

Notice is hereby given that an ordinary meeting of the Finance, Audit & Risk Committee will be held on:

Date: Wednesday 29 January 2020
Time: 4.00 pm
Meeting Room: Council Chambers
Venue: Horowhenua District Council
Levin

Finance, Audit & Risk Committee

OPEN AGENDA

MEMBERSHIP

Chairperson	Mr Philip Jones	
Deputy Chairperson	Mrs Christine Mitchell	
Members	Mr David Allan	
	Mr Wayne Bishop	
	Mr Ross Brannigan	
	Mr Todd Isaacs	
	Mr Sam Jennings	
	Mrs Victoria Kaye-Simmons	
	Mr Robert Ketu	
	Mrs Jo Mason	
	Ms Piri-Hira Tukapua	
	HWTM Bernie Wanden	
Reporting Officer	Mr Doug Law	(Chief Financial Officer)
Meeting Secretary	Mrs Karen Corkill	

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Full Agendas are available on Council's website
www.horowhenua.govt.nz

Full Agendas are also available to be collected from:
Horowhenua District Council Service Centre, 126 Oxford Street, Levin
Te Awahou Nieuwe Stroom, Foxton,
Shannon Service Centre/Library, Plimmer Terrace, Shannon
and Te Takeretanga o Kura-hau-pō, Bath Street, Levin

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1 Apologies

2 Public Participation

Notification of a request to speak is required by 12 noon on the day of the meeting by phoning 06 366 0999 or emailing public.participation@horowhenua.govt.nz.

See over the page for further information on Public Participation.

3 Late Items

To consider, and if thought fit, to pass a resolution to permit the Council to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

4 Declarations of Interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

5 Confirmation of Minutes

5.1 Meeting minutes Finance, Audit & Risk Committee, 27 November 2019

6 Announcements

Public Participation (further information):

The ability to speak at Council and Community Board meetings provides the opportunity for members of the public to express their opinions/views to Elected Members as they relate to the agenda item to be considered by the meeting.

Speakers may (within the time allotted and through the Chairperson) ask Elected Members questions as they relate to the agenda item to be considered by the meeting, however that right does not naturally extend to question Council Officers or to take the opportunity to address the public audience be that in the gallery itself or via the livestreaming. Council Officers are available to offer advice too and answer questions from Elected Members when the meeting is formally considering the agenda item i.e. on completion of Public Participation.

Meeting protocols

1. All speakers shall address the Chair and Elected Members, not other members of the public be that in the gallery itself or via livestreaming.
2. A meeting is not a forum for complaints about Council staff or Council contractors. Those issues should be addressed direct to the CEO and not at a Council, Community Board or Committee meeting.
3. Elected members may address the speaker with questions or for clarification on an item, but when the topic is discussed Members shall address the Chair.
4. All persons present must show respect and courtesy to those who are speaking and not interrupt nor speak out of turn.
5. Any person asked more than once to be quiet will be asked to leave the meeting

Health & Safety - Quarterly Report

File No.: 20/8

1. Purpose

To provide an update to the Finance Audit and Risk (FAR) Committee on health and safety matters at Horowhenua District Council for the three-month period to 30 September 2019.

2. Recommendation

- 2.1 That Report 20/8 Health & Safety - Quarterly Report be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

3. Issues for Consideration

As included in the H&S report for the October to December 2019 quarter.

Attachments



No.	Title	Page
A	Health & Safety - Quarterly Report - October-December 2019	8

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Tanya Glavas Health & Safety Advisor	
Approved by	Lisa Slade Acting Senior Manager People & Culture & Project Coordination Manager	

Horowhenua District Council
Health & Safety Report
1 October – 31 December 2019
FAR Committee Meeting 29 January 2020

Key Updates for this quarterly report:

- Lead Indicators showing ongoing and varied training opportunities for staff
- Improvement in Pre-qualification of Contractor numbers
- Health and Safety policy reviews and improvement
- Lag Indicator information drilled down to show detail relating to charts
- New area of reporting – Health and Safety Events for this Quarter

LEAD INDICATORS

1. Health & Safety training/inductions

1 October 2019 – 31 December 2019	Mandatory/ Optional	Attendees in Report Period	Percentage Completed
Hazardous Substances Workshop (MWLASS)	Optional	1	Courses attended As available
Chemical Handling Course – Aquatics	Mandatory	16	100%
First Aid Training (Role specific) Ongoing Refresher & Full course	Mandatory	7	100%
Confined Spaces Training	Mandatory	2	100%
Peoplesafe H&S Induction (New staff)	Mandatory	8	66% (4 booked In Feb)
Health & Safety Induction (New Staff)	Mandatory	12	100%
Ergonomic Assessment	Optional	14	As requested
Driver Assessment (Team group at a time)	Mandatory	5	71% (2 TBC)

2. Emergency Evacuation Drills (2 per year)

Levin Aquatic Centre	October 2019	Completed
Te Awahou	No drill this period	
Foxton Aquatics due	No drill this period	
Te Takere	December 2019	Completed
HDC Civic Building	No drill this period	

3. Health & Safety Contractor Register Process (Pre-qualification of Contractors)

Contractor Numbers	Qualified in this Quarter	Pending	Expired
68	12	27	12

- Work continues to progress in this area.
- Pending Approvals are new Contractors awaiting documentation to be received
- Expired Contractors are in that category because there is a delay in receiving documentation or a decision may be required on whether the work the company does is still required by Council
- Manawatu Whanganui Local Authority Shared Services (MWLASS) Health & Safety Forum meeting in December at Manawatu District Council initiated a framework to support shared pre-qualification of contractors within the regions. This will be an ongoing Forum to support health and safety across the Local Authorities. Contractor pre-qualification is the first subject area to be tackled.

4. Health & Safety Committee (HSC)

- Monthly meetings completed (3)
- Planning for committee members to attend representative training. The Health and Safety Advisor and the new health and safety representative (1) will attend HSR Stage 1 training in the last week of February 2020.
- Request for driver training in the new large Mitsubishi Triton vehicles – all underway with Infrastructure staff.
- Health and safety committee has been positive in assisting to promote reporting, to support education on incident reporting and educate on the purpose of near miss reporting along with the overall benefits of what reporting events can do.
- Monthly H&S awards have become a regular part of promoting and celebrating health and safety at HDC and meets one of the SafePlus recommendations for employee recognition in the area of health and safety. These will be featured in Council Korero.

5. Risk Management

- 11 site specific Significant Risk/Hazard Registers developed for Council sites with input from all site managers.
- Registers identify only significant site hazard/risks and have been reviewed by the Health and Safety Committee as relevant and appropriate.
- Critical risks are:
 - Third Party threatening abuse/violence/robbery in the workplace
 - Animal Control
 - Deep Water Management – Aquatics
 - Working Alone – all sites
 - Vehicles and Driving – all areas
 - Attending Private Property and remote sites
- Vehicles and driving – new driver assessment programme has begun. Phase one is with Infrastructure Services staff who are driving the new Mitsubishi Triton vehicles. Assessment includes the driver to read the Responsible Driving Policy and complete practical Driving Assessment with in-house qualified trainer.

- Working Alone – alongside policy and procedures, development is underway of a register to ensure information on the policy, procedures and equipment required for Lone Worker safety is easily accessible to all who require it.

6. H&S Policy Document Progress

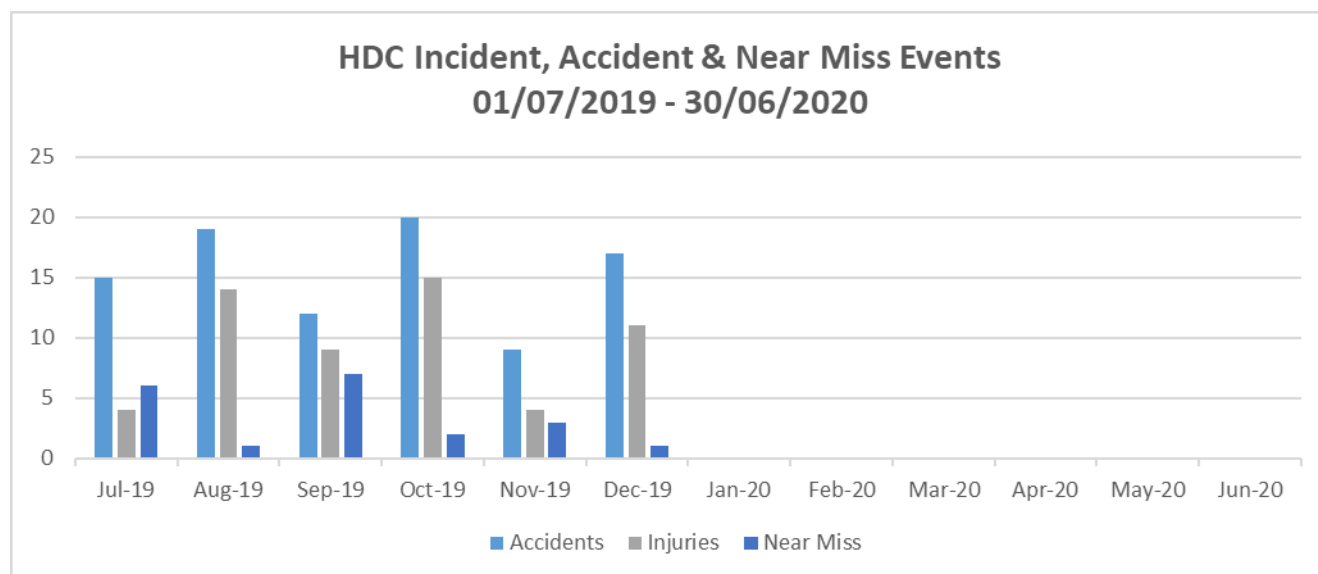
- Working Alone Policy – Draft complete. Waiting on feedback from Managers in areas that have lone workers and copies of procedures for those specific work areas.
- Smokefree Policy – under review with the H&S Committee

7. Peoplesafe - Incident Reporting Data base

- Improvements are required to ensure this programme is utilised to its full extent. The changes proposed will ensure that Peoplesafe becomes a living document that all staff at HDC can use for H&S reporting and improvement. It will track health and safety incidents, the ability to update and improve registers of hazards, risks and safety plans and is fit for purpose. To achieve this, changes include;
 - Implementing role changes to ensure managers are successfully able to receive and participate in incident management and investigations
 - Allowing managers to take a more active role in H&S at HDC with more reporting capabilities
 - Review drop down boxes to match sites and activities better
 - Review content around risks, safety plans and emergency plans
 - Onsite training for Managers and staff, including current inductions
 - Improved drill-down reporting ability
- Training with the provider is underway.

LAG INDICATORS

Table 1



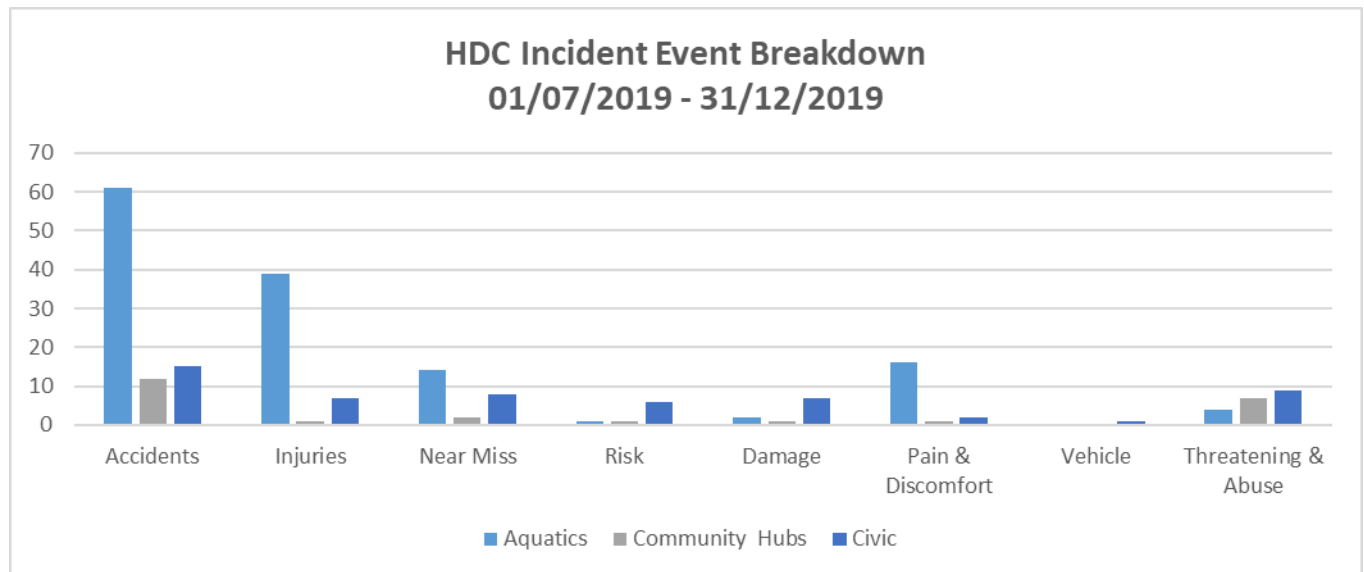
Notable Injuries - Library & Community Centres July – December 2019				
Type	Number	Result	Moving Forward	Date
Epileptic Seizures	5 All members of the public	Supported and monitored by staff - Ambulance called	Staff First Aid Training	Ongoing
Broken Arm	1 Library volunteer	Scuffed own shoe and tripped. Supported and monitored by staff – Ambulance called	Staff First Aid Training	Ongoing

Notable Injuries - Aquatics Horowhenua July – December 2019				
Type	Number	Result	Moving Forward	Date
Epileptic Seizures	1 Member of the public	Fell off a chair, hit head. Supported and monitored by staff – Ambulance called	Staff First Aid Training	Ongoing
Hit or bumped head	9 All members of the Public	Supported and monitored by staff – No ambulances called. Ongoing monitoring whilst person is in the facility. Caregiver or family informed of injury.	Staff First Aid Training	Ongoing
Support to report physical abuse to police	1 Member of the public having a private swimming lesson.	Staff member noticed bruising and asked about it. Person said it was his Uncle (Caregiver). Person asked for support to report it to police	First aid training. Crisis Resilience Training.	Ongoing 2017 – refresher course planned for 2020

Notable Injuries - HDC Civic July – December 2019				
Type	Number	Result	Moving Forward	Date
Hit or bumped head	1 - Staff member hit head on edge of the bulkhead in staffroom	Headache afterwards No ongoing injury.	Bulkhead has padded edging to stop injury happening to other staff members	December 2019
Shoulder injury	1 - Staff member knocked over by cattle beast when moving them off State Highway 1 at night	Injury to shoulder, ACC claim, one week off work	Ensuring staff have and use all equipment available to assist when dealing with animals.	Ongoing

			Working Alone Policy and procedures review	Nov 2019 – March 2020
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Table 2



Notable Near Miss – Library & Community Centres July – December 2019				
Type	Number	Result	Risk	Response
Shannon Library – Outside footpath sign blown onto road	1	Sign advertising the library is open, was caught in strong winds, blown along the footpath before tipping onto the road	Injury to staff and public. Damage to private property. Vehicle on the road swerving to miss the sign. Reputational damage to HDC	Ensure sign is weighted down when outside. Attach sign to permanent street fixture

Notable Near Miss - Aquatics Horowhenua July – December 2019				
Type	Number	Result	Risk	Response
Children left unsupervised	1 incident	Two children under 8 years of age, left by caregiver while she went to her car to retrieve something.	Young children left unmonitored. Staff not noticing caregiver had left the facility. Non-compliance with Poolsafe accreditation which states all children under 8 must be actively supervised by a caregiver 16 years or over. Actively Supervised means watching your child at all times and able to provide immediate assistance.	Staff removed children from pool and sat them on chairs to wait for caregiver to return. Caregiver talked to and reminded of their responsibilities for children under 8 years of age.
Near drowning – Caregiver rescue	4 incidents No first aid required.	Children jumping into the pool and then realising they are not as confident as they thought.	No one noticing they are struggling in the pool. Drowning. Reputational risk for Aquatics Horowhenua.	Lifeguards constant monitoring. Caregivers monitoring their charges. Training for staff is ongoing.
Near drowning – lifeguard rescue	6 incidents No first aid required.	Children jumping into the pool and then realising they are not as confident as they thought.	No one noticing they are struggling in the pool. Drowning. Reputational risk for Aquatics Horowhenua.	Lifeguards constant monitoring. Caregivers monitoring their charges. Training for staff is ongoing.

Notable Near Miss – HDC Civic July – December 2019				
Type	Number	Result	Risk	Response
Slip on wet floor	1 Staff member	Mat at staff after hours' front entrance to Civil building, moved from normal placement. Staff member on crutches slipped as they came in from wet ground outside.	Injury to staff. Re-injury to this particular staff member.	Ensure entrance mats are in correct place. Replace mats if not fit for purpose.
Electrical surge and shortage at staff desk	1 Staff member but 5 separate near miss reports	Compliance area workstation there was a popping/cracking sound, sparks and the smell of burnt wire. Underneath the desk electrical cords went under a mat and these had worn out and short-circuited. No one was injured but it did cause a lot of staff to be affected by the smell and fear of the risk of it happening within their workspace.	Electrocution Fire Injury Reputational risk for HDC Staff feeling unsafe	Major incident review completed by H&S Advisor, Property and IT staff. All electrical cords now secured above the floor. A test and tag regime has been implemented across HDC. Workstation set up includes visual checking of electrical equipment. Monthly Office audits have been implemented which include visual checks of electrical cords in their audited area.

HEALTH AND SAFETY EVENTS THIS QUARTER

What happened?	Problem Analysis	Lessons Learned	Moving Forwards	Date Completed
10/10/2019 Levin Aquatic Centre Chlorine Gas leak - false alarm Facility evacuation 6.30am - 9.40am LAC reopened 12/10/2019	Chlorine gas sensors were faulty. Expert advice from Ixom confirm chlorine gas cylinder is safe, no chlorine leak and sensor fixed to ensure fault would not repeat.	Ensuring sensors are in working order as part of facility maintenance.	Improved warning system for Chlorine gas	13 November 2019
	There were no facility maps available to FENZ	Ensure FENZ have up to date information on the facility layout indicating the hazardous chemical storage areas.	Map of facility provided to FENZ	11 October 2019
	Clear communication lines for staff outside of normal working hours to contact Management	Ensure communication procedures are part of evacuation drills	Improved procedures for communicating in emergency situations	24 October 2019
What happened?	Problem Analysis	Lessons Learned	Moving Forwards	Date Completed
14/10/2019 Te Awahou Nieuwe Stroom Shooting in the town Facility lockdown initiated. 11.20am -12.40pm	Staff and MOP (60+) inside TANS stayed in the glass enclosed seating area and café.	Staff were unsure how to handle a lockdown procedure safely and to best practice	Lockdown training booked in January.	15/16 January 2020.
	Police did not directly communicate with TANS. Staff communicated with the Foxton Police Station to stay up to date of the situation.	No expectation that police will communicate directly in these sorts of situations. TANS staff correctly initiated communication with Police. Will continue to do so unless advised otherwise	Lockdown training will cover best practice for communication in these situations. Develop communication relationship with police.	15/16 January 2020
	Staff unsure about supplying food, drink and warmth during extended lockdown.	A Civil Defence cabinet is located in cleaning cupboard. The contents in this cabinet can be used in an extended Lockdown situation.	Communication to all staff about supplies available	14/10/2019 (at debrief after the event)

What happened?	Problem Analysis	Lessons Learned	Moving Forwards	Date Completed
28/10/2019 Levin Aquatic Centre. Hydrotherapy Pool – Chemical reaction Facility evacuation 1150am – 2.40pm	Staff communications failure. The lifeguard advises that he was unaware that this pump was inoperative. The Operations Manager states that he had advised supervisors that the pump was switched off.	Communications need to be improved between staff.	Communication procedures reviewed by Community Facilities and Event Manager. He has issued a series of steps in new communication procedure to update staff on any equipment failures.	29 – 30 October 2019
	This pump (Filtration system) point had been switched off the previous week due to operational concerns. No signage or notification had been placed on the pump access to indicate that it had been disabled.	Use of visual lock-out tags to be used to identify all equipment/machinery not working properly or awaiting repair.	Contractors have been advised of requirement to ensure visual tags used when any equipment/machinery not in use.	November 2019
	Under normal operation the chemicals dosed to the lint pots is passed through the filtration system before being introduced to the pool. This is normal industry practice. As the pump was inoperative neither chemical was moved and both stayed in stagnant water. As a result a chemical reaction ensued.	Chemical handling training to be improved for all staff.	Procedures regarding timing of dosing and temporary clearance of the pool have been updated. Manual dosing of chemicals is to continue but will be restricted to Team Leaders and Senior Lifeguards.	November 2019

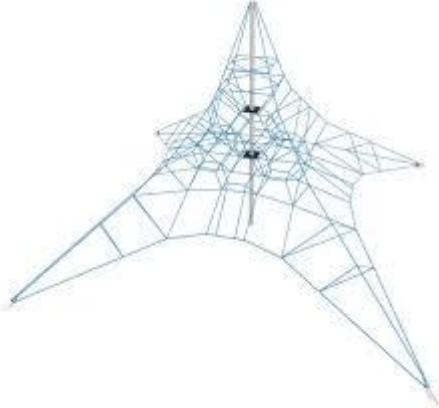
What happened?	Problem Analysis	Lessons Learned	Moving Forwards	Date Completed
8/11/2019 Levin Aquatic Centre Worksafe inspector visit Two Worksafe inspectors visited the LAC to review compliance with the Health and Safety at Work Act 2015 and the associated regulations.	Plant Room Improvement Notice – Work at Height concerning HSWA 20-15, Section 36(1)(a).	Ensure any raised levels in the workplace have hand rails fit for purpose	Work at Heights – installed handrail along the complete edge of raised area in plant room	19/11/2019
	Plant Room Improvement Notice – Approved Handler concerning HSWA (Hazardous Substances) Regulations 2019, 4.1.	Improve hazardous substances framework in aquatics. Ensure staff adequately trained and qualified. Improve training register for easier tracking of staff qualifications.	Introduction to Pool Operations (Unit Standard 20046) The Monitor public pool water quality and store pool water treatment chemicals. Meets the training requirement for the Pool Water Quality Standard NZS5826:2010. Staff will be attending this course.	12/12/2019
			Chemical Handling - an extension of the above course the Chemical Handling course is designed to inform and assess the knowledge and understanding of personnel who are required to be certified as "approved handlers". 16 Staff will be attending this course.	12/12/2019

What happened?	Problem Analysis	Lessons Learned	Moving Forwards	Date Completed
8/11/2019 Levin Aquatic Centre Worksafe inspector visit Two Worksafe inspectors visited the LAC to review compliance with the Health and Safety at Work Act 2015 and the associated regulations.	Plant Room Sustained Compliance – System to dose the pool concerning HSWA 2015/Section 36(1)(a)	Use HSWA legislation and regulations to ensure compliance is achieved and sustained	Improved procedures for pool dosing as completed after hydro-therapy pool chemical reaction	11/12/2019
	Sustain Compliance – SDS concerning HSWA (Hazardous Substances) Regulations 2017, 2.11	Relying on chemical companies to keep SDS up to date SDS information not reviewed regularly	SDS sheets updated immediately whilst the inspector was present. SDS information to become part of annual procedure review	8/11/2019
	Review of management of noise in the plant room	Decibels in the plant room tested below the 85dB but may rise above that in some circumstances.	Earplugs Certified to AS/NZS1270:2002 now available to all workers in the plant room	12/11/2019
	Review if area under plant room is a Confined Space	SafetynAction, technical H&S specialists support visited for support to confirm identification of Confined Space	Initiate start of documentation, signage and training required for confined space	26/11/2019
What happened?	Problem Analysis	Lessons Learned	Moving Forwards	Date Completed
3/12/2019 Levin Aquatic Centre Worksafe Inspector return visit to LAC after confirmation that a Confined Space exists under the plant room.	Directive Letter – Confined Space concerning Health and Safety at Work Act 2016, Section 36(1)(a). Ensure compliance with above legislation and AS 2865 Confined spaces standard	Using the HSWA to identify possible areas of non-conforming to the Act. Ensuring training and documentation is fit for purpose. HDC to assess risks, identify control measures and implement and monitor an effective system to work in the area. Ensuring staff training is fit for purpose	Permanent signage installed to identify and warn of confined space.	10/12/2019
			No staff access allowed until after training has been completed.	Lifted after training completed 8/02/2019
			Contractor has prepared management plan for any work in the confined space.	02/12/2019

			Confined Spaces training for Aquatics Manager and Operations Manager. Confined spaces documentation completed	8/01/2020
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What happened?	Problem Analysis	Lessons Learned	Moving Forwards	Date Completed
6/12/2019 Foxton Pool Worksafe inspector visit Worksafe inspector visited the Foxton Pool to review compliance with the Health and Safety at Work Act 2015 and the associated regulations.	Directive Letter – Hazardous substance labelling concerning Health and Safety at Work (Hazardous Substances) Regulations 2017, Regulation 2.1 Suitable container holding Calcium Chloride labelled with content, but label was missing the hazard statement and pictogram and was not compliant.	Ensure all labelling is compliant with Hazsub regulations	Correct label has been ordered and installed	20/12/2019
			Review of all labels in the plant room resulted in new labels for all containers of Hazsubs to ensure best practice at both Foxton pool and LAC	20/12/2019

What happened?	Problem Analysis	Lessons Learned	Moving Forwards	Date Completed
16/12/2019 Levin Adventure Park Near Miss during the installation of Tetragode 9300 Pole and climbing net. The middle pole slowing fell over to the ground after crane support had to leave the site and only 3 sides of the net were attached to ground plates. 6.30pm	Crane support had left before pole secured. Low number of qualified staff from installation company. Losing tension in the structure net on one side of the Tetragode. Ensure contractors and sub-contractors understand their over-lapping responsibilities with HDC. Multiple contractors and	Crane always needed to support the pole in the process of installation (until the net has been completely contacted to the anchors and tensioned)	Detailed installation plan to be used to ensure repeat of near miss does not happen again	TBC when replacement parts are received.
		Sufficient number of qualified staff need to be onsite for this installation process.	Contractors to understand/read requirements of installation procedure from parent company	December 2019

	<p>companies involved and shared responsibilities because of land ownership and installation responsibilities. I.e. crane company, Play Equipment provider, installation company, Levin Adventure Park Trust, HJDC Project Manager</p>	<p>Improve time management with focus on providing buffer time in case installation stalls</p>	<p>SOP development to allow harder time for foundation plates, crane availability on site, enough workers for installation</p>	<p>Dec 2019 – Feb 2020</p>
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Report by Tanya Glavas, Health & Safety Advisor

Projects Update

File No.: 20/9

1. Purpose

To provide the Finance, Audit and Risk (FAR) Committee with an update of the projects being undertaken by the Infrastructure Projects Team.

