



AGENDA

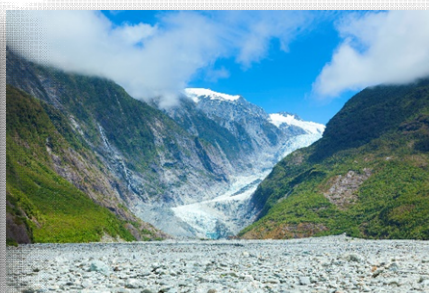
RĀRANGI TAKE

NOTICE OF AN ORDINARY MEETING OF

Risk and Assurance Committee

to be held on **Thursday 8 February 2024** commencing at **1:00pm** in the Council Chambers, 36 Weld Street, Hokitika and via Zoom

Chairperson	Rachael Dean	
Members	Her Worship the Mayor	Cr Baird
	Cr Neale	Cr Phelps
	Kw Tumahai	Kw Madgwick



In accordance with clause 25B of Schedule 7 of the Local Government Act 2002, members may attend the meeting by audio or audio-visual link.

Council Vision

We work with the people of Westland to grow and protect our communities, our economy, and our unique natural environment.

Purpose

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) To promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

1. NGĀ WHAKAPAAHA APOLOGIES

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a member thinks they may have a conflict of interest, they can seek advice from the Chief Executive or the Group Manager Corporate Services Risk and Assurance (preferably before the meeting). It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

3. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

Section 46A of the Local Government Official Information and Meetings Act 1987 states:

- (7) An item that is not on the agenda for a meeting may be dealt with at the meeting if –
 - (a) the local authority by resolution so decides, and
 - (b) the presiding member explains at the meeting at a time when it is open to the public, –
 - (i) the reason why the item is not on the agenda; and
 - (ii) the reason why the discussion of the item cannot be delayed until a subsequent meeting.
- (7A) Where an item is not on the agenda for a meeting, –
 - (a) that item may be discussed at the meeting if –
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
 - (b) No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.

4. NGĀ MENETI O TE HUI KAUNIHERA MINUTES OF MEETINGS

The minutes of the previous meeting had been circulated.

- Risk and Assurance Committee Meeting Minutes – 9 November 2023

(Pages 5-11)

5. ACTION LIST

Lesley Crichton, Group Manager, Corporate Services and Risk Assurance

(Page 12)

6. NGĀ TĀPAETANGA PRESENTATIONS

Nil

7. PŪRONGO KAIMAHI STAFF REPORTS

- **Committee Work Plan**

Lesley Crichton, Group Manager, Corporate Services and Risk Assurance

(Page 13)

- **Quarterly Report – 1 October 2023 to 31 December 2023**

Cody Nabben, Graduate Accountant

(Pages 14-43)

- **Approval of Revised Policies**

Kate Campbell, Human Resources Advisor

(Pages 44-54)

- **Intrusions Attempts Detected and Blocked by Council's Systems**

Peter Oliver, Information Technology Manager

(Pages 55-56)

8. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

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

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Risk & Assurance Meeting Minutes – 9 November 2023	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Quarterly Report on Whistleblower Services	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure

			of information for which good reason for withholding exists.
			Section 48(1)(a)
3.	Risk Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
			Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 and the particular interests or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No.	Interest
1	Protect the privacy of natural persons, including that of deceased natural persons
2,3	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or (Schedule 7(2)(h))
2,3	Maintain legal professional privilege; or (Schedule 7(2)(g))
2	Maintain the effective conduct of public affairs through— i.the protection of such members, officers, employees, and persons from improper pressure or harassment; or (Schedule 7(2)(f))
1	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))

DATE OF NEXT RISK AND ASSURANCE COMMITTEE MEETING – 9 MAY 2024
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM

RISK AND ASSURANCE COMMITTEE MEETING MINUTES

MINUTES OF THE RISK AND ASSURANCE COMMITTEE MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY 9 NOVEMBER 2023 COMMENCING AT 1:00 PM

The Committee Meeting was live streamed to the Westland District Council YouTube Channel and presentations are made available on the council website.

1. MEMBERS PRESENT AND APOLOGIES

Chairperson:	Rachael Dean
Members:	
Her Worship the Mayor	Cr Baird
Cr Neale – for part of the meeting	Cr Phelps

NGĀ WHAKAPAAHA APOLOGIES

Nil.

