authority is an independent statutory body under the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010. The purpose of the of the Authority is to set the primary direction through its Vision and Strategy to achieve the restoration and protection of the health and wellbeing of the Waikato River and Waipā River for future generations.</p> <p>The Authority covers a catchment of 11,000 km2 comprising the Waikato River (from Huka Falls to Te Pūaha o Waikato), and the Waipa River (from its source to its connection with the Waikato River) including both rivers’ catchments.</p> <p>The Authority has 10 board members – five appointed from each river iwi (Tainui, Te Arawa, Tuwharetoa, Raukawa, and Maniapoto) and five Crown-appointed members. The Regional Council nominates one Crown member and <b>one is nominated by the territorial authorities</b>. The Minister for the Environment appoints one of two co-chairpersons; iwi choose the other.</p>	<p>Territorial Authorities Appointee:</p> <ul style="list-style-type: none"> <li>- Waiting to hear of any nominations</li> </ul>
<p><b>Waipa Joint Management Agreement</b> <b>Nga Wai O Waipa Co-Governance Forum</b> <i>(Waikato, Waipa, Otorohanga and Waitomo Districts)</i></p> <p>In June 2012, Council resolved to enter a new era of co-management for the Waipa River between Council and the Maniapoto Māori Trust Board through the Nga Wai o Maniapoto (Waipa River Act) 2012.</p> <p>The Act provides that a Joint Management Agreement (JMA) be developed between Council and the Maniapoto Māori Trust Board as part of the co-management arrangements.</p> <p>To assist the JMA process the Nga Wai o Waipa Joint Committee was established involving all local authorities (whose boundaries fall within the legislated boundaries provided for in the Act) as a collective and the Maniapoto Māori Trust Board. This collective approach also satisfies Council’s legislative obligation to form a joint committee and also provides for a holistic and collaborative co-governance model for the JMA.</p>	<p>Mayor Alternate – Cr Manawaiti</p> <p>(Cr Manawaiti in his capacity as Chair of Te Raangai Whakakaupapa Koorero)</p>
<p><b>Te Nehenehenui Joint Committee</b></p> <p>This joint committee has been formed to commence the co-governance and co-management provisions and other obligations relevant to the Councils, triggered on the commencement of the Maniapoto Claims Settlement Act 2022 (the Act).</p> <p>The Act is the final settlement of all historical Treaty of Waitangi claims of Maniapoto and recognises that despite Maniapoto persistently advocating for the maintenance and recognition of their rangatiratanga and mana whakahaere the Crown has failed to uphold its obligations under Te Tiriti and has had a severe impact on Maniapoto’s socio economic wellbeing and tribal identify.</p> <p>Te Nehenehenui is the mandated iwi authority established by Trust deed, to receive the treaty settlement. Maniapoto Māori Trust Board will cease to exist, and Te Nehenehenui is now the entity responsible for the functions previously performed by the Maniapoto Māori Trust Board.</p>	<p>Mayor Alternate – Cr Manawaiti</p> <p>(Cr Manawaiti in his capacity as Chair of Te Raangai Whakakaupapa Koorero)</p>

Details	Appointment
<b>Trusts Providing for Council Nomination/Appointment</b>	
<p><b>North King Country Development Trust</b></p> <p>The NKCDT is registered as a Charitable Trust for the purpose of applying the Trust Fund for or toward charitable purposes and in particular Industrial development charitable purposes. Appointment of Trustees is as per the registered Deed of Trust.</p> <p>WDC in conjunction with Otorohanga and Taupo District Council's may appoint two Trustees. Trustees are appointed for a term of four years but are re-eligible for reappointment upon expiry of their term.</p>	<p>Mayor</p> <p>Note: Current term expires in August 2024.</p>
<p><b>Waitomo Energy Services Customer Trust</b></p> <p>Waitomo Energy Services Customer Trust (WESCT) is the 100% shareholder of The Lines Company Limited (TLC) and holds the shares for the benefit of Customers of the Company in the former Waitomo Electric Power Board District - commonly known as the "Northern Area" of TLC's network.</p> <p>WESCT has six trustees: three are "A" trustees - elected by customers, two are "B" trustees - elected by major customers, and the "A" Trustees appoint one trustee.</p>	<p>Nomination recommendations will be sought from the Council as current B Trustee terms come to an end and elections are called.</p>
<p><b>Maru Energy Trust</b></p> <p>Maru Energy Trust is a not-for-profit charitable trust, established in August 2018 by The Lines Company. The Trust provides support to improve the energy efficiency of households and wellbeing of the occupants including:</p> <ul style="list-style-type: none"> <li>A. Developing and implementing educational programmes to help households and the community understand how to better manage their energy use.</li> <li>B. Identifying households within the community who would benefit from advice and assistance regarding their energy use.</li> <li>C. Facilitate physical modifications to the home and environment to improve energy use.</li> <li>D. Securing funding to support the charitable purposes of the Trust; and</li> <li>E. Undertaking any other purpose that benefits households or the community in keeping with the charitable purposes of the Trust.</li> </ul> <p>The Trust Board must comprise of at least three and no more than eight Trustees appointed in accordance with the Trust Deed.</p> <p>One Trustee is to be appointed to represent the Waitomo, Otorohanga, Taupo and Ruapehu District Councils jointly. The term of this Trustee is three years.</p>	<p>Liaison currently underway with the four Councils to appoint a representative.</p>

Details	Appointment
<b>External Funding Partners – Administered by Council</b>	
<p><b>Creative Communities</b></p> <p>WDC administers a local Creative Communities Assessment Committee consisting of two Councillors and community representatives having knowledge of the arts in the Waitomo District, to join the Creative Communities Assessment Committee. The Committee meets twice yearly, in June and November, to distribute funds made available by Creative New Zealand to support community based arts activities in the Waitomo District.</p>	<p>Councillor Osborne Councillor New</p>
<p><b>DC Tynan Trust</b></p> <p>The DC Tynan Trust is a Council Controlled Organisation and was established for the purpose of making disbursements from a very generous bequest made to the Borough of Te Kuiti by the late Daniel Tynan. In terms of his will, it was Mr Tynan's wish that his bequest be utilised for such social, cultural, educational or recreational purposes within the Borough of Te Kuiti as the trustees think fit. The Trust is administered by four Trustees, three of which are the urban Councillors.</p>	<p>3 Urban Ward Councillors</p>

Details	Appointment
<p><b>Sport New Zealand</b></p> <p>The Sport New Zealand (SNZ) (formerly SPARC) Rural Travel Fund's objective is to help subsidise travel for junior teams participating in local sport competition. The allocation of the fund's based on a population density formula for territorial authorities that have fewer than 10 people per square kilometre. Council administers one SNZ Rural Travel funding round per year, usually in October. The SNZ Rural Travel Assessment Committee consists of two Council staff, two Councillors, one NZ Police representative and a Sport Waikato representative.</p>	<p>Councillor Manawaiti Councillor Tasker</p>

Details	Appointment
<b>Other Representation Appointments/Portfolios</b>	
<p><b>Community Youth Connections</b></p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• Youth Council</li> <li>• TUIA Programme</li> <li>• Mayor's Taskforce for Jobs</li> <li>• Employment Partnerships</li> </ul>	<p>Mayor Councillor New</p>
<p><b>Piopio Wastewater Community Liaison Group</b></p> <p>Pursuant to Clause 34 of the Environment Court "Order of Court", Council as the Consent Holder shall establish and service a Community Liaison Group to be known as the Piopio Wastewater Community Liaison Group.</p>	<p>Mayor Councillor Todd</p>
<p><b>Te Kuiti and District Historical Society</b></p> <p>In July 2011, the Historical Society wrote to Council advising they had a vacancy on their Committee and sought appointment of a WDC Representative. The general objects of the Society are to preserve, by photographic means, historical information including landmarks and buildings, to record historical research and to stimulate and guide public interest in matters of historical importance to the District.</p>	<p>Councillor Tasker</p>

<p><b>Rural Ward Portfolios</b></p> <p>The portfolio representation of these areas will include Councillor representation for liaison purposes at community activities, attending community events in these areas, and being the point of contact for residents and ratepayers within these areas of the District.</p> <p>Examples of representation/portfolios are listed beneath the relevant area.</p>	
<b>Rural Northwest</b> (incorporating old Waitomo/Te Anga Rural Wards)	
<ul style="list-style-type: none"> <li>• Marokopa Recreation Ground Committee</li> <li>• Community Halls</li> <li>• Waitomo Caves Museum</li> <li>• Tere Waitomo Community Trust</li> </ul>	<p>Councillor Osborne</p>
<b>Rural Southeast</b> (incorporating old Aria/Mangaokewa Wards)	
<ul style="list-style-type: none"> <li>• Benneydale Hall</li> <li>• Mokauiti Hall</li> <li>• Rangitoto Hall</li> </ul>	<p>Councillor Goddard</p>
<b>Rural Southwest</b> (incorporating old Paemako/Tainui Wards)	
<ul style="list-style-type: none"> <li>• Piopio Retirement Board</li> <li>• Mokau Residents and Ratepayers Association</li> <li>• Tainui Wetere Domain Board</li> </ul>	<p>Councillor Todd</p>

<p><b>Urban Ward</b></p> <p>The portfolio representation of the urban area will include representation for liaison purposes at community activities, attending community events and being a point of contact for residents and ratepayers within the urban area.</p>	
<p><b>Elderly Housing Liaison (Hillview/Redwood Flats/St Andrews Court)</b></p> <p>To build relationships with Elderly Housing providers and residents and to act as a Point of Contact in respect to Council related matters pertaining to Elderly Housing.</p>	<p>Councillor New</p>

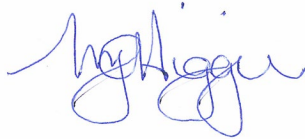
**Te Kuiti Development Incorporated (Legendary Te Kuiti)**

TKDI is an Incorporated Society registered in April 2011 and was formed for the purpose of promoting the welfare of the business community of Te Kuiti and in particular to provide a forum for networking and collaboration of members.

Councillor New

Councillor Tasker

Note: Councillor Osborne is a member in her own right



MICHELLE HIGGIE

**MANAGER – GOVERNANCE SUPPORT**

**Document No:** A642066

**Report To:** Council



**Meeting Date:** 29 November 2022

**Subject:** Adoption of 2023 Meeting Schedule

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to formally adopt a Meeting Schedule for the 2023 calendar year.

## Commentary

- 2.1 Council generally considers and adopts a Meeting Schedule at the end of each calendar year for the following year.
- 2.2 This Meeting Schedule includes all planned meetings required to complete Council's work programme as contained in Council's adopted Road Map Work Programme.
- 2.3 Council Meeting timelines are scheduled on the basis of monthly meetings taking place on the last Tuesday of each month.
- 2.4 Audit and Risk Committee meetings are scheduled quarterly, with the exception of the last meeting of the year which is brought forward a month to October. This enables the Committee to consider and make recommendations to Council on the Annual Report prior to adoption before the end of October in pursuance with the Local Government Act 2002.
- 2.5 Meetings of Te Raangai Whakakaupapa Koorero and the Appointments and Chief Executive Relationships Committee will be scheduled as and when required. The first meeting of Te Raangai Whakakaupapa Koorero is scheduled for 23 February 2023. The first meeting of the Appointments and Chief Executive Relationships Committee is yet to be scheduled.

Note: The Local Government Act 2002, Part 6, Section 98(3) states:

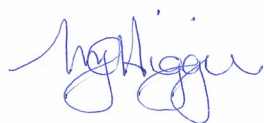
*(3) Each annual report must be completed and adopted, by resolution, within 4 months after the end of the financial year to which it relates.*

- 2.6 It should be noted however, that because of the "living" nature of Council's work programme, scheduled meeting dates over and above the normal monthly Council meetings often alter as time passes and therefore only the known dates are included for adoption in the Meeting Schedule. Any additional meetings will be scheduled if and when required.
- 2.7 No Council or Committee Meetings are scheduled for January or December.
- 2.8 It should be noted that the adopted Meeting Schedule includes only official meetings which must be publicly notified. Informal workshops do not form part of the official Meeting Schedule.

## Suggested Resolutions

- 1 The business paper on Adoption of 2023 Meeting Schedule be received.
- 2 Council adopt the following Meeting Schedule for the 2023 calendar year:

Wednesday	22 February 2023	Audit and Risk Committee Meeting
Thursday	23 February 2023	Te Raangai Whakakaupapa Koorero (Iwi Relationship Committee)
Tuesday	28 February 2023	Council Monthly Meeting
Tuesday	28 March 2023	Council Monthly Meeting
Wednesday	26 April 2023	Council Monthly Meeting (deferred by 1 day due to ANZAC Day)
Tuesday	16 May 2023	Audit and Risk Committee Meeting
Thursday	18 May 2023	Hearing: Submissions to Annual Plan (subject to requirement)
Tuesday	30 May 2023	Council Monthly Meeting
Tuesday	27 June 2023	Council Monthly Meeting
Tuesday	25 July 2023	Council Monthly Meeting
Tuesday	15 August 2023	Audit and Risk Committee Meeting
Tuesday	29 August 2023	Council Monthly Meeting
Tuesday	26 September 2023	Council Monthly Meeting
Tuesday	13 October 2023	Audit and Risk Committee Meeting (consideration of Annual Report)
Tuesday	31 October 2023	Council Monthly Meeting
Tuesday	28 November 2023	Council Monthly Meeting
- 3 Meetings are to be convened in the Council Chambers, Queen Street, Te Kuiti commencing at 9.00am, unless publicly notified otherwise.



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

**Document No:** A642070

**Report To:** Council



**Meeting Date:** 29 November 2022

**Subject:** **Elected Members Remuneration and Policy on Elected Members' Allowances and Recovery of Expenses**

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is –
  - (a) for Council to consider making a recommendation to the Remuneration Authority on how the Remuneration Pool should be divided
  - (b) to inform Council of the Policy on Elected Members' Allowances and Recovery of Expenses

## Commentary

### **3.1 The Remuneration Authority**

3.2 Since the end of 2001, the setting of elected members' remuneration has been the responsibility of the Remuneration Authority ('the Authority'), including the setting of rules for reimbursement of costs incurred by elected members in carrying out their roles.

### **3.3 Allocation of Pool**

3.4 The Local Government Members (2022/23) Determination 2022 (the Determination) sets out the Remuneration Pool levels for the period from the day after the day the official General Election results were declared until 30 June 2023.

3.5 A copy of the full Determination is available online as follows:

<https://www.legislation.govt.nz/regulation/public/2022/0178/latest/LMS702449.html>

3.6 To summarise, the Pool set by the Authority for Waitomo District Council is \$288,802 to be divided amongst the six Councillors (which includes the Deputy Mayor position). The Mayor's remuneration is \$115,856 and does not form part of the Pool.

3.7 It is important to note that Council must allocate the entire Pool.

3.8 The Authority is seeking recommendations for the distribution of the Pool and has provided two worksheets which have been pre-populated with Council's name, remuneration pool and the minimum remuneration rate for a Councillor. One worksheet is based on a "Dollar" calculation and the second is on a "Ratio" calculation.

3.9 Historically, the Council has used the modelling for division of the Pool using the "Dollar" calculation, completed on the basis of the Deputy Mayor receiving remuneration equivalent to 50% of the Mayor's remuneration (i.e. 50% of \$115,856 = \$57,928), with the remainder of the Pool being divided equally between the other five Councillors. However, it should be noted that historically there was little difference between either calculation but because there has been a significant increase in the Pool amount (2020/21 Determination of \$215,158 versus 2021/22 Determination of \$288,802) the gap has widened between the two calculations.

3.10 The resulting remuneration based on this modelling is set out below utilising the Authority's "Dollar" calculation worksheet. Note: The Deputy Mayor's remuneration has been rounded down by \$1.00 to make a clean division of the Pool:

## Dollar Calculation

Deputy Mayor	1 x \$57,928 (50% of Mayoral remuneration)	\$57,927
Councillor	5 x \$46,175	<u>\$230,875</u>
<b>Total Pool</b>		<b>\$288,802</b>

- 3.11 For comparison purposes, both of the Authority's worksheets were completed. The result for the "Ratio" calculation based on the Deputy Mayor role being 1.5 of a Councillor role is as follows:

## Ratio Calculation

Deputy Mayor	1 x Base remuneration: \$44,431 x 1.5	\$66,647
Councillor	5 x Base remuneration: \$44,431	<u>\$222,155</u>
<b>Total Pool</b>		<b>\$288,802</b>

Note: The above modelling has been completed on the basis of the Deputy Mayor being the only position receiving additional remuneration.

- 3.12 Copies of both Remuneration Authority Worksheets are attached to and form part of this business paper.
- 3.13 Following discussion at the Council workshop on 8 November 2022 where a proposed Committee Structure for the current triennium was considered, Council feedback was that only the Deputy Mayor position would be considered for additional remuneration and that it should be based on the ratio calculation of 1.5 of a Councillor role.

## 3.14 Allowances and Hearing Fees

- 3.15 There are a number of allowances and Hearing Fees payable over and above the remuneration provided for in the Determination. These are set out below.

Note: There are provisions in the Determination relating to motor vehicles for mayors, however as WDC does not provide the Mayor with a motor vehicle, those provisions do not currently apply and are not covered in this business paper.

## Vehicle Kilometre Allowance

### For the first 14,000 kilometres

Petrol and Diesel Vehicles	83 cents per kilometre
Petrol Hybrid Vehicles	83 cents per kilometre
Electric Vehicles	83 cents per kilometre

### After the first 14,000 kilometres

Petrol and Diesel Vehicles	31 cents per kilometre
Petrol Hybrid Vehicles	18 cents per kilometre
Electric Vehicles	10 cents per kilometre

## Travel-time Allowance

\$40.00 per hour is claimable after the first hour (up to a maximum of 8 hours in any one 24-hour period)

## Information and Communication Technology

Note: The following information and communications allowances are per annum.

Use of Personal Computer	\$400.00
Use of Personal Printer	\$50.00
Use of Personal Mobile Phone	\$200.00
Use of ICT consumables	\$200.00
Use of Personal Internet Service	\$800.00
Use of Personal Mobile Phone Service	<u>\$500.00</u>
	<b>\$2,150.00</b>

## Childcare Allowance

To a total of not more than \$6,000 per child per annum upon receipt of satisfactory evidence of the amount paid for childcare.



## **Fees relating to Hearings**

Note: For hearing time less than 1 hour, the fee must be apportioned accordingly.

Hearing Chairperson	\$116 per hour
Hearing Member (not a Chairperson)	\$93 per hour

### **3.16 Council’s Policy on Elected Members’ Allowances and Recovery of Expenses**

- 3.17 Council’s Policy on Elected Members’ Allowances and Recovery of Expenses (‘the Policy’) sets out rules on the claiming of expenses by elected members and the resources that will be available to them during their term of office.
- 3.18 It is a requirement of the Remuneration Authority that all councils’ policies relating to allowances align with, and do not contravene any Determination.
- 3.19 Historically, any claim forms made by the Mayor have been approved by the Chief Executive and Manager – Governance Support. This has been for expediency purposes. However, with the use of electronic signatures now deemed “business as usual” following their widespread use as a result of COVID-19 lockdowns, it is recommend that the Policy be amended so that any claim form made by the Mayor be approved by the Deputy Mayor and Chief Executive.
- 3.20 A copy of the current Policy is attached with the above recommended change highlighted.

### **3.21 Elected Member Claim Forms**

- 3.22 At the end of each month, those elected members who which to claim vehicle mileage and/or expenses are required to complete an Elected Member Claim Form and submit it to the Manager – Governance Support in accordance the Policy. The Information and Communication Technology allowance does not require claiming and is paid to members as part of their fortnightly remuneration.

### **3.23 Authority Timeline**

- 3.24 The Authority’s timeline for providing a recommendation on division of the Pool through to implementing the new remuneration rates is as follows:

Action	By Whom	Date
Familiarisation by elected members and staff with the process	Councils	Up till remuneration proposals submitted
<b>Incoming councils formally decide remuneration attached to different roles within allocated pool and forward proposals to Remuneration Authority (round 1)</b>	<b>Councils</b>	<b>Proposals must be submitted by <u>Wednesday 16 November 2022</u> to meet deadline for the first amending determination</b>
Remuneration Authority considers councils’ proposals	Remuneration Authority	From 10 October to 19 November 2022
Amending determination drafted	Parliamentary Counsel Office	From 21 November to 15 December 2022
First amending determination is gazetted	Remuneration Authority	Thursday 22 December 2022
<b>Incoming councils who miss the 16 November deadline, must formally decide remuneration attached to different roles within allocated pool and forward proposals to Remuneration Authority (round 2)</b>	<b>Councils</b>	<b>Proposals must be submitted by <u>Friday 27 January 2023</u> to meet deadline for second amending determination</b>
Action	By Whom	Date
Remuneration Authority considers councils’ proposals	Remuneration Authority	From 16 January to 31 January 2023
Second amending determination drafted	Parliamentary Counsel Office	From 3 February to 17 February 2023
Second amending determination gazetted	Remuneration Authority	Late February/early March 2023

- 3.25 Council has missed the deadline for the first amending determination of 16 November 2022, so will be included in the second amending determination which is scheduled for gazetting in late February/early March 2023.
- 3.26 The new remuneration rates cannot be paid before the amended Determination is gazetted. In the interim, Councillors (including the Deputy Mayor) will continue to receive the minimum remuneration rate of \$32,333 as per the current Determination.
- 3.27 Once the amended Determination is gazetted, Councillors will be back paid to the day after the day on which the official result was declared (13 October 2022).
- 3.28 The Deputy Mayor will receive the new Councillor rate of \$32,333 for the period 13 October to 29 October (the date of the Inaugural Council meeting when appointed Deputy Mayor) and then the new Deputy Mayor rate from 30 October 2019.
- 3.29 The Authority also requires the Council to pass a resolution for any roles which attract additional remuneration above the base rate (i.e. Deputy Mayor) including the title and a short description of the role. A short description of the Deputy Mayor role is as follows:
- a) *Performs all the responsibilities and duties, and exercises all the powers of the Mayor:*
    - i) *with the consent of the Mayor at any time during his temporary absence,*
    - ii) *without the Mayor's consent, at any time while the Mayor is prevented by illness or otherwise from performing his duties,*
    - iii) *while there is a vacancy in the office of mayor*
  - b) *Deputises for the Mayor when the latter has competing commitments including chairing meetings of the Council, addressing the media on Council issues, representing the Mayor at civic events and chairing informal meetings of councillors.*
  - c) *Community leadership through holding meetings with various community groups on topical issues, as requested by the Mayor, and working with those groups and council staff to resolve issues.*
- 3.30 The suggested resolutions below have been prepared on the basis of Council's consideration of this matter at its Workshop on 8 November 2022.

<b>Suggested Resolutions</b>
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- 1 The business paper on Elected Members Remuneration and Policy on Elected Members' Allowances and Recovery of Expenses be received.
- 2 Council recommends to the Remuneration Authority that the Remuneration Pool be divided on the basis of the Ratio Calculation Spreadsheet as follows:
- |                   |                                       |                  |
|-------------------|---------------------------------------|------------------|
| Deputy Mayor      | 1 x Base remuneration: \$44,431 x 1.5 | \$66,647         |
| Councillor        | 5 x Base remuneration: \$44,431       | <u>\$222,155</u> |
| <b>Total Pool</b> |                                       | <b>\$288,802</b> |
- 3 The following short description of the Deputy Mayor role be provided to the Remuneration Authority as follows:
- a) *Performs all the responsibilities and duties, and exercises all the powers of the Mayor:*
    - i) *with the consent of the Mayor at any time during his temporary absence,*
    - ii) *without the Mayor's consent, at any time while the Mayor is prevented by illness or otherwise from performing his duties,*
    - iii) *while there is a vacancy in the office of mayor*
  - b) *Deputises for the Mayor when the latter has competing commitments including chairing meetings of the Council, addressing the media on Council issues, representing the Mayor at civic events and chairing informal meetings of councillors.*

- c) *Community leadership through holding meetings with various community groups on topical issues, as requested by the Mayor, and working with those groups and council staff to resolve issues.*
- 3 Council adopts the Policy on Elected Members' Allowances and Recovery of Expenses as presented noting the following amendment:
- *Expense claims for the Mayor are approved by the Deputy Mayor and Chief Executive, and full original receipts are required*



MICHELLE HIGGIE

**MANAGER – GOVERNANCE SUPPORT**

Attachments:

- 1 Worksheet 1 Calculate Councillor Remuneration Using Dollar Amounts 2022 Local Elections
- 2 Worksheet 2 Calculate Councillor Remuneration Using Ratios 2022 Local Elections
- 3 Draft Policy on Elected Members Allowances and Recovery of Expenses

# Proposed Remuneration for Councillors Following the 2022 Local Elections Using Dollar Amounts



Use this worksheet to calculate the proposed remuneration for positions with additional responsibilities and the proposed remuneration for councillors without additional responsibilities using **DOLLAR** amounts.

Before completing this worksheet, read the instructions sheet in the tab below for detailed guidance.

1) Enter the legal name of local authority, as listed in schedule 2 of the Local Government Act 2002: **Waitomo District Council**

2) Enter the date on which the official result of the 2022 election was declared for the local authority: **14 October 2022**

3) Enter the number of elected members (excluding the mayor or regional council chair) on the council: **6**

4) Enter local authority's governance remuneration pool as shown in the current local government members determination (\$): **288,802**

5) Enter councillor minimum allowable remuneration as shown in the current determination (\$): **32,333**

6) Enter proposed remuneration for a (base) councillor with no additional responsibility (\$): **46,175**

7) Enter date of local authority's resolution proposing the remuneration for the position(s) of responsibility and/or base councillors: **29 November 2022**

8) Enter title of proposed position <b>with additional</b> responsibilities (ie: the title that will be displayed in the amending determination)	9) Enter number of members per position	Effective Date*	Councillor with no additional responsibilities (\$)	10) Enter proposed additional remuneration (\$)	Proposed annual total remuneration per councillor (\$)	Total (\$)
Deputy Mayor	1	30 November 2022	46,175	11,752	57,927	57,927
Councillor with no additional responsibilities	5	15 October 2022	46,175	n/a	46,175	230,875

Grand total (\$): **288,802**

Balance of pool (\$): **0**

\* = For positions with additional responsibilities the effective date is the day after the date of the local authority's resolution and for councillors with no additional responsibility the effective date is on and from the day after the date on which the official result of 2022 election of members for the council is declared.

A brief description must be provided for each position of responsibility ie: specify the additional responsibilities over and above the base councillor role - covering duties, delegations, deputising and reporting obligations and the extra time involved in carrying out the additional responsibilities.

Return this completed worksheet together with a brief description of each position of responsibility to:

[info@reauthority.govt.nz](mailto:info@reauthority.govt.nz)



# **Waitomo District Council**

## **Elected Members Allowances and Recovery of Expenses**

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<b>First Adopted:</b>	Draft for provided to Remuneration Authority for approval - 2011
<b>Review History:</b>	5 July 2011 – Approved by Remuneration Authority 24 September 2013 – Adopted by Council 2 August 2016 – Adopted by Council 26 November 2019 – Adopted by Council
<b>Date of Next Review:</b>	November 2022 (or as required by the Remuneration Authority)
<b>Responsibility:</b>	Manager – Governance Support
<b>Adopted by:</b>	Council (26 November 2019)

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## INTRODUCTION

This Policy sets out rules on the claiming of expenses by elected members and the resources that will be available to them during their term of office.

Contact person for queries: Michelle Higgin (Manager – Governance Support)  
Email: michelleh@waitomo.govt.nz  
Phone: 07 878 0800

## PURPOSE AND SCOPE

This Policy covers the Mayor and Elected Members of the Council and for the purpose of reimbursement of expenses and mileage, any Council appointed representative acting on behalf of the Council.

Expenses relating to electioneering purposes will not be reimbursed.

## REMUNERATION

The Mayor and Elected Members shall receive remuneration as determined by the Remuneration Authority.

## AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

From time to time, elected members incur expenses on the Council's behalf which need to be reimbursed. This reimbursement and the use of Council supplied resources apply only to elected members personally, and only while they are acting in their official capacity as elected members.

Costs for expenses must have a justifiable business purpose, be moderate, be conservative having regard to the circumstances, and be appropriate in all respects.

The process for reimbursement of claims includes the following principles:

- Any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy
- Expense claims for Councillors are approved by the Mayor and Manager – Governance Support, and full original receipts are required
- Expense claims for the Mayor are approved by the Deputy Mayor and Chief Executive, and full original receipts are required
- Cost reimbursements will be made via the Council payroll system.

In the case of one-off expenditure such as travel to conferences, the process and prior approvals required are detailed in this policy.

