



NOTICE OF AN AUDIT AND RISK COMMITTEE MEETING

**Opotiki District Council Chambers, 108 St John Street, Opotiki
Monday, 19 March 2018
Commencing at 10.00am**

ORDER PAPER

APOLOGIES

DECLARATION OF ANY INTERESTS IN RELATION TO OPEN MEETING AGENDA ITEMS

PUBLIC FORUM

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PUBLIC EXCLUDED BUSINESS

ITEM 07 CONFIRMATION OF IN-COMMITTEE MINUTES – AUDIT AND RISK COMMITTEE MEETING 27 NOVEMBER 2017	
ITEM 08 STATUTE BARRED RATES WRITE-OFFS	
ITEM 09 HARBOUR PROJECT UPDATE	Verbal Item
ITEM 10 RESOLUTION TO RESTATE RESOLUTIONS AND READMIT THE PUBLIC	

STANDING ITEM:

RISK WORKSHOP –TO BE HELD AT THE CONCLUSION OF THE MEETING

Members: **Cr Arihia Tuoro (Chairperson)**

Cr Ken Young

Ex-Officio: **Mayor John Forbes**

Independent Member: **David Love**

Committee Secretary: **Gae Newell**

Quorum: **2**

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Councillors are reminded that if you have a pecuniary or non-pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the Council chamber.

Aileen Lawrie

CHIEF EXECUTIVE OFFICER

AUDIT AND RISK COMMITTEE TERMS OF REFERENCE

1. The Audit and Risk Committee is a Committee of the Ōpōtiki District Council.

2. **Objective**

The objective of the Committee is to assist the Council in carrying out its duties in regard to financial reporting and legal compliance.

3. **Membership**

Chairperson: Councillor Tuoro

Members: Councillor Tuoro, Councillor Young

Ex-Officio: Mayor Forbes

Independent Member: David Love

4. **Meetings**

4.1 A quorum is two members.

4.2 The Committee shall meet as needed but in any event, at least annually.

4.3 Notice of meetings shall be in accordance with the requirements set out in the Local Government Act 2002.

5. **Terms of Reference**

The Audit and Risk Committee will:

1. *Review Council's annual financial statements with Council management and the Auditors prior to their approval by Council.*

2. *Oversee statutory compliance in terms of financial disclosure.*

3. *Monitor corporate risk assessment and internal risk mitigation measures and oversee:*

- *Council's risk management framework*
- *internal control environment*
- *legislative and regulatory compliance*
- *internal audit and assurance*
- *oversee risk identification on significant projects*
- *compliance to Treasury Risk Management Policies.*

4. *Review the effectiveness of Council's external accountability reporting (including non financial performance).*

5. *Conduct the process for the Chief Executive's Performance, for report to Council.*

6. *Draw to the attention of Council any matters that are appropriate.*
7. *Investigate and report on any matters referred to the Committee by Council. The circumstances the Council may refer matters to the Audit and Risk Committees include:*
 - a. *Any significant issues arising from the financial management of councils affairs.*
 - b. *Any complaints against elected members or alleged breaches of the Councils code of conduct.*
 - c. *Any significant issues arising from Audit New Zealand processes.*
 - d. *Due Diligence on strategic asset acquisition or disposal.*
 - e. *Setting up of Council Controlled Organisations.*
 - f. *Development of a Council risk assessment and mitigation strategies.*

6. **Authority**

- 6.1 The Committee is authorised to investigate any activity referred to it by Council resolution. It is authorised to seek any reasonable information it requires from Council staff.
- 6.2 The Committee is authorised by the Council to obtain outside legal or other independent professional advice and to arrange for the attendance at meetings of outside parties with relevant experience and expertise if it considers this necessary.



MINUTES OF AN ŌPŌTIKI DISTRICT COUNCIL AUDIT AND RISK COMMITTEE MEETING HELD ON MONDAY, 27 NOVEMBER 2017 IN THE OPOTIKI DISTRICT COUNCIL CHAMBERS, 108 ST JOHN STREET, ŌPŌTIKI AT 9.30AM

PRESENT:

Councillor Arihia Tuoro (Chairperson)
Councillor Ken Young
David Love
Mayor John Forbes

Deputy Mayor Lyn Riesterer

IN ATTENDANCE:

Aileen Lawrie (Chief Executive Officer)
Bevan Gray (Finance and Corporate Services Group Manager)
Gerard McCormack (Planning and Regulatory Manager)
Gae Newell (Personal Assistant to CEO and Mayor)

APOLOGIES

Nil

DECLARATION OF ANY INTERESTS IN RELATION TO OPEN MEETING AGENDA ITEMS

David Love noted that he is a Bay of Plenty Regional Councillor and is also a member of the Regional Council's Audit and Risk Committee.

PUBLIC FORUM

Nil.

1. CONFIRMATION OF MINUTES – AUDIT AND RISK COMMITTEE MEETING **p5**
26 OCTOBER 2017

RESOLVED

- (1) That the minutes of the Audit and Risk Committee meeting held on 26 October 2017 be confirmed as a true and correct record.**

Young/Love

Carried

Item 3 was considered before Item 2.

2. ACTION SCHEDULE **p9**

RESOLVED

- (1) That the Action Schedule be received.**

HWTM/Love

Carried

3. DRAFT MANAGEMENT REPORT TO 30 JUNE 2017 **p10**

David Love expressed concern with some of the contents of the draft Management Report. There are a number of outstanding issues and some of the responses are not going to satisfy Audit New Zealand. He noted that there is a large project on the horizon and suggested that Council consider engaging additional assistance to clear the backlog of outstanding issues prior to the commencement of the major new project.

The Chief Executive Officer advised that Council has made a very large step, despite staffing issues, but needs to take another large step up to shift the culture of the organisation appropriately. Resourcing, along with attracting people to come to Ōpōtiki, is difficult and costly.

It was noted that Health and Safety is an item which needs more awareness.

The Finance and Corporate Services Group Manager highlighted the progress on some items since the report was prepared.

In response to a query regarding there being no management comment for item 4.2 in the report, the Finance and Corporate Services Group Manager stated that was an omission and provided the comment verbally to the Committee, being:

A review process will be developed for Annual Plans, and a draft set will be sent to audit for comment ahead of adoption to avoid this situation in future. A legal review of rates setting documentation was done this year.

RESOLVED

- (1) **That the report titled "Draft Management Report to 30 June 2017" be received.**
- (2) **That the Committee approve the suggested commentary for reply to Audit NZ.**

Love/Young

Carried

4. QUARTERLY REPORT TO 30 SEPTEMBER 2017

p34

The Finance and Corporate Services Manager noted some minor amendments to the report.

David Love would like to see clearer reporting to show where things are at, i.e. budget v expenditure. It is important that we know where we are at with projects and expenditure. This is particularly important in relation to the Harbour Project, otherwise we will not be able to manage this large project ahead.

The Chief Executive Officer advised that things need to move quickly in relation to getting capability in the organisation. Council currently has a person seconded from MBIE with expertise in procurement, contract management and project management who the Chief Executive Officer is keen to get on the team.

The Committee acknowledged that there are staffing resourcing issues.

Deputy Mayor Riesterer stated that the Chief Executive Officer has been raising resourcing issues with Council for a year and not enough has been done to support her.

RESOLVED

- (1) **That the report titled "Quarterly Report to 30 September 2017" be received.**

Love/Young

Carried

His Worship the Mayor left the meeting at 10.30am and returned at 10.33am.

5. SENSITIVE EXPENDITURE POLICY UPDATE

p47

RESOLVED

- (1) That the report titled "Sensitive Expenditure Policy Update" be received.**
- (2) That the Audit and Risk committee recommend Council adopt the revised Sensitive Expenditure Policy for use.**

Love/HWTM

Carried

The Chief Executive Officer left the meeting at 10.48am.

6. DRAFT ENFORCEMENT POLICY

P65

HWTM stated that he would like to see something in the Policy around willingness to comply. He commended The Planning and Regulatory Manager for the good work he has done on the policy document and the report.

RESOLVED

- (1) That the report titled "Draft Enforcement Policy" be received.**
- (2) That the Draft Enforcement Policy be adopted.**

Tuoro/Love

Carried

7. EVOLUTION NETWORKS UPDATE

Verbal Item

The Finance and Corporate Services Manager advised that the Annual General Meeting of Evolution Networks is coming up. He will be attending as a director and asked for shareholder representation from an elected member.

David Love signalled that he would be happy to attend the Annual General Meeting in his capacity as an independent member of the Audit and Risk Committee. The Committee agreed that it would be worthwhile for David Love to attend the meeting.

Councillor Young said that Evolution Networks did not have a profile locally and suggested something be included in Council's Panui.

With regard to the issue of shares for director's remuneration, the Finance and Corporate Services Manager advised that he has asked Cookson Forbes to look at how any remuneration or issue of shares would come to Council.

David Love thought that Council should maintain a 1/3rd investment and suggested a paper be brought to the Audit and Risk Committee or go to Council.

When a date has been set for the Evolution Networks Annual General Meeting, the Finance and Corporate Services Manager will bring a paper back to the Committee.

His Worship the Mayor moved that the Audit and Risk Committee recommend to Council that David Love be authorised to attend the Annual General Meeting of Evolution Networks as Council’s proxy. The motion was seconded by Councillor Young.

RESOLVED

(1) That the Audit and Risk Committee recommends to Council that David Love be authorised to attend the Annual General Meeting of Evolution Networks as Council’s proxy.

HWTM/Young

Carried

8. RESOLUTION TO EXCLUDE THE PUBLIC

p79

SECTION 48 LOCAL GOVERNMENT OFFICIAL INFORMATION & MEETINGS ACT 1987

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

9. In-Committee Minutes – Audit and Risk Committee Meeting 14 August 2017.

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

Item No	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
9.	In-Committee Minutes – Audit and Risk Committee Meeting 14 August 2017	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.	Section 48(1)(a)

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 or section 6 or section 7 or section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

9.	Maintain effective conduct of public affairs Protect Information	Section 7(2)(f)(i) & (ii) Section 7(2)(b)(i), (d) and (e)
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RESOLVED

- (1) That the in-committee minutes of the Audit and Risk Committee meeting held on 14 August 2017 be confirmed as a true and correct record.**

Love/Young **Carried**

RESOLVED

- (1) That the resolutions made while the public was excluded be confirmed in open meeting.**
- (2) That the public be readmitted to the meeting.**

HWTM/Love **Carried**

THERE BEING NO FURTHER BUSINESS THE MEETING CLOSED AT 11.15AM.