ABSENT

Kw Madgwick
Kw Tumahai

STAFF PRESENT

S.R. Bastion, Chief Executive; T. Cook, Group Manager Regulatory Planning and Community Services; L. Crichton, Group Manager: Corporate Services and Risk Assurance; D. Maitland; Executive Assistant, E. Rae, Strategy and Communications Advisor (via zoom); S. Johnston, Governance Administrator (via zoom).

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated via Microsoft Teams and available on the Council Chambers table.

There were no changes made to the Interest Register.

3. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

There were no urgent items of business not on the Agenda.

4. NGĀ MENETI O TE HUI KAUNIHERA MINUTES OF MEETINGS

The Minutes of the previous Meetings were circulated separately via Microsoft Teams.

- **Risk and Assurance Committee Meeting Minutes – 2 August 2023**

Moved Cr Neale, seconded Cr Phelps and **Resolved** that the Minutes of the Risk and Assurance Committee Meeting held on the 2 August 2023, be confirmed as a true and correct record of the meeting.

- **Extraordinary Risk & Assurance Committee Meeting Minutes – 17 October 2023**

It was noted that the Risk & Assurance Committee did not Move/Second and Resolve to move out of the Public Excluded portion of the Extraordinary Risk & Assurance Committee Meeting of 17 October 2023, and that the following resolution is to be added to the minutes accordingly:

“Moved Chair Rachael Dean, seconded Cr Baird and **Resolved** to move out of the Public Excluded section of the meeting at 4:28pm”

Moved Her Worship the Mayor seconded Cr Baird and **Resolved** that the Amended Minutes of the Extraordinary Risk and Assurance Committee Meeting Minutes held on the 17 October 2023 be confirmed as a true and correct record of the meeting.

The Chair **Approved** that their digital signature be added to the confirmed Risk and Assurance Committee Meeting Minutes of 2 August 2023 and the Amended Extraordinary Risk and Assurance Meeting Minutes of 17 October 2023.

5. ACTION LIST

Lesley Crichton, Group Manager, Corporate Services and Risk Assurance spoke to the Action List and provided the following updates:

Item	Status
1 Insurance review of the Airport.	Destination Westland Limited (DWL) need to take the lead on this. The Chief Executive has advised he will follow up with DWL. DWL are progressing this with Coast Valuations. This review has been completed through the Annual Report process with significant increases in values.
2 Workshop: Evaluation of the performance of the Committee	Workshop will be scheduled for the New Year.

Moved Chair Rachael Dean, seconded Her Worship the Mayor and **Resolved** that:

1. The updated Action List be received.
2. Item 1 - the Insurance Review of the Airport to be removed from the Action List.

6. NGĀ TĀPAETANGA PRESENTATIONS

Nil

7. PŪRONGO KAIMAHI STAFF REPORTS

- **Rolling Work Plan**

Lesley Crichton, Group Manager, Corporate Services Risk & Assurance tabled the Rolling Work Plan for November 2023 to August 2024.

Moved Cr Phelps, seconded Cr Neale and **Resolved** that:

1. The Risk & Assurance Committee Rolling Work Plan for November 2023 to August 2024 be received.

- **Quarterly Report – Q1 2023/2024 – 1 July – 30 September 2023**

Cody Nabben, Financial Accountant & Emma Rae, Strategy & Communications Advisor, spoke to this item, and advised that the purpose of the report is to inform the Committee of Council's financial and service delivery performance for the three months ended 30 September 2023 (Q1).

The Strategy & Communications Advisor advised that the wording surrounding the Food Licensing Measures is going to be changed accordingly to reflect the Act.

The Chair, Rachael Dean noted that a number of departments hadn't provided an update report, and suggested that for future reporting, there should be a note as to why they haven't provided an update report.

Moved Chair Rachael Dean, Seconded Cr Phelps & **Resolved** to adjourn the meeting to resolve technical issues with the livestreaming of the meeting at 1:25pm. At 1.35pm the technical issues with the livestreaming of the meeting were resolved, and the meeting reconvened.

Moved Cr Phelps, seconded Cr Neale and **Resolved** that:

1. The report be received.
2. The Committee receive the Quarterly Report Q1 July – September 2023 as attached to the Agenda.

- **Policy Working Group Update**

Richard Morris, Information Manager spoke to this report and advised that the purpose of the report is to update the Committee on the work of the Westland District Council Policy Working Group.