2. Recommendation

- 2.1 That Report 20/9 Projects Update be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

3. Issues for Consideration

As provided in the **attached** reports.

Attachments

No.	Title	Page
A	Project Report - North East Levin Stormwater (Discharge to Koputaroa Stream Tributary)	23
B	Project Report - Levin Stormwater	27
C	Project Report - Shannon Water Supply	32
D	Project Report - Foxton Beach Stormwater	36
E	Project Report - Tokomaru Water Supply	40
F	Project Report - Tokomaru Wastewater Supply	44
G	Project Report - Levin Wastewater Discharge	48
H	Project Report - Foxton Wastewater Discharge	53
I	Project Report - Poads Road Bridge	59
J	Project Report - Queen Street-Cambridge Street Intersection Improvements	62

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Kevin Peel Group Manager - Infrastructure Operations	
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Approved by	David Clapperton Chief Executive	
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North East Levin Stormwater (Discharge to Koputaroa Stream Tributary)

Project Overview Summary

Project objective:

To obtain resource consents for additional stormwater discharge to the Koputaroa Stream tributary by December 2019.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none"> Consent required due to increase and change in stormwater that will occur from land use change (residential development). Application lodged. Revised AEE submitted 28 June and being processed by Horizons. Regional Council notification report assessed effects less than minor except for cultural effects which are not yet resolved. Submissions closed 23 October. 	<ul style="list-style-type: none"> Work with Regional Council (Rivers) to identify/confirm appropriate mitigation. Engage with submitters on proposed mitigation. Pre-hearing meeting. 	<ul style="list-style-type: none"> Pre-hearing may be held early 2020. Hearing to follow if unable to resolve via pre-hearing.

Overview of project:



Reason for Consent
Increase in stormwater flows and change in composition due to rezoning and future residential development in North East Levin; redirection of some stormwater away from Lake Horowhenua.
Consent is also required for construction of mitigation measures (detention areas).

Proposed Mitigation
Council has purchased land at discharge point and will create a treatment and detention area (see over page). Additional detention areas proposed on tributary stream.
Embankments & culverts to be designed for fish passage.
Erosion & Sediment Control Plans for construction of detention areas.

Effects Assessment
Detention areas designed so that there is no increase in flow in the Koputaroa Stream.
Ecological assessment considered effects of discharge to be less than minor. No concerns regarding the construction of the detention areas. Recommend fish recovery during construction.

Planting & maintenance plan to be developed.

Detention Area Proposal in more detail:



In low flows, stormwater travels through the first stage of the detention area in a zig-zag manner to maximise travel time; this area will be planted with wetland type species to treat stormwater. Planting plan is to be confirmed with iwi and Horizons. The embankment includes a low-level culvert to ensure low flows can continue to flow downstream. In high flows, detention is provided to capture and treat peak runoff. Peak discharge in 100 year event will be less than existing.

Work to date:

- Cultural Impact Assessment by Muaūpoko Tribal Authority.
- Lodgement of consent application and responses to s92 requests.
- Development of mitigation proposals and design of attenuation area to increased stormwater flows and provide treatment at the discharge point.
- Engagement with mana whenua and landowners on tributary.
- Water quality monitoring & ecological assessment.

A notification decision provided by Regional Council summarised the Regional Council's technical assessment of the information submitted by Regional Council. That assessment identified the effects (after construction of the proposed attenuation areas) were considered less than minor with the exception of cultural effects as cultural impact assessments had not yet been made available from Raukawa or Rangitaane. A CIA has been commissioned from Raukawa. A formal CIA has not been received, however a cultural values statement has been provided by Raukawa. Rangitaane has provided a letter of support.

District Council met with representatives of downstream landowners and has agreed to work with Regional Council to identify any mitigation options which could address issues associated with capacity and performance of the Koputaroa Drainage Scheme including receiving stormwater from

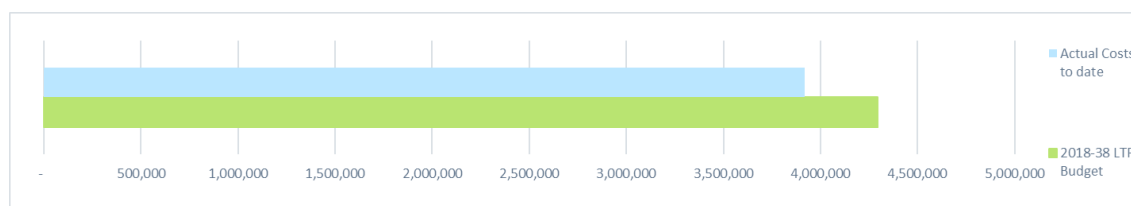
the existing urban area. This work has been discussed with Regional Council (Rivers) and is in progress.

The application was notified and submissions closed 23 October 2019. Sixteen submissions were received of which two are in support and the remainder in opposition. The majority of submitters in opposition are seeking pumping at downstream end of Koputaroa Stream with some also seeking raising of Tavistock Road. These options are being considered at present.

Council is engaging with Horizons Rivers Group and other submitters to seek to identify acceptable mitigation options that will enable consent to be granted.

Financials:

The budget for the consent for additional stormwater discharge to the Koputaroa Stream tributary is part of the wider Improvements to NE Levin project.



Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Strategic	Potential for consent not to be granted. Impact on development in NE sector.	3C/2 L	Moderate	Effects assessment. Clear messaging to the community on the benefits. Costs to be incurred for notification and hearing process if necessary.	3C/2 L	Moderate
Financial	Potential for notification & hearing costs / delays.	3C/4 L	Significant	Manage process and pre-hearing discussions to focus on RMA matters as far as possible.	3C/3 L	Significant

Risks Traffic Light Key

Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 - Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Communication and Key Stakeholders:

A draft Cultural Impact Assessment has been completed by Muaūpoko Tribal Authority; concerns raised were potential damage of significant sites, leakage to streams and springs, accidental discovery of taonga, and stream's capacity for additional flow and velocity. MTA recommended that consent be granted with conditions that address these concerns. HDC has accepted the conditions recommended by MTA and incorporated these into the application.

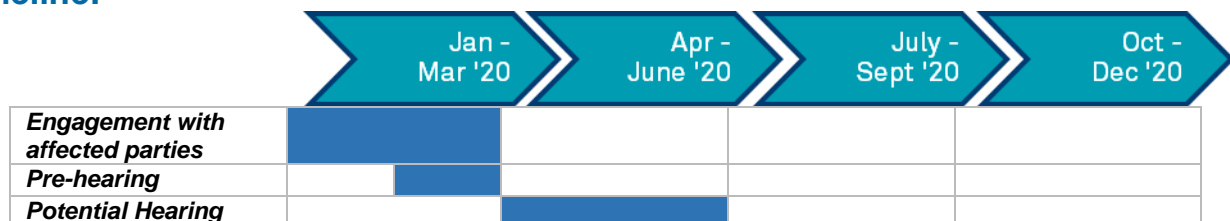
Engagement and high-level discussion with Raukawa. Kereru marae have been engaged to prepare a CIA (2017). A formal CIA has not been provided, however Raukawa have developed and provided a cultural values statement.

Regional Council advised it requires consultation with Rangitaane o Manawatu as the Koputaroa Stream feeds into the Manawatu River which is within Rangitaane's Statutory Acknowledgement Area. Consultation with Rangitaane has been undertaken and Rangitaane have provided a written letter of support.

Landowners where works are proposed have previously been consulted with and are generally supportive of the proposals. Further engagement with these landowners as well as downstream parties is currently being carried out. Landowners on Koputaroa Stream have expressed significant concerns with potential downstream flooding effects and have submitted in opposition. Council is currently engaging with submitters to seek to identify appropriate mitigation to enable consent to be granted.

NZTA has advised it has no concerns with the proposal and did not submit.

Timeline:



Levin Stormwater Consent

Project Overview Summary

Project objective:

To obtain resource consents for stormwater discharges by June 2020.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none">• Consents are required for Council's stormwater discharges to Lake Horowhenua.• An application for consent has been lodged and is on hold while HDC works on consultation, monitoring and mitigation options.	<ul style="list-style-type: none">• Engagement with mana whenua (in progress).• Stormwater monitoring to confirm quality of discharges (in progress).• Ecological effects assessment (in progress).• Industrial site stormwater audits (in progress).• Mitigation assessment (in progress).	<ul style="list-style-type: none">• The application has been lodged with the Regional Council.• The application is on hold while consultation and further investigations are completed - originally due October 2019.• Additional time has been requested to enable further monitoring, consultation and Council briefing and confirmation of mitigation.

Overview of project:

This project is to seek resource consents for existing stormwater discharges to Lake Horowhenua from Council's stormwater network. These are existing discharges which are currently unconsented.



The discharge points are shown in the diagram above. Some discharges are direct to Lake Horowhenua and others are via Patiki and Arawhata Streams.

Council's policy is that properties are required to provide on-site stormwater management (generally through soak pits). The consent application is for Council's stormwater network only and doesn't include the on-site soakage pits on private property.

Council acknowledges that the Lake and the tributaries feeding into the Lake are significantly degraded and that improvements are required. Previously, we have had monitoring data on the quality of discharge via the Queen Street drain, but other stormwater inputs to the Lake have not been monitored. A monitoring programme is in progress to get better information about the quality of the discharges and to understand the effects of the stormwater discharges, in particular, on the Lake.

Work to date:

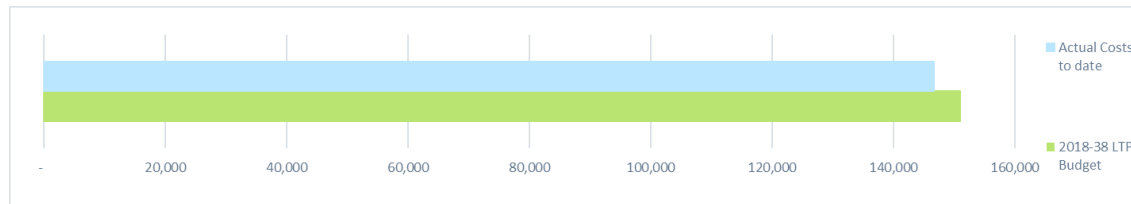
The Consent has been lodged. The application has gone on hold while consultation is carried out and the ecological effects assessment is completed. This work also includes consideration of mitigation measures where appropriate.

As reported to Regional Council in December 2019, the current status of work is as follows:

Work Programme	Status
Planning	<p>These matters have either been addressed in earlier responses or, in the case of the objectives and policies assessment, require resolution of the other work programmes before being able to be finalised. The relevant objectives and policies of both the NPS-FM and the One Plan are providing guidance as to the outcomes to be achieved and are informing the choice of preferred pathway and improvement programme.</p> <p>Completion of this element of the s92 will be undertaken once the below elements have been addressed. It is intended to be able to complete the s92 substantive response including the below elements and the planning assessment in June 2020.</p>
Consultation	<p>Initial engagement has been progressed with iwi groups and this is now progressing to a CIA engagement in order to complete the s92 response. For the parties to be able to provide a meaningful CIA relies on the completion of the monitoring programme and confirmation of Council's preferred approach to stormwater management.</p> <p>The project team are expecting to be able to work with the respective iwi groups over January to March 2020 to support a cultural values assessment. Following Council workshops over February and March 2020, we will engage further with iwi groups to provide detailed updates on the outcomes of the monitoring programme, assessment of effects, and briefings on the Council's proposed approach. This is expected to occur in late March / early April 2020, after which Cultural Impact Assessments will be able to be completed across April-June 2020. It is intended to engage actively with iwi during the cultural values assessment and cultural impact assessment such that appropriate mitigation measures can be developed and agreed during the process.</p> <p>Consultation on the proposed approach is also required with the Lake Trustees. The timeline by which this work is able to be completed is</p>

Work Programme	Status
	dependent on Court decisions and appointments of the Trustees.
Best Practicable Option	<p>An indicative pathway forward has been developed, however, this needs to be presented to the Council and consultation undertaken with mana whenua and Lake Trustees prior to Council being able to commit to this in a consenting process.</p> <p>It is intended to present a series of workshops on the stormwater management issues to the Council in February & March 2020, with the intention of confirming Council's preferred approach by the end of March 2020. Following this, the preferred approach will be able to be consulted on with mana whenua and Lake Trustees, as well as the wider community as appropriate (potentially through the Annual Plan process). The outcomes of this consultation will feed into the CIA processes as per above, and the BPO report will be able to be completed for submittal to Horizons.</p>
Monitoring	<p>The October 2019 update provided an interim report on the monitoring undertaken. The monitoring programme is ongoing and stormwater sampling is continuing subject to weather conditions. A recent review of the monitoring programme by our technical consultants has identified some additional monitoring points which are being added to the programme in order to obtain more information regarding the Hokio Beach Road drain contaminants including to distinguish urban stormwater discharges from other inputs in this area. The Alliance is also investigating the potential source of human sourced E Coli in the Queen Street drain, as well as overland runoff from some industrial sites considered to be contributing to higher than expected levels of contaminant in the urban stormwater.</p> <p>Sediment and dry weather sampling are programmed for late January / early February 2020 which will also include training of local staff to undertake the wet weather sampling. Wet weather sampling is planned to be undertaken in February & March 2020 (and beyond if needed, subject to weather) in order to complete the sampling required under the agreed monitoring plan.</p>
Industrial Sites	A risk framework has been developed for identifying high, medium and low risk sites with the intention that the high and medium risk sites be audited on a rolling five-year basis. An initial round of audits has been undertaken. This report is currently in draft format and will be able to be submitted to Horizons following Council workshops in February / March 2020.
Growth Areas	<p>Significant work has been undertaken in developing a stormwater solution for the most significant growth area, being Gladstone Green. This includes development of on-site management options, attenuation and treatment within the growth area prior to entry to the network. Council is taking a lead role in development of the stormwater solution for the area and is working proactively with iwi groups and developers in developing this solution.</p> <p>An update on this work is expected to be able to be provided following Council workshops in February / March 2020.</p>

Financials:



Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Strategic	Consent is challenged on ecological and cultural impacts.	3C/4L	Significant	Clear evidence of likely effects and remediation plans available. Consultation and engagement with mana whenua.	3C/3L	Significant
	Significant delays and costs of consent process.	3C/4L	Significant	Term of consent sought; engagement and consultation prior to formal notification process; legal advice and drive RMA consent process.	3C/3L	Significant
	Regional Council proceed with notification of application before sufficient information has been provided and consultation completed.	4C/3L	Significant	Reasonable request for additional time; legal or other challenge to notification decision.	4C/2L	Moderate
Legal	Abatement notice as discharges currently unconsented.	4C/2L	Moderate	Consent application lodged and in formal process.	3C/2L	Moderate

Risks Traffic Light Key

Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 - Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Communication and Key Stakeholders:

Consultation is underway with Muaupoko Tribal Authority, Muaupoko Cooperative Society, Te Runanga o Raukawa and Lake Horowhenua Trust. Consultation with specific hapu will be as guided by the relevant iwi groups.

Consultation with the community, Hokio Trust, Horizons, the Horowhenua Lake Domain Board, Department of Conservation will also be required, and is to be carried out.

Timeline:

	Jan - Mar '20	Apr - June '20	July - Sept '20	Oct - Dec '20
Application Lodged (Dec 18)				
Consultation & Engagement (ongoing)				
Stormwater monitoring and effects assessment - specific investigations				
Monitoring (ongoing)				
Council workshops				
Responses to s92 requests				
Consent Processing				

Shannon Water Supply

Project Overview Summary

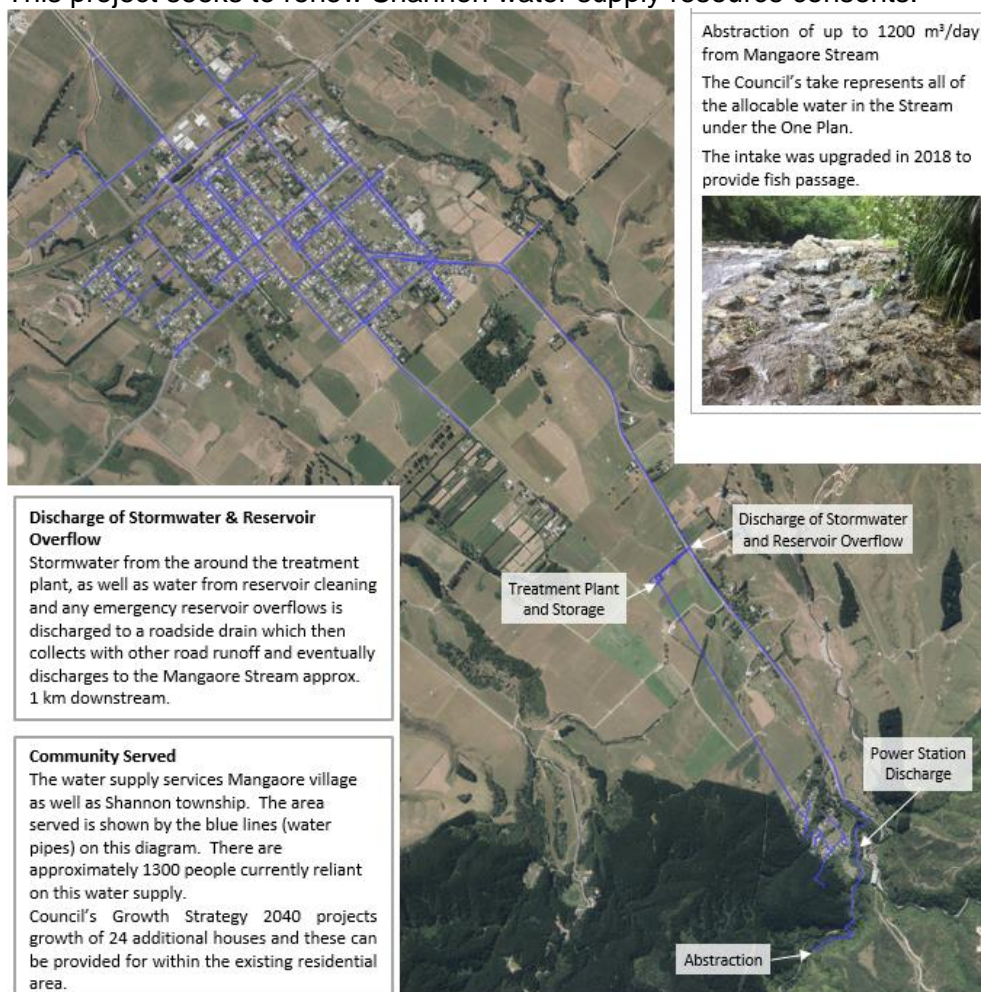
Project objective:

To renew water take consent(s) for Shannon water by 30 September 2019, within budget.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none"> • CHI report has been completed by Ngati Whakare. HDC has agreed to recommendations. • Application lodged ahead of required date to allow for discharge and take to be considered together. • Application is on Hold for investigation of water losses. • HDC has undertaken leak detection and repair, but losses still above target. 	<ul style="list-style-type: none"> • Confirm measures to mitigate effects during low flow. • Confirm strategy for managing losses including alignment with renewals programme. 	<ul style="list-style-type: none"> • Existing consent expires December 2019 (Application has been lodged and s124 rights are secured). • AEE to be updated and resubmitted once strategies for low flow and losses/leakage management confirmed.

Overview of project:

This project seeks to renew Shannon water supply resource consents.



Work to date:

An application and Assessment of Environmental Effects has been lodged and accepted by Horizons for processing. This has secured Council's rights under s124 of the RMA to continue to exercise its existing resource consent beyond its expiry date while the new consent is being processed.

Culture Health Indicator Report:

Te Roopu Taiao o Ngati Whakatere Trust completed a Cultural Health Indicator report on the Mangaore Stream with a focus on the Shannon drinking water supply and Shannon wastewater discharge. The report included 5 recommendations relating to the Shannon drinking water supply. These were:

1. Ensure HDC provides fish passage to the upper Mangaore Stream as conditions of resource consent for the Shannon water supply intake weir and ensure operation of the fish pass is effective at all flows and for all species.
2. Provide information on the hydrology and water allocation limits for the Mangaore Stream to better understand the impact of the Shannon water supply take.
3. Include water conservation measures for Shannon on the water take consent, including alert monitoring of low flow levels and notification of water restrictions to essential needs only.
4. Ngati Whakatere to build a relationship with King Country Energy and Trustpower to better understand the impacts and operation of the Mangahao power station discharge.
5. HDC to enable regular stream health and mātauranga Māori monitoring with Shannon school in the upper Mangaore catchment.

Items 1 and 3 will be included in proposed consent conditions. Item 2 has been completed. HDC will support implementation of Item 5. It has been agreed with Ngati Whakatere that Item 4 is not for HDC to implement and is outside of the consent process.

Water Loss Investigations:

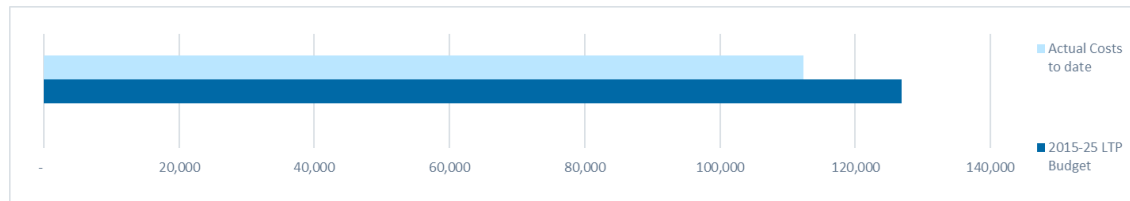
In 2018, Council invested in water meters on the bulk supply lines to enable better measurement of how much water is being used and where water is being lost. Two large leaks were found during this investigation which reduced the daily consumption by just under 200 m³/day. Some unauthorised connections were also identified and are being addressed. Work is ongoing to identify leaks and fix these as quickly as possible.

By the end of 2018, Council had the necessary meters and data loggers in place to be able to get an accurate measure of the amount of water used over the summer period, now that the major leaks have been repaired. Data from the summer period and 2019 has been analysed and draft application documents are being updated to reflect latest assessment period.

Effects are likely to occur at times of low flow and Council will need to confirm how the system is to be managed to minimise any low flow effects. Options include water restrictions and network management, storage and/or relocating the abstraction to closer to the power station (to minimise stretch of stream affected).

Despite the work undertaken to address leakage, network losses remain well above Council and One Plan targets. Work is currently underway to confirm a proposed strategy for achieving targets within an appropriate timeframe. This strategy will be required to support the consent application.

Financials:



Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Strategic	Delays in meeting project objective due to s92 notification and hearing process.	2C/4 L	Moderate	Drive process and timeframe via close communications / coordination. Note, no service delivery risk as s124 rights are secured.	2C/3 L	Moderate
Financial	Significant cost of consent process via hearing and possible appeal.	3C/3 L	Moderate	Stakeholder engagement; use pre-hearing to focus issues on RMA matters.	2C/3 L	Moderate
	Significant cost imposed by consent conditions (eg for storage if no / reduced abstraction at minimum flows).	4C / 3 L	Significant	Effects based assessment that supports abstraction at low flow; network management and water conservation to minimise abstraction at low flow.	4C / 2L	Moderate
Service Delivery	Consent may have low flow restrictions on abstraction.	4C / 2L	Significant	Network management and water conservation. Proceed application through hearing process.	3C / 2L	Moderate

Risks Traffic Light Key

Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 -Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Communication and Key Stakeholders:

Council has been engaging, and will continue to engage, with Ngati Whakatere as noted above. Council has also engaged with Muaūpoko Tribal Authority and provided preliminary information. Rangitane is also being consulted as the application is within their Statutory Acknowledgement Area.

Consultation has been carried out with Department of Conservation. Feedback was that there were no concerns with the amount of water taken above low flows. The Department supported water conservation measures at times of low flow, improvements to water efficiency and improvements to provide fish passage.

Timeline:

	Jan - Mar '20	Apr - June '20	Jul - Sept '20	Oct - Dec '20
<i>Ongoing engagement with mana whenua</i>				
<i>Confirm low flow strategy</i>				
<i>Confirm leakage management strategy</i>				
<i>Resubmit AEE</i>		◆		
<i>Consent Processing</i>				

Foxton Beach Stormwater Consent

Project Overview Summary

Project objective:

To agree on stormwater discharge consent with Horizons Regional Council and key stakeholders.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none">• Consents are required for Council's stormwater discharges to the Manawatu Estuary.• An application for consent is currently being prepared.• Monitoring and engagement with mana whenua is ongoing.	<ul style="list-style-type: none">• Ongoing engagement with mana whenua.• Ongoing stormwater monitoring to confirm quality of discharges.• Ecological effects assessment.• Consultation with affected parties.	<ul style="list-style-type: none">• A draft application has been prepared. Lodgement dates will depend on consultation timing and effects assessment timelines.

Overview of project:

The project is to obtain stormwater discharge consents for the existing stormwater network.



The discharge points are shown in the diagram above. There are five discharges direct to the Estuary, some seepage to ground through the attenuation ponds, and some discharges direct to Whitebait Creek.

Council's policy is that properties are required to provide on-site stormwater management (generally through soak pits). The consent application is for Council's stormwater network only and doesn't include the on-site soakage pits on private property.