In the case of vehicle mileage, travel time, communications and childcare, all limits set in this document shall not exceed the Remuneration Authority's Determination.

The Council's internal audit work programme includes sampling expense claims and allowances paid to elected members and staff.

No allowances are paid without deduction of withholding tax.

All expenditure that falls under this Policy is approved on the condition that it can be met within relevant budget provisions.

## DEFINITIONS

"**Actual**" means as evidenced by the original receipt attached to the claim form.

"**Council**" shall mean the seven elected members that form the governing body (Council) of the Waitomo District Council.

**“Council business”** includes: formal council and community board meetings, committee meetings, workshops, seminars, statutory hearings, training courses, site visits, meetings with staff, meetings with community groups, meetings with members of the public. It does not include events where the primary focus is on social activity.

**“Expenses”** means actual and reasonable expenses including but not limited to; accommodation, rental car, air travel, taxis, meals and refreshments, entertainment (hospitality), parking, sundry vehicle costs, alternative travel options and other such costs directly related to the business of WDC.

**“Reasonable”** means that it is within the amount specified by this policy or as deemed reasonable by the Mayor/Regional Chairperson and/or Chief Executive.

**“Remuneration Authority”** is an independent body established by the Remuneration Authority Act 1977, with responsibilities under the Local Government Act 2002 to determine remuneration and expense/allowance rules for local authority members.

**“Waitomo District Council” (WDC)** shall mean the organisation established to administer Council affairs, conduct operations and bring effect to Council policy and strategies.

## ALLOWANCES AND EXPENSES BY GROUP OF MEMBERS

Position	Expense/Allowance	Description
<b>All Elected Members (Mayor and Councillors)</b>	<b>Taxis</b>	<p>Taxis may be used for council business in circumstances where an individual is away from the Waitomo District and where it is deemed to be the most appropriate form of transport. i.e. transport to and from an airport, transport between venues at out of District appointments.</p> <p>Taxis may not be used if significant travel distances mean that use of a taxi is not the most cost effective option.</p> <p>Taxi costs paid for directly by the individual for travel within New Zealand or internationally will be reimbursed upon presentation of a signed Claim Form and actual receipts.</p>
	<b>Rental Cars</b>	<p>Rental cars may be utilised when attending meetings or conferences in other centres, where this is the most cost-effective travel option.</p> <p>Rental car costs paid for directly by the individual for travel within New Zealand or internationally will be reimbursed upon presentation of a signed Claim Form and actual receipts.</p>
	<b>Travel and attendance at Conferences/ Seminars / Training Programmes</b>	<p>All elected members are entitled to payment of actual and reasonable registration, travel, accommodation, meal and related incidental expenses (including travel insurance) incurred in attendance at these events, held both within New Zealand and overseas, subject to:</p> <ul style="list-style-type: none"> <li>a) related expenditure being accommodated within existing budgets, and</li> <li>b) the appropriate approvals as outlined in this policy and excluding reimbursement for purchases from hotel mini-bars and charges for in-room video or cable movies.</li> </ul>
	<b>Domestic Air Travel</b>	<p>All elected members are entitled to utilise domestic air travel for council related travel, generally where travel by air is the most cost effective travel option.</p>

Position	Expense/Allowance	Description
<b>All Elected Members (Mayor and Councillors)</b>	<b>International Air Travel</b>	<p>As a general policy all elected member international air travel is by way of economy class, where all or part of the costs of the fares are to be met by the Council.</p> <p>The approval of the Council is required for exceptions, e.g. where Premium Economy or the equivalent air travel is desirable for health or other compelling reasons.</p>
	<b>Air Points</b>	<p>No Air Points accumulated while on Council business can be utilised for personal use.</p>
	<b>Accommodation</b>	<p>All travel and accommodation arrangements for Elected Members are to be made by WDC staff, at the most economic cost available (when possible) at the time of booking, unless all travel costs are being met privately or by an outside party.</p>
	<b>Exceptional Circumstances for Council related meetings</b>	<p>Staff may arrange overnight accommodation for Elected Members when travel or business requirements do not allow for the return on the same day, e.g. if it is unreasonable for an elected member to travel to their home after a late meeting.</p>
	<b>Private Accommodation provided by friends and/or relatives</b>	<p>Payment of \$50 per night shall be claimable when staying in private accommodation to cover accommodation, breakfast and dinner. It is intended that at least a portion of this allowance is paid to the accommodation provider.</p>
	<b>Car Parking</b>	<p>Reimbursement of car parking costs incurred whilst on council business will be made upon presentation of a signed Claim Form and actual receipts.</p>
	<b>Communications Allowance</b>	<p>The Mayor and Councillors will be provided with a tablet for the purpose of receiving electronic information from WDC, including Council Agendas, for specific use at Council meetings.</p> <p>Elected members will be paid an annual Communications Allowance at the maximum amount allowable in the current Remuneration Authority Determination. (Paid fortnightly via the Payroll System)</p> <p>This Allowance includes provision for use of personal computer, printer, mobile phone, council-related toll and mobile phone charges, and internet connectivity/use.</p> <p>This Allowance <u>does not</u> provide for the use of a tablet where WDC has provided such.</p>
	<b>Stationery and Consumables</b>	<p>The Mayor and Councillors will be supplied with reasonable amounts of stationery and printer consumables for council business.</p>
	<b>Mileage Allowance</b>	<p><u>Mileage Rate</u></p> <p>Mileage will be paid up to the maximum rate per kilometre as provided in the current Remuneration Authority Determination and will be payable upon presentation of a signed Claim Form.</p>
<b>Travel Time Allowance</b>	<p>A travel time allowance will be paid to eligible elected members at the maximum amount as provided in the current Remuneration Authority Determination upon presentation of a signed Claim Form.</p>	

Position	Expense/Allowance	Description
<b>All Elected Members (Mayor and Councillors)</b>	<b>Childcare Allowance</b>	A Childcare allowance will be paid to eligible elected members in accordance with the current Remuneration Authority Determination upon presentation of a signed Claim Form and actual receipts.

Position	Expense/Allowance	Description
<b>Mayor</b>	<b>Car</b>	In the event the Mayor is provided with a WDC vehicle – <ul style="list-style-type: none"> <li>That vehicle will also be available for his/her full private use.</li> <li>A deduction will be made from his/her salary as determined by the Remuneration Authority.</li> <li>Mileage will not be claimable.</li> </ul>
	<b>Travel and Conferences, Courses and Seminars</b>	The prior approval of the Chief Executive is required for travel within New Zealand for: council business; attendance at conferences/courses/training events/seminars; other purposes associated with the position of Mayor.  The prior approval of the Council is required for all international travel, where costs or partial costs are paid for by Council funds.  Where the Mayor or the Mayor's authorised representative is accompanied by his/her partner on international travel, the Council will meet the cost of their travel, accommodation, and incidental costs. The Council will only authorise such expenditure where the partner's involvement directly contributes to a clear business purpose.
	<b>Airline Club</b>	Given frequent travel requirements for the role, payment of an Air New Zealand Koru Club subscription.
	<b>Entertainment and Hospitality</b>	The Mayor may hold a WDC Credit Card to pay directly for any entertainment or hospitality expenses incurred while carrying out Council business.  All expenditure made on this Credit Card must conform with WDC's Credit Card Policy which includes the requirement to provide full receipts and details of the names of parties entertained and reasons for the entertainment.

Position	Expense/Allowance	Description
<b>Councillors</b>	<b>Conferences, Courses, Seminars and Training</b>	<p>Conference, course, seminar or training events must contribute to the Councillor's ability to carry out Council business.</p> <p>Attendance at these events when held in New Zealand must be approved by both, the Mayor (or Deputy Mayor) and the Chief Executive.</p> <p>Attendance at these events when held overseas must be approved by the full Council.</p>
	<b>Entertainment and Hospitality</b>	<p>Reimbursement of costs incurred while hosting official visitors to the Council, or while travelling on Council business. These costs can cover a range of items including, but not limited to, tea/coffee and catering including alcohol with meals.</p> <p>Such costs will be reimbursed upon presentation of a signed Claim Form and actual receipts.</p>
	<b>General Community Related Expenses</b>	<p>From time to time Councillors may incur unforeseen costs arising from items relating to community events, e.g. payment of koha, or purchasing a wreath for attendance at a commemorative event.</p> <p>Reimbursement of such expenditure should be previously approved by the Mayor (or Deputy Mayor).</p> <p>The items should be appropriate to the occasion and expenditure should be moderate and conservative.</p> <p>Such costs will be reimbursed upon presentation of a signed Claim Form and actual receipts.</p>

**Document No:** A642135

**Report To:** Council



**Meeting Date:** 29 November 2022

**Subject:** **Te Nehenehenui Joint Committee - Terms of Reference**

**Type:** Decision Required

## Purpose

- 1.1 The purpose of this business paper is to present for consideration and approval the draft Terms of Reference for the Te Nehenehenui Joint Committee.

## Background

- 2.1 The Maniapoto Claims Settlement Act 2022 (the Act) is the final settlement of all historical Treaty of Waitangi claims of Maniapoto and gained Royal Asset on 27 September 2022. The purpose of the Act is –
  - (a) to record the acknowledgements and apology given by the Crown to Maniapoto in the deed of settlement; and
  - (b) to give effect to certain provisions of the deed of settlement that settles the historical claims of Maniapoto.
- 2.2 The Act contains provisions and makes obligations on Waitomo District Council in respect to co-governance and co-management.
- 2.3 Te Nehenehenui is the mandated iwi authority established by Trust Deed, to receive the Treaty Settlement. The Maniapoto Māori Trust Board no longer exists and Te Nehenehenui is now the entity responsible for the functions previously performed by the Maniapoto Māori Trust Board.
- 2.4 The Act provides that the trustees of Te Nehenehenui are, and are recognised by Te Ohu Kai Moana Trustee Limited as, the mandated organisation for Maniapoto in place of the Board, as if those trustees were recognised as the mandated iwi organisation or the iwi aquaculture organisation, as the case may require.
- 3.1 Section 135 of the Act requires the Waitomo District Council to enter into a joint management agreement as follows:

***135 Joint management agreement required***

  - (1) *Not later than 12 months after the commencement date (or a later date agreed in writing), the following councils must enter into a joint management agreement with the trustees:*
    - (a) *Waikato Regional Council; and*
    - (b) *Waitomo District Council; and*
    - (c) *Ōtorohanga District Council.*
- 3.2 Section 142 of the Act requires the councils and trustees to convene a joint committee not later than 60 working days after the commencement date of the Act (before 22 December 2022) as follows:

***142 Joint committee convened***

  - (1) *Not later than 60 working days after the commencement date, the councils and the trustees must convene a joint committee to be responsible for the process of finalising the Agreement.*
  - (2) *The councils and the trustees and must work together, through the joint committee, in a positive and constructive manner, to finalise the Agreement, with facilitation by the Crown, within the*

*time frame specified in section 135(1), having particular regard to the principles set out in section 138.*

- (3) *The councils and the trustees may seek any facilitation, mediation, or other resolution process that they consider would be appropriate to assist in the process of finalising the Agreement.*
- (4) *The joint committee convened under this section is not a joint committee for the purpose of Schedule 7 of the Local Government Act 2002. (5) Schedule 7 of the Local Government Act 2002 does not apply to the trustees or a local authority when, in finalising the Agreement under this subpart, they exercise the powers and perform the functions and duties described in this section and sections 143 and 144.*

3.3 Whilst the Act makes some provision for the manner in which the Joint Committee is to work together, and identifies matters they must jointly commit to, is not fully prescriptive and therefore it is deemed advantageous that the parties develop and agree to other matters, including but not limited to –

- Joint Committee membership
- How the Chair and Deputy Chair are to be appointed
- Adoption of a Terms of Reference

## Commentary

4.1 On Thursday 17 November, an online meeting of a Te Nehenehenui JMA operational work group was convened as a first step in the process of forming the Joint Committee. This work group consists of staff from Te Nehenehenui and the councils. Waitomo District Council's representatives on this work group are the Chief Executive and General Manager – Strategy and Environment. The work group considered the following at the meeting:

- Key Dates
- Raumairoa: Cultural Redress
- Vision, Principles, and Aspirations
  - Maniapoto vision
  - Principles
  - Aspirations of Maniapoto
- Statutory Acknowledgement
- Recognition of Interests out to 20 Miles
- Planning Documents
- Resource Consents
- Key Co-Governance and Co-Management Provisions
  - Co-Governance
  - New JMA for "Area M"
  - Existing JMA for Ngā Wai o Waipā
- Proposed Net Steps for JMA Development
- Crown Funding

4.2 The proposed next steps were identified as

- 1 Convene a Te Nehenehenui Joint Committee before 22 December (draft TORs attached for discussion) to discharge the obligation and discuss the process of developing and finalising the new JMA.

Note: *It was also recommended each authority consider the benefit of appointing members in common with the existing Ngā Wai o Waipā Co-governance committee for consistency.*

- 2 Commence the review of the existing JMA (Ngā Wai o Waipā) with the agreement of the existing Co-Governance Committee (early 2023).
- 3 Assess key clauses of the existing JMA and their effectiveness against the JMA Obligations Report and the National Policy Statement for Freshwater Management particularly obligations to involve tāngata whenua in freshwater management.

- 4 Report assessment outcomes to the existing Co-Governance Committee, recommending changes to the existing JMA if necessary and seek agreement to extend the revised provisions to cover "area M".
  - 5 Convene a final hui of the Te Nehenehenui Joint Committee (no later than 28 September 2023) to formalise the new JMA.
- 4.3 The Work Group also considered a draft Terms of Reference (ToR) with the aim of having Te Nehenehenui and the councils approve the (ToR) prior to the first meeting of the Joint Committee. A copy of the draft Terms of Reference for the Te Nehenehenui Joint Committee are attached for Council's consideration.
- 4.4 The first meeting of the Joint Committee is tentatively scheduled for 2.00pm on Wednesday 7 December at a venue yet to be confirmed.

## **Suggested Resolutions**

- 1 The business paper on Te Nehenehenui Joint Committee - Terms of Reference be received.
- 2 The draft Te Nehenehenui Joint Committee - Terms of Reference be approved.



ALEX BELL  
**GENERAL MANAGER – STRATEGY AND ENVIRONMENT**

Attachment: Te Nehenehenui Joint Committee – draft Terms of Reference



## Te Nehenehenui Joint Committee Ngā Ture Tohutoro / Terms of Reference

### 1. Mana / Status

This Committee is required by section 142 of the Maniapoto Claims Settlement Act 2022. It is **not** a joint committee for the purpose of Schedule 7 of the Local Government Act 2002. Schedule 7 of the Local Government Act 2002 does not apply to the Committee when exercising its powers set out below (refer sections 142-144 of the Maniapoto Claims Settlement Act 2022).

### 2. Haupapa / Responsibilities

This Committee is responsible for the process of finalising the joint management agreement described in section 135 of the Maniapoto Claims Settlement Act 2022.

### 3. Apatono / Powers

This Committee has all the powers necessary to carry out its responsibilities described above to the extent that they comply with the requirements of the Maniapoto Claims Settlement Act 2022 and the law. The Committee cannot bind the member parties (Te Nehenehenui, Waikato Regional Council, Waitomo District Council, and Ōtorohanga District Council (member parties)). All non-procedural decisions must be recommended to the governing body of each of the member parties for adoption.

### 4. Hererenga Tokoiti / Quorum

Four, being two members from Te Nehenehenui and two from any of the council members.

### 5. Potī / Voting

Decisions of the Committee are made by consensus. The members must work together in a positive and constructive manner to effectively discharge the Committee's responsibilities set out above.

### 6. Mematanga / Membership

#### 6.1 Pouhere Tangata / Members

The Committee has six members being:

- a. Three members appointed by Te Nehenehenui (appointees must be trustees of Te Nehenehenui).
- b. One member appointed by Waitomo District Council (appointee must be an elected member of Waitomo District Council).
- c. One member appointed by Ōtorohanga District Council (appointee must be an elected member of Ōtorohanga District Council).
- d. One member appointed by Waikato Regional Council (appointees must be an elected member of Waikato Regional Council).

## 6.2 Nohoanga kōrua ko Kaitiriwā / Chair and Deputy Chair

The Committee is Co-Chaired. One Co-Chair and Deputy Co-Chair is appointed by Te Nehenehenui from its three Committee members. The other Co-Chair and Deputy Co-Chair is appointed from the remaining Committee members by agreement between Waitomo District Council, Ōtorohanga District Council and Waikato Regional Council. The three councils must work together constructively to appoint their Co-Chair and Deputy Co-Chair. The Co-Chairs chair together or at alternate meetings, at their discretion. The Deputy Co-Chairs act in place of the respective Co-Chair when either is absent from a meeting.

## 6.3 Kairīwhi / Alternates

Each of the member parties must appoint at least one alternate member to cover member absences.

## 7. Ngā hui I te tau / Frequency of meetings

As required to meet Committee responsibilities.

## 8. Standing Orders / Whakahau tū

Committee procedure must accord with Waikato Regional Council *Standing Orders* (as current from time to time) (Standing Orders). Where any conflict arises between the Standing Orders and the Maniapoto Claims Settlement Act 2022 or these terms of reference, the Act and terms of reference prevail in that order of priority.

**Document No:** A642129

**Report To: Council**



**Meeting Date:** 29 November 2022

**Subject:** **Progress Report: King Country Indoor Sport and Recreation Centre**

**Type:** Information

## Purpose of Report

- 1.1 The purpose of this business paper is to provide a progress report on the King Country Indoor Sport and Recreation Centre (KCISRC) project as at 18 November 2022.

## Background

- 2.1 The contract for the design and build of the KCISRC was awarded to Apollo Projects Limited on 14 October 2021 and commenced on 15 October 2021.
- 2.2 The overall contract build phase has a duration of approximately 14 months with physical completion due by 17 November 2022 and code compliance due by 19 December 2022.
- 2.3 The total cost of the design/build phase is approximately \$8M. On top of that are additional fit-out costs, energy supply, and project management giving a total project cost of \$9.05M.
- 2.4 On completion, ownership of the new stadium will be shared between the Ministry of Education, Te Kuiti High School Board of Trustees, and Waitomo District Council in the ratios of 24.7%, 10.3%, and 65% respectively.
- 2.5 A "turning of the first sod" ceremony was held on 9 February 2022, following which site establishment and earthworks commenced.

## Commentary

### **3.1 PROJECT BUILD UPDATE**

- 3.2 The build phase has managed to make up most of the delay that occurred due to the extraordinary wet weather conditions that prevailed through much of the winter season and delays to the supply date for some building materials. The stadium build is now nearly complete with the building framework, glazing, roof and linings finished, internal building services, plumbing and drainage and electrical installed. The sports flooring and court marking is finished. Basketball goals and digital clocks/scoreboards are in place.



- 3.3 Still to come is the joinery fit-out for the kitchen/office areas, now scheduled for the first week of December, wall cladding flashings, testing and commissioning of services, and installation of cultural artwork. Carpark/landscaping is well advanced, with asphaltting and line marking delayed by heavy rain mid-November and now rescheduled for the week beginning 21 November.



3.4 Overall a very commendable achievement especially given the many external challenges that were encountered and met over the past 12 months, including adverse weather conditions, and COVID related impacts on resourcing and supply chain logistics over that period.

3.5 The building fit-out of sports and office equipment, furniture, CCTV, and appliances will follow, commencing 12 December 2022. Most of that work will be organised, procured and installed by the Game on Charitable Trust, in liaison with the facility manager.

### **3.6 RISK MANAGEMENT**

3.7 The project Risk Register has been monitored and updated throughout the construction phase.

### **3.8 STADIUM MANAGEMENT CONTRACT**

3.9 A request for tenders for the management of the stadium facility once construction has been completed was advertised on TenderLink on 1 July 2022.

3.10 Tenders closed on 29 July 2022 with tender evaluation since completed. The contract has been awarded to Belgravia Leisure for a period of five years with a right of renewal of two further discretionary terms of 5 years each.

3.11 The Tender Evaluation Team comprised representation from Waitomo District Council, Te Kuiti High School Board of Trustees, Game On Charitable Trust and Sport Waikato.

### **3.12 FUNDING AND FINANCIAL MANAGEMENT**

3.13 All construction related funding has either been approved or novated to Council. Game on Charitable Trust has general fund raising underway to complete the funding required for the fit out.

3.14 Total capital expenditure of \$7,608,297 has been expended to date.

3.15 Council has received to date \$4,834,888 of the budgeted \$7,062,432 external funding. The first contribution installment of \$2,115,000 from the Ministry of Education is now payable and the claim has been lodged.

3.16 Contracts let are tabled below:

<b>Contract</b>	<b>Original Value</b>	<b>Variations</b>	<b>Total</b>
Apollo	7,483,147		<b>7,954,750</b>
Provisional Items	167,254		
Plus:			
- Basketball (adjustable junior backboard) and Futsal equipment		20,854	
- MoE design envelope recommendations (moisture barrier systems to walls and amenities roof)		17,117	
- Installation of Gallagher Security System		61,223	
- Court Bleacher Seating		78,454	
- Kitchen and Reception fitouts		79,814	
- Geotextile cloth to all carpark areas		23,593	
- Additional wiring for PA, CCTV and sign lighting		9,332	
- Installation of Pou Carvings to main entrance		13,962	
Lines Company	87,748		87,748
Frequency NZ (Project management)	146,860		146,860
<b>TOTAL</b>			<b>\$8,189,358</b>

## **3.17 COMMUNICATIONS PLAN**

3.18 The Joint Communications Plan has been finalised and a dedicated WDC web page developed. The web page has been updated throughout the Stadium build phase, keeping the community informed of progress. That will continue as we move into the start-up phase. Funding partners are also kept up to date by way of newsletters and links to drone footage when available.

## **3.19 PROJECT CONTROL GROUP (PCG)**

3.20 In accordance with the Development Agreement, a PCG has been formed comprising representatives of the Te Kuiti High School Principal, Ministry of Education, the Contractor, the Engineer (Frequency NZ) and WDC. Organising, reporting to, and chairing the PCG is the responsibility of the Project Manager. The purpose of the PCG is to monitor progress against project timetable and budget and to address matters of mutual interest.

3.21 The PCG meets on a monthly basis, with Council's representatives on the PCG being the Mayor, and the Client Representative.

## **Suggested Resolution**

The business paper updating progress on the build phase of the King Country Indoor Sport and Recreation Centre be received.



HELEN BEEVER  
**GENERAL MANAGER – COMMUNITY SERVICES**



GREG BOYLE  
**SPECIAL PROJECTS COORDINATOR**

November 2022

**Document No:** A641991

**Report To: Council**



**Meeting Date:** 29 November 2022

**Subject:** **Civic Financial Services Limited: Half-Yearly Report to 30 June 2022**

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to present the half-yearly report for Civic Financial Services Ltd for the six months ended 30 June 2022.

## Background

- 2.1 Civic Financial Services Ltd (CFS) is the former New Zealand Local Government Insurance Corporation Ltd (NZLGIC) and previously traded as Civic Assurance. It has been trading for over 75 years. The name change has been instituted due to CFS withdrawing from offering property insurance and no longer holding an insurance licence.
- 2.2 CFS provides administration and financial services to SuperEasy and SuperEasy KiwiSaver Superannuation Schemes, the Local Authority Protection Programme Disaster Fund (LAPP) and Riskpool.
- 2.3 WDC holds 16,940 shares (0.15%) in Civic Financial Services Ltd.

## Commentary

- 3.1 **Half-Yearly report to 30 June 2022**
- 3.2 The CFS half yearly accounts for the six months ended 30 June 2022 are attached to, and form part of this business paper.
- 3.3 The company's income is derived from administration services and investment income. Revenue has increased by \$9,000 from the same period last year, expenditure has increased by \$308,000 (25.9%), resulting an unaudited net decrease in Net Surplus after Tax of \$239,000.
- 3.4 The company reports an (unaudited) after tax profit of \$72,000 (2020: \$311,000) for the first half of the year.
- 3.5 This compares to an after tax profit of \$361,000 for the full year to 31 December 2021 (2020: after tax profit of \$345,000).

## Suggested Resolutions

- 1 The business paper on Civic Financial Services Limited Half-yearly Report to 30 June 2022 be received.
- 2 The Civic Financial Services Limited – Half Yearly Accounts to 30 June 2022 be received.
- 3 The Civic Financial Services Limited – Half Yearly Report to 30 June 2022 be made public and published on Council’s website in accordance with Section 66(5) of the Local Government Act 2002.



ALISTER DUNCAN

**GENERAL MANAGER – BUSINESS SUPPORT**

23 November 2022

Attachment: Civic Financial Services Half-Yearly Accounts 30 June 2022 (A641992)



30 September 2022

Ben Smit  
Chief Executive  
Waitomo District Council  
PO Box 404  
TE KUITI 3941

Email: bens@waitomo.govt.nz

Kia ora Ben

### **Civic Financial Services Half-Yearly Accounts to 30 June 2022**

Please find enclosed your copy of the half-yearly accounts for Civic Financial Services Limited ("Civic") to 30 June 2022. You will be pleased to see that the company has returned an (unaudited) pre-tax profit of \$72k for the first half of 2022 with the company maintaining a strong financial position as at 30 June 2022.

As reflected in the accounts Civic's income is derived from administration services and investment income. In addition to administering Riskpool, Civic Liability Pool and the LAPP Fund, Civic administers the SuperEasy Employer Superannuation Scheme and the SuperEasy KiwiSaver Superannuation Scheme which are offered to Local Government on an exclusive basis. Civic (through its SuperEasy Employer and/or SuperEasy KiwiSaver Scheme) provides superannuation services to 76 councils, has over 11,000 members and funds under management of approximately \$500 million. Of the councils that have a preferred provider for KiwiSaver, 69 out of 73 (94%) have appointed Civic.

We are automating the way we are communicating with our members and will be refreshing our website over the coming months.

It has been an awesome experience getting to know Local Government and more importantly, its people. We have many changes taking place but one of the key changes has been an overarching goal statement for our SuperEasy Schemes being:

***"Putting people first and promoting their long-term financial wellbeing. In other words, putting more money in the pockets of our members".***

We appreciate your support.

Ngā mihi



Charlie Howe  
Chief Executive  
Civic Financial Services Ltd

## CIVIC FINANCIAL SERVICES LTD

### STATEMENT OF COMPREHENSIVE INCOME (Unaudited) FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Six Months		Full Year	
	Note	2022 \$000	2021 \$000	2021 \$000
<b>REVENUE</b>				
Administration Fees		1,497	1,533	3,101
Income from Investments		99	55	117
<b>TOTAL REVENUE</b>		1,596	1,587	3,218
<b>EXPENDITURE</b>				
Depreciation & Amortisation		44	9	30
Employee Remuneration		482	340	821
Other Expenses		970	839	1,865
<b>TOTAL EXPENDITURE</b>		1,496	1,188	2,716
<b>NET SURPLUS BEFORE TAXATION</b>		100	399	502
Less Taxation Expense	6	28	88	142
<b>NET SURPLUS AFTER TAXATION</b>		72	311	361

### STATEMENT OF MOVEMENTS IN EQUITY (Unaudited) FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Six Months		Full Year
	2022 \$000	2021 \$000	2021 \$000
Equity as at 1 January	11,182	10,822	10,822
Net Surplus After Taxation	72	311	361
<b>EQUITY AS AT 30 JUNE</b>	11,254	11,133	11,182

### STATEMENT OF FINANCIAL POSITION (Unaudited) AS AT 30 JUNE 2022

	2022 \$000	2021 \$000	2021 \$000
<b>EQUITY</b>			
Capital	10,764	10,764	10,764
Retained Earnings	490	369	419
<b>TOTAL EQUITY</b>	11,254	11,133	11,182
Represented By:			
<b>Current Assets</b>			
Bank & Cash Equivalents	68	958	357
Term Deposits	5,335	5,335	5,915
Sundry Debtors, Prepayments and Accrued Interest	511	513	649
Loans	7	3,360	2,119
<b>TOTAL CURRENT ASSETS</b>	9,274	8,925	9,329
<b>Non-Current Assets</b>			
Property, Plant & Equipment & Intangible Assets	167	202	205
Deferred Tax Asset	2,181	2,262	2,209
<b>TOTAL NON CURRENT ASSETS</b>	2,348	2,465	2,414
<b>TOTAL ASSETS</b>	11,622	11,390	11,743
<b>Current Liabilities</b>			
Sundry Creditors & Accrued Charges	368	241	554
<b>TOTAL CURRENT LIABILITIES</b>	368	241	554
<b>Non Current Liabilities</b>			
CLP/ Riskpool Admin Fee Reserve	-	16	6
<b>TOTAL NON-CURRENT LIABILITIES</b>	-	16	6
<b>TOTAL LIABILITIES</b>	368	258	560
<b>EXCESS OF ASSETS OVER LIABILITIES</b>	11,254	11,133	11,182

The notes to the accounts on page 3 form part of and are to be read in conjunction with these Statements.

