



NOTICE OF A RISK AND ASSURANCE COMMITTEE MEETING

**Opotiki District Council Chambers, 108 St John Street, Opotiki
Monday, 2 March 2020
Commencing at 10.00am**

ORDER PAPER

APOLOGIES

DECLARATION OF ANY INTERESTS IN RELATION TO OPEN MEETING AGENDA ITEMS

PUBLIC FORUM

	Page
ITEM 01 CONFIRMATION OF MINUTES – AUDIT AND RISK COMMITTEE MEETING 25 NOVEMBER 2019	5
ITEM 02 RISK AND ASSURANCE ACTION SHEET	9
ITEM 03 QUARTERLY REPORT TO 31 DECEMBER 2019	10
ITEM 04 RESOLUTION TO EXCLUDE THE PUBLIC	44

PUBLIC EXCLUDED BUSINESS

- ITEM 05 EVOLUTION NETWORKS UPDATE**
- ITEM 06 HEALTH, SAFETY, STAFF RESOURCES AND WELLBEING REPORT**
- ITEM 07 RESOLUTION TO RESTATE RESOLUTIONS AND READMIT THE PUBLIC**

A COMMITTEE WORKSHOP WILL BE HELD AT THE CONCLUSION OF THE MEETING COVERING:

- (a) Risk Register**
- (b) Financial Delegations Review**

Independent Chairperson: Arihia Tuoro

Members: Cr Steve Nelson
Cr Debi Hocart

Ex-Officio: Mayor Lyn Riesterer

Committee Secretary: Gae Finlay

Quorum: 2

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Independent Chair and 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

RISK AND ASSURANCE COMMITTEE TERMS OF REFERENCE

1. The Risk and Assurance 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**
Independent Chairperson: Councillor Tuoro
Members: Councillor Nelson, Councillor Hocart
Ex-Officio: Mayor Riesterer
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 Risk and Assurance 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 Risk and Assurance Committee include:*
- a. *Any significant issues arising from the financial management of councils affairs.*
 - b. *Any complaints against elected members or alleged breaches of the Council's 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 RISK AND ASSURANCE COMMITTEE MEETING HELD ON MONDAY, 25 NOVEMBER 2019 IN THE ŌPŌTIKI DISTRICT COUNCIL CHAMBERS, 108 ST JOHN STREET, ŌPŌTIKI AT 10.00AM

PRESENT:

Mayor Lyn Riesterer (Chairperson)
Councillor Steve Nelson

IN ATTENDANCE:

Aileen Lawrie (Chief Executive Officer)
Greg Robertson (Chief Financial Officer)
Haydn Read (Finance and Systems Group Manager)
Tina Gedson (Property Officer)

Deputy Mayor Shona Browne

MEDIA:

Charlotte Jones (Local Democracy Reporter, The Beacon)

APOLOGY

Interim Independent Member David Love.

RESOLVED

(1) That the apology be sustained.

HWTM/Nelson

Carried

The Chairperson advised that the Action Schedule has been tabled for noting by the Committee. The item was not included in the agenda but is provided as an update to the Committee. The Action Schedule will be considered after Item 4.

DECLARATION OF ANY INTERESTS IN RELATION TO OPEN MEETING AGENDA ITEMS

Nil.

PUBLIC FORUM

Nil.

1. MINUTES – AUDIT AND RISK COMMITTEE MEETING 9 SEPTEMBER 2019 **p5**

RESOLVED

- (1) That the minutes of the Audit and Risk Committee meeting held on 9 September 2019 be received.**

HWTM/Nelson

Carried

2. KOHA REPORT **p11**

RESOLVED

- (1) That the report titled “Koha Report” be received.**

Nelson/HWTM

Carried

3. PROCESS FOR APPOINTMENT OF INDEPENDENT CHAIR AND INDEPENDENT MEMBER **p20**

The Chief Executive Officer spoke to the report.

The Committee put forward items they would like to see incorporated in the Job Description for the Independent Chair position as follows:

- Impeccable integrity
- Good professional track record
- Community trust and confidence
- Experience

It was agreed that clause 2 of the recommendations be amended to read:

“That the Committee confirms the Position Description and person profile for the Independent Chair.

It was further agreed that clause 3 of the recommendations be amended to show the names of the members of the recruitment panel members and delete the reference to the level of support required from Corporate HR.

RESOLVED

- (1) That the report titled “Process for Appointment of Independent Chair and Independent Member” be received.**

- (2) That the Committee confirms the Position Description and person profile for the Independent Chair.
- (3) That the Committee confirms panel representation as Mayor Lyn Riesterer, Councillor Steven Nelson and Corporate Services Manager, Muriel Chamberlain.
- (4) That the Committee approves the timeframe and estimated budget.
- (5) That the Committee refers the need for extra Independent Member back to next Council meeting in December

HWTM/Nelson

Carried

The Finance and Systems Group Manager entered the meeting at 10.21am.

ACTION SCHEDULE

Tabled Item

The Action Schedule was tabled.

The Committee noted the updates provided by the Chief Executive Officer.

The Action Schedule will, in future, be titled "Risk and Assurance Action Sheet".

RESOLVED

- (1) That the Action Schedule be received.

HWTM/Nelson

Carried

PRELIMINARY SHIFT AND IMPACT OF NEW EVALUATIONS

Information Item

The Chief Financial Officer presented a table giving an overview of the new three-yearly property valuations for the Ōpōtiki district noting that there had been a considerable rise across all land values, especially in the horticultural area.

The Chief Executive Officer mentioned the biggest concern is the risk that the community will assume the large rise in values comes with an automatic large rise in rates.

The Chief Executive Officer stated that Councillors will have comprehensive information presented to them, when the Finance and Corporate Services Group Manager returns, as part of the Annual Plan workshop in February or March.

THERE BEING NO FURTHER BUSINESS THE MEETING CLOSED AT 11.10AM.

**THE FOREGOING MINUTES ARE CERTIFIED AS BEING A
TRUE AND CORRECT RECORD AT A SUBSEQUENT
MEETING OF THE RISK AND ASSURANCE COMMITTEE
HELD ON 2 MARCH 2020**