Some of the discharges are direct to the Estuary (eg those on Dawick, Robbie, and Hartley Streets). The Holben stormwater discharge is a pumped discharge and includes some attenuation and treatment via the plantings and detention areas in the reserve and recreational areas. There are also attenuation ponds in the subdivision to the north-east of the community.

Work to date:

Modelling of the network has been undertaken to assess network capacity, flooding areas and estimated stormwater quantities.

A monitoring programme of the quality of the stormwater discharges and the effects on the Estuary is underway.

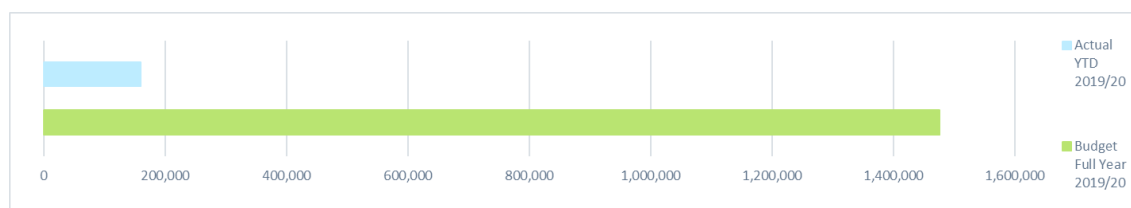
An ecological effects assessment is in progress. The first stage has been to assess likely risks so that the monitoring programme can be refined, and a more detailed effects assessment is now being undertaken in conjunction with the monitoring programme which is being implemented. Consultation is ongoing with iwi groups to develop a framework for cultural health monitoring and undertaking cultural impact assessments.

Council is also working on a proposal to provide stormwater treatment with the Holben Reserve which will assist to improve stormwater quality prior to discharge to the Estuary.

Monitoring results to date indicate elevated concentrations of zinc, phosphorus and E.Coli have been identified in the discharge from Linklater Ave catchment. Potential sources for these contaminants are currently being investigated.

Financials:

Budget for Foxton Beach Stormwater Consent is part of a wider Stormwater District Wide budget. So far this year \$159,635 has been spent on the consent.



Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Strategic	Potential for HRC to determine that consent should not be granted.	4C/2 L	Significant	Detailed documentation in the consent application to show that the discharge is controlled effectively. Provide for time and cost for hearing process if needed.	3C/2 L	Moderate
Financial	Cost of hearing and potential appeal process	3C/4 L	Significant	Pre-lodgement consultation. Manage process and pre-hearing discussions to focus on RMA matters as far as possible.	3C/3 L	Significant
	Mitigation costs to address potential effects / consent conditions	3 C/ 3L	Significant	Ensure clear messaging re low risk stormwater system. Effects evidence-based assessment of need for mitigation.	2 C/ 3L	Moderate

Risks Traffic Light Key

Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 -Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Communication and Key Stakeholders:

Consultation is ongoing with iwi groups. Discussions have been held with Te Runanga o Raukawa and Rangitaane and feedback received on the monitoring programme. Further feedback is sought on cultural health monitoring and processes to undertake cultural impact assessment(s). Monitoring sessions will be carried out with Raukawa hapu for sharing of information (cultural values, monitoring procedures) and upskilling.

Consultation with the community, Department of Conservation and Fish and Game will also be required.

Timeline:

	Jan - Mar '20	Apr - June '20	July - Sept '20	Oct - Dec '20
<i>Engagement with iwi</i>				
<i>Stormwater monitoring</i>				
<i>Ecological effects assessment</i>				
<i>Complete AEE & Application</i>				
<i>Consent Processing</i>				

Tokomaru Water Supply - Overview

Project Overview Summary

Project objective:

Renew water take consent(s) for Tokomaru Water by 30 March 2020, within budget.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none"> • Application has been lodged and was notified. Submissions closed October 2019. Two submissions received, both in support. • CIA by Ngati Whakare completed. • Approvals obtained from Department of Conservation, Drinking Water Assessor, TMI Rangitaane and Fish & Game. 	<ul style="list-style-type: none"> • Agree draft conditions with Regional Council and submitters. 	<ul style="list-style-type: none"> • Existing consent will continue to be active until new consent is resolved. • Draft conditions received from Regional Council 21 November 2019.

Overview of project:



Abstraction from Tokomaru River

Infiltration gallery below bed of the river, Horseshoe Bend. There are no structures in the flowing water.



Treatment & Storage

Membrane filtration treatment plant located on Tokomaru East Road. Approx. 500 m³ (2 days) of storage.



Community Served

Tokomaru Village & some rural residential properties. Properties outside of the village and any non-residential uses are metered.

- 222 connections of which 34 are metered

Growth is projected. There is residential and greenbelt residential land zoned to the north of the village. Council's Growth Strategy 2040 also identified potential additional growth areas.

Existing Consent

- Abstract up to 864 m³/day, at maximum rate of 36 m³/hr
- No conditions for metering of abstraction
- No conditions requiring water conservation measures

How much water does the community use?

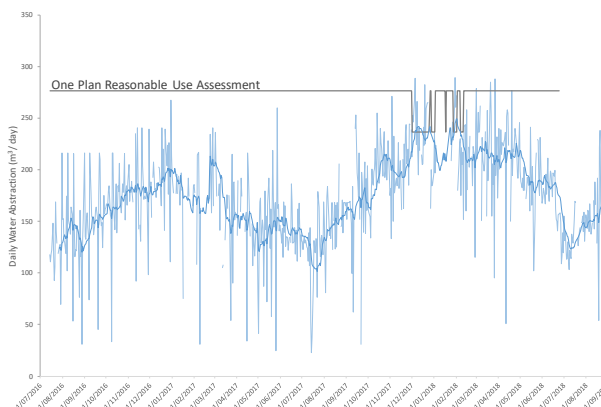
This graph shows the community's use over the last two years.

The graph shows the water abstracted compared to what would be considered "reasonable and justifiable" under the One Plan policies (grey line).

Where the grey line drops down, this is when the River flow was below minimum flow and water conservation measures would be expected to be implemented under the One Plan.

Consent sought

- Reduced consent limits to better match demand, but retain higher abstraction rate when needed to fill up storage
- Abstraction metering & telemetry
- Water conservation measures at times of low flow
- Optimise use of storage to reduce abstraction as much as possible during times of minimum flow

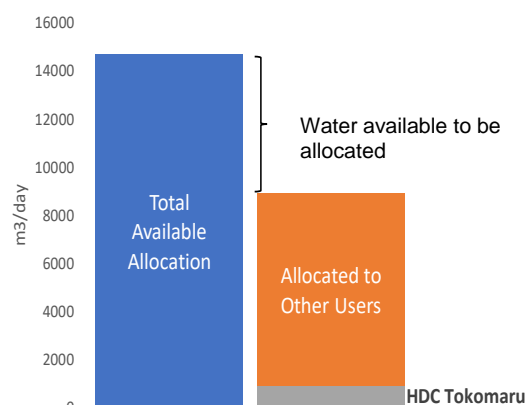


Water Allocation & Ecological Effects

Under the One Plan's allocation regime, 61% of the cumulative core allocation for the zone is allocated.

HDC's current allocation for Tokomaru represents 6% of the cumulative core allocation.

The One Plan provides for community takes to continue (with water conservation measures in place) when the River is below minimum flow (240 L/s). An ecological assessment found that the effects of the abstraction when the River is below minimum flow are less than minor.



Work to date:

Consent application has been lodged and a s92 request for further information has been responded to. Consultation has been undertaken with key stakeholders as noted below.

The application is currently being processed by Regional Council. The application was publicly notified by Regional Council on 6 September 2019. Submissions closed 4 October 2019.

Two submissions were received, both of which support granting of consent.

Draft conditions were received from Regional Council 21 November 2019. These have been discussed internally and a response and discussions with Regional Council will occur in mid-late

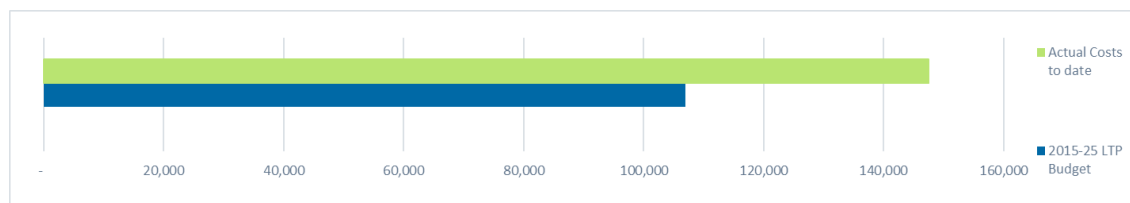
January/February 2019. The draft conditions are generally acceptable with the exception of a low flow restriction on abstraction. The draft conditions require abstraction to be reduced to 237 m³/day at times of low flow. In this situation, if there are extended periods of low flow then supply may be affected. The draft conditions also do not provide for the low flow abstraction limit to be increased as the community grows. Work is underway to develop an alternative suite of conditions for discussion with Horizons.

Draft conditions indicate an expiry date of 2038.

Financials:

The funding arrangements are reserve funded.

The proposed cost of the project is \$106,910 over the expected lifespan of the project.



Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Strategic	Potential for Quantity of Water allocated to be insufficient for growth.	4C/3L	Significant	Application proposed consent conditions to be structured to allow for further approval at time of growth in the community. Ensuring water sensitive design.	3C/3L	Significant
Financial	Notification leading to hearing and appeal costs.	4C/4L	High	Consultation and engagement with key stakeholders during submission period. Proceed quickly to pre-hearing to focus on RMA issues. Submissions closed with two in support.	4C/1L	Low
Service Delivery	Consent decision may include significant constraints on take at minimum flow.	4C/4L	High	Interrupted service delivery and extended water restrictions. Significant cost associated with storage to mitigate.	4C/3L	Significant

Risks Traffic Light Key

Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 -Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Communication and Key Stakeholders:

Engagement is ongoing with Ngāti Whakare and a Cultural Impact Assessment has been commissioned. This was received end of 2019. Recommendations from the CIA were:

- “1. HDC agree to enable regular stream health and mātauranga Māori monitoring of the Tokomaru Awa, where possible with annual participation from ngā kura (Tokomaru and Shannon schools) to build intergenerational kaitiaki capacity;
2. HDC agree to resource the capacity of Ngāti Whakare and collaborate directly with the hapū to manage the Tokomaru water supply take and other activities at the Horseshoe Bend Reserve significant area/site;
3. HDC agree to resource Ngāti Whakare to collaborate with Council to develop communication (possibly signage or an information where similar to Tū te Manawa) acknowledging the cultural significance of the Horseshoe Bend Reserve area; and
4. Regular meetings between HDC and Ngāti Whakare representatives are needed to progress and achieve these recommendations.”

TMI Rangitaane have been consulted and have provided a letter of support.

Written approval has been obtained from Department of Conservation, Fish and Game Council and a letter of support has been received from the District Health Board.

Submissions received were in support of grant of consent.

Timeline:



Tokomaru Wastewater Supply - Overview

Project Overview Summary

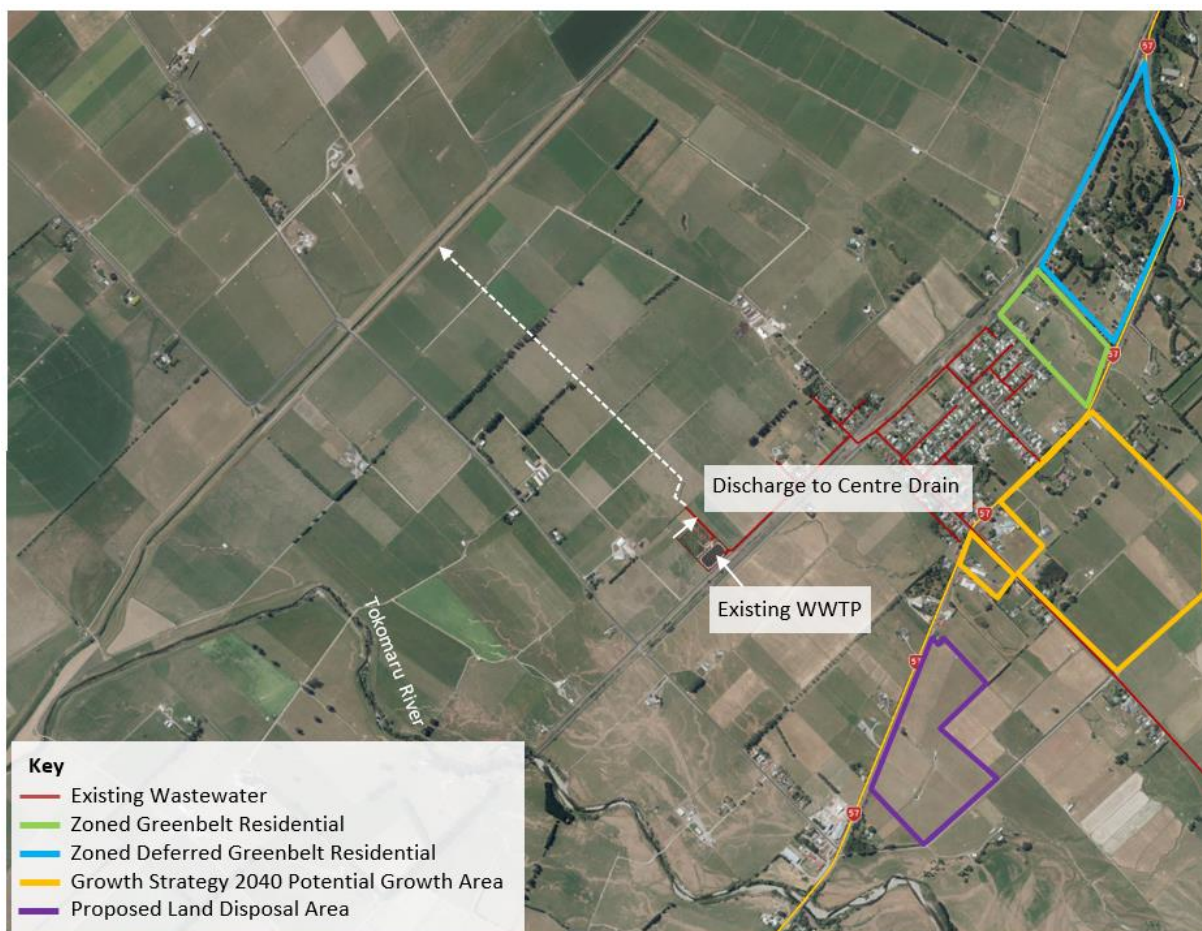
Project objective:

The project's aim is to:

- agree on a renewed five (5) year discharge consent to water with Horizons Regional Council and key stakeholders;
- with the community and key stakeholders, agree on a long term land-based discharge before 2022.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none">• Council commitment to land based, long term disposal.• Short term consent sought for discharge to water to provide time to investigate, design, and consent land based option.• MfE Funding assisted with purchase of land.• Work on the long term land disposal project has been initiated.	<ul style="list-style-type: none">• Resolve short term consent with Horizons and submitters.• Establish Wastewater Working Group (iwi, community and interested parties) to work with Council towards long term land option.• Commence Investigations Phase of Long Term Land Disposal Project.	<ul style="list-style-type: none">• Council hopes to have short term consent resolved early 2020.• Wastewater Working Group to be established early 2020.• Collaborative working on land option 2020 - 2021 (see indicative timeline over page).

Overview of project:



Work to date:

Short-Term Consent

- The existing wastewater discharge is a combination of discharges to ground via the base of a wetland and also discharges direct to Centre Drain at times of high flow.
- A short term (5 year) consent has been sought to allow the status quo operation while the long term land disposal option was progressed.
- The short term consent was publicly notified and a pre-hearing meeting held. The application was on hold while draft conditions were agreed between District and Regional Councils. This included engaging ecologists to develop a monitoring programme which is now being implemented.
- Ngati Whakatere has been engaged to undertake a Cultural Impact Assessment which was completed late 2019.

Conditions for the short-term consent have been agreed with Regional Council and are currently with submitters for feedback and confirmation as to whether or not the conditions satisfy their concerns. At present, nine of the fourteen submissions have been resolved. The remaining submitters were seeking a land based disposal solution. To obtain traction on this matter, the land based project has been commenced and the Wastewater Working Group will be convened early 2020. It is hoped that this will assist obtaining sign-off from the remaining submitters. A further pre-hearing is likely to be held immediately after the Working Group's initial meeting for that purpose. If not successful in resolving the remaining submissions, a hearing may be required.

Long Term Land Based Treatment Option

Council has made a commitment to working with iwi and the community to investigate and implement a long term land based treatment option.

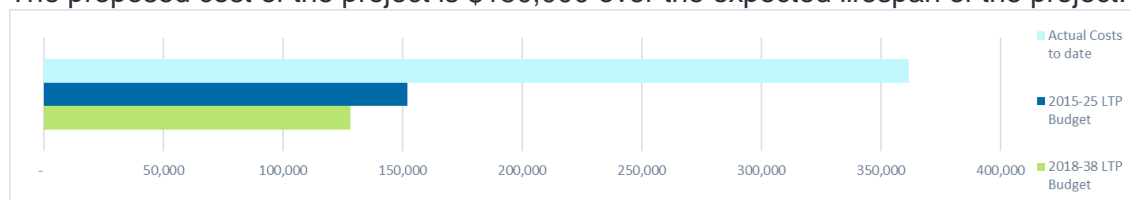
Central government funding has been secured and this has assisted Council to purchase land which is considered suitable for the purpose.

Work is underway to set up the project structure & timeline; and establish a Wastewater Working Group. The Investigation Phase will commence early 2020.

Financials:

The funding arrangements are loan funded.

The proposed cost of the project is \$150,000 over the expected lifespan of the project.



Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Strategic	Potential for HRC to determine not to grant consent.	4C/1 L	Low	Ensure that community is clear that this is a short-term consent to allow for investigation of land based option. Hearing may be required if submissions not resolved. Regional Council support proposed conditions.	4C/1 L	

Risks for long term project to be identified as part of current project establishment phase and included in next FAR report.

Risks Traffic Light Key

Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 - Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Communication and Key Stakeholders:

1.

Council has been engaging with submitters on the short term discharge consent application as noted above.

A draft consultation plan has been developed for the long term land based disposal project. That plan identifies the likely matters of consultation to include:

- “ Disseminating and communicating information as to how the wastewater services are provided, the quality and amount of discharges, and the Council's understanding of the effects of those discharges on land, water and air quality.
- Obtaining an understanding from tangata whenua as to the effects of the discharges to land, air and water receiving environments, and the relationship of tangata whenua and their culture and traditions with their ancestral lands, water, sites, waahi tapu and other taonga, as well as the ability of tangata whenua to exercise kaitiakitanga.
- Obtaining an understanding from affected parties as to their concerns with the wastewater discharges and how these may be mitigated.
- Working with tangata whenua and with stakeholders to identify and obtain input into the assessment of options for treatment and mitigation.
- Working with community to understand the servicing requirements and desired outcomes.

In undertaking consultation, Council and its appointed consultants and technical experts will:

- *be flexible and adaptable to the needs of all parties.*
- *be open with science, data and technical information, and will provide ready access to technical experts.*
- *facilitate a collaborative process and will be proactive about seeking a common understanding of effects and identifying options for mitigation.”*

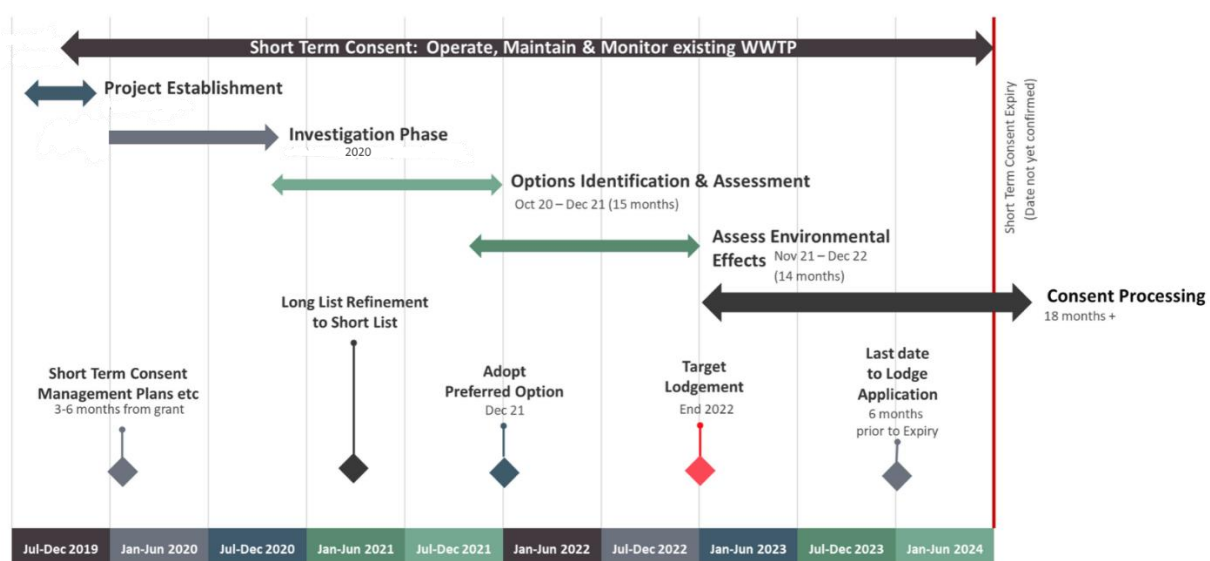
The Consultation Plan is a living document and HDC intends to conduct an adaptive consultation process which can be flexible to fit the needs of the parties being consulted. Early engagement will focus on identifying the preferred means of engagement, the best methods for provision of information and the type of information and discussions sought.

This notwithstanding, the proposed consultation methods at this time are as follows:

- Separate engagement with each of the three tangata whenua groups and their respective hapu / marae (Ngāti Raukawa ki te Tonga, Ngāti Whakare and Rangitāne o Manawatu):
 - Initial meetings to establish relationship, provide overview of the project and establish process and scope for consultation and engagement.
 - Liaison as necessary to confirm engagements (scope, timing, costs) for Cultural Impact Assessments.
 - Separate hui with each group throughout the project. The purpose of each hui to be agreed prior to meeting but is likely to include updates on work programme including monitoring and investigation results and outcomes, discussion and understanding of cultural impacts, and workshop style discussions as to potential mitigations.
- Directly Affected Parties: Meetings / workshops with each of these groups during the course of the work programme.
- Tokomaru Wastewater Working Party: Meetings twice yearly during the course of the work programme.
- Wider public consultation: To be undertaken through HDC communications and website, with project newsletters / updates and requests for feedback / comment.

Timeline:

Note: the timeline is indicative only at this stage.



Levin Wastewater Discharge

Project Overview Summary January 2020



Project objective:

The Levin Wastewater Discharge upgrade project aims to renew the consent to continue the discharge of wastewater to the property known as the Pot, at Hokio Sand Road, Levin. To achieve this objective the irrigation regime including operation and infrastructure requires upgrading, and various mitigation measures require investigation for potential installation at The Pot or in close proximity to The Pot.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none">□The Hearing took place on 30 October and 1 November. The hearing has been adjourned until February 2020.□HDC has prepared revised conditions and provided an updated to Horizons in mid December for circulation to submitters.• Irrigation upgrade programme underway.• Firewood contractor operating at site.	<ul style="list-style-type: none">• Feedback on draft consent conditions from submitters.• Consent hearing process to be completed with decision made by Hearing Commissioners• Further pine planting.• Carry out weed management programme in preparation for planting in 2020.• Complete irrigation upgrade designs.• Irrigation automation approval required.	<ul style="list-style-type: none">• Feedback on possible consent conditions January 2020• Consent hearing resumed in March 2020.• Decision on consent expected mid April.• Further pine planting June 2020.• Irrigation design specifications completed February 2020

Overview of project:

- Located at the end of Hokio Sand Road, the property known as The Pot receives 100% of Levin's wastewater as irrigation.
- This wastewater discharge facility has been in operation since 1991 (1987 development and planting).
- Ownership includes half the property leased from Muaupoko Land Trust and the other half owned by HDC. HDC also own the property to the east known as the Tucker block. This is currently leased for grazing.
- Currently the site is operated under resource consents 6610 and 6921 that expired December 2018.
- The consent application for renewal of the Levin wastewater discharge was submitted in June 2018.
- The consent application is supported by extensive investigations that began in 2012 to determine the effects of wastewater at the site after near 30 years of operation. The application includes 27 reports that detail the LWWLT and the effects it is having to the environment.
- A trial is being undertaken on 10 ha of the site to determine if irrigating wastewater onto Manuka/Kanuka dominated ecosystems will improve water quality in the Waiwiri Catchment. This trial is supported with funding from the Ministry for the Environment Freshwater Improvement Fund.
- The consent process is part of a larger programme looking at the management of the site, irrigation redevelopment, replanting, mitigation of impacts on water quality and future planning.