**CIVIC FINANCIAL SERVICES LTD**

STATEMENT OF CASH FLOWS (Unaudited)  
FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Six Months		FULL YEAR	
	Notes	2022 \$000	2021 \$000	2021 \$000
<b>Cash Flows from Operating Activities</b>				
Cash from operating activities:		1,612	1,536	3,029
Cash applied to operating activities:		1,583	1,346	2,639
<b>Net Cashflow from Operating Activities</b>	5	29	192	390
<b>Cash Flows from Investing Activities</b>				
Cash provided from investing activities:		610	(593)	2,317
Cash applied to investing activities:		958	(442)	3,242
<b>Net Cashflow from Investing Activities</b>		(348)	(151)	(924)
<b>Cash Flows from Financing Activities</b>				
Cash was provided from financing activities:		52	47	0
Cash applied to financing activities:		-	12	12
<b>Net Cashflow from Financing Activities</b>		52	35	(12)
Net Decrease in Cash Held		(267)	76	(546)
Opening Cash Balance as at 1 January		335	882	882
<b>Closing Cash Balance as at 30 June</b>		68	958	335
<b>Being:</b>				
Bank & Cash Equivalents		68	958	335

The notes to the accounts on page 3 form part of and are to be read in conjunction with this statement.

**CIVIC FINANCIAL SERVICES LTD  
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

**Notes to the Financial Statements**

**1 Statement of Compliance**

The Group is a Tier 1 Public Sector Public Benefit Entity and the financial statements have been prepared in accordance with and comply with Tier 1 Public Sector Public Benefit Entity (PBE) Standards.

**2 Accounting policies**

The accounting policies applied in the preparation of the half year financial statements are consistent with those disclosed in the 2021 annual report.

**3 Basis of Preparation**

These interim financial statements have been prepared in accordance with PBE IAS 34 - Interim Financial Reporting, and should be read in conjunction with the Company's annual financial report for the year ended 31 December 2021. Disclosures in these interim financial statements are less extensive than those in the annual financial report.

**4 Comparative figures.**

The comparative figures are for the six months ended 30 June 2021 and the year ended 31 December 2021.

**5 Reconciliation of net surplus after tax with cash flow from operating activity.**

	Six Months		Full Year
	2022 \$000	2021 \$000	2021 \$000
<b>Reported Surplus After Taxation</b>	72	311	361
<b>Add/(less) non cash items</b>			
Loan Interest	(52)	(30)	(65)
Depreciation	44	10	30
Deferred Tax Liability	28	88	142
Movement in CLP/ Riskpool Admin Fee Reserve	(10)	(10)	(19)
	10	58	88
<b>Add/(less) movements in other working capital items</b>			
Sundry Debtors, Prepayments and Accrued Interest	159	27	(129)
Sundry Creditors and Accrued Charges	(182)	(208)	105
	(23)	(181)	(25)
<b>Less Items Classified as investing activity</b>	(30)	(6)	(46)
<b>Less Items Classified as financing activity</b>	-	12	12
<b>Net Cash Outflow from Operating Activities</b>	29	192	390

**6 Income Tax**

The income tax liability for June 2022 is nil as the Company has unused tax credits with which it will use to offset any income tax expense .

**7 Loans**

Secured loan agreements between the Company and Local Government Mutual Funds Trustee Limited on behalf of New Zealand Mutual Liability Riskpool ("Riskpool") were entered into in February 2017 and August 2017 for \$2,250,0000 each to assist with Riskpool's cashflow. Both loans are arm's length and on commercial terms. Any loan may be repaid by Riskpool at any time without penalty and the agreement terminated by either party with six months' notice.

**8 Contingent liabilities.**

The contingent liabilities are:

- i) 100,000 uncalled shares in the wholly owned subsidiary, Local Government Superannuation Trustee Limited.
- ii) 1,000 uncalled shares in the wholly owned subsidiary, Local Government Mutual Funds Trustee Limited.
- iii) 100 uncalled shares in the wholly owned subsidiary, SuperEasy Limited.
- iv) 100 uncalled shares in the wholly owned subsidiary, Local Government Finance Corporation Limited.

**9 Events occurring after reporting date**

There have been no significant events since the reporting date that affect the results disclosed in the half year financial statements.

**Document No:** A641868

**Report To:** Council



**Meeting Date:** 29 November 2022

**Subject:** External Debt Reconciliation - Budget v Actual

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to provide an explanation and reconciliation between the budgeted external debt and the actual closing debt as at 30 June 2022.

## Background

- 2.1 A question has been raised in relation to the \$11.4 million variance between the budgeted closing external debt and the actual external debt as at 30 June 2022.
- 2.2 Waitomo District Council operates a Treasury Management activity that maintains the internal borrowing process. To fund the internal loans portfolio, council utilises the underlying cash from reserves and external borrowing.

## Commentary

- 3.1 The budget development for an Annual Plan (AP) or Long Term Plans (LTP) commences in October each year.
- 3.2 The calculation of the balance sheet items including external debt, is a two step process.
- Step one: Project the closing balance for the current year, utilising the known amounts as reported in the previous year's annual report and our best estimation of what will occur in the current year.
  - Step two: Project the closing balance for the AP or LTP based on the budget under development.
- 3.3 Any variance between the budgeted external debt and actuals is a combination of variances over two years.
- 3.4 Below is the reconciliation of the 2020/2021 external debt, based on the December 2020 projection and the actual debt as at 30 June 2021.

	December 2020 Projection 2020/21	2020/2021 Actual Result	Variance
<b>Opening Debt</b>	<b>37,260</b>	<b>37,260</b>	
Income	17,459	17,359	(101)
Rates Revenue	21,285	20,868	(417)
Expenses	(24,881)	(22,387)	2,493
Interest	(1,053)	(1,198)	(144)
Depreciation	(6,454)	(6,513)	(59)
<b>Operational Surplus</b>	<b>6,357</b>	<b>8,129</b>	<b>1,772</b>
Capex	(15,636)	(9,614)	6,023
Cash from Asset Sales	64	3	(61)
<b>Cash Requirement</b>	<b>(9,215)</b>	<b>(1,481)</b>	<b>7,734</b>
<b>Add back Non cash Items</b>			
Depreciation	6,454	6,513	59
Carbon Credits Surrendered	407	0	(407)
Change in valuation of Assets	0	(1,151)	(1,151)
	<b>6,861</b>	<b>5,361</b>	<b>(1,500)</b>
<b>Balance Sheet Movements</b>			
Movements in Working Capital Items	0	1,325	1,325
(Increase)/Decrease in Cash	0	(2,137)	(2,137)
	<b>0</b>	<b>(812)</b>	<b>(812)</b>
<b>Closing Debt</b>	<b>39,614</b>	<b>34,191</b>	<b>(5,423)</b>

- 3.5 The significant variances in the 2020/2021 year are the increased operational surplus of \$1.77m, a reduced capex spend of \$6m, non-cash items of \$1.5m, and the net movement in working capital and cash on hand of \$0.8m.
- 3.6 A reduced capex programme of \$6m, reduced the need to draw on the depreciation reserves to fund renewals projects. This in combination with the other variances translated into a reduction of external debt and an increase in cash on hand as at the 30 June 2021.
- 3.7 The table below is the reconciliation of the 2021/2022 AP and the actual 2021/2022 result, the opening balance of the debt has been updated to the actual as at 30 June 2021.

	Updated 2021/22 Annual Plan	2021/2022 Actual Result	Variance
<b>Opening Debt</b>	<b>34,191</b>	<b>34,191</b>	
Income	15,142	23,905	8,764
Rates Revenue	20,600	20,321	(280)
Expenses	(24,815)	(28,814)	(3,999)
Interest	(1,118)	(978)	140
Depreciation	(6,878)	(7,075)	(196)
<b>Operational Surplus</b>	<b>2,931</b>	<b>7,360</b>	<b>4,429</b>
Capex	(10,350)	(10,144)	206
Cash from Asset Sales	4	600	596
<b>Cash Requirement</b>	<b>(7,416)</b>	<b>(2,184)</b>	<b>5,231</b>
<b>Add back Non cash Items</b>			
Depreciation	6,878	7,075	196
Carbon Credits Surrendered	589	592	3
Construction Services Revenue	0	(3,210)	(3,210)
Change in valuation of Assets	0	335	335
	<b>7,468</b>	<b>4,792</b>	<b>(2,676)</b>
<b>Balance Sheet Movements</b>			
Movements in Working Capital Items	17	(638)	(656)
(Increase)/Decrease in Cash	0	4,027	4,027
	<b>17</b>	<b>3,389</b>	<b>3,372</b>
<b>Closing Debt</b>	<b>34,122</b>	<b>28,194</b>	<b>(5,928)</b>

3.8 The significant variances in the 2021/202 year are the increased operational surplus of \$4.43m, non-cash items of \$2.7m, and the net movement in working capital and cash on hand of \$3.4m.

3.9 The major contributors to the reduction in external debt in the 2021/2022 year were the reduction in cash on hand and the change of projects and funding required for the capital works.

**Suggested Resolution**

The business paper on External Debt Reconciliation - Budget v Actual be received.



ALISTER DUNCAN  
**GENERAL MANAGER - BUSINESS SUPPORT**

**Document No:** A641697

**Report To: Council**



**Meeting Date:** 29 November 2022

**Subject:** **Financial and Performance Delivery Report - period ended 30 September 2022**

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to provide an overall progress report on WDC's financial and non-financial activities for the period ending 30 September 2022.
- 1.2 A copy of the Progress Report for the period ending 30 September 2022 is enclosed separately and forms part of this business paper.

## Background

- 2.1 Each quarter, progress reports are prepared to provide a high level update of Council's activities for the Audit, Risk and Finance Committee. The Progress Reports include:
  - Providing progress on Council's activities (quarterly progress reports); and
  - Council's budget (quarterly financial reporting); and
  - How Council is delivering against the service performance measures (quarterly non-financial reporting).
- 2.2 This business paper outlines a high-level summary of progress on the key aspects of both the financial and non-financial activities as detailed fully in the Progress Report.

## Commentary

- 3.1 This quarterly report is the first report relating to Year 2 of the 10 Year Plan 2021-2031.
- 3.2 **INCOME STATEMENT HIGHLIGHTS**
- 3.3 **NET OPERATING SURPLUS**
- 3.4 The net operating surplus of \$1.1 million was \$0.6 million less than budget for the period ended 30 September 2022.
- 3.5 **Expenditure**
- 3.6 Total Expenditure was \$0.15 million less than budget for the period ended 30 September 2022.
- 3.7 Other expenditure was \$0.4 million less than budget due to the following:
  - **Leadership:** \$0.02 million less than forecast due mostly to elected members' remuneration for RMA commissioners, legal expenses, and consultant fees.
  - **Recreation and Property:** \$0.08 million less than forecast due to for repairs and maintenance, ISU claims, subscriptions, and organisational capacity costs.



- **Regulatory Services:** \$0.08 million less than forecast for legal fees, consultant fees, inspector costs, and animal control expenses.

The decrease in expenditure was partly offset by below area:

- **Roads and Footpaths:** \$0.08 million more than budget due to professional fees, administration costs, and emergency reinstatement expenditures.

## 3.8 **Revenue**

3.9 Total Revenue was \$0.9 million less than budget for the period ended 30 September 2022.

- Metered water revenue was less than budget for the period, this was partly offset by increased rates penalties revenue.
- Subsidy revenue from Waka Kotahi NZTA was less than budget. As capital expenditure was less for the period, the associated subsidy was also below budget.
- Additional interest revenue was received on term deposits.
- Fees and charges revenue was more than budget due to the recognition of construction services revenue for the KCISRC. Other fees and charges were less than budget due to a reduction in refuse charges and trade waste revenue, as well as reduced revenue for Housing and Property rentals, Les Munro Centre, and campgrounds.
- Other revenue for the period were more than budget for waste minimisation levy and animal control penalties.

## 3.10 **CAPITAL EXPENDITURE**

3.11 Capital Expenditure was **\$3.4** million for the period ended 30 September 2022, of which \$1.65 million (48%) relates to Recreation and Property, \$714,000 (21%) relates to Solid Waste, \$667,000 (19%) relates to Roads and Footpaths.

3.12 The capital expenditure budget was revised to incorporate unspent carryovers from the 2020/21 year and advance purchase of NZU for FY 2022/23 to give a total budget of \$23.614 million. The significant projects carried over from the prior year are the KCISRC (stadium) construction, seismic strengthening of the Administration Building, Business support and Information Services projects and Mokau public toilets.

## 3.13 **Leadership**

3.14 The largest underspends are due to:

- Three significant projects for Business Support and Information Services have been initiated and will be delivered in the second half of this financial year. WDC is experiencing supply chain issues with hardware supply.
- The renewal of fleet vehicles has been impacted by the pandemic with very long delivery delays being experienced. Fleet vehicles currently on order are now expected to be received later in the year.
- The cost estimate for the Administration Building Renewal project has come in higher than budgeted. The primary scope includes seismic strengthening and fire system upgrades to meet the current standards. The original scope is currently being reviewed to align it with the budget.

## 3.15 **Recreation and Property**

3.16 The largest underspend are in the following projects:

- Community Facilities this includes the replacement of the main air-conditioning unit at the Les Munro Centre and the additional budget approved for the electrical improvements at the aerodrome. Both projects scheduled for delivery in the new year.
- Public Facilities includes renewal of the access-way at Te Kuiti cemetery, and improvements for Te Ara Tika amenity areas which will be completed with the Town

Centre Concept projects. The cemetery access is programmed for next year, the amenity areas are linked to better-off funding projects yet to be approved.

## 3.17 **Solid Waste**

3.18 The largest underspend in the Solid Waste is the cell development project.

- The first stage involves installation of a gas collection system to mitigate increasing ETS charges. The highwall stabilisation and lining will commence in the later stages of this first phase. This project on hold while these projects are being reviewed.

## 3.19 **Roads and Footpaths**

- Minor Improvements - Several projects are either in the investigation/design phase or construction phase. Specialist services are engaged to cost and investigate some projects. Te Waitere is more advanced has gone out for tender, physical works to commence in the new year.
- Pavement Rehabs Renewals - There were three sites identified for pavement rehabilitation this season. Due to site complexities and a late start to testing and investigations, only Waimiha Road will be completed this financial season. The two other sites Seddon and Lawrence Streets are going through the tender process.
- Sealed Road Resurfacing – Resurfacing in New Zealand and in particular the Waitomo District is undertaken predominantly in Quarters, 2 and 3 from October through to the end of March. The expected length of resurfacing for the Waitomo District is 34.1km.
- Bridge and Drainage – new contract in development, works to be combined for efficiency, physical works to be scheduled once contractor in place.
- Cyclone Dovi and Emergency reinstatement is reported separately to Council.

## 3.20 **BORROWINGS**

3.21 At 30 September 2022 public debt was \$29.5 million and net debt was \$29.1 million. At 30 June 2022 it was \$28.2 million and net debt was \$27.3 million.

## 3.22 **STATEMENT OF SERVICE PERFORMANCE**

3.23 The Statements of Service Performance provide detailed information on the performance measures and targets for each of the significant activities. The performance summary is given on page 5 of the quarterly report with more detailed information disclosed within each activity.

3.24 Of the 59 key performance indicators measured, 31(51%) are on track, 8(13%) achieved, 7(11%) off track, 1(2%) not achieved and 14 (23%) no data available.

## **Suggested Resolution**

The business paper on Quarterly Report for period ended 30 September 2022 be received.



ALISTER DUNCAN  
**GENERAL MANAGER**  
**– BUSINESS SUPPORT**



ALEX BELL  
**GENERAL MANAGER**  
**– STRATEGY AND ENVIRONMENT**

Attachments:

- 1 Progress Report for the period ending 30 September 2022 (A635762)
- 2 Bancorp Treasury Management Report 30 September 2021 (A637796)

# PROGRESS REPORT

FOR THE PERIOD 1 JULY 2022 TO 30 SEPTEMBER 2022



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## 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.

Council also uses Activity/Asset Management Plans to outline the detailed work programme and further communicate an annual programme of work at a high level through the Annual Plans 2022/23 and 2023/24.






Progress on the 10YP and Annual Plans are reported back to the community at the year-end through Council's Annual Reports.

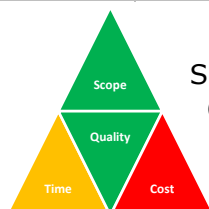
The purpose of this report is to provide high-level updates of these Council activities for the months of July 2022 to September 2022. The report covers progress on groups of activities (i.e., as outlined in the 10YP and reported annually through the Annual Report). The progress update includes:

- High level summary of progress against major programmes of work and projects.
- Updates on Business as Usual (BAU) programmes, where the activity is linked to the delivery of a core service and/or linked to a 10YP Key performance measure.
- Non-financial KPI reporting.
- Financial reporting.






### Keys

Project / Programme stage	
Scoping	Decision on whether to pursue a project or not, and if pursuing the project, what the scope will be.
Planning	Phase where the project is being planned alongside resourcing, timeframes, and risk identification.
Delivering	Executing all deliverables.
Completed	Completion of the project.
BAU – Business as usual	Ongoing programme of work with no start or end date. Noting that some programmes of work may have projects or programmes that have annual targets which will be treated as a project.

Project/ Programme status	
	Suggests that risks are present that require the intervention of the project team to resolve in order to deliver the project successfully.
	Usually indicates that there are issues and potential risks that may get the project schedule off track and need early intervention to ensure that the project remains on track.
	The project is going well and is progressing as planned, and according to the designated time, budget, and scope.
	Ongoing programme of work with no start or end date. Noting that some programmes of work may have projects or programmes that have annual targets which will be treated as a project.
	Project has been completed.



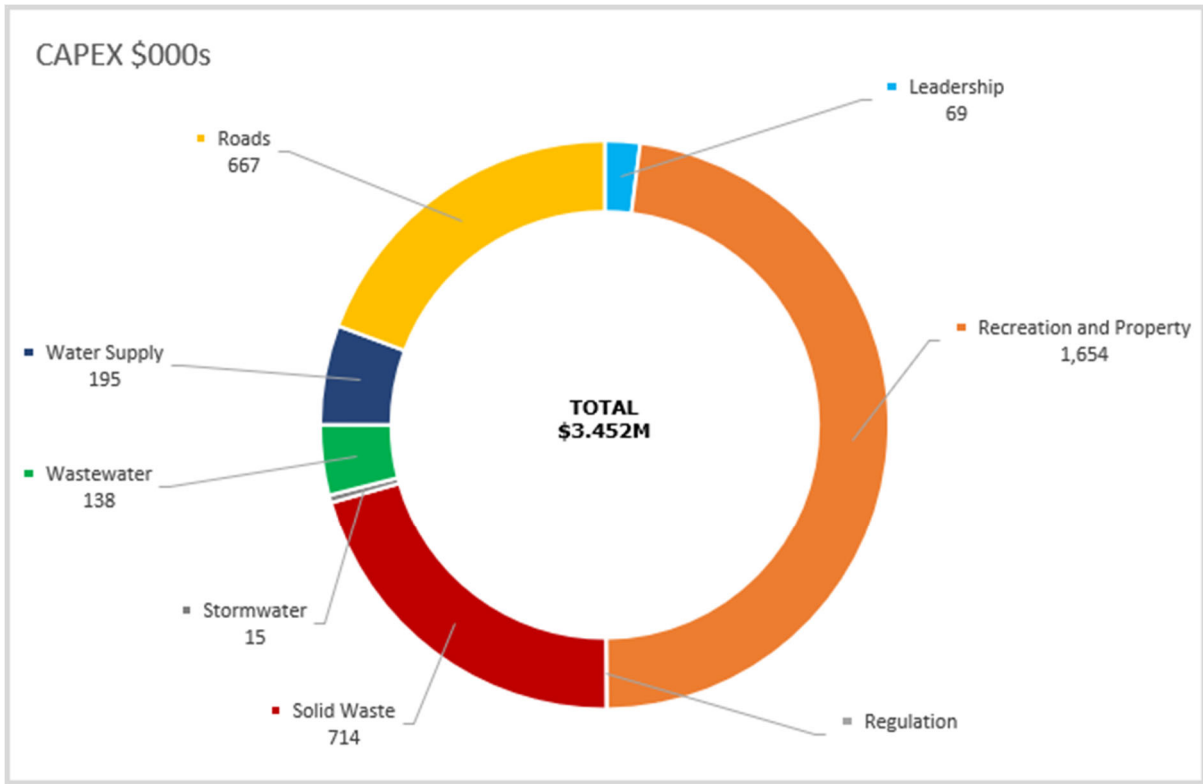
Significant projects include a status triangle for Scope, Quality, Time and Cost that follows the same traffic light colour coding as above.

Performance Measure Status				
 Not Achieved	 Off track	 Achieved	 On track	 Data not available

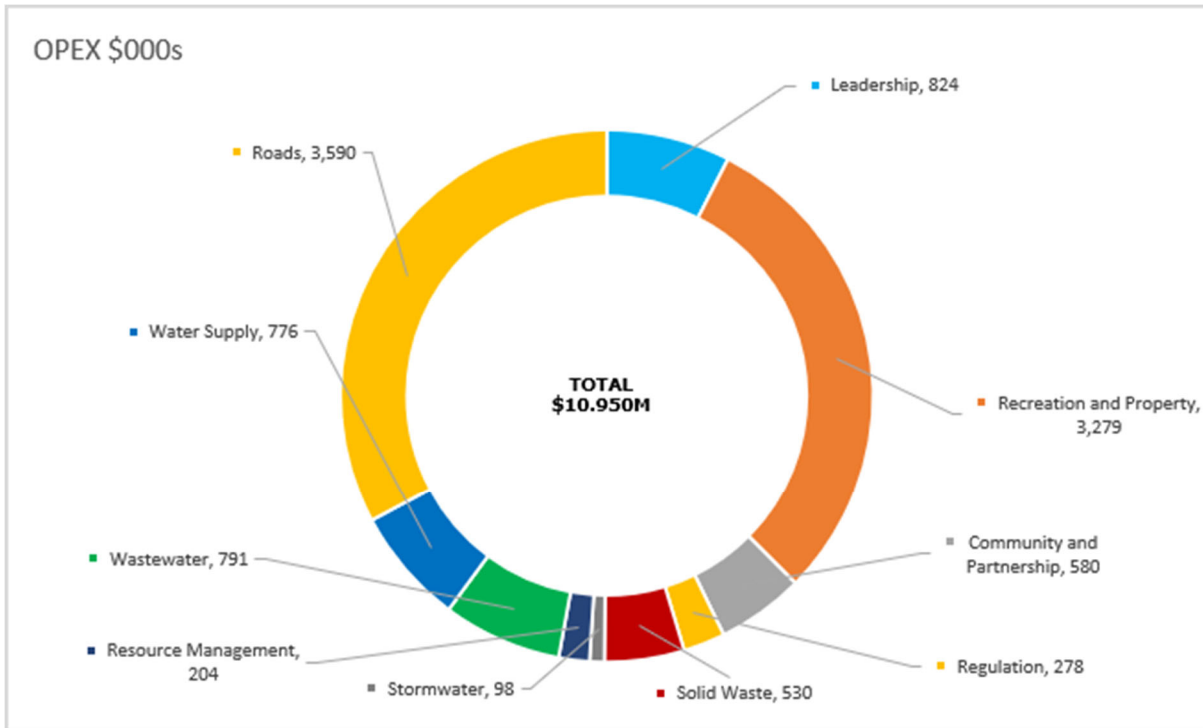
Financials	
Revised Budget	Includes 2022/23 10YP budget, carryovers, and any additional budgets approved.

## SUMMARY

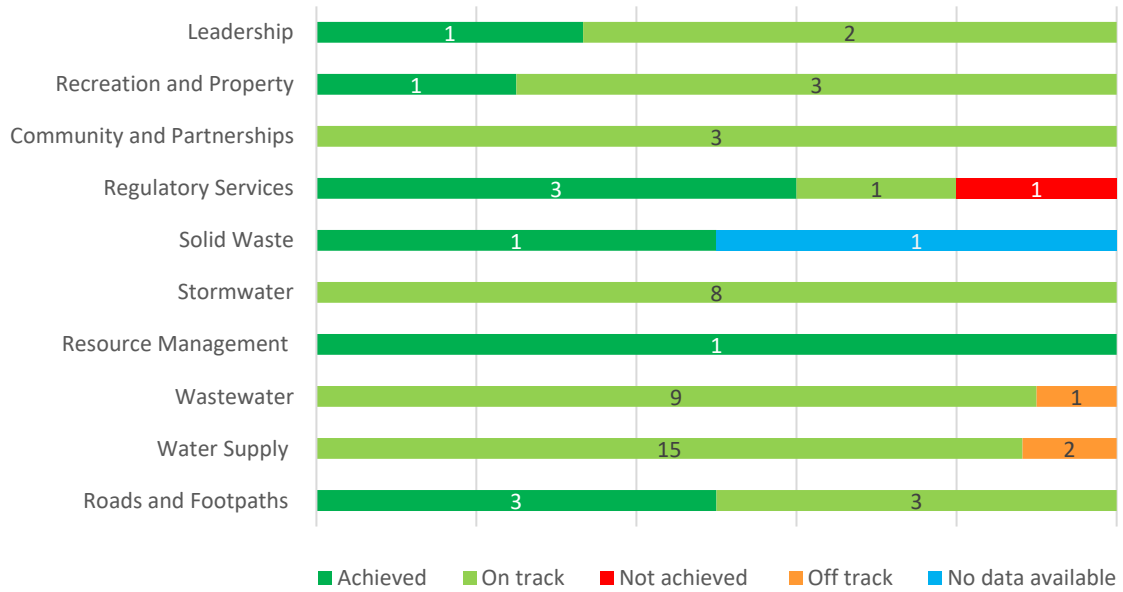
### CAPITAL EXPENDITURE SUMMARY AS AT 30 SEPTEMBER 2022



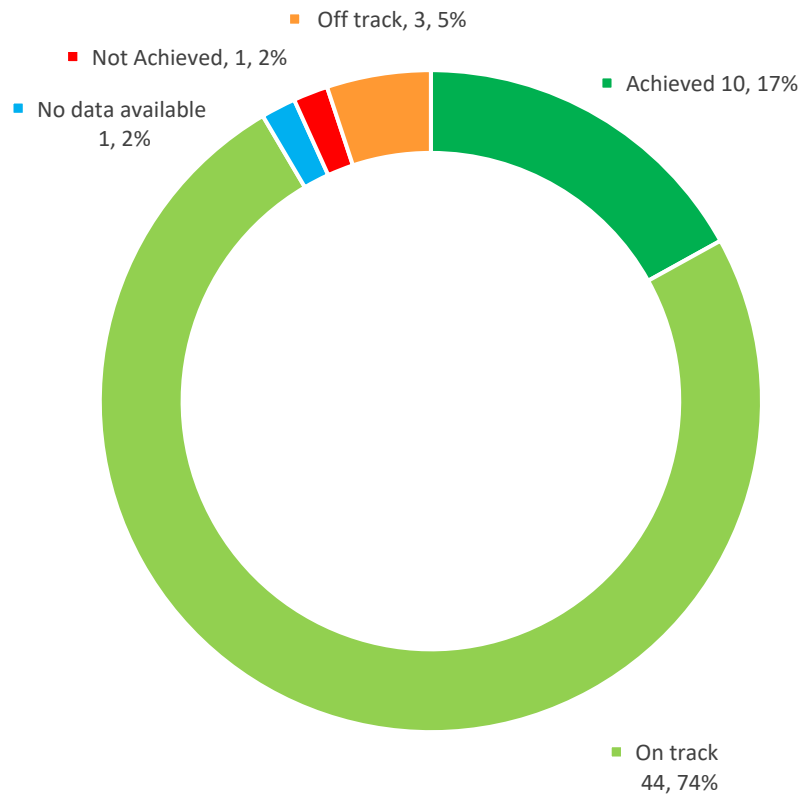
### OPERATIONAL EXPENDITURE SUMMARY AS AT 30 SEPTEMBER 2022



## SERVICE PERFORMANCE SUMMARY AS AT 30 SEPTEMBER 2022



Of the 59 key performance indicators measured, 10 (17%) have been achieved, 44 (74%) on track, 1 (2%) not achieved, 3 (5%) off track and 1 (2%) with no data available. Data has not been collected yet on a new measure in Solid Waste.