**L J RIESTERER
HER WORSHIP THE MAYOR**

	Issue	Recommendation	Done	Assigned To	Status	Comments
21	Contract Management Policy and Guidance	Recommend Council develop a contract management policy and guidance, to include procedures and templates for consistency	<input type="checkbox"/>	Ari Erickson	In Progress	Contract management processes are currently being built, upon completion a Policy will be assembled. Processes are at this stage included in at the wider activity management level so that they can properly consider information systems, resources and responsibilities and a strategic approach to procurement. Asset management and procurement strategies are being drafted in parallel.
22	Contract management oversight	Have individual or team in place with responsibility for oversight of contract management activities	<input type="checkbox"/>	Ari Erickson	In Progress	Changes to engineering department structure is now complete. An Activity/Asset Management Policy/Strategy is in draft, the activity management system (series of process charts) are about 70% complete. These include the various sub-processes in line with each corresponding policy/strategy. i.e. Contract, operational, asset, project, IT systems and procurement management. Sub-processes are being assigned to staff 'champions' based on expertise. These champions will lead several management groups which will ensure probity. Two key positions, contract management and asset management, are still yet to be filled though interim measures are in place. Unfortunately one of the key financial positions has recently been vacated.
24	Project Management	Recommend a documented approach and methodology, planned approach to undertake post implementation reviews, have independent quality assurance reviews.	<input type="checkbox"/>	Ari Erickson	In Progress	Included in line with above.
32	Asset Management	Monthly reconciliations to be performed between the fixed asset register and the general ledger. These should be independently reviewed.	<input type="checkbox"/>	Ari Erickson	In Progress	There has been a lot of work done as a project to ensure this process is implemented, as well as aiding the organisation to complete their compliance requirements in the most efficient manner. This process is very near to completion.
33	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.	<input type="checkbox"/>	Ari Erickson	In Progress	This is under development as part of the asset management policy.
41	RRC's	Recommendation that Council improves the controls regarding revenue at the RRC's.	<input type="checkbox"/>	Ari Erickson	In Progress	Refer agenda report May 2019. A full review has been completed an options recommended. Update: After additional occurrences at the RRC another report has been brought to A&R (9 Sept) and recommendations presented.
45	ANZ	Review and report on what would be required to change banks	<input type="checkbox"/>	Bevan Gray	In Progress	Sought some feedback from BOPLASS, whom lead our transactional banking review process as we all signed on together.
51	IANZ audit update	Once IANZ letter is received an update to be provided back to the Committee	<input type="checkbox"/>	Gerard McCormack	In Progress	Verbal update provided 15/10/18 Report to be provided to A&R. Second audit underway week of 29 April.
56	Risk Register Reporting	Review structure and reporting	<input type="checkbox"/>	Sarah Jones	In Progress	Workshop completed, next step is to ascertain what to do with the risks and where to go next.
57	Annual Report Process	Recommend a project approach to preparing the Annual Report, with monitoring to ensure milestones are met. Preparation of substantiation file.	<input type="checkbox"/>	Greg Robertson	In Progress	Processes were implemented previously in an effort to aid in the project management of the process (eg Smartsheet). Further refinements and enhancements are being made as identified.
61	Contract Management	Implement appropriate processes and procedures for contract management	<input type="checkbox"/>	Ari Erickson		Refer item 21. Reviews to date indicate Council's project manager is following all appropriate standards and legislative guidance.
64	Contact Centre Module	Review processes to ensure that the time recorded in the Contact Centre Module is based on time taken for matter to be resolved	<input type="checkbox"/>	Ari Erickson	In Progress	This process has been reviewed and will require a fundamental change to maintenance contracts and data collection methods. This has been an Asset Management goal for a number of years but requires various pre-requisite steps be undertaken first. The issue arises where requests for service cannot or practically should not be resolved immediately. An example of this would be footpath repairs which are scheduled within the footpath repair contract which is carried out over the course of several months. The result is effectively a back log of unresolved service requests which would all require manual review and resolution as much as a year later. The interim solution has been for assessing engineers to log requests as resolved when they have confirmed that work has been programmed for completion. Exceptions to this are those requests that relate to critical services monitored by Council KPI's. All of these requests are recorded as resolved upon completion. This action will take some time to implement but is being worked toward and will be included in the IT systems and operation processes within the asset management policy. Update: With the completion of the E&S department structure review, technical positions have been given this responsibility, we need only fill these roles.
67	Related parties	Monitor related parties on a regular basis to ensure any potential transactions that may go over \$25k are approved by the auditor general	<input type="checkbox"/>	Greg Robertson	In Progress	Interests register in process of being updated for councilors following recent election and for management team. Training on managing conflicts of interest arranged.
72	RRC's	Recommends Council improve controls in relation to revenue at the RRC's	<input type="checkbox"/>	Greg Robertson	In Progress	A process is now in place whereby variances between daily banking and till-tape reports are investigated and highlighted to management. Also related to RRC issue on line 41.
74	Capitalisation policy	Recommends Council implement an asset capitalisation policy	<input type="checkbox"/>	Ari Erickson	In Progress	An asset capitalisation policy is currently in draft alongside all of the above documents.
76	Fixed asset reconciliations	Recommends Council reconcile the fixed asset register on a regular basis	<input type="checkbox"/>	Ari Erickson	In Progress	Reconciliation processes are being refined with every reconciliation carried out. At this stage reconciliations have been reduced from year end to every 6 months. The intention is to bring this down to quarterly and even monthly. This was almost achieved this year and with the new Asset Engineer having started in the engineering team this is expected to be achieved moving forward. Two reconciliation processes need to be built to enable this, an interim based on expenditure only and a final based on asset population. Again this will be included in the activity management policy. Update: We unfortunately lost our newly recruited Asset Engineer and have once again been set back to the starting blocks.
78	Financial Strategy in LTP	Recommends Council review financial strategy and consider impacts of proposed debt levels beyond the 10 year period	<input type="checkbox"/>	Bevan Gray	Not Started	Will consider with the next LTP. Should be easily achievable with the Infrastructure Strategy. We will need to start this process shortly. Of more importance to consider is affordability
80	Demand forecasting	Recommends Council refines its process for demand forecasting.	<input type="checkbox"/>	Bevan Gray	Not Started	Will undertake a lot of this analysis and work leading into the long term plan
82	Interests	Updates the interest register for elected members and staff to record the nature of the interest, type of conflict and the mitigating actions to manage that conflict.	<input type="checkbox"/>	Greg Robertson	In Progress	Updating current Register to incorporate mitigating actions to manage the conflict.
88	Holding accounts/historical payables balance	The District Council seeks to reduce the balances of the liabilities by contacting the parties concerned to arrange a refund of the monies. If this is not possible, we recommended the Council clears these balances.	<input type="checkbox"/>	Gerard McCormack	In Progress	We are making efforts to confirm whether or not these historical balances are valid, and to take appropriate action to clear these balances.
89						



REPORT

Date : 19 February 2020
To : Risk and Assurance Committee, 2 March 2020
From : Chief Financial Officer, Greg Robertson
Subject : **QUARTERLY REPORT TO 31 DECEMBER 2019**
File ID : A191506

EXECUTIVE SUMMARY

The Quarterly Report for the quarter ended 31 December 2019 provides the Council with an understanding of progress against Year 2 of the LTP 2018-28 for the current financial year.

PURPOSE

The purpose of this report is to present the Quarterly Financial Report to 31 December 2019 to Council.

BACKGROUND

This report is for the six months ending 31 December 2019 and is designed to provide Council with an understanding of progress against year 2 of the LTP 2018-28.

The report provides a concise but comprehensive overview of the Council's financial position as at 31 December 2019, and is structured as follows:

Financial Overview	2
Capital expenditure.....	6
Treasury Report.....	7
Rates Arrears.....	9
Non-Financial Performance Measures to 31 December 2019	11

Financial Overview

1. Financial Overview

This report summarises the key financial highlights for the quarter ended 31 December 2019. Please note that variances stated without brackets are favorable, whereas variances stated with brackets are unfavorable.