Work to date:

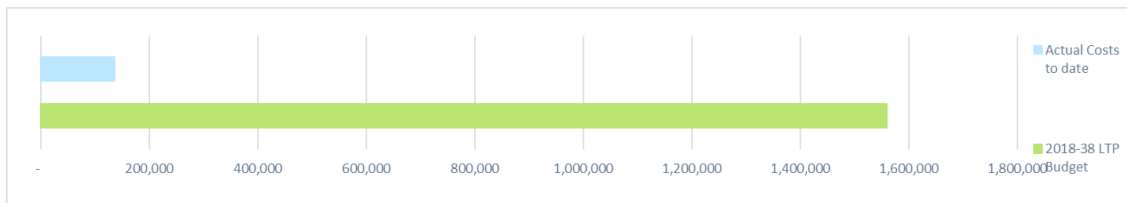
- Land discharge consent expired December 2018. Council is allowed to continue operating under the old consent conditions until a decision is made on the new consent application.
- Site investigations and data collation for consent renewal began in 2012.
- LEI coordinated groundwater, surface water, soil and ecology investigations and reporting for the consent; and assisted with consultation with the community.
- Consent lodged 22 June 2018 – publicly notified, submission period extended to a 5 month period, 18 submissions received, HDC has engaged experts to prepare evidence and participate in conferencing of issues ready for the hearing.
- This hearing date deferred from August 2019 to late October. This allowed for conferencing of the issues that the previous date did not. Support from submitters prior to the hearing for the proposed changes was not offered at the hearing. Commissioners provided Council an opportunity to go away and refine draft conditions with further discussion with submitters, and adjourned the hearing.
- It is intended that the hearing process will be reconvened in early March, with a decision likely in mid-April.
- Irrigation has been fully reinstalled after the pine harvest and the upgrade is underway. This upgrade will match the proposed consent and include expansion of area and automation. A draft design has been prepared and is being reviewed in readiness for approval and then procurement.
- Five year ecosystem trial started at The Pot in 2018; environmental monitoring starting in 2019.
- Consent consultation initiated a catchment care group; this is continuing.
- Harvest of pine trees was completed early February 2019.
- 20 ha of pines replanted 2018 with further native planting completed in 2019 and remaining pine planting in 2020.
- Consent has been procured for northern adjacent neighbour to receive wastewater from The Pot; monitoring bores are being installed as required by consent and irrigation design has been initiated.

Financials:

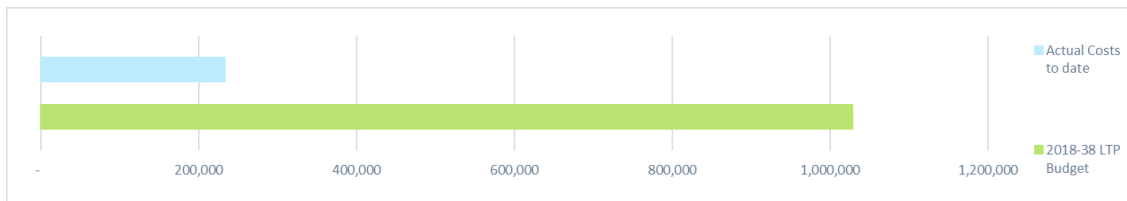
The funding arrangements are loan funded for the Strategic Upgrade part and reserve funded for the renewal port.

The proposed combined cost of the project is \$2,587,000 over the expected lifespan of the project.

Levin wastewater treatment plant - Strategic upgrade POT – (LOS)



Levin wastewater treatment plant – POT – (Renewal)



Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Strategic	Community and iwi conflict with consent objectives.	R	Drawn out consent process, leading to community tension and additional costs.	Engagement with community has resulted in concerns incorporated into the revised conditions Establishment of a catchment care group	A	Small number of individual and group concerns
Financial	Exceedance of budget.	A	Short of funds across HDC.	Budget planning and tracking.	G	Minor variations to budget
Service Delivery	Difficult working conditions at The Pot with pine slash and weed growth.	A	Workers frustration. Inefficient practise. Health and safety risks.	Engagement of a site manager; additional staff and a firewood contractor.	G	Conditions are improving as a result of the controls.
Legal	Council hearing process.	R	Drawn out consenting process leading to significant costs.	Engagement with all parties involved. Detailed response to submissions. Conferencing to reduce issues. Clear time schedule.	A	Unexpected issues raised
Reputational	Appearance of The Pot without tree cover.	A	Judgement of The Pot without trees.	Expert advice for management and a planting plan. Prompt response to any concerns raised from individuals. Firewood contractor engaged.	G	Long term the issues will be resolved

Risks Traffic Light Key

Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 -Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Communication and Key Stakeholders:

Consultation has been undertaken with the community about the re-consenting project for Levin wastewater land treatment at The Pot.

The consultation programme included the following avenues to exchange information:

- 11 Meetings since 2016 (18 different representative groups and individuals attended);
- Common web portal for sharing technical reports - Objective Connect;
- Update and invite emails;
- Report Summary Booklet (HDC, 2018:D2a); and

An extended submission period was provided. This resulted in 18 submissions received. The evaluation of the submissions has allowed for the issues to be addressed in the evidence and consequent consent conditions. Expert conferencing has been undertaken in September and provided a positive way forward towards the hearing between experts. What was thought to be community support prior to the hearing did not materialise at the hearing and the Hearing Commissioners invited Council to undertake further consultation.

Muaupoko Land Trust is now receiving the monthly reports sent to the Regional Council from HDC on the Levin wastewater monitoring.

Timeline:

	Jan '20	Feb '20	Mar '20	Apr '20	May '20
Reconvened consent hearing.					
Hearings commissioner's decisions for consent					
Irrigation design reports completed.					
Trial monitoring and management					
Firewood contract					

Foxton Wastewater Discharge

Project Overview Summary January 2020



Project Objective:

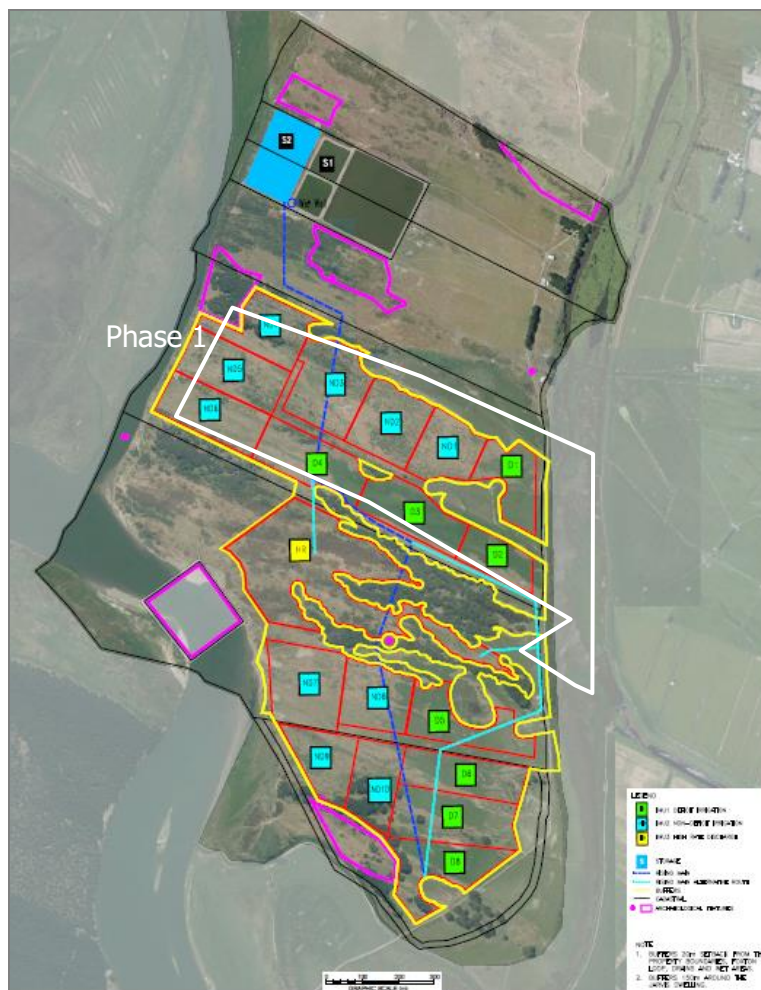
To cease the discharge to Foxton Loop and implement 100 % discharge to land (irrigation of farmland) of all treated wastewater from the Foxton WWTP prior to 4 February 2022.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none">□ WWTP changes have been designed for enabling connection to irrigation.□ Irrigation layout and design details have been developed for the northern area of farmland.□ Horowhenua Alliance appointed as head contractor for physical works and three key sub-contractors have been appointed for constructing the first phase of irrigation.	<ul style="list-style-type: none">• Management of multi-disciplinary team to design and construct new scheme.• Management of land owner and iwi relationships.• Management of budgets and differing contractual approval processes.• Co-ordination of complex range of systems and activities to ensure full integration of WWTP, irrigation, and farm operations.	<ul style="list-style-type: none">• Consents granted 4 February 2019.• Aiming for commencing the first phase of irrigation by April 2020.• Storage pond and the remainder of the irrigation will be built in 2020/21.• 4 February 2022 deadline for irrigation completion, including new storage pond, and ceasing discharge to Foxton Loop. After this time any discharges to Foxton Loop will breach the RMA (no consent).

Overview of project:

- The Foxton WWTP is a 3-pond system located SW of Foxton between the two arms of Foxton Loop on rural land known as Matakara. The WWTP was constructed in 1976 and discharges treated wastewater into the western arm of Foxton Loop.

- On 4 February 2019 the Environment Court granted consents to develop and operate a land discharge system to replace the Foxton Loop discharge. This allows irrigation of the area outlined in yellow on the map below and construction of a new storage pond (blue rectangle). The first phase of irrigation is outlined in white.



Work to date:

- The project management team continues to actively plan and co-ordinate activities, including contractual arrangements and health and safety requirements.
- Timelines, scopes, and budgets have continued to be developed for a wide range of tasks with a particular focus on the 2019/20 and 2020/21 financial years. Budgets now include quotes for the first phase of works to commence the initial irrigation in April 2020.
- Critical timeframes and complex tasks have been identified for refining the likely time of commissioning the first phase of irrigation.
- There continues to be significant collaboration with the farmers and iwi. Cultural health index monitoring will occur soon; future monitoring will use this as a baseline to assess the extent and nature of any changes resulting from treated wastewater irrigation.
- Collaboration of design and construction has been occurring between the WWTP, irrigation, farm management, electrical, automation, and Council operations teams.
- Detailed design drawings and specifications have been developed for the WWTP pond modifications, new pump shed, connections to the wet well and the wet well's connections to the irrigation pumps and the relocated discharge outfall to Foxton Loop (this needs to be

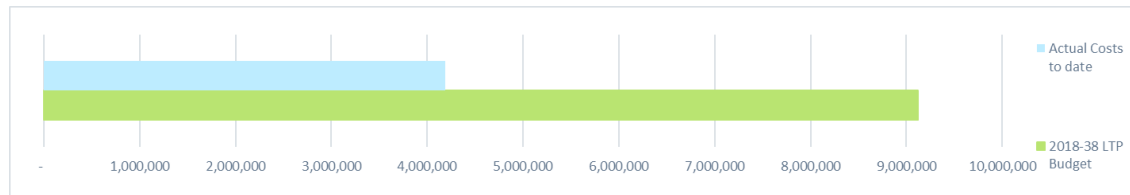
relocated because it currently traverses the storage pond footprint and the discharge to Foxton Loop needs to continue until the full irrigation and storage systems have been built and commissioned). Installation of the WWTP pond connections probably requires lowering of the maturation pond water levels in advance of excavating the pond bunds to work on pipes.

- An irrigation layout plan and specifications have been developed for the first phase of irrigation including pipeline routes, riser locations, pipe sizes, irrigation nozzle sizes, and pump flow rates. This has occurred in conjunction with layouts of stock raceways, paddock fencing, and all related farm management systems.
- A geotechnical assessment of design requirements for the wet well, pump shed, and future storage pond has been completed. It has identified the likely extent of seismic risks for these structures and provided some recommendations of mitigation measures to be included in their design and construction.
- Contracts for construction of the first phase of irrigation have been approved. Some aspects of the WWTP works are still being priced and construction contracts will soon be confirmed with the successful parties.
- Components with long delivery times have been ordered to ensure that construction is not delayed.
- Documentation of construction controls is being prepared for Horizons' certification prior to construction.
- Planning for the design and construction of the storage pond and WWTP bund repairs is under way.

Financials:

The funding arrangements are loan funded.

The proposed cost of the project is \$9,123,206 over the expected lifespan of the project.



- Forecast budgets for a large number of tasks and infrastructure have continued to be refined as tasks are identified and formal cost estimates are developed by contractors. Actual costs to date have also been tracked against these estimates.
- Overall costs have risen from initial expectations but are still within the project's and Council's 2019/20 budgets.
- The delays in obtaining consents, completing detailed designs, and confirming contracts mean that funds will need to be made available in Council's 2021/22 budget when preparing the 2021-31 LTP; these funds were not spent in previous years and some of the budgeted funds were not carried forward during recent years' adjustments of Annual Plan budgets.

Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Strategic	Landowner agreement.	A	Differing design views resulting in disputes and delays to implementing project within consented deadlines.	Robust and regular landowner engagement.	G	Key features are agreed in advance and remaining details will be resolved.
	Iwi expectations.	A	Differing views on commitments given resulting in delays to implementing project within consented deadlines.	Robust and regular iwi engagement with a particular focus on aspects that could affect construction and consented deadlines.	G	Key undertakings are agreed in advance and remaining issues will not affect consented deadlines.
	Wastewater continues to enter river longer than planned.	A	Council's target of ceasing all wastewater discharges to river is delayed unacceptably long.	Active information sharing and relationship building. Sound project management to deliver project on time.	G	Current timelines will comfortably achieve the target date for ceasing discharges to the river.
Financial	Budget exceedances or spending funds sooner than expected.	A	Strains Council's finances and forces unexpected borrowing and interest costs.	Financial planning and regular cost management.	G	Expenditure is not expected to exceed annual budgets.
	Clashing or unclear procurement processes.	A	Contractor engagement and payment is not authorised or causes perceived or real legal and/or reputational risks.	Procurement Plan and associated processes for contractor selection and contract authorisation documentation. Appointment of sole Head Contractor to manage all physical works.	G	Contractual arrangements are clear and minimise any potential for conflicts and other issues.
Service Delivery	Resource availability and timing causing delays.	G	Delays can compound and can breach consent timing limits and add to costs.	Strong project and staff management controls. Provision of additional resources if needed.	G	Timing and costs will be acceptable.
	Complex integration of designs which rely on other designs' details.	A	Design development can be delayed due to other key details being unknown. This delays procurement until full design details are specified.	Collaborative design teamwork. Strong project and staff management controls. Provision of additional resources if needed. All designs will be developed as quickly as possible with initial designs proceeding as far as possible using educated assumptions before gaining certainty of other design details.	G	Design will progress in a timely and structured way with strong collaboration. Key designs and specs will ensure that procurement timing is not delayed

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
	Long lead-in times for purchases of key components.	A	Timelines for components will determine the date when the initial irrigation system can be commissioned.	Timelines for components will be identified early and decisions made as early as possible to allow orders to be lodged with suppliers as early as possible.	G	Timelines should not be affected significantly.
	Inadequate consideration of components causing failures or unable to integrate with other parts of the systems.	G	Failures or incompatibility can be costly to rectify and waste time.	Specifications will be developed by collaborative project team to ensure their compatibility. Contractors are familiar with HDC's existing systems and each other's componentry.	G	Failures and incompatibility will be rare.
Legal	Additional consents may be required.	A	Additional consents can delay construction.	Ideally avoid triggering consents, otherwise identify and promptly seek all necessary consents.	G	Additional consents are unlikely to delay project.
	Breaches of consent conditions, One Plan, District Plan, or Heritage Act.	G	HDC and contractors liable for enforcement action and for rectifying environmental damage or reduced treatment performance.	Training/education for all personnel. Supervision will include compliance checks. Compliance essential part of all contracts.	G	Breaches are unlikely to occur and will be rapidly detected and rectified.
	Horizons' compliance staff may not approve details of Management Plans.	A	Construction is delayed until all relevant Management Plans are certified by Horizons.	Collaborate closely with Horizons and relevant contractors to quickly resolve any issues. Provide draft Plans to Horizons with timelines.	G	Management Plans are unlikely to encounter any certification issues but will be rapidly resolved.
	Health and Safety at Work Act.	G	HDC and contractors liable for any failures to protect people from harm.	Robust safety systems and plans are being developed. Hierarchy and conflicts of policies and procedures are being managed and integrated.	G	Incidents and inadequate precautions are unlikely to occur.
Reputational	Project implemented poorly or fails to operate as intended. Lower standards are allowed than would be expected of another farm or business.	G	Council seen as having an inability to deliver significant infrastructure projects and/or applying double standards.	Specifications and regular inspections of work. High standards will be expected and enforced. Short cuts and poor workmanship will be addressed promptly.	G	High quality and reliable systems are installed. Council and its contractors maintain good reputations and consistent standards with comparable projects in the region.

Risks Traffic Light Key

Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 - Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Communication and Key Stakeholders:

Council has been engaging with the landowners and relevant iwi since 2014. Relationships between all parties have generally been supportive and co-operative. The delays to the construction caused by consenting delays and then detailed design and contractual arrangements have caused some frustration and uncertainties of farm management planning for the landowners. However, direct involvement of the landowners and frequent communications have enabled them to adapt their farm management plans to the evolving timelines of the project.

Council has been engaging with the key designers and construction contractors to ensure that their designs, roles, and componentry are integrated and compatible. The timing of each contract is also interdependent on the timing of each of the other contracts, so it has been crucial for Council and the contractors to collaboratively develop their designs and timelines. Some key components have long lead-in times, so communication has been important for an understanding of those items and for obtaining approval to order them prior to formally agreeing contracts.

Council has also been engaging with some Horizons staff regarding consent conditions and their expectations of construction methodologies, monitoring requirements, documentation requirements, and reporting. Compliance communications have also been actively maintained with Horizons staff.

Timeline:

	Jan '20	Feb '20	Mar '20	Apr '20
Construction Management Plans and Erosion & Sediment Control Plans	Prepare the Plans	Submit to HRC for certification		
Wet well	Agree contracts	Order materials	Install	
Pump shed	Lodge consents		Construct	Fit out interior
WWTP connections to wet well		Reduce pond water levels	Construct and commission	
Install temporary discharge pipe from wet well to Foxton Loop	Agree contracts	Order materials	Construct and commission	
Irrigation development	Order materials	Construct	Construct	Commission
Storage pond and Phase 2 irrigation planning and scheduling		Confirm pond location & size		Start developing detailed designs

Poads Road Bridge Replacement

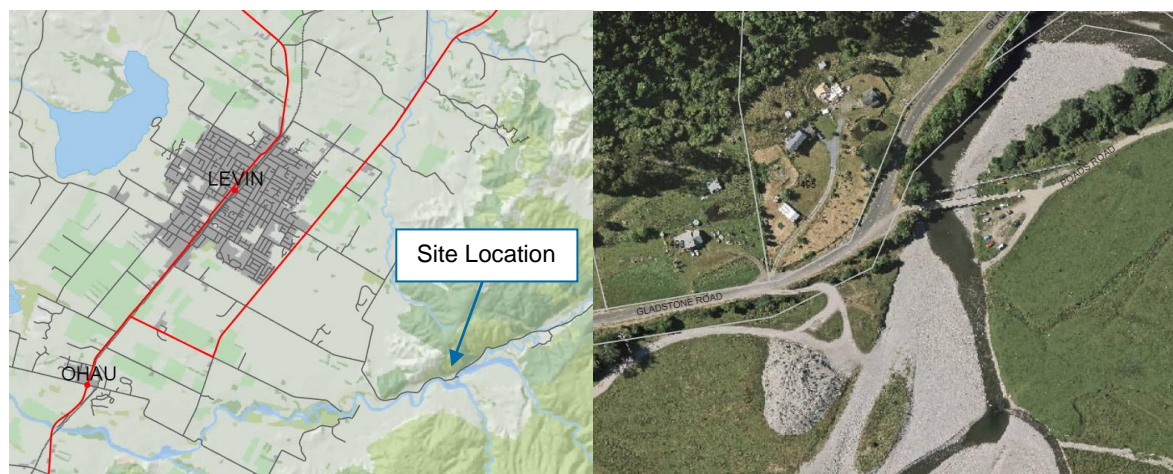
Project Overview Summary

Project objective:

The existing Poads Road bridge is in poor condition, it is no longer viable to cost-effectively maintain the bridge. This project will ensure safe access to Poads Road by replacing the existing bridge.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none">• Project has been procured through Road Maintenance Contract• Bridge design and consenting is underway• Preliminary price to be approximately \$500k, final price will be confirmed on construction design completion, original budgeted value was \$950k, unused budget has been allocated to other road improvement projects.	<ul style="list-style-type: none">• Completion of bridge design from selected contractor• Complete project within approved budget and acceptable timeframe	<ul style="list-style-type: none">• Final bridge design January 2020.• Start of construction February 2020.• Completion of project by April 2020

Overview of the scheme:



Work to date:

Existing Poads Road Bridge

- The bridge currently has a posted weight limit of 2000kg, this is a lower level of service required for the agricultural land use of Poads Road.

- A condition assessment was conducted on the bridge in 2014, the assessment indicated the cost of maintaining the bridge would be similar to the costs of replacement. The replacement bridge would be able to service all road-legal vehicles.

Replacement Poads Road Bridge

- An on-site geotechnical investigation was undertaken in March a draft report of these findings has been received. The geotechnical data will be used to develop a specimen design for the bridge replacement
- Council has been working closely with staff from HRC's River Management Team to determine efficient design and construction methodologies that will satisfy Resource Consent conditions.
- Resource Consent for this work will be applied for by the contractor.
- A contractor has been selected and the expected start of construction is the beginning of February.

2.

Financials:

	2018/19	2019/20	2020/21	2021/22	Total
Capital expenditure		\$500,000				\$500,000
Operating expenditure	\$90,000	\$30,000				\$120,000
Total expenditure	\$90,000	\$530,000				\$620,000

Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Strategic	Project Delays - Could be caused by various factors, including consenting delays, contractor capability, inclement weather etc.		Moderate	Project planning, procurement, targeting efficient construction, construction timing to minimize weather-related risks, close engagement with HRC.		Low
Financial	Cost overruns – which could be caused by various unforeseen factors		Low	Thorough site investigation to ensure all risk factors are identified and controlled prior to construction.		Low

Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 -Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Consultation and affected parties:

Horizons

Council has been consulting with Horizon's periodically over the last 12 months, with more in-depth engagement in the last 6 months.

Poads Road Affected Residents

Council will be engaging with the affected residents in Poads Road once project planning is further developed, as to provide more detailed and reliable information. During construction, access to Poads Road will be managed, a plan will be developed with the affected residents to manage this.

Timeline:

	May '19	Jun '19	Jul '19	Aug '19	Sep '19	Oct '19	Nov '19	Dec '19	Jan '20	Feb '20	Mar '20	Apr '20
Procurement Plan Approval												
Geotechnical Investigation												
Specimen Design												
Procurement												
Pre-construction planning												
Construction window												

Queen Street – Cambridge Street Intersection Improvements

Project Overview Summary

Project objective:

The existing intersection of Queen Street and Cambridge Street in Levin has a high crash rate, with 14 reported crashes between 01/01/2014 and 01/01/2019. The physical condition of the roundabout is very poor and requires full rehabilitation to remain functional. The intersection caters for a very high traffic volume.

The project aim is to improve the safety of the intersection and rehabilitate the failing pavement while retaining the intersections capacity to cater for predicted traffic growth.

Current Status	What's Needed?	Key Dates
<ul style="list-style-type: none">• Tenders for Construction closed 16-12-2019, one submission was received from Higgins Levin. the price was over budget, the price has been renegotiated with the contractor and the project scope has been revised to bring the it within budget while still achieving the required outcomes. The contract has been awarded.• Water supply and waste water sewer infrastructure is currently being renewed prior to the intersection upgrade works.	<ul style="list-style-type: none">• Mitigation of inconvenience to public and businesses through active and effective communication• Active project management ensuring unforeseen problems are resolved quickly to avoid construction delays or cost overruns.	<ul style="list-style-type: none">• Completion of renewal of underground services by January 21 2020.• Start of construction on 21. January. 2020.• Completion of project by April 2020.

Overview of scheme:



Work to date:

Investigation and Design

- The layout of the intersection was identified as being unsafe, particularly for pedestrians, investigations into the crash history confirmed the safety concerns and the intersection was programmed for further investigation for improvement in the 2018-19 financial year.
- Intersection treatment selection was informed by engineering design standards and guidelines, in addition to traffic volume growth modelling. The safest, feasible intersection layout option for this intersection is a single lane roundabout, however, a single-lane roundabout will reduce the traffic capacity compared with the current layout or other alternative treatments. A traffic growth modelling report was completed in July 2018. The report predicts that a single lane layout should provide an acceptable level of service for over 15 years. This is judged as acceptable when considered alongside the safety benefits of the single lane layout.
- An investigation into opportunities to renew underground services began in July 2018 and is ongoing.
- On-site pavement testing was undertaken to determine the cause of pavement failures and assist in developing a pavement design. This was completed in December 2018
- An initial design was completed in December 2018
- A design Road Safety Audit was completed in April 2019
- the design was revised to comply with the audit's recommendations and finished in October 2019.

Financials:

	2018/19	2019/20	2020/21	2021/22	Total
Capital expenditure	\$50,000	\$925,000				\$975,000
Operating expenditure	0					
Total expenditure	\$50,000	\$925,000				\$975,000

Risk Management:

Risk Area	Risk Description	Initial (GAR)	Initial Risk Assessment without application of a control	Control applied	Residual Risk Assessment (GAR)	Residual Risk Assessment
Financial	Cost overrun There is a shortage of contractor resources able to complete a project of this complexity, which may result in high prices.		Significant	Well planned procurement may be able to mitigate this risk, targeting all potential contractors may result in competitive pricing.		Moderate
Service Delivery	Reduction in level of service If traffic growth exceeds expectations, congestion at this intersection may cause delays during peak traffic hours in the future.		Moderate	A local network contingency plan will need to be considered, a reduction of LOS at this intersection will see other routes increase in traffic this must, to mitigate negative effects on the network		Low

Reputational	Construction delays Construction management for this project will be complex and challenging due to high traffic volumes. Delays are likely and may cause reputational damage to Council		Significant	Thorough pre-construction planning, close construction monitoring, and an effective communication plan will mitigate delays and reputational damage.		Moderate
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Likelihood	Consequence				
	1 - Very minor	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
5 - Almost certain	Low	Moderate	Significant	Extreme	Extreme
4 - Very Likely	Low	Moderate	Significant	High	Extreme
3 - Likely	Low	Moderate	Significant	Significant	Extreme
2 - Unlikely	Low	Low	Moderate	Moderate	Moderate
1 - Extremely unlikely	Low	Low	Low	Low	Low

Consultation and affected parties:

NZ Transport Agency

This project is subsidised by NZTA, HDC will ensure the project meets all standards required by NZTA.