## PROGRAMME/PROJECT PERFORMANCE SUMMARY 30 SEPTEMBER 2022

LEADERSHIP		
Programme / Project	Status	
Annual Plan	Delivering	
Long Term Plan	Planning	
Review of Council's Risk Management Framework and Strategic Risks	Delivering	
Emergency Management	Ongoing	
COMMUNITY AND PARTNERSHIPS		
Programme / Project	Status	
Vibrant Safe Waitomo (VSW)	Ongoing	
Mayor's Taskforce for Jobs (MTFJ) Community Recovery Programme	Delivering	
Novice Driving Training Programme	Delivering	
Community / Civic Events	Ongoing	
RECREATION AND PROPERTY		
Programme / Project	Status	
Mokau Toilets	Delivered	
REGULATORY SERVICES		
Programme / Project	Status	
Building Consents	Ongoing	
Compliance	Ongoing	
RESOURCE MANAGEMENT		
Programme / Project	Status	
District Plan Review	Delivering	
Resource Consents	Ongoing	
SOLID WASTE		
Programme / Project	Status	
Landfill Development Plan	On Hold	
Waste minimisation promotion and educational programmes	On Hold	
STORMWATER		
Programme / Project	Status	
Completion of Stormwater Catchment Plans	Delivering	
WASTEWATER		
Programme / Project	Status	
Te Waitere Soakage Field	Planning	
Te Kuiti West Catchment Improvements	Delivering	
Te Kuiti Reticulation Renewals	Planning/delivering	
WATER SUPPLY		
Programme / Project	Status	
Mokau Treatment Plant Upgrade	Delivering	
Te Kuiti Water Supply Resilience	Planning	
Water Safety Plans and Source Water Risk Management Plans	Delivering	
ROADS AND FOOTPATHS		
Programme / Project	Status	
Road and Footpath Maintenance	Ongoing	
Sealed Road Pavement Rehabilitation	Delivering	
Footpath Renewals	Planning/delivering	
Minor Improvements Local Roads	Planning/delivering	



## FINANCIALS

All figures in the tables, except percentages, are expressed in thousands of dollars (\$000s).

### INCOME STATEMENT HIGHLIGHTS

Set out below is the summary of financial information for the period ended 30 September 2022 (A cost of service statement and commentary on significant variances can found within each Group of Activities).

WHOLE OF COUNCIL \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(20,665)	(21,247)	(21,247)	(5,419)	(5,439)	(22)	A
Subsidies and Grants	(14,610)	(21,711)	(24,163)	(3,497)	(6,308)	(2,812)	B
Interest Revenue	(34)	(12)	(12)	(7)	(3)	5	
Fees and Charges and income from construction	(8,288)	(4,175)	(4,256)	(3,102)	(1,149)	1,954	C
Other Revenue incl Gains/Losses	(627)	(190)	(190)	(55)	(47)	8	
<b>Total Revenue</b>	<b>(44,224)</b>	<b>(47,335)</b>	<b>(49,868)</b>	<b>(12,080)</b>	<b>(12,946)</b>	<b>(867)</b>	<b>7%</b>
<b>Operating Expenditure</b>							
Other Expenditure	28,811	25,667	31,598	8,517	8,889	375	E
Depreciation	7,075	7,580	7,580	2,151	1,895	(256)	F
Finance Costs	978	1,258	1,257	282	316	34	G
<b>Total Operating Expenditure</b>	<b>36,864</b>	<b>34,505</b>	<b>40,435</b>	<b>10,950</b>	<b>11,100</b>	<b>153</b>	<b>1%</b>
<b>Net (Surplus)/Deficit</b>	<b>(7,360)</b>	<b>(12,830)</b>	<b>(9,433)</b>	<b>(1,130)</b>	<b>(1,846)</b>	<b>(714)</b>	<b>39%</b>

**Net Operating Surplus:** The net operating surplus of \$1.1 million was \$0.7 million less than budget for the period ended 30 September 2022.

**Total Revenue** was \$0.9 million less than budget for the period ended 30 September 2022.

- A Metered water revenue for Te Kuiti was less than budget for the period, this was partly offset by increased rates penalties revenue.
- B Subsidy revenue from Waka Kotahi NZTA was less than budget. As capital expenditure was less for the period, the associated subsidy was also below budget.
- C Fees and charges revenue and income from construction was more than budget due to the recognition of construction services revenue for the stadium. Other fees and charges were less than budget due to a reduction in refuse charges, as well as reduced revenue for quarry royalties and lease rental revenue, hireage of the Les Munro Centre and building control revenue.

**Total Operating Expenditure** was \$153,000 less than budget for the period ended 30 September 2022.

- E Other expenditure was \$375,000 less than budget across all activities with the exception of roads. Due to a number of vacant positions across the organisation staff costs were less than forecast and this resulted in reduced allocated costs across most activities. Other expenditures for rates remissions, parks and property repairs and maintenance, regulatory contractor costs, reticulation maintenance and reduced refuse volumes at the landfill all contributed to lower actual expenditure for the quarter. Roads expenditure was more than forecast due to emergency reinstatement first response for storm damage and increased professional fees.
- F Depreciation expense was more than budget due to the revaluation of building assets, water, wastewater, and stormwater assets, roads and solid waste assets at 30 June 2022 which increased the value of these assets and the corresponding depreciation expense.
- G Finance costs were less than budget due to a lower level of borrowings than forecast in the annual plan.

## BALANCE SHEET HIGHLIGHTS

Balance Sheet highlights presented below show the movement in Council's financial position from 1 July 2022 to 30 September 2022.

BALANCE SHEET HIGHLIGHTS (Amounts in \$000's)	Actual Position 30 Jun 2022	Actual Position 30 Sep 2022	Movement from 30 Jun 2022
<b>Assets</b>			
- Cash and cash equivalents	2,352	909	(1,443)
- Receivables	6,145	6,800	655
- Other current assets	120	120	0
- Other financial assets	6,924	6,966	42
- Non-current assets	492,176	493,095	1,302
<b>TOTAL ASSETS</b>	<b>507,717</b>	<b>507,890</b>	<b>556</b>
<b>Liabilities</b>			
- Other Liabilities	7,574	5,658	(1,916)
- Total Borrowings	28,194	29,536	1,342
- Derivative financial instruments	31	31	0
<b>Total Liabilities</b>	<b>35,799</b>	<b>35,225</b>	<b>(574)</b>
<b>Equity</b>			
- Equity	471,918	472,665	1,130
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>507,717</b>	<b>507,890</b>	<b>556</b>

Total Assets have increased from \$507.7 million to \$507.9 million.

- Cash and cash equivalents have decreased by \$1.4 million from \$2.3 million to \$0.9 million.
- Receivables increased by \$0.7 million since 30 June 2022 from \$6.1 million to \$6.8 million mostly due to NZTA subsidy receivable and rates receivable.
- Non-current assets have increased by \$1.3 million, which is net asset additions of \$3.5 million, less depreciation of \$2.2 million.

Total Liabilities decreased from \$35.8 million to \$35.2 million.

- Other Liabilities decreased by \$1.9 million due to a decrease in general payables compared to June 2022.
- Total Borrowings were \$29.5 million, an increase of \$1.3 million from June due to the draw down of Wholesale Advance for cashflow purposes.

Total equity increased by \$1.1 million to \$472.7 million, which was the net surplus for the period of \$1.1 million.

## CAPITAL EXPENDITURE

Set out below is the full year Capital Expenditure budget for the year compared to actual expenditure for the period ended 30 September 2022.

(Amounts in \$000's)	Annual Plan	Plus Carryover from prior year	Plus additional approved budget	Stadium transferred to Opex	Revised Budget	YTD Actual	Var - Actuals vs Revised Budget
Leadership	765	1,113	0	0	1,878	69	1,809
Recreation and Property	4,072	1,042	186	-3,732	1,568	244	1,324
Intangible asset – stadium right of use	0	0	0	0	0	1,410	(1,410)
Regulation	10	10	0	0	20	0	20
Solid Waste	2,708	165	44	0	2,917	714	2,203
Stormwater	128	115	175	0	419	15	404
Wastewater	579	342	485	0	1,407	138	1,269
Water Supply	353	377	509	0	1,239	195	1,043
Roads	14,999	1,941	50	0	16,990	667	16,323
<b>Total</b>	<b>23,614</b>	<b>5,106</b>	<b>1,449</b>	<b>-3,732</b>	<b>26,437</b>	<b>3,452</b>	<b>22,985</b>

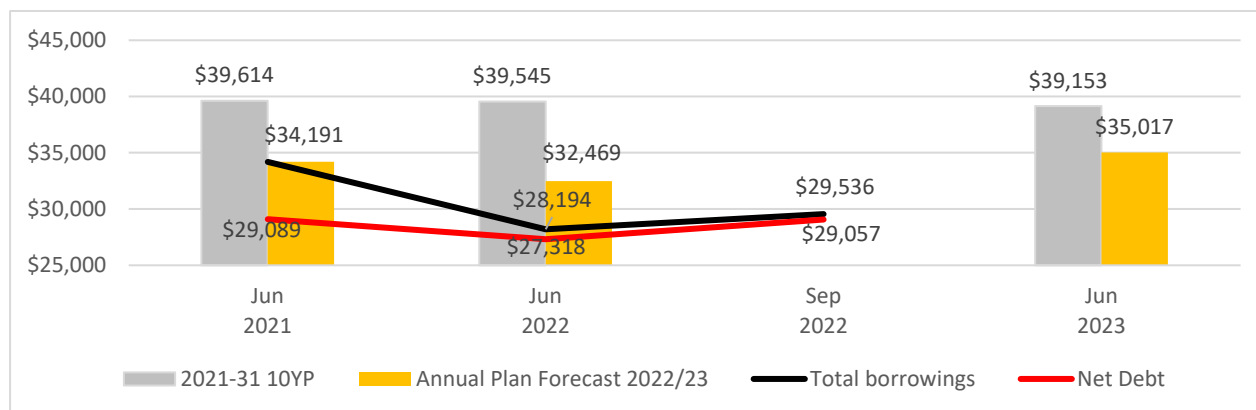
The capital expenditure budget was revised to incorporate unspent carryovers (\$5.1 million) from the 2021/22 year and additional capital budget approved by Council to give a total budget of \$26.4 million. The significant project budgets carried over from the prior year include the Mokau toilet renewal, seismic strengthening of the Administration Building, road improvements and renewals and information services capital and fleet vehicle renewals.

Total actual capital expenditure was \$3.4 million for the quarter ended 30 September 2022, of which \$1.4 million (41%) relates to the recognition of the Intangible asset for the stadium right of use, \$714,000 (21%) relates to Solid Waste mostly for the purchase of carbon credits for future surrender obligations, \$667,000 (19%) relates to Roads and Footpaths with approximately half of the road spend relating to ex-Cyclone Dovi renewals.

## TREASURY MANAGEMENT HIGHLIGHTS

At 30 September 2022 public debt was \$29.5 million and net debt<sup>1</sup> was **\$29.1** million. At 30 June 2022 public debt was \$28.2 million and net debt was \$27.3 million.

The following graph shows the total borrowings and net debt position compared to forecast debt from the 10YP 2021-31 and the Annual Plan 2022/23. The increase in borrowings for the September quarter is mainly due to \$1.3 million being drawn from the Westpac Bank Multi Option Credit Line facility. Borrowings were less than forecast in the Annual Plan due to the utilisation of cash surpluses (bought about in part by reduced operating costs) and unspent capital expenditure in the 2021/22 year. Borrowings are expected to increase during the year as the planned capital expenditure programme is completed.



Total interest expense for the quarter is \$282,000 which is less than budget due to a lower level of borrowing than forecast. Interest expense is expected to increase due to anticipated increases in interest rates over the short term. Of the total borrowings of \$29.5 million, the floating interest rate debt totals \$10.5 million and will be affected by interest rate increases, the remaining \$19 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 assumed interest rate used in the Annual Plan for the 2022/23 year was 3.71%. The weighted average interest rate at 30 September 2022, excluding the drawn Westpac Bank Multi Option Credit Line facility amount but including the credit facility fee is 4.14%. This rate is indicative of the expected future interest rate applicable to the debt balance as at 30 September 2022.

The borrowing limits set in the Financial Strategy are as follows:

	Limit	Actual Jun 2022	Actual Sep 2022
Net debt to total revenue	<165%	62%	Measured at the end of the year.
Net interest to annual rates	<20%	5%	5%

A standby credit facility with Westpac bank with a credit limit of \$10 million is in place. At the report date \$1.3 million was drawn from the facility.

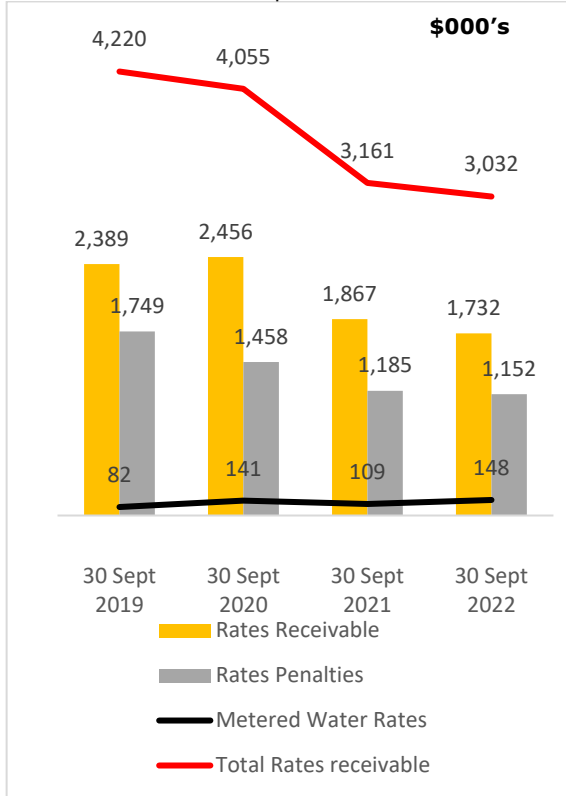
For more details of Council's public debt and the position of Council's financial risk minimisation strategies in relation to debt please refer to the Bancorp Treasury Report for the year ended 30 September 2022, as attached.

<sup>1</sup> Net debt is total public debt less LGA Borrower notes and unrestricted cash.

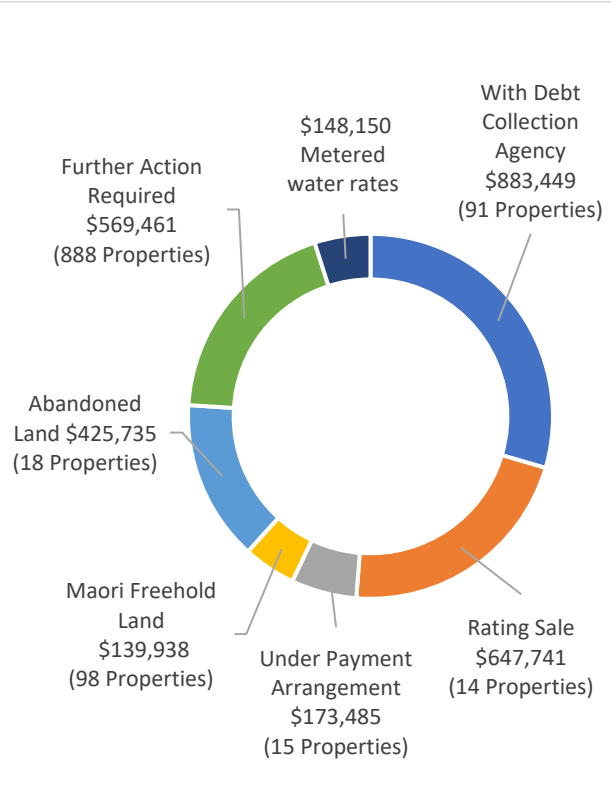
## RATES RECEIVABLES

### TOTAL RATES RECEIVABLES

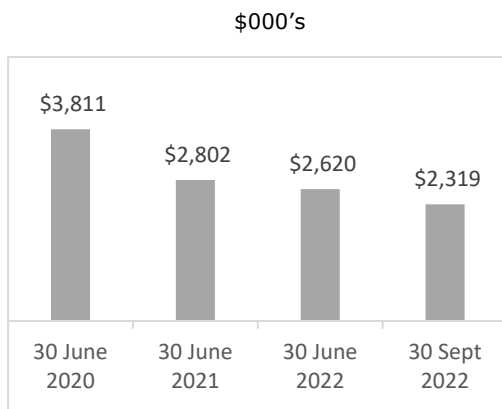
Set out below is the summary of Rates Receivables as at 30 September 2022.



### RATES ARREARS AS AT 30 SEPTEMBER 2022



### PREVIOUS YEARS RATES ARREARS SUMMARY\*



\*excludes metered water rates

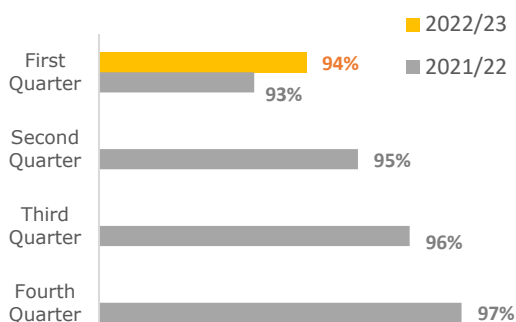
### Progress:

The first quarter of 2022/23 was a busy one for the rates staff finalising rates remissions, statutory declarations, subdivisions and processing the annual rates strike.

To date we have processed 95 rates remission applications for the current rating year, with a total value of \$130,583 (excl GST). There have also been 166 rates rebates approved during the first quarter of 2022/23.

Following Council's new contract with DX mail (previously NZ Post), it was necessary to review the way that we mailout our rates invoice and assessment notices to our ratepayers. Prior to July these were all printed inhouse and then sent to an external service provider for posting.

### RATES INSTALMENT COLLECTION TRACKER



Our new process is to send a PDF file to an external service provider, and they complete the whole mailout task on our behalf. This has significantly streamlined this process and has reduced the amount of staff time required to complete the quarterly mailouts.

## LEADERSHIP

This group comprises of Representation, Strategy and Engagement, Investments, and Emergency Management. Treasury Management and Organisational Overhead activities and service groups are also included in this group.

- **Representation** involves enabling, promoting, and supporting local democracy by providing governance advice and democratic services to elected members, the public and staff.
- **Strategy and Engagement** involves research and analysis to prepare strategies, policies, plans and bylaws. This activity also coordinates and undertakes community engagement and consultation.
- **Investments** includes investment in Waikato Local Authority Shared Services (WLASS), Inframax Construction Ltd (ICL), Council owned quarries and investment in Civic Financial Services Ltd
- **Emergency Management** involves the administration of the Civil Defence Emergency Management function to coordinate a response to an emergency, and to manage recovery in the District.

## COMMUNITY OUTCOMES



A district for people



A district that works with you

## PROJECTS AND PROGRAMME UPDATES

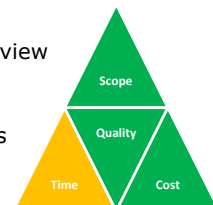
### Annual Plan 2023/24

**Project Summary:** The purpose of the Annual Plan (AP) is to report any exceptions from the forecast work plans and budgets set out in the 10 Year Plan (10YP) for the given financial year.

**Progress:** The budgets have been submitted by the budget managers, currently under review with SMT and finance.

**Next steps:** Workshops in November, February and March will cover strategic issues, budgets and rates revenue requirements.

**End date:** May 2023



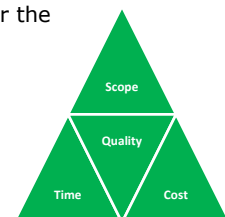
### Long Term Plan 2024 -2034

**Project Summary:** The purpose of the Long Term Plan (LTP) is to provide a detailed plan for the next ten years including community outcomes, priorities, plans and budgets.

**Progress:** GMD engaged to assist with project planning and delivery. Project plan is in development.

**Next steps:** Workshops begin in February 2023 through till February 2024. The project plan will be outlined at the first workshop. Council's Strategic direction will also be considered at these first workshops.

**End date:** May 2024



### Review of Council's Risk Management Framework and Strategic Risks



**Project Summary:** Review of Council's Risk Management Framework and Strategic Risks.

**Progress:** The 11 strategic risks have been reviewed and mitigation strategies documented. Proposed additional mitigation strategies agreed.

**Next steps:** A reporting structure of the mitigation strategies to be developed and quarterly reports to be commence in 2023.

**End date:** May 2023

## Emergency Management



**Programme Summary:** WDC provides Civil Defence and Emergency Management (CDEM) functions for the District as required by the Civil Defence and Emergency Management Act 2002. Emergency Management activities are assisted by the Emergency Management Operations Manager and Emergency Management Coordinator employed by Waipā District Council to provide a shared service arrangement for Waitomo, Waipā and Ōtorohanga District Councils; jointly operating and collaborating as the Western Waikato Emergency Operating Area (WWEOA).

The New Zealand integrated approach to civil defence emergency management can be described by the four areas of activity, known as the '4 Rs': Reduction, Readiness, Response and Recovery.

### Progress:

#### Readiness

Community engagement continues to be held with the Marokopa community as it continues to be affected by flood events. Community meetings with affected farmers and clean up days have been held.

#### Response

A severe weather event passed over the central North Island between the 17<sup>th</sup> and 19<sup>th</sup> August with large areas of Waitomo, Otorohanga and Waipa districts affected by significant surface flooding and slips. Marokopa was cut off for a period of time before slips could be cleared and road access reinstated.

Date	Event
8 <sup>th</sup> July	Severe Weather - Heavy rain event Waitomo River alerts at Awakino and Mangaokewa Rivers
13 <sup>th</sup> July	Severe Weather Watch (Yellow): Rain/Wind Watch Waitomo, Waipā and Ōtorohanga River alerts at Whatawhata – Waipā River, Ōtorohanga and Awakino Rivers
17 <sup>th</sup> August	Heavy Rain Warning (Orange) for Waitomo River alerts at Awakino and Mangaokewa Rivers

## SERVICE PERFORMANCE MEASURES

You can expect	Measure	Overall result for GOA (as at 30 September 2022)		Commentary
		Q1	Target/Result	
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.		<b>Target:</b> 100% <b>Result:</b> 100%	
Effective communication with our community.	Percentage of residents satisfied with the effectiveness and usefulness of Council Communications		<b>Target:</b> 90% <b>Result:</b> 90%	The result from the June 2021 Residents Survey was 90%. The next survey is due in 2023.
Emergency preparedness through community based emergency management	The evaluation of annual exercise as a measure of effectiveness of training		<b>Target:</b> Increasing trend <b>Result:</b> Baseline result 74%	Exercise held in May 2022 and was assessed by independent assessors at 74% - Advancing. The next evaluation exercise is to be scheduled in 2023.

## FINANCIAL UPDATE

LEADERSHIP \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(3,473)	(3,675)	(3,675)	(1,101)	(1,054)	47	A
Subsidies and Grants	(1)	(20)	(394) <sup>2</sup>	(29)	(28)	1	
Interest Revenue	(33)	(12)	(12)	(7)	(3)	5	
Fees and Charges	(104)	(119)	(119)	(10)	(22)	(11)	B
Other Revenue incl Gains/Losses	0	0	0	0	0	0	
<b>Total Revenue</b>	<b>(3,611)</b>	<b>(3,826)</b>	<b>(4,200)</b>	<b>(1,147)</b>	<b>(1,107)</b>	<b>42</b>	<b>-4%</b>
<b>Operating Expenditure</b>							
Other Expenditure	2,695	3,197	3,665 <sup>3</sup>	650	651	2	
Depreciation	536	665	665	148	166	18	C
Finance Costs	23	116	116	26	29	3	
<b>Total Operating Expenditure</b>	<b>3,254</b>	<b>3,978</b>	<b>4,446</b>	<b>824</b>	<b>846</b>	<b>23</b>	<b>3%</b>
<b>Net (Surplus)/Deficit</b>	<b>(357)</b>	<b>152</b>	<b>246</b>	<b>(323)</b>	<b>(261)</b>	<b>65</b>	<b>-25%</b>

**Variance comments:**

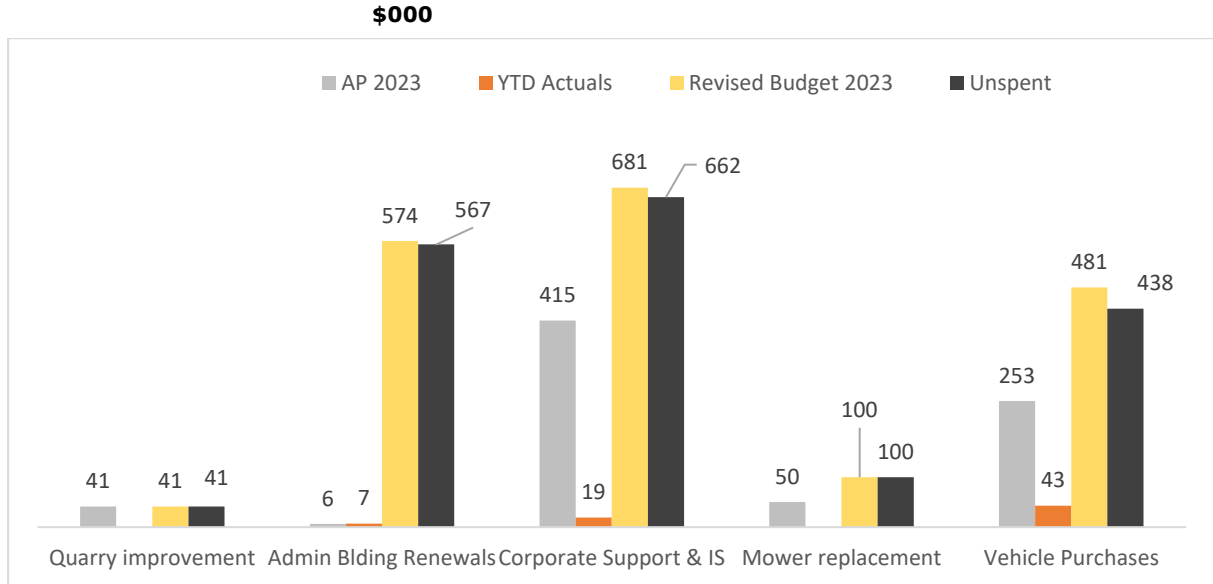
- A Rates penalties revenue was more than forecast.
- B Fees and charges revenue was less as no quarry royalties were received for the month of August.
- C Depreciation costs for Information Services and Motor Vehicles were less than forecast. Delays in completing capital renewal projects for both functions were experienced due to supply chain issues for motor vehicles and delays in completing information services capital projects last year. This was partly offset by additional depreciation expense for the administration building as a result of the revaluation of building assets at 30 June 2022.

<sup>2</sup> The revised budget includes \$374,000 of additional funding to be received for TWR Transition Tranche 1. An equivalent amount has also been included in Other Expenditure.

<sup>3</sup> The revised budget includes \$374,000 of additional expenditure for TWR Transition costs, \$170,500 carryover from prior year for consultants fees, LTP development costs and quarry assessments and reduced allocated costs budgets to reflect the current organisational structure.



**CAPITAL EXPENDITURE**



Total expenditure at 30 September 2022 was \$69,000 against the revised budget (including carryovers) of \$1,878,000.

Three significant projects for Business Support and Information Services have been initiated and will be delivered in the second half of this financial year. WDC is experiencing supply chain issues with hardware supply.

The renewal of fleet vehicles has been impacted by the pandemic with very long delivery delays being experienced. Fleet vehicles currently on order are now expected to be received later in the year.

The cost estimate for the Administration Building Renewal project has come in higher than budgeted. The primary scope includes seismic strengthening and fire system upgrades to meet the current standards. The original scope is currently being reviewed to align it with the budget.

## COMMUNITY AND PARTNERSHIPS

This group of activities represents a range of collaborative and partnership approaches and initiatives involving many agencies and organisations. These activities involve a common theme of promoting a better quality of life within the District.

- **Community Development** supports the wellbeing of our communities by enabling local organisations and private providers to deliver a variety of community-based services and activities to meet the needs of our community.
- **District Promotion** is delivered through a partnership between Central Government, Local Government, and the Tourism Industry.
- **Economic Development** involves the facilitation and support of initiatives that will enhance the District's economic sustainability.

## COMMUNITY OUTCOMES



A district for people



A prosperous district



A district that works with you

## PROJECTS AND PROGRAMME UPDATES

### Vibrant Safe Waitomo (VSW) 🔵

**Programme Summary:** Vibrant Safe Waitomo is a community led collaboration that provides leadership and direction, with everyone working in partnership to create a safer community.

**Progress:** The Action Plan for 2022/23 has been endorsed by the Regional Coalition and will be presented to Council at the 6 October 2022 meeting.