1.1 Income Statement

	Actual 2nd Qtr 2019 000's	Actual 2nd Qtr 2020 000's	Budget 2nd Qtr 2020 000's	Variance 2nd Qtr 2020 000's	Budget Full year 2020 000's
Revenue					
Rates	5,492	5,817	5,504	313	11,008
Subsidies and Grants	1,184	1,110	8,876	(7,766)	19,249
Fees and Charges	847	671	665	6	1,256
Interest Revenue	35	3	51	(48)	102
Other Revenue	24	120	129	(9)	257
Total Revenue	7,582	7,721	15,224	(7,503)	31,872
Expenditure					
Other Expenses	3,499	4,022	3,732	(291)	7,501
Depreciation and Amortisation	1,429	1,466	1,439	(27)	2,878
Personnel Costs	2,071	2,139	2,510	371	5,019
Finance Costs	121	117	245	128	489
Total Expenditure	7,120	7,744	7,925	181	15,887
Surplus / (Deficit)	462	(23)	7,300	(7,322)	15,985

1.2 Significant Variances

Revenue

Revenue to date is (\$7.5 million) behind budget. (\$7.4 million) of this is directly related to the delayed Harbour project. Rates income is ahead of budget by \$313,000 as we have given \$144,000 less remissions than budgeted and Penalty charges \$90,000 or new rates collected via growth or change in use \$69,000, are not budgeted for. Interest revenue is under budget as we exhausted all cash reserves rather than borrowing for CAPEX.

Expenditure

Total expenditure to date is \$181,000 lower than budgeted for.

Other expenses are (\$291,000) higher than budget. The main contributors are Solid Waste, with (\$171,000) higher than budget, however we have identified \$132,000 that possibly can be capitalised instead, so overall other expenses should drop to (\$159,000) higher than budget. Three Waters is (\$94,000) higher than budget as they used consultants to do the work of the unfilled positions.

Personnel costs are \$371,000 under budget, this is primarily due to unfilled positions in Engineering, Finance and Regulation & Safety during the first half of the year, however all entities except Leadership and Solid Waste were under budget.

Finance costs are \$128,000 less than budget, we have borrowed less than expected due to our CAPEX spend being under budget. (See 2. Capital Expenditure).

Depreciation and amortisation expense is slightly higher by (\$27,000).

1.3 Explanation of Key Variances by Activity

Leadership

Councilor/Mayoral remuneration is (\$36,000) above budget, this is due to the recent changes around local government leadership remuneration.

Community Development

No 'Health and Active Communities' grant income has been received this year. This should change in the 3rd and 4th quarter. Despite giving away more than budgeted in Grants and Donations to other organisations, our Materials & Consumables have dropped significantly, resulting in expenditure \$18,000 lower than budget.

Community Facilities

None of the budgeted Grants and subsidies have eventuated yet, resulting in (\$340,000) below budget for revenue. These grants require we do the work and spend the money first, however there has been delays on these projects. An unbudgeted \$40,000 was received towards Freedom camping and associated costs. This income was partially offset with (\$20,000) higher than budgeted expenses for public toilets and the balance will appear by year end. A change in the reporting structure has seen (\$25,000) insurance and (\$20,000) rates charged to council property. Personal costs are tracking \$21,000 below budget.

Economic Development

Delays in the Harbour Development has Grants and Subsidies (\$7.4 million) below budget. The i-SITE raised \$20,000 above its summer events budget, which it spent on wages and costs associated with the events. (\$83,000) was spent on consultant's advice on behalf of the councils of the Eastern Bay of Plenty for regional growth, meanwhile \$30,000 was received from MBIE, and this is a timing difference, eventually all expenditure for regional growth is offset with grants. Otherwise expenditure was tracking along below budget. Personnel costs are \$45,000 below budget with the absence of a dedicated staff member working on the Harbour development.

Regulation and Safety.

Revenue across Regulation and Safety has evened out to end slightly above budget. Unfilled positions sees Personnel costs \$105,000 lower than budget.

Resource Management.

Appeals to District plan changes saw legal costs (\$43,000) higher than budgeted. This is significantly less than would have been the case if we had been forced to continue to the Environment Court.

Solid Waste Management

Expenditure was up right across Solid Waste. As mentioned earlier, we have discovered \$132,000 of expenses which we want to capitalise. Which will bring Solid Waste down from (\$171,000) over budget to (\$39,000) over budget. However there is no CAPEX Budget for the (\$132,000).

Three Waters

Work was finally completed in Te Kaha and we applied for a subsidy of \$147,000 which originally was budgeted for in 2015. Water charges were \$10,000 higher than budget. Unfilled positions has left personnel costs below budget by \$104,000. Expenditure is higher than budget (\$94,000) which was due to paying for consultants to cover the unfilled positions in the team. All positions are now filled.

Land Transport

Roading subsidies are (\$183,000) below budget but this is timing only. The work will happen in the 3rd and 4th quarters. Depreciation is unfavorable (\$40,000). Expenditure overall is \$84,000 under budget but are expected to be met within existing budgets over the remainder of the year.

Support Services

Personnel costs are \$138,000 below budget, there were unfilled positions. Depreciation is (\$58,000) over

budget, future budgets will need to consider increased investment in information systems and plant., which have short lives between 3 and 5 years.

1.4 Cash and Cash Investment Balance

	2018-19 Actual to June 000s	2019-20 2 nd Quarter Actual YTD 000s	2019-20* Budget 000s	Variance to Budget 000s
Cash and Short Term Investments	1,663	1,914	3,938	(2,024)
Term Investments	-	-	-	-
Total	1,663	1,914	3,938	(2,024)

**budget is for full year*

Cash position as 31st October was actually (\$269,000) as we had exhausted all cash reserves and were in overdraft. In late December we borrowed \$2 million which brought our cash position back into line. With projected capital spend, further borrowing will be required and surplus cash will always be short lived. Delays in Harbour development has impacted our budgeted cash balance, cash required for monthly payments would be significantly higher if we were including Harbour invoices.

1.5 Cash and Cash Investment - Balance Interest and Debt Level

	2018-19 Actual to June 000s	2019-20 2 nd Quarter Actual YTD 000s	2019-20* Budget 000s	Variance to Budget 000s
Finance Costs	236	117	489	362
Term Loans	5,000	7,000	16,681	9,681

** Budget is full year.*

Borrowing is much less than anticipated so YTD Finance costs are less than half the YTD budget. Overall borrowing is much lower due to large capital projects being deferred or delayed. Also new borrowing this quarter was only acquired when we had exhausted all cash reserves.

Capital expenditure

2.0 Capital Expenditure

Total capital expenditure completed for the second quarter YTD was \$4.1 million compared to a full year budget of \$31.5 million, which includes budget by Council resolution of \$399,500 (\$80,000 towards Opotiki Water supply, \$216,500 towards extra Land Transport funding).

