

I hereby give notice that an Ordinary meeting of the

Audit, Risk and Finance Committee

will be held on:

Date: Wednesday 13 March 2019
Time: 10.00 am
**Venue: Gateway North Conference Room – 1999 State Highway 1,
Kaiwaka**

Agenda

Membership

Chair: Stana Pezic
Members: Councillor del la Varis-Woodcock
Councillor Geange
Councillor Larsen
Councillor Wade
Deputy Mayor Wethey

Staff and Associates:

Chief Operating Officer and General Manager Infrastructure, General Manager Regulatory, Planning and Policy, Governance Advisor (Minute-taker)

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Ordinary meeting of the Audit, Risk and Finance Committee

Wednesday 13 March 2019 in Kaiwaka

1 Opening

1.1 Present

1.2 Apologies

1.3 Confirmation of Agenda

The Committee to confirm the Agenda.

1.4 Conflict of Interest Declaration

Committee Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a Committee Member and any private or other external interest they might have. It is also considered best practice for those members to the Executive Team attending the meeting to also signal any conflicts that they may have with an item before the Committee.

2 Confirmation of Minutes

2.1 Open Audit, Risk and Finance Committee minutes 12 December 2018

General Manager Governance, Strategy and Democracy 1610.07

Recommended

That the Open minutes of the Audit, Risk and Finance Committee meeting held 12 December 2018 be confirmed as a true and correct record.

Meeting	Audit, Risk and Finance Committee
Date	Wednesday 12 December 2018
Time	The meeting commenced at 10.00am The meeting concluded at 1.37pm
Venue	Meeting Room – Mangawhai Club, Molesworth Drive, Mangawhai
Status	Unconfirmed

Minutes

Membership

Chair: Stana Pezic
Members: Councillor del la Varis-Woodcock
Councillor Geange
Councillor Larsen
Councillor Wade
Deputy Mayor Wethey

Staff and Associates:

Chief Executive, Chief Operating Officer and General Manager Infrastructure, General Manager Regulatory, Planning and Policy, Financial and Corporate Planning Manager, Financial Services Manager, Revenue Manager, Property and Commercial Advisor, and Governance Advisor
(Minute-taker)

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Minutes of the Ordinary meeting of the Audit, Risk and Finance Committee
Wednesday 12 December 2018 in Mangawhai

1 Opening

Councillor del la Varis-Woodcock opened the meeting with a karakia.

1.1 Present

Stana Pezic (Chair), Mayor Jason Smith, Deputy Mayor Peter Wethey,
 Councillor del la Varis-Woodcock, Councillor Jonathan Larsen, Councillor Andrew Wade

In Attendance

Name	Designation	Item(s)
Anna Curnow	Councillor	1-3.6
Louise Miller	Chief Executive	All
Curt Martin	Chief Operating Officer and General Manager Infrastructure	All
Fran Mikulicic	General Manger Regulatory, Planning and Policy	All
Jason Marris	General Manager Governance, Strategy and Democracy	All
John Burt	Commercial and Property Advisor	All
Paul Cresswell	Financial and Corporate Planning Manager	All
Violeta Kayryakova	Financial Services Manager	1—3.7
Christine Toms	Revenue Manager	1—3.7
Bryce Henderson	Council's appointed auditor, Deloitte	1—3.7
Vera Chian	Auditor, Deloitte	1—3.7
Lisa Hong	Governance Advisor	All (Minute-taker)

Adjournments

Reason	Start Time	Finish Time
Lunch	12.05pm	12.25pm

1.2 Apologies

Moved Wethey/Larsen

That the apology of Councillor Geange be received.

Carried

1.3 Confirmation of Agenda

Moved Smith/Wethey

That the Audit, Risk and Finance Committee confirms the agenda.

Carried

1.4 Conflict of Interest Declaration

Nil.

2 Confirmation of Minutes

2.1 Open Audit, Risk and Finance Committee minutes 12 September 2018

General Manager Governance, Strategy and Democracy 1610.07

Moved Smith/Wethey

That the Open minutes of the Audit, Risk and Finance Committee meeting held 12 September 2018 be confirmed as a true and correct record, with the following amendments:

Item	Report	Amendment
1.1	Present	Councillor Andrew Wade was incorrected included in the list of Committee members present. His name will be removed from this list.
1.1	Present	Councillor Jonathan Larsen was incorrected omitted in the list of Committee members present. His name will be added to the list.

Carried

3 Open Committee Items 12 December 2018

3.1 Legal Compliance update

General Manger Risk, IT and Finance 2304.15

Moved Wethey/Smith

That Audit Risk and Finance Committee receives the General Manager Risk, IT and Finance's report 'Legal Compliance update' dated 04 December 2018 and the information contained therein.

Carried

3.2 Quarterly Finance Report

General Manger Risk, IT and Finance 2304.15

Moved Wade/del la Varis-Woodcock

That Audit, Risk and Finance Committee receives the General Manager Risk, IT and Finance's report 'Quarterly Finance Report' dated 03 December 2018 and the information contained therein.

Carried

3.3 Treasury Management

Finance Manager 2304.15

Moved Smith/Wethey

The Audit, Risk and Finance Committee receives the Finance Manager's report 'Treasury Management' dated 27 November 2018.

Carried

3.4 Forecast One 2018/2019

General Manager Risk, IT and Finance 2304.15

Moved Wethey/Smith

That the Audit, Risk and Finance Committee:

- 1 *Receives the report from the General Manager, Risk IT and Finance, 'Forecast One 2018/2019' dated 11 December 2018 and its Attachments 1-4; and*
- 2 *Believes it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with the provisions of s79 of the Act determines that it does not require further information prior to making a decision on this matter; and*
- 3 *Recommends to Council, the forecast as set out in the forecast documents attached to the aforementioned report, and determines that no further action is required at this point in time; and*
- 4 *Notes that the revised forecast shows increased operating revenues of \$1.1m but also increased costs of \$1.3m. Notes that forecast debt is currently projected in the order of \$49.6million which is greater than the 30 June Long Term Plan 2018/2028 Year 1 of \$46.3m; and*
- 5 *Notes that the capital expenditure forecast has been increased by \$5.5m; and*
- 6 *Notes that a second forecast is planned for the second half of the financial year.*

Carried

3.5 Policy Register Review Programme Update

Administration Manager 2128.01

Moved del la Varis-Woodcock/Smith

That the Audit, Risk and Finance Committee receives the Administration Manager's report 'Policy Register Review Programme Update' dated 27 November 2018 and the information contained therein.

Carried

3.6 Health and Safety Update December 2018

General Manager Infrastructure 2109.0

Moved Smith/Larsen

That the Audit, Risk and Finance Committee receives the General Manager Infrastructure's report 'Health and Safety Update December 2018' dated 30 November 2018, its Attachment 1, and the information contained therein.

Carried

Meeting adjourned for lunch at 12.05pm.

Meeting reconvened at 12.25pm.

3.7 Audit Constructive Management Report year ended 30 June 2018

General Manager Risk, IT and Finance 2304.15

Moved Smith/Wethey

That the Audit, Risk and Finance Committee receives the General Manager Risk, IT and Finance's report 'Audit Constructive Management Report' dated 27 November 2018 and its circulated Attachment 1, 'Constructive Report to Management year ended 30 June 2018' dated 19 November 2018.

Carried

3.8 Kaipara Building Consent Authority Accreditation Audit outcome

Building Manager 2304.15

Moved Smith/del la Varis-Woodcock

That the Audit, Risk and Finance Committee receives the Building Manager's report 'Kaipara Building Consent Authority Accreditation Audit outcome' dated 29 November 2018, its Attachments 1, and the information contained therein.

Carried

3.9 NZ Transport Agency Investment Audit Report

Roading Projects Engineer 4102.48

Moved Wade/del la Varis-Woodcock

That the Audit, Risk and Finance Committee receives the Rooding Project Engineer's report 'NZ Transport Agency Investment Audit Report' dated 30 November 2018, and its Attachment 1, and the information contained therein.

Carried

4 Public Excluded Committee Items 12 December 2018

The meeting went into Public Excluded session at 12.58pm.

Moved Smith/Wethey

That the public be excluded from the following part of the proceedings of this meeting, namely

- Public Excluded Audit, Risk and Finance Committee minutes 12 September 2018;*
- Contract Monitoring and Reporting: Infrastructure, Planning and Regulatory;*
- Insurance Renewals;*
- Contract 839: Pukehuia Slip RP9650 Repair 2017/2018; and*
- Risk Register*

The general subject matter of each matter to be considered while the public is excluded and the reasons 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:

General subject of each matter to be considered:	Reason for passing this resolution	Ground(s) under Section 48 (1) for the passing this resolution:
<i>Public Excluded Audit, Risk and Finance Committee minutes 12 September 2018</i>	<i>Section 7(2)(i) enable any authority holding the information to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations).</i>	<i>Section 48(1)(a) That the public conduct of the whole or 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 would exist.</i>
<i>Contract Monitoring and Reporting: Infrastructure, Planning and Regulatory</i>	<i>Section 7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations).</i>	<i>Section 48(1)(a) That the public conduct of the whole or 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 would exist.</i>
<i>Insurance Renewals</i>	<i>Section 7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations).</i>	<i>Section 48(1)(a) That the public conduct of the whole or 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 would exist.</i>

<p><i>Contract 839: Pukehuia Slip RP9650 Repair 2017/2018</i></p>	<p><i>Section 7(2)(g) maintain legal professional privilege.</i></p> <p><i>Section 7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations).</i></p>	<p><i>Section 48(1)(a) That the public conduct of the whole or 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 would exist.</i></p>
<p><i>Risk Register</i></p>	<p><i>Section 7(2)(g) maintain legal professional privilege.</i></p> <p><i>Section 7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations).</i></p>	<p><i>Section 48(1)(a) That the public conduct of the whole or 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 would exist.</i></p>

Carried

5 Open Committee Meeting 12 December 2018

The meeting returned to Open session at 1.36pm.