**Next steps:** The Vibrant Safe Waitomo Strategy is being reviewed along with the current themes and focus areas. The intent is to transition to a higher-level strategic approach, with actions focused on what the Coalition partners achieve together.

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### Mayor's Taskforce for Jobs (MTFJ) Community Recovery Programme 🟢

**Project Summary:** The MTFJ Community Recovery Programme has been developed in collaboration with the Ministry of Social Development (MSD) as a response to the COVID-19 pandemic. The programme sees rural Councils assisting local businesses with recruitment, training, guidance and in some cases subsidies, to assist small businesses to take on young workers. Placements cover various sectors including retail, building and construction, administration, education, and the meat industry.

**Progress:** As at 30 September 2022

- 20 Sustainable Employment Outcomes have been achieved for the quarter
- 20 of these remain in sustainable employment.
- 4 apprenticeships have been secured.

**Next steps:** To increase visibility within the community by promoting success stories in our local media and the Waitomo District Council Facebook page.

**End date:** 30 June 2023

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### Novice Driving Training Programme 🟢

**Project Summary:** To support a locally delivered driver training programme with a goal of reducing the number of young drivers involved in road crashes and improving their safety on our roads. Target rates per year are for 15 to gain learners licence, 25 to gain restricted licence, and 15 to gain full licence.

**Progress:** As at 30 September 2022

- 18 people had gained their learner licence.
- 13 had gained their restricted licence.
- 6 had gained their full driver licence.

**Next steps:** Continuation of the programme

**End date:** 30 June 2023

## Community / Civic Events 🕒

**Programme Summary:** This programme of work includes the Citizens Awards, Combined Mayoral Industry Training Organisation (ITO) Graduation Ceremony, Citizenship Ceremony, the Great NZ Muster and Te Kuiti Christmas Parade.

**Progress:**

### Christmas Parade

The Waitomo District Christmas Parade is scheduled to take place on Friday 9th December, commencing 6.00pm. The theme for this year's Parade is 'Kiwi Christmas'.

### The Great NZ Muster

The Great NZ Muster is scheduled to take place on 1st April 2023.

**Next steps:** Staff are working with the Shearing Committee and Legendary Te Kuiti to develop the Event Programme for 2023. Although the Running of the Sheep will no longer take place, exciting new opportunities are being investigated with a focus and celebration of rural New Zealand.

## SERVICE PERFORMANCE MEASURES

		Overall result for GOA (as at 30 September 2022)		
Community and Partnerships		3		
		Q1		
You can expect	Measure	Q1	Target/ Result	Commentary
Contestable grant funding is disseminated through a robust process.	Percentage of grants funding available is disseminated	○	<b>Target:</b> 80% <b>Result:</b> On track	60% of grant funding has been disseminated through the contestable grant funds in this quarter.
Council supports the delivery of youth related projects by the Youth Council.	Youth Council undertakes two youth related projects per year.	○	<b>Target:</b> 2 per annum <b>Result:</b> On track	Planning has begun on resuming the Youth Council.
Involvement in economic development initiatives and promotional opportunities.	≥5 initiatives or promotional opportunities	○	<b>Target:</b> ≥5 per annum <b>Result:</b> 1	Council has entered a partnership arrangement for the construction of the King Country Indoor Sports and Recreation Centre.

**FINANCIAL UPDATE**

<b>COMMUNITY AND PARTNERSHIPS \$000's</b>	<b>Actual 2021/22</b>	<b>Annual Plan</b>	<b>Revised Budget</b>	<b>YTD Actual</b>	<b>YTD Revised Budget</b>	<b>Var to YTD Revised Budget</b>	<b>%Var and Note Ref</b>
<b>Revenue</b>							
Rates	(1,720)	(1,635)	(1,635)	(409)	(409)	0	
Subsidies and Grants	(505)	0	(450) <sup>4</sup>	(10)	(5)	5	
Interest Revenue	0	0	0	0	0	0	
Fees and Charges	(4)	(4)	(4)	(1)	(1)	0	
Other Revenue incl Gains/Losses	0	0	0	0	0	0	
<b>Total Revenue</b>	<b>(2,229)</b>	<b>(1,639)</b>	<b>(2,089)</b>	<b>(420)</b>	<b>(415)</b>	<b>5</b>	<b>-1%</b>
<b>Operating Expenditure</b>							
Other Expenditure	1,611	1,768	2,284 <sup>5</sup>	576	629	53	A
Depreciation	2	4	4	4	1	(3)	B
Finance Costs	0	0	0	0	0	0	
<b>Total Operating Expenditure</b>	<b>1,613</b>	<b>1,772</b>	<b>2,288</b>	<b>580</b>	<b>630</b>	<b>50</b>	<b>8%</b>
<b>Net (Surplus)/Deficit</b>	<b>(616)</b>	<b>133</b>	<b>199</b>	<b>160</b>	<b>215</b>	<b>55</b>	<b>26%</b>

**Variance comments:**

- A Other expenditure for the Community and Partnerships activity is less than forecast for rates remission expenditure and reduced allocated costs due to staff vacancies.
- B Depreciation expense is more than forecast for the Isite building due to the revaluation of building assets at 30 June 2022 which increased the value of the asset and the corresponding depreciation expense.

<sup>4</sup> The revised budget includes \$450,000 of additional revenue for Mayors Taskforce for Jobs.

<sup>5</sup> The revised budget includes \$435,000 of additional expenditure for Mayors Taskforce for Jobs, \$100,000 carryover to fund the operating cost component of Town and District Entrance Statements and reduced allocated costs budgets to reflect the current organisational structure.

## RECREATION AND PROPERTY

This group comprises parks and recreation, housing and property, community, and public facilities.

- **Parks and Recreation** involves the provision of parks and reserves for recreation, green places and landscapes that are restful and enhance the visual amenity of our communities.
- **Housing and Property** involves the provision of housing community facilities such as halls and housing.
- **Community Facilities** involves the provision of recreation and cultural opportunities to support the health and well-being of the community.
- **Public Facilities** involves the provision of cemeteries, public car parks, public toilets, street furniture and our CCTV system.

### COMMUNITY OUTCOMES



A district for people



A district that cares for its environment

### PROJECTS AND PROGRAMME UPDATES

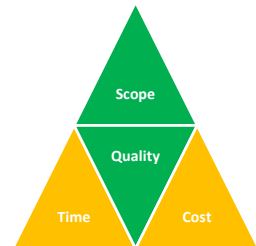
#### Mokau Toilets

**Project Summary:** The project entails the construction of an additional toilet block at Mokau to help meet demand during weekend and holiday periods.

**Progress:** Physical construction of the toilet block is completed.

**Next steps:** Official opening is being held 11 November 2022. Certification to be completed to allow toilets to be used by the public.

**End date:** Dec 2022



### SERVICE PERFORMANCE MEASURES

		Overall result for GOA (as at 30 September 2022)		
Recreation and Property				
You can expect	Measure	Q1	Target/Result	Commentary
We provide parks and open spaces across our district.	Percentage of residents satisfied with or parks and open spaces.		<b>Target:</b> ≥ 90% <b>Result:</b> 89%	The result from the June 2021 Residents Satisfaction Survey was 89%. The next survey is due in 2023.
We provide pools and community facilities that are compliant with legislative standards.	Current Building Warrant Of Fitness (BWOFF) for facilities with compliance schedules.		<b>Target:</b> Achieve <b>Result:</b> On track	All BWOFF's have been received and are current
We will provide a comprehensive	Percentage of residents satisfied with the quality of		<b>Target:</b> ≥ 85% <b>Result:</b> 97%	The result from the June 2021 Residents Satisfaction Survey was 97%. The next survey is due in 2023.

library facility for our community.	the library facility and service		
We provide public toilets for our community and visitors to the district.	Percentage of residents satisfied with the quality of public toilets	○	<b>Target:</b> ≥ 85% <b>Result:</b> 89% The result from the June 2021 Residents Satisfaction Survey was 89%. The next survey is due in 2023.

## FINANCIAL UPDATE

RECREATION AND PROPERTY \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(3,467)	(3,545)	(3,545)	(886)	(886)	(1)	
Subsidies and Grants	(2,267)	(3,611)	(3,741) <sup>6</sup>	(1,413)	(1,381)	32	A
Interest Revenue	0	0	0	0	0	0	
Fees and Charges and Income from Construction	(4,955)	(508)	(508)	(2,173)	(111)	2,062	B
Other Revenue incl Gains/Losses	(390)	(1)	(1)	0	0	0	
<b>Total Revenue</b>	<b>(11,079)</b>	<b>(7,665)</b>	<b>(7,795)</b>	<b>(4,472)</b>	<b>(2,378)</b>	<b>2,093</b>	<b>-88%</b>
<b>Operating Expenditure</b>							
Other Expenditure	7,281	3,046	6,876 <sup>7</sup>	2,946	3,032	87	C
Depreciation	1,065	1,195	1,195	305	299	(7)	D
Finance Costs	76	135	135	28	34	6	
<b>Total Operating Expenditure</b>	<b>8,422</b>	<b>4,376</b>	<b>8,206</b>	<b>3,279</b>	<b>3,365</b>	<b>86</b>	<b>3%</b>
<b>Net (Surplus)/Deficit</b>	<b>(2,657)</b>	<b>(3,289)</b>	<b>411</b>	<b>(1,193)</b>	<b>987</b>	<b>2,179</b>	<b>221%</b>

### Variance comments:

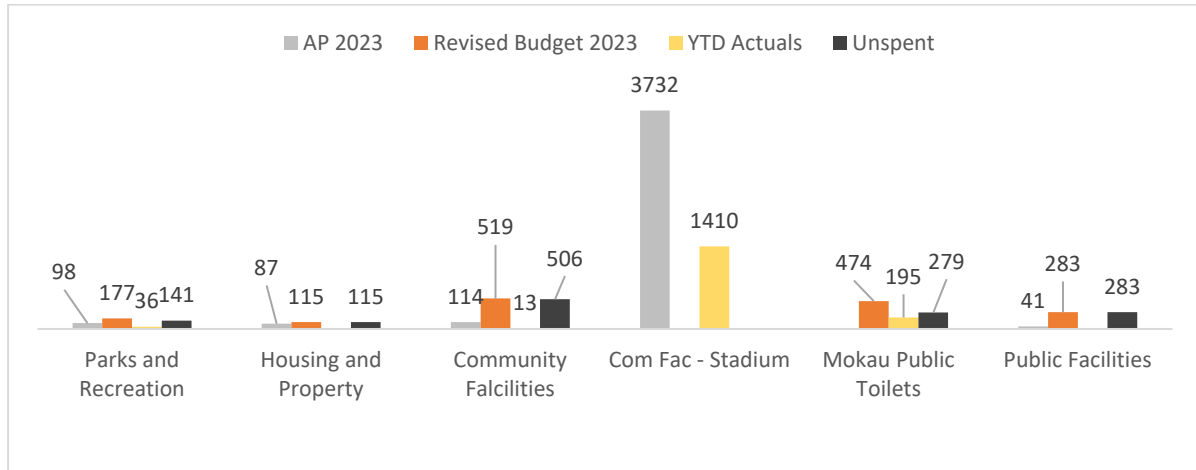
- A Grant revenue was received from the Department of Internal Affairs for the New Zealand Libraries Partnership Programme. Revenue was also recognised for Brook Park native tree planting project.
- B Fees and charges and income from construction was more than budget with the recognition of construction services revenue for the stadium. Partly offsetting this was reduced lease revenue due to limited organisational capacity to progress the review of existing leases and reduced revenue for the Les Munro Centre as the ongoing pandemic continues to impact user demand.
- C Other expenditure was less for repairs and maintenance, ISU costs and reduced allocated costs due to staff vacancies.
- D Depreciation was more than budget due to the revaluation of building assets at 30 June 2022 which increased the asset value and the corresponding depreciation expense.

<sup>6</sup> The revised budget includes additional revenue of \$130,000 to part fund the construction of Mokau Toilets.

<sup>7</sup> The revised budget includes \$3,732,000 for the stadium construction which was originally budgeted in capital expenditure but is now recognised in operating expenditure, \$11,000 carryover for the Aquatic centre pool painting and repairs and a transfer of budgets for allocated costs to reflect the current organisational structure.

## CAPITAL EXPENDITURE

000's



Total expenditure at 30 September 2022 was \$1,654,000 against the revised budget (including carryovers) of \$1,568,000. Refer to projects and programme updates section for progress on key capital projects.

The revised budget for Parks and Recreation includes budget carryovers for Mokau surface track for emergency vehicles, Tui Park fencing and Centennial Park bollard installation and playground renewals. Expenditure to date includes emergency renewals to strengthen Mokau jetty, expenditure to reinstate walking track at Tokopapa Street and installation of bollards at Centennial Park.

The revised budget for Community Facilities includes \$180,000 carryover budget for the replacement of the main air-conditioning unit at the Les Munro Centre and the additional budget approved for the electrical improvements at the aerodrome.

Capital expenditure of \$1,410,000 was recognised during the quarter for the stadium. The amount recognised increases the Intangible asset (under the service concession arrangement) which reflects WDC's right (as the operator) to use the facility for 35 years. The annual plan budget was revised to transfer the original \$3,732,000 budget to operational expenditure to align with the construction spend which is recognised as part of direct costs rather than capital expenditure.

The construction of the Mokau public toilets is now complete with the official opening ceremony held on the 14 November 2022 with a small group of elected members, mana whenua, Mōkau Primary School staff and Council staff in attendance. The total YTD spend was \$195,000.

The revised budget for Public Facilities includes budget carryovers for renewal of the access-way at Te Kuiti cemetery and improvements for Te Ara Tika amenity areas which will be completed with the Town Centre Concept projects.

## REGULATORY SERVICES

We undertake many activities that contribute to keeping our community safe (wellbeing) and help to make Waitomo District a safe place to be.

Our regulatory activities are governed and directed by national legislation, regional and local policies, and bylaws.

- **Building Services** responsible for processing and monitoring building consents and issuing Code of Compliance Certificates pursuant to the Building Act 2004. This activity also covers the monitoring and enforcement of earthquake-prone building requirements, and swimming pools.
- **Alcohol licensing** responsible for administering the Sale and Supply of Alcohol Act 2012 at a local level by way of the Waitomo District Licensing Committee on behalf of the Alcohol Regulatory and Licensing Authority, which encourages the responsible sale and use of alcohol through licensing, monitoring of premises and enforcement of the Act.
- **Environmental Health** provides a range of services to ensure food outlets maintain high food safety standards, and that noise and nuisance complaints, hazardous substances and contaminated sites are all managed.
- **Bylaw administration** involves managing a range of bylaws to allow Council to manage issues associated with community nuisance, protect public health, and manage Council's assets
- **Animal and Dog control** delivers animal control services in the areas of dog registration, complaint response, wandering stock, and general animal control, as required by the Dog Control Act 1996, Impounding Act 1955 and Council's Dog Control Policy and Bylaw. This is achieved through active enforcement of requirements and via the education of dog owners and the general public.

## COMMUNITY OUTCOMES



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## PROJECTS AND PROGRAMME UPDATES

### Building Consents



**Programme Summary:** Consents are closely monitored to ensure statutory timeframes are adhered to. Building processes are monitored biannually with an audit undertaken by IANZ (International Accreditation New Zealand).

**Progress:** WDC's latest IANZ audit was undertaken in June 2022 and accreditation has been achieved.

**Next steps:** The next IANZ audit will be undertaken in June 2024.

### Compliance



**Programme Summary:** The work programmes in the Compliance Group are statutory in nature and 'business as usual' to comply with Council's legislative requirements. Progress reporting on the programme of work will be undertaken on an exceptions basis.

**Progress:** The Earthquake Prone Building (EPB) work programme is progressing, with initial profiling of buildings largely completed subject to final review processes. The project is a multi-year project and will continue into 2022/23 and beyond. The first letters informing owners their buildings are potentially an EPB were sent out at the end of April 2021, these relate to priority buildings only. The owners of these buildings have provided engineering assessments which are currently being reviewed.

**Next steps:** The next round of letters to owners advising of potential EPBs are currently programmed to be sent in September 2023.



## SERVICE PERFORMANCE MEASURES

	<b>Overall result for GOA</b> <i>(as at 30 September 2022)</i>			
<b>Regulatory Services</b>				<ul style="list-style-type: none"> <li><span style="color: green;">■</span> Achieved</li> <li><span style="color: lightgreen;">■</span> On track</li> <li><span style="color: red;">■</span> Not Achieved</li> </ul>
You can expect	Measure	Q1	Target/Result	Commentary
We ensure the public sale and supply of alcohol is undertaken safely and responsibly.	All premises that sell alcohol are licensed.	●	<b>Target:</b> 100% Compliance <b>Result:</b> 100%	
Building consents are processed in a timely fashion.	Building consents are processed within 20 working days.	●	<b>Target:</b> 100% <b>Result:</b> 98%	One building consent ran over the statutory timeframe because of an unexpected reduction in staffing levels due to staff being on long term sick leave.
Council will process, inspect, and certify building work in the Waitomo District.	WDC maintains building control systems and process to meet IANZ Audit requirements	●	<b>Target:</b> BCA Accreditation achieved <b>Result:</b> Achieved	Assessed in June 2022.
We provide land information Services (LIMs) efficiently.	LIMs are processed within statutory timeframe.	●	<b>Target:</b> 100% <b>Result:</b> 100%	
We provide an effective Animal Control Service.	Percentage of residents satisfied with the provision of the Animal Control Service.	○	<b>Target:</b> ≥ 75% <b>Result:</b> 81%	81% of respondents were satisfied with animal control services in the 2021 Residents Survey. The next survey is due in 2023.

## FINANCIAL UPDATE

REGULATORY SERVICES \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(826)	(948)	(948)	(237)	(237)	0	
Subsidies and Grants	0	0	0	0	0	0	
Interest Revenue	0	0	0	0	0	0	
Fees and Charges	(512)	(448)	(529) <sup>8</sup>	(224)	(244)	(20)	A
Other Revenue incl Gains/Losses	(20)	(9)	(9)	(6)	(2)	3	
<b>Total Revenue</b>	<b>(1,358)</b>	<b>(1,405)</b>	<b>(1,486)</b>	<b>(467)</b>	<b>(483)</b>	<b>(17)</b>	<b>4%</b>
<b>Operating Expenditure</b>							
Other Expenditure	1,148	1,399	1,462 <sup>9</sup>	275	352	77	B
Depreciation	7	8	8	3	2	(1)	
Finance Costs	0	0	0	0	0	0	
<b>Total Operating Expenditure</b>	<b>1,155</b>	<b>1,407</b>	<b>1,470</b>	<b>278</b>	<b>354</b>	<b>76</b>	<b>21%</b>
<b>Net (Surplus)/Deficit</b>	<b>(203)</b>	<b>2</b>	<b>(16)</b>	<b>(189)</b>	<b>(129)</b>	<b>59</b>	<b>-46%</b>

### Variance comments:

- A Revenue was less than forecast primarily due to building control revenue being lower than forecast. This was partly offset by dog registration revenue that was more than budget for the period.
- B Other expenditure was below budget for animal control contractor costs, environmental health officer costs, noise control, legal costs and reduced allocated costs due to staff vacancies.

### CAPITAL EXPENDITURE

There was no expenditure against the revised budget of \$20,000 for animal and dog control pound renewals.

<sup>8</sup> The revised budget includes \$80,000 of additional building revenue expected to be received.

<sup>9</sup> The revised budget includes a transfer of budget for allocated costs to reflect the current organisational structure.

## RESOURCE MANAGEMENT

This group involves the administration, application and enforcement of the Operative Waitomo District Plan and District Planning.

- **District Plan Administration** covers the planning functions under the Resource Management Act 1991, including the processing, issuing, and monitoring of resource consents, designations, and other application types. It also includes monitoring compliance with Waitomo’s Operative District Plan.
- **District Planning** involves setting the direction, form, and shape of our urban and rural communities to ensure development is sustainably managed, while protecting our cultural and historic heritage, outstanding landscapes, and significant natural features. District Plan reviews and structure planning are included in this activity.

## COMMUNITY OUTCOMES



A prosperous district



A district for people



A district that cares for its environment

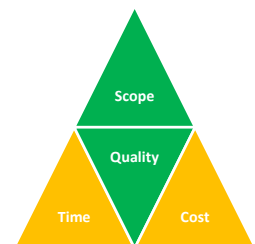
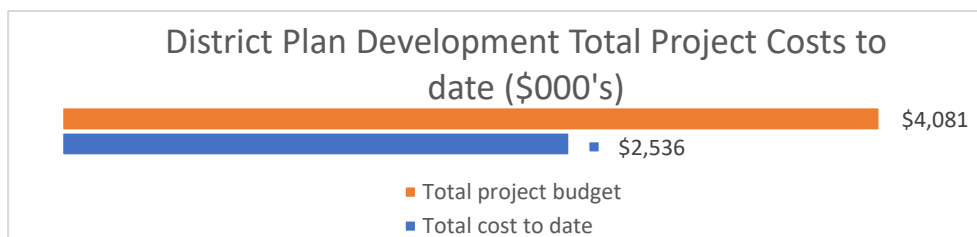
## PROJECTS AND PROGRAMME UPDATES

### District Plan Review

**Programme Summary:** A review of the Operative Waitomo District Plan in accordance with statutory requirements.

The Proposed Waitomo District Plan (PDP) must be legally robust and provide guidance for long term resource management issues in the District and is inherently complex with many associated workstreams. This project will continue through 2022/23.

**Progress:** The PDP has been notified in accordance with Clause 5 of Schedule 1 of the Resource Management Act 1991 with the submission period closing at midday on 23 December 2022.



**Next steps:** Receive, analyse and publish a summary of decisions on submissions on the PDP.

**End date:** June 2023

### Resource Consents




**Programme Summary:** The work programmes in the Resource Management Group are statutory in nature and 'business as usual' to comply with Council’s legislative requirements. Progress reporting on the programme of work will be undertaken on an exception’s basis.

**Progress:** A review of the resource consent raw data was undertaken to identify consents that require monitoring. The work was completed, and all land use consents that require monitoring have been identified and are being monitored. Not all resource consents are active, which limits the number that require on going monitoring.

**Next steps:** Continue to monitor all land use consents that require monitoring.

## SERVICE PERFORMANCE MEASURES

	<b>Overall result for GOA</b> (as at 30 September 2022)			
<b>Resource Management</b>				<input type="checkbox"/> On track  <input checked="" type="checkbox"/> Achieved
Q1				
You can expect	Measure	Q1	Target/Result	Commentary
Resource consents are processed in accordance with legislation.	All non-notified resource consents are processed within statutory timeframes.	●	<b>Target:</b> 100% <b>Result:</b> 100%	All non-notified resource consents received in Q1 have been processed within statutory timeframes.

## FINANCIAL UPDATE

RESOURCE MANAGEMENT \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(398)	(437)	(437)	(109)	(109)	0	
Subsidies and Grants	0	0	0	0	0	0	
Interest Revenue	0	0	0	0	0	0	
Fees and Charges	(207)	(180)	(180)	(30)	(45)	(15)	A
Other Revenue incl Gains/Losses	0	0	0	0	0	0	
<b>Total Revenue</b>	<b>(605)</b>	<b>(617)</b>	<b>(617)</b>	<b>(139)</b>	<b>(154)</b>	<b>(15)</b>	<b>10%</b>
<b>Operating Expenditure</b>							
Other Expenditure	801	1,427	1,469 <sup>10</sup>	194	251	57	B
Depreciation	0	0	0	0	0	0	
Finance Costs	31	43	43	10	11	1	
<b>Total Operating Expenditure</b>	<b>832</b>	<b>1,470</b>	<b>1,512</b>	<b>204</b>	<b>262</b>	<b>58</b>	<b>22%</b>
<b>Net (Surplus)/Deficit</b>	<b>227</b>	<b>853</b>	<b>895</b>	<b>65</b>	<b>108</b>	<b>43</b>	<b>40%</b>

**Variance comments:**

- A Resource consent revenue is less than forecast for the first quarter.
- B Other expenditure was less during the period for consultancy services. District Plan Development expenditure was less than expected for this period. Due to the involved and complex nature of this project it is not unexpected to have variations in the timing of expenditure.

<sup>10</sup> The revised budget includes a transfer of budget for allocated costs to reflect the current organisational structure.

## SOLID WASTE

This group provides for the environmentally safe reduction, diversion, collection, and disposal of the District's solid waste.

- **Waste minimisation** focuses on the reduction and diversion (reuse, recycling, and recovery) of solid waste.
- **Kerbside recyclables and refuse collection** are provided for the residents of Te Kuiti, Piopio, Awakino, Mokau, Waitomo Village and some surrounding rural roads.
- **Waste transfer** stations are provided for the communities of Maniaiti/Benneydale, Piopio, Marokopa, Kinohaku and Awakino and a fully consented landfill is located at Te Kuiti.

## COMMUNITY OUTCOMES



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## PROJECTS AND PROGRAMME UPDATES

Solid Waste Management is the combination of asset management, financial, engineering, and technical practices to reduce and dispose of general refuse and the promotion of waste minimisation.

The Solid Waste Activity provides for education on waste minimisation, collection and separation of recyclables, and the disposal of residual waste to landfill.

WDC is meeting its waste management obligations under the WMA and SWaMMP by providing:

- weekly kerbside refuse and recyclables collection services
- rural transfer stations, including free recycling services
- street side recycling units

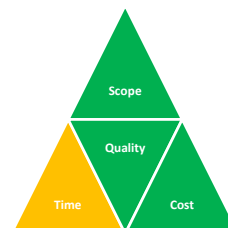
### Landfill Development Plan

**Programme Summary:** The landfill development plan requires staged lining of the high-wall over the next 20 years. The design finish level of the existing cell will be reached in approximately two years so work needs to progress expediently to keep ahead of that capacity limitation. The first stage of that involves installation of a gas collection system over next 18 months to mitigate increasing ETS charges, with the first stage of highwall stabilisation and lining over the existing, consented, landfill footprint, overlapping the latter end of that.

**Progress:** Modelling and design of an appropriate gas capture system has been completed with design of the gas flare still to be finalised. Project on hold until the design is finalised.

**Next steps:** Review landfill risk profile.

**End date:** To be confirmed once review completed.



### Waste Minimisation Promotion and Educational Programmes



**Programme Summary:** Events, promotions and workshops held in the community to raise awareness and encourage the minimisation of waste being sent to landfill.

**Progress:** Due to staff vacancies this programme has been on hold.

**Next steps:** Recruitment of vacancy for Solid Waste team. Events to be held within the next calendar year if recruitment is successful.

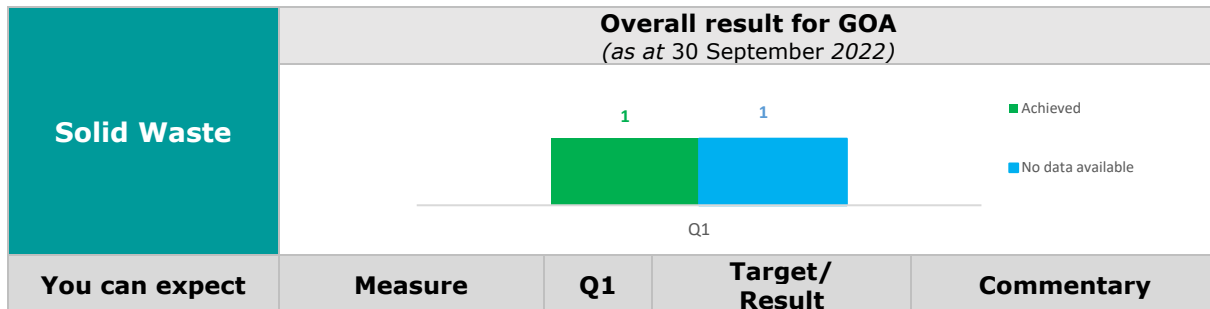
**End date:** June 2023

Description	Quarter 1		
	Tonnes Deposited July 2022	Tonnes Deposited Aug 2022	Tonnes Deposited Sep 2022
<b>Total To Landfill</b>	514.09	632.73	562.10

Diverted Material

- A total of 72.26 tonnes of recyclables has been diverted from the landfill for this period.
- A total of 416.23 tonnes of recyclables have been collected from kerbside collections and transfer stations for this period.

## SERVICE PERFORMANCE MEASURES



We provide safe solid waste facilities within District.

Percentage of users that are satisfied with the rural transfer service stations.



**Target:**  
New measure  
**Result:** N/A

Baseline to be established in 2023 residents survey.

We will provide a reliable kerbside rubbish collection to stop rubbish becoming a health risk\*.

There are no more than 10 justifiable complaints per week about uncollected rubbish.



**Target:** New measure <10 per week  
**Result:** 0.3

4 complaints received for the quarter.