Moved Chair Rachael Dean, seconded Her Worship the Mayor and **Resolved** that:

1. The Report be received.
2. The Committee recommend the Policy Working Group continue their work on both the Audit of Policies and the creation of a documented process for managing policies.

- **Privacy Commission Requirements**

Peter Oliver, Information Technology Manager spoke to this item and advised that the purpose of the report is to notify the Committee of what action Council has taken as a result of being notified of the minimum level of security expected on the Council computer networks by the Office of the Privacy Commissioner.

Moved Chair Rachael Dean, seconded Cr Neale and **Resolved** that:

1. The report be received.

- **Review of Policy: Staff Departure Policy**

Kate Campbell, HR Advisor spoke to this item and advised that the purpose of this report is to present the Staff Departure Policy (replacing the Farewell Policy and Providing References for Staff Policy), for review.

The Chair recommended that a capped amount be put in place regarding the cost of functions for departing staff and double authorisation for this.

The Committee discussed and agreed that \$200.00 be the limit for expenditure towards the cost of a function for departing staff members.

Moved Chair Rachael Dean, seconded Her Worship the Mayor and **Resolved** that:

1. The report be received.

2. A capped amount of \$200.00 is put in place for expenditure towards the cost of a function for departing staff members.

- **Review of Sensitive Expenditure and Staff Conflict of Interest Policies**

Lesley Crichton, Group Manager, Corporate Services and Risk Assurance spoke to this item and advised that the purpose of this report is to review the Sensitive Expenditure and Staff Conflict of Interests Policies.

The Chair advised that a new guideline from the Office of the Auditor-General (OAG) has been issued since the Staff Conflicts of Interest policy was last reviewed and suggested that the Staff Conflict of Interest Policy be reviewed against the new OAG Guidelines and brought back for review at the next Committee Meeting in February 2024.

The Chair also suggested that the Sensitive Expenditure Policy should be amended to include a section on Policy Principles as per the OAG October 2020 Controlling Sensitive expenditure guide for public organisations.

Cr Neale left the meeting at 1:45pm and did not return for this part of the meeting.

Moved Chair Rachael Dean, seconded Cr Baird and **Resolved** that:

1. The report be received.

2. The Conflict of Interest Policy be reviewed against the new guidelines from Office of the Auditor-General.

3. The Sensitive Expenditure Policy be amended to include a section on policy principles.

4. The current process of reporting remain as is using the Council Website.

8. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Moved Chair Rachael Dean, seconded Her Worship the Mayor and **Resolved** that the Risk and Assurance Committee confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 1.45pm.

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

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Risk & Assurance Meeting Minutes – 2 August 2023 Confidential Extraordinary Risk & Assurance Meeting Minutes – 17 October 2023	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Health & Safety Initiatives as at 31 October 2023	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
3.	Quarterly Report on Whistle Blower Services September 2023	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
4.	Insurance Update	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
5.	Risk Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 and the particular interests or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No.	Interest
1	Protect the privacy of natural persons, including that of deceased natural persons
2	Protect the privacy of natural persons, including that of deceased natural persons; or (Schedule 7(2)(a))
2	Avoid prejudice to measures protecting the health or safety of members of the public; or (Schedule 7(2)(d))
2, 3, 5	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or (Schedule 7(2)(h))
3, 5	Maintain legal professional privilege; or (Schedule 7(2)(g))
3	Maintain the effective conduct of public affairs through— i.the protection of such members, officers, employees, and persons from improper pressure or harassment; or (Schedule 7(2)(f))
1, 4	Protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b)).
1, 4	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
4	Prevent the disclosure or use of official information for improper gain or improper advantage. (Schedule 7(2)(j))

Moved Cr Phelps, seconded Her Worship the Mayor and **Resolved** that the business conducted in the 'Public Excluded Section' be confirmed and accordingly, the meeting went back to the open part of the meeting at 2.37pm.