Closure

Meeting closed at 1.37pm.

Confirmed

Chair

Kaipara District Council
Dargaville

3 Open agenda items 13 March 2019

File number: 2304.15/AR&F 2018.2019/Mar **Approved for agenda**
Report to: Audit, Risk and Finance Committee
Meeting date: 13 March 2019
Subject: Quarterly Finance Report
Date of report: 20 February 2019
From: Sue Davidson, General Manager Risk, IT and Finance
Report purpose **Decision** **Information**
Assessment of significance **Significant** **Non-significant**

Summary

Financial Performance is reported on so that the Committee can monitor performance. This is a new report and will be refined at elected members' request.

Recommendation

That the Audit, Risk and Finance Committee notes the General Manager Risk, IT and Finance's report 'Quarterly Finance Report' dated 20 February 2019.

Reason for the recommendation

To be informed as to Council finances in order to monitor the financial performance of Council.

Rating and Debtors Report as at 31 January 2019

Land Rates Arrears (Prior Years) Summary \$000

Arrears debt	No	31 January 2019		No	31 October 2018	
Mortgaged Properties	377	802,445		523	1,084,582	
Properties with no Mortgage	392	1,229,419		516	1,340,859	
Abandoned Land	7	136,965		7	139,965	
Maori Freehold Land	126	2,384,524		131	2,403,744	
TOTAL	902	4,552,353	30% of debt	1177	4,966,150	34% of debt

Stayed and Judgment Defendants

Stayed defendants - Those that have not paid after payment has been requested, Council will seek to enter judgment. Some payments received and additional High Court costs have been fixed and added to debt.

Sealed judgements - Some payment arrangements entered into and receiving one last letter before we proceed to Rating Sale.

Properties heading towards rates being time barred

Three properties were heading towards having 2011/12 rate arrears statute barred have had Statement of Claims lodged in Court. Council's interests have been protected. Final letter before apply to get judgment.

Mortgagee Category

Letters of intention to demand payment of outstanding rates have been sent out to 73 properties and they have been given until 03 April 2019 to pay outstanding arrears balances before a final demand for payment is sent to their mortgagee.

Abandoned Land

11 properties have been publicly notified to try and find owners. Currently working through the process with the lawyers to ensure that everything is in order before progressing to Court.

Maori Freehold Land

This is the largest category. The Chief Executive, Maori liaison officer and Finance staff are meeting early March to come up with a plan to communicate remissions on land which is not productive, and liaise with iwi over payment of rates on productive land.

Other

The one contracted resource has been investigating this category and some have been recategorised if a mortgage has been found. Letters have gone out to most requesting payment as a first step.

Documents are now being collated in preparation of filing with the Courts. This is likely to be required as there has not been pursuing of amounts owing in the past.

Sundry Debtors Summary \$000

	Current	30 Days	60 Days	90 days	Total
Month of January 2018	619	180	75	561	1435
Aging Percentage	44%	12%	5%	39%	100%
Month of October 2018	632	78	51	484	1245
Aging Percentage	51%	6%	4%	39%	100%
Month of June 2018	460	90	81	525	1,156
Aging Percentage	40%	8%	7%	45%	100%

Other Debtors Aged Arrears at 31 January 2019	30 Days		60 Days		90 days		Total Arrears	
	\$	Number	\$	Number	\$	Number	\$	Number
Resource consents	18,360	11	18,130	12	54,300	45	90,790	68
Licensing, compliance, pools	4,600	12	2,250	12	23,200	48	30,250	72
Building Consents	8,200	7	900	3	96,000	26	105,100	36
Sundry debtors – housing	-	-	-	-	340	1	340	1
Sundry debtors	63,500	8	1,200	5	109,000	23	173,700	36
Water rates	85,500	239	52,200	159	277,800	447	415,500	845
Total	180,360	277	74,680	191	560,640	590	815,680	1058

The sundry debtors outstanding percentages have improved since last quarter. The team is ensuring that water rates will be pursued at the same time as land rates so costs of collection are minimised.

Financial Information

The January monthly accounts have been included for completeness, although they were included in the last Council meeting.

January 2019 Financial Report

Statement of Operating and Capital Performance

	Year to Date January 2019				Full Year	
	Actual \$000's	Annual Plan \$000's	Variance \$000's	Indicator	Annual Plan \$000's	Forecast One \$000's
Total Rates	21,184	20,715	470	●	35,029	35,155
Operating Subsidies and Grants	2,874	2,674	200	●	4,584	4,861
Activity Revenue and Other Income	3,918	3,286	631	●	5,544	6,272
Total Operating Income	27,975	26,675	1,300	●	45,156	46,288
Employee Benefits	6,307	6,312	5	●	10,819	10,892
Contractors	5,231	5,180	(51)	●	8,706	9,040
Professional Services	2,753	2,837	84	●	4,924	5,496
Repairs and Maintenance	1,622	1,848	225	●	3,348	3,333
Finance Costs	1,504	1,721	216	●	2,950	2,771
Other Operating Costs	3,184	3,383	199	●	5,317	5,851
Total Operating Costs	20,602	21,280	679	●	36,063	37,384
Operating Surplus / (Deficit) before Depreciation	7,374	5,395	1,979	●	9,093	8,904
Capital Subsidies	1,859	4,828	(2,968)	●	8,276	9,407
Contributions	2,512	1,455	1,057	●	2,494	3,552
Other Capital revenue	117	0	117	●	175	291
Total Capital Revenue	4,488	6,282	(1,794)	●	10,945	13,250
Capital Expenditure	4,440	8,567	4,127	●	23,529	29,097
Total Capital Expenditure	4,440	8,567	4,127	●	23,529	29,097
Subtotal Capital	48	(2,285)	2,333	●	(12,584)	(15,847)
Surplus / (Deficit) before Loan Payments and Depreciation	7,422	3,110	4,312	●	(3,492)	(6,943)

Key: ● Within 5% of budget

● Over or under budget by 5 - 10%

● Over or under budget by more than 10%

Public Debt and Requirements			
	Jun-18	Jan-19	Jun-19
	\$000's	\$000's	\$000's
Debt			
Debt	46,000	50,000	46,270
Cash in bank (overnight deposits)	- 3,641	- 9,581	- 500
Net debt	<u>42,359</u>	<u>40,419</u>	<u>45,770</u>
Reserves (future obligations)			
Development Contribution Reserve	- 24,648	- 24,648	- 26,829
Other Reserves	16,946	16,946	13,360
Total	<u>- 7,702</u>	<u>- 7,702</u>	<u>- 13,469</u>
Debt Requirements			
Debt	46,000	50,000	46,270
Future obligations	16,946	16,946	13,469
Gross Debt Requirement	62,946	66,946	59,739
Less cash in bank	- 3,641	- 9,581	- 500
Net Debt Requirement	<u>59,305</u>	<u>57,365</u>	<u>59,239</u>

*Note: Reserves balances are only recalculated at end of year.

Statement of Operating and Capital Performance

Comments on major variances

Operating Income:

Rates Revenue:

Penalties are continuing to be ahead of budget for the year to date due to arrears penalties applied.

Rates General and Targeted are tracking on budget for the month.

Operating Subsidies and Grants are above budget due to:

\$204k increase in Roding operating subsidies as operational costs up on budget.

Activity Revenue and other income is continuing to track above budget due to:

\$393k increase in subdivisions income.

\$235k increase in camp fees receipts at Kai Iwi Lakes Camp Ground.

\$63k increase in Solid Waste levy.

Operating Costs: Overall costs are below budget for the month.

Employee Benefits: are tracking on budget.

Contractors costs: are slightly ahead of budget due to:

\$216k increase in roading unsealed pavement maintenance spend.

\$149k overall contactors cost reduction across the activities.

Professional Services: are below budget for the month and year to date January.

Regulatory is ahead of budget by \$476k due to the higher levels of activity, but will be offset in other areas predominantly water services who will have consultants in to get better asset management information later in the year. Budget is offset by District Plan costs of \$224k not committed as yet.

Repairs and Maintenance costs: are below of budget for the month and year to date January.

This is due to repairs and maintenance programme across the district planned after 31 January.

Finance costs: remain below budget due to lower inter-period loan balances due to lower capital expenditure.