\* Services offered in Te Kuiti, Waitomo Village, Piopio and Mokau

## FINANCIAL UPDATE

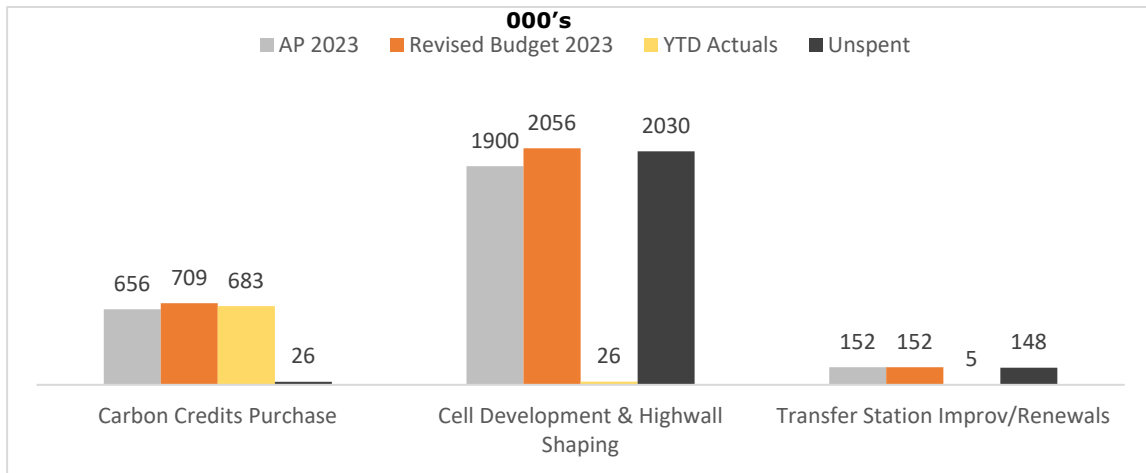
SOLID WASTE \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(1,150)	(1,108)	(1,108)	(278)	(277)	1	
Subsidies and Grants	0	0	0	0	0	0	
Interest Revenue	0	0	0	0	0	0	
Fees and Charges	(1,498)	(1,923)	(1,923)	(404)	(481)	(77)	A
Other Revenue incl Gains/Losses	(61)	(35)	(35)	(20)	(9)	12	B
<b>Total Revenue</b>	<b>(2,709)</b>	<b>(3,066)</b>	<b>(3,066)</b>	<b>(702)</b>	<b>(767)</b>	<b>(64)</b>	<b>8%</b>
<b>Operating Expenditure</b>							
Other Expenditure	2,662	2,876	2,996 <sup>11</sup>	479	555	76	C
Depreciation	95	92	92	26	23	(2)	
Finance Costs	110	120	120	25	30	5	
<b>Total Operating Expenditure</b>	<b>2,867</b>	<b>3,088</b>	<b>3,208</b>	<b>530</b>	<b>608</b>	<b>79</b>	<b>13%</b>
<b>Net (Surplus)/Deficit</b>	<b>158</b>	<b>22</b>	<b>142</b>	<b>(172)</b>	<b>(159)</b>	<b>15</b>	<b>-9%</b>

**Variance comments:**

- A Revenue received at the landfill was less for general refuse charges due to a decrease in the volume of waste deposited at the landfill. This was partly offset by increase in revenue from the sale of rubbish bags.
- B Other revenue for the period was more for the waste minimisation levy.
- C Other expenditure was less for waste minimisation levy expenditure due to reduced waste volumes, waste minimisation programme expenditure, resource consent compliance costs and reduced allocated costs due to staff vacancies. These reductions were partly offset by increased consultant fees, purchase of rubbish bags, and increased contract costs for Marokopa litter bins, removal of recycling and landfill bin movement.

<sup>11</sup> The revised budget includes a transfer of budget for allocated costs to reflect the current organisational structure.

## CAPITAL EXPENDITURE



Total expenditure at 30 September 2022 was \$714,000 against the revised budget of \$2,917,000. Refer to projects and programme updates section for progress on key capital projects.



## STORMWATER

The Stormwater Group provides for the collection, diversion, and disposal of urban surface water runoff following rainfall. Surface water flooding can occur in the absence of an effective stormwater drainage system.

The main activities of this group are:

- Maintenance (Planned and Unplanned)
- Renewals
- New Works/Augmentation

## COMMUNITY OUTCOMES



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## PROJECTS AND PROGRAMME UPDATES

### Completion of Stormwater Catchment Plans ●

**Project Summary:** Development of the draft Stormwater catchment plans which will be used for the development of Assessment of Environmental Effects required for the application for the comprehensive stormwater discharge consent.

**Progress:** Planning is underway to continue to develop the catchment management plans. Staff have undertaken assessment of hydraulic capacity, which is now under review.

**Next steps:**

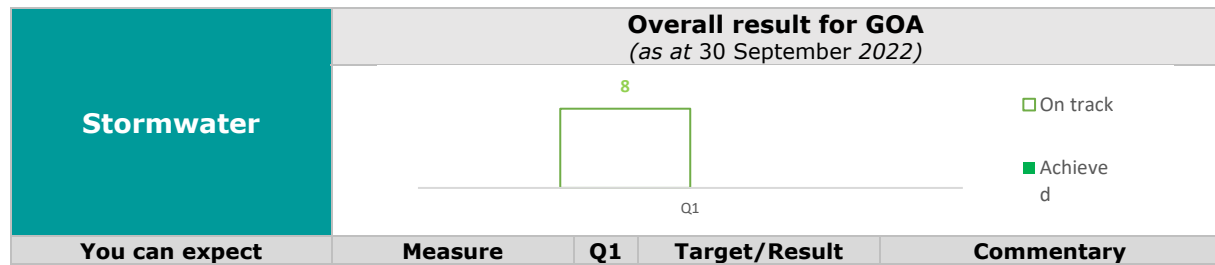
**End date:** June 2023

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### Stormwater Renewals ●

**Project Summary:** The project for the renewals of stormwater assets is included in the Te Kuiti Reticulation renewals project under wastewater.

## SERVICE PERFORMANCE MEASURES



<p>We maintain and operate the stormwater network in a way that minimises the likelihood of stormwater entering habitable buildings.</p>	<p>The number of flooding events* that occur in the district in a financial year.</p>	○	<p><b>Target:</b> 0 <b>Result:</b> 0</p>	<p>There have been no flooding events this quarter.</p>
<p></p>	<p>For each flooding event* the number of habitable floors affected in a financial year.</p>	○	<p><b>Target:</b> ≤ 1 per 1000 connections <b>Result:</b> 0</p>	<p>There have been no flooding events this quarter.</p>

*\* 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 comply with our resource consent conditions and minimise the impact of stormwater on the environment</p>	<p>abatement notices</p>	○	<p><b>Target:</b> 0 <b>Result:</b> 0</p>	<p>There have been no notices received.</p>
<p></p>	<p>infringement notices</p>	○	<p><b>Target:</b> ≤ 2 <b>Result:</b> 0</p>	<p>There have been no notices received.</p>
<p></p>	<p>enforcement orders</p>	○	<p><b>Target:</b> 0 <b>Result:</b> 0</p>	<p>There have been no enforcement orders.</p>
<p></p>	<p>successful prosecutions</p>	○	<p><b>Target:</b> 0 <b>Result:</b> 0</p>	<p>There have been no successful prosecutions.</p>

<p>We will respond within a reasonable timeframe to flooding.</p>	<p>The median response time** to attend a flooding event*, (measured from the time that the notification is received to the time that service personnel reach the site).</p>	○	<p><b>Target:</b> ≤ 180 minutes (3hrs) <b>Result:</b> 0.0 hours</p>	<p>There have been no flooding events this quarter.</p>
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*\*\* 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.*

<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><b>Target:</b> ≤ 4 complaints per 1,000 properties (2,056 connections) <b>Result:</b> 0</p>	<p>There have been no complaints relating to urban stormwater this quarter.</p>
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## FINANCIAL UPDATE

STORM WATER \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(458)	(474)	(474)	(120)	(118)	2	
Subsidies and Grants	0	0	0	0	0	0	
Interest Revenue	0	0	0	0	0	0	
Fees and Charges	(7)	0	0	(3)	0	3	A
Other Revenue incl Gains/Losses	0	0	0	0	0	0	
<b>Total Revenue</b>	<b>(465)</b>	<b>(474)</b>	<b>(474)</b>	<b>(123)</b>	<b>(118)</b>	<b>5</b>	<b>-4%</b>
<b>Operating Expenditure</b>							
Other Expenditure	170	247	300 <sup>12</sup>	33	38	5	
Depreciation	219	219	219	63	55	(8)	B
Finance Costs	7	7	7	2	2	0	
<b>Total Operating Expenditure</b>	<b>396</b>	<b>473</b>	<b>526</b>	<b>98</b>	<b>95</b>	<b>(3)</b>	<b>-3%</b>
<b>Net (Surplus)/Deficit</b>	<b>(69)</b>	<b>(1)</b>	<b>52</b>	<b>(25)</b>	<b>(23)</b>	<b>2</b>	<b>-9%</b>

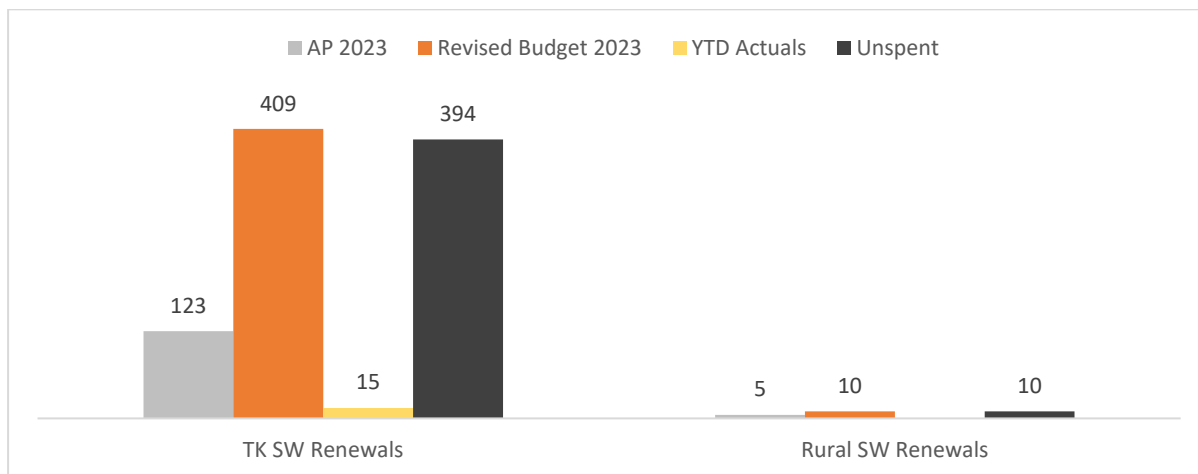
**Variance comments:**

- A Revenue was received for connection fees.
- B Depreciation expense was more than forecast due to the revaluation of stormwater assets at 30 June 2022 resulting in an increase in asset value and a corresponding increase in depreciation.

<sup>12</sup> The revised budget includes a carryover budget of \$50,000 for stormwater catchment plans and a transfer of budget for allocated costs to reflect the current organisational structure.

## CAPITAL EXPENDITURE

**000's**



Total expenditure at 30 September 2022 was \$15,000 against a revised budget of \$419,000. Refer to projects and programme updates section for progress on key capital projects.

Te Kuiti stormwater renewals includes a carryover budget of \$115,000 and an additional budget of \$175,000 for a new stormwater main as part of the Te Kuiti West Catchment Improvement project.

## WASTEWATER

The Wastewater Group provides for the environmentally safe collection, treatment, and disposal of the District's sewage waste in Te Kuiti, Te Waitere, Maniaiti/Benneydale and Piopio.

There are three activities under this Group, namely:

- Maintenance
- Renewals and replacements
- Improvements

### COMMUNITY OUTCOMES



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### PROJECTS AND PROGRAMME UPDATES

#### Te Waitere Soakage Field 🕒

**Project Summary:** This project involves an investigation of the Te Waitere Sewerage soakage field performance to assess work required to renew and extend the soakage field.

**Progress:** Ongoing discussions with land owner who is requiring further details regarding impact of proposed improvements.

**Next steps:** Engagement of consultants to prepare assessment of any impact on the receiving environment.

**End date:** New completion date will be determined once agreement has been finalised with landowner.

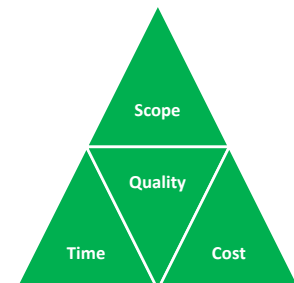
#### Te Kuiti West Catchment Improvements

**Project Summary:** This project is to improve the sewer and stormwater reticulation capacity for increased volumes and future growth.

**Progress:** This project is currently 40% complete.

**Next steps:** Complete the sewer pumpstation and gravity mains.

**End date:** 20 January 2023



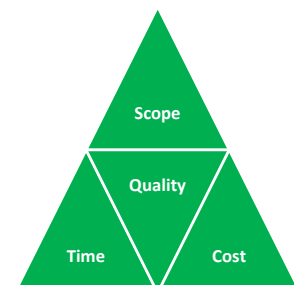
#### Te Kuiti Reticulation Renewals – includes water supply and stormwater

**Project Summary:** This project for the renewals of water, wastewater and stormwater assets for WDC Annual Renewals program to ensure that these assets are of a condition that meets level of service and that replacement of assets where required are done to negate deterioration.

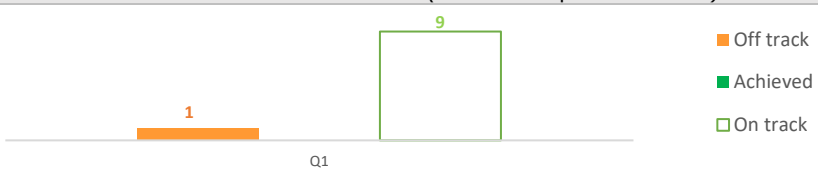
**Progress:** Phase 1 being delivered, phase 2 tender document is currently being finalised and ready for internal review.

**Next steps:** Upload to market mid-to-end November 2022 with aims of awarding contract by January 2023.

**End date:** June 2024



## SERVICE PERFORMANCE MEASURES

	<b>Overall result for GOA</b> <i>(as at 30 September 2022)</i>			
<b>Wastewater</b>				
You can expect	Measure	Q1	Target/ Result	Commentary
We will attend and resolve issues with the wastewater system within a reasonable timeframe.	The median attendance time for call-outs, from the time that we received notification to the time that our service personnel reach the site.	○	<b>Target:</b> ≤180 minutes (3hrs) <b>Result:</b> 1hr 55mins	
	The median resolution time of call-outs, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved.	○	<b>Target:</b> Piopio ≤660 minutes (9hrs) <b>Result:</b> 4hr 52mins.	
	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.	○	<b>Target:</b> Rest of District ≤540 minutes (9hrs) <b>Result:</b> 5hrs 33mins.	
Compliance with the Council's resource consents for discharge from its sewerage system, measured by the number of the following (received by Council in a financial year)	abatement notices	○	<b>Target:</b> 0 <b>Result:</b> 0	
	infringement notices	○	<b>Target:</b> 0 <b>Result:</b> 0	
	enforcement orders	○	<b>Target:</b> 0 <b>Result:</b> 0	
	convictions received	○	<b>Target:</b> 0 <b>Result:</b> 0	
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.	●	<b>Target:</b> Piopio Total complaints per 1,000 connections ≤35 (Total number of connections 210) <b>Result:</b> 38.1	A total of 8 complaints were received for the quarter in Piopio 3 for System faults, 5 for blockages
		○	<b>Target:</b> Rest of District complaints per 1,000 connections ≤35 (Total number of connections 1774) <b>Result:</b> 12.3	For Te Kuiti, Maniaiti/Benneydale and Mokau a total of 22 complaints were received for the quarter
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	○	<b>Target:</b> Total complaints per 1,000 connections ≤10 (Total number of connections 1,984) <b>Result:</b> 0.0	No dry weather overflow complaints were received this quarter

## FINANCIAL UPDATE

WASTEWATER \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(2,183)	(1,982)	(1,982)	(499)	(495)	4	
Subsidies and Grants	(570)	0	0	0	0	0	
Interest Revenue	0	0	0	0	0	0	
Fees and Charges	(821)	(855)	(855)	(220)	(223)	(3)	
Other Revenue incl Gains/Losses	(23)	0	0	0	0	0	
<b>Total Revenue</b>	<b>(3,597)</b>	<b>(2,837)</b>	<b>(2,837)</b>	<b>(719)</b>	<b>(718)</b>	<b>1</b>	<b>0%</b>
<b>Operating Expenditure</b>							
Other Expenditure	2,146	2,075	2,244 <sup>13</sup>	494	525	32	A
Depreciation	913	946	946	248	236	(12)	B
Finance Costs	191	215	215	49	54	5	
<b>Total Operating Expenditure</b>	<b>3,250</b>	<b>3,236</b>	<b>3,405</b>	<b>791</b>	<b>815</b>	<b>25</b>	<b>3%</b>
<b>Net (Surplus)/Deficit</b>	<b>(347)</b>	<b>399</b>	<b>568</b>	<b>72</b>	<b>97</b>	<b>26</b>	<b>27%</b>

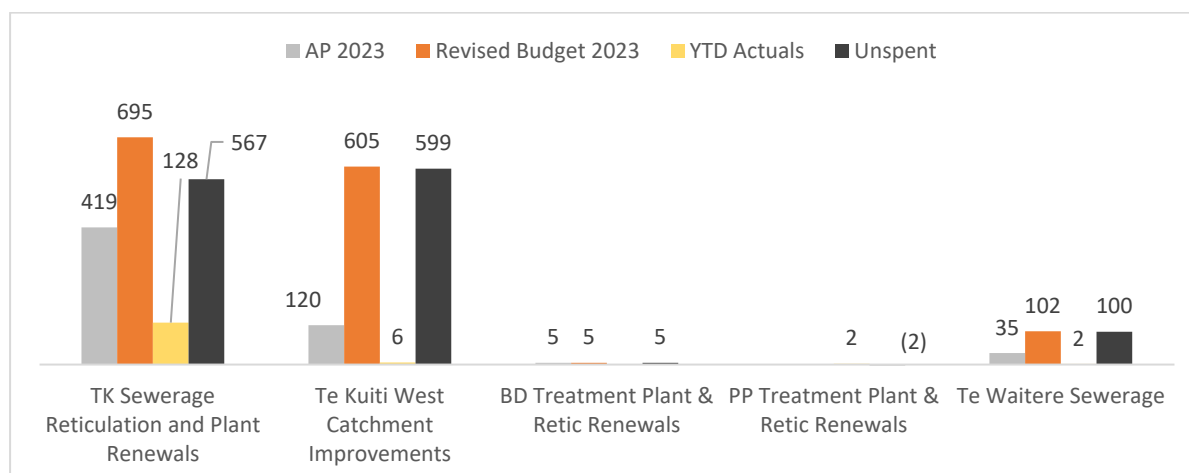
**Variance comments:**

- A Other expenditure was less for reticulation maintenance costs and reduced allocated costs. The decrease is partly offset by increased electricity costs for Te Kuiti and consultant fees.
- B Depreciation expense was more than forecast due to the revaluation of wastewater assets at 30 June 2022 resulting in an increase in asset value and a corresponding increase in depreciation.

<sup>13</sup> The revised budget includes carryover budget of \$18,000 for wastewater consent compliance and additional budget of \$65,000 approved to fund increased costs associated with the reticulation maintenance contract and a transfer of budget for allocated costs to reflect the current organisational structure.

## CAPITAL EXPENDITURE

000's



Total expenditure at 30 September 2022 was \$138,000 against a revised budget of \$1,407,000. Refer to projects and programme updates section for progress on key capital projects.

Reticulation and plant renewals includes carryover budgets of \$275,000 for reticulation renewals in Te Kuiti.

The revised budget for Te Kuiti West catchment improvements includes additional budget approved of \$485,000 for a new sewer main and rising main, Hillview pump station purchase and SCADA improvements.

Te Waitere sewerage includes a carryover budget of \$66,700 for the renewal and extension of the soakage field.



## WATER SUPPLY

The Water Supply activity provides for the environmentally safe collection, treatment, and reticulation of Council's public water supplies. Water supply schemes are provided by Council at Te Kuiti, Maniaiti / Benneydale, Piopio and Mokau.

There are three aspects of operations under this group:

- Maintenance
- Renewals and replacements
- Improvements

## COMMUNITY OUTCOMES



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## PROJECTS AND PROGRAMME UPDATES

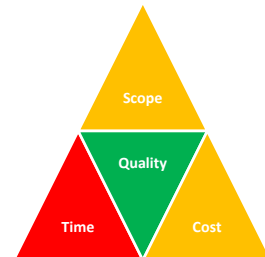
### Mokau Treatment Plant Upgrade

**Project Summary:** This project is to replace the treatment plant sand filters and UV systems and installation of purpose-built coagulation and settling stage.

**Progress:** Commissioning is continuing with optimising chemical Coagulation/Flocculation/Clarification. Automation of controls for new treatment system is about to be completed. Is on track to be fully commissioned early in December 2022.

**Next steps:** Produce Operations and Maintenance Manual (O&M), including SoP and relevant protocols to effectively operate and maintain the plant to produce good water quality.

**End date:** March 2023



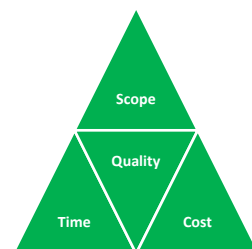
### Te Kuiti Water Supply Resilience

**Project Summary:** This project is to further improve the drinking water resilience in Te Kuiti. The proposed construction of a large volume drinking water reservoir, together with providing a dedicated rising main from the WTP and improving the water distribution into town.

**Progress:** Working through land ownership with neighbours and seeking legal advice.

**Next steps:** Draft a request for interest to engage a suitable consultant that will be involved with the turnkey project.

**End date:** 30 June 2024



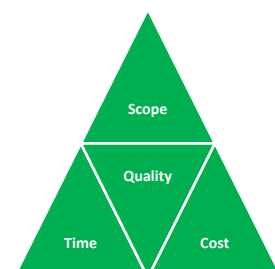
### Water Supply Safety Plans and Source Water Risk Management Plans

**Project Summary:** This project is to provide Taumata Arowai (New Water Regulator) for both plans for all four water suppliers. This is to comply with the Water Safety Act 2021.

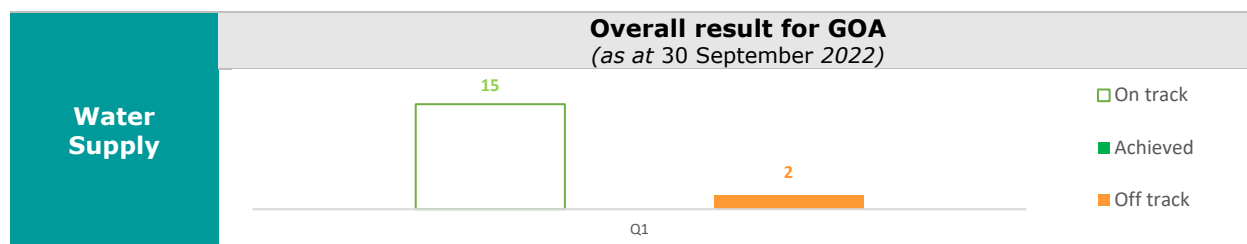
**Progress:** We have engaged Lutra to provide the Water Safety and Risk Management plans for each scheme. We have received plans for Maniaiti/Benneydale and Te Kuiti and which we are reviewing.

**Next steps:** Responding back to Lutra with more information from Waters services team to enable completion of the plans. Draft plans must be provided to Taumata Arowai by 15 November 2022.

**End date:** 15 November 2022



## SERVICE PERFORMANCE MEASURES



You can expect	Measure	Q1	Target/Result	Commentary
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*The New Zealand Drinking Water Standards are monitored by Taumata Arowai as a national standard for public safety.*

<p>We provide water that is safe to drink and hygienic to use which meets the drinking water standards.</p>	<p>Water quality complies with the drinking water standards for (a) bacteria</p>		<p><b>Target:</b> Achieve Compliance <b>Result:</b> On track</p>	<p>WDC Water Treatment Plants and Zones (reticulation) have had no bacterial transgressions during Q1.</p>
	<p>Water quality complies with the drinking water standards for (b) protozoa</p>		<p><b>Target:</b> 100% <b>Result:</b> Off track</p>	<p>High turbidity non-compliance and data loss of &gt;1min (technical non-compliance).</p>

<p>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.</p>	<p><i>Percentage of real water loss from the Council's networked reticulation system in a financial year in:</i></p> <p><i>('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).</i></p>			
	Te Kuiti		<p><b>Target:</b> ≤ 20% <b>Result:</b> 13.1%</p>	
	Mokau		<p><b>Target:</b> ≤ 5% <b>Result:</b> 1.1%</p>	
	Piopio		<p><b>Target:</b> ≤ 5% <b>Result:</b> 0.67%</p>	
	Maniaiti / Benneydale		<p><b>Target:</b> ≤ 10% <b>Result:</b> 8.64%</p>	

*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.*

<p>We will respond within a reasonable timeframe to issues with the water supply.</p>	<p>The median attendance time for urgent call-outs, from the time that we received notification to the time that our service personnel reach the site. *</p>		<p><b>Target:</b> ≤ 180 minutes (3hrs.) <b>Result:</b> 1hr 26mins</p>	
	<p>The median resolution time of urgent call-outs, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved. **</p>		<p><b>Target:</b> ≤ 540 minutes (9hrs.) <b>Result:</b> 7hrs 26mins.</p>	
	<p>The median attendance time, in working days, for non-urgent call-outs, from the time that we received notification to the time that</p>		<p><b>Target</b> ≤ 660 minutes (11 hrs.) <b>Result:</b> 11hrs 26mins</p>	<p>Two requests had response times of more than 1 week.</p>

You can expect	Measure	Q1	Target/Result	Commentary
	our service personnel reach the site. *			
	The median resolution time, in working days, of non-urgent call-outs, from the time we received notification to the time that our service personnel confirm the fault or interruption has been resolved**.	○	<b>Target:</b> ≤ 96 hours (4 days) <b>Result:</b> 24hrs 55mins.	
	The total number of complaints received by Council in a year for: <i>(Total number of connections (2640))</i>			
	Drinking water clarity	○	<b>Target:</b> ≤ 20 per 1000 connections <b>Result:</b> 0	No Complaints received in this period
	Drinking water taste	○	<b>Target:</b> ≤ 5 per 1000 connections <b>Result:</b> 0	No Complaints received in this period
We provide water that is wholesome and is reliably supplied. The measure indicates customers and community satisfaction with the quality of the water.	Drinking water odour	○	<b>Target:</b> ≤ 5 per 1000 connections <b>Result:</b> 0.38	No Complaints received in this period
	Drinking water pressure flow	○	<b>Target:</b> ≤ 20 per 1000 connections <b>Result:</b> 0	No Complaints received in this period
	Continuity of supply	○	<b>Target:</b> ≤20 per 1000 connections <b>Result:</b> 0.75	
	Council's response to any of these issues.	○	<b>Target:</b> New measure ≤20 per 1000 connections <b>Result:</b> 0	No Complaints received in this period
We provide efficient management of demand for water for our community.	The average consumption of drinking water per Waitomo District resident, per day.	○	<b>Target:</b> ≤ 400 liters per person per day <b>Result:</b> 371 liters /day	
* measured from the time that the local authority received notification to the time that service personnel reach the site.				
** measured from the time that the local authority received notification to the time that service personnel confirm resolution of the fault or interruption.				