THE FOREGOING MINUTES ARE CERTIFIED AS BEING A TRUE AND CORRECT RECORD AT A SUBSEQUENT IN-COMMITTEE MEETING OF THE AUDIT AND RISK COMMITTEE ON 19 MARCH 2018.

**COUNCILLOR ARIHIA TUORO
CHAIRPERSON**

AUDIT AND RISK COMMITTEE ACTION SCHEDULE

Issue	Recommendation	Done	Assigned To	Status	Comments
Resource recovery centre	Recommend Council review systems and controls around cash handling		Ari Erickson	In Progress	Finance have implemented tills for all RRC's, and a cash pickup process for Te Kaha and Waihou Bay. Ari, Anthony and Ian still need to do some work with Opotiki RRC as Finance are coming up against resistance there. A further recent review was undertaken given that there were cash reconciliation issues. A report was prepared and recommendations given to the works manager to address issues.
Suspense accounts	Recommend Council undertake regular reviews of suspense accounts and ensure appropriate policies and procedures are in place for their use		Amy Larkin	Complete	Reconciliations of all suspense accounts are completed monthly now by Asset and Management Accountant.
Asset management plans	Recommend Council ensures that asset management plans are updated on a continuous basis		Ari Erickson	In Progress	AMP's have historically been updated annually but should be updated more regularly in line with change as living documents. In an effort to streamline the AMP process and better engage Council a summary AMP for all 3 waters of 40-60 pages has been drafted instead of the traditional 200 page documents for each of the 3. An asset management policy and framework needs to be assembled to ensure update occurs, early efforts to complete policy was stalled by the departure of key finance staff. With the pending LTP deadlines the policy is proposed for the 2018/19 year to establish good process moving forward.
Sensitive expenditure policy	Recommend that policy is updated in relation to credit card use, who is responsible for them and their use, the process for cancelling and destroying cards, how credit limits are set, how transaction documentation is compiled, review processes, and consequences of unauthorised use.		Bevan Gray	Complete	Revised policy adopted by Council December 2017
Contract Management policy and Guidance	Recommend Council develop a contract management policy and guidance, to include procedures and templates for consistency		Ari Erickson	Not Started	Contract management processes are currently being built, upon completion a Policy will be assembled.
Contract management oversight	Have individual or team in place with responsibility for oversight of contract management activities		Ari Erickson	In Progress	Training recently provided to team in relation to the contract module. Initial development of internal process is already underway with resource, structure and responsibility changes within the E&S department first on the agenda towards its development. ProMap champion will build processes
Contract management system	Put in place a contract management system to capture all contract information		Ari Erickson	In Progress	Finance have implemented the Contracts Module within Ozone to manage contracts and contract payments. A process to control contract coding, approval and receipting is being assembled and will be included in the contract management policy and ProMap
Project Management	Recommend a documented approach and methodology, planned approach to undertake post implementation reviews, have independent quality assurance reviews.		Ari Erickson	In Progress	Project management framework has been drafted. To be further developed upon filling project manager role. Some significant changes required. Resources presently stretched due to Asset Manager position currently vacant. Project management policy, asset management policy and contract management policy will likely be assembled in conjunction as they are closely related.
Procurement	Council to ensure that late tender policy in contract documents is consistent with Procurement Policy, ongoing.		Ari Erickson	In Progress	Need to get fully familiar with new procurement policy. Policy currently being reviewed by NZTA. Assigned to Janan.
Qualified proposal evaluators	Council to correct the wording in its contract documents for Qualified Proposal Evaluators by 30/06/17		Ari Erickson	In Progress	Assigned to Janan
Procurement Strategy	Council to amend Procurement Strategy to include how it will procure professional services, which of those services are to be procured in-house and the rationale for the decision and seek endorsement for the amended policy from the Transport Agency by 30/06/18		Aileen Lawrie	In Progress	Contract for services drafted for review.
Contract Management	NZTA audit recommend that Council improves its contract management documentation to reflect actions agreed and undertaken by 30/06/17		Ari Erickson	Not Started	Need to review agreed actions from audit review. What year was this audit review recommendation made?
Asset Management	Audit NZ recommend a formal impairment assessment over assets held at cost is performed to ensure they are measured at lower of cost and recoverable amount.		Ari Erickson	Not Started	Need to discuss with Bevan
Asset Management	Monthly reconciliations to be performed between the fixed asset register and the general ledger. These should be independently reviewed.		Ari Erickson	In Progress	A procedure to streamline this process has been implemented. The procedure will be included in the Asset Management Policy and Framework. A lot of work has been done by finance to streamline this process by replicating asset categories and types at a cost centre level to make monthly reconciliations much easier, and to generate all of the financial information required for reporting purposes.
Asset Management	Develop and implement an asset capitalisation policy that states the minimum amount of assets that will be capitalised as well as guidance for the type of expenditure to be capitalised.		Ari Erickson	In Progress	This is under development as part of the asset management policy.
Procurement	Strengthen process to confirm validity of a new supplier		Bevan Gray	Complete	Management are comfortable with the current process of supplier validation. Additional information or validation will be undertaken on high risk or overseas suppliers.
Financial covenants	Regular monitoring processes to be implemented to ensure compliance with the financial covenants imposed by LGFA		Bevan Gray	Complete	Reporting requirements are built into reporting models, one report was missed due to a staffing change. The reporting requirements will be diarised for future compliance.

Construction Contracts	Review processes and ensure changes are implemented as necessary to ensure compliance with Construction contracts Act	Bevan Gray	Complete	This relates to retention payments now being required to be held in a Trust Account. This has been subsequently set up with ANZ and processes put in place to transfer retention monies in and out of the account for contracts. The contracts module has also been implemented to track and manage retentions as well.
Annual Report Process	Annual report process to be planned and scheduled on a project basis and closely monitored to ensure milestones are met, and substantiation files is prepared.	Bevan Gray	In Progress	Will ensure a robust process is in place for the 2017/18 Annual Report process.
Legislative compliance	Appropriate processes to be implemented to ensure compliance with legislation, eg Annual Report includes results of any measurement undertaken during the year of progress towards the achievement of community outcomes	Bevan Gray	Not Started	This was a previously unknown requirement requested of us by a new audit team at the very last minute of the audit. A review of our peers could not identify this as being completed by them either. Will need to discuss with audit further around their expectations.
Legislative compliance	Implement a formal process to ensure compliance with key legislative requirements for Annual Plans	Bevan Gray	In Progress	A review process will be developed for Annual Plans, and a draft set will be sent to audit for comment ahead of adoption to avoid this situation in future. A legal review of rates setting documentation was done this year.

REPORT

Date : 6 March 2018
To : Audit and Risk Meeting, 19 March 2018
From : Financial Analyst, Billy Kingi
Subject : **QUARTERLY REPORT TO 31 DECEMBER 2017**
File ID : A131125

EXECUTIVE SUMMARY

The Quarterly Report for the quarter ended 31 December 2017 provides the Audit and Risk Committee with an understanding of progress against the 2017/18 Annual Plan for the current financial year.

PURPOSE

The purpose of this report is to present the Quarterly Financial Report to 31 December 2017 to the Audit and Risk Committee.

BACKGROUND

This report is for the six months ending 31 December 2017 and is designed to provide the Audit and Risk Committee with an understanding of progress against the 2017-18 Annual Plan.

The report provides a concise but comprehensive overview of the Council's financial position as at 31 December 2017, and is structured as follows:

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SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council’s Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of significance for the Quarterly Report to 31 December 2017 is considered to be low as determined by the criteria set out in section 12 of the Significance and Engagement Policy.

Assessment of engagement requirements

As the level of significance for the Quarterly Report to 31 December 2017 is considered to be low, the level of engagement required is determined to be at the level of inform according to Schedule 2 of the Significance and Engagement Policy.



RECOMMENDATION:

- 1. That the report titled “Quarterly Report to 31 December 2017” be received.

Billy Kingi

FINANCIAL ANALYST

Financial overview

1. Financial overview

This report summarises the key financial highlights for the quarter ended 31 December 2017. Please note that variances stated without brackets are favourable, whereas variances stated with brackets are unfavourable.

1.1. Income statement

	2016-17 2nd Qtr Actual YTD 000s	2017-18 2nd Qtr Actual YTD 000s	2017-18 2nd Qtr Budget YTD 000s	Variance to Budget YTD 000s	2017-18 Annual Plan Full Year 000s
Income Statement					
Operating income	7,234	7,720	11,908	(4,188)	23,744
Operating expenditure	6,201	6,756	7,056	300	14,065
Net Surplus/(deficit)	1,033	964	4,852	(3,888)	9,679
Income					
Rates	5,227	5,253	5,283	(30)	10,563
Fees & charges	746	840	766	74	1,463
Development and FCs	4	1	0	1	0
Subsidies & grants	1,166	1,541	5,775	(4,234)	11,550
Interest revenue	49	59	52	7	104
Other revenue	42	26	32	(6)	64
	7,234	7,720	11,908	(4,188)	23,744
Expenditure					
Personnel costs	1,759	1,849	2,142	293	4,285
Depreciation & amortisation	1,151	1,317	1,150	(167)	2,299
Finance costs	82	88	206	118	411
Other expences	3,209	3,502	3,558	56	7,070
	6,201	6,756	7,056	300	14,065
Net Surplus/(deficit)	1,033	964	4,852	(3,888)	9,679

1.2. Significant variances

Revenue

Revenue to date is (\$4,188,000) below budget. The most significant variance is found in subsidies and grants with a variance of (\$4,234,000) due largely to the harbour development funding decision awaiting government approval (\$3,216,000), and grant funding towards the new library (\$893,000), which is dependent on external funding.

Roading subsidies are also less than the year to date budget (\$244,000) due to the timing of projects that are weather dependent.

There are favourable variances in fees and charges revenue of \$74,000, as regulatory revenue is tracking ahead of budget.