**DATE OF NEXT RISK AND ASSURANCE COMMITTEE MEETING – FEBRUARY 2024
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**



MEETING CLOSED AT 2:37 PM

Confirmed by:

Rachael Dean
Chair

Date:

09.11.23 – RISK AND ASSURANCE COMMITTEE – ACTION LISTING

Date		COMPLETED IN PROGRESS OVERDUE	Item	Action Required	Status	Lead Officer
1	09.11.21		Workshop: Evaluation of the performance of the Committee	Workshop to be scheduled with the first meeting of 2024.	Workshop has been scheduled for early next year.	Chair
2	09.11.23		Sensitive expenditure policy	Insert policy principles per OAG into policy	In Progress	GMCS&RA

RISK AND ASSURANCE COMMITTEE ROLLING WORK PLAN

Item	Feb-24	May-24	Aug-24	Nov-24
External Audit		Finalise audit planning Note; Interim audit Dates will be confirmed nearer time.	Finalise audit planning	
Financial and Service Delivery Reporting	Quarterly Financial and Service Delivery Report.	Quarterly Financial and Service Delivery Report.	Quarterly Financial and Service Delivery Report.	No quarterly report due to annual report preparation.
Insurance				Insurance renewals update.
Risk Management Framework	Review Risk Register Health & Safety Report	Review Risk Register Health & Safety Report	Review Risk Register Health & Safety Report	Review Risk Register Health & Safety Report
Internal Control Framework	PwC quarterly Whistleblower Report Policy Review: Recruitment Policy. - Leave policy - Anti Bullying policy	PwC quarterly Whistleblower Report Policy Review: - Sensitive expenditure policy	PwC quarterly Whistleblower Report Policy Review:	PwC quarterly Whistleblower Report Policy Review:

Report to Committee



DATE: 8 February 2024

TO: Risk and Assurance Committee

FROM: Graduate Accountant

Quarterly Report – Q2 2023/2024 – 1 October – 31 December 2023

1. Summary

- 1.1. The purpose of this report is to inform the Committee of Council's financial and service delivery performance for the three months ended 31 December 2023 (Q2)
- 1.2. This issue arises from a requirement for sound financial governance and stewardship with regards to the financial performance and sustainability, and non-financial performance of a local authority.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 2031. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Committee receive the Quarterly Report Q2 October - December 2023, attached as **Appendix 1**.

2. Background

- 2.1 The reason the report has come before the Committee is due to the requirement for the Committee to have current knowledge of Council's performance, both financial and non-financial. The quarterly report provides information for non-financial information against targets and objectives adopted in the Long Term Plan 2021-2031, and the Annual Plan 2023/2024 for the financial performance.

3. Current Situation

- 3.1. The current situation is that the Committee receives a quarterly report in a consistent format.
- 3.2. The Quarterly Report Q2 October - December 2023, attached as **Appendix 1** and contains the following elements:
 - 3.2.1. Sustainability report on Financial Prudence.
 - 3.2.2. Whole of Council Statement of Comprehensive Revenue and Expenditure, including variance analysis.
 - 3.2.3. Whole of Council Statement of Financial Position.
 - 3.2.4. Funding Impact Statements by Group.
 - 3.2.5. Capital Expenditure 2023/2024.
 - 3.2.6. Treasury report including loans, internal borrowing, cash investments, and debtors.
 - 3.2.7. Reserve Funds report.

3.3. Note: The Statement of Service Provision has not been included in this iteration of the Quarterly Reports due to LTP preparation.

4. Options

4.1. Option 1: The Committee does not receive the Quarterly Report Q2 October - December 2023.

4.2. Option 2: The Committee receives the Quarterly Report Q2 October - December 2023.

5. Risk Analysis

5.1. Risk has been considered and the following risks have been identified:

5.1.1. Financial risk: mismanagement through lack of awareness of the Council's financial position.

5.1.2. Reputational risk: poor activity performance through lack of oversight of how activity groups are tracking to their KPIs.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low. The report is an administrative document for the Committee's information.

7.2. No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1: If the Committee does not receive the report there will be no oversight of the financial position of Council or whether the activity groups are achieving the level of service that Council determined through the long term and annual plans.

8.2. There are no financial implications to this option.

8.3. Option 2: This report is for information only to ensure oversight of Council's financial position and activities. Staff welcome feedback for continuous improvement of the quality of the information provided.

8.4. There are no financial implications to this option.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 2.

9.2. The reason that Option 2 has been identified as the preferred option is that it provides the Committee with up-to-date information regarding Council's activities and financial position at the end of Q2 2023/2024. Doing nothing reduces the oversight offered by the Committee.