Budget Managers have forecasted the remaining two quarters spend of approximately \$4.3 million compared to the \$27.4 million remaining budget for the year.

Delays or deferrals on the following projects represent the majority of (under) budget spend

- Technology and Research Centre (Library) (\$1,451,000)
- Wharf Removal and Rebuild (\$1,256,000)
- Animal Control Building (\$612,000)
- Coastal Reserves Tourism Infrastructure (\$510,000)
- Wastewater Stage 3 (\$3,177,000)
- Harbour Entrance (\$17,081,000).

For full details please refer to appendix 1 'Capex Progress Report YTD'.

Capex Progress Report YTD June 2020	2019/20 AP Total Budget	Council Resolution	2019/20 YTD Actuals	Over/(Under) Budget	Remaining Forecasted* Budget 19/20
Community Development	5,526,360	0	754,192	(4,772,168)	1,278,545
Economic Development	17,192,532	0	361,235	(16,831,297)	2,500
Land Transport	2,375,731	216,500	159,580	(2,432,651)	2,171,000
Solid Waste Management	163,520	0	0	(163,520)	0
Regulation & Safety	20,440	0	4,455	(15,985)	0
Support Service	601,958	0	68,170	(533,788)	68,000
Stormwater	400,775	0	136,301	(264,474)	35,000
Water Supplies	470,987	103,100	1,101,862	527,775	49,000
Wastewater	4,374,495	80,000	1,513,978	(2,937,647)	700,000
TOTALS	31,126,798	399,600	4,099,774	(27,423,753)	4,304,045

*Forecasted 3rd and 4th quarter CAPEX spend as at 31st December 2019

Capex Progress Report YTD June 2020	2019/20 AP Total Budget	Council Resolution	2019/20 YTD Actuals	Over/(Under) Budget	Remaining Forecasted* Budget 19/20
Growth	18,971,400	73,100	594,500	(18,450,000)	135,000
level of Service	4,932,912	125,000	1,451,520	(3,606,392)	2,010,045
Renewals	7,222,486	201,500	2,053,753	(5,567,362)	2,159,000
TOTALS	31,126,798	399,600	4,099,774	(27,423,753)	4,304,045

*Forecasted 3rd and 4th quarter CAPEX spend as at 31st December 2019

Treasury Report

3.0 Treasury Report

3.1 Debt Position

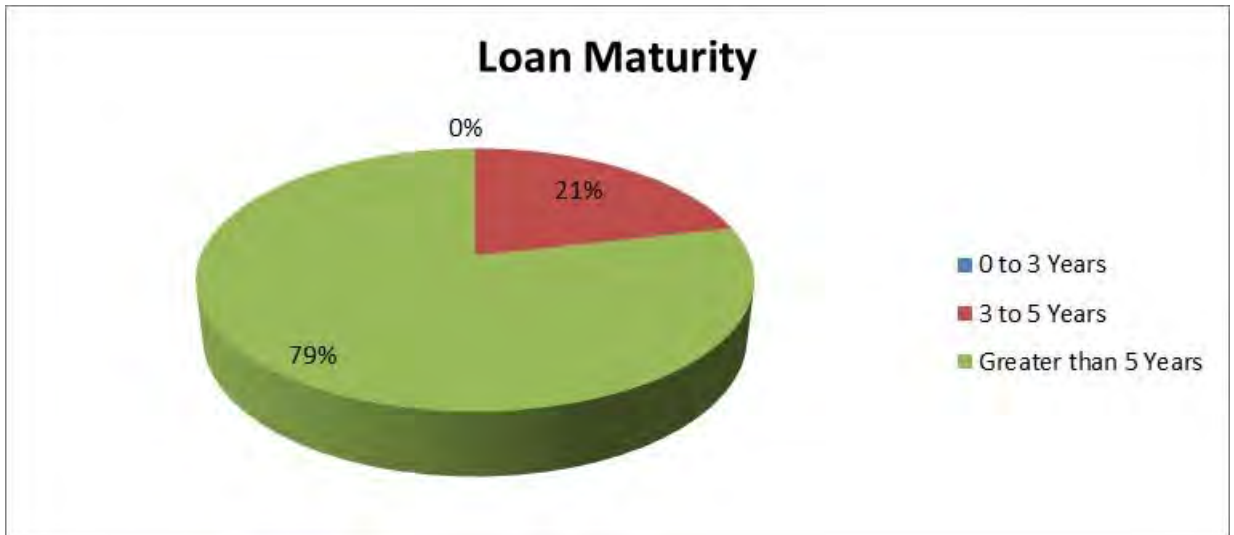
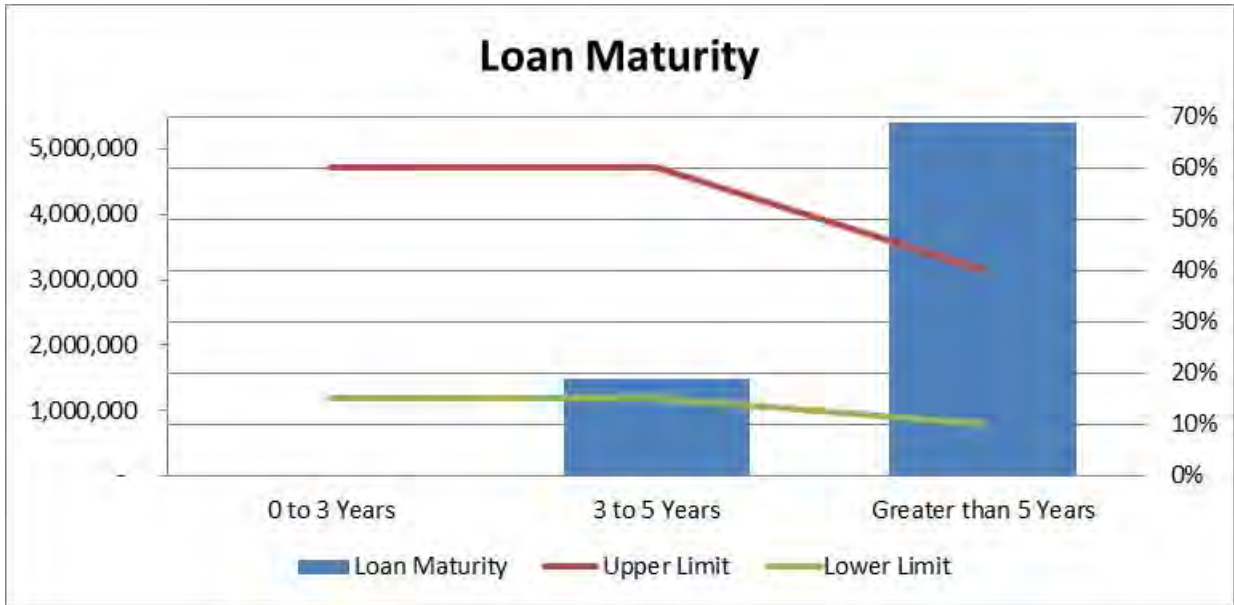
	Actual 2018-19 000s	YTD Actual 2019-20 000s	Budget 2019-20 000s
Secured loans less than 12 months (Current Liabilities)	0	0	1,500
Secured loans greater than 12 months (Non-current Liabilities)	5,000	7,000	23,944
Total Secured Loans	5,000	7,000	25,444

In December 2019, Council borrowed \$2 million with LGFA at 2.19%, out to April 2025. Once total borrowings exceeds \$10 million, council treasury policy (as defined in the Treasury Risk Management Policy, adopted by Council on 30 June 2018) will require total borrowings to meet certain criteria regards floating vs fixed and <3yrs / 3-5yrs / >5yrs. This will take effect in the 4th quarter when we expect to hit \$10 million in borrowings.