Other Operating costs are below budget for the month and year to date January.

Capital Revenue:

Capital subsidies: are below budget due to lower capital expenditure occurring.

Contributions: the financial and development contributions are continuing to be above budget for the month of January and year to date.

Other capital revenue: increase is due to sale of land on Tomarata Road.

Public Debt:

The public debt position at 31 January 2019 is \$50 million and the net debt position (debt less cash) is \$40.4 million.

Cash was higher due to not spending on capital works.

Activity	Actual			Annual Plan	Indicator	Explanation of variances
	Actual Operating Income \$000s	Actual Operating Costs \$000s	Net Operating Surplus/ (Deficit) \$000s	Net Operating Surplus/ (Deficit) \$000s		
Community Activities	3,347	2,541	806	134		Increase in activity revenue – Kai Iwi Lakes camp ground revenue increase during the holiday season. Lower expenditure – Grounds and drains maintenance works is scheduled for future months.
District Leadership	4,036	3,697	340	(953)		Finance costs remain below budget due to lower inter-period loan balances due to lower capital expenditure. Overall operating costs are lower than budget.
Regulatory Management	3,414	3,414	0	2		Income above budget due to increase in subdivisions consents income. Professional services costs increase due to the higher levels of activities.
Roads and Footpaths	8,648	6,570	2,078	2,165		Contactors cost increase due to work done on unsealed roads surfacing. Professional services costs increase due to network management and design works for operational projects.
Flood control	439	176	263	193		Costs for professional services are lower to date but will be utilised later in the year.
Wastewater	4,490	2,076	2,414	2,259		Costs for professional services costs are lower to date, but will be utilised later in year for consulting on impacts of growth.
Solid Waste	830	653	177	181		Tracking on budget.
Stormwater	944	431	513	491		Tracking on budget.
Water Supply	1,827	1044	783	923		Fonterra is to pay for some reticulation this year and capital expenditure has not yet begun.
Whole Council	27,975	20,602	7,374	5,395		

Activities Net Cost for the period to 31 January 2019

Kaipara District Council - Capital Projects for the period ended 31 January 2019

	Year to Date January 2019			Full Year	
	Actual	Budget (Forecast One)	Variance	Budget (Forecast One)	Budget remaining
	\$	\$	\$	\$	\$
Activity - Work in Progress					
Community Activities	257,149	521,000	263,851	2,803,217	2,546,068
District Leadership, Finance and Internal Services	260,138	171,662	-88,476	1,335,000	1,074,862
Flood Protection and Control Works	6,487	103,500	97,013	547,500	541,013
Regulatory Management	0	0	0	0	0
Sewerage and the Treatment and Disposal of Sewage	-23,719	2,172,500	2,196,219	4,609,329	4,633,048
Solid Waste	42,764	272,670	229,906	1,235,549	1,192,785
Stormwater Drainage	821,396	493,935	-327,461	1,367,935	546,539
The Provision of Roads and Footpaths	2,999,752	5,293,900	2,294,148	15,400,649	12,400,897
Water Supply	75,897	670,500	594,603	1,798,198	1,722,301
Grand Total	4,439,865	9,699,667	5,259,802	29,097,377	24,657,512

Percentage of capital works programme completed is 15.3%.

* Council recently had projects approved and committed to be funded through the Provincial Growth Fund. Further capital projects will be added and reported on in the future.

Attachment 1 – further commentary on capital projects for the period ended 31 January 2019.

Capital Works by Significant Projects for the period ended 31 January 2019

	Year to Date January 2019			Full Year	
	Actual \$	Budget (Forecast One) \$	Variance \$	Budget (Forecast One) \$	Budget remaining \$
Structures Component Replacements 2018/2019	456,863	768,525	311,662	2,250,000	1,793,137
Roads Resurfacing 2018/2019	422,658	1,188,494	765,836	2,186,960	1,764,302
Quail SW improvements	1,121,442	493,935	-627,507	1,197,935	76,493
Dargaville WW PS1/PS2 Rising main from Pump Station 2 to Pump Station 1		395,000	395,000	1,056,000	1,056,000
Mangawhai Upgrade WWTP	35,415	500,000	464,585	1,000,000	964,585
Drainage Renewals 2018/2019	393,174	457,331	64,157	740,000	346,826
LED conversion of streetlights	92,148	100,730	8,582	724,609	632,461
Hakaru Leachate Improvements	38,366	46,600	8,234	685,549	647,183
Dargaville Main under Dargaville High: Reroute/replace pipe	80,646	127,500	46,854	637,500	556,854
Mangawhai WW Extend Irrigation System	16,484	80,000	63,516	600,000	583,516
Mangawhai Wastewater Upgrade PS-VA	6,000	200,000	194,000	600,000	594,000
Mangawhai Tara Road Box Culvert RP7270	165,431	140,000	-25,431	560,001	394,570
MCP Moir/Molesworth Intersection (Intersection 2)	3,776		-3,776	550,000	546,224
MCP Insley/Moir Intersection (Intersection 1)	2,433		-2,433	550,000	547,567
Mangawhai Cove Rd RP0-1152 Rehab	5,595		-5,595	539,592	533,997
Digital transformation	119,367	81,662	-37,705	1,000,000	880,633
Total Significant Projects accounted for				14,878,146	

Attachment 2 – further commentary on significant capital projects for the period ended 31 January 2019.

Attachments:

- Attachment 1 – further commentary on capital projects for the period ended 31 January 2019.
- Attachment 2 – further commentary on significant capital projects for the period ended 31 January 2019.

Kaipara District Council - Capital Projects for the period ended 31 January 2019

	Year to Date January 2019			Full Year		Indicator
	Actual \$	Budget (Forecast One) \$	Variance \$	Budget (Forecast One) \$	Budget remaining \$	
Activity - Work in Progress						
Community Activities	257,149	521,000	263,851	2,803,217	2,546,068	Mangawhai Heads Stage 1 Coastal walkway tender has been awarded. The request for proposal for the remaining projects on this close mid-February. Work continues are Pou Tu te Rangi Harding Park and Taharoa Domain. Visitor numbers have relaxed after the Christmas and New Year holiday period allowing for work to start again. Staff continue to work on the resource consent for the walking track at Mangawhai Community Park with headway being made on the rest of work plan for this park.
District Leadership, Finance and Internal Services	260,138	171,662	-88,476	1,335,000	1,074,862	IT has completed the desktop hardware replacement programme and is now undertaking the larger infrastructure replacement programme. Due to the complexity and scope the data warehouse and IAAS projects are at the planning not implementation stage. Isovist, HRIS and the digital transformation projects are progressing according to schedule.
Flood Protection and Control Works	6,487	103,500	97,013	547,500	541,013	Stalled - pending Murphy Bowers stopbank progress
Regulatory Management	0	0	0	0	0	
Sewerage and the Treatment and Disposal of Sewage	-23,719	2,172,500	2,196,219	4,609,329	4,633,048	Contract 918 - upgrade to WWTP. Includes Opus design and diffuser system. Irrigation works and PS VA upgrade underway. Investigation for the need of filtration system and balancing tank for MWWTP underway. Filters for membrane plant - quote received. Maungaturoto Desludging (carry over) Completed CCTV about to start to ID infiltration areas to look at. PDP investigating for options to improve pond. PSVA stalled difficulty getting final design, contractor pricings, Irrigation ext underway Design completed, PS2 and rising main to be completed this FY
Solid Waste	42,764	272,670	229,906	1,235,549	1,192,785	Set backs with design such as high cost have resulted in a delay to project while alternative designs are investigated, plan to have contract let by financial year end with works to start in new construction season
Stormwater Drainage	821,396	493,935	-327,461	1,367,935	546,539	Quail way completion approaching. Cheviot st work quote received. Eveline St SW Engineer fees & geotech fees
The Provision of Roads and Footpaths	2,999,752	5,293,900	2,294,148	15,400,649	12,400,897	The capital works programme is slightly behind schedule however 84% of the programmed works has been committed to successful contractors. The physical works for the most of the projects has commenced late January and we expect better financial figures going forward until the end of the financial year. There are two projects out of the full programme which is at detail design stage however strategic procurement with a robust performance management contract is in place to get this project delivered this financial year.
Water Supply	75,897	670,500	594,603	1,798,198	1,722,301	High School construction underway (incl Design and pipe costs), design for Baylys Coast underway. The uncommitted work is Baylys Construction which is out to tender, and the Montgomery Ave work will be going to tender next week. We have an engineers estimate of \$613,000 for the construction on Baylys Coast Road which can utilise savings from Dargaville High School Watermain. Design for raw water 6.2km underway, 400m renewal (Estimated at \$275,000) to be completed this FY, Backwash project quoted. Uncommitted budget for construction once tender has been awarded. Design for renewal underway, construction to be completed this FY. NZDWS compliance project 100% complete. Uncommitted funds will cover construction phase, currently on Tenderlink.
Grand Total	4,439,865	9,699,667	5,259,802	29,097,377	24,657,512	

In seven months 15.3% of the capital works programme has been completed which is behind budget.