Affected Businesses

The Council engaged with the affected businesses around the worksite and provided more detailed information about the scope of work with starting dates and duration of construction.

Road Users

Active communication and project signage will ensure inconvenience is minimised and road users are made aware of the project's progress.

Timeline:

	May '19	Jun '19	Jul '19	Aug '19	Sep '19	Oct '19	Nov '19	Dec '19	Jan '20	Feb '20	Mar '20
Final design											
Procurement Plan approval											
Procurement											
Pre-construction planning											
Construction window (10 weeks required)											

Six Month Report 1 July - 31 December 2019

File No.: 20/6

1. Purpose

To present to the Finance, Audit & Risk (FAR) Committee the financial report for the four months ended 31 October 2019.

2. Recommendation

- 2.1 That Report 20/6 Six Month Report 1 July - 31 December 2019 be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

3. Issues for Consideration

As included in the **attached** report.

Attachments


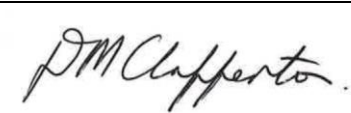
No.	Title	Page
A	Financial Reporting - Monthly Report - 31 December 2019	66

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Doug Law Chief Financial Officer	
Approved by	David Clapperton Chief Executive	



Six Month Report

1 July 2019 - 31 December 2019



Executive Summary

A. Trends and Activity of Interest

1. Resource Consenting

- 194 consents have been lodged as at 31 December 2019, compared to 138 at the same time last year.
- 78 subdivision consents approved as at 31 December 2019, compared to 55 at the same time last year.
- As at 31 December 2019 a total of 127 new allotments have been created as a result of s223 (approval of title plan) & 122 new allotments have been created as a result of s224 (completion of physical works) certificates being issued for subdivisions.

2. Building Consents

- Value of consents issued as at 31 December 2019 is \$71,961,763 compared to \$57,299,531 for the same period last year
- 373 consents issued as at 31 December 2019, compared to 373 for the same period last year.
- 119 new dwelling consents were issued as at 31 December 2019 compared to 132 for the same period in the 2018/2019 year.
- 375 building consents were lodged as at 31 December 2019 compared to 333 for the same period in the 2018/19 year.
- Consents have been issued for 148 New Residential Dwelling Units as at 31 December 2019.

YTD the level of Resource Consenting activity is higher than what was experienced over a similar period in 2018/19.

YTD the level of Building Consenting activity is similar to the same period in 2018/19, although there have been less consents for new dwellings issued YTD compared to the same period last year.

B. Financial Performance – Operational Expenditure

Council shows a \$1.684m year-to-date (YTD) deficit against a budgeted YTD deficit of \$3.65m. It is 50% through the year and Council has spent 50.9% of the full year's budgeted expenditure and received 50.22% of the full year's budgeted income.

Doug Law
Chief Financial Officer

21 February 2020

Total revenue	Total expenditure	Total surplus/(deficit)
\$28.09m is 5% more than the total budget of \$26.64m	\$29.74m is 2% less than the total budget of \$30.29m	(\$1.65m) is -55% more than the total budget of -3.65m
SUSTAINABILITY		

Balance budget ratio **94%**

Operating revenue	\$27.98m
Operating expenditure	\$29.74m

Operating revenue should be equal or more than operating expenditure. Operating revenue excludes vested assets, development contributions, asset revaluation gains and gains on derivatives. Operating expenditure includes depreciation and excludes loss on derivatives, landfill liability and loss on asset revaluations. Year to date revenue is 94% of operating expenditure.

Net Debt to total projected revenue (LGFA Cov.) **151%**

Total net borrowing	\$85.75m
Total projected operating revenue	\$56.85m

With net borrowing of \$85.75m we are still under the set limit of 195% of operating revenue. Total net borrowing is external borrowing less cash at bank.

Interest to rates revenue (LGFA Cov.) **8%**

Net Interest	\$1.69m
Rates revenue	\$20.19m

8% of rates revenue is paid in interest. Our set limit is 25% of rates revenue. Net interest is interest paid less interest received. Rates revenue excludes penalties, water supply by meter and gross of remissions.

Interest to operating revenue (LGFA Cov.) **6%**

Net Interest	\$1.69m
Operating revenue	\$27.98m

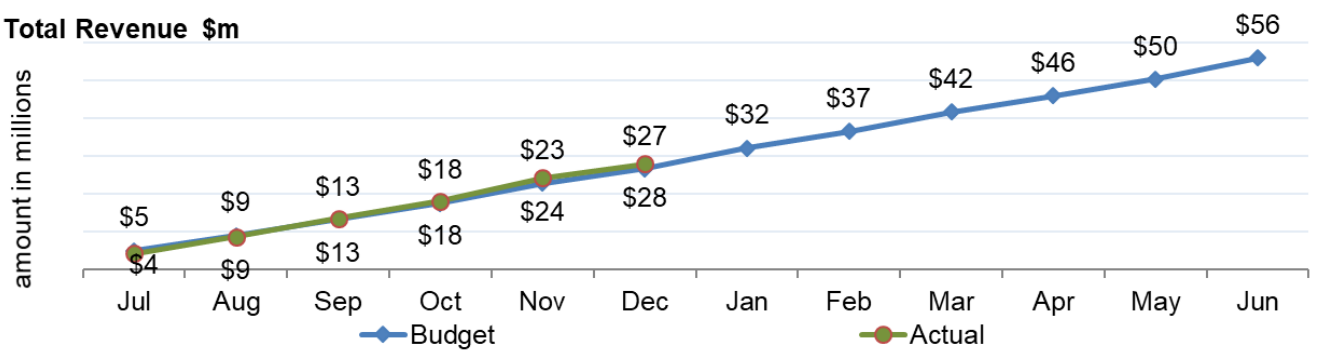
6% of operating revenue is paid in interest. Our set limit is 20% of operating revenue. Net interest is interest paid less interest received.

Available financial accommodation to external indebtedness (LGFA Cov.) **112%**

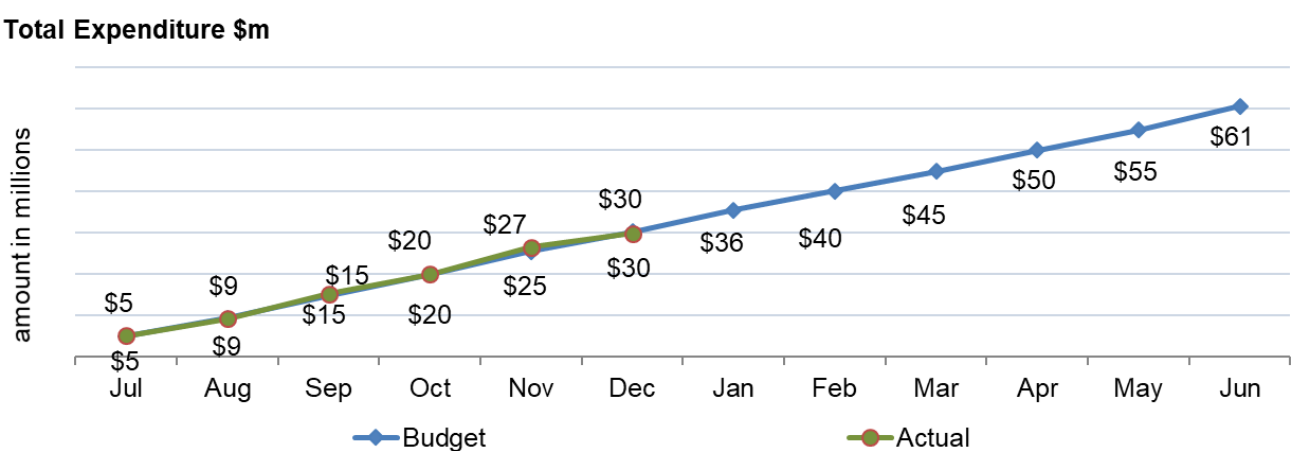
Net debt	\$85.75m
Undrawn committed facilities	\$10.00m

The committed bank facility enables us to borrow up to 112% of our current external debt immediately. The LGFA covenant minimum is 110%.

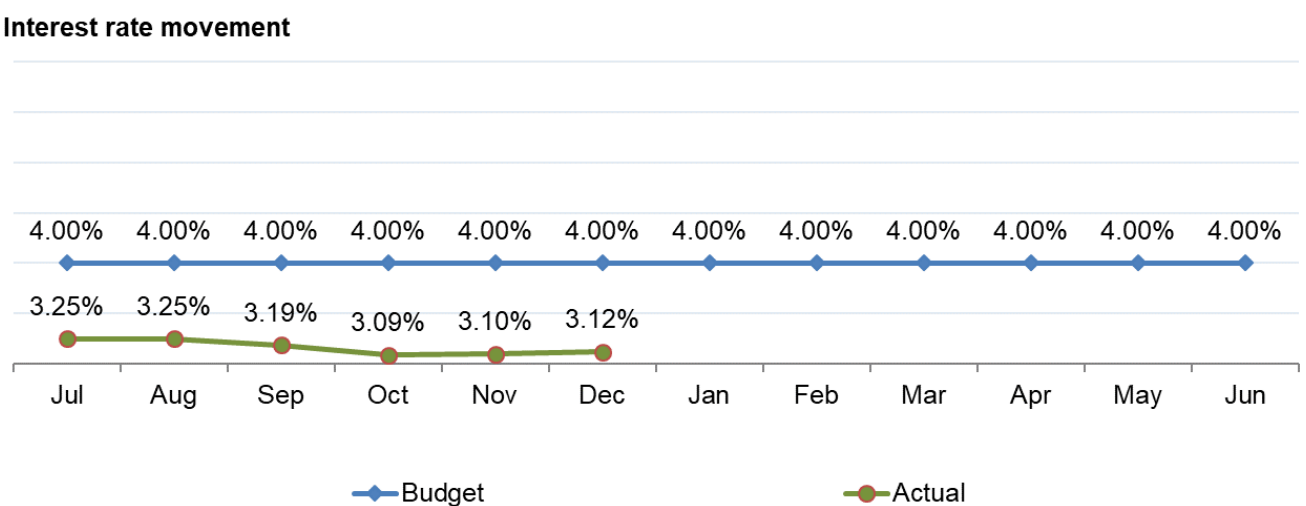
Total Revenue \$m



Total Expenditure \$m



Interest rate movement



Statement of Comprehensive Revenue and Expense

As at 31 December 2019											
	Annual Report 2018/2019 \$000	Year End Projection 2020 \$000	Annual Plan 2020 \$000	Variance 2020 \$000	Annual Plan YTD Dec-19 \$000	Actual YTD Dec-19 \$000	C/A % Actual to Budget	Variance YTD 2019 \$000	Var/Bud %	% of Total Bud %	Notes
Revenue											
Rates Revenue	(38,562)	(40,211)	(40,099)	(112)	(19,789)	(20,186)	50.3%	☺	(397)	2%	1.5%
Grants & Subsidies	(5,524)	(6,609)	(6,462)	(147)	(2,105)	(2,193)	33.9%	☺	(88)	4%	0.3%
Finance Income	(423)	(310)	(209)	(101)	(29)	(32)	15.3%	☺	(3)	10%	0.0%
Fees, charges,	(5,355)	(4,818)	(5,110)	292	(2,522)	(2,619)	51.3%	☺	(97)	4%	0.4%
Other Revenue	(3,521)	(4,393)	(3,926)	(467)	(2,192)	(2,451)	62.4%	☺	(259)	12%	1.0%
Development Contributions			-	-					-		0.0%
Gain on Derivatives						(104)		☺			0.0%
Gain Disposal of Assets	(56)	(503)		(503)		(503)		☺	(503)		1.9%
Investment (Gains)/Losses		(122)	(122)	(0)					-		0.0%
Vested Assets	(453)		-	-	-				-		0.0%
Total Revenue	(53,894)	(56,966)	(55,928)	(1,038)	(26,637)	(28,088)	50.22%	☺	(1,347)	5%	5%
Expenditure											
Employee Benefit Expenses	14,661	15,016	15,017	(1)	7,490	7,368	49.1%	☺	(122)	-2%	-0.4%
Finance costs	3,607	3,767	3,870	(103)	1,745	1,726	44.6%	☺	(19)	-1%	-0.1%
Depreciation and Amortisation	14,383	14,448	14,448	(0)	7,224	7,292	50.5%	☹	68	1%	0.2%
Other Expenses	24,457	24,899	25,082	(183)	13,828	13,350	53.2%	☺	(478)	-3%	-1.6%
Loss on disposal of assets	227	-	-	-					-		0.0%
Revaluation losses			-	-		-			-		0.0%
Increase in Landfill provision	1,298	-	-	-	-				-		0.0%
Loss on Derivatives	975	-	-	-		-		☺	-		0.0%
Total Expenses	59,608	58,129	58,417	(288)	30,287	29,736	50.90%	☺	(551)	-2%	-1.8%
Operating (surplus) deficit before taxation	5,714	1,163	2,489	(1,326)	3,650	1,648	66.2%		(1,898)	-52%	-52.0%
Taxation		36		36		36			36		
Operating (surplus) deficit after taxation	5,714	1,199	2,489	(1,290)	3,650	1,684	67.7%		(1,862)	-51%	-51.0%

Note 1 Other Revenue - favourable variance \$259k

- Treasury special dividend from Civic Financial Services on sale of building \$127k
- Regulatory services reflecting statistics above in "Trends and activities of interest"
 - Building consents revenue is ahead of budget by \$65k
 - Resource consent income is ahead of budget for;
 - Landuse \$34k
 - Subdivisions \$55k.

Note 2	Year End Projection 2020 \$000	Annual Plan 2020 \$000	Variance 2020 \$000	Annual Plan YTD Dec-19 \$000	Actual YTD Dec-19 \$000	% Actual to Budget	Variance YTD 2019 \$000	% Var/Bud %	% of Total Bud %	Notes
Professional Services	5,613	5,296	317	2,799	2,576	48.6%	☺	(223)	-8%	-0.7%
Materials	112	112	(0)	54	70	62.5%	☹	16	30%	0.1%
Maintenance	14,146	15,002	(856)	7,609	7,738	51.6%	☹	129	2%	0.4%
Grants Paid	676	611	65	293	338	55.3%	☹	45	15%	0.1%
Utilities	1,178	1,180	(2)	583	574	48.6%	☺	(9)	-2%	0.0%
Communications	277	258	19	130	110	42.6%	☺	(20)	-15%	-0.1%
Other Expenses	5,087	5,380	(293)	3,447	3,127	58.1%	☺	(320)	-9%	-1.1%
Vehicle Expenses	183	181	2	104	78	43.1%	☺	(26)	-25%	-0.1%
Treasury Expenses	189	199	(10)	88	68	34.2%	☺	(20)	-23%	-0.1%
Labour Recoveries for Capex projects	(2,561)	(3,137)	576	(1,279)	(1,329)	42.4%	☺	(50)	4%	-0.2%
Total Other Expenses	24,899	25,082	(183)	13,828	13,350	53.2%	☺	(478)	-3%	-1.6%

- Note 2** Other expenses - favourable variance of \$326k in the following areas;
- Community Facilities \$175k
 - Library Services \$69k
 - Reserves rates expenses incorrect budget \$58k
 - Infrastructural Operations \$53k
 - Software licence fees \$48k
 - Property \$62k
 - Rates expense for endowment property \$118k due to not reducing the budget to reflect sales.
 - Offset by rates expense (\$23k) and Insurance (\$39k) on commercial property where the budget was stripped anticipating sales.
 - Corporate services – offset (IBIS licence fee) (\$63k)
- Note 3** Gain on sale of commercial properties recently sold.
- Note 4.** Unrealised gain on the revaluation of derivatives (swaps) contracts a favourable variance of \$104k. This provision has continued to fall (clawing back some of the revaluation loss experienced last financial year) reflecting increased interest rates across the curve. Refer to the Treasury report.

Statement of Comprehensive Revenue and Expense by Activity

As at 31 December 2019												
50.0%		A			C	D	E	F	G	H	I	J
		Annual Plan	Projected to	Variance	Year to date (YTD)		C/A		D-C	G/D	% of	Notes to
REVENUE		2019/2020	30/06/2020		This Year	Budget	% Actual		YTD		% Var/Bud Total Bud	Accounts
		\$000	\$000	\$000	\$000	\$000	to Budget		Variance	\$000		
Significant Activities												
	Regulatory Seives	(4,657)	(5,022)	365	(2,805)	(2,563)	60.2%	😊	242	9.4%	0.6%	
	Community Facilities and Ser	(13,557)	(13,342)	(215)	(6,525)	(6,672)	48.1%	😞	(147)	-2.2%	-0.4%	
	Road Transport	(10,638)	(10,638)	(0)	(4,201)	(4,143)	39.5%	😊	58	1.4%	0.1%	
	Water Supply	(6,971)	(6,971)	0	(3,749)	(3,385)	53.8%	😊	364	10.8%	0.9%	1
	Wastewater Disposal	(8,548)	(8,548)	(0)	(4,262)	(4,242)	49.9%	😊	20	0.5%	0.0%	
	Solid Waste	(2,330)	(2,330)	0	(1,130)	(1,152)	48.5%	😞	(22)	-1.9%	-0.1%	
	Stormwater	(1,324)	(1,324)	(0)	(634)	(627)	47.9%	😊	7	1.1%	0.0%	
	Treasury	(3,411)	(3,579)	168	(1,436)	(1,429)	42.1%	😊	7	0.5%	0.0%	
	Property	(1,495)	(1,997)	502	(1,345)	(681)	90.0%	😊	664	97.5%	1.7%	2
	Community Support	(3,106)	(3,101)	(5)	(1,533)	(1,501)	49.4%	😊	32	2.1%	0.1%	
	Representation & Com. Leads	(3,958)	(4,006)	48	(1,912)	(1,978)	48.3%	😞	(66)	-3.3%	-0.2%	
Total Activity Revenue		(59,995)	(60,858)	863	(29,532)	(28,373)	49.2%	😊	1,159	4.1%	2.9%	
Business Units		(23,200)	(23,195)	(5)	(11,671)	(11,638)	50.3%	😊	33	0.3%	0.1%	
Total Operating Revenue		(83,195)	(84,053)	858	(41,203)	(40,011)	49.5%	😊	1,192	3.0%	1.4%	
50.0%												
		A	B		C	D	E	F	G	H	I	J
		Annual Plan	Projected to		Year to date		C/A		D-C	G/D	% of	Notes to
EXPENDITURE		2019/2020	30/06/2019		This Year	Budget	% Actual		YTD		% Var/Bud Total Bud	Accounts
		\$000	\$000	\$000	\$000	\$000	to Budget		Variance	\$000		
Significant Activities												
	Regulatory Seives	4,657	4,883	(226)	2,519	2,352	54.1%	😞	(167)	-7.1%	-0.4%	
	Community Facilities and Ser	13,473	13,099	374	6,649	6,868	49.4%	😊	219	3.2%	0.5%	
	Road Transport	10,348	10,287	61	4,766	5,204	46.1%	😊	438	8.4%	1.0%	
	Water Supply	6,910	6,725	185	3,602	3,491	52.1%	😞	(111)	-3.2%	-0.3%	
	Wastewater Disposal	7,422	7,241	181	4,097	3,856	55.2%	😞	(241)	-6.3%	-0.6%	
	Solid Waste	3,938	3,740	198	1,724	2,091	43.8%	😊	367	17.6%	0.8%	3
	Stormwater	1,519	1,430	89	847	780	55.8%	😞	(67)	-8.6%	-0.2%	
	Treasury	4,025	4,521	(496)	1,807	1,840	44.9%	😊	33	1.8%	0.1%	
	Property	1,548	1,422	126	715	858	46.2%	😊	143	16.7%	0.3%	
	Community Support	3,106	3,166	(60)	1,728	1,782	55.6%	😊	54	3.0%	0.1%	
	Representation & Com. Leads	5,545	5,570	(25)	2,703	2,766	48.7%	😊	63	2.3%	0.1%	
Total Activity Expenditure		62,491	62,083	408	31,157	31,888	49.9%	😊	731	2.3%	1.7%	
Business Units		23,193	23,169	24	11,694	11,773	50.4%	😊	79	0.7%	0.2%	
Total Operating Expenditure		85,684	85,252	432	42,851	43,661	50.0%	😊	810	1.9%	1.9%	
Operating (Surplus)/Deficit		2,489	1,199	1,290	1,648	3,650		😊	2,002	-54.8%	4.59%	

Note 1 Water Supply – favourable variance \$364k

- Levin Water – by meter above budget by \$286k
- Levin connection fees by \$72k already exceeding the total year's budgeted income of \$67k.

Note 2 Property activity – favourable variance \$664

- Gain on sale of assets \$502k; unbudgeted will continue for the year
- Increase rentals on commercial property \$114k due to delays in sales from what was anticipated.
- Increased rentals on housing and grazing land \$26k.

- Note 3.** Solid Waste – favourable variance \$367k
The contract expenditure budget is overstated for the year. This has been discovered after the recasting of the budget for the next (2020/21) Annual Plan. This trend of under expenditure is likely to continue for the year.
- Contract expenditure - \$438k, offset by
 - Increased Landfill Consent fees (\$42k).

Statement of Financial Position as at 31 December 2019

	Note	Council Actual 31 Dec 2019 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000
Assets				
Current assets				
Cash and cash equivalents		24,253	10,571	8,481
Debtors and other receivables		7,167	5,566	6,766
Other financial assets		25	-	375
Non-current assets held for sale		0	542	5,937
Total current assets		31,445	16,679	21,559
Non-current assets				
Plant, property and equipment				
- Operational assets		54,574	49,081	54,169
- Infrastructural assets		460,878	471,158	459,020
- Restricted assets		45,921	49,055	46,001
Intangible assets		1,431	1,818	1,529
Forestry assets		933	1,131	942
Commercial property		1,406	5,979	0
Other financial assets:				
- Investments other entities		220	220	220
- Other		1,714	6,744	1,570
Total non-current assets		567,077	585,186	563,451
Total assets		598,522	601,865	585,010
Liabilities				
Current liabilities				
Payables and deferred revenue		10,012	10,718	9,644
Provisions		30	110	30
Employee benefit liabilities		871	723	899
Derivative Financial instruments		0		378
Borrowings and other financial liabilities		25,000	9,000	20,000
Total current liabilities		36,913	20,551	30,951
Non-current liabilities				
Provisions		4,811	3,433	4,811
Employee benefit liabilities		167	137	167
Borrowings and other financial liabilities		85,000	101,565	76,000
Derivative financial instruments		2,092	1,329	1,819
Other		138	177	177
Total non-current liabilities		92,208	106,641	82,974
Total liabilities		129,121	127,192	113,925
Net assets		469,401	474,673	471,085
Equity				
Retained earnings		249,131	254,697	250,815
Revaluation reserves		210,857	210,890	210,857
Other reserves		9,413	9,086	9,413
Total equity		469,401	474,673	471,085

Funding Impact Statement for Whole of Council

	LTP Budget 2020 \$000	Annual Report Actual 2019 \$000	AP YTD Budget Dec 2019 \$000	Actual YTD 2019 \$000	Variance YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	10,235	9,547	5,024	5,119	95
Targeted rates	30,368	29,015	14,766	15,067	301
Subsidies and grants for operating purposes	1,478	1,984	910	1,079	169
Fees and charges	5,241	5,355	2,522	2,619	97
Interest and dividends from investments	209	423	29	32	3
Local authorities fuel tax, fines, infringement fees, and other receipts	3,674	3,522	2,192	2,451	259
Total operating funding (A)	51,205	49,846	25,443	26,367	924
Applications of operating funding					
Payments to staff and suppliers	36,495	39,118	20,447	20,717	270
Finance costs	4,393	3,607	1,745	1,726	(19)
Other operating funding applications	-	0	-	-	-
Total applications of operating funding (B)	40,888	42,725	22,192	22,443	251
Surplus (deficit) of operating funding (A-B)	10,317	7,121	3,251	3,924	673
Sources of capital funding					
Subsidies and grants for capital expenditure	4,308	3,539	1,195	1,114	(81)
Development and financial contributions	-	0	-	-	-
Increase (decrease) in debt	12,510	16,000	6,907	14,000	7,094
Gross proceeds from sale of assets	-	791	3,500	5,050	1,550
Lump sum contributions	-	0	-	-	-
Other dedicated capital funding	-	0	-	-	-
Total sources of capital funding (C)	16,818	20,330	11,602	20,164	8,563
Applications of capital funding					
Capital expenditure					
- to meet additional demand	3,600	785	1,056	388	(668)
- to improve the level of service	10,847	9,214	7,994	4,029	(3,965)
- to replace existing assets	12,688	12,667	7,275	5,023	(2,252)
Increase (decrease) in reserves	-	9,604	(1,472)	14,861	16,333
Increase (decrease) of investments	-	(4,799)	-	(213)	(213)
Total applications of capital funding (D)	27,135	27,451	14,853	24,088	9,236
Surplus (deficit) of capital funding (C-D)	(10,317)	(7,121)	(3,251)	(3,924)	(673)
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	14,211	14,383	7,224	7,292	68
Loans as at 31 December 2019					
		External \$000			
Loans as at 1/07/2019		80,000		96,000	
Raised during period		78,000		46,000	
Repaid during period		(62,000)		(32,000)	
Loans as at 31/12/2019		96,000		110,000	
Interest expense		3,607		1,726	