The other areas of revenue are tracking close to budget for the year to date so far. Staff will monitor and report on these should this change.

Expenditure

Total expenditure for the year to date is underspent by \$300,000. This is mostly due to personnel costs \$293,000 and finance costs \$118,000, partially offset by depreciation and amortisation tracking higher than budget (\$167,000).

Under expenditure in personnel costs occurs mostly as a result of staff numbers being lower than anticipated. Finance costs are less than budget due mostly to the delay and/or timing of a number of large capital projects (refer to the additional commentary in the capital projects section of this report).

Depreciation and amortisation expense is tracking higher than budget as a result of the July 2017 asset revaluations on Council's land and buildings, parks and infrastructure assets (comprising three waters, roads and bridges). This is expected to continue throughout the rest of the year. Although this is a non-cash expense, the results of the revaluation will have implications for the funding of renewals going out into the future, and Council's Long Term Plan (LTP) will need to reflect this.

1.3. Explanation of key variances by activity

Support services

Personnel costs are underspent \$281,000, mostly in corporate services. There is unspent budget due to the timing of statute-barred rates write-offs of \$150,000, which is expected to be completed in March. Rates remissions are also less than budget to date (timing) \$70,000, while interest expense is lower due to the timing and delay of a number of capital projects.

Solid waste

Although RRC revenue is slightly ahead of budget \$14,000, this is offset by over expenditure in personnel (\$27,000) and other expenses (\$32,000).

Regulation and safety

Revenue is ahead of budget in building consents \$23,000, health licenses \$8,000, and BCA accreditation \$7,000, partially offset by resource management revenue being less than budget (\$22,000).

Over expenditure mainly occurs in contractors and agency staff (\$45,000), partially offset by savings in personnel costs \$24,000.

Community facilities

Community facilities revenue is less than budget as no external funding has been received to date for the proposed technology and research institute/library (\$852,000). This project has been deferred to next year. Under expenditure occurs in interest costs \$54,000 which reflects the delay (timing) and deferral of various capital projects.

Leadership

Although over expenditure occurs in councillor (\$9,000) and strategic planning for LTP (\$20,000), this is offset by the timing of audit costs of the LTP to date \$22,000, election costs \$6,000 and other minor savings \$7,000.

Community development

Community Development is overspent (\$20,000) due to the timing of community grants. This is expected to smooth out over the remainder of the year.

Economic development

The main variance is the timing of the decision of central government to support the harbour development, by way of external funding to Council (\$3.2 million).

Land transport

Roading subsidies are less than budget (\$226,000) reflective of the 13% capital spend progress to December. This is expected to alleviate as more progress is made during the summer and autumn months. Operational expenses are slightly underspent \$7,000.

Three waters

Depreciation is tracking higher than budget in stormwater (\$9,000), water supply (\$30,000) and wastewater (\$121,000) due to the recent asset revaluations.

Minor under expenditure occurs in stormwater \$26,000, and in wastewater due to savings in reticulation maintenance \$47,000, as the capital project in stormwater infiltration and pipe re-lining takes resourcing priority.

Finance costs are also less than budget due to the timing and delay/deferral of a number of capital projects.

There are other minor variances to budget within the rest of the activities but individually these are not considered significant.

1.4. Cash and cash investment balance

	2016-17 Actual to June 000s	2017-18 2 nd Quarter Actual YTD 000s	2017-18* Budget 000s	Variance to Budget 000s
Cash and Short Term Investments	4,601	5,296	928	4,368
Term Investments	103	103	223	(120)
Total	4,627	5,186	774	4,412

**budget is for full year*

The third quarter cash position of \$5.296 million is mainly due to a strong opening cash balance as at 30 June 2017 of \$4.601 million, resulting from lower capital expenditure last year than planned. The second quarter has continued this trend of lower capital expenditure than budgeted, as detailed above. Council has invested the balance into short term investments as per our treasury policy.

Term investments are lower than anticipated (\$120,000) due to the reclassification of the investment in Evolution Networks from term investments in the budget to investments in associates. This is consistent with the Council's Annual Report. Unfortunately the Council was required to adopt the Annual Plan ahead of the preparation of the Annual Report, so this was not reclassified.

1.5. Interest and debt level

	2016-17 Actual YTD 000s	2 nd Quarter Actual YTD 000s	2017-18* Budget 000s	Variance to Budget 000s
Finance Costs	83	87	206	119
Term Loans	5,000	5,000	12,142	7,142

**budget is for full year for Term Loans, Finance Costs are year to date.*

Finance costs are less than budget \$119,000. A number of debt-funded capital projects are yet to start, while some will have been deferred into next financial year.

Term Loans are less than anticipated \$7.142 million. Council has not yet had to draw down any further debt to fund capital projects this year. Available cash will be utilised as much as possible before Council draws on further debt.

Capital expenditure

2. Capital Expenditure

Total capital expenditure completed for the second quarter year to date was \$1.750 million compared to a full year budget of \$22.9 million. Projects deferred total \$5.603 million, detailed below, leaving a difference between the full year budget and actual spend of \$17.2 million.

The harbour project is still awaiting government decision for funding, while the wharf removal and rebuild has been delayed, but will be restarted shortly. This has also delayed the CBD integration with harbour project \$100,000.

The Waiōtahe Beach Cycleway \$255,000 (\$12,000 spent) is subject to external funding and resource consent.

The Tirohanga Military Track cycleway \$12,000 is subject to land owner approval. Horse trails fencing \$25,000 is delayed due to dispute regarding access.

Please refer to Appendix 1 for the detail of significant capital projects.

The table below summarises the capital expenditure report.

	Carry Forward 2016-17	Budget for 2017/18	Actual to December 2017	% Spent Adjusted for Deferred	Projects to be Deferred
Growth	1,052	8,545	676	7.4	471
Level of Service	300	7,230	373	8.3	5,112
Renewal	310	7,137	701	9.4	20
Total	1,662	22,912	1,750	25.1	5,603

Capital projects deferred or part deferred are as follows;

- Library replacement furniture and fittings \$10,000 and relocation costs \$40,000; subject to build and completion of the Technology and Research Centre
- Waiotaha Beach cycleway, subject to external funding and resource consent \$377,000
- Technology and Research Centre \$1.8 million; external funding yet to be sourced
- Redevelopment of the mechanics institute (investment property) has been deferred into 2018-19
- Tarawa Creek flood water storage area has been moved into 2018-19 to allow for further investigation \$3.596 million
- King/Goring street gravity mains, reprioritised due to high contract costs and low criticality \$135,000
- Factory Road wastewater extension, subject to significant growth \$141,000
- Ōpōtiki WTP chlorine pipe upgrade \$30,000
- Water supply northern extension, delays in consultation process \$170,000.

Treasury report

3. Treasury report

3.1. Debt position

	Actual 2016-17 000s	YTD Actual 2017-18 000s	Budget 2017-18 000s
Secured loans – less than 12 months	2,000	-	-
Secured loans – greater than 12 months	3,000	5,000	12,142
Total Secured Loans	5,000	5,000	12,142

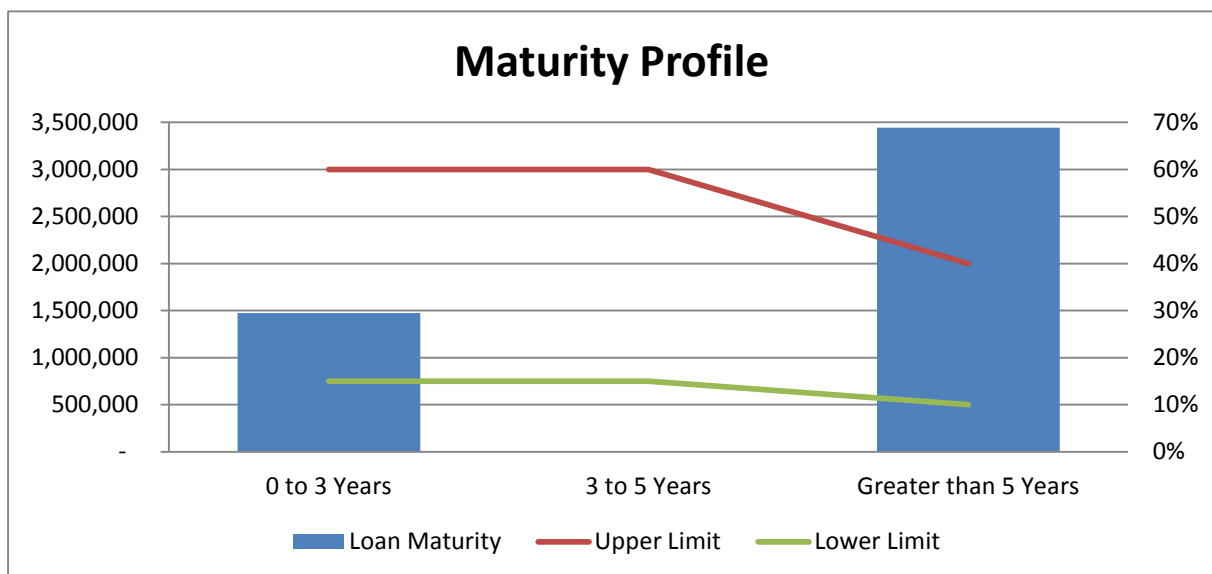
There was no change in Council's debt position for the second quarter. In December 2017, Council fixed the floating rate loan of \$2 million with LGFA at 4.12%, out to April 2027. There are two other fixed rate term loans of \$1.5 million each.