Capital Works by Significant Projects for the period ended 31 January 2019

	Year to Date January 2019			Full Year		Indicator
	Actual \$	Budget (Forecast One) \$	Variance \$	Budget (Forecast One) \$	Budget remaining \$	
Structures Component Replacements 2018/2019	456,863	768,525	311,662	2,250,000	1,793,137	Contract 905 – which is 33% of the components budget, has been awarded and progressing well with the physical works. Tomorata Bridge which is being put out to the open market for tendering early next week (19/02/18), the tomorata bridge renewal project is estimated to be over \$1.5m. The procurement document for this bridge is strategically developed to complete the works early June through robust performance management criteria's in the RFT.
Roads Resurfacing 2018/2019	422,658	1,188,494	765,836	2,186,960	1,764,302	Resurfacing programme is behind programme how ever the Maintenance contractor, Broadspectrum have a provided a comprehensive programme to complete the sealing works by early April.
Quail SW improvements	1,121,442	493,935	-627,507	1,197,935	76,493	The contract will be finished 26/2 as per the program submitted by the contractor, hence the final claim will be the Feb claim. There are several very small variations to the contract, and there are no expected cost overruns.
Dargaville WW PS1/PS2 Rising main from Pump Station 2 to Pump Station 1		395,000	395,000	1,056,000	1,056,000	Contract awarded, work is commenced, planned to complete by end of financial year - early June
Mangawhai Upgrade WWTP	35,415	500,000	464,585	1,000,000	964,585	Purchase Order raised for \$400k for the diffuser, cost committed, still decisions to be made for the rest of the budget
Drainage Renewals 2018/2019	393,174	457,331	64,157	740,000	346,826	Drainage works are progressing well and the contractor has programmed more drainage works in the coming months.
LED conversion of streetlights	92,148	100,730	8,582	724,609	632,461	The supply contract has been awarded for 250,000 and the installation contract will be a continuation of the current LED programme
Hakaru Leachate Improvements	38,366	46,600	8,234	685,549	647,183	Set backs with design such as high cost have resulted in a delay to project while alternative designs are investigated, plan to have contract let by financial year end with works to start in new construction season
Dargaville Main under Dargaville High: Reroute/replace pipe	80,646	127,500	46,854	637,500	556,854	High School construction underway (incl Design and pipe costs), design for Baylys Coast underway. The uncommitted work is Baylys Construction which is out to tender, and the Montgomery Ave work will be going to tender next week. We have an engineers estimate of \$613,000 for the construction on Baylys Coast Road which can utilise savings from Dargaville High School Watermain.
Mangawhai WW Extend Irrigation System	16,484	80,000	63,516	600,000	583,516	No claim received yet, contract is awarded to Waterforce, contractor is on site and work is commenced
Mangawhai Wastewater Upgrade PS-VA	6,000	200,000	194,000	600,000	594,000	Tender closed negotiating with contractors- planned to complete by end of FY
Mangawhai Tara Road Box Culvert RP7270	165,431	140,000	-25,431	560,001	394,570	The physical works is in progress and expected the complete by late April.
MCP Moir/Molesworth Intersection (Intersection 2)	3,776		-3,776	550,000	546,224	The works is under detail design however out of the two intersections, only one is programmed to be completed this financial year. This will be reflected in FC 2.
MCP Insley/Moir Intersection (Intersection 1)	2,433		-2,433	550,000	547,567	The deferral to one of the intersection is due to land acquisition, community consultation and the investigation for one of the intersection requires more research.
Mangawhai Cove Rd RP0-1152 Rehab	5,595		-5,595	539,592	533,997	The Maintenance contractor, BRS have finalized the design for the rehab site and we are going through the review process of the design. The works are programmed to start late February.
Digital transformation	119,367	81,662	-37,705	1,000,000	880,633	With the infrastructure first phase complete, the second phase of this project is underway. A preferred supplier has been chosen and commercial arrangements are being put in place.
Total Significant Projects accounted for				14,878,146		

File number: 2304.15/AR&F 2018/2019/Dec **Approved for agenda**
Report to: Audit Risk and Finance Committee
Meeting date: 13 March 2019
Subject: Legal Compliance update
Date of report: 18 February 2019
From: Sue Davidson, General Manager Risk, IT and Finance
Report purpose **Decision** **Information**
Assessment of significance **Significant** **Non-significant**

Summary

Part of the responsibilities of this Committee is monitoring risk associated with legal compliance and to provide oversight to the approach to risk and complying with regulatory and statutory requirements. This report summarises how we demonstrated legal compliance.

Recommendation

That the Audit Risk and Finance Committee notes the General Manager Risk, IT and Finance’s report ‘Legal Compliance update’ dated 18 February 2019.

Reason for the recommendation

To review legal compliance since last reported.

Reason for the report

This is to show how Council is meeting its legal compliance obligations.

Background

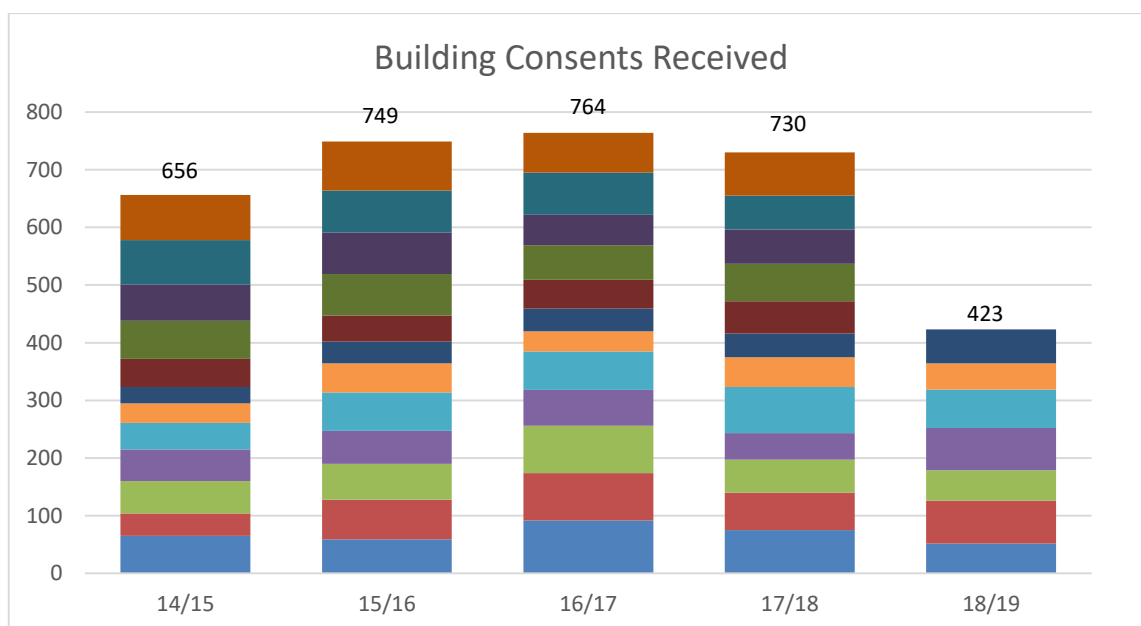
This report will detail instances of non-compliance and progress with addressing the instances of actual or potential non-compliance. The Council has provided the following information:

1 General Management/Fraud

No issues to report.

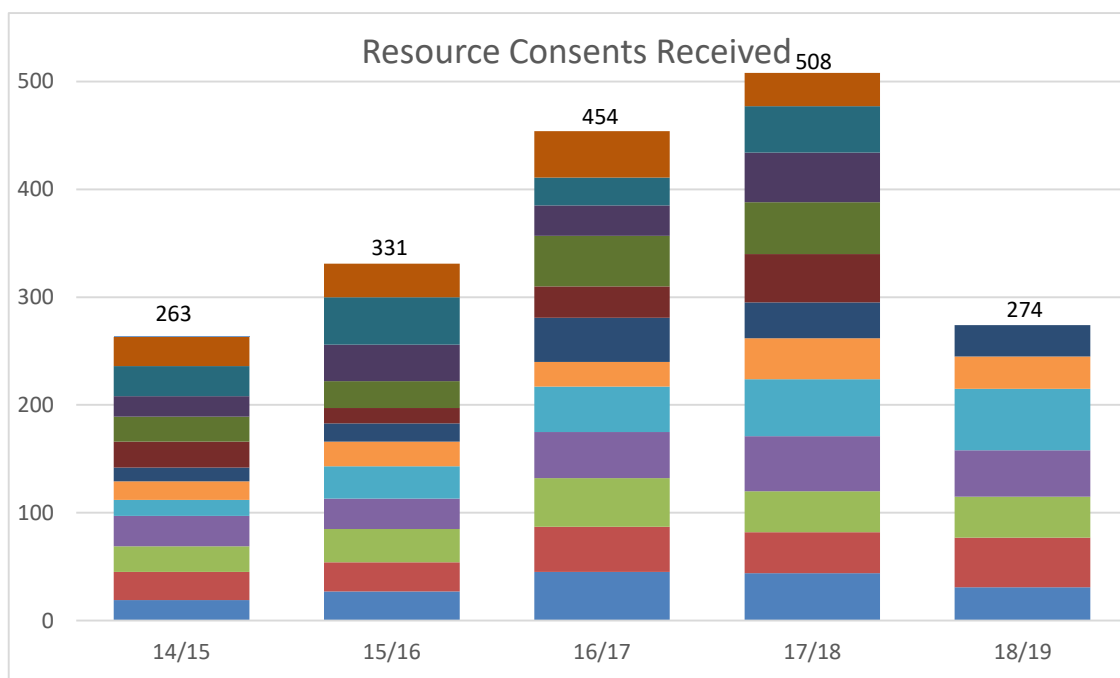
2 Planning and Regulatory

Building consents: The aim is to have 100% of building consents processed within the statutory timeframe. For the last year 97% of building consent applications were processed within that timeframe.