Statement of Cashflow

	Council Budget 30 June 2020 \$000	Council Actual 31 Dec 2019 \$000
Cashflow from operating activities		
Cash was provided from:		
Revenue from rates	40,099	20,491
Other revenue	15,498	6,697
Interest received	209	34
Dividends	-	98
Total cash provided	55,806	27,320
Cash was disbursed to:		
Suppliers, services and employees	40,099	20,968
Interest paid	3,870	1,759
Net GST movement		(1,470)
Total cash disbursed	43,969	21,257
Net cash flow from operating activity	11,837	6,063
Cashflows from investing activities		
Cash was provided from:		
Proceeds from asset sales	7,000	17
Proceeds from investments	-	5,238
Total cash provided	7,000	5,255
Cash was disbursed to:		
Purchases of investments	0	-
Purchase of assets	32,650	9,546
Total cash disbursed	32,650	9,546
Net cash flow from investing activity	(25,650)	(4,291)
Cashflows from financing activities		
Cash was provided from:		
Loans raised	28,813	46,000
Total cash provided	28,813	46,000
Cash was disbursed to:		
Repayment of public debt	15,000	32,000
Total cash disbursed	15,000	32,000
Net cash flow from financing activity	13,813	14,000
Net increase (decrease) in cash held	0	15,772
Add opening cash bought forward	10,571	8,481
Closing cash balance	10,571	24,253
Closing balance made up of cash and cash equivalents	10,571	24,253

Statement of Rates Debtors

Rate Zone	Assessment Count	Assessments Matching Criteria	% Matching Criteria	Total Rates Due	Year to Date Rates Due	Instalment 1 Due	Instalment 2 Due	Penalties Arrears	Prior Year Arrears
Foxton	1,276	119	9%	\$213,842	\$92,400	\$25,654	\$53,730	\$13,016	\$121,442
Foxton Beach	1,598	117	7%	\$159,614	\$95,267	\$19,767	\$60,963	\$14,537	\$64,347
Hokio Beach	199	37	19%	\$533,584	\$16,062	\$6,929	\$7,970	\$1,162	\$517,523
Levin	7,473	494	7%	\$505,295	\$379,959	\$93,659	\$244,226	\$42,074	\$125,336
Manakau	86	6	7%	\$3,847	\$3,758	\$1,130	\$2,243	\$385	\$89
No Charges	518		0%						
Non Rateable	127	5	4%	\$6,972	\$2,013	\$148	\$1,255	\$609	\$4,960
Ohau	151	11	7%	\$15,414	\$9,502	\$2,530	\$5,315	\$1,657	\$5,912
Rural	2,221	132	6%	\$376,795	\$69,110	\$15,911	\$40,451	\$12,747	\$307,685
Rural Lifestyle	2,737	197	7%	\$221,182	\$129,854	\$32,726	\$81,059	\$16,069	\$91,328
Shannon	678	96	14%	\$197,279	\$74,962	\$17,298	\$40,232	\$17,433	\$122,316
Tokomaru	166	18	11%	\$13,126	\$9,969	\$1,754	\$7,282	\$934	\$3,157
Utilities	17	2	12%	\$960	\$960	\$170	\$756	\$34	\$0
Waikawa Beach	231	11	5%	\$8,345	\$6,263	\$1,244	\$4,246	\$772	\$2,082
Waitarere Beach	980	54	6%	\$47,396	\$35,078	\$9,163	\$22,236	\$3,680	\$12,318
Total 31 December 2019	18,458	1,299	7%	\$2,303,652	\$925,157	\$228,085	\$571,963	\$125,110	\$1,378,494
Total 31 December 2018	18,721	1,443	8%	\$2,490,916	\$1,034,155	\$248,764	\$656,505	\$131,886	\$1,456,761

- This report excludes assessments with total arrears under \$99 and assessments with credit balances.
- The total arrears of \$2,568,322 are for total arrears over \$99 as at 31 December 2019. Assessments with total arrears under \$99 total \$28,009

Statement of Sundry Debtors

Category	Total Outstanding	Current Outstanding	31 - 60 days Outstanding	61 - 90 days Outstanding	Over 90 days Outstanding	Notes
Current debtors						
Aquatic Centre	5,113	3,369	276	621	847	
Building - Exempt Work	540	0	180	335	25	
Building Consents	134,149	70,779	45,084	3,128	15,159	1
Building Fee - BWOFF	2,680	800	640	400	840	
Cemeteries	34,495	21,555	8,360	4,580	0	
Dogs - Debt Collection	923	0	0	0	923	
Dogs Arrange to pay	737	88	118	208	323	
Dogs Pre Payments	75	0	0	0	75	
Fines	1,631	0	0	0	1,631	
General	345,733	250,944	46,860	735	47,194	2
Health Accreditation Renewals	15,512	975	4,050	2,513	7,975	
Hire	8,178	2,726	810	986	3,657	
On Charges	59,707	25,668	32,713	0	1,325	
Resource Consent Fees	36,603	13,667	11,676	150	11,110	3
Rubbish Bags	42,180	19,380	1,900	9,500	11,400	4
Staff Account	4,637	1,473	1,391	0	1,773	
Swimming Pools	2,060	620	465	310	665	
Te Awahou	4,505	1,319	2,803	0	384	
Te Takere	6,043	3,217	914	1,170	742	
Trade Waste	496,167	250,229	89	193,481	52,368	
Waste Transfer Station	327	0	0	0	327	
Water Septage - Septic Tank	8,864	7,571	1,293	0	0	
Total current	1,210,856	674,380	159,621	218,116	158,739	
Non current debtors						
Dev Cont New Policy	19,991	0	0	0	19,991	5
Develop Cont Old Policy	6,055	0	0	0	6,055	5
Rental Income Monthly	89,788	2,337	11,941	0	75,510	
Total non-current	115,835	2,337	11,941	0	101,557	
Total as at 31 December 2019	1,326,691	676,716	171,562	218,116	260,296	
Total as at 31 December 2018	912,068	375,911	102,456	151,678	282,023	

1. Amongst the Building Consents category are included some damage deposit bonds, as well as extensions of time for a number of the older aged consents.
2. In this category there are charges for grazing leases, new connections, CAR access way and HR charges. This also includes the Alliance Contract recharge which has increased current period debtors.
3. In the On Charges category, the majority of the 90+ days debtors have been provided for as doubtful debts.
4. Amongst the Resource Consent category, there are some land use bonds. The debtors in this category are being actively pursued, and some of the 90+ days debtors have been provided for as doubtful debts.
5. Development Contribution debtors are being actively pursued. The batch of debt letters sent had a positive effect with several payments being made. Most of the development contributions – old policy are with the Debt Collection Agency, with the balance of them either being paid off or having an arrangement to pay when the sections sell.

Statement of Loans by Parcel

Loan parcels	Maturity Date	Interest Rate	Opening balance	Raised	Repaid	Closing balance
Due within a year						
LGFA CP	19 Sep 19	1.6800%	11,000,000		11,000,000	0
LGFA CP	19 Sep 19	1.6100%		5,000,000	5,000,000	0
LGFA CP	19 Dec 19	1.2500%		16,000,000	16,000,000	0
LGFA CP	19 Jun 20	1.3750%		16,000,000		16,000,000
LGFA Bond	15 Apr 20	2.6324%	5,000,000			5,000,000
LGFA FRN	15 Apr 20	1.9200%	4,000,000	0		4,000,000
Total due within a year			20,000,000	37,000,000	32,000,000	25,000,000
Due within 2 - 5 years						
LGFA FRN	17 May 21	2.0475%	4,000,000			4,000,000
LGFA Bond	17 May 21	4.5650%	5,000,000			5,000,000
LGFA Bond	17 May 21	5.9852%	5,000,000			5,000,000
LGFA Bond	17 May 21	5.8516%	5,000,000			5,000,000
LGFA FRN	14 Apr 22	2.0800%	9,000,000			9,000,000
LGFA FRN	18 May 22	1.6250%	3,000,000			3,000,000
LGFA Bond	15 Apr 23	5.1336%	4,000,000			4,000,000
LGFA FRN	15 Apr 23	2.1550%	6,000,000			6,000,000
LGFA Bond	15 Apr 23	1.4800%	0	4,000,000		4,000,000
LGFA Bond	15 Mar 24	3.7200%	4,000,000			4,000,000
LGFA Bond	15 Mar 24	3.7600%	4,000,000			4,000,000
LGFA Bond	15 Apr 24	2.5200%	3,000,000			3,000,000
LGFA Bond	15 Apr 25	4.2046%	3,000,000			3,000,000
LGFA FRN	19 May 25	1.6900%	7,000,000			7,000,000
Total due within 2 - 5 years			62,000,000	4,000,000	0	66,000,000
Due after 5 years						
LGFA Bond	20 Mar 26	3.3800%	9,000,000			9,000,000
LGFA Bond	15 Jul 26	3.3700%	5,000,000			5,000,000
LGFA FRN	15 Apr 27	1.9240%		5,000,000		5,000,000
Total due after 5 years			14,000,000	5,000,000	0	19,000,000
Total			96,000,000	46,000,000	32,000,000	110,000,000

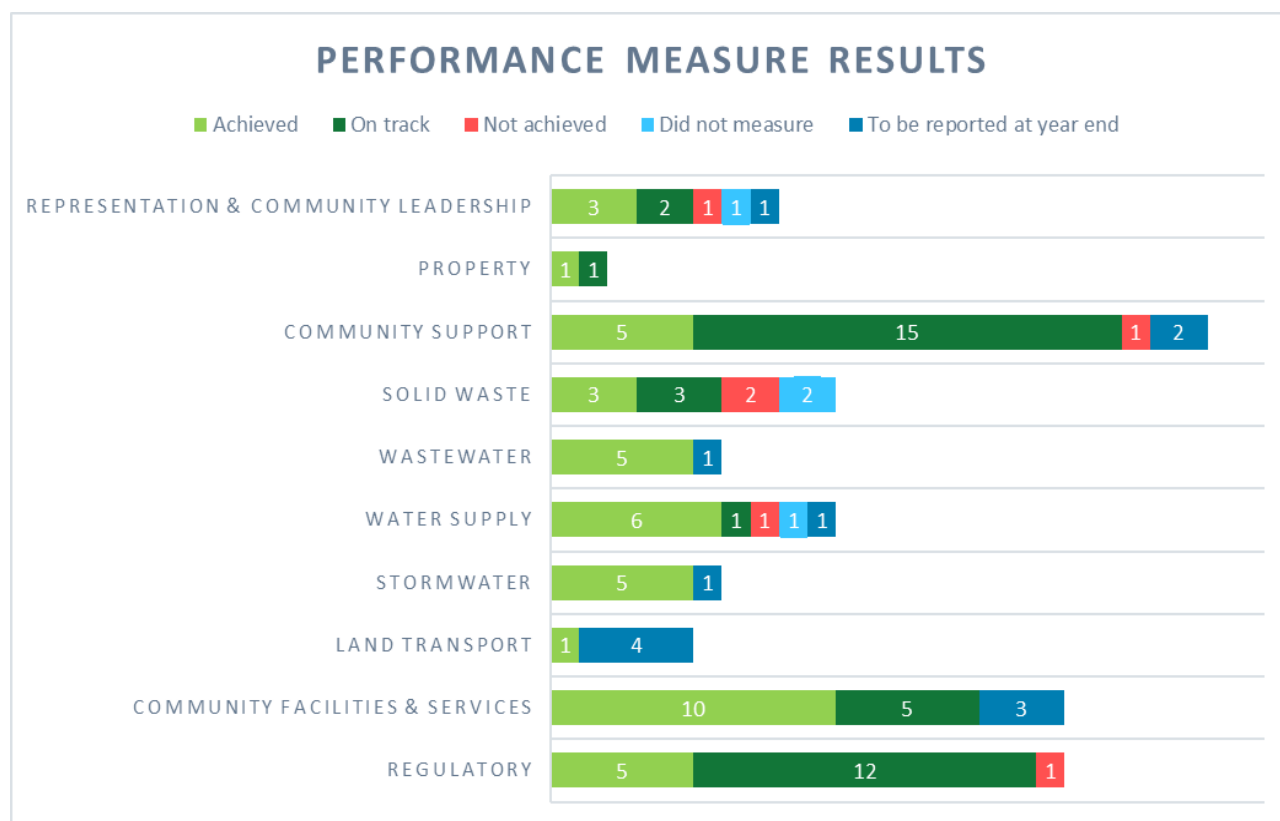
Notes and Comments

Our weighted average interest rate has decreased to 3.12% at 31 December 2019. This is a predicted saving of \$968k in interest payable compared to the Long Term Plan interest rate assumption of 4.00% for 2019/20.

Statement of Loans by Activity

Activity	External Loans as at 30/12/2019 \$000	Internal Loans as at 30/12/2019 \$000	Total Loans as at 30/12/2019 \$000	LTP Year 2 Budget 2019/20 \$000	Interest Allocated YTD \$000	Loans as at 30/06/2019 \$000
Land Transport	1,600	85	1,685	3,868	30	1,684
Shared Pathways	700	33	733	937	13	710
Stormwater	7,700	12	7,712	9,657	133	7,466
Water supply						
Water Levin	11,200	54	11,254	13,150	202	11,287
Water Shannon	1,200	21	1,221	1,194	22	1,243
Water Foxton	1,200	59	1,259	1,217	23	1,270
Water Foxton Beach	300	27	327	411	6	324
Water Tokomaru	400	16	416	487	7	392
Total for water supply	14,300	177	14,477	16,459	260	14,516
Wastewater Disposal						
Wastewater Levin	10,100	65	10,165	12,436	169	9,438
Wastewater Shannon	7,900	28	7,928	7,968	144	8,086
Wastewater Foxton	5,200	55	5,255	8,459	86	4,801
Wastewater Foxton Beach	100	80	180	301	3	159
Wastewater Tokomaru	800	2	802	846	15	819
Wastewater Waitarere	200	24	224	595	4	213
Total for wastewater disposal	24,300	254	24,554	30,605	421	23,516
Solid Waste						
Landfill	4,500	53	4,553	4,684	82	4,616
Recycling	700	53	753	2,208	14	768
Total Solid Waste	5,200	106	5,306	6,892	96	5,384
Community Facilities & Services						
Aquatic Centres	4,300	70	4,370	4,714	79	4,438
Reserves	2,000	53	2,053	2,931	36	2,003
Sports grounds	1,300	20	1,320	1,462	24	1,347
Cemeteries	500	62	562	768	10	563
Beautification	0	47	47	55	1	48
Libraries/ Community Centres	10,600	24	10,624	11,216	191	10,666
Halls	200	32	232	228	4	237
Toilets	400	61	461	759	8	471
Total for Community Facilities & Services	19,300	369	19,669	22,133	353	19,773
Properties						
Commercial properties	0	0	0	0	12	1,023
General properties	2,900	22	2,922	821	53	2,982
Council building	5,400	74	5,474	5,713	99	5,541
Total for Properties	8,300	96	8,396	6,534	164	9,546
Other activities						
Information Technology	1,600	69	1,669	1,677	29	1,624
District/strategic planning	2,600	135	2,735	4,057	50	2,790
Animal control	0	26	26	67	0	26
Treasury	24,400	0	24,400	5,000	86	10,500
Total for other	28,600	230	28,830	10,801	165	14,940
Total Gross Debt	110,000	1,362	111,362	107,886	1,635	97,535
Less Cash and Cash equivalents	24,253		24,253	10,571		8,481
Net Debt	85,747	1,362	87,109	97,315		89,054

Performance Measure Results



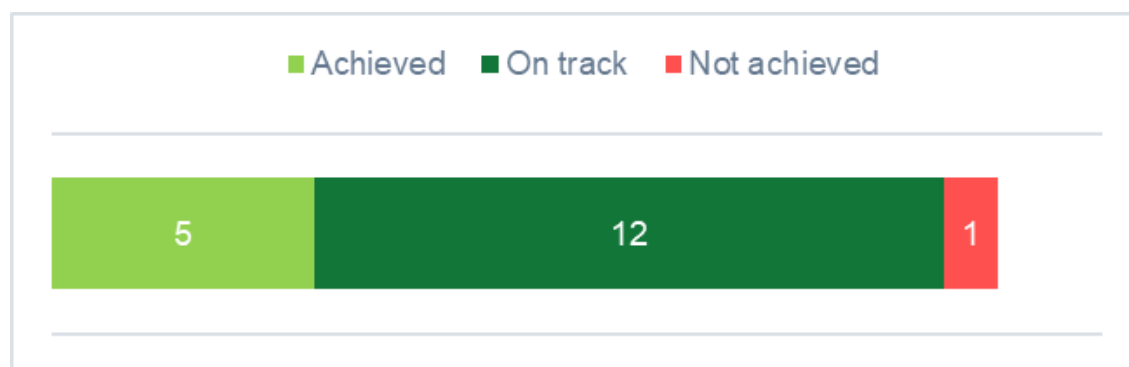
PLANNING AND REGULATORY

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance YTD 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	1,905	2,115	830	831	1
Targeted rates	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	9	9	4	6	2
Local authorities fuel tax, fines, infringement fees, and other receipts	2,849	2,760	1,729	1,967	238
Internal charges and overheads recovered	-	-	-	-	-
Total operating funding (A)	4,763	4,884	2,563	2,804	241
Applications of operating funding					
Payments to staff and suppliers	449	434	276	338	62
Finance costs	-	2	-	-	-
Internal charges and overheads applied	4,235	4,368	2,036	2,140	104
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	4,684	4,804	2,312	2,478	166
Surplus (deficit) of operating funding (A-B)	79	80	251	326	75
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(31)	42	23	-	(23)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	(31)	42	23	-	(23)
Applications of capital funding					
Capital expenditure	-	-	-	-	-
- to meet additional demand	-	-	-	-	-
- to improve the level of service	25	2	3	-	(3)
- to replace existing assets	23	117	60	7	(53)
Increase (decrease) in reserves	-	3	212	319	108
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	48	122	274	326	53
Surplus (deficit) of capital funding (C-D)	(79)	(80)	(251)	(326)	(75)
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	79	79	40	40	-

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	-	-	-
Raised during year	-	-	-
Repaid during year	-	-	-
Loans as at 31/12/2019	-	-	-
Interest expense	-	-	-

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Animal Control	253	262	131	129	(2)
Building Consents	1,119	1,131	572	537	(35)
Building Policy	289	298	136	143	7
Dog Control	608	627	312	287	(25)
Environmental Health	278	285	195	166	(29)
Environmental Health Policy	91	95	39	37	(2)
Liquor Licensing	224	232	116	103	(13)
Liquor Policy	60	63	21	40	19
Parking	577	583	250	245	(5)
Planning Policy	320	331	138	161	23
Resource Management	687	712	297	489	192
Safety Licensing	256	262	145	181	36
Total Expenditure	4,762	4,881	2,352	2,518	166

Performance Measures – LTP/Annual Plan Summary



PLANNING AND REGULATORY – Performance Measures

Not Achieved Measures Only

Ref	Service	How will we measure our performance	Target (2019/20)	Actual Performance	RM8 Ref
RS1	Processing of applications under the Resource Management Act (RMA) 1991.	Applications under the RMA will be processed within statutory timeframes.	Achieve	<p>Not Achieved</p> <p>As at 31 December 2019:</p> <p>166 consents approved YTD, 99% within statutory timeframes.</p> <p>One consent was approved outside of statutory timeframes. This was due to an administrative issue and measures have been put in place to prevent re-occurrence.</p>	D20/1573

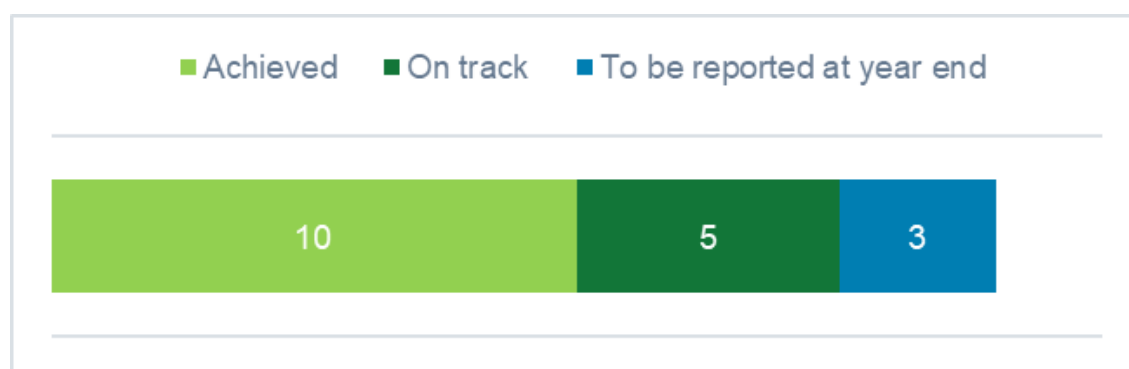
Community Facilities

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	4,900	5,163	2,599	2,604	5
Targeted rates	6,396	7,094	3,226	3,232	6
Subsidies and grants for operating purposes	14	14	7	-	(7)
Fees and charges	1,604	1,665	809	663	(146)
Local authorities fuel tax, fines, infringement fees, and other receipts	229	214	31	25	(6)
Internal charges and overheads recovered	-	-	-	-	-
Total operating funding (A)	13,143	14,150	6,672	6,524	(148)
Applications of operating funding					
Payments to staff and suppliers	8,598	9,403	4,563	4,295	(268)
Finance costs	960	1,037	430	351	(79)
Internal charges and overheads applied	2,243	2,326	1,222	1,285	63
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	11,801	12,766	6,215	5,931	(284)
Surplus (deficit) of operating funding (A-B)	1,342	1,384	457	593	136
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	1,547	3,091	957	(99)	(1,056)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	1,547	3,091	957	(99)	(1,056)
Applications of capital funding					
Capital expenditure					
- to meet additional demand	111	26	21	18	(3)
- to improve the level of service	1,102	843	426	133	(293)
- to replace existing assets	1,910	3,551	1,249	365	(884)
Increase (decrease) in reserves	(234)	55	(282)	(22)	260
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	2,889	4,475	1,414	494	(920)
Surplus (deficit) of capital funding (C-D)	(1,342)	(1,384)	(457)	(593)	(136)
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	1,115	1,165	652	720	68

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	19,400	1,430	20,830
Raised during year	280	71	351
Repaid during year	(360)	(90)	(450)
Loans as at 31/12/2019	19,320	1,411	20,731
Interest expense	327	24	351

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Cemeteries	415	440	218	207	(11)
Public Toilets	338	347	175	170	(5)
Beautification	688	704	363	316	(47)
Reserves	1,948	2,143	1,123	1,095	(28)
Sportsgrounds	1,149	1,172	611	605	(6)
Halls	242	246	138	134	(4)
Library Services	2,697	3,143	1,665	1,672	7
Community Centres	2,159	2,351	897	724	(173)
Aquatic Centres	2,897	2,993	1,480	1,546	66
Urban Cleaning	385	393	197	182	(15)
Total Expenditure	12,918	13,932	6,867	6,651	(216)

Performance Measures – LTP/Annual Plan Summary



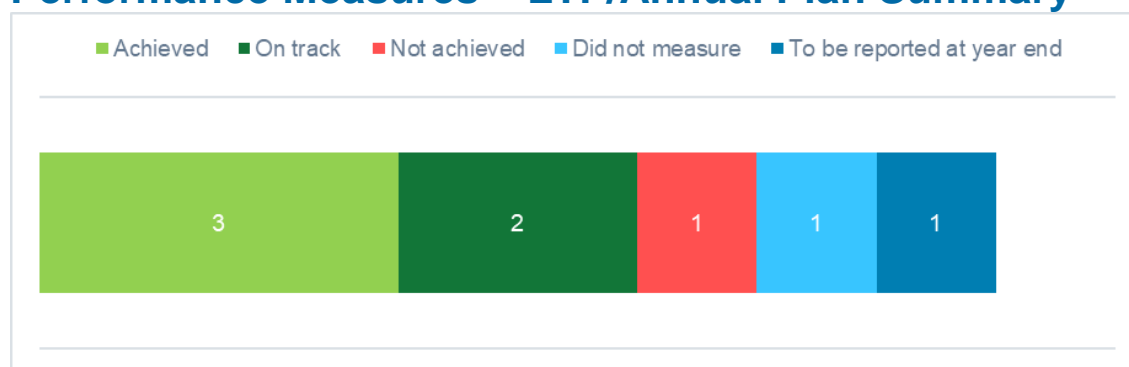
REPRESENTATION AND COMMUNITY LEADERSHIP

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	431	505	82	82	-
Targeted rates	3,505	3,625	1,777	1,782	5
Subsidies and grants for operating purposes	-	-	-	47	47
Fees and charges	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	3	91	118	1	(117)
Internal charges and overheads recovered	-	-	-	-	-
Total operating funding (A)	3,939	4,221	1,977	1,912	(65)
Applications of operating funding					
Payments to staff and suppliers	1,207	1,419	1,166	903	(263)
Finance costs	99	117	49	50	1
Internal charges and overheads applied	2,855	3,074	1,544	1,743	199
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	4,161	4,610	2,759	2,696	(63)
Surplus (deficit) of operating funding (A-B)	(222)	(389)	(782)	(784)	(2)
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	367	330	883	(47)	(930)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	367	330	883	(47)	(930)
Applications of capital funding					
Capital expenditure					
- to meet additional demand	144	1	126	2	(124)
- to improve the level of service	-	-	-	-	-
- to replace existing assets	-	-	-	-	-
Increase (decrease) in reserves	1	(60)	(25)	(833)	(808)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	145	(59)	101	(831)	(932)
Surplus (deficit) of capital funding (C-D)	222	389	782	784	2
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	-	13	7	7	-

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	2,700	23	2,723
Raised during year	-	-	-
Repaid during year	(40)	(7)	(47)
Loans as at 31/12/2019	2,660	16	2,676
Interest expense	50	-	50

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Community Board	211	213	109	114	5
Elections	3	154	84	181	97
Governance	1,874	1,981	985	998	13
External Reporting	1,420	1,429	691	823	132
District Planning	654	847	497	394	(103)
Growth Response	-	-	400	193	(207)
Total Expenditure	4,162	4,624	2,766	2,703	(63)

Performance Measures – LTP/Annual Plan Summary



REPRESENTATION AND COMMUNITY LEADERSHIP– Performance Measures

Not Achieved Measures Only

Ref	Service	How will we measure our performance	Target (2019/20)	Actual Performance	RM8 Ref
RCL2	Council provides open, accessible processes to local government.	LGOIMA requests responded to within 20 working days.	Achieve	<p>Not Achieved</p> <p>As at 31 December 2019, 108 LGOIMA requests had been received. Eighty-eight (88) were responded to on time, 3 requests had extensions applied, and 12 were sent late, 8 remain open (7 are current and 1 is late).</p>	

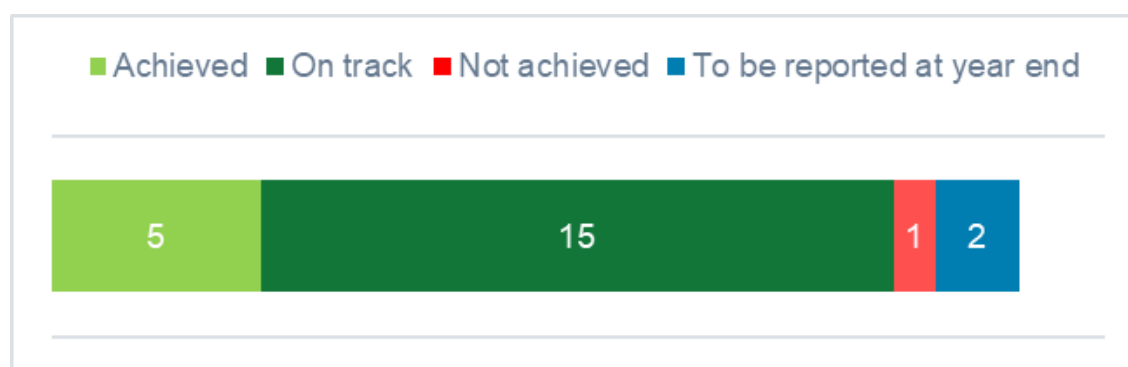
COMMUNITY SUPPORT

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	2,393	2,471	1,487	1,490	3
Targeted rates	-	-	-	-	-
Subsidies and grants for operating purposes	27	28	14	17	3
Fees and charges	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	130	134	-	25	25
Internal charges and overheads recovered	-	-	-	-	-
Total operating funding (A)	2,550	2,633	1,501	1,532	31
Applications of operating funding					
Payments to staff and suppliers	1,201	1,247	1,068	1,058	(10)
Finance costs	-	1	-	-	-
Internal charges and overheads applied	1,337	1,370	707	662	(45)
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	2,538	2,618	1,775	1,720	(55)
Surplus (deficit) of operating funding (A-B)	12	15	(274)	(188)	86
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	23	(1)	(1)	-	1
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	23	(1)	(1)	-	1
Applications of capital funding					
Capital expenditure	-	-	-	-	-
- to meet additional demand	-	-	-	-	-
- to improve the level of service	5	-	-	20	20
- to replace existing assets	18	-	-	-	-
Increase (decrease) in reserves	12	14	(275)	(208)	67
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	35	14	(275)	(188)	87
Surplus (deficit) of capital funding (C-D)	(12)	(15)	274	188	(86)
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	12	13	7	7	-

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	-	-	-
Raised during year	-	-	-
Repaid during year	-	-	-
Loans as at 31/12/2019	-	-	-
Interest expense	-	-	-

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Community Development	251	266	334	278	(56)
Economic Development	953	974	534	582	48
Visitor Information	152	161	127	78	(49)
Community Grants and Funding	394	405	294	303	9
District Communication	319	331	308	251	(57)
Rural Fire	-	-	-	2	2
Emergency Management	481	494	185	233	48
Total Expenditure	2,550	2,631	1,782	1,727	(55)

Performance Measures – LTP/Annual Plan Summary



COMMUNITY SUPPORT – Performance Measures (Emergency Management) – Not Achieved Measures Only

Ref	Service	How will we measure our performance	Target (2019/20)	Actual Performance	RM8 Ref
CS2	Council maintains a functional EOC and trained staff.	Civil defence and emergency management assessment of readiness and capability.	100% of Council staff with EOC roles	Not Achieved As at 31 December 2019, due to cyclic training schedules and new staff appointments.	