3.2 Funding Maturity

The chart below illustrates the funding maturity profile of Councils four loans totaling \$7 million and maturing between 3 and 9 years. All loans are on fixed interest rates between 2.19 and 5.7%.

Council's budget in the Annual Plan (year 2 of the LTP) expects further borrowing this year, although from recent forecasts for the remaining two quarters, we are looking to borrow another \$5 million by 30/6/2020 under the guidance of the Treasury Risk Management Policy.



Compliance with Liability Management Policy

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

Item	Borrowing Limit	Actual Performance
Net interest on external debt as a percentage of total revenue	<10%	1.48%
Net interest on external debt as a percentage of annual rates income	<15%	1.96%
Net cash flows from operating activities divided by interest expense.	>2	12.66

Council is within policy for all of the measures.

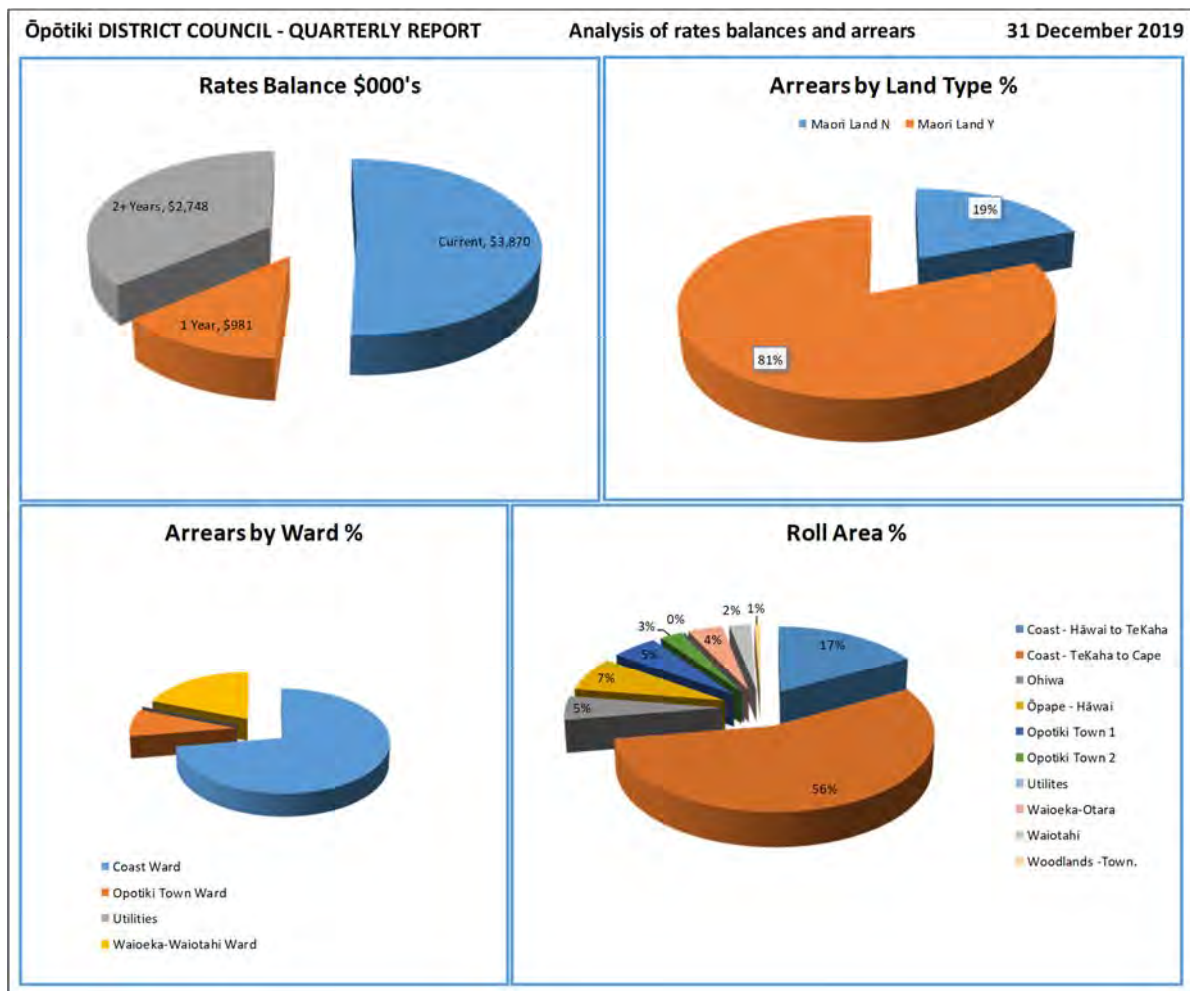
Rates Arrears

4.0 Report on Rates Arrears

81% of arrears, \$3.02 Million relates to Maori land, leaving 19% or \$712,000 on European title.

Maori land is very difficult to chase in comparison to European title, which has more options via debt collection, section 62 mortgagee demands and forced sales of land. There are some avenues still to be investigated regards Maori land, namely occupation orders and land with limited owners or under a trust. Council's appetite to chase rates arrears on Maori land will need to be established.

In November the Finance team started to analysis and consider new ways to tackle the unpaid rates. For a number of reasons, we were not 100% utilising our debt management system which offers a range of tools to chase debts. Significant work has been done to bring unpaid rates into the debt management system. Reporting will be much easier and effective going forward, helping staff better identify who to contact and by what means (phone call, letter, site visit, debt collection or legal).



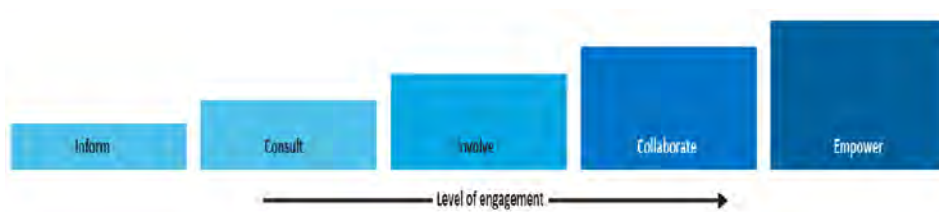
SIGNIFICANCE ASSESSMENT

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 2019 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 2019 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 2019" be received.**

Greg Robertson

CHIEF FINANCIAL OFFICER




Non-Financial Performance Measures to 31 December 2019




A 'traffic light' system has been used to clearly show at a glance which Key Performance Measures (KPIs) have been achieved (or are on target to be achieved), which are in danger of not being achieved, have not been achieved, and which have not been required to be reported on in this period.