10. Recommendation(s)

10.1. That the report be received.

10.2. That Committee receive the Quarterly Report Q2 October - December 2023, attached as Appendix 1

Cody Nabben
Graduate Accountant

Appendix 1: Quarterly Report Q2 October - December 2023

Whole of Council Financial Summary

Sustainability Report

Total revenue	Total expenditure	Total surplus/(deficit)
\$18.77M	\$17.34M	\$1.43M
Is 9.4% more than the total budget of \$17.15M	Is 7% more than the total budget of \$16.2M	Against a budget of \$0.95M

SUSTAINABILITY

Rates to operating revenue **50.39%**

Rates Revenue	\$9.46M
Operating Revenue	\$18.77M

50.39% of operating revenue is derived from rates revenue. Rates revenue includes penalties, water supply by meter and is gross of remissions. Operating revenue excludes vested assets, and asset revaluation gains.

Balanced budget ratio **108.25%**

Operating revenue	\$18.77M
Operating expenditure	\$17.34M

Operating revenue should be equal or more than operating expenditure. Operating revenue excludes vested assets and asset revaluation gains. Operating expenditure includes depreciation and excludes landfill liability and loss on asset revaluations. Year to date revenue is 108.25% of operating expenditure.

Interest to rates revenue (LGFA Cov.) **2.56%**

Net interest and finance costs	\$0.24M
Rates Revenue	\$9.46M

2.56% of rates revenue is paid in interest. Our set limit is 25% of rates revenue. Net interest is interest paid less interest received. 2.56% indicates that interest revenue is less than interest expense. Rates revenue includes penalties, water supply by meter and gross of remissions.

Interest to operating revenue	1.29%
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Net Interest and finance costs	\$0.24M
Operating revenue	\$18.77M

1.29% of operating revenue is paid in interest. Our set limit is 10% of operating revenue. Net interest is interest paid less interest received. 1.29% indicates that interest revenue is less than interest expense.

Liquidity Risk (LGFA Cov.)	145%
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Gross debt	\$29.82M
Undrawn committed facilities	\$3.98M
Cash and cash equivalents	\$9.43M

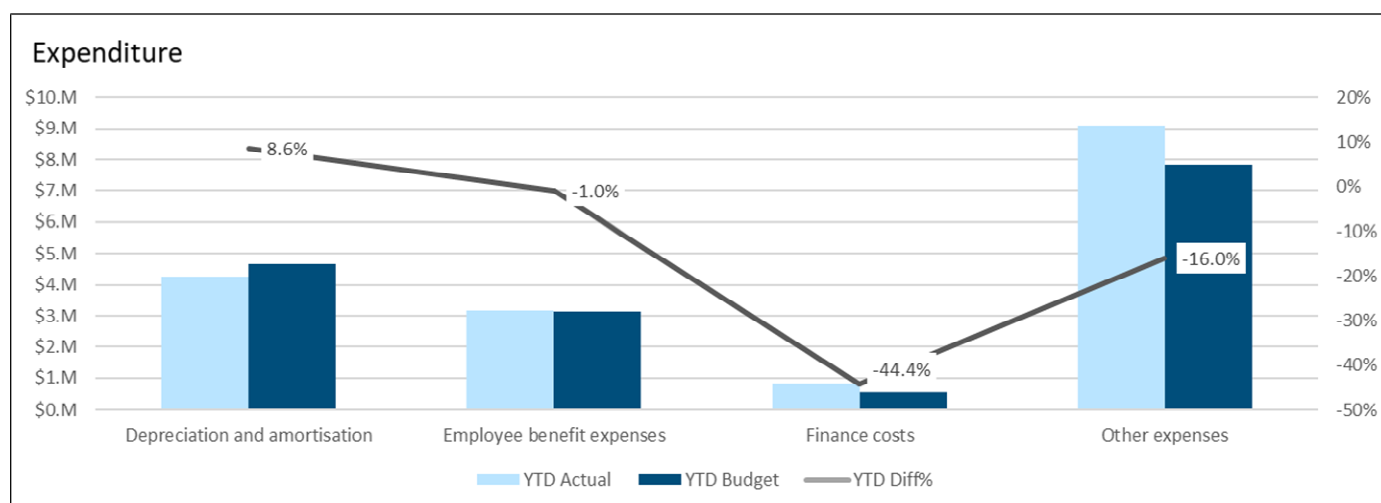
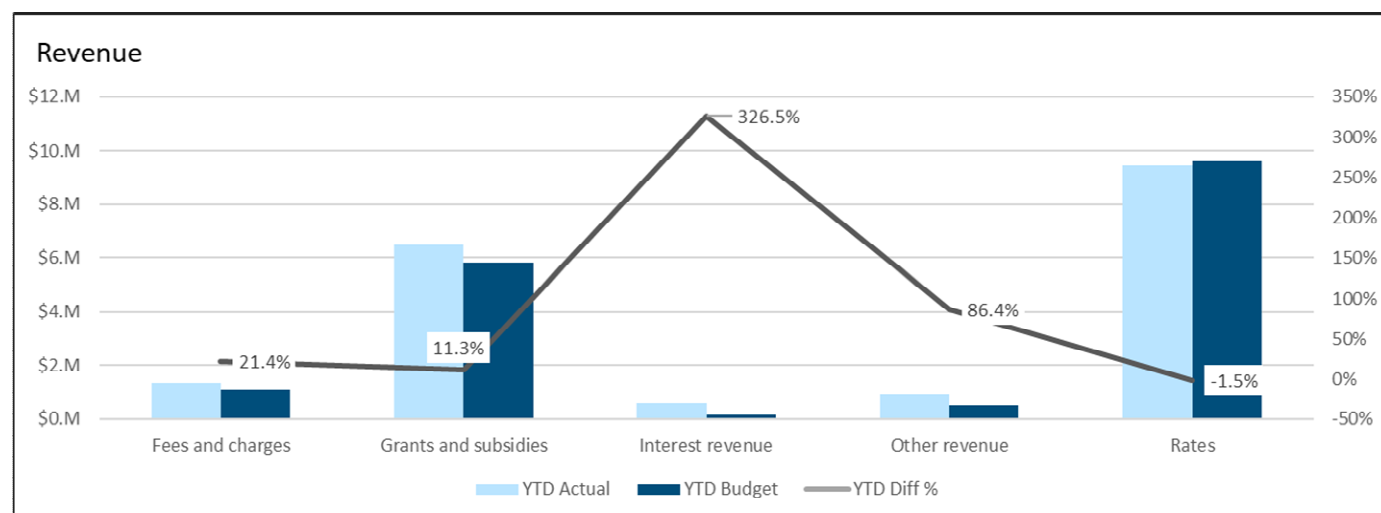
The liquidity risk policy requires us to maintain a minimum ratio of 110% which is also an LGFA covenant. Council's current liquidity risk is 145%.