Percentage of building consents processed within statutory timeframes				
2014/2015	2015/2016	2016/2017	2017/2018	YTD
99%	99%	98%	97%	91%

Resource consents: The aim is to have all non-notified land use and subdivision consents processed within the statutory timeframe.



Percentage of resource consents processed within statutory timeframes				
2014/2015	2015/2016	2016/2017	2017/2018	YTD
100%	99%	99%	87%	73%

The year to date has improved on the last quarter's result of 67%.

Environmental Health: The legal documents have been finalised for the nine properties in Kaihu on the raw water supply to take a loan over 10 years. Quotes are being obtained for the work.

Infrastructure: To update Environmental Compliance for Kaiwaka Wastewater Treatment Plant under the Resource Management Act.

Kaipara District Council has been working with Northland Regional Council (NRC) on getting the Kaiwaka Wastewater Treatment Plant within compliance within the resource consent for fecal coliforms and volumetric discharge. Although this work was ongoing and NRC was isolating the coliforms to see where the original source is (human or animal), when NRC could not establish the source, they issued an abatement notice. Part of the requirements was for KDC to provide roadmap to compliance. KDC summarised the road map below:

1. Engage a consultant to investigate what needs be done to the treatment system to bring it to compliance, and depending on whether an easy fix is identified, we would also pursue the possibility of varying the consent:

- a) Out to selected consultants by end of Oct 2018,*
- b) Preliminary findings and draft AEE by end of Mar 2019,*
- c) Submitted to NRC end of Apr 2019.*

2. Carry out CCTV survey/ Inflow & Infiltration inspections of Kaiwaka Network: This will be to identify points of infiltration and other defects in the existing network to manage wet weather flow issues, install flow monitors at plant and connect monitoring systems to SCADA network.”

Council has engaged a consultant to review the functionality of the plant and is now waiting on the draft recommendation report due next month. Also, Intergroup has investigated the pipeline in Kaiwaka but no major issues were identified.

Risks

- 1 **Cost Estimates:** To date KDC has engaged Pattle Delamore and Partners (PDP) and they are finalising the report. The draft seen by KDC staff provides options to upgrade the treatment ponds for high level estimates of \$400,000 to \$600,000. A full report will be available in due course.
- 2 **Timeliness:** We periodically update the NRC on the progress of the roadmap. When we receive the final report, if the Council elects to upgrade the wastewater system, this may occur in the next financial year. If an option to vary the resource consent is feasible, this too will take some time although less than a full upgrade.

File number: 2304.15/AR&F Sept 2018 **Approved for agenda**
Report to: Audit, Risk and Finance Committee
Meeting date: **13 March 2019**
Subject: **Treasury Management**
Date of report: 25 February 2019
From: Violeta Kayryakova, Finance Manager
Report purpose **Decision** **Information**
Assessment of significance **Significant** **Non-significant**

Summary

Council undertakes treasury management activities in accordance with its Treasury Management Policy and Treasury Operations schedule. Council is working closely with the PwC Treasury advisors.

Council management provides the Audit, Risk and Finance Committee (the Committee) with detailed operational Treasury reporting.

Tools and techniques that are used to manage debt and funding are:

- Daily cash flow forecasting, undertaken in-house;
- A treasury model, managed jointly by Council and PwC to monitor Council’s funding and interest rate risk management position at a given point; and
- PwC treasury advisors provide in-depth advice.

Council primarily borrows from the Local Government Funding Agency (LGFA) who provides the cheapest debt financing and longest maturity terms for debt financing available. Since 2016 Council has progressively refinanced and repaid debt. At 31 January 2019 a total of \$50m was drawn. \$6m of this is short term (due within one year).

Recommendation

That the Audit, Risk and Finance Committee notes the Finance Manager’s report ‘Treasury Management’ dated 25 February 2019.

Reason for the recommendation

The Committee needs to be informed and updated on treasury management activities. This enables the Committee to make informed decisions regarding Council’s future debt and funding strategies.

Reason for the report

To provide the Committee with detailed treasury management information and to provide an opportunity to discuss strategic directions.

Background

Council’s current Treasury Management Policy was adopted in February 2018. Council’s specialist Treasury advisors are PwC, since 2011.

Treasury Management

Council management conducts treasury operations in conjunction with Council's advisors, PwC.

Tools and techniques that are used to manage debt are:

- Daily cash flow forecasting - projecting timing of cash movements over the course of the year;
- A treasury model, managed jointly by Council and PwC to monitor Council's debt management position at a given point. This tool records loans and swaps that have been entered into and monitors the position against policy limits. It reflects on the current positions and projects future positions. In summary, the tool generates:
- The Quarterly LGFA report is **Attachment 4**. The report refers to the benchmarks of LGFA interest rates to market.

Current Positions (31 January 2019): Indicates whether or not Council is within Treasury Policy parameters and its current funding and liquidity risk position, **Attachment 1**:

Council's funding and liquidity risk position:

	Minimum cover to Maximum cover	Actual %	Compliance
0 to 3 years	15% to 60%	59%	Yes
3 to 5 years	15% to 60%	28%	Yes
5 years plus	10% to 60%	13%	Yes

- Actual liquidity ratio is 123%

Council's interest rate risk position, **Attachment 2**:

- 67% of the portfolio is fixed (based on a debt forecast level of \$55m).

Projected Positions: Indicates whether or not Council is within Treasury Policy parameters and a summary of funding and liquidity risk position, **Attachment 3**:

Council's funding and liquidity risk position (note that this position assumes existing funding maturities are repaid as they fall due):

Period	Minimum to Maximum Fixed	Actual %	Compliance
Less than 12 months	50% to 95%	88% Fixed	Yes
12-36 months	40% to 90%	44% Fixed	Yes
37 to 60 months	30% to 80%	38% Fixed	Yes
Greater than 60 months	Nil to 50%	28% Fixed	Yes

- There are no breaches of Policy parameters.

- Council receives active advice and information from PwC in the form of a monthly telephone conference to discuss the current position in relation to the market and strategies going forward, ad hoc meetings or telephone conversations as required, general market bulletins and other material that is more specific to Kaipara District Council as required. General bulletins from PwC are supplemented by market material from banks.

Guarantees

No guarantees have been entered into since 12 September 2018.

Debt ratios and limits:

Ratio	KDC Policy	LGFA Covenants	KDC as at 31 January 2019	Compliance
Net debt as a percentage of total revenue	<170%	<175%	144%	Yes
Net interest as a percentage of total revenue	<15%	<20%	5%	Yes
Net interest as a percentage of annual rates income	<20%	<25%	7%	Yes
Liquidity	>110%	>110%	123%	Yes

Council is well within its policy limits as at 31 January 2019.

Council will be repaying \$5m of short term debt on 25 February 2019, as capital expenditure is tracking lower year to date.

Factors to consider

Community views

The community would expect industry standard treasury management practices.

Policy implications

This report is in line with Policy, with the exception of the debt ratios, which the elected members have been aware of.

Financial implications

There are no financial implications as a result of this report.

Legal/delegations implications

This report is for information and does not trigger legal or delegation implications.