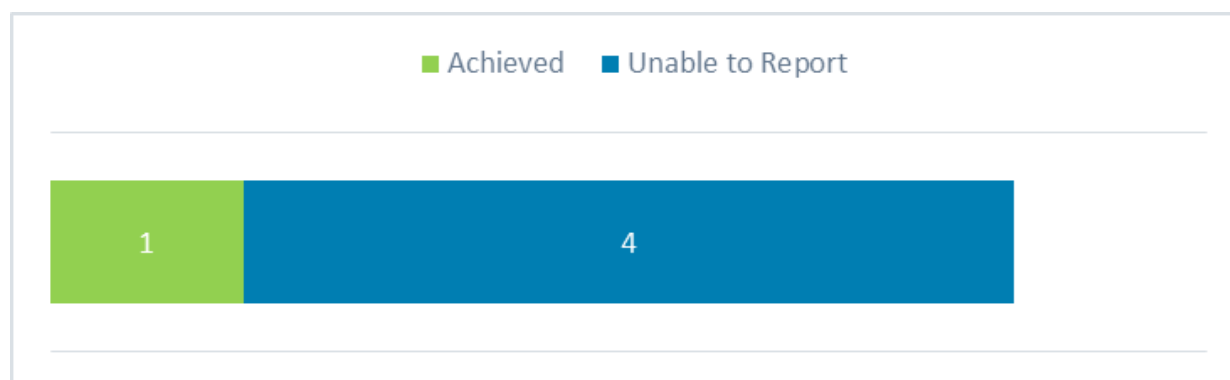
LAND TRANSPORT

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	4,110	3,486	1,941	1,945	4
Subsidies and grants for operating purposes	1,647	1,436	889	1,008	119
Fees and charges	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	340	359	118	134	16
Internal charges and overheads recovered	-	-	-	-	-
Total operating funding (A)	6,097	5,281	2,948	3,087	139
Applications of operating funding					
Payments to staff and suppliers	2,949	2,593	1,615	1,808	193
Finance costs	91	185	53	42	(11)
Internal charges and overheads applied	1,001	961	715	346	(369)
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	4,041	3,739	2,383	2,196	(187)
Surplus (deficit) of operating funding (A-B)	2,056	1,542	565	891	326
Sources of capital funding					
Subsidies and grants for capital expenditure	4,368	4,308	1,195	1,114	(81)
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	1,891	1,835	1,157	53	(1,104)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	6,259	6,143	2,352	1,167	(1,185)
Applications of capital funding					
Capital expenditure	-	-	-	-	-
- to meet additional demand	-	-	-	-	-
- to improve the level of service	4,062	4,209	2,300	803	(1,497)
- to replace existing assets	3,784	3,458	1,943	1,200	(743)
Increase (decrease) in reserves	469	18	(1,326)	55	1,381
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	8,315	7,685	2,917	2,058	(859)
Surplus (deficit) of capital funding (C-D)	(2,056)	(1,542)	(565)	(891)	(326)
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	4,993	5,143	2,570	2,570	-

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	2,300	125	2,425
Raised during year	40	81	121
Repaid during year	(40)	(28)	(68)
Loans as at 31/12/2019	2,300	178	2,478
Interest expense	40	2	42

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Subsidised Roding	7,700	7,482	4,290	4,044	(246)
Footpaths	1,051	1,076	519	505	(14)
Shared Pathways	-	38	20	20	-
Unsubsidised Roding	283	288	124	197	73
Total Expenditure	9,034	8,884	4,953	4,766	(187)

Performance Measures – LTP/Annual Plan Summary



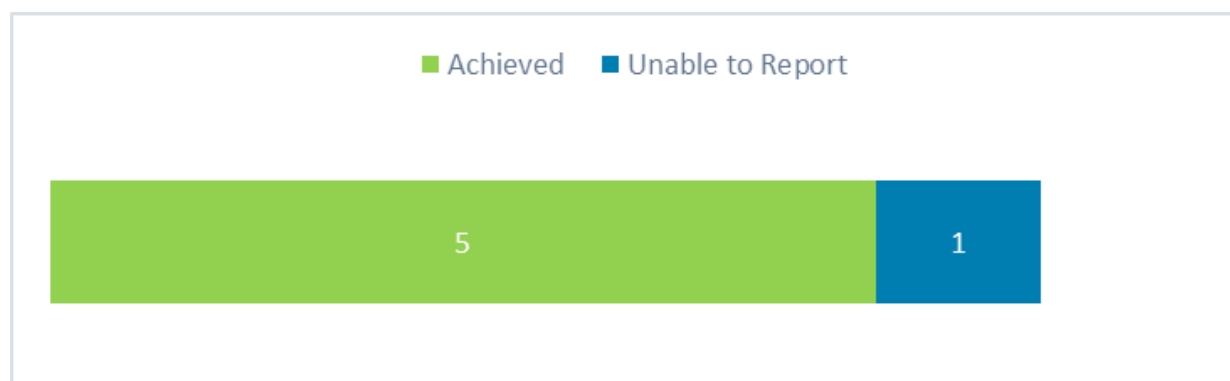
STORMWATER

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	1,051	1,331	627	629	2
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	-	-	-	6	6
Local authorities fuel tax, fines, infringement fees, and other receipts	89	92	-	-	-
Internal charges and overheads recovered	-	-	-	-	-
Total operating funding (A)	1,140	1,423	627	635	8
Applications of operating funding					
Payments to staff and suppliers	410	421	232	321	89
Finance costs	254	412	160	133	(27)
Internal charges and overheads applied	94	98	49	54	5
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	758	931	441	508	67
Surplus (deficit) of operating funding (A-B)	382	492	186	127	(59)
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	3,143	1,006	1,057	247	(810)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	3,143	1,006	1,057	247	(810)
Applications of capital funding					
Capital expenditure					
- to meet additional demand	1,274	285	173	130	(43)
- to improve the level of service	2,073	1,050	1,035	266	(769)
- to replace existing assets	86	75	43	67	24
Increase (decrease) in reserves	92	88	(8)	(89)	(82)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	3,525	1,498	1,243	374	(869)
Surplus (deficit) of capital funding (C-D)	(382)	(492)	(186)	(127)	59
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	562	657	339	339	-

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	7,400	66	7,466
Raised during year	440	-	440
Repaid during year	(140)	(53)	(193)
Loans as at 31/12/2019	7,700	13	7,713
Interest expense	132	1	133

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Stormwater Drainage	1,321	1,587	780	847	67
Total Expenditure	1,321	1,587	780	847	67

Performance Measures – LTP/Annual Plan Summary



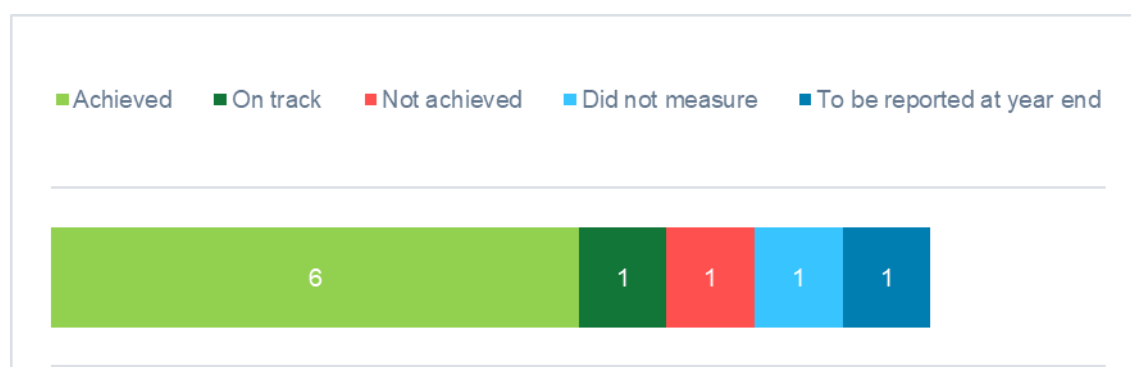
WATER SUPPLY

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	6,561	6,748	3,336	3,597	261
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	123	126	62	146	84
Local authorities fuel tax, fines, infringement fees, and other receipts	136	122	-	6	6
Internal charges and overheads recovered	-	-	-	-	-
Total operating funding (A)	6,820	6,996	3,398	3,749	351
Applications of operating funding					
Payments to staff and suppliers	2,999	3,093	1,540	1,701	161
Finance costs	640	674	348	258	(90)
Internal charges and overheads applied	479	497	246	287	41
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	4,118	4,264	2,134	2,246	112
Surplus (deficit) of operating funding (A-B)	2,702	2,732	1,264	1,503	239
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	685	625	38	(38)	(76)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	685	625	38	(38)	(76)
Applications of capital funding					
Capital expenditure					
- to meet additional demand	439	1,138	167	138	(29)
- to improve the level of service	758	24	171	169	(2)
- to replace existing assets	2,672	2,350	1,023	1,438	416
Increase (decrease) in reserves	(482)	(155)	(58)	(280)	(222)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	3,387	3,357	1,302	1,465	164
Surplus (deficit) of capital funding (C-D)	(2,702)	(2,732)	(1,264)	(1,503)	(239)
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	2,566	2,611	1,356	1,356	-

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	14,200	316	14,516
Raised during year	360	10	370
Repaid during year	(260)	(148)	(408)
Loans as at 31/12/2019	14,300	178	14,478
Interest expense	253	5	258

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Foxton Water	1,059	1,094	536	498	(38)
Foxton Beach Water	823	841	415	389	(26)
Levin Water	3,625	3,714	1,945	2,112	167
Shannon Water	750	767	368	382	14
Tokomaru Water	426	456	228	221	(7)
Ohau Water	-	2	-	-	-
Waitarere Beach Water	-	2	-	-	-
Total Expenditure	6,683	6,876	3,492	3,602	110

Performance Measures – LTP/Annual Plan Summary



WATER SUPPLY – Performance Measures Not Achieved Measures Only

Ref	Service	How will we measure our performance	Target (2019/20)	Actual Performance	RM8 Ref												
WS2	Safe water supply	(b) part 5 of the Drinking Water Standards (protozoa compliance criteria) in: Levin Shannon Foxton Foxton Beach Tokomaru	Achieved Achieved Achieved Achieved	Not Achieved As at 31 December 2019: <table><tr><th>Scheme</th><th>Year to Date %</th></tr><tr><td>Levin</td><td>100%</td></tr><tr><td>Shannon</td><td>100%</td></tr><tr><td>Foxton</td><td><100%</td></tr><tr><td>Foxton Beach</td><td>100%</td></tr><tr><td>Tokomaru</td><td>100%</td></tr></table> A 3 minute turbidity event on 29 December due to the turning back on of filter 1, resulted in a failure on protozoa compliance at Foxton.	Scheme	Year to Date %	Levin	100%	Shannon	100%	Foxton	<100%	Foxton Beach	100%	Tokomaru	100%	D19/168118
Scheme	Year to Date %																
Levin	100%																
Shannon	100%																
Foxton	<100%																
Foxton Beach	100%																
Tokomaru	100%																

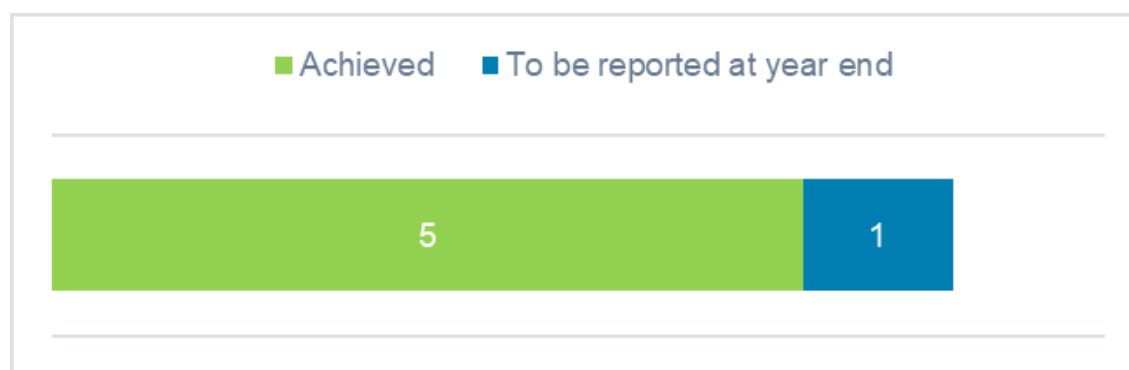
WASTEWATER MANAGEMENT

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	6,890	7,734	3,635	3,643	8
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	1,058	1,085	542	580	38
Local authorities fuel tax, fines, infringement fees, and other receipts	177	178	65	39	(26)
Internal charges and overheads recovered	-	-	-	-	-
Total operating funding (A)	8,125	8,997	4,242	4,262	20
Applications of operating funding					
Payments to staff and suppliers	2,411	2,546	1,438	1,701	263
Finance costs	1,072	1,474	504	417	(87)
Internal charges and overheads applied	435	449	243	308	65
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	3,918	4,469	2,185	2,426	241
Surplus (deficit) of operating funding (A-B)	4,207	4,528	2,057	1,836	(221)
Sources of capital funding					
Subsidies and grants for capital expenditure	304	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	8,030	3,777	3,733	1,064	(2,669)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	8,334	3,777	3,733	1,064	(2,669)
Applications of capital funding					
Capital expenditure					
- to meet additional demand	1,823	2,149	570	100	(470)
- to improve the level of service	5,237	3,363	3,184	1,485	(1,699)
- to replace existing assets	5,389	2,270	2,140	1,272	(868)
Increase (decrease) in reserves	92	523	(104)	43	147
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	12,541	8,305	5,790	2,900	(2,890)
Surplus (deficit) of capital funding (C-D)	(4,207)	(4,528)	(2,057)	(1,836)	221
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	3,118	3,349	1,671	1,671	-

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	23,200	315	23,515
Raised during year	1,540	134	1,674
Repaid during year	(440)	(170)	(610)
Loans as at 31/12/2019	24,300	279	24,579
Interest expense	412	5	417

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Foxton Wastewater	661	917	385	364	(21)
Foxton Beach Wastewater	617	674	345	343	(2)
Levin Wastewater	3,936	4,257	2,147	2,449	302
Shannon Wastewater	1,175	1,191	603	609	6
Tokomaru Wastewater	210	253	138	108	(30)
Waitarere Beach Wastewater	439	524	238	224	(14)
Total Expenditure	7,038	7,816	3,856	4,097	241

Performance Measures – LTP/Annual Plan Summary



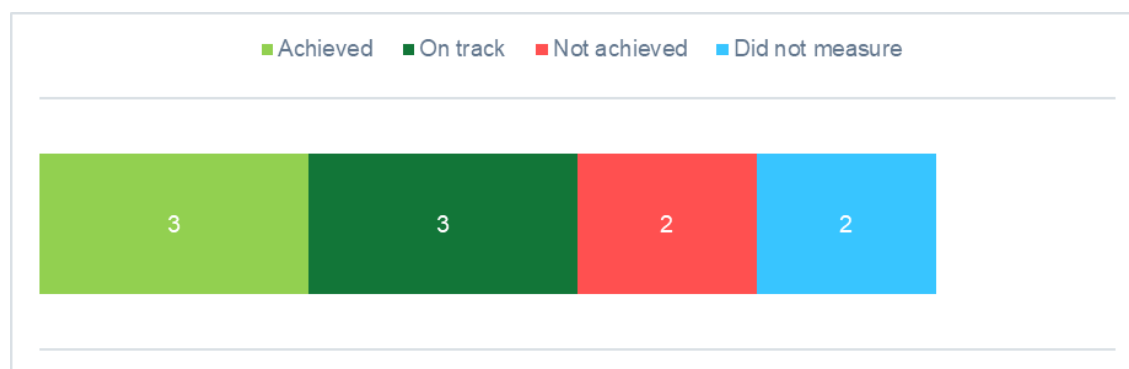
SOLID WASTE MANAGEMENT

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	315	350	223	223	-
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	2,142	2,187	930	906	(24)
Local authorities fuel tax, fines, infringement fees, and other receipts	10	22	-	2	2
Internal charges and overheads recovered	-	-	-	-	-
Total operating funding (A)	2,467	2,559	1,153	1,131	(22)
Applications of operating funding					
Payments to staff and suppliers	1,521	1,551	1,664	1,290	(374)
Finance costs	238	286	99	96	(3)
Internal charges and overheads applied	83	85	170	181	11
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	1,842	1,922	1,933	1,567	(366)
Surplus (deficit) of operating funding (A-B)	625	637	(780)	(436)	344
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	964	185	1,126	(62)	(1,188)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	964	185	1,126	(62)	(1,188)
Applications of capital funding					
Capital expenditure	-	-	-	-	-
- to meet additional demand	-	-	-	-	-
- to improve the level of service	1,153	413	542	822	281
- to replace existing assets	18	5	196	49	(147)
Increase (decrease) in reserves	418	404	(391)	(1,369)	(978)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	1,589	822	346	(498)	(844)
Surplus (deficit) of capital funding (C-D)	(625)	(637)	780	436	(344)
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	286	325	157	157	-

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	5,300	16	5,316
Raised during year	-	30	30
Repaid during year	(90)	(2)	(92)
Loans as at 31/12/2019	5,210	44	5,254
Interest expense	96	-	96

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Roadside Collection Bags	192	196	129	183	54
Landfill	978	1,074	848	615	(233)
Recycling Centres	643	656	949	767	(182)
Waste Transfer Stations	315	321	164	159	(5)
Total Expenditure	2,128	2,247	2,090	1,724	(366)

Performance Measures – LTP/Annual Plan Summary



SOLID WASTE – Performance Measures – LTP/Annual Plan

Not Achieved Measures Only

Ref	Service	How will we measure our performance	Target (2019/20)	Actual Performance	RM8 Ref									
SW4	Response to service requests regarding Council's Solid Waste Activities is timely.	Time all requests are responded to.	Within 3 working days	Not Achieved As at 31 December 2019: <table><tr><th>For the Month</th><th>Year to Date</th><th>Still Open</th></tr><tr><td>36/60</td><td>465/1437</td><td>16/1437</td></tr></table> Note: We are currently moving towards a new CRM system which should help to improve response times.	For the Month	Year to Date	Still Open	36/60	465/1437	16/1437	D20/1593			
For the Month	Year to Date	Still Open												
36/60	465/1437	16/1437												
SW5	Recycling and refuse is collected on time and in a sanitary manner.	Number of complaints per-month about non collection of: Kerbside recycling Kerbside refuse	< 6 per month < 6 per month	Not Achieved As at 31 December 2019: <table><tr><th></th><th>For the Month</th><th>Year to Date</th></tr><tr><td>Kerbside recycling</td><td>11</td><td>147</td></tr><tr><td>Kerbside refuse</td><td>6</td><td>31</td></tr></table> Note: Recycling complaints are only counted if the recycling was genuinely missed. Complaints are verified using the video footage from the recycling trucks. Prior to the camera footage being easily accessible, all complaints were considered genuine.		For the Month	Year to Date	Kerbside recycling	11	147	Kerbside refuse	6	31	D20/1593
	For the Month	Year to Date												
Kerbside recycling	11	147												
Kerbside refuse	6	31												

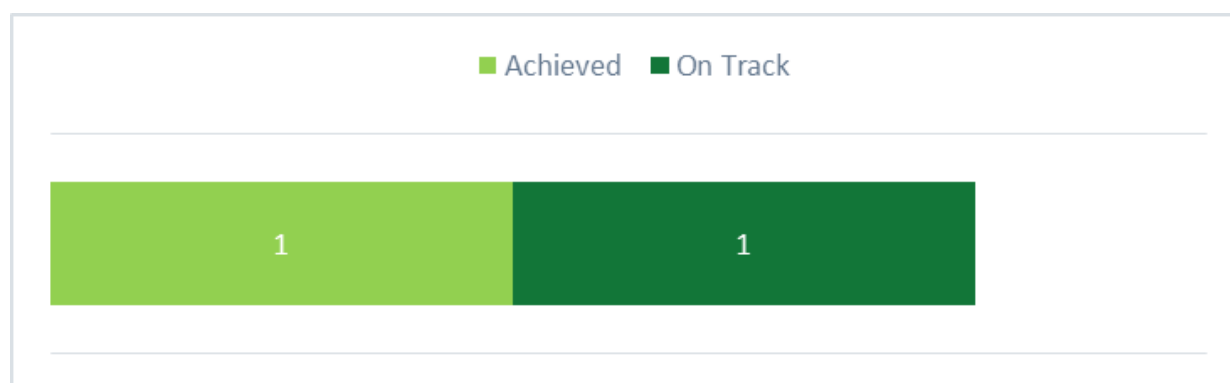
PROPERTY

	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Dec YTD 2019 \$000	Variance 2019 \$000
Note					
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	702	1,083	498	499	1
Targeted rates	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	728	169	173	312	139
Local authorities fuel tax, fines, infringement fees, and other receipts	140	134	1	22	21
Internal charges and overheads recovered	459	467	221	234	13
Total operating funding (A)	2,029	1,853	893	1,067	174
Applications of operating funding					
Payments to staff and suppliers	1,441	1,182	669	562	(107)
Finance costs	409	302	189	163	(26)
Internal charges and overheads applied	290	301	103	106	3
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	2,140	1,785	961	831	(130)
Surplus (deficit) of operating funding (A-B)	(111)	68	(68)	236	304
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(5,537)	632	(1,121)	(1,150)	(29)
Gross proceeds from sale of assets	7,000	-	3,500	5,050	1,550
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	1,463	632	2,379	3,900	1,521
Applications of capital funding					
Capital expenditure					
- to meet additional demand	143	1	-	-	-
- to improve the level of service	60	455	106	107	2
- to replace existing assets	1,331	434	304	211	(93)
Increase (decrease) in reserves	(182)	(190)	1,902	3,818	1,917
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	1,352	700	2,311	4,136	1,825
Surplus (deficit) of capital funding (C-D)	111	(68)	68	(236)	(304)
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	211	215	109	109	-

Loans as at 31 December 2019	External \$000	Internal \$000	Total \$000
Loans as at 1/07/2019	9,400	176	9,576
Raised during year	80	34	114
Repaid during year	(1,180)	(84)	(1,264)
Loans as at 31/12/2019	8,300	126	8,426
Interest expense	160	3	163

Activity Expenditure	LTP Forecast 2019 \$000	LTP Forecast 2020 \$000	Annual Plan Forecast Dec 2019 \$000	Actual 2019 \$000	Variance 2019 \$000
Council Building	307	313	175	153	(22)
Camping Grounds	6	6	3	3	-
Commercial Properties	317	117	23	105	82
Endowment Property	555	375	197	70	(127)
General Property	709	722	451	375	(76)
Total Expenditure	1,894	1,533	849	706	(143)

Performance Measures – LTP/Annual Plan Summary



APPENDIX

Asset maintenance contract	General contract works, repairs, planned and unplanned maintenance, materials and consumables, cleaning and hygiene, inspections and reporting.
Finance cost	Interest on borrowings and interest on swaps.
Gains	Fair value revaluation gain and gain on sale.
General grants	Grants given to various organisations and individuals like Creative NZ, neighbourhood support, beach wardens, community development and youth scholarships.
Grants and subsidies	Grants and subsidies received from government and other organisations for roading, library, community hubs, cemeteries and aquatic centres.
Infringements and fines	Parking tickets, Prosecutions on WOFs and unregistered vehicles.
Employee benefits	Salaries and wages, training costs, FBT and ACC levies, superannuation, and staff recognition.
Other expenses	Printing, publication, postage, stationery, advertising, food and catering, photocopying, internet and communication and any other office expenses.
Professional services	Consultants, contractors, membership fees, legal fees, lab services, audit fees or any other professional services charges.
Regulatory revenue	Planning fees, building fees, animal fees, liquor fees and health fees.
Rendering of services	Commissions, car income, and any other income received for rendering services.
Rental income	Rent from Halls, residential and commercial properties, grazing land, reserves and other lease income.
Targeted rates	Rates for roading, waste management, representation and governance, stormwater, wastewater, water by meter and water supply.
User charges	Revenue received from admission, shop sale, Cemetery fees, trade waste, utility connection, events and exhibitions.
Utilities	Water use, electricity and gas charges

Treasury Report

File No.: 20/10

1. Purpose

To present to the Finance, Audit & Risk (FAR) Committee the Bancorp Treasury Report for the December 2019 quarter.