Essential services ratio	57.11%
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Capital expenditure	\$1.9M
Depreciation	\$3.32M

Capital expenditure should be equal to or more than depreciation for essential services. Year to date capex is 57.11% of depreciation. Essential Services are Water Supply, Wastewater, Stormwater, and Roothing. The low % is largely attributable to delays in receiving invoices, which has lead to outstanding purchase orders relating to Essential Services projects totalling \$0.94M.

Revenue and Expenditure



Statement of Comprehensive Revenue and Expenditure

	Notes	Full Year Forecast (\$000)	Full Year Budget (\$000)	YTD Budget (\$000)	Actual YTD (\$000)	Variance YTD (\$000)	Var/Bud %
Revenue							
Rates	01	19,119	19,266	9,603	9,456	(147)	(1.53%)
Grants and subsidies	02	10,501	9,843	5,813	6,471	658	11.31%
Interest Revenue	03	707	268	135	574	439	326.53%
Fees and Charges	04	2,470	2,232	1,109	1,347	237	21.39%
Other revenue	05	1,660	1,235	493	919	426	86.39%
Total operating revenue		34,457	32,844	17,153	18,766	1,613	9.40%
Expenditure							
Employee Benefit expenses	06	6,305	6,274	3,137	3,168	31	0.99%
Finance Costs	07	1,381	1,130	565	816	251	44.37%
Depreciation	08	8,929	9,331	4,666	4,263	(402)	(8.62%)
Other expenses	09	16,898	15,643	7,833	9,089	1,255	16.02%
Total operating expenditure		33,513	32,378	16,201	17,336	1,135	7.00%
Operating Surplus/(Deficit)		944	466	952	1,430	478	50%

Notes to the Statement of Comprehensive Revenue and Expenditure

Comments are provided on permanent variances over \$25,000 only.