-  Achieved or on target to be achieved
-  In danger of not being achieved
-  Not achieved
-  Not required to be reported on this period




Council reports each year on a total of 87 KPIs. 64 KPIs are required to be reported on this period.





Of that 64, 85.9% (55 KPIs) are recorded as achieved or on target to be achieved, 4.68% (3 KPIs) are recorded as in danger of not being achieved and 7.81% (5 KPIs) are recorded as not achieved.



Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
LEADERSHIP					
Council will provide leadership that is visionary, community focused, efficient and inclusive.					
Community satisfaction with Council leadership	83%	71%	N/A	Not required till 4th quarter.	
Decision making in compliance with the Local Government Act 2002.	No successful challenges to Council decision making process	No successful challenges to Council decision making process	No successful challenges to Council decision making process	On target.	
Level of community satisfaction with the opportunities to participate in decision making.	59%	55%	N/A	Not required till 4th quarter.	




Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
COMMUNITY FACILITIES					
Planned development of quality parks and recreation facilities.					
Complete planning for the development of key recreation reserves.	Development plans not completed.	Development plans complete for Maraetai Bay reserve and Waiōtahe Beach frontage, Orete Point reserves	On track	The Reserves Management Plans are currently out for consultation. Adoption is expected by year end.	
High quality parks and recreation facilities provided and accessible to the community.					
% of community satisfied with the provision of recreation facilities in annual surveys.	70%	80%	N/A	Not required till 4th quarter.	
Playgrounds comply with NZS 5828 (2015).					
% of play equipment compliant with NZS 5828 or relevant standard. N.B The NZS 5828 standard is intended to promote and encourage the provision and use of playgrounds that are well designed, well-constructed, well maintained, innovative and challenging.	84%	70%	N/A	Not required till 4th quarter.	






Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Public toilets are clean, safe and operational.					
Public toilets are compliant, functional and clean.	Customer requests and complaints not responded to within 4 hours.	Customer requests and complaints responded to within 4 hours.	Customer requests and complaints responded to within 4 hours.	On target. 3 requests and/or complaints received and all responded to within 4 hours.	
Cemeteries maintained to a high standard; accurate records maintained and accessible.					
% of community satisfied with the provision of cemetery services, maintenance and records.	71%	80%	N/A	Not required till 4th quarter.	
Provision of a comprehensive community library service for the community.					
% Percentage of the community satisfied with the library facility and service.	74%	80%	N/A	Not required till 4th quarter.	
Number of library facilitated programmes per year.	16	6	9	Achieved. Pecha Kucha, Arts on Tour and Book Group events held in 6 months to 31 December 2019.	






Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
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 8 November 2019.	
Memorandum of understandings and administration agreements for community grants are in place.	100%	100%	100%	All MoU's are reviewed and renewed as part of the LTP process. The next review will be undertaken next year as we start to prepare the 2021-31 Long Term Plan.	
Enhance community Safety.					
Continual expansion to CCTV camera system in town.	100%	1	100%	Resource Recovery Centre's are now covered by CCTV, and we have identified further places to extend the service.	



Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
ECONOMIC DEVELOPMENT					
Development of the Ōpōtiki Harbour entrance.					
BOPRC Funding - Comply with all conditions of Regional Infrastructure Fund Heads of Agreement/Funding Agreement as they fall due or renegotiate deadlines.	Not measurable	100%	Not measurable	Heads of Agreement complied with to extent possible without government funding confirmed.	
Crown Funding - Complete funding agreement with Crown.	Not measurable	Funding agreement signed	Not measurable.	A funding agreement would follow a positive Crown decision to fund.	
Manage the contract for design and construction of the Ōpōtiki Harbour Development Project.	N/A	Construction commenced	Not measurable.	A contract for design and construction of the Ōpōtiki Harbour Development would follow a positive Crown decision to fund.	
Investigate and promote investment in a range of economic development opportunities.					
Implement Economic Development Strategy.	Achieved	100%	0%	Currently not achieved and not expected to be achieved this financial year.	



Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Investigate and promote investment in a range of economic development opportunities.					
Maintain a current database of business contacts.	Not currently measurable	Database revised quarterly	Not currently measurable	Database not currently maintained by Council as no staff/resources are available. Council is investigating if this measure can be tied in with the Toi EDA EBOP Economic Strategy or if this measure should be removed at the time of the next Long Term Plan adoption and replaced with a more relevant measure that can be monitored and reported on with accuracy.	
Communicate regularly with business sector.	8 bulletins posted	4 bulletins posted	4 bulletins posted	Achieved. Regular communication with business sector undertaken during consultation periods and major project planning e.g. town centre revitalisation, proposed bylaw changes, business breakfasts etc.	




Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Promote the district as a tourism destination; support tourism operators and events.					
Increase \$ tourism spend.	3% increase in tourism spend	Increase in \$ tourism spend over last year	Achieved	13% increase in tourism spend from \$29 million in 2018 to \$33 million for the year to 31 December 2019.	
Facilitate community events.	5 events	Two events per year	9	Achieved. 9 events facilitated – Matariki, Ōpōtiki clean up week, EBOP Graduation Ceremony and Summer Festival Events.	
Maintain a current database of tourism sector	Database revised quarterly	Database revised quarterly	Database revised quarterly	Achieved. Database revised quarterly plus information updated if received via operators.	
Communicate regularly with tourism contacts	6 bulletins posted	4 bulletins posted	> 4 bulletins posted	Achieved. In regular contact with tourism contacts. Famils organized. Events details and updates emailed (3 x events, 2x famil, 2x general updates).	






Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
REGULATION AND SAFETY					
Council will provide and maintain a quality service to meet statutory requirements and community expectations.					
All liquor licences are processed within 15 working days after the receipt of all reports and information required.	100%	100%	100%	On target.	
As per Food Act 2014, food premises are checked and verified as their registrations become due.	100%	100%	30%	On target to have all verification visits carried out within the prescribed timeframe.	
% of known dogs registered within the District (as recorded on the 1st June)	96%	92%	98%	Achieved. 1527 dogs have been registered so far out of a total of 1571 known dogs registered within the district.	
All animal control complaints of an aggressive or threatening nature are responded to within 2 hours from receipt of complaint.	83%	100%	83%	Not achieved. 18 complaints received. 15 responded to within 2 hours and 3 responded to over 2 hours.	
% of building consents issued within the statutory timeframes.	94%	100%	88%	Not achieved. 74 Building Consents approved. 65 within 20 working days and 9 outside of 20 working days.	



Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
% of customer satisfaction with level of service (as measured by the annual Building Control Authority survey).	N/A	>90%	N/A	Not required till 4th quarter when all responses received will be collated for Annual Report.	
% of roles identified and staffed for 24 hours operation of the Emergency Coordination Centre.	97%	100%	99%	Currently not achieved. The only vacant role is that of Recovery Manager.	
% of staff identified for roles in the Emergency Operations Centre that are trained to an appropriate level agreed by the Group.	54%	100%	88%	Currently not achieved.	
% of resource consents issued within the statutory timeframes.	100%	100%	100%	On target.	
Council actively engages with the wider community to increase the level of awareness preparedness and resilience.					
Minimum number of council delivered initiatives to promote community resilience and safety.	4 initiatives delivered	4 initiatives delivered	2 initiatives delivered	On target.	





Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
SOLID WASTE MANAGEMENT					
The kerbside collection of bagged refuse and recyclables where the service is provided is efficient and effective. (NB: service provided in Ōpōtiki township, Hikutaia/Woodlands)					
Number of service complaints per year regarding the quality of the kerbside refuse / recycling collection service. (Note: service conditions outlined on brochure mailed annually)	42	<20	14	On target. Complaints generally relating to waste not being picked up, placement of bins or damage to bins. Most complaints have ceased since the service went to two day a week which has seen bins consistently collected with none being missed, no damage by contractors, tidy placement and consistency of service. Generally the community has adjusted to the new collection method.	
Provision of effective waste service for the community.					
Customer satisfaction rating of waste transfer stations good or better.	86%	>80%	N/A	Not required till 4th quarter.	



Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Waste minimisation education reduces household waste and increases good recycling practices.					
Number of public education activities completed.	6	3	On track.	Unfortunately Waste Education NZ no longer have a staff member in the area. 1 school was completed in September and we have done education on recycling with the introduction of our new waste crates. Inquiries will be made as to status of Waste Education NZ.	
Service provided keeps residual waste to minimum quantity.					
Residual waste per year does not exceed 120 kg per person per year.	155 kg / person	<120 kg / person / year	132kg to 31 December 2019	*see below	
<p>*Commentary on performance to 31/12/19: Not achieved. Several waste streams have been added to Council's waste to landfill including timber waste, additional plastic types including 3,4, 6 and 7. Plastic type 1 is the only plastic still being taken for recycling, currently plastics 2 and 5 are being stock piled as they are conducive to recycling but are not being accepted by China or Indonesia. Plastic storage is estimated to last 2 years. Central government has announced 500-600% increase of landfill levies responding to the majority of Councils that are now sending plastic to landfill. It is anticipated these levies will be used to fund a national solution but time frames are as yet unknown. Council officers are looking at long term options to prevent further waste to landfill and avoid levy charges.</p>					







Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
STORMWATER					
The urban stormwater activity is managed to protect people and property from the impacts of flooding.					
The number of flooding events that occur in the District. N.B. The Department of Internal Affairs describes a flooding event as an overflow of stormwater from a territorial authority's stormwater system that enters a habitable floor.	0	0	0	On target. No flooding events recorded in the 1 July 2019 to 31 December 2019 period.	
For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to Council's stormwater system).	0	0	0	On target. No flooding events recorded in the 1 July 2019 to 31 December 2019 period.	
Service requests and complaints are processed as they come in.					
Median response time to attend a flooding event, from notification to personnel on site.	0	< 4 hrs	0	On target. No flooding events recorded in the 1 July 2019 to 31 December 2019 period.	







Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Number of complaints received about the performance of the stormwater system per 1000 connections to the Council's stormwater system.	<6/1000 connections	<20/1000 connections	7.1/1000 connections	On target.	
Stormwater water quality will be managed effectively for 365 days of the year.					
Compliance with Council's resource consents for discharge from its stormwater system, measured by the number of:					
a) abatement notices	0	0	0	On target	
b) infringement notices	0	0	0	On target	
c) enforcement orders	0	0	0	On target	
d) convictions	0	0	0	On target	
received by Council in relation to those resource consents.					

Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
DISTRICT PLAN					
Review District Plan in accordance with the RMA.					
Review and update the District Plan subject to appeal.	100%	100%	On target.	Expecting plan to be made operative April/May subject to final consent orders being signed off by Environment Court Judge.	
Council develops appropriate controls for the Ōpōtiki District and monitors and enforces provisions.					
Review and adopt all Council Bylaws over the next 3 years.	33%	33%	33%	On target. Consultation is currently being carried out closing on 28 February 2020.	

Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
WASTEWATER					
A reliable removal and treatment service is provided in areas serviced by Council operated sewerage systems.					
The total number of complaints received by Council about any of the following:					
a) sewerage odour	<1	<5	0	On target. No complaints received.	
b) sewerage system faults	<6	<10	1.89	On target. A total of 3 complaints received about sewerage system faults relating to Council's sewerage system which is <10 per 1000 connections based on a total of 1583 connections.	
c) sewerage system blockages	<4	<5	1.89	On target. A total of 3 complaints received about sewerage system faults relating to Council's sewerage system which is <5 per 1000 connections based on a total of 1583 connections.	
d) Council's response to issues with its sewerage system	<1	<3	0	On target. No complaints received.	
expressed per 1000 connections to Council's sewerage system.					







Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Median response time to attend to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system. An overflow means sewage that escapes Council's sewerage system and enters the environment and includes blockages and chokes.	6.5 minutes	<4 hours	19 minutes	On target. A total of 3 complaints received relating to an overflow from Council's sewerage system and the median response time to attend the event was 19 minutes.	
Median response time to resolve a sewerage overflow resulting from a blockage or other fault in the Council's sewerage system. An overflow means sewage that escapes Council's sewerage system and enters the environment and includes blockages and chokes.	<1 day	<2 days	Ongoing	Not achieved. Of the 3 complaints received only 1 was able to be resolved via pipe clearing. The other 2 complaints were the result of system overburden, a direct result of wet weather I&I. The issue and Council current programme to rehabilitate the wastewater system was explained to both customers. With the first stage of the rehabilitation nearing completion it is possible that these customers won't lose service again but this won't be known until the final assessment has been completed.	





Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Sewage is managed without risk to public health.					
Number of sewage overflows into habitable buildings due to faults in the wastewater system.	1	0	0	On target. Of 3 complaints received 2 could have caused an overflow of sewerage into a habitable building. These overflows would not be caused by sewerage mains pressure but by loss of service i.e. the toilet not flushing leading to the toilet potentially overflowing if flushed a second time.	
The number of dry weather overflows from Council's sewerage system expressed per 1000 sewerage connections to that sewerage system.	<2/1000 connections	<2	0.63	On target. 1 dry weather overflows from Council's sewerage system which is <2 per 1000 connections based on a total of 1583 connections.	
The quality of effluent leaving the treatment plant is of a standard required by consents.					
Compliance with Council's resource consents for discharge from its sewerage system, measured by the number of:					
a) abatement notices	0	0	0	On target	
b) infringement notices	0	0	0	On target	
c) enforcement orders	0	0	0	On target	
d) convictions	0	0	0	On target	
received by Council in relation to those resource consents.					




Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance 31/12/19	Tracking
WATER SUPPLY					
Council will provide safe drinking water that is pleasant tasting and looking from Council operated supplies.					
The total number of complaints received by Council about any of the following:					
Drinking water clarity	0	<5	6.04	*See below	
*Comment: Not achieved. 16 complaints were received regarding water clarity amounting to 6 per 1000 connections. This was due to two reason 1: The Otara Rd trunk main replacement and 2: The water treatment plant system failure. Both of these situations required water to be supplied directly from the towns bores. Allowance to supply from the bores was done purposely to provide redundancy for exactly these scenarios. It is not a health concern as Ōpōtiki has secure source bores in accordance with MoH standards. Supplying from the bores does however cause pressure fluctuation in the reticulation which stirs up settled iron and manganese, which in turn causes clarity issues. The clarity issues were caused by extenuating circumstances that are not a regular occurrence.					
Drinking water taste	0	<5	0	On target.	
Drinking water odour	0	<5	0	On target.	
Drinking water pressure or flow	<2/1000 connections	<5	1.13	On target. 3 complaints received amounting to less than 5 per 1000 connections. Most pressure issues were related to old or blocked toby's that needed to be replaced.	
Continuity of supply	0	<5	2.64	On target. 7 complaints received amounting to less than 5 per 1000 connections. Most due to Chorus contractors striking water supply main while installing high speed fibre.	
Council's response to any of these issues	<1/1000 connections	<3	0	On target.	
expressed per 1000 connections to Council's networked reticulation system.					







Key Performance Indicator




The extent to which Council's drinking water supply complies with:
Part 4 of the drinking water standards (bacteria compliance criteria); and
Part 5 of the drinking water standards (protozoal compliance criteria).





Location	Criteria	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Status
Ōpōtiki	Bacterial	100%	100%	100%	Achieved. All plants and zones achieved bacterial compliance.	
Ōpōtiki	Protozoal	100%	100%	100%	Achieved	
Te Kaha	Bacterial	100%	100%	100%	Achieved. All plants and zones achieved bacterial compliance.	
Te Kaha	Protozoal	Non-compliant	100%	Not achieved.	Te Kaha non-compliant. Capital upgrades still under investigation alongside ongoing planning considerations surrounding water source.	
Ōhiwa	Bacterial	100%	100%	100%	Achieved. All plants and zones achieved bacterial compliance.	
Ōhiwa	Protozoal	Non-compliant	100%	100%	Achieved	

Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Failures and service requests are responded to promptly.					
Fault response times:					
a) Median response time to attend urgent call-outs	<1 hour	<4 hours	18 minutes	On target. 14 urgent requests received and the median response time to attend urgent call-outs is 18 minutes.	
Fault response times: b) Median response time to resolve urgent call-outs	<3 hours	<1 day	2 hours and 56 minutes	On target. 13 urgent requests received and the median response time to resolve urgent call-outs is 2 hours and 56 minutes.	
Fault response times: c) Median response time to attend non-urgent call-outs	<1 hour	<1 day	15 minutes	On target. 96 non-urgent requests received and the median response time to attend non-urgent call-outs was 15 minutes.	
Fault response times: d) Median response time to resolve non-urgent call-outs	1 day, 1 hour and 12 minutes	<4 days	4 hours and 23 minutes	On target. 96 non-urgent requests received and the median response time to resolve non-urgent call-outs is 4 hours and 23 minutes.	

Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Water resources are used efficiently and sustainably.					
Average consumption of drinking water per day per resident.	Ōpōtiki - 194L Te Kaha - 233L Ohiwa - 159L	<400L	N/A	Waiting on final quarter water meter readings. Assume same as previous quarterly report.	
Percentage of real water loss from networked reticulation system:					
Ōpōtiki	8%	<20%	N/A	Waiting on final quarter water meter readings. Assume same as previous quarterly report.	
Te Kaha	13%	<20%	N/A	Waiting on final quarter water meter readings. Assume same as previous quarterly report.	
Ohiwa	60%	Not targeted	N/A	Waiting on final quarter water meter readings. Assume same as previous quarterly report.	Not targeted

Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
LAND TRANSPORT					
The surface of the roading network is maintained in good condition and is 'fit for purpose'.					
Percentage of requests relating to roads and footpaths that are responded to within timeframes set in Long Term Plan:					
Urgent requests within 1 day	100%	95%	100%	On target. Of 14 requests received all were responded to with 1 day.	
Non-urgent requests within 4 days	89%	90%	93%	On target. A total of 101 non-urgent requests received. 94 were responded to within 4 days and 7 were responded to over 4 days.	
Percentage of sealed road network resurfaced.	>5%	>5%	On track	Reseals programme due to be completed soon. Only Orete Point Rd to complete.	
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.	80%	85%	N/A	Not required till 4 th quarter.	
Road users find the road environment predictable and the road safe to use.					
Percentage of persons who as users rate the safety of the District's roads as good or excellent.	80%	>85%	N/A	Not required till 4 th quarter.	
The average quality of a ride on a sealed local road network, measured by the smooth travel exposure.	97%	N/A	N/A	Measured every other year.	

Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
Change from previous year in number of fatalities and serious injury crashes on Council maintained roads.	-1	Target for reducing the number of serious injuries and fatalities = no increase and a general declining trend	No increase and general declining trend.	On target. 1 serious injury. No increase as yet this year.	
Road Corridor users (pedestrians, joggers, disabled persons etc.) are able to use the road corridors in a safe and convenient manner.					
The number of users who agree the standard of footpaths is good or excellent.	63%	>70%	N/A	Not required till 4th quarter.	
Percentage of footpaths in Ōpōtiki district that fall within the level of service or service standard for the condition of footpaths as set in plans.	100%	70% of qualifying footpath faults scheduled for repair	N/A	Footpaths brought up to minimum standard last year. Footpath upgrade programme to complete ramp improvements and further maintenance and widening begins in next 2 weeks.	

Key Performance Indicator	Performance achieved 2018/19	Performance target 2019/20	Performance to 31/12/19	Commentary on performance to 31/12/19	Tracking
INVESTMENTS					
BOPLASS					
Investigate new joint procurement initiatives for goods and service for BOPLASS councils	>4	Minimum of 4	Not reported as at 31 December 2019	Result to be included at year end in Annual Report.	
Communicate with each shareholding Council through a minimum of one meeting with each Executive Leadership Team.	100%	100%	Not reported as at 31 December 2019	Result to be included at year end in Annual 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.	100%	80%	Not reported as at 31 December 2019	Result to be included at year end in Annual Report.	
Submissions lodged on all regional and EBOP district plans.	100%	100%	100%	On target.	

REPORT

Date : 19 February 2020

To : Risk and Assurance Committee Meeting, 2 March 2020

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:

- 6. Evolution Networks Update.**
- 7. Health, Safety, Staff Resources and Wellbeing Report.**

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
6.	Evolution Networks 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.	Section 48(1)(a)
7.	Health, Safety, Staff Resources and Wellbeing Report	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:

6.	Protect the privacy of natural persons Protect information (commercial sensitivity)	Section 7(2)(a) Section 7(2)(b)(ii)
7.	Protect the privacy of natural persons Protection from improper pressure or harassment	Section 7(2)(a) Section 7(2)(f)(ii)