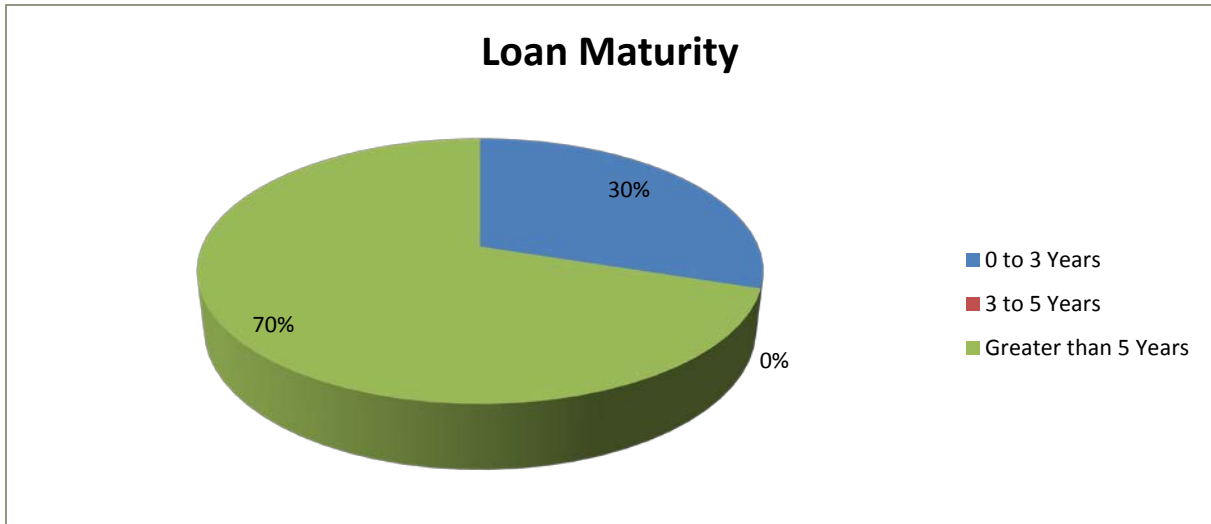
3.2. Funding maturity

The chart below illustrates the funding maturity profile of Council. Council has three loans totalling \$5 million maturing between 1 and 9 years. There is \$1.5 million maturing in March 2019.

Council's budget in the Annual Plan expects further borrowing this year to fund the numerous projects that are planned.

Although the spread between fixed rate loans and floating rate loans is currently 100% on fixed rates and nil% on floating rates, this is expected to come within the 90% fixed rate maximum policy limits (as defined in the Treasury Risk Management Policy, adopted by Council on 27 January 2015) as debt funded capital projects progress throughout the second half of the year.





3.3. Compliance with Liability Management Policy

The specific requirements of the Liability Management Policy are detailed below.

Key performance targets

The following key performance targets have been set in the Long Term Plan 2015-25:

Measure	Policy Target	Forecast	Actual
Increase in General Rates Revenue	3% + LGCI	4.29%	3.08%
Increase in Targeted Rates Revenue	10.0%	-3.10%	0.2%
Net Interest Expense/Total Revenue	< 10%	1.73%	0.11%
Net Interest Expense/Rates Revenue	< 15%	3.89%	0.16%
Net cash flow from Operating/Interest Expense	≥ 2	29.14	23.35

Council is within policy for all of the measures.

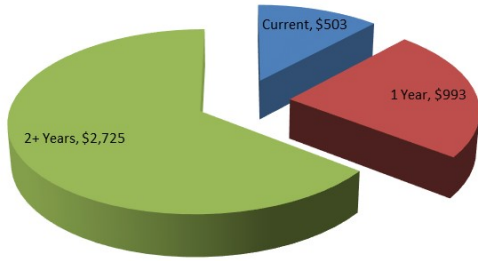
Rates arrears

3.4. Report on Rates Arrears

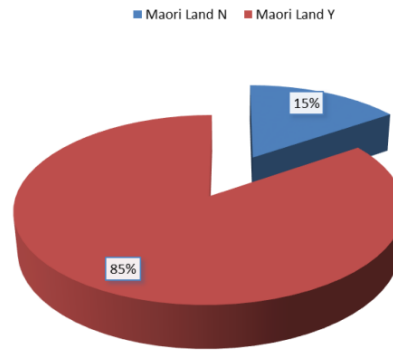
The total rates debtors balance as at 31 December is \$4.221 million. Of this amount, \$3.718 million is in arrears. The aging and demographics of the arrears is displayed in the tables and charts below:

Property arrears report as at 31 December 2017			
Overdue amount 2 years	Overdue amount 1 year	Overdue amount current	Overdue amount total
2,725,189	993,444	502,614	4,221,247
65%	24%	12%	

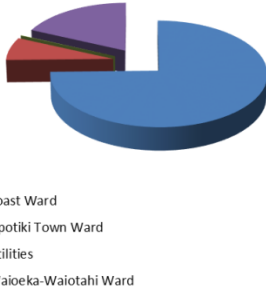
Rates Balance \$000's



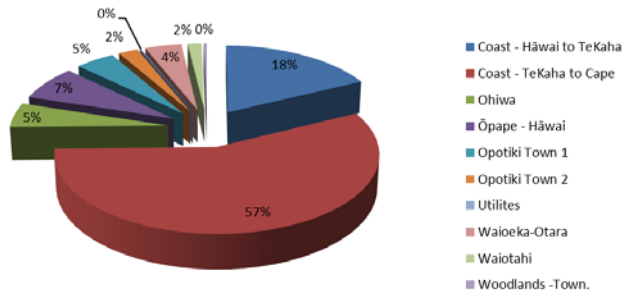
Arrears by Land Type %



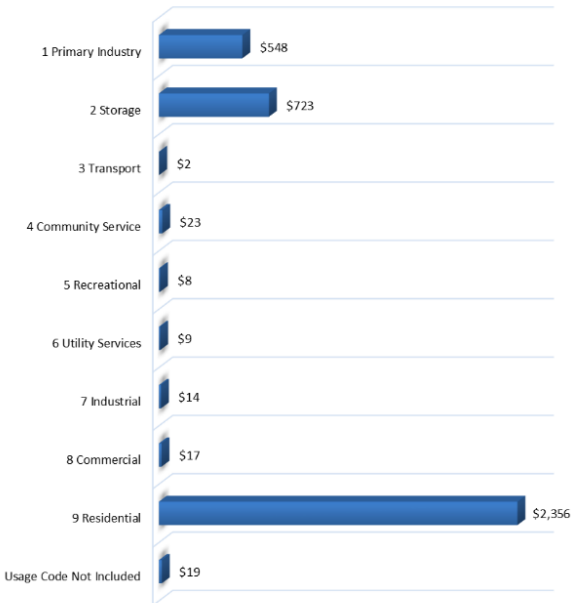
Arrears by Ward %



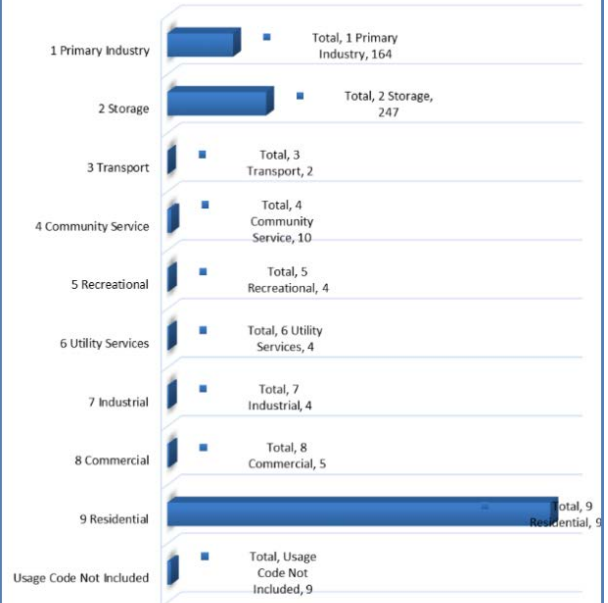
Roll Area %



Arrears by Land Use \$000's



Count



85% of the arrears, \$3.145 million relates to Māori land, as shown above. There are significant issues in dealing with Māori land, not only for Council, but also for the owners. Council is working on a strategy to deal with these issues and the level of rates levied on Māori land to try to ameliorate this problem.

The balance of the arrears of \$573,000 relates to General Title land. Council has debt management procedures in place to ensure timely and active collection of these outstanding debts.

Appendix 1 - Significant capital projects

Proj ID	Project Description	Group	Cost Centre	2017-18 AP Budget \$	2016-17 Carry Fwds \$	2017-18 Cncl Resolution \$	2017-18 Forecast \$	31 December Actual Spend \$	Type	% Spent on F'cast	Status	Comment
272001	Opōtiki Waiōtahe Beach Cycleway	Community/ Cult.Sus	Trails	255,000	135,000	-	390,000	12,539	Grwth	3%	deferred	subject to external funding/consent
272004	Tirohanga Military Track Cycleway	Community/ Cult.Sus	Trails	120,000	78,000	-	198,000	2,500	Grwth	1%	delays	subject land owner approval
272006	Cycleway - EBOP Trail Feasibility Study	Community/ Cult.Sus	Trails	30,000	-	-	30,000	1,519	Grwth	5%	on track	ODC & WDC
277002	Memorial Park Recreation Enhancement	Community/ Cult.Sus	Parks & Res	30,000	-	-	30,000	-	Grwth	0%	on track	
277005	Hukutaia Domain - 2018 Centenary Project	Community/ Cult.Sus	Parks & Res	50,000	-	-	50,000	1,750	Grwth	4%	delays	Secured external funding - scheduled Nov 2018
277308	Additional office space to accommodate new staff	Community/ Cult.Sus	Admin Bldgs	120,000	-	-	120,000	1,400	Grwth	1%	on track	Design underway
278001	CBD Integration with Harbour Investigation	Community/ Cult.Sus	Property	100,000	100,000	-	200,000	-	Grwth	0%	delays	to be tendered
278003	Wharf Removal and Rebuild	Community/ Cult.Sus	Property	450,000	382,000	-	832,000	7,965	Grwth	1%	delays	
278006	Property Development - Potts	Community/ Cult.Sus	Property	-	-	-	-	2,795	Grwth	-	complete	Completed 2016-17; residual costs
278007	Electric Vehicle Charging Stations (iSite and Te Kaha)	Community/ Cult.Sus	Property	-	-	-	-	10,146	Grwth	-	complete	complete
373500	Harbour Dev - Construction	Community/ Cult.Sus	Economic Dev	6,000,000	-	-	6,000,000	215,000	Grwth	4%	delays	Awaiting government decision
373501	Harbour Dev - Project Management	Community/ Cult.Sus	Economic Dev	1,390,000	-	-	1,390,000	406,885	Grwth	29%	delays	Awaiting government decision
549611	Waioeka Sewerage Pump & Retic	Engrng & Serv	Wastewater	-	-	-	-	5,117	Grwth	-	complete	Outstanding works uncompleted in 2016-17.
583105	Northern Extn Stage 1	Engrng & Serv	Water	-	223,000	-	223,000	676	Grwth	0%	deferred	Project ongoing due to delays in consultation process.
583106	Southern Extn Stage 2a	Engrng & Serv	Water	-	134,000	-	134,000	7,503	Grwth	6%	deferred	Part of above Northern Ext project.
				8,545,000	1,052,000	0	9,597,000	675,795				