Attachments

- **Attachment 1:** Funding and liquidity risk position at 31 January 2019
- **Attachment 2:** Interest rate risk position at 31 January 2019
- **Attachment 3:** Debt Interest Rate Policy Parameters at 31 January 2019
- **Attachment 4:** LGFA Quarterly report at 31 December 2018

31-Jan-19

Kaipara District Council Funding & Liquidity Risk Position

Committed Loans/Stock/Facilities/Investments \$60.8m

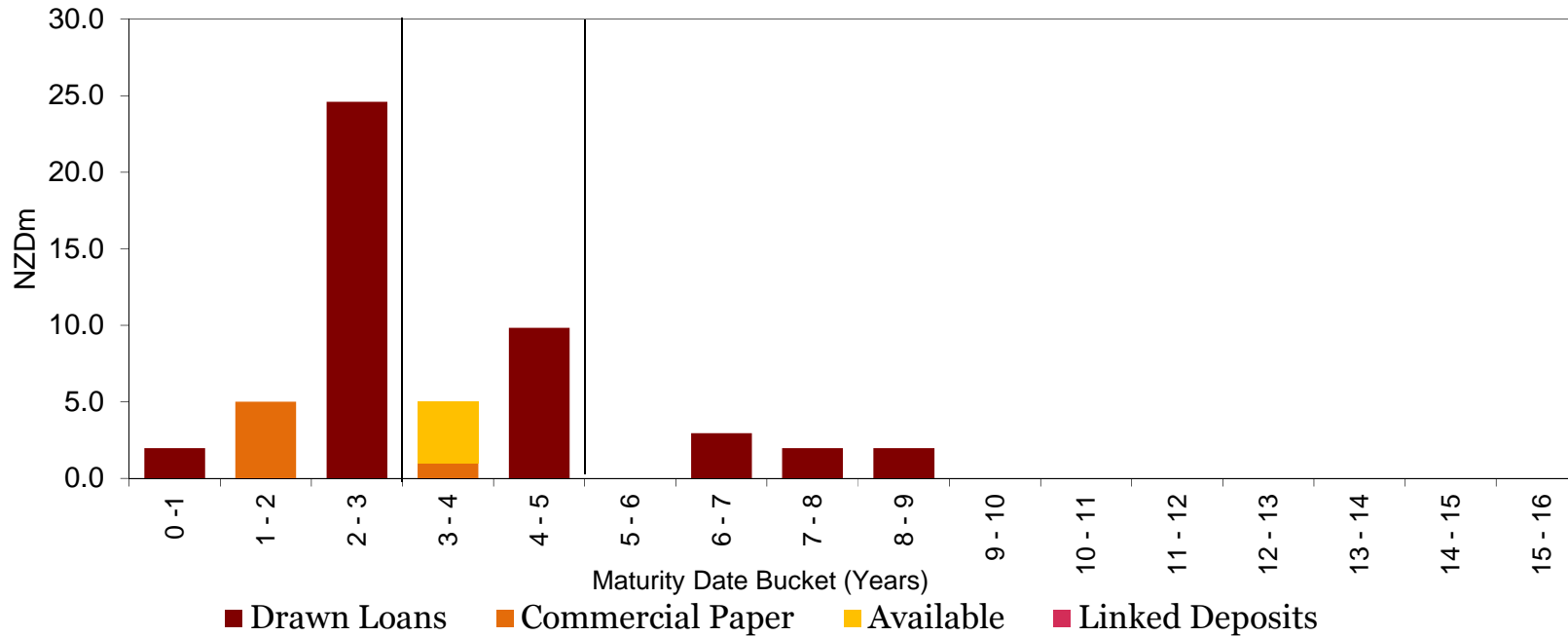
Current External Debt \$49.3m

Current Net Debt \$41.8m

Policy Liquidity Ratio $\geq 110\%$

Actual Liquidity Ratio 123%

	0 - 3 years	3 - 5 years	5 years plus
Policy Target Band	15%-60%	15%-60%	10%-60%
Actual	59%	28%	13%
Actual (NZDm)	31.57	14.84	6.89



Attachment 2: Interest rate risk

31-Jan-19

Kaipara District Council
Interest Rate Risk Position

Overall Fixed
Policy Min 60%
Policy Max 90%
Actual 67%

Actual Floating
33%
18m

based on projected debt of \$54.99m 31 January 2020

37m

Policy Target band

1 - 3 years
15%-60%

3 - 5 years
15%-60%

5 years plus
0%-60%

Actual

38%

14%

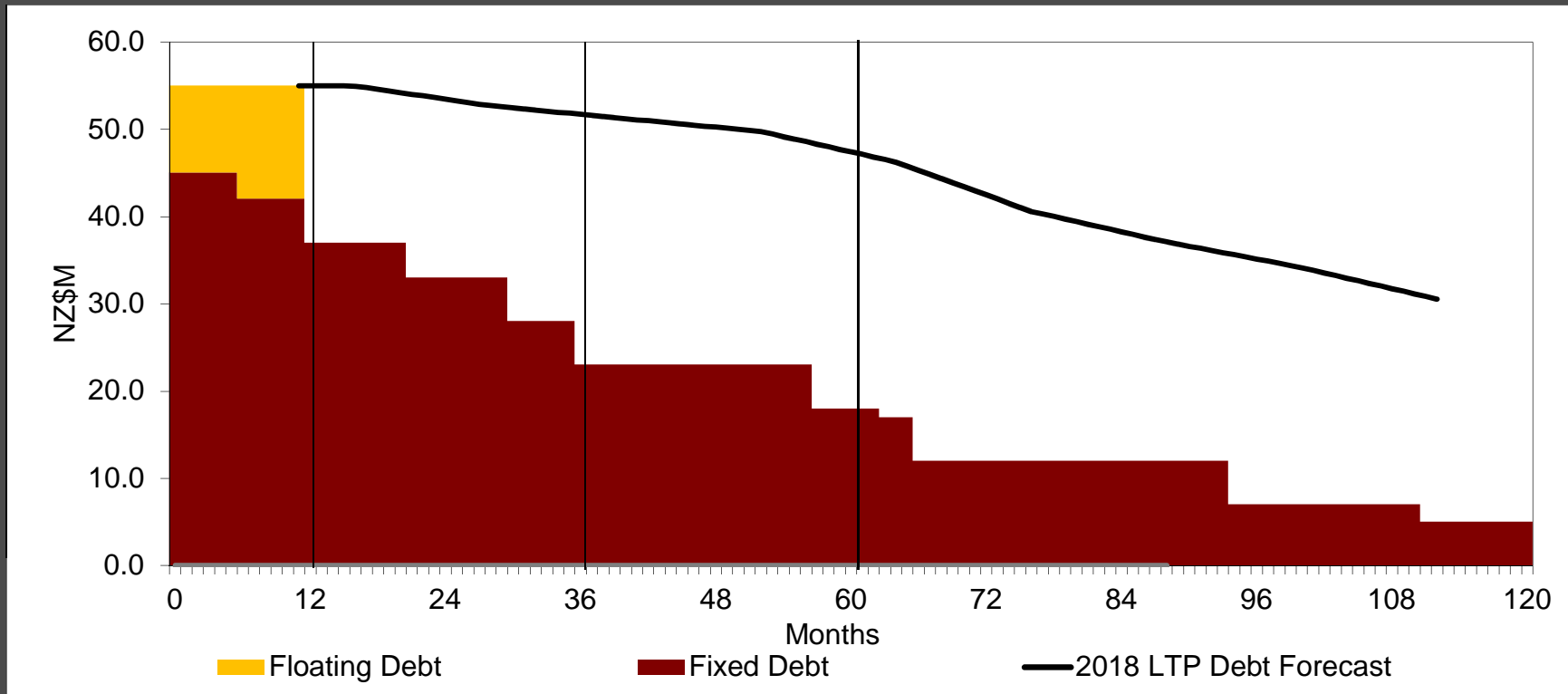
49%

Actual (NZDm)