## FINANCIAL UPDATE

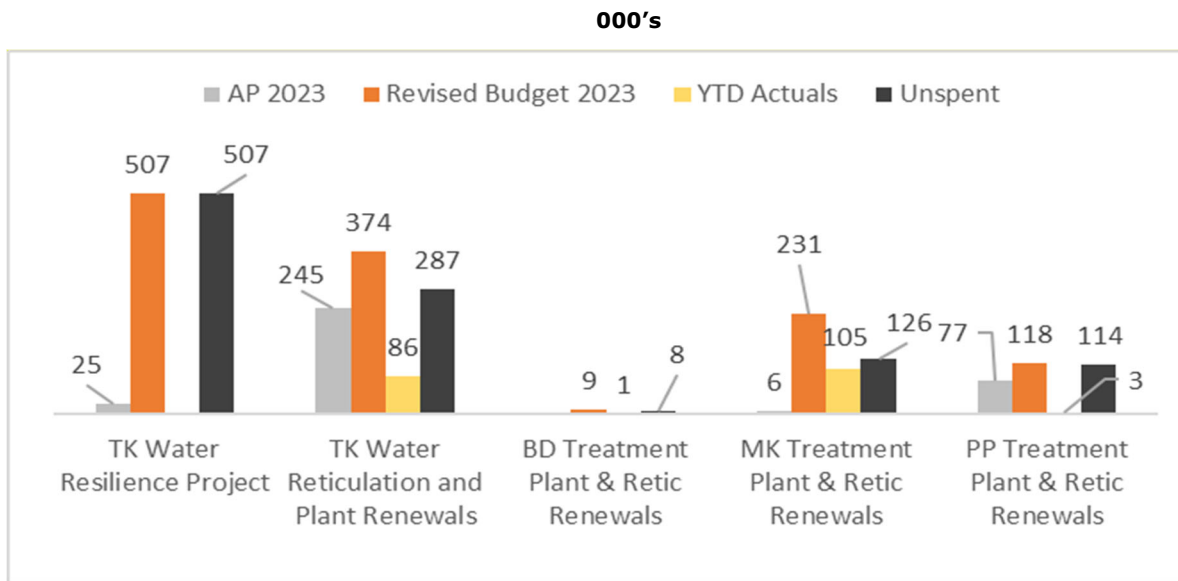
WATER SUPPLY \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(2,642)	(2,969)	(2,969)	(661)	(736)	(75)	A
Subsidies and Grants	(2,579)	0	0	0	0	0	
Interest Revenue	0	0	0	0	0	0	
Fees and Charges	(26)	(3)	(3)	0	(1)	(1)	
Other Revenue incl Gains/Losses	0	0	0	0	0	0	
<b>Total Revenue</b>	<b>(5,247)</b>	<b>(2,972)</b>	<b>(2,972)</b>	<b>(661)</b>	<b>(737)</b>	<b>(76)</b>	<b>10%</b>
<b>Operating Expenditure</b>							
Other Expenditure	2,454	2,102	2,263 <sup>14</sup>	500	564	64	B
Depreciation	759	891	891	213	223	10	C
Finance Costs	238	275	275	63	69	6	
<b>Total Operating Expenditure</b>	<b>3,451</b>	<b>3,268</b>	<b>3,429</b>	<b>776</b>	<b>856</b>	<b>80</b>	<b>9%</b>
<b>Net (Surplus)/Deficit</b>	<b>(1,796)</b>	<b>296</b>	<b>457</b>	<b>115</b>	<b>119</b>	<b>4</b>	<b>3%</b>

**Variance comments:**

- A Rates revenue was less than budget for Te Kuiti metered water charges.
- B Other expenditure was less than forecast for water sampling, WSU treatment plant operations, electricity, chemicals and reticulation maintenance costs.
- C Depreciation is currently tracking less than revised budget by \$10,000. The reduced amount is mainly due to a significant portion of the capital expenditure for Water Supply in 2021/22 and prior years being held in Work in Progress which is not depreciated. The asset valuation at 30 June 2022 resulted in a valuation increase and a resulting increase in depreciation for 2022/23, however this increase is offset by the value of assets capitalised (and subsequently depreciated) being less than budget.

<sup>14</sup> The revised budget includes additional budget approved for \$65,000 to fund increased costs associated with the reticulation maintenance contract and a transfer of budget for allocated costs to reflect the current organisational structure.

## CAPITAL EXPENDITURE



Total expenditure at 30 September 2022 was \$195,000 against the revised budget of \$1,239,000. Refer to projects and programme updates section for progress on key capital projects.

The revised budget for Te Kuiti Water resilience project includes an additional approved budget of \$300,000 and carryover budgets of \$182,000 for the alternative water supply investigation and reservoir condition assessments.

The revised budget for Te Kuiti plant and reticulation renewals includes \$129,000 of carryover budgets.

The revised budget for Mokau includes carryover budgets of \$16,000 for the backwash resource consent renewal and the additional \$209,000 approved budget that was required to complete the Mokau plant upgrade project. Expenditure of \$105,000 to date is mostly related to the Mokau plant upgrade.

The revised budget for Piopio includes the carryover budgets of \$41,000 for plant and reticulation renewals and the renewal of the Piopio resource consent.

## ROADS AND FOOTPATHS

The Roads and Footpaths activity aims to provide a safe and reliable transport infrastructure network to facilitate the movement of people and goods, which includes the provision of roads (excluding state highways), footpaths, bridges, traffic services, streetlights, carparks, and traffic safety programmes.

- **Road Network:** WDC manages and maintains a network of 459km of sealed roads and 547km of unsealed roads. This includes identifying the need for and undertaking maintenance and renewals of the road network, footpaths, and ancillary systems such as streetlights, signs, and road markings.
- **Subsidised roading:** New Zealand Transport Agency (Waka Kotahi - NZTA), provides a subsidy for works that meet their criteria via Waikato Regional Council's Land Transport Programme.
- **Unsubsidised roading:** These activities are carried out to ensure safe and efficient travel within and through the District as necessary for road or pedestrian safety and convenience but are not subsidised by NZTA.

## COMMUNITY OUTCOMES



A prosperous district



A district for people



A district that cares for its environment



A district that works with you

## PROJECTS AND PROGRAMME UPDATES

### Road and Footpath Maintenance



**Programme Summary:** The Waitomo District Council network comprises of 1007km of local roads of various classification. Within the 1007km, 459km is sealed and the remaining 547km is unsealed.

**Progress:** On the 11th and 12th of February 2022, the Waitomo District Council roading network was struck by Cyclone Dovi. The cyclone left an aggressive path of destruction around the network, resulting in many roads being damaged, significant flooding and trees being blown over. Progress on the repairs are covered in a separate report.

The effects from the cyclone have resulted in the zonal maintenance falling behind schedule as all efforts were placed on restoring the network to the desired levels of service. Concerted efforts have been placed on catching up with the programming and as at the end of Q4, most programmes are back on schedule.

**Next steps:** Category A sites are being priced for repairs. The maintenance contractor is working towards getting back on their zonal schedule now that the slip clearing is not as frequent. Some of the Dovi sites are being designed for permanent repair. View Terrace has gone out to tender with the tender will be closed in October 2022.

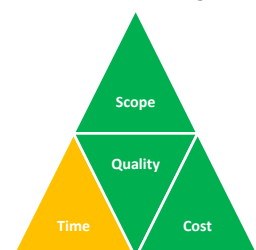
### Sealed Road Pavement Rehabilitation

**Programme Summary:** Sealed Road pavement rehabilitation involves rehabilitating and renewing the asset with the correct treatment at the optimum time so that the required level of service is maintained whilst minimising total life cycle costs. Road pavements which have reached the end of their lives require major rehabilitation - that is strengthening the pavement structure prior to resurfacing. Rehabilitation involves removing the existing chip seal and constructing an additional layer of road metal on top of the existing pavement reconstruction.

**Progress:** There were three sites identified for pavement rehabilitation this season. Due to site complexities and a late start to testing and investigations, only one site will be completed this financial season - Waimiha Road.

**Next steps:** Seddon and Lawrence Street Rehabilitations are going out to tender. Once the tenders have been received, evaluations will take place and the successful tenderer will programme the work in towards the end of the year.

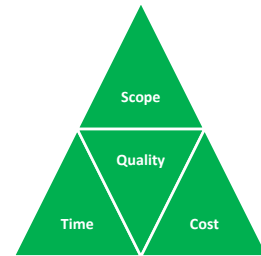
**End date:** 30 June 2023



## Footpath Renewals

**Programme Summary:** Footpath renewals is a program of work comprising of new footpaths that are constructed where there is a gap in the network and footpath improvements which involves widening existing footpaths (typically < 1m wide) to meet the 1.5m width standard. Footpath renewals are prioritised based on proximity to community infrastructure such as schools, medical centres, access to amenities, pedestrian counts, and streets where there are no footpaths.

**Progress:** Footpaths and Associated Works 2021/22 is under construction and planned to be completed by August 2022. Generally, the programme of works is based around Te Kuiti and stake holders have been consulted and informed once the contract works are planned to be undertaken within their area. At the request of the Contractor the remaining sites were put on hold over winter.



Footpath Site	Notes	Q1 % Complete	Q2 % Complete	Q3 % Complete	YE % Complete
Te Kuiti	Under construction	80%			

**Next steps:** The remainder of the sites are to be constructed through November into December.

**End date:** 30 June 2023

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## Minor Improvements Local Roads

**Programme:** This programme of works includes projects that are considered to be low cost, low risk (LCLR) capital works. A number of projects are considered to fall within this category.

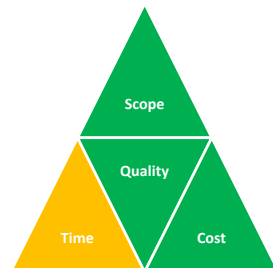
Improvements can be made to any of the roading assets (drainage, footpaths etc.) and are not restricted to only the carriageway.

### Taharoa Road Drainage (LCLR)

**Project Summary:** Several projects under LCLR are either in the investigation/design phase or construction phase.

Oparure Road has been scoped for an array of drainage improvement and culvert relining. This works is currently being priced by the Maintenance Contract and a specialist culvert relining company.

Taharoa flooding section is currently undergoing investigation and design in the attempt to determine if delivery of a long-term solution is viable.

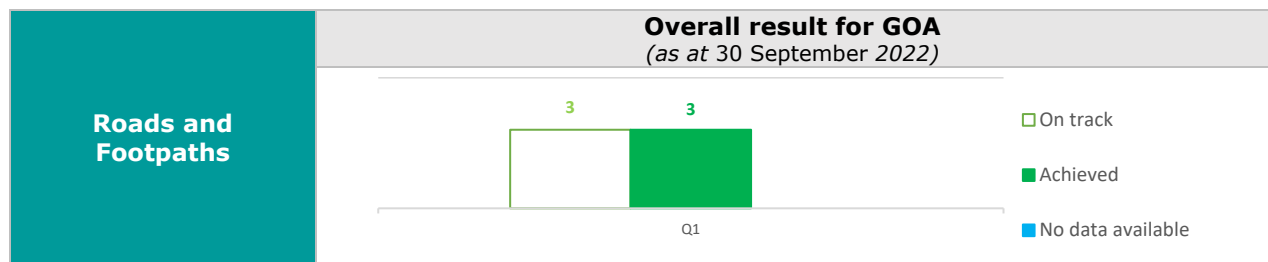


**Next steps:** Te Waitere has gone out to tender in September and will be closed in October. Once the tender has closed and the contract has been awarded, the works will be programmed in, likely to occur in the new year.

**End date:** 30 June 2023

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## SERVICE PERFORMANCE MEASURES



You can expect	Measure	Q1	Target/Result	Commentary
<p>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</p>	<p>The change from the previous financial year in the number of fatalities and serious injury crashes on Waitomo District's local road network.</p>	○	<p><b>Target:</b> 1 (or maintain at 0)</p> <p><b>Result:</b> Serious Injury crashes YTD: 0 Fatal crashes YTD: 0</p> <p>Change in serious injury: 0 Change in fatality: 0</p>	<p>During Q1 there has been 0 fatality and 0 serious injury crashes on the local road network.</p>
<p>We aim for a smooth road that provides comfort for road users and improves the safety of the roads.</p> <p><i>* NAASRA is a generally acceptable measure of road roughness. A NAASRA count of less than 150 indicates an acceptable level of ride comfort.</i></p>	<p>The average smooth travel exposure rating across the sealed road network.</p> <p><i>(Percentage of measured sealed road lane kilometres not exceeding a NAASRA* roughness count rating of 150 to be at least 90%.)</i></p>	●	<p><b>Target:</b> 90% (of total network)</p> <p><b>Result:</b> 90.0%</p>	<p>Achieved at 90% below 150 NAASRA count.</p>
<p>We will maintain the overall condition of the unsealed roads to a specified adequate standard.</p>	<p>Percentage of unsealed road metaled each year.</p>	○	<p><b>Target:</b> 10% (of total network)</p> <p><b>Result:</b> 3.6%</p>	<p>As of the end of Q1 3.6% of the network has received maintenance aggregates for structural improvements.</p>
<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><b>Target:</b> 7% (of total network)</p> <p><b>Result:</b> 0%</p>	<p>Resurfacing is scheduled during October to March. Expected length of resurfacing is 34.1km or 7.4% of network</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.</p>	●	<p><b>Target:</b> 90%</p> <p><b>Result:</b> 94%</p>	<p>Condition rating of footpaths is undertaken every 3 years, the assessment was completed in June 2022.</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 foot paths responded to within 10 working days.</p>	●	<p><b>Target:</b> 80%</p> <p><b>Result:</b> 97%</p>	<p>228 service requests were received during the quarter.</p> <p>221 were responded to within the 10-day period.</p> <p>7 were not responded to within the 10-day period.</p>



## FINANCIAL UPDATE

ROADS AND FOOTPATHS \$000's	Actual 2021/22	Annual Plan	Revised Budget	YTD Actual	YTD Revised Budget	Var to YTD Revised Budget	%Var and Note Ref
<b>Revenue</b>							
Rates	(4,349)	(4,474)	(4,474)	(1,119)	(1,118)	0	
Subsidies and Grants	(8,688)	(18,080)	(19,578) <sup>15</sup>	(2,065)	(4,894)	(2,829)	A
Interest Revenue	0	0	0	0	0	0	
Fees and Charges	(154)	(135)	(135)	(17)	(21)	(4)	
Other Revenue incl Gains/Losses	(133)	(145)	(145)	(29)	(36)	(7)	
<b>Total Revenue</b>	<b>(13,324)</b>	<b>(22,834)</b>	<b>(24,332)</b>	<b>(3,230)</b>	<b>(6,069)</b>	<b>(2,841)</b>	<b>47%</b>
<b>Operating Expenditure</b>							
Other Expenditure	7,843	7,530	8,039 <sup>16</sup>	2,370	2,292	(78)	B
Depreciation	3,479	3,560	3,560	1,141	890	(251)	C
Finance Costs	302	347	346	79	87	8	
<b>Total Operating Expenditure</b>	<b>11,624</b>	<b>11,437</b>	<b>11,945</b>	<b>3,590</b>	<b>3,269</b>	<b>(321)</b>	<b>-10%</b>
<b>Net (Surplus)/Deficit</b>	<b>(1,700)</b>	<b>(11,397)</b>	<b>(12,387)</b>	<b>360</b>	<b>(2,800)</b>	<b>(3,162)</b>	<b>113%</b>

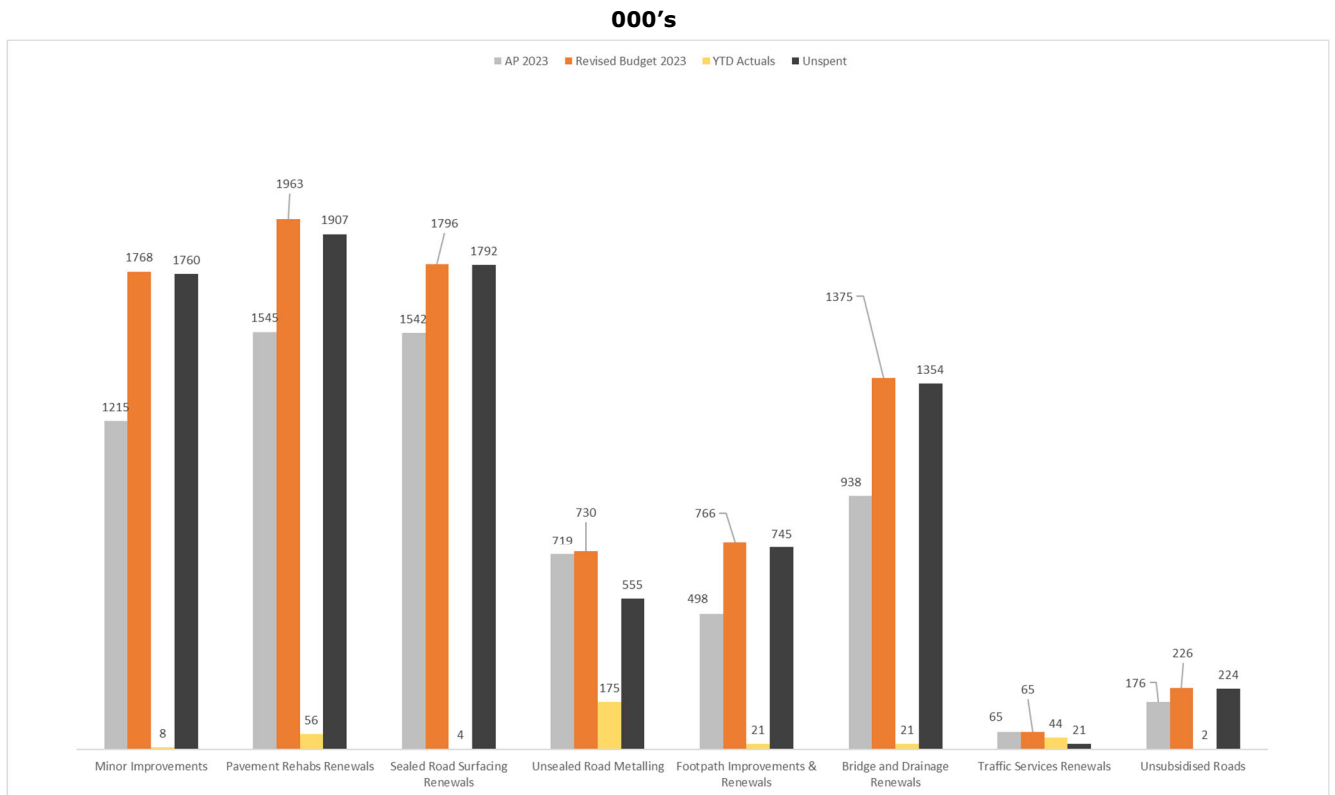
### Variance comments:

- A Subsidy revenue is based on both maintenance and capital expenditure and for most work categories the subsidy rate is 75%. As capital expenditure was less than budget, the subsidy associated was also less than budget.
- B Other expenditure is more than forecast for emergency re-instatement first response expenditure and network and asset management and professional fees.
- C Depreciation for roading assets has increased due a significant increase in asset values at 30 June 2022. The road components most affected were sealed surface, pavement base and bridges and major culverts. The valuation increase was due to a significant increase in construction costs of road components and is the key basis for the valuation. Not all the depreciation will be fully funded from rates and other revenues, due to Council's adopted policy to "fund depreciation to the extent of internal loans repayments and Council's share (the local share) of renewal capital expenditure.

<sup>15</sup> The revised budget includes additional subsidy revenue due to the increased roading programme from carryover budgets.

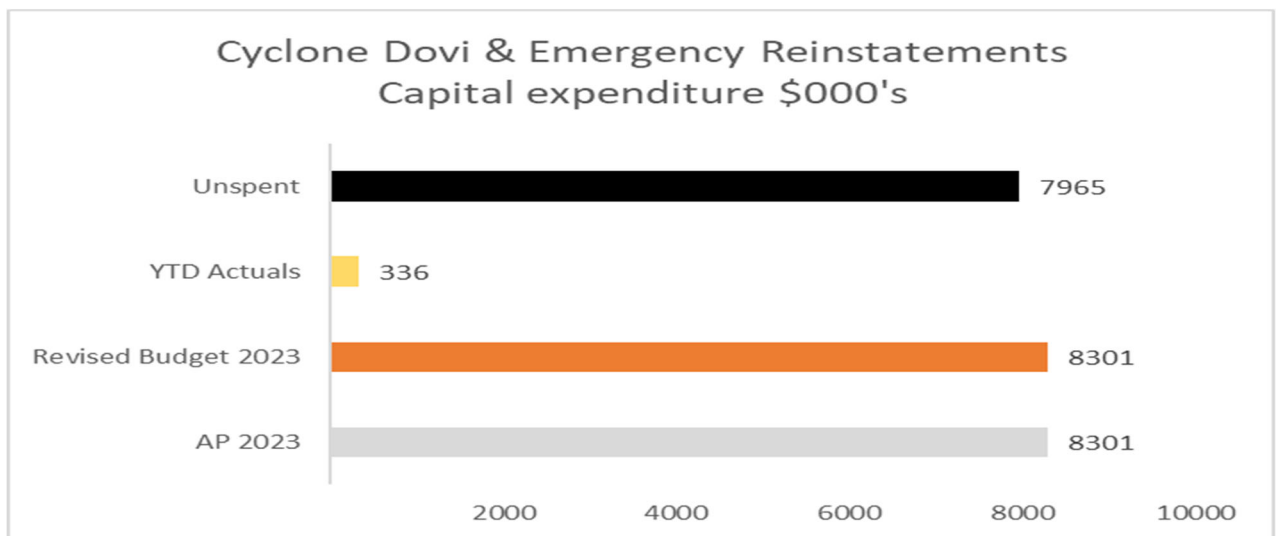
<sup>16</sup> The revised budget includes \$55,000 of carryover budget for routine drainage maintenance; an additional budget of \$350,000 for truck parking on SH3 Mokau and \$70,000 for Ailsa St extension expenditure which is recognised as an operational expense; and a transfer of budget for allocated costs to reflect the current organisational structure.

**CAPITAL EXPENDITURE**



Total expenditure at 30 September 2022 was \$667,000 against a revised budget (including carryovers) of \$16.99 million. Refer to projects and programme updates section for progress on key capital projects.

The revised budgets include carryover budgets of \$1.941 million for minor improvements, footpath renewals, pavement rehabilitation renewals and structural bridge and component renewals and \$50,000 of additional budget for the road improvements for Mokau toilet.



CONFIDENTIAL

TREASURY REPORT

FOR



FOR THE QUARTER ENDED 30 SEPTEMBER 2022



**BANCORP**

BANCORP TREASURY SERVICES LIMITED

AUCKLAND • WELLINGTON • CHRISTCHURCH

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## 1. MARKET ENVIRONMENT

### 1.1 GLOBAL MARKETS OVERVIEW (FOR THE SEPTEMBER 2022 QUARTER)

The global fight against inflation was the key factor over the September quarter, with interest rate increases prevalent across the OECD. The August meeting of the world's central bankers in Jackson Hole, Wyoming, provided the perfect opportunity for policymakers to publicly state their inflation-fighting credentials. US Federal Reserve ("Fed") Chair, Jerome Powell, in his keynote speech, stated that the Fed would *"use our tools forcefully"* to attack inflation and that higher interest rates would persist *"for some time"*. He also warned that further tightening would cause pain for many households and businesses, *"but a failure to restore price stability would mean far greater pain"*, concluding that *"we must keep at it until the job is done."*

Following on from the Jackson Hole meeting, risk appetite evaporated following the US inflation release, which exceeded expectations at 8.3%. Energy costs surged 23.8% on the year while food prices increased 11.4%. However, the real shock was the fact that core inflation rose to 6.3%, from July's 5.9%, highlighting the risk that inflation could become embedded in the US economy and, by default, the global economy. This was then followed by the September FOMC meeting where the Fed raised the Fed Funds rate by 75bps for the third consecutive time into a 3.0%-3.25% range, with the forecasts suggesting the midpoint will eventually top out in a 4.4%-4.9% range in 2023, up on June's 3.6%- 4.1% range.

Market reacted quickly, with equity markets hit particularly hard, while the 10-year US treasury spiked from its early August low near 2.50% to a decade high of 3.93%, before finishing the quarter at 3.71%. Jerome Powell was explicit stating, *"in light of the high inflation we're seeing, we think that we'll need to bring our fund's rate to a restrictive level, and to keep it there for some time. We believe that we need to raise our policy stance overall to a level that is restrictive, putting meaningful downward pressure on inflation."* With a soft landing, or even a moderate recession unlikely, investors are battenning down the hatches in preparation for a prolonged recession, with global equity markets remaining under pressure. Meanwhile, commodity markets are under pressure as traders start to price in the possibility of a global recession.

In England there was a severe market backlash against the UK mini-budget and its fiscal policies, part of which saw significant unfunded tax cuts for the wealthy. The pound fell to record lows against the US dollar and while the Bank of England has been forced to intervene in their bond markets, significant interest rate increases are expected in the short term.

The Reserve Bank of Australia ("RBA") increased the cash rate in September by 0.50% to 2.35%, as expected, with financial markets pricing in a another 50bps at its October meeting after the Board gave itself some 'wiggle room' to adjust the pace of tightening cycle after the Governor stated it's *"not on a pre-set path,"* which contributed to further AUD weakness.



## 1.2 NEW ZEALAND MARKET OVERVIEW (FOR THE SEPTEMBER 2022 QUARTER)

	OCR	90 day	2 years	3 years	5 years	7 years	10 years
30 Jun 2022	2.00%	2.83%	4.06%	4.08%	4.04%	4.07%	4.11%
30 Sep 2022	3.00%	3.85%	4.74%	4.67%	4.55%	4.51%	4.50%
Change	+1.00%	+1.02%	+0.68%	+0.59%	+0.51%	+0.44%	+0.39%

At its August meeting, the Reserve Bank of New Zealand (“RBNZ”) increased the Official Cash Rate (“OCR”) by 0.50%, to 3.00%, and indicated further hikes will be required. The RBNZ Governor, Adrian Orr, also noted in an interview at Jackson Hole that, “we think there will be at least another two rate hikes (although) our core view is we won’t see a technical recession.” But while the New Zealand economic data remains weak and the consumer and business confidence remaining at recessionary levels, there was some positivity after the Q2 GDP print was at the top of market expectations at 1.7%, although the data didn’t impact markets given the ‘backwards-looking’ nature of the release.

After falling sharply from 4.50% back towards 3.50% by early August, swap rates moved sharply higher over the remainder of the quarter finishing in the mid to high 4.00’s as local markets took their cue from US moves. The domestic curve remains inverted with the 2-year and 10-year swap spread at minus 0.24%, this inversion in the past having been a precursor to a recession. The volatility in swap rates over the past few months has been extremely high, this showcased the challenging times that both central banks and the markets are having, dealing with the after-effects of the massive amount of stimulus pumped into the financial system to counteract the economic impact of COVID-19.

A key focus/headwind for the RBNZ is the sharply weaker NZD over the September quarter (which is approaching levels like that seen during the GFC), which will likely see imports cost more and lead to further inflationary pressures. While a very strong USD is the main factor behind this weakness the NZD also came under renewed selling pressure after the RBNZ Governor, Adrian Orr, stated “we still have some work to do but the good news is because we’ve done so much already, the tightening cycle is very mature, it’s well advanced.” The next *Monetary Policy Review* is on 5 October where a 50bps point increase is universally expected. There is also a heightened level of anticipation as to whether the Governor will make any comment on the level of the NZ dollar considering its very sharp fall. Some commentators are even suggesting that conditions are ripe for some form of intervention in the local currency, something not seen for a long time.

Beyond October markets are pricing in another 50bps increase in the OCR in November but after that, expectations as to the size of the tightening’s decrease with a further 75 bps hikes projected by July 2023 and the OCR peaking around 4.75%. However, by the time the RBNZ meets in late November the all-important inflation data for the September quarter will have been released, which will have an impact on the direction of monetary policy.



## 1.3 LOCAL AUTHORITY SECTOR

Listed in the table below are the credit spreads and interest rates as at 30 September 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%	4.03%	N/A
6-month CP	0.20%	4.42%	N/A
April 2024	0.60%	4.43%	5.34%
April 2025	0.64%	4.47%	5.41%
April 2026	0.72%	4.55%	5.46%
April 2027	0.76%	4.59%	5.43%
April 2028	0.80%	4.63%	5.46%
April 2029	0.86%	4.69%	5.50%
May 2031	0.89%	4.72%	5.54%
April 2033	0.98%	4.81%	5.63%
May 2035	1.08%	4.91%	5.77%
April 2037	1.11%	4.94%	5.89%

Margins for LGFA debt increased during the September quarter, reversing the June quarter’s contraction in margins. This is consistent with the trend of credit spreads increasing in the wider capital markets and banking sector. The outright yields for LGFA debt continued to increase sharply over the three-month period due to the increase in underlying rates, as the RBNZ’s tightening cycle gathered momentum and in parallel with higher US/global rates.