Note 1 - Rates							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Rates	19,119	19,266	9,603	9,456	(147)	(2%)	Variance is due to revenue from metered water charges being lower than forecast.
Total - Rates	19,119	19,266	9,603	9,456	(147)	(2%)	

Note 2 - Grants and Subsidies							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Grants & Contributions	2,711	2,638	1,320	1,392	73	6%	
Capital Subsidies	7,789	7,205	4,494	5,078	585	13%	Major funding is \$3.2M for the Hokitika swimming pool project.
Total - Grants and Subsidies	10,501	9,843	5,813	6,471	658	11%	

Note 3 - Interest Revenue							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Interest Revenue	707	268	135	574	439	327%	Interest on swaps is \$221k over budget, while the rest of the variance is attributable to interest from our term deposits and the current account. The positive variance of \$439k more than offsets the adverse increase of \$251k in finance costs against budget.
Total - Interest Revenue	707	268	135	574	439	327%	

Note 4 - Fees and Charges							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Inspection Fees	191	176	88	103	15	17%	increase in amount of inspections charged
Building Accreditation	43	45	23	20	(2)	(9%)	
Building Checks	10	5	3	8	5	183%	
Building Consents	98	77	38	60	21	56%	Increased Building consent numbers
Burial Fees	48	51	25	22	(3)	(12%)	
Camping Ground Licence Fees	3	3			-	0%	
Cass Square Hire Char	15	15	2	2	-	0%	
Compliance Certificates	69	77	38	31	(8)	(20%)	
Compliance Schedule Fees	59	38	19	40	21	113%	increase in complexity of jobs
Land Information Memo	71	75	38	33	(4)	(12%)	
Liquor Licenses	84	80	40	44	4	10%	
Monitoring Revenue	16	5	2	13	11	422%	Increased resource consent numbers
Photocopying Revenue	7	5	3	4	2	65%	
Processing Fees	384	293	146	238	91	62%	Increase in processing hours charged. This is offset by the variance in planning and building costs as the processing continues to be outsourced.
Refuse Site Fees	972	951	475	497	21	4%	
Resource Consents	223	165	83	140	58	70%	Increased resource consent numbers
Trade Waste Fees	93	110	55	38	(17)	(31%)	
Waste Levy	82	59	30	53	23	78%	
Total - Fees and Charges	2,470	2,232	1,109	1,347	238	21%	

Note 5 - Other Revenue

	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Impounding Fees	5	5	2	3	-	0%	
Petrol Tax Income	118	126	63	55	(8)	(12%)	
Rental	135	129	65	70	6	9%	
Reserve Fund Revenue	177	150	75	102	27	35%	12 recreation contributions to date (including one of \$63k)
Capital Contributions	14	14	7	7	-	0%	
Dividends	350	350			-	0%	
Dogs Registration	117	110	107	114	7	7%	
Fines	17	12	4	9	5	134%	Animal Control fines totalled \$21k in 22-23. The upward trend in these fines appears to be continuing.
Food Premises Licences	19	19	10	9	-	0%	
Gain on Swap	204			204	204	0%	Rising interest rates earlier in the year resulted in gains. Since then, we have recorded a loss in swaps of \$803k
Hairdressers Licences	1	3	1		(1)	(100%)	
Legal Fees Recovered	24	30	15	9	(6)	(41%)	
Donations	2	2	1		(1)	(65%)	
Mobile Shop Licences	2	3	1	1	(1)	(58%)	
PLBUILD - Commission	5	4	3	3	-	0%	
Recoveries	393	212	106	287	181	171%	Unbudgeted claims from DIA totalling \$200k for costs associated with the 3-Waters transition.
Retail Sales	9	11	6	4	(2)	(29%)	
Sundry Income	54	48	24	31	7	28%	
Total - Other Revenue	1,660	1,235	493	919	425	86%	

Employee Benefit expenses

Note 6 - Employee Benefit Expenses

	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Salaries & Wages	6,106	6,077	3,039	3,067	29	1%	
Superannuation	182	182	91	91		0%	Actual cost is relatively on track with budget
ACC Levy	16	14	7	9	2	32%	
Total -Employee Benefit Expenses	6,305	6,274	3,137	3,168	31	1%	

Finance Costs

Note 7 - Finance Costs

	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Finance Costs	1,381	1,130	565	816	251	44%	High interest rates. Offset by interest income.
Total - Finance Costs	1,381	1,130	565	816	251	44%	

Depreciation

Note 8 - Depreciation

	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Depreciation and Amortisation	3,682	2,987	1,494	2,188	695	47%	Timing. As more assets are capitalized throughout the year, monthly depreciation will increase and eventually catch up to the budget.
Unfunded Depreciation	5,247	6,344	3,172	2,075	(1,097)	(35%)	
Total - Depreciation	8,929	9,331	4,666	4,263	(402)	(9%)	