Proj ID	Project Description	Group	Cost Centre	2017-18 AP Budget \$	2016-17 Carry Fwds \$	2017-18 Cncl Resolution \$	2017-18 Forecast \$	31 December Actual Spend \$	Type	% Spent on F'cast	Status	Comment
272002	Motu Trail Enhancements	Community/Cult.Sus	Trails	25,000	-	-	25,000	20,199	LoS	81%	on track	
272007	Hukuwai Bridges	Community/Cult.Sus	Trails	-	-	-	-	45,406	LoS	-	complete	Started 2016-17; complete
277004	Pakowhai Bridge Lighting	Community/Cult.Sus	Parks & Res	50,000	-	-	50,000	9,450	LoS	19%	on track	solar lights to be installed
277600	Redevelopment of Mechanics Institute (investmnt property)	Community/Cult.Sus	Property	1,500,000	-	-	1,500,000	153,856	LoS	10%	deferred	subject to consent
278004	Technology & Research Centre (Library)	Community/Cult.Sus	Library	1,800,000	-	-	1,800,000	16,600	LoS	1%	deferred	funding
278005	Library Relocation Costs	Community/Cult.Sus	Property	40,000	40,000	-	80,000	-	LoS	0%	deferred	subject to new building
321201	CBD Cameras & Internet Expansion	Community/Cult.Sus	Commnty Dev	20,000	-	-	20,000	9,154	LoS	46%	on track	On track to spend, looking at two camera expansion projects currently, number plate recognition cameras on entrances to town, and cameras to cover the wharf and carpark
469401	Wellington/Brabant St Pump Station	Engnrng & Serv	Stormwater	230,000	230,000	-	460,000	1,710	LoS	0%	delays	Delayed due to land procurement
469403	Tarawa Creek Flood Water Storage Area	Engnrng & Serv	Stormwater	1,600,000	-	-	1,600,000	3,640	LoS	0%	deferred	Moved to 2018-19 by way of Council resolution to allow further investigation
469404	Condition & Performance Assessments	Engnrng & Serv	Stormwater	10,000	-	-	10,000	-	LoS	0%	on track	Underway expect single invoice at year end
469405	Ricardo Monitoring System	Engnrng & Serv	Stormwater	30,000	-	-	30,000	569	LoS	2%	on track	Underway will be complete by 30 June
469407	Comprehensive Discharge Resource Consent	Engnrng & Serv	Stormwater	30,000	30,000	-	60,000	1,852	LoS	3%	delays	Delays waiting on BOPRC commentary. Other aspects underway.
469412	Upgrade Richard Street Gravity Main	Engnrng & Serv	Stormwater	1,200,000	-	-	1,200,000	21,551	LoS	2%	on track	Underway construction due to begin in March

Proj ID	Project Description	Group	Cost Centre	2017-18 AP Budget \$	2016-17 Carry Fwds \$	2017-18 Cncl Resolution \$	2017-18 Forecast \$	31 December Actual Spend \$	Type	% Spent on F'cast	Status	Comment
469414	King/Goring St Gravity Main	Engnrng & Serv	Stormwater	140,000	-	-	140,000	4,965	LoS	4%	deferred	Reprioritised in LTP by way of Council resolution due to high contract costs and low criticality
549609	Factory Road Wastewater Extension	Engnrng & Serv	Wastewater	150,000	-	-	150,000	8,864	LoS	6%	deferred	Budget tentatively set for growth. Investigative work underway due to interest. Likely to be carried over until significant growth occurs.
583000	Condition and Performance Assessments	Engnrng & Serv	Water	5,000	-	-	5,000	-	LoS	0%	on track	Underway
583011	Ōpōtiki WTP Chlorine Pipe Upgrade	Engnrng & Serv	Water	30,000	-	-	30,000	-	LoS	0%	deferred	Components purchased in previous year. Budget for installation may be carried over to take advantage of existing assets.
583201	Ōhiwa Chlorination	Engnrng & Serv	Water	5,000	-	-	5,000	-	LoS	0%	cancelled	Project completed 2016-17
626101	Minor Improvements	Engnrng & Serv	Roads-sub	110,000	-	-	110,000	44,479	LoS	40%	on track	Underway
626110	Street Lighting Upgrade	Engnrng & Serv	Roads-sub	-	-	-	-	2,539	LoS	-	on track	Fully subsidised. Project underway. Due for completion 30 June.
628402	Seal Extension	Engnrng & Serv	Roads-non sub	210,000	-	-	210,000	-	LoS	0%	slippage	Budget allowed in response to public interest. Potential expenditure on Copenhagen Rd.
707400	Support Services - Software Systems & Improvement	Support Serv	Finance	45,000	-	-	45,000	28,155	LoS	63%	delays	We have projects ready to start implementation but are awaiting IT technical support which we don't have. Staff are at capacity at the moment so cannot implement anything alone. Datapay installation complete.
				7,230,000	300,000	-	7,530,000	372,989				

Proj ID	Project Description	Group	Cost Centre	2017-18 AP Budget \$	2016-17 Carry Fwds \$	2017-18 Cncl Resolution \$	2017-18 Forecast \$	Actual 31 December Spend \$	Type	% Spent on F'cast	Status	Comment
271603	Pipi Bed Toilet Renewal	Community/ Cult.Sus	Public Toilets	200,000	-	-	200,000	16,314	Ren		delays	Subject to resource consent
271605	Pipi Bed Toilet - Renew Disposal Field	Community/ Cult.Sus	Public Toilets	-	-	-	-	13,157	Ren	15%	delays	as above
271800	Play Equipment	Community/ Cult.Sus	Playgrounds	50,000	-	-	50,000	19,160	Ren	38%	on track	in progress
271901	Library Book Stock Replacement	Community/ Cult.Sus	Library	45,000	-	-	45,000	19,954	Ren	44%	on track	ongoing
271902	Library Replacement Furniture & Fitt	Community/ Cult.Sus	Library	10,000	-	-	10,000	-	Ren	0%	deferred	subject to new building
272009	Horse Trail Fencing	Community/ Cult.Sus	Trails	25,000	-	-	25,000	-	Ren	0%	delays	access dispute
277003	Rose Garden Renovation - Investigation	Community/ Cult.Sus	Parks & Res	20,000	-	-	20,000	2,106	Ren	11%	on track	awaiting concept design
277006	Ōpōtiki Aerodrome Boundary Fence Replacement	Community/ Cult.Sus	Parks & Res	-	-	-	-	2,015	Ren	-	on track	
277301	Bridge St Depot - Yard Reseal	Community/ Cult.Sus	Admin Bldgs	-	-	-	-	19,420	Ren	-	complete	complete
277306	Support Services - Office Equipment	Community/ Cult.Sus	Admin Bldgs	20,000	-	-	20,000	7,430	Ren	37%	on track	On track to spend budget with new equipment to be ordered shortly for new staff and office rearrangements
278000	Earthquake Prone Buildings	Community/ Cult.Sus	Property	50,000	50,000	-	100,000	-	Ren	0%	on track	
373300	Joint Water Quality Improvement Project - Waioatahe River	Community/ Cult.Sus	Economic Dev	50,000	-	-	50,000	-	Ren	0%	delays	
433501	Te Kaha RRC - Paint Building	Engrng & Serv	Solid Waste	10,000	-	-	10,000	-	Ren	0%	cancelled	This painting was programmed earlier than necessary and will be reprioritised in draft LTP.
433600	Waihou Bay RRC - Reseal Yard	Engrng & Serv	Solid Waste	20,000	-	-	20,000	-	Ren	0%	cancelled	Already completed, budget not required
469409	Pump spares (replacements)	Engrng & Serv	Stormwater	140,000	-	-	140,000	6,768	Ren	5%	on track	Underway expect completion by 30 June




Proj ID	Project Description	Group	Cost Centre	2017-18 AP Budget \$	2016-17 Carry Fwds \$	2017-18 Cncl Resolution \$	2017-18 Forecast \$	Actual 31 December Spend \$	Type	% Spent on F'cast	Status	Comment
469416	Replacement of section of 900 gravity main	Engrng & Serv	Stormwater	60,000	-	-	60,000	-	Ren	0%	on track	Underway as part of Richard St Gravity Main contract
549601	Ōpōtiki Soakage Lines Renewal	Engrng & Serv	Wastewater	25,000	-	-	25,000	18,985	Ren	76%	on track	Nearing completion
549605	Ōpōtiki - W'Water Rehab,	Engrng & Serv	Wastewater	3,100,000	-	-	3,100,000	58,823	Ren	2%	on track	First contract underway and making good progress. Second contract to spend remaining budget currently being vetted. Outstanding budget likely due to good contract rates. Budget to be carried over to 2018-19.
549612	Ōpōtiki - W'water Rehab. - Private Laterals	Engrng & Serv	Wastewater	1,000,000	-	-	1,000,000	-	Ren	0%	on track	Contract works underway and making good progress. Expenditure likely coded into Pipe Relining code. Part of the same overall project.
549614	Ōpōtiki Pump Spares	Engrng & Serv	Wastewater	100,000	-	-	100,000	22,414	Ren	22%	on track	Underway expect completion by 30 June
583001	Hikutaia Booster Station (electrical control + storage)	Engrng & Serv	Water	15,000	-	-	15,000	-	Ren	0%	on track	Underway
583010	Ōpōtiki Backwash Pump	Engrng & Serv	Water	10,000	-	-	10,000	9,002	Ren	90%	on track	Mostly complete.
583012	Ōpōtiki Treatment Equipment & Service Pumps	Engrng & Serv	Water	5,000	-	-	5,000	7,771	Ren	155%	complete	Complete.
583014	Factory Road Loop Main	Engrng & Serv	Water	-	260,000	-	260,000	92,004	Ren	35%	complete	Outstanding works uncompleted 2016-17.
583019	Opotiki Pump Spares	Engrng & Serv	Water	100,000	-	-	100,000	-	Ren	0%	on track	Underway expect completion by 30 June