14.06

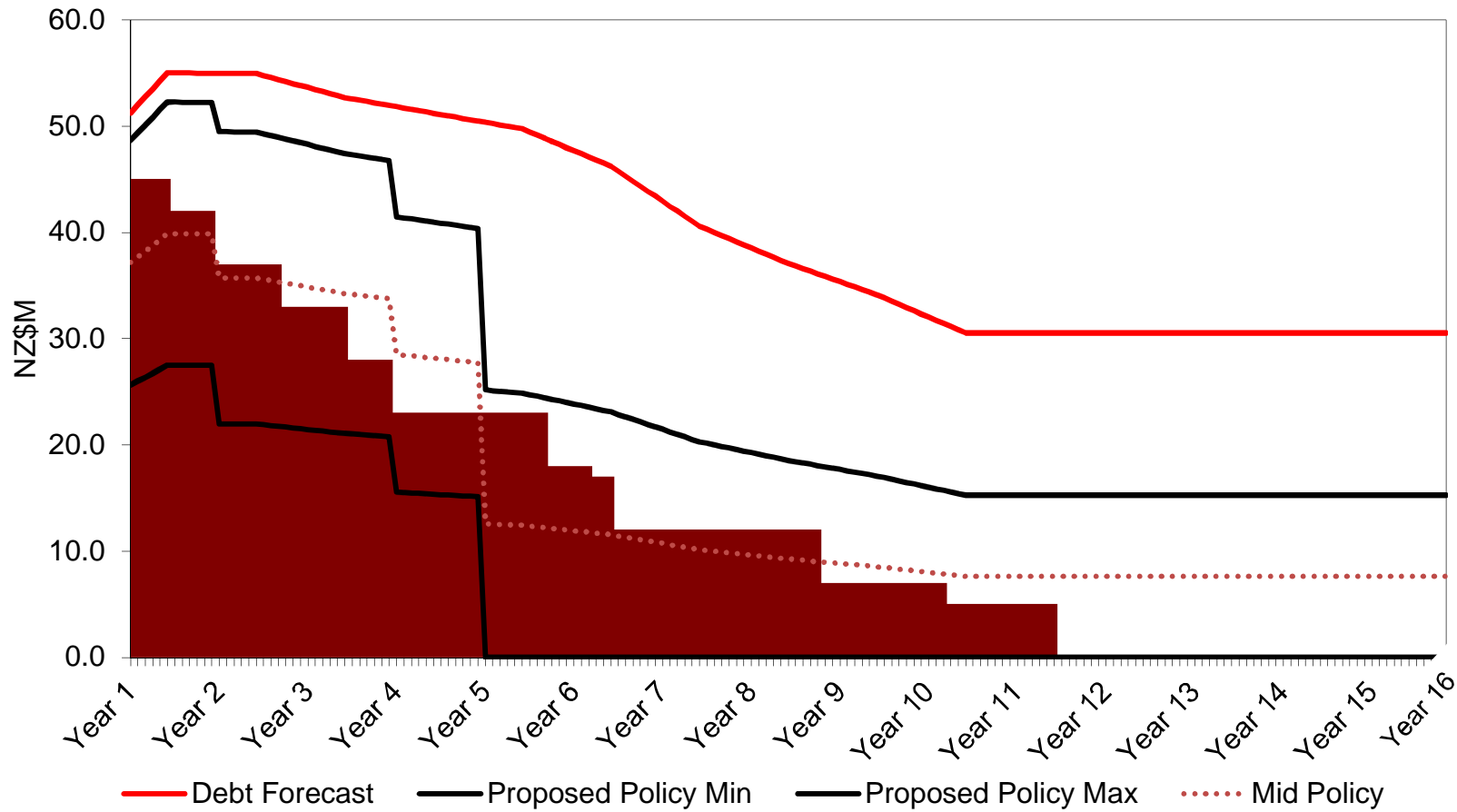
5.18

18.13



31-Jan-19

Kaipara District Council Debt Interest Rate Policy Parameters (calculated on rolling monthly basis)



Quarterly Report

Quarter 2: 2018 - 2019
 Period ended: 31 December 2018



C. Key performance indicators

We have met three KPIs and partially met the fourth KPI as at the end of the December quarter.

We have maintained issuance and operating expenses (excluding AIL) below budget by approximately \$35k for the six-month period to 31 December 2018.

We changed our base lending margin for long dated lending to a standard 10 bps margin regardless of the borrowing term from 1 July 2018. This ensures that we meet the average base margin target of 10 bps when we combine it with our short-dated lending e.g. in the December quarter the average margin was 9.5 bps which was helped by the record \$526.7 million of short-term loans outstanding as at 31 December 2018.

We have improved our estimated interest cost savings for council borrowing through LGFA compared to councils borrowing in their own name for longer dated terms (beyond five years). We have not improved our borrowing savings for very short terms (less than one year) but this is expected given that the spread between what councils borrow at over LGFA borrowing cost will narrow as the borrowing term approaches maturity.

Our volume of council lending is currently well above the SOI forecast but this is due to both the larger amount of short-term lending and councils prefunding their March 2019 loans ahead of maturity. This provided a temporary boost to LGFA loans to councils outstanding, but our loan book will reduce by \$1.2 billion in March 2019.

Measure	Prior full year to June 2018	Q1 30 Sept 2018	Q2 31 Dec 2018	Q3 31 Mar 2019	Q4 30 June 2019	
Average base margin over cost of funds for short term and long-term lending	Target %	< 0.10%				
	Average actual %	0.105%	0.095% (0.10% for long term and 0.09% for short term) ✓	0.095% (0.10% for long term and 0.09% for short term) ✓		
Estimated interest cost savings to AA rated councils	Target Improvement on prior year as at each quarter	Q1 30 Sept 2018	Q2 31 Dec 2018	Q3 31 Mar 2019	Q4 30 June 2019	
	2019 maturity At quarter end	11 bps	8 bps ✗	2 bps ✗		
	2021 maturity At quarter end	19 bps	20 bps	17 bps		

File number: 44 **Approved for agenda**
Report to: Audit, Risk and Finance Committee
Meeting date: 13 March 2019
Subject: Stormwater asset data improvement
Date of report: 27 February 2019
From: Donnicks Mugutso, Waters and Waste Manager
Report purpose **Decision** **Information**
Assessment of significance **Significant** **Non-significant**

Summary

There were six recommendations for the stormwater asset data improvement highlighted in the Deloitte and Opus reports. The recommendations are focused on increasing the accuracy of the data held in the asset management database. Some accuracy issues are based on the lack of registered assets and some are based on the key details held on each of those assets.

The Waters and Waste team is committed to increasing the robustness of the asset information and have pursued a programme to improve the quality of asset data underpinning the valuation. Three summer students helped with capturing asset data over a period of 12 weeks in a programme which, at its peak, was adding new asset data (levels, condition and photographs) on an average of 60 manholes and catchpits per day for upload into the database.

Recommendation

That the Audit, Risk and Finance Committee notes the Waters and Waste Manager’s report ‘ Stormwater asset data improvement’ dated 27 February 2019.

Reason for the recommendation

To inform the Committee of staff actions in response to the auditor’s Constructive Report to Management for the year ended 30 June 2018.

Reason for the report

To update the Audit, Risk and Finance Committee on the progress of the Waters and Waste Team in fulfilling the recommendations of the Deloitte Kaipara District Council Constructive Report to Management for the year ended 30 June 2018 (Deloitte report) and referenced WSP Opus Kaipara District Council - Stormwater Asset Revaluation as at 30 June 2018 (Opus report).

Issues

The six recommendations from the Deloitte (Section 1.12) and Opus report are:

- Clarify asset ownership. Some assets have no listed owner and the accuracy of the remaining data is unclear.
- Clarify the quantity of assets. The number of assets (especially catchpits) that are owned by Waters and Waste is unclear due to the lack of distinction between assets owned by Roading.
- Validate the construction date entries. Asset construction dates are a key factor in calculating

asset value. The accuracy and appropriateness of the current asset database entries are uncertain.

- Find and register assets currently not in the database. The lack of assets registered (especially catchpits detention ponds and stopbanks) leads to low confidence in the value estimation.
- Conduct asset cleansing and condition assessment. Asset condition is mostly unknown making renewal planning and accurate valuation difficult.
- Validate unit asset costs against local real costs. This creates less uncertainty in the total valuation.

Progress to date:

As of 13 February 2019, 199 point assets (that include catchpits) of the total 4,367 (4.6%) have no Asset Owner field entry in the asset database. 192 of these assets are in the Mangawhai area.

The Waters and Waste team is currently working through all the Mangawhai assets individually to assess the ownership (Private or Local Authority -then Roading or Waters and Waste). This is expected to be completed in December 2019.

The team is continuing with a proactive approach to asset data collection. In 2018, 153 new point assets were found and registered in the asset database. As of 21 February 2019, 176 were found and registered in 2019. In 2018, 9 detention ponds were added. This represents the majority of the ponds currently managed.

As of 21 February 2019, 97 line assets in the Dargaville area have condition inspection using CCTV registered in the database (~6%) and a significant budget for this work is in place for 2018/2019 financial year: Dargaville catchment P layout (125 lines) is currently with the subcontractor for pricing and Kaiwaka is planned for mid-2019.

Factors to consider

4.1 Policy and planning implications/Kaupapa here me hoahoa hiraunga

There are no policy and planning implications.

4.2 Financial implications/Ngā ahumoni hiraunga

There are no financial implications as the costs to carry out activities to improve asset information are in the approved annual budget.

4.3 Risks and mitigations/Ngā tūraru me ngā whakatika

If asset information is poor, the renewals are difficult to plan and estimate. The Waters and Waste Team will continue to improve the asset data to minimise this risk.

Assessment of significance

This report does not trigger the Significance and Engagement Policy.

Next step

Continue with the data improvement programme.

File number: 2209.09 **Approved for agenda**
Report to: Audit, Risk and Finance Committee
Meeting date: 13 March 2019
Subject: Health and safety update March 2019
Date of report: 22 February 2019
From: Donnick Mugutso, Waters and Waste Manager
Report purpose **Decision** **Information**
Assessment of significance **Significant** **Non-significant**

Summary

Staff now report to the committee on any incidents that may be of a serious nature and the recommendations made to manage this. This quarter notes a downward trend in all reactive indicators but one where an Armouguard dog ran off and was later found.

Council has employed a replacement Health and Safety Advisor, starting in early March.

Recommendation

That the Audit, Risk and Finance Committee notes the Waters and Waste Manager's 'Health and safety update March 2019' and Attachment A 'Second Quarter Scorecard'.

Reason for the recommendation

To update the committee on health and safety matters.

Reason for the report

To summarise any council health and safety events or activities for October 2018 to December 2018.

Background

Staff undertake health and safety monitoring to ensure:

- a safe working environment for staff, contractors and public is provided;
- that any health and safety risks have been identified and reported;
- legislative requirements are met.

Issues

At the December 2018 Audit, Risk and Finance meeting the committee asked for further information on incidents and near misses if potentially serious. Table 1 contains information on incidents and near misses that may have had a serious outcome. Reported in Attachment A are all incidents.

Table 1

Incidents with potentially serious outcome

Incident	Recommendation
Turning on gas appliance in the Town Hall kitchen, a hirer had already turned the gas on. When the ignition was activated the flame hit the hand and she got minor hair singeing.	Replace gas ovens for electric in Northern Wairoa War Memorial Hall
Customer threatened to return with a gun if no one rang about his partial refund for dog registration.	Police contacted
A member of the public abusing staff at transfer station when they did not get their own way.	Police contacted
Truck ran into a retaining wall while avoiding an oncoming car on a narrow street in Mangawhai (runner was on sideboard)	Contractor has made recommendations to Council regarding road improvements.