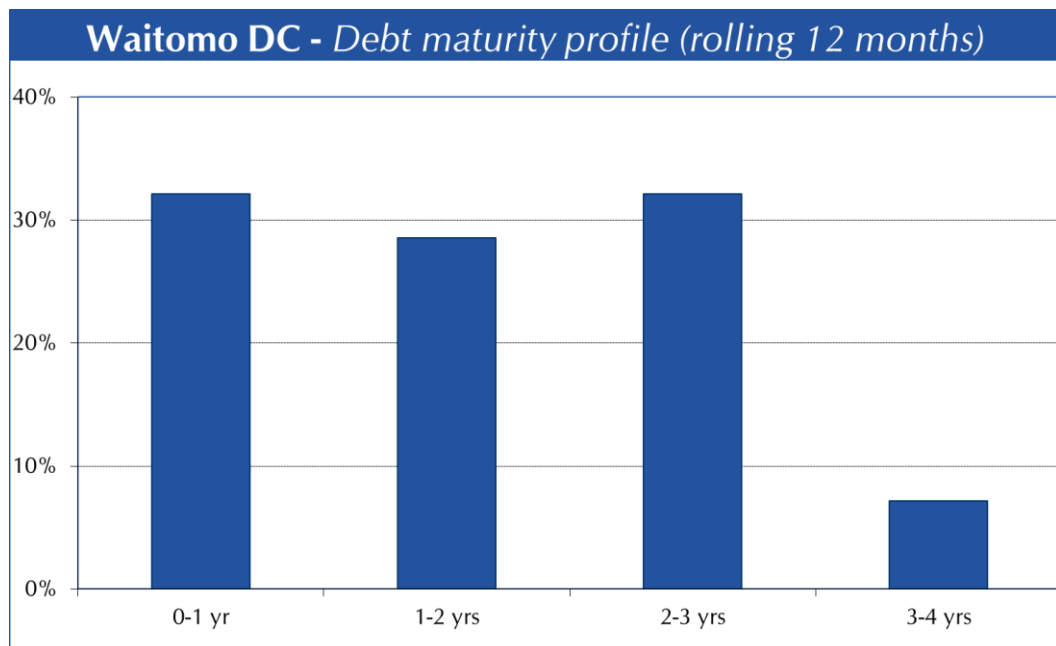
## 2. DEBT AND HEDGING

### 2.1 DEBT

As at 30 September 2022, WDC had \$28.0 million of external core debt, unchanged from the end of June. All of WDC’s debt was sourced from the LGFA through a combination of CP, FRNs and an FRB. WDC also has a Westpac Bank Multi Option Credit Line Facility for \$10.0 million that matures on 1 July 2023, which has an annual line fee of 0.40% and a margin of 0.95%. As at 30 September, there was \$1.3 million drawn from the Westpac facility. A breakdown of the funding profile (excluding the Westpac debt) is contained in the table below.

Instrument	Maturity Date	Margin	Rate	Amount
LGFA CP	07-Nov-22	20 bps	2.90%	\$4,000,000
LGFA FRN	24-Apr-23	64 bps	3.77%	\$5,000,000
LGFA FRN	18-Apr-24	65.5 bps	3.76%	\$3,000,000
LGFA FRN	11-Sep-24	69 bps	4.27%	\$5,000,000
LGFA FRB	19-Apr-25	71 bps	3.68%	\$1,000,000
LGFA FRN	22-Apr-25	49 bps	3.63%	\$5,000,000
<b>LGFA FRN</b>	<b>30-Aug-25</b>	<b>57 bps</b>	<b>4.035%</b>	<b>\$3,000,000</b>
<b>LGFA FRN</b>	<b>30-Aug-26</b>	<b>66 bps</b>	<b>4.125%</b>	<b>\$2,000,000</b>
		<b>TOTAL</b>		<b>\$28,000,000</b>

The maturity profile of WDC’s core debt as at 30 September based on a rolling 12-month basis is depicted in the following chart.



Section 7.2 of WDC’s Liability Management Policy (“LMP”) states that “to avoid a concentration of debt maturity dates Council will, where practicable, aim to have no more than 33% of debt subject to refinancing in any 12-month period.” As at 30 September, WDC was complying with this guideline.



## 2.2 HEDGING

As at 30 September, WDC had four interest rate swaps (“swaps”) which convert a portion of the floating interest rate exposures into fixed interest rate exposures. Details of the swaps are contained in the table below:

Start Date	Maturity Date	Rate	Amount	Market Value
18-Apr-2017	18-Apr-2023	3.950%	3,000,000	(\$1,230)
24-Jan-2017	24-Jan-2024	3.840%	5,000,000	\$45,005
20-Apr-2020	20-Apr-2025	3.930%	5,000,000	\$70,339
11-Sep-2020	11-Sep-2026	2.890%	5,000,000	\$290,916
<b>Total current swap hedging</b>			<b>18,000,000</b>	<b>\$405,029</b>

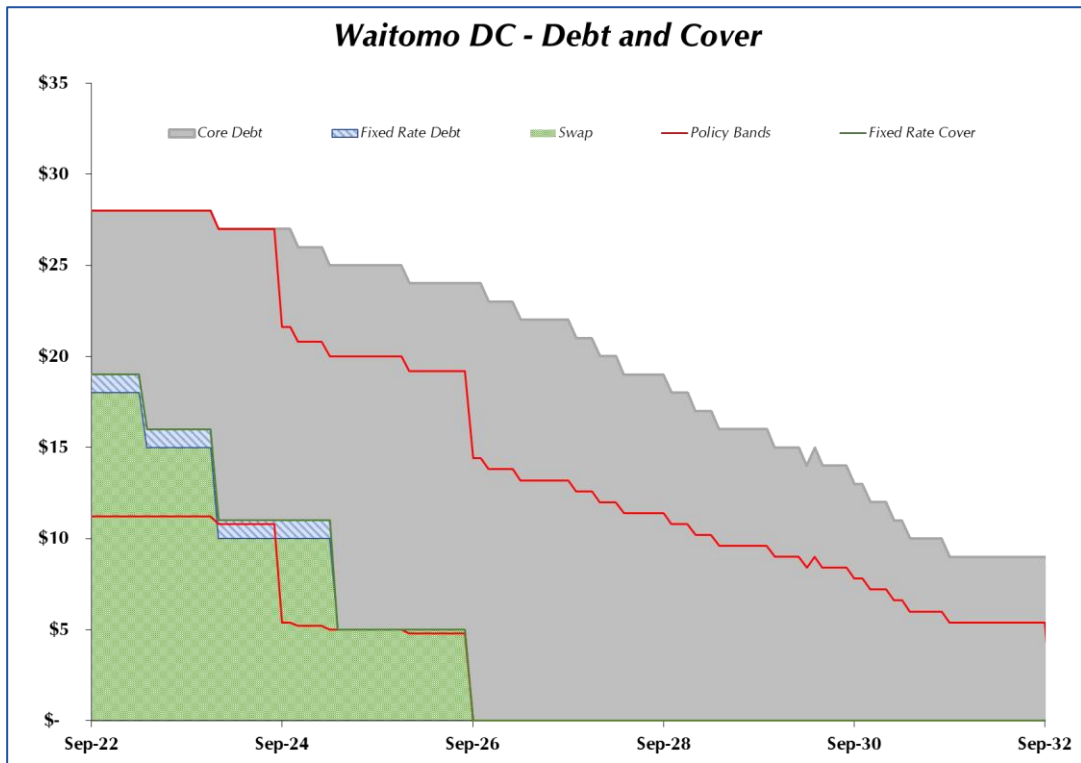
The ‘marked to market’ valuation on the swap portfolio once again improved since the last report, from a profit of \$166,836 at the end of June, to a profit of \$405,029 at the end of September. This improvement was due to the significant increase in interest rates that occurred during the September quarter.

## 2.3 DEBT AND HEDGING PROFILE

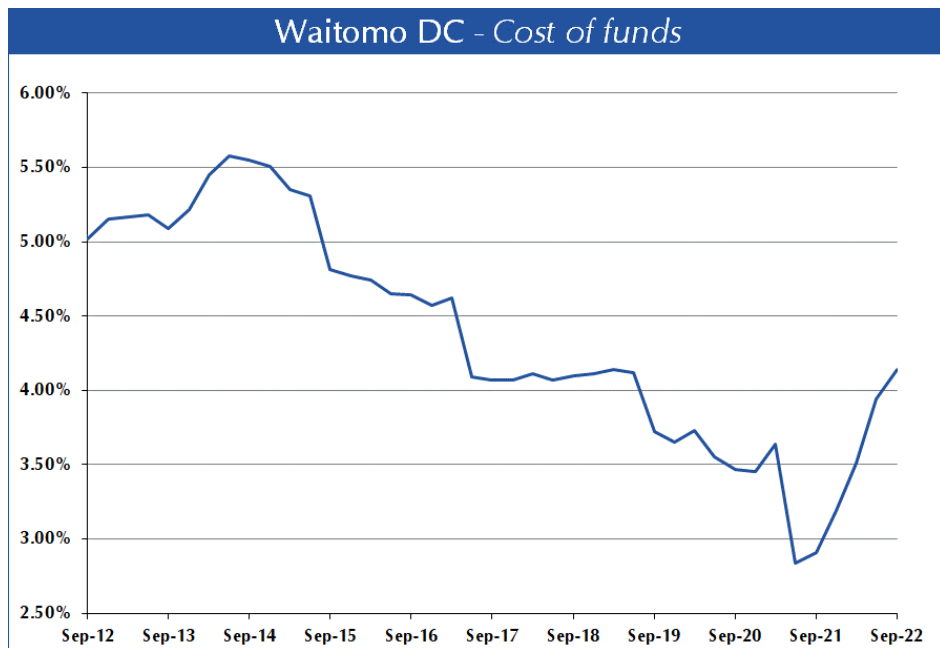
WDC manages the interest rate risk on its debt under the following fixed rate hedging parameters detailed in the following table.

Fixed Rate Hedging Percentages		
	Minimum Fixed Rate Amount	Maximum Fixed Rate Amount
0 – 2 years	40%	100%
2 – 4 years	20%	80%
4 – 10 years	0%	60%

The core debt profile incorporating these parameters, the swaps, and the FRB, and using the projected debt figures as supplied by WDC, is depicted in the graph on the following page. The graph indicates that, as at 30 September, WDC was policy compliant.



As at 30 September, WDC's cost of funds on the core debt, including the line fee on the committed Westpac facility, was 4.14%, up from 3.94% at the end of June. The increase in the cost of funds was due to the rise in floating interest rates during the quarter, with the 3-month bank bill rate increasing by 1.02% over the three-month period. WDC's cost of funds since September 2012 is depicted in the following graph.



## 2.4 POLICY COMPLIANCE AS AT 30 SEPTEMBER 2022

	Yes/No
<i>Have all transactions been entered into compliance with policy?</i>	√
<i>Are the fixed rate hedging percentages within policy control limits?</i>	√
<i>Is WDC maintaining liquidity within policy control limits?</i>	√
<i>Are all counterparty exposures within policy control limits?</i>	√

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Document No: A641731

## Report To: Council



**Meeting Date:** 29 November 2022

**Subject:** Annual Report 2021/22 – Adoption

**Type:** Decision Required

### Purpose of Report

- 1.1 The purpose of this business paper is to present to the Council the Draft Annual Report 2021/2022 for consideration and adoption.

### Background

- 2.1 The Audit, Risk and Finance Committee (ARFC) considered the Draft Annual Report 2021/2022 (Draft AR) on 4 October 2022. A copy of the business paper to the ARFC on this matter is enclosed with this paper as Attachment 1.
- 2.2 Due to outstanding matters ARFC were unable to recommend the Draft Annual report for adoption at that time. Progress in developing the Annual Report has been delayed with resolution of the outstanding items and capacity/availability of auditors.
- 2.3 With the outstanding matters now resolved the Audit Report will now be provided at the Council meeting.

### Commentary

#### 3.1 **Audit Progress**

- 3.2 At the time of writing this business paper, the Draft AR is progressing through its final review stages with Deloitte. No significant changes are expected from the final audit review, however minor editorial/formatting changes may be identified.
- 3.3 Representatives from Deloitte will be present at the Council meeting via Zoom to present their final report, and there will be an opportunity for the Council to discuss any matters relating to the Annual Report and audit process.
- 3.4 The "Confidential" Audit Report to Council from Deloitte will be circulated separate to this business paper.

#### 3.5 **Significant Changes since the ARFC meeting**

- 3.6 The Draft AR was discussed during the ARFC at its 4 October 2022 meeting and suggested changes were put forward for consideration.
- 3.7 Feedback from the ARFC has been incorporated into the attached Draft AR, along with minor corrections received from the audit review to date.
- 3.8 ICL has completed their annual report and audit, changes as a result of this have been reflected in the Group numbers throughout the Draft AR.
- 3.9 An independent assessment of the drinking water compliance was undertaken in lieu of the previous Ministry of Health (MoH) Drinking Water Assessment. The assessment was made against the Drinking Water Standards for New Zealand 2005 (Revised 2018) (DWSNZ) for

Te Kuiti, Piopio, Mokau and Maniaiti/Benneydale. The bacterial compliance was not met against the DWSNZ across all four supplies. It was noted however by the assessor that the drinking water was not high risk, as treatment was in place and all supplies are chlorinated.

- 3.10 WDC staff are currently working through the non-compliances to resolve issues with missing data. This evidence will be presented to the independent assessor for consideration, however bacterial compliance against the DWSNZ will remain 'not achieved' as reported in the Draft AR.
- 3.11 Minor changes to the Mayors and Chief Executive statement (page 5) have also been made following discussion during the ARFC meeting.
- 3.12 Changes have been made to the primary financial statements as detailed below. Minor edits have also been made throughout the Note Disclosures and Service Performance information including:
- 3.13 Service Performance Measures
- Summary of KPI performance results for Water Supply - updated relating to bacterial compliance for drinking water change to 'not achieved' (pg 19)
- 3.14 Asset Revaluation
- 3.15 Revaluation of significant assets included land and buildings, 3 waters infrastructure and roads, this movement was primarily due to increases in construction costs. The following corrections were made:
- Revenue and Expenses Statement (page 61) – Amended valuation figures for Land and buildings and subsequent totals. These changes altered the Changes in Equity totals and Financial position at 30 June 2022.
  - Note 11 Equity (page 82-83) – Correction to revaluation reserves and asset values for land & buildings, roads, and water assets. Minor typos and roundings corrected.
  - Note 21 Property, Plant and Equipment (page 93-96) – Valuation corrections and subsequent totals. Intangible assets added under leasing assets.
- 3.16 Guarantor of LGFA's borrowings
- Note 31 Financial instruments (page 105) - Credit Risk and Liability Risk: Added comment about being a guarantor of LGFA's borrowings, this has been quantified that our exposure is extremely low.
- 3.17 Inframax Construction Limited Annual Report corrections
- Note 27 (page 101) Capital Commitments and Operating Leases - Group actuals 2022 for plant and equipment. ICL Statement of Comprehensive Revenue and Expenses (page 117) – both corrected to agree to ICL accounts.
- 3.18 Minor corrections to figures and rounding errors have been addressed, and subsequent corrections to totals have been made throughout the document. Also, grammar and editorial corrections have been made.
- 3.19 There were no matters of significance that needed to be referred to the Independent Chairperson of the ARFC as a result of changes to the Draft AR since the ARFC meeting on 4 October 2022.
- 3.20 The financial and non-financial performance for the 2021/22 fiscal year were positive for WDC with \$13.3 million invested in capital projects, reduction in debt to \$28.194 million while also meeting all of the required benchmarks (page 11-14). Across the 10 activities 81% of the performance measures achieved in providing the expected level of service to our community.

- 3.21 **Limited Assurance Report in respect of Waitomo District Council's Debenture Trust Deed.**
- 3.22 As an add on to the statutory audit of the Annual Report, additional assurance work is undertaken by the auditors as required by Council's Debenture Trust Deed.
- 3.23 The purpose of the Debenture Trust Deed is to transfer the security over Council's rates revenue, being charged assets to the trustee for the benefit of Council's lenders, who held security.
- 3.24 A requirement under the Debenture Trust Deed is for Council's auditor to provide a separate report to the trustee stating the debt outstanding and other matters pertaining to the Debenture Trust Deed.
- 3.25 As part of reporting to the trustee a representation letter will be required by the auditors for their report. Ideally this letter should be provided at the same time as the representation letter for the statutory audit.

## **Analysis of Options**

- 4.1 Council has the option of adopting the Draft AR or requesting further information/changes to the Draft AR.
- 4.2 The usual date that Council must adopt the Annual Report is 31 October 2022. However, due to the COVID-19 Pandemic, this date has been extended to 31 December 2022.
- 4.3 It is recommended that the Annual Report be adopted prior to 31 December 2022.

## **Considerations**

### **5.1 Risk**

- 5.2 At the time of writing, the audit of the Draft AR is nearing completion with no issues advised from this audit. The Draft AR has also been assessed by the ARFC of Council at a prior meeting and matters raised at the ARFC have been taken into account. Therefore, the residual risk of misstatement is negligible.

### **5.3 Consistency with Existing Plans and Policies**

- 5.4 This Draft AR measures our performance against year one of the 2021-2031 Ten Year Plan, and nothing in this Draft AR is inconsistent with existing plans and policies.

### **5.5 Significance and Community Views**

- 5.6 The financial performance of Council in the past year is a significant matter to be shared with the District Community. The Annual Report and Summary Annual Report will be available on Council's website and in Council offices and library.

## **Recommendation**

- 6.1 It is recommended that Council adopt the audited Annual Report 2021/22. A copy of the Draft AR 2021/22 is enclosed separately and forms part of this business paper.

## Suggested Resolutions

- 1 The business paper on the Annual Report 2021/22 – Adoption be received.
- 2 The Chief Executive be delegated authority to ensure any formatting/grammatical changes and feedback from Council is accurately reflected in the Final Annual Report 2021/22 prior to publication.
- 3 The Mayor and Chief Executive be delegated authority to sign the Letter of Representation for the year ended 30 June 2022 to Deloitte on behalf of Waitomo District Council.
- 4 The Mayor and Chief Executive Officer be delegated authority to sign the Letter of Representation for the Limited Assurance Report in respect of Waitomo District Council's Debenture Trust Deed.
- 5 The audited Annual Report 2021/22 be adopted.



ALISTER DUNCAN  
**GENERAL MANAGER - BUSINESS SUPPORT**



ALEX BELL  
**GENERAL MANAGER - STRATEGY AND ENVIRONMENT**

21 October 2022

Attachment 1: Audit, Risk and Finance Committee Business Paper – 4 October 2022  
(A633484)

Separate Enclosure: Draft Annual Report 2021/22

**Document No:** A633484

## **Report To: Audit, Risk and Finance Committee**



**Meeting Date:** 4 October 2022

**Subject:** **Draft Annual Report 2021/22 – Recommendation to Council**

**Type:** Decision Required

### **Purpose of Report**

- 1.1 The purpose of this business paper is to present the Draft Annual Report 2021/22 for consideration and, subject to amendment, recommendation to Council for adoption.

### **Background**

- 2.1 The Draft Annual Report 2021/22 (Draft AR) shows the financial and non-financial performance of Waitomo District Council for the year ended 30 June 2022.
- 2.2 The Audit, Risk and Finance Committee (ARFC) received an Unaudited Progress Report (PR) for the year ended 30 June 2022 at the 16 August 2022 meeting. Subsequent to the PR presented in August 2022, the asset revaluations for most asset classes have been finalised resulting in a significant uplift in asset values, along with the loss on valuation of the investment in Inframax Construction Limited (ICL).

### **Commentary**

- 3.1 **Audit Progress**
- 3.2 As the audit is still in progress at the time of writing this business paper, the Draft AR is still subject to change.
- 3.3 The Group figures relating to ICL are subject to change until their audit is completed and their Annual Report approved by the ICL Board.
- 3.4 **Draft 2021-22 Annual Report Highlights**
- 3.5 **Non-Financial Performance**
- 3.6 The Service Performance section provides detailed information on the performance measures and targets for each of the significant activities. The performance summary provides the overall results while more detailed information is provided within each activities section.
- 3.7 Of the 59 key performance indicators measured, 49 (83%) were achieved and 8 (14%) were not achieved and 2 (3%) had no data available.
- 3.8 The measures not achieved were:
  - All agendas publicly available two working days or more, one agenda was delayed.
  - Youth Council undertakes two youth related projects per year, not resumed since pandemic restrictions impacting schooling.
  - Building consents are processed in a timely fashion, 3% were delayed with staff on prolonged sick leave and impact of pandemic restrictions.
  - LIMs are processed within statutory timeframe, 2 applications were delayed.



- The number of complaints about wastewater odour, system faults or blockages and complaints about our response to issues with its wastewater system, complaints in Piopio mainly due to septic tank issues.
- Water quality complies with the drinking water standards for (b) protozoa, due to data loss >1 minute (technical non-compliance)
- We provide an efficient and effective water supply, Mokau water loss high due to aging pipework.
- The percentage of Waitomo District's sealed local road network that is resurfaced each year, 1% below target due to higher than average road width.

3.9 The measures with no data were:

- Percentage of users that are satisfied with the rural transfer service stations. This is a new measure that we will capture baseline data for with the next residents survey.
- We provide an efficient and effective water supply, Maniaiti/Benneydale water loss recording was incorrect due to a faulty flow meter.

### 3.10 **Financial Reporting and Prudence Benchmarks**

3.11 Financial reporting and prudence benchmarks are measured annually to enable an assessment of whether Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

3.12 These measures are made up of mandatory measures set by regulation and also council specific measures set in the Finance Strategy.

3.13 All measures were successfully achieved and well within the limits set.

### 3.14 **Financial Performance**

3.15 For the financial year, we report a net surplus of \$7.4 million against a budgeted surplus of \$2.9 million.

3.16 Revenue was \$8.5 million more than budget. Subsidies and grants revenue was \$3.5 million above forecast as additional subsidy was recognised for construction of the stadium, additional subsidy to fully fund the Three Waters Reform Stimulus Programme and the Mayors Taskforce for Jobs funding to support sustainable employment outcomes. Fees and charges and income from construction services revenue was \$4.5 million above forecast for construction revenue for the stadium which was not included in the forecast.

3.17 Operating expenditure was \$4.1 million above forecast. Other expenditure included \$4.5 million of construction expenditure for the stadium which was not included in the forecast. Depreciation expenditure was also above forecast due to revaluation of assets which increased the value of these assets and the corresponding depreciation expense. Employee benefit expenses and finance costs were both below forecast.

3.18 Total other comprehensive revenue and expense of \$105.0 million has been recognised for the year. This includes \$105.7 million for revaluation of property, plant, and equipment and \$1.7 million for gains from cash flow hedges. The loss of the revaluation of the investment in Inframax Construction Ltd of \$2.4 million is also recognised.

3.19 Total equity was \$129.5 million more than forecast. This was due mostly to the increase in the revaluation reserve which was \$121.8 million more than forecast as most asset classes were revalued at 30 June 2022, resulting in a significant uplift in asset values.

3.20 Other reserves were \$4.7 million more than budget. Council created reserves were \$4 million more than budget as depreciation reserves and activity surpluses were more than forecast. The cashflow hedging reserve was also more than budget due to a gain on cashflow hedges.

3.21 Borrowings at 30 June 2022 were \$28.2 million, which was significantly lower than the forecast target in the 2021-31 10YP of \$39.5 million. This was a reduction in total borrowings of \$6 million from 30 June 2021.

3.22 Further explanations of variations to budget can be found in Note 35 of the Draft AR.

### 3.23 **Group Performance**

3.24 At 30 June 2022, total equity for the Group was \$477.1 million, an increase of \$115.1 million from the prior year.

3.25 The Group's after tax surplus is \$6.1 million.

3.26 ICL reported a net loss after tax of \$0.8 million for the year ended 30 June 2022. This was due to increased expenditure for direct contract costs, employee benefit expense and the impairment of assets. Despite challenging operating conditions, revenue was above forecast. The equity of the company however reduced to \$11.6 million with a decrease in the equity ratio to 57%.

### 3.27 **Capital Expenditure**

3.28 Total capital expenditure for the year ended 30 June 2022 was \$13.3 million against a budget of \$10.3 million.

3.29 Included in the actual spend was additional expenditure for the Three Waters Reform Stimulus Programme, recognition of the service concession asset for the right of use of the stadium, the purchase of carbon credits and also projects that were deferred to 2021/22 year from the previous financial year.

3.30 Some projects, that were not completed during the year, have been deferred to the 2022/23 year (projects totalling \$5.5 million). Delays in these projects occurred due to internal resourcing, the ongoing issues with global supply chains on availability of supplies and contractor availability.

3.31 Some of the major projects completed were:

- Construction commenced on King Country Indoor Sports and Recreation Centre.
- Upgrade of the effluent field in preparation for Mokau public toilets.
- Completion of the Te Ara Tika pedestrian overbridge project and amenity areas.
- Backflow installation project in Te Kuiti, Mokau and Piopio completed.
- Backup generators installed at water and wastewater treatment plants.
- Mokau water treatment plant sand filter and UV upgrade completed; commission is now underway.
- Resurfaced 27km of sealed roads.
- Unsealed roads received 54km of rehabilitation and 95km were re-metalled.
- Waimiha Road pavement rehabilitation completed.
- A total of 1,311m of new footpaths were constructed during the year.

## Analysis of Options

- 4.1 ARFC has the option of recommending the adoption of the Annual Report to Council or requesting further information/changes from its staff and auditors.
- 4.2 The usual date that Council must adopt the Annual Report is 31 October 2022. However, due to the COVID-19 Pandemic, this date has been extended to 31 December 2022, similar to last year.
- 4.3 It is recommended that the Annual Report be adopted at the 6 October 2022 Council meeting.

## Considerations

### 5.1 Risk

- 5.2 There is a risk that some revenue included in the financial statements is subsequently not converted to cash. The raising of invoices and recognition of income is carried out with management review and approval to minimise this risk. Debtors and other receivables are actively monitored and reviewed. The risk is also mitigated by the recognition of a provision for doubtful debt at 30 June 2022.
- 5.3 There is a risk that the accounting estimates and judgments used when performing valuations over assets may not reflect the assets actual condition or, the useful lives do not reflect the actual consumption of benefits of the asset. To minimise this risk, infrastructural asset valuations have been determined in reference to industry guidelines and adjusted for local conditions. Asset inspections, deterioration and condition modeling are also carried out as part of asset management planning.
- 5.4 In the financial statements, we have assumed a value of \$6.412 million. There is a risk that the accounting estimates and judgements used in the valuation of the investment in ICL may result in the actual value of the investment being different than the fair value reflected in the Annual Report. In deriving the valuation of the investment at 30 June 2022, the valuers at that time noted that it was not possible to assess with any certainty the implications of COVID-19 on the Company's financial performance or the economy as a whole and that the Valuer's advice was subject to significant caveats and caution due to the uncertainty that exists for businesses including access to capital, supply chain disruption, demand for products and services and the extent and duration of measures implemented by the Government and various authorities to contain and/or prevent the spread of COVID-19.
- 5.5 There is a risk that some financial assets may become impaired, but that the impairment amount is unknown. This will cause an over statement of carrying value of the asset in this report, that would subsequently need to be corrected in a later report.

### 5.6 Consistency with Existing Plans and Policies

- 5.7 This Draft AR measures our performance against year one of the 2021-2031 Ten Year Plan, and nothing in this Draft AR is inconsistent with existing plans and policies.

### 5.8 Significance and Community Views

- 5.9 The financial performance of Council in the past year is a significant matter to be shared with the District Community. The Annual Report and Summary Annual Report will be available on Council's website and in Council offices and library.

## Recommendation

- 6.1 The Audit, Risk and Finance Committee recommend to Council the adoption of the Annual Report 2021/2022.
- 6.2 A copy of the Draft Annual Report 2021/22 is enclosed separately and forms part of this business paper.

## Suggested Resolutions

- 1 The business paper on Draft Annual Report 2021/22 – Recommendation to Council be received.
- 2 The Audit, Risk and Finance Committee recommend to Council the adoption of the Annual Report 2021/2022, subject to any amendments agreed at this meeting and any further changes required as a result of completing the audit.
- 3 Any matters of significance which may arise relating to the Draft Annual Report 2021/22 between this meeting and the Council meeting on 6 October 2022 be referred to the Independent Chairperson.




ALISTER DUNCAN  
**GENERAL MANAGER - BUSINESS SUPPORT**



ALEX BELL  
**GENERAL MANAGER - STRATEGY AND ENVIRONMENT**

28 September 2022

Separate Enclosure: Draft Annual Report 2021/22

<b>Document No:</b> A642097	
<b>Report To: Council</b>	
	<b>Meeting Date:</b> 29 November 2022 <b>Subject:</b> <b>Motion to Exclude the Public for the Consideration of Council Business</b> <b>Type:</b> Decision Required

## Purpose

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

Note: It is Council'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. Te Kuiti West Catchment Improvements - Request for Additional Funds	Section 7(2)(c)(h) - To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.	Section 48(1)(a)(1)

- 3 Council 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
General Manager – Infrastructure Services	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.

A handwritten signature in blue ink, appearing to read 'Michelle Higgie', with a stylized, cursive script.

MICHELLE HIGGIE

**MANAGER – GOVERNANCE SUPPORT**