Proj ID	Project Description	Group	Cost Centre	2017-18 AP Budget \$	2016-17 Carry Fwds \$	2017-18 Cncl Resolution \$	2017-18 Forecast \$	Actual 31 December Spend \$	Type	% Spent on F'cast	Status	Comment
583020	Ōpōtiki Hedley Bores renewal 2	Engrng & Serv	Water	-	-	20,461	20,461	20,461	Ren	-	complete	The Hedley bores pump failed inexplicably in August. Failure occurred 2 years into 15 year expected life. Occurrences such as this are the purpose of the pump spares project and costs will be covered by that budget. As the procurement of the pump spares inventory is still in progress the budget could have some minor over runs. Investigations into the cause of the pump failure are ongoing, depending on findings, pump cost may be reimbursed by the manufacturer.
583103	Te Kaha UV Unit	Engrng & Serv	Water	-	-	-	-	2,252	Ren	-	complete	Unexpected capital replacement.
583108	Te Kaha Pump Spares	Engrng & Serv	Water	50,000	-	-	50,000	-	Ren	0%	on track	Project underway expect completion by 30 June
626100	Drainage Renewals	Engrng & Serv	Roads-sub	66,810	-	-	66,810	10,162	Ren	15%	on track	Underway
626102	Pavement Rehabilitation	Engrng & Serv	Roads-sub	250,000	-	-	250,000	2,860	Ren	1%	on track	Underway
626103	Sealed Resurfacing	Engrng & Serv	Roads-sub	391,540	-	-	391,540	310	Ren	0%	on track	Underway
626104	Traffic Services Renewals	Engrng & Serv	Roads-sub	44,650	-	-	44,650	11,928	Ren	27%	on track	Underway
626105	Unsealed road metalling and Rehabilitation	Engrng & Serv	Roads-sub	128,380	-	-	128,380	97,270	Ren	76%	on track	Underway

Proj ID	Project Description	Group	Cost Centre	2017-18 AP Budget \$	2016-17 Carry Fwds \$	2017-18 Cncl Resolution \$	2017-18 Forecast \$	Actual 31 December Spend \$	Type	% Spent on F'cast	Status	Comment
626106	Emergency Reinstatement - Storm Damage	Engrng & Serv	Roads-sub	260,000	-	-	260,000	-	Ren	0%	on track	\$100k to \$150k of budget expected to spent this year in response to cyclone Gita storm.
626107	Ngarue Rd Bridge	Engrng & Serv	Roads-sub		-	-	-	5,663	Ren	-	complete	Completed 2016-17; residual costs (retention)
626108	Asset Management Planning	Engrng & Serv	Roads-sub	166,000	-	-	166,000	43,278	Ren	26%	slippage	Expenditure likely to increase by 30 June.
628400	Urban Kerb & Channel	Engrng & Serv	Roads-non sub	60,000	-	-	60,000	-	Ren	0%	on track	Potts Ave rehabilitation project due to begin in March
628401	Footpaths	Engrng & Serv	Roads-non sub	80,000	-	-	80,000	47,516	Ren	59%	on track	Part of Potts Ave rehab project due to begin in March
628404	Stoney Creek Road - Bridge 37	Engrng & Serv	Roads-non sub	-	-	4,583	4,583	4,583	Ren	-	new	As per Council Resolution
707500	Support Services - Hardware & Software Renewal	Support Serv	Info Systems	275,000	-	-	275,000	24,828	Ren	9%	on track	Hardware and software renewal is ongoing. Property digitisation project subject to IT resourcing
707700	Support Services - Fleet Vehicle & Plant	Support Serv	Plant	310,000	-	-	310,000	114,441	Ren	37%	on track	ongoing
				7,137,380	310,000	25,044	7,472,424	700,875	Ren			

Non-Financial Performance Measures


Current percentage status of targets that need results this period	Current total status	Status type
78%	56	Achieved
18%	13	Not achieved
6%	4	In danger of not being achieved
	24	N/A






Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
LEADERSHIP				
Council will provide representation and leadership at a local, regional and national level				
Council will hold a minimum of 8 meetings throughout the year	8	Achieved.	Achieved. Council has held 4 Ordinary, 1 Extra Ordinary Council, 3 Audit and Risk and 3 Coast Community Board meetings from 1 July 2017 to 31 December 2018.	
Community satisfaction with Council leadership	80%	Not required till 4th quarter.	N/A.	
Decision making in compliance with the Local Government Act 2002.	No successful challenges to Council decision making process	Achieved.	On Target.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
The Annual Plan is adopted in accordance with the Local Government Act 2002 on or before 30 June each year.	-	-	Not applicable for the 2017-18 year as an LTP is due to be adopted by 30 June 2018.	
The LTP is adopted in accordance with the Local Government Act 2002 on or before 30 June every three years.	100%	Not required till 4th quarter.	N/A.	
The Annual Report will be published in accordance with the Local Government Act 2002 within four months of the end of each financial year.	100%	100%	Achieved. The Annual Report for 2016-17 was adopted at an Extra Ordinary Council Meeting 31 October 2017.	

COMMUNITY FACILITIES

Planned development of quality parks and recreation facilities



Management Plans for principal reserves completed; staged development implemented.	Management Plans developed for key reserves; management and development of reserves consistent with Management Plans.	Management Plans for Coastal and Sports reserves completed.	For remaining recreation reserves Management Plans delayed pending TOW settlement.	
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Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
High quality parks and recreation facilities provided and accessible to the community				
% of community satisfied with the provision of recreation facilities in annual surveys.	>85%	Not required till 4th quarter.	N/A.	
Playgrounds comply with NZSS 5828 (2004)				
% of play equipment compliant with NZSS 5828 or relevant standard	80%	Not required till 4th quarter.	Safety audit to be undertaken in current year.	
Public toilets are clean, safe and operational				
% of community satisfied with the quality of toilet facilities in annual surveys.	>85%	Not required till 4th quarter.	N/A.	
Cemeteries maintained to a high standard; accurate records maintained and accessible				
% of community satisfied with the provision of cemetery services, maintenance and records.	90%	Not required till 4th quarter.	N/A.	
Provision of a comprehensive community library service for the community				
Percentage of the community satisfied with the library facility and service.	>80%	Not required till 4th quarter.	N/A.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Number of Library facilitated programmes per year	6 programmes per year	>6	Achieved. Pecha Kucha, Book Groups, School holiday programmes.	






COMMUNITY DEVELOPMENT







Provide assistance for community support activities





Grants for the maintenance of the 22 district Urupa will be distributed by 31 December each year.	100%	100%	Achieved. All maintenance grants for the 22 Urupa paid out on 1 August 2017.	
Service level agreements and/or memorandum of understandings for community grants will be reviewed every three years.	N/A	N/A	Not applicable as no target set for the 2017-18 year in the 2015-2025 Long Term Plan.	






Enhance community Safety




Routine maintenance checks of CCTV cameras and related systems.	Quarterly	Achieved.	Report provided from provider in November.	
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Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
ECONOMIC DEVELOPMENT				
Redevelopment of the Opotiki Harbour Entrance.				
BOPRC Funding - Comply with conditions of Regional Infrastructure fund Heads of Agreement/Funding Agreement.	On-going compliance as conditions fall due.	Not measurable.	Not able to be measured until funding received so that all clauses can be measured against.	
Sea farm funding confirmed 1 July 2016	By end of financial year.	N/A.	Not required till 4th quarter.	
Crown Funding - Complete secure funding agreement with Crown 1 July 2016	By end of financial year.	N/A.	Not required till 4th quarter.	
Construction works	Harbour redevelopment tender process complete by 30 December 2017	Not achieved.	Awaiting government funding decision.	
Construction works	Construction of training walls started 1 March 2018.	Not achieved.	Awaiting government funding decisions.	
Social Planning	N/A	N/A.	Not applicable as no target set or required for the 2017/18 year in the 2015-2025 Long Term Plan.	




Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Long Term Success - Growth in the number of new rating units	N/A	N/A.	Not applicable as no target set or required for the 2017/18 year in the 2015-2025 Long Term Plan.	
Investigate and promote investment in a range of economic development opportunities.				
Implement Economic Development Strategy.	Strategy actions implemented	Not achieved.	Economic activity reported - work required to refine reporting. Actions not yet implemented.	
Maintain a current database of business contacts and communicate regularly with business sector.	Achieved	Not achieved.		
Promote the district as a tourism destination; support tourism operators and events.				
Maintain and evaluate visitor numbers to i-SITE quarterly.	Achieved	Achieved.	On target. One report completed. Next report due March 2018	
Facilitate community events.	Two events per year	> 2 events.	Achieved. 2 events held in 1 July 2017 to 31 December 2017 period.	
Maintain a current database and regular communication with tourism sector	Database revised quarterly, 4 bulletins posted per annum	Database revised quarterly. Q1 and Q2 bulletins posted.	On target. Database continuously revised and Q1 and Q2 bulletins posted in 1 July 2017 to 31 December 2018 period.	





Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
REGULATION AND SAFETY				
The Council will provide and maintain a quality service to meet statutory requirements and community expectations				
Liquor Licence applications are processed in accordance with Sale and Supply of Alcohol Act 2012 within 15 working days after receipt of all reports and information required.	100%	86%	Not achieved. Total of 44 Liquor Licence applications received in the 1 July 2017 to 31 December 2017 period. 38 were completed within statutory timeframe of 15 days and 6 were completed outside of the 15 day timeframe.	
Health – Registered premises are inspected a minimum of once per year for compliance with all statutory requirements.	100%	100%	As Food Act 2014 is now in place verification's are conducted throughout the year dependent on registration dates. 9 premises were verified between 1 July and 31 December 2017.	
The Council will provide and maintain a quality service to meet statutory requirements and community expectations.				
An increase in the number of registered dogs in the District.	1600	1538	The total number of dogs in the district is 1,538 so it is not possible to achieve the target set for the 2017/18 year. Out of the 1,538 total dogs in the district 1,439 are currently registered to 19 February 2018 which is a 93% registration rate.	
% of time building consents are issued within the statutory timeframes.	100%	100%	On target. 81 Building Consent applications processed from 1 July 2017 to 31 December 2017 and all completed within statutory timeframes.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
% of Customer satisfaction with level of service (as measured by the annual BCA survey).	>90%	Not required till 4th quarter.		
% of roles that have been identified and staffed for 24 hours operation of the Emergency Coordination Centre	100%	97%		
% of staff identified for roles in the Emergency Operations Centre that are trained to an appropriate level agreed by the Group.	100%	53%	The training standard has been increased to include participation in an event or exercise in the last 2 years; this significantly lowered the percentage of GECC/EOC staff trained achieved by all GECC/EOC. Calculations of these figures identified that not all attendance at exercising and events over the last 2 years have been captured due to record keeping, this is being resolved.	
All animal control complaints of an aggressive or threatening nature are responded to within 1 hour from receipt of complaint.	100%	70%	Not achieved. 44 complaints received of an aggressive or threatening nature. (33 received during business hours and 11 after hours.) 31 complaints responded to within 1 hour of receiving report/complaint and 13 responded to over 1 hour.	
Council actively engages with the wider community to increase the level of awareness preparedness and resilience				
Minimum number of council delivered civil defence initiatives to promote community resilience and safety	4 initiatives delivered annually	1 achieved - 3 in development.	On target - Pop up shop delivered in January 2018.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
The Council will provide an emergency management service that meets statutory requirements and community expectations.				
Rural Fire fighters meet response times provided in contract specification.	100%	100%	Total of 42 rural fires, and only 6 needed Rural Fire fighters. All six met response times.	
The Council will provide and maintain a quality service to meet statutory requirements.				
% of time resource consents are issued within the statutory timeframes.	100%	100%	On target.	
SOLID WASTE MANAGEMENT				
The kerbside collection of bagged refuse and recyclables where the service is provided is efficient and effective. (NB: service provided in Opotiki township, Hikutaia/Woodlands)				
Number of service complaints in any one month regarding the quality of the kerbside refuse / recycling collection service. (Note: service conditions outlined on brochure mailed annually)	<3	1	On target. No more than 1 complaint received in any one month in 1 July 2017 to 31 December 2017 period. 1 complaint received in August 2017 and 1 in December 2017.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Provision of effective waste service for the community.				
Customer satisfaction rating of waste transfer stations good or better.	>70%	Not required till 4th quarter.	N/A.	
Waste minimisation education reduces household waste and increases good recycling practices.				
Number of public education waste minimisation activities completed.	3	4	Achieved.	
Service provided keeps residual waste to minimum quantity.				
Residual waste per year does not exceed 120 kg per person per year	120 kg / person / year	72.30kg/person/to date.	Higher than expected but hopefully will meet target at end of year.	





Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
STORMWATER				
The urban stormwater activity is managed to protect people and property from the impacts of flooding.				
Number of stormwater flooding events and for each flooding event the number of habitable floors affected per 1000 connections. (A 'Flooding Event' as per DIA guidelines is an overflow of stormwater from a territorial authority's stormwater system that enters a habitable floor).	0	0	On target. No flooding events were recorded where an overflow of Stormwater from Council's urban stormwater system affected a habitable floor in the 1 July 2017 to 31 December 2017 period. Number of flooding events = 0 Number of habitable floors affected = 0.	
Service requests and complaints are processed as they come in.				
Median response time to attend a stormwater flooding event, from notification to personnel on site.	3 days	0	On target. Number of flooding events = 0 Number of habitable floors affected = 0 Median response time not applicable as not 'flooding events' occurred.	
Number of complaints about the performance of the stormwater system per 1000 connections	<5	8.5	Not achieved. 6 complaints received in total from 1 July 2017 to 31 December 2017 period which is 8.5 per 1000 connections. This result is based on an estimated 700 connections as Council does not have knowledge of the exact number of connections in the district. The estimate of 700 connections is based on half of the available connections.	






Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Stormwater water quality will be managed effectively for 365 days of the year.				
The number of Abatement notices received regarding stormwater discharge compliance	0	0	On target. None received.	
The number of Infringement notices received regarding stormwater discharge compliance	0	0	On target. None received.	
The number of Enforcement orders received regarding stormwater discharge compliance	0	0	On target. None received.	
The number of convictions regarding stormwater discharge compliance	0	0	On target. None received.	




DISTRICT PLAN

Maintain an operative District Plan that is compliant with Legislation.

Review District Plan in accordance with the RMA	Completed subject to any appeals stage	On target.	District Plan will be going to Council for Adoption within this 2017/18 year.	
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Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
WASTEWATER				
A reliable removal and treatment service is provided in areas serviced by Council operated sewerage systems.				
Number of complaints about sewerage system faults per 1000 connections	<5	2	On target. A total of 3 complaints or requests for service received in the 1 July 2017 to 31 December 2017 period which rounded up to the nearest whole number is 2 per 1000 connections. This is based on a total of 1661 connections.	
Number of complaints about sewerage system blockages per 1000 connections	<5	1	On target. A total of 2 complaints received in the 1 July 2017 to 31 December 2017 period which rounded down to the nearest whole number is 1 per 1000 connections based on a total of 1661 connections.	
Number of complaints about council's response to issues within the sewerage system per 1000 connections	<7	0	On target. No complaints received about Council's response to issues received in the 1 July 2017 to 31 December 2017 period.	
Service requests and failures are responded to as they come in.				
Median fault attendance time; time from notification to personnel on site - wastewater	4 hours	23 minutes	On target. A total of 3 complaints or requests for service were received in the 1 July 2017 to 31 December 2017 period and the median fault attendance time from notification to personnel on site was 23 minutes.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Median fault attendance time; time from notification to resolution of problem - wastewater	4 days	20 hours and 4 minutes	On target. A total of 3 complaints or requests for service were received in the 1 July 2017 to 31 December 2017 period and the median fault attendance time from notification to resolution of problem was 20 hours and 4 minutes.	
Number of complaints about sewerage odour per 1000 connections	<10	0	On target. No complaints received in the 1 July 2017 to 31 December 2017 period.	
Sewage is managed without risk to public health.				
Number of sewage overflows into habitable buildings due to faults in the wastewater system.	0	1	Not achieved. 1 overflow into habitable building recorded in the 1 July 2017 to 31 December 2017 period. This was due to Stormwater infiltration into the wastewater system during a heavy rain event and was exacerbated by a high level of use of the toilets at the affected facility at the same time as the heavy rain event occurred.	
The number of dry weather sewerage overflows per 1000 connections	2	0	On target. No dry weather sewerage overflows were reported in the 1 July 2017 to 31 December 2017 period.	
The quality of effluent leaving the treatment plant is of a standard required by consents.				
Number of Abatement notices regarding wastewater discharge compliance	0	0	On target. None received.	



Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Number of Infringement notices regarding wastewater discharge compliance	0	0	On target. None received.	
Number of Enforcement orders regarding wastewater discharge compliance	0	0	On target. None received.	
Number of Convictions regarding wastewater discharge compliance	0	0	On target. None received.	






WATER SUPPLY






Pleasant tasting and looking drinking water is provided from Council operated supplies.





Measure of customers who are satisfied with the quality of their drinking water.	>90%	Not required till 4th quarter.	N/A	
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Council will provide safe drinking water

Number of complaints about; drinking water clarity per 1000 connections	<5	<1	On target. 1 complaint received about drinking water clarity in the 1 July 2017 to 31 December 2017 period which is <1 per 1000 connections based on 2455 connections.	
Number of complaints about; drinking water taste per 1000 connections	<5	0	On target. No complaints received about drinking water taste in the 1 July 2017 to 31 December 2017 period.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Number of complaints about; drinking water odour per 1000 connections	<5	0	On target. No complaints received about drinking water odour in the 1 July 2017 to 31 December 2017 period.	
Compliance with NZ Drinking Water Standards 2005 (revised 2008)				
Bacterial Compliance	100%	100%	On target.	
Protozoal Compliance	100%	33%	Not achieved. Ōpōtiki compliant. Ongoing minor issues with existing filtration in Te Kaha. Ohiwa lacks treatment facilities for protozoa compliance. Both facilities have proposed projects in draft LTP to resolve outstanding issues. Issues are identified in water safety plans and forward work considered acceptable by regional water assessor.	
Council provides supplies that are reliable and are managed at the lowest possible all of life costs				
Percentage of capital and renewal projects as set out in the LTP implemented on time and within budget so that level of pressure and flow are not affected by decline in service and growth.	100%	100%	On target.	
Measure of customers served by Council supply who are satisfied with the reliability and cost of their water supply services.	85%	Not required till 4th quarter.	N/A	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Failures and service requests are responded to promptly.				
For urgent call outs; median time from notification to personnel on site - water supply. (DIA describe an urgent call out as one that leads to a complete loss of drinking water.)	<4 hours	24 minutes	On target. 1 urgent request received in the 1 July 2017 to 31 December 2017 period and time from notification to personnel on site is 24 minutes.	
For urgent call outs; median time from notification to resolution of problem - water supply. (DIA describe an urgent call out as one that leads to a complete loss of drinking water.)	<1 day	36 minutes	On target. 1 urgent request received in the 1 July 2017 to 31 December 2017 period and time from notification to resolution is 36 minutes.	
For non-urgent call outs; median time from notification to personnel on site - water supply	<1 day	<1 hour	On target. 45 non-urgent requests received in the 1 July 2017 to 31 December 2017 period and median time from notification to personnel on site is 18 minutes.	
For non-urgent call outs; median time from notification to resolution of problem - water supply	<4 days	<1 day	On target. 45 non-urgent requests received in the 1 July 2017 to 31 December 2017 period and median time from notification to personnel on site is 16 hours and 48 minutes.	
Number of complaints about drinking water pressure of flow per 1000 connections	<8	<1	On target. 2 complaints received regarding drinking water pressure or flow in the 1 July 2017 to 31 December 2017 period which is .83 per 1000 connections based on 2455 connections.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Number of complaints about continuity of supply per 1000 connections	<8	0	Achieved. No complaints received regarding continuity of supply in the 1 July 2017 to 31 December 2017 period.	
Number of complaints about council's response to any of the drinking water issues per 1000 connections	<5	0	Achieved. No complaints received regarding Council's response to any of the drinking water issues in the 1 July 2017 to 31 December period.	
Water resources are used efficiently and sustainably.				
Average consumption of drinking water per day per resident	<400L	Opotiki - 129L Te Kaha - 145L Ohiwa - 42L	On target. Water usage well within acceptable volumes.	
Percentage of real water loss from networked reticulation system	<10%	Te Kaha - 15.6% Opotiki - 22.4% Ohiwa - 60%	Water losses in Te Kaha and Opotiki have increased over the past 5 years alongside improvements in recording methods. It should be noted that a 10% loss KPI is very low and that losses in Opotiki and Te Kaha are only moderate by Water NZ standards. For these two schemes a leak detection programme is proposed in the draft LTP however it is not believed to be critical on the above basis. The Ohiwa scheme has historically not been recorded due to lack of apparatus. High losses recorded here are not considered excessive considering "Unavoidable Losses" which occur year round versus very low water use due to seasonal fluctuations in population.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
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Water supply is adequate for fire-fighting purposes.