Factors to consider

5.1 Risks and mitigations/Ngā tūraru me ngā whakatika

A serious health and safety incident could have dire consequences for all parties involved. Staff look to mitigate any risks by monthly auditing and reporting in order to eliminate or minimise.

Assessment of significance

This report does not trigger Council's Significance and Engagement Policy.

Next step

Continue to update the Audit, Risk and Finance Committee at each meeting.

Attachments

A Second Quarter Scorecard – 01 October to December 2018

Lag Indicators (Reactive)

Statistics are shown for Quarter 2 and of the 2018/2019 year. The trend arrow is compared with the previous quarter.

Event Type	Council	Contractors	Public	QTR 1 18/19	Council	Contractors	Public	QTR 2 18/19	Trend
Environmental Incident		1		1				0	↓
Notifiable Event				0		1		1	↑
Lost Time Injury	1			1		1		1	=
Medical Treatment Injury	1	1		2				0	↓
First Aid Injury	1	6		7	1	1		2	↓
Occupational Illness				0				0	=
Pain or Discomfort	1	1		2				0	↓
Property Damage		9		9	2	1		3	↓
Near Miss	3	14		17	2	12		14	↓

Table 1: KDC OHS Events Qtr 1 & 2 Fy19

Near Miss (NM) – An event that has occurred which had the potential to cause harm to a person(s) but did not due to the narrowest of margins.

Property Damage – An incident where any asset belonging to a person or entity has received damage but no injury to any person has resulted.

Pain or Discomfort – The onset of pain or discomfort generally caused by awkward postures or repetitive movements.

Occupational Illness – A condition that results from exposure in a workplace to a physical, chemical or biological agent to the extent that the normal physiological mechanisms are affected and the health of the worker is impaired.

First Aid Injury (FAI) – The provision of initial care for an illness or injury, including diagnostic tests or advice, which does not lead to treatment.

Medical Treatment Injury (MTI) – The carrying out of, by or under the supervision of a registered medical practitioner, an operation, the administration of a drug or other like substance, or any other medical procedure (not including diagnostic tests or advice that do not lead to treatment).

Lost Time Injury (LTI) – An injury that is attributable to work (including the aggravation, exacerbation or recurrence of a prior work related injury) that resulted in permanent disability, a fatality or time lost from work (excluding the day of incident) of one day/shift or more.

Notifiable Event – Any event that meets the threshold of the statutory reporting obligations under the Health & Safety at Work Act 2015, namely; a death, a notifiable illness or injury, a notifiable incident.

Environmental Incident – An incident that has or had the potential to cause harm (temporary or permanent) to any; natural receiving environment, flora or fauna and community or cultural value.

Lead Indicators (Proactive)

KDC Hazards Raised

Hazard Type	Number
None raised this period	

KDC Hazards closed out

Description	Status
Not applicable	

Contractor Inductions

Training Type	Number Trained
Contractor Induction	0

Audits as total of active contracts

Contract Type for Qtr		Qtr Total Audits Conducted
9 Operational	7 Capital	61

KDC Contractor Audit Table

Audit Type	Number conducted
Roading - Mobile works	21
Roading Traffic Management –Site Condition Rating	21
Waters Fixed Facilities	2
Waters Mobile Works	2
Parks & Reserves	3
Solid Waste Fixed Facilities	1
Regulatory	0
Planning	0

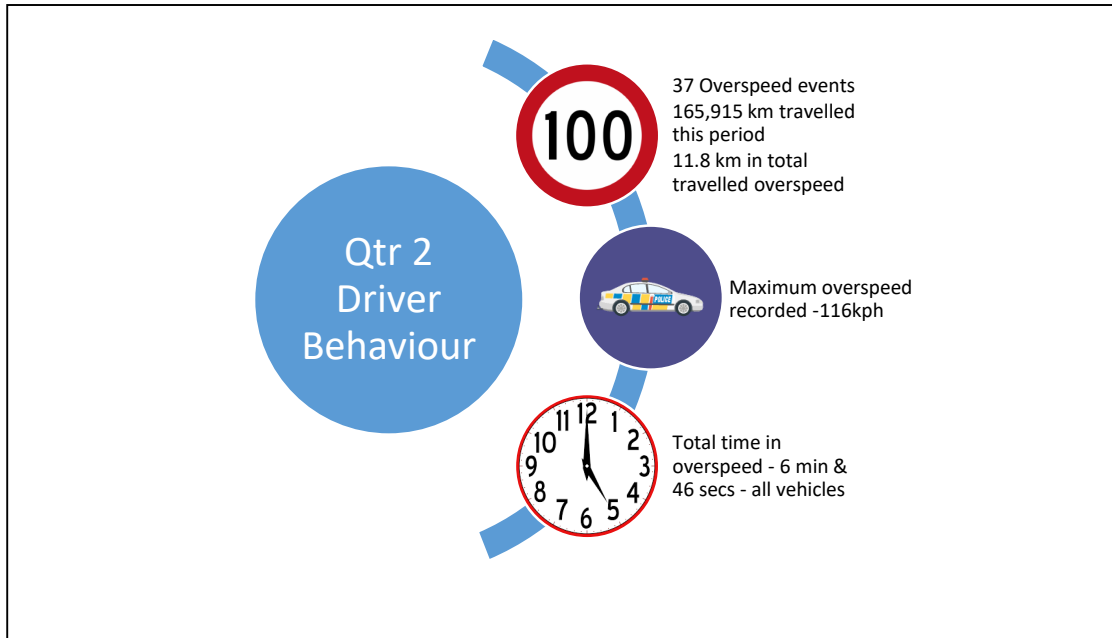
KDC Fleet Audit Table

Fleet Type	Number conducted
KDC Fleet	52 of 84
Grey Fleet	0

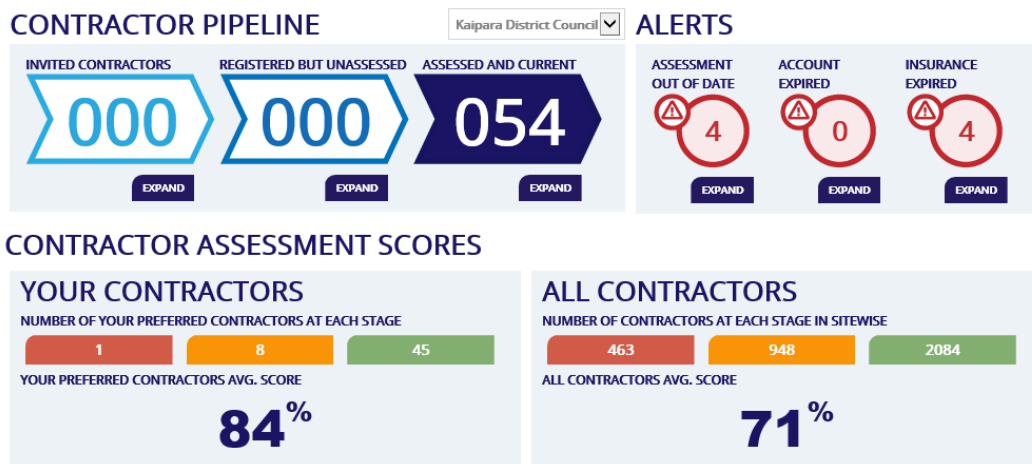
Critical Risk Monitoring

Occupational Driving metrics at a glance

Qtr 2



Contractor Management



Shelley Paniora
Infrastructure Officer

4 Public Excluded agenda items 13 March 2019

Recommended

That the public be excluded from the following part of the proceedings of this meeting, namely

- *Public Excluded Audit, Risk and Finance Committee minutes 12 December 2018;*
- *Contract Monitoring and Reporting: Infrastructure, Planning and Regulatory;*
- *Potential claim*

The general subject matter of each matter to be considered while the public is excluded and the reasons 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:

General subject of each matter to be considered:	Reason for passing this resolution	Ground(s) under Section 48 (1) for the passing this resolution:
<i>Public Excluded Audit, Risk and Finance Committee minutes 12 December 2018</i>	<i>Section 7(2)(g) maintain legal professional privilege. Section 7(2)(i) enable any authority holding the information to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations).</i>	<i>Section 48(1)(a) That the public conduct of the whole or 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 would exist.</i>
<i>Contract Monitoring and Reporting: Infrastructure, Planning and Regulatory</i>	<i>Section 7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations).</i>	<i>Section 48(1)(a) That the public conduct of the whole or 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 would exist.</i>
<i>Potential claim</i>	<i>Section 7(2)(g) maintain legal professional privilege. Section 7(2)(i) enable any authority holding the information to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations).</i>	<i>Section 48(1)(a) That the public conduct of the whole or 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 would exist.</i>

5 Open Committee meeting 13 March 2019

Closure

**Kaipara District Council
Dargaville**