2. Recommendation

- 2.1 That Report 20/10 Treasury Report be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

3. Background/Previous Council Decisions

This quarterly Treasury report is produced by our Treasury Advisors, Bancorp Treasury Services Limited, and is produced for the benefit of Council and Senior Management.

4. Issues for Consideration

- 4.1 A focus for central banks and financial markets continued to be the US/China trade wars and Brexit. A number of prominent central banks, including our own, cut their target interest rates during the quarter. However, by the end of the quarter the downside global economic risks had abated or corrected through monetary policy actions. This is from the advent of a US/China trade agreement and the UK election which made Brexit more likely.
- 4.2 The NZ Reserve Bank keeps the OCR at 1.00% and the likelihood of a cut in February has reduced, but may occur if the Reserve Bank of Australia reduces its rate. NZ medium and long term interest rates have increased from a low point in mid-October. Council was able to obtain some low interest rates for FRNs in October at the lowest BKBM (bench mark interest rate) of 1.04%. These have been reset in January at a BKBM of 1.28%. Have we finally seen interest rates “bottom out”? Refer to the graph on page 3 of the report.
- 4.3 Note that the graph on page 7 no longer shows any risk of Council breaking its hedging policy bands. This is because of the combined effect of taking out two new forward start swaps and also the recent changes to Council’s Liability Management Policy passed at Council’s meeting in June 2019.
- 4.4 Elected Members’ attention is drawn to the commentary on Council’s debt portfolio on page 5. At the bottom of that page, note that Council has invested \$14m at rates between 81 basis points (0.81%) and 147 basis points (1.47%) higher than it has borrowed, which will produce a profit in excess of \$110k.
- 4.5 Council’s cost of funds was at 3.12% as at 31 December, down from 3.19% at 30 September and 3.54% at the end of June. With recent interest rate resets this has increased to 3.16% up from a low of 3.09% in October. Refer to the graph on page 8 and the movement shown in the December financial report.

Attachments


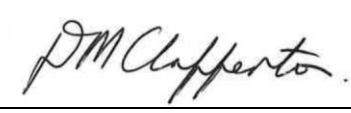
No.	Title	Page
A	Bancorp Treasury Report December 2019	111

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Doug Law Chief Financial Officer	
Approved by	David Clapperton Chief Executive	

CONFIDENTIAL

TREASURY REPORT

FOR



AS AT

31 DECEMBER 2019



AUCKLAND • WELLINGTON • CHRISTCHURCH

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1. MARKET ENVIRONMENT

1.1 GLOBAL MARKETS OVERVIEW (AS AT 31 DECEMBER 2019)

The main focus for central banks and financial markets over the December 2019 quarter were the US/China trade war and Brexit. A number of central banks, led by the Federal Reserve ("Fed"), People's Bank of China, Reserve Bank of Australia ("RBA") and Reserve the Bank of New Zealand ("RBNZ"), cut their target interest rates over the quarter and called on their respective governments to loosen fiscal policy through increased spending.

By the end of the December quarter, the same central banks, along with those of the Eurozone, UK, Japan and Canada, had concluded that the global downside risks had abated or been addressed by monetary policy actions and to quote the Fed *"the current stance of monetary policy is appropriate"* and it *"will continue to monitor the implications of incoming information for the economic outlook, including global developments and muted inflation pressures."*

Those conclusions came about after the US and China agreed a Phase 1 trade deal and the UK Conservative Party won a landslide election victory that made it a near certainty that Brexit will happen on 31 January 2020. The general consensus among central banks was that the worst was over, although downside risks remain, and that it was appropriate to maintain a watching brief to allow for the time lags between cause and effect of monetary policy.

As if to emphasise this shift by central banks, Sweden's Riksbank, one of the central bank pioneers of negative cash rates after the GFC, raised its target cash (repo) rate by 25 basis points to 0.00% in late December. However, it made it clear that it had no plans to raise its repo rate in the coming year, which markets inferred as the Riksbank conceding that negative interest rates are more harmful than helpful in stimulating economic growth, employment and inflation.

The yield on the benchmark US 10 year Treasury bond typified the ebb and flow of sentiment and interest rates over the December quarter. It ended the September quarter at 1.67% and fell to a low of 1.51% in early October amid escalating economic and geopolitical worries. It rose to a peak of 1.97% in early November before falling back to a low of 1.69% in early December as geopolitical and trade worries intensified. However, these worries quickly abated or were addressed resulting in the yield climbing throughout December to finish the quarter at 1.92%.

The RBA kept its cash rate at 0.75% at its December meeting and repeated that it will be assessing *"the long and variable lags in the transmission of monetary policy,"* also that *"it was reasonable to expect that an extended period of low interest rates will be required in Australia to reach full employment and achieve the inflation target"* and that it *"is prepared to ease monetary policy further if needed."*

1.2 NEW ZEALAND MARKET OVERVIEW (AS AT 31 DECEMBER 2019)

	OCR	90 day	2 years	3 years	5 years	7 years	10 years
30 September 2019	1.00%	1.15%	0.94%	0.91%	0.94%	1.04%	1.21%
31 December 2019	1.00%	1.29%	1.28%	1.32%	1.44%	1.59%	1.78%
Change	Nil	+0.14%	+0.34%	+0.41%	+0.50%	+0.55%	+0.57%

New Zealand's CPI rose 0.7% over the September quarter, up from 0.6% in the June quarter and slightly higher than the RBNZ forecasted. Annual CPI fell from 1.7% in June to 1.5% in September. GDP was unexpectedly strong over the September quarter, rising 0.7%, from 0.1% in the June quarter (revised down from 0.5%), aided by a lift in retail spending. Revisions to previous quarters softened the annual rise to 2.3%, up from 2.1% in June. New Zealand's unemployment rate jumped from 3.9% in June to 4.2% in September, a bigger rise than expected. Wages rose 0.8% over the September quarter and 2.4% over the year, from 0.7% and 2.1% respectively in June.

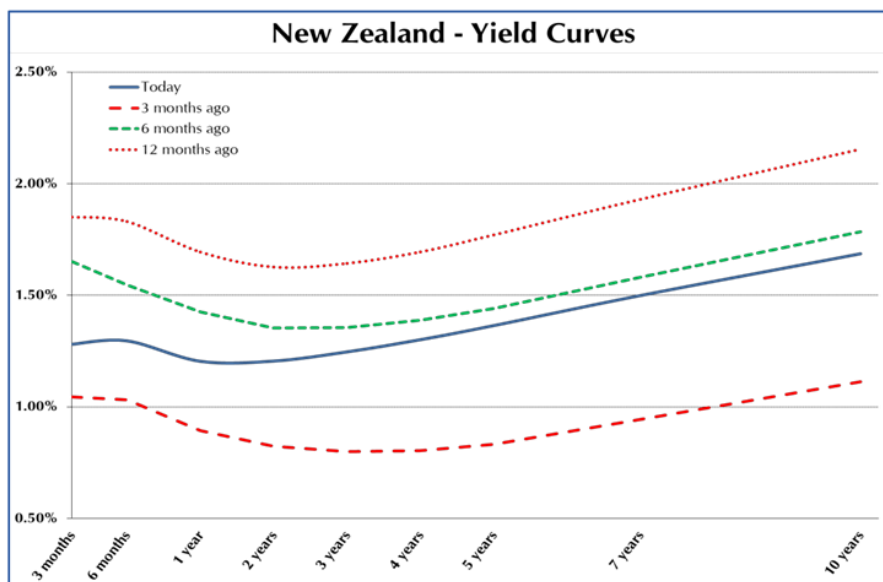
The RBNZ's Monetary Policy Committee ("MPC") kept the Official Cash Rate ("OCR") at 1.00% at its November meeting. The MPC reasoned that *"economic developments since the August Statement do not warrant a change to the already stimulatory monetary setting at this time"* but it warned that *"economic growth continued to slow in mid-2019 reflecting weak business investment and soft household spending."*

Looking ahead, the MPC considers that *"domestic economic activity is expected to increase during 2020 supported by low interest rates, higher wage growth, and increased government spending and investment"* and, from a monetary policy perspective, *"interest rates will need to remain at low levels for a prolonged period to ensure inflation reaches the mid-point of our target range and employment remains around its maximum sustainable level."*

The MPC's decision to leave the OCR at 1.00% and its implicit neutral forward guidance prompted local markets to adjust their expectations for further OCR cuts. At the end of the September quarter, with the surprise 50 basis points OCR cut in August still fresh, markets fully priced in a 25 basis points OCR cut in February 2020 and a 68% chance of a second in 2020. At the end of the December, market pricing implied only a 36% chance of a single 25 basis points OCR cut in 2020.

New Zealand medium to longer term interest rates moved in line with both global trends and developments in the domestic economy over the December quarter. After falling to new record lows in early October, medium and longer term rates moved higher for the rest of the quarter as the trade war worries receded and the RBNZ and the market adjusted to an improving

outlook for the New Zealand economy. The following chart shows the extent to which New Zealand interest rates have moved over the past year, and especially over the December quarter.

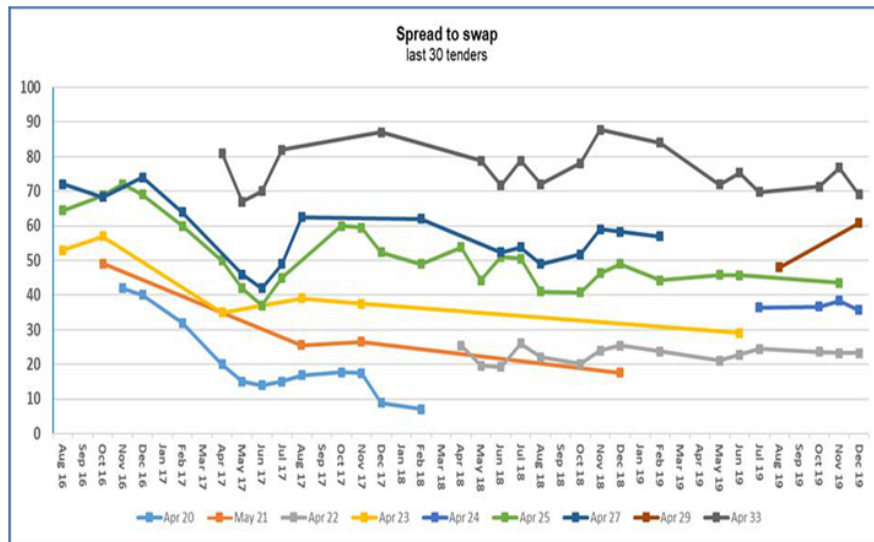


1.3 LOCAL AUTHORITY SECTOR

Listed below are the credit spreads and applicable interest rates for Floating Rate Notes ("FRN") and Fixed Rate Bonds ("FRB"), at which Horowhenua District Council ("HDC") could source debt from the Local Government Funding Agency ("LGFA").

Maturity	Credit Spread	FRN (or CP) Rate	Fixed Rate Bond
3 month CP	0.12%	1.32%	N/A
6 month CP	0.12%	1.32%	N/A
April 2020	0.30%	1.50%	1.47%
May 2021	0.41%	1.61%	1.58%
April 2022	0.44%	1.64%	1.68%
April 2023	0.54%	1.74%	1.78%
April 2024	0.60%	1.80%	1.92%
April 2025	0.65%	1.85%	2.05%
April 2027	0.79%	1.99%	2.26%
April 2029	0.80%	2.00%	2.50%
April 2033	0.98%	2.18%	2.79%

The following chart shows the credit spreads measured over swap for all LGFA debt going back to mid 2016 and highlights the stability in these spreads over this period.



2. FUNDING

As at 31 December 2019, HDC had \$110.0 million of external debt, comprising a combination of Commercial Paper ("CP"), FRBs and FRNs, all sourced from the LGFA. Details of HDC's debt at 31 December 2019 are as follows:

Instrument	Inception	Maturity	Rate	Margin	Amount
CP	Dec-19	Jun-20	1.375%	12 bps	\$16,000,000
FRB	Nov-17	Apr-20	2.6324%	38 bps	\$5,000,000
FRN	July 18	Apr-20	1.38%	34 bps	\$4,000,000
FRB	May-13	May-21	4.565%	79 bps	\$5,000,000
FRB	Sep-13	May-21	5.9852%	109 bps	\$5,000,000
FRB	Dec-13	May-21	5.8516%	87 bps	\$5,000,000
FRN	May-13	May-21	2.0825%	84 bps	\$4,000,000
FRN	July 18	Apr-22	1.54%	50 bps	\$9,000,000
FRN	May-15	May-22	1.6650%	42.5 bps	\$3,000,000
FRB	Nov-14	Apr-23	5.1336%	81 bps	\$4,000,000
FRB	Aug-19	Apr-23	1.48%	55 bps	\$4,000,000
FRN	Feb-18	Apr-23	1.6150%	57.5 bps	\$6,000,000
FRB	Apr-17	Mar-24	3.72%	63 bps	\$4,000,000
FRB	Mar-19	Apr-24	2.52%	54 bps	\$3,000,000
FRB	May-17	May-24	3.76%	58 bps	\$4,000,000
FRB	Mar-17	Apr-25	4.2046%	77 bps	\$3,000,000
FRN	May-15	May-25	1.73%	49 bps	\$7,000,000
FRB	Mar-19	Mar-26	3.38%	78 bps	\$9,000,000
FRB	Jul-16	Jul-26	3.37%	84 bps	\$5,000,000
FRN	Aug-19	Apr-27	1.80%	76 bps	\$5,000,000
				TOTAL	\$110,000,000

In a carryover from the September quarter, HDC has entered into several prefunding transactions in which the funds have been borrowed and then placed on deposit. Details of the prefunding are contained below.

- \$5.0 million of CP (out of a total CP of \$16.0 million) maturing 19 June 2020 at a rate of 1.375%.
- \$4.0 million FRB maturing 15 April 2023 at a rate of 1.48%.
- \$5.0 million FRN maturing 15 April 2027 at a rate of 1.92%

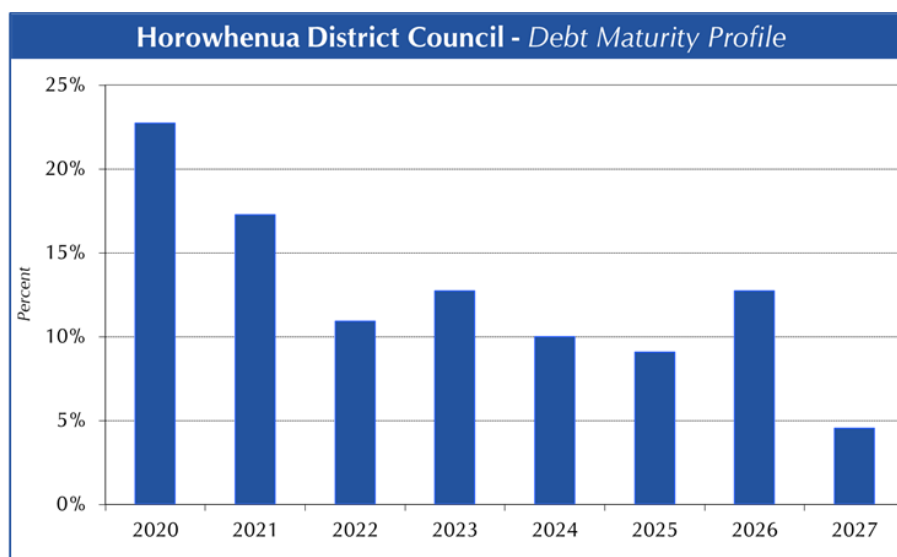
As the funds were not immediately required the proceeds from the prefunding were placed on deposit as follows:

- \$9.0 million with BNZ maturing 16 March 2020 at a rate of 2.95%.
- \$5.0 million with BNZ maturing 28 April 2020 at a rate of 2.73%

These prefunding and associated investing transactions will produce a gain to HDC in excess of \$110,000.

As at 31 December 2019, HDC had no drawings under its BNZ \$10.0 million Customised Average Rate Loan facility that expires in November 2022.

HDC's current debt maturity profile (excluding the BNZ facility) is depicted in the following graph which indicates a good spread of maturities between 2020 and 2027. Additionally, HDC is compliant with Section 4.6 of the Liability Management Policy ("LMP"), which governs HDC's funding risk management activities.



3. DEBT AND HEDGING PROFILE

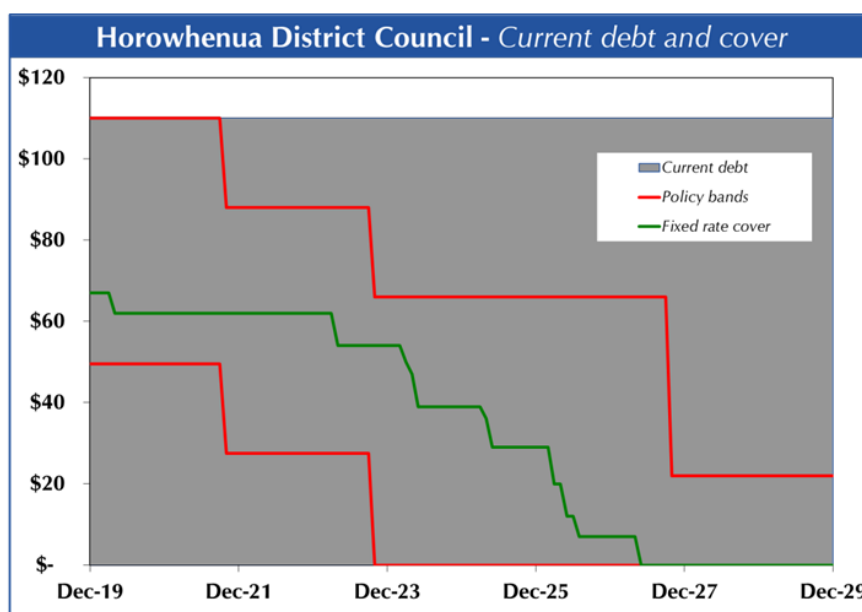
As at 31 December 2019, HDC had \$110.0 million of current fixed and floating rate debt, and two current interest rate swaps and two forward starting interest rate swaps, as follows:

Start Date	Maturity Date	Rate	Amount
18-Feb-13	18-May-24	4.015%	\$4,000,000
18-May-15	18-May-25	4.75%	\$7,000,000
17-May-21	15-May-26	2.15%	\$8,000,000
17-May-21	17-May-27	2.25%	\$7,000,000
TOTAL			\$26,000,000

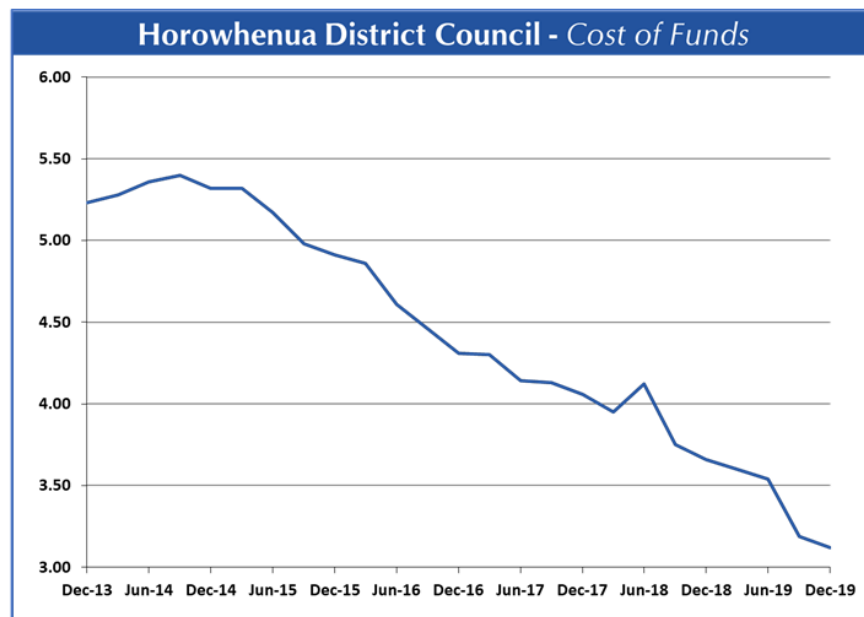
Section 4.3 of the LMP details the Fixed Rate Hedging Percentages that HDC shall adhere to in the management of its debt.

Fixed Rate Hedging Percentages		
	Minimum Fixed Rate Amount	Maximum Fixed Rate Amount
0–2 years	45%	100%
2–4 years	25%	80%
4–8 years	0%	60%
8+ years	0%	20%

The debt and hedging profiles incorporating these parameters are depicted in the following graph. This shows that as at 31 December 2019, HDC was compliant with Section 4.3 of the LMP.



HDC's cost of funds (inclusive of the bank line fee) as at 31 December 2019 was 3.12%, down from 3.19% at the end of September 2019. The cost of funds exclusive of the bank line fee was 3.10%. HDC's cost of funds remains lower (in many cases noticeably so) than the large majority of its peers in the local government sector, indicating the success of its funding and interest rate risk management programme over the last several years. The cost of funds dating back to December 2013 is depicted in the following graph.



4. POLICY COMPLIANCE (AS AT 31 DECEMBER 2019)

	Yes/No
<i>Have all transactions been entered into compliance with policy?</i>	√
<i>Are the fixed rate hedging percentages within policy control limits?</i>	√
<i>Is HDC maintaining liquidity within policy control limits?</i>	√
<i>Are all counterparty exposures within policy control limits?</i>	√
<i>Is HDC compliant with the financial covenants contained in the LMP</i>	√

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Internal Audit Programme

File No.: 20/11

1. Purpose

To introduce the proposed Internal Audit programme for the 2019/20 financial year for Council to review.

2. Recommendation

- 2.1 That Report 20/11 Internal Audit Programme be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.
- 2.3 That the Finance, Audit & Risk Committee commits to an internal audit focussing on Procurement.

3. Background/Previous Council Decisions

- 3.1 Internal audit is an independent and systematic review and appraisal of the activities of the Horowhenua District Council. Its purpose is to assist management to meet its accountabilities by assessing the efficiency, economy and effectiveness of the Council's programmes, policies, practices, controls and activities, and by offering constructive advice.
- 3.2 Internal audit provides an additional level of assurance concerning risk and control for the Council's Senior Management Team and reports directly to the Chief Executive and the Finance, Audit and Risk Committee.
- 3.3 The MW LASS has a shared service across all participating Councils. This is carried out by outsourcing to a specialised auditing company, Cotton Kelly Smit Limited (CKS>Audit) comprising three Directors and eight auditors. More information can be found at: www.auditors.co.nz.
- 3.4 Their audits of MW LASS Councils tend to be coordinated so that the same audit plan and methodology can be utilised across all participating Councils. This creates a cost saving due to the cost of the audit plan programme being shared across participating Councils.
- 3.5 The current audit plan is procurement which has already been completed at several participating Councils. HDC has contributed \$3k to cover its share of the planning costs and keep the ability to use the plan.

4. Issues for Consideration

- 4.1 Council is embarking on a review of the Procurement Policy. Therefore, an internal audit focusing on procurement, reviewing the status and effectiveness of Council's current procurement practices and level of compliance with existing policies and strategy would help inform the review.
- 4.2 The Committee at its May 2019 meeting resolved to conduct an internal audit focusing on the procurement process.
- 4.3 An Audit Engagement letter will be available before 24 January, the audit itself will be carried out in February 2020. A report will be presented to the March FAR Committee meeting.
- 4.4 The auditor (Rachael Dean) will be reporting directly to the FAR Committee Chair to ensure independence and objectivity. Rachael will be in attendance at the meeting of 29 January to introduce herself and answer any questions.

- 4.5 The audit will cover an end-to-end review of the actual procurement practice against Council's Procurement Policy and guidelines already in existence and will recommend any changes to those policies, guidelines and procedures to improve management's adherence to the procurement process.
- 4.6 A budget for an Internal Audit exists in this financial year. The estimated cost of an internal audit would be in the range of \$30k to \$45k. Council has allowed for \$45k maximum.

Attachments


There are no attachments for this report.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Doug Law Chief Financial Officer	
Approved by	David Clapperton Chief Executive	