Minimum of six fire hydrants tested and meeting tri-annual compliance test with fire-fighting standards.

6

5/6

Not achieved. One hydrant found non-compliant due to partial valve closure. Issue has been resolved.



LAND TRANSPORT

The surface of the roading network is maintained in good condition and is 'fit for purpose'

Percentage of sealed road network resurfaced

>6%

Not required till 3rd quarter.

Sealing to be carried out in March 2018.



To undertake grading on unsealed roads in accordance with the operations & maintenance contract specification

100%

100%








To apply new gravel to unsealed roads to the renewal schedule outlined in the operations & maintenance contract specification





> \$100,000




\$93,082.50


Ongoing.



Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Percentage of requests relating to roads and footpaths that are responded to within timeframes set in Long Term Plan: Urgent calls: 1 day Non-urgent: 4 days				
Urgent calls - Response within 1 day - roading	100%	100%	On target. A total of 23 urgent requests were received in the 1 July 2017 to 31 December 2017 period and all were responded to within 1 day.	
Non-urgent calls - Response within 4 days - roading	100%	91%	Not achieved. 69 non-urgent requests were received in the 1 July 2017 to 31 December 2017 period and 3 were not responded to within 4 days.	
The transportation system is reliable and travel times are predictable				
Percentage of persons who rate the reliability of the District's roading network as good or excellent in the Customer satisfaction survey.	>80%	Not required till 4th quarter.	N/A	
Road users find the road environment predictable and the road safe to use.				
Average ride quality of sealed road network	91-95%	94%	Last tested in 2016.	
Percentage of persons who as users rate the safety of the District's roads as good or excellent in the Customer satisfaction survey.	>85%	Not required till 4th quarter.	N/A.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Traffic services (street lighting, roadside vegetation, road signs, road markings) are visible and accurate				
Percentage of road users satisfied that traffic services on the network are accurate and visible in the Customer satisfaction survey.	>85%	Not required till 4th quarter.	N/A.	
Road Corridor users (pedestrians, joggers, disabled persons etc.) are able to use the road corridors in a safe and convenient manner.				
Percentage of footpaths that are up to standard as set in plans	90% of qualifying footpath faults scheduled for repair	\$45000.00 spent on footpath repairs in August 2017.	Ongoing.	
Change from previous financial year in number of fatalities and serious injury crashes on the local road network	Not targeted - recorded for analysis purposes only	No Changes	Monitoring.	
The number of users who agree the standard of footpaths is good or excellent in the Customer satisfaction survey.	>80%	Not required till 4th quarter.	N/A	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
INVESTMENTS				
BOPLASS				
Investigate new Joint Procurement initiatives for goods and service for BOPLASS councils	A minimum of four new procurement initiatives investigated	On track.	BOPLASS 6 monthly report.	
Communication - BOPLASS	Communicate with each shareholding Council at appropriate levels with a least one meeting with each Executive Leadership Team	On track.	BOPLASS 6 monthly report.	
Toi-EDA				
Develop and implement a Strategy and Annual Work Plan that supports and develops key sectors in the Eastern Bay economy to grow employment and wealth	80% achievement of Work Plan actions	On track.	CEO 6 monthly report.	

Key Performance Indicator	Performance Target 2017/18	Performance achieved to 31 December 2017	Commentary to 31 December 2017	Achieved status
Represent the Eastern Bay in all relevant wider economic development activities, planning strategies and initiatives.	Submissions lodged on all regional and EBOP district plans. Active participation in 80% of Regional Governance Group and Management Group meetings	On track.	Submissions made to both KDC and ODC plans.	

REPORT

Date : 12 March 2018
To : Audit and Risk Committee Meeting, 12 March 2018
From : Finance and Corporate Services Group Manager, Bevan Gray
Subject : **2018-2028 LONG TERM PLAN CONSULTATION DOCUMENT**
File ID : A131894

EXECUTIVE SUMMARY

To obtain approval from the Audit and Risk Committee to send the 2018-2028 Long Term Plan Consultation document to Audit NZ for review.

PURPOSE

To have the Audit and Risk Committee approve the 2018-2028 Long Term Plan consultation document "Your assets, your community, your future" for audit review.

The purpose of the Consultation Document is to provide the community with the key issues over the next ten years and outline how Council proposes to deal with them. It also seeks response from the community on which options the community thinks that Council should choose to address these issues. The Consultation Document is required to be short, clear and concise and is developed to inform the public. A copy of the draft consultation document will be tabled at the meeting.

BACKGROUND

Every three years Council is required to prepare a Long Term Plan (LTP). For the 2015-2025 preparation a new requirement was the Consultation Document (CD). The CD is a much smaller and reader friendly document, outlining the key issues and options for the LTP. As this document is much smaller, and is compiled separately and prior to the LTP being prepared, a suite of underlying information (building blocks to the LTP) need to be adopted and made available to the public to support the CD. Most of this underlying information has already been approved by Council for use in the LTP public consultation and the remaining items will be adopted at the next Council meeting.

This will allow those that are interested to obtain relevant information should they wish to do so about any of the items of consultation that we have listed in the CD.

Once adopted by Council the CD and supporting documentation will be available on Council's website and at our customer services desk at Council's offices. Copies of the CD will be sent out to those who request it.

DISCUSSION AND OPTIONS SECTIONS

This is one of the final building blocks to the LTP and is required to be adopted by Council to enable the consultation process with the community to begin. It has been a long process of workshops and reviewing information to bring this all together into one document to inform the community of the issues we as a Council and community face together over the next ten years.

It is hoped our Consultation document will enable members of our community to easily see what the key issues are, and what sort of development and growth phases each area is in.

SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council's Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of Significance to obtain approval from the Audit and Risk Committee to send the 2018-2028 Long Term Plan Consultation document to Audit NZ for review is considered to be high as determined by the criteria set out in section 12 of the Significance and Engagement Policy.

This is part of the process of putting together the 2018-2028 Long Term Plan, which is subject to a special consultative procedure. The adoption by Council of the consultation document enables Council to consult with the community on the proposed plans.

The decisions or matters of this report are part of a process to arrive at a decision that will be significant in accordance with Section 2 of the Significance and Engagement Policy. This states that a matter shall be determined to be significant when adopting a Long Term Plan. As a significant decision or matter, the Council must apply greater diligence in regards to the decision making requirements of the Local Government Act 2002 section 76-82. This includes, but is not limited to, the degree to which different options are identified and assessed and the extent to which community views are considered, including whether consultation is required.

Assessment of engagement requirements

As the level of significance to obtain approval from the Audit and Risk Committee to send the 2018-2028 Long Term Plan Consultation document to Audit NZ for review is considered to be high the level of engagement required is determined to be at the level of consult according to Schedule 2 of the Significance and Engagement Policy.



COMMUNITY INPUT AND PUBLICITY

As required by the Local Government Act, Council will run a full public consultation for the 2018-2028 Long Term Plan including a formal submissions and hearing process.

The consultation document and all supporting information will be made available on Council’s website and at Council’s offices. We will notify the opening of consultation and the submission process on our website, on our social media pages and through local media which may include print and radio.

The official consultation period will start on 16 April and will close on 18 May. Hearings meetings will be held on 12 June and it is expected the final Long Term Plan will be adopted at an Extra Ordinary meeting of Council on 29 June 2018.

Authority

The Audit and Risk Committee have the authority to approve sending the 2018-2028 Long Term Plan Consultation document to Audit NZ for review.

RECOMMENDATIONS:

- 1. That the report titled "2018-2028 Long Term Plan Consultation Document" be received.
- 2. That the Audit and Risk Committee approve the 2018-2028 Long Term Plan consultation document "Your assets, your community, your future" for audit.

Bevan Gray

FINANCE AND CORPORATE SERVICES GROUP MANAGER

REPORT

Date : 7 March 2018

To : Audit and Risk Committee Meeting, 19 March 2018

From : Chief Executive Officer, Aileen Lawrie

Subject : **RESOLUTION TO EXCLUDE THE PUBLIC**

SECTION 48 LOCAL GOVERNMENT OFFICIAL INFORMATION & MEETINGS ACT 1987

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

- 7. In-Committee Minutes – Audit and Risk Committee Meeting 27 November 2017.**
- 8. Statute Barred Rates Write-Offs.**
- 9. Harbour Project Update**

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

Item No	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
7.	In-Committee Minutes – Audit and Risk Committee Meeting 14 August 2017	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.	Section 48(1)(a)
8.	Statute Barred Rates Write-Offs	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.	Section 48(1)(a)

9.	Harbour Project Update	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.ion 48(1)(a)	
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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 or section 6 or section 7 or section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

7.	Maintain effective conduct of public affairs Protect Information	Section 7(2)(f)(i) & (ii) Section 7(2)(b)(i), (d) and (e)
8.	Protect the privacy of natural persons Free and frank expression of opinions	Section 7(2)(a) Section 7(2)(f)(i)
9.	Protect Information Protect the privacy of natural persons	Section 7(2)(b)(i) & (ii) Section 7(2)(a)