Other expenses							
Note 9 - Other expenses							
	Full Year Forecast (\$000's)	Annual Plan (\$000's)	Annual Plan YTD (\$000's)	Actual YTD (\$000's)	Variance YTD (\$000's)	Var/Bud %	Notes
Administrative Expenses	934	997	500	436	(64)	(13%)	Timing as much of this relates to software and computer costs, most of which is processed through prepayments.
CCO Management	721	721	361	360		0%	
Contractors	999	907	487	579	92	19%	Contractors used in processing building and resource consents over budget \$71k - offset by Fees and Charges. Unbudgeted MTFJ costs of \$29k for MTFJ management fee.
Electricity	530	508	254	276	22	9%	
Honorarium	366	368	184	183	(1)	(1%)	
Impairment	12			12	12	0%	Gorge bridge closed to the public for safety reasons and will be disposed of.
Insurance	584	556	278	306	28	10%	
Loss on Disposal	11			11	11	0%	Assets disposed of which still had a carrying amount.
Loss on Swaps	991	376	188	803	615	328%	Overbudget due to significant drops in interest rate swap rates. This is offset by gains made over the past couple of years. It is worth noting that, as shown in the balance sheet, the majority of our swaps are still assets i.e. earning interest.
Maintenance	5,399	5,045	2,522	2,877	355	14%	Roading maintenance: drainage and asset network maintenance collectively over by \$93k. Maintenance of 3 waters assets collectively over by \$248k
Management Contracts	1,001	1,012	506	496	(10)	(2%)	
MTFJ	75			75	75	0%	Unbudgeted, fully funded activity.
Other Expenses	3,195	3,239	1,400	1,357	(44)	(3%)	Data Collection - asset valuation fees \$44k over
Professional Services	870	646	323	547	225	70%	3 waters transition consultancy \$85k over - offset by recoveries. Unbudgeted consultancy fees for HQ appraisal \$92k (to be transferred to Capital Expenditure a.k.a. Assets Under Construction). PWC consultancy fees relating to treasury risk monitoring \$85k.
Rates	418	444	419	392	(27)	(6%)	
Refuse Collections	792	825	413	380	(33)	(8%)	
Total - Other expenses	16,898	15,643	7,833	9,089	1,255	16%	
Grand Total	944	466	952	1,430	478	50%	

Statement of Financial Position

	At 31 December 2023 \$000	Annual Plan 2023/24 \$000	Actual 2022/2023 \$000
Assets			
Current assets			
Cash & cash equivalents	6,639	4,311	8,378
Debtors & other receivables	4,755	3,135	2,809
Tax receivable	-	-	-
Derivative financial instruments	196	12	53
Other financial assets	3,100	-	48
Total Current Assets	14,691	7,458	11,288
Non-current assets			
Council Controlled Organisation	12,695	12,695	12,695
Deferred Tax	176	137	176
Intangible assets	135	225	151
Assets Under Construction	15,148	10,781	9,571
Derivative financial instruments	378	493	1,052
Other Financial Assets	627	771	553
Property, Plant and Equipment	511,926	516,239	515,928
Total Non-current assets	541,085	541,340	540,126
Total Assets	555,776	548,797	551,414
Liabilities			
Current liabilities			
Creditors & other payables	2,200	2,863	4,001
Employee benefit liabilities	618	507	521
Borrowings	3,000	-	3,000
Derivative financial instruments	-	-	-
Other	2,442	1,475	595
Total Current Liabilities	8,261	4,846	8,116
Non-current liabilities			
Deferred Tax	-	-	-
Employee benefit liabilities	31	36	30
Provisions	3,335	2,821	3,335
Borrowings	26,818	36,180	23,818
Derivative financial instruments	69	-	-
Total Non-Current Liabilities	30,253	39,038	27,183
Total Liabilities	38,513	43,883	35,299
Net Assets	517,263	504,914	516,115

	At 31 December 2023 \$000	Annual Plan 2023/24 \$000	Actual 2022/2023 \$000
Equity			
Retained Earnings	173,846	179,854	174,839
Restricted Reserves	10,073	6,481	10,073
Revaluation reserves	333,167	318,402	333,170
Other comprehensive revenue and expense reserve	177	177	177
Total Equity	517,263	504,914	518,260

Funding Impact Statements by Group (as at 31 December 2023)

Funding Impact Statement (for the Leadership group)

Group Level Funding Impact Statement			
	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Actual 2024 \$000
Leadership			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	829	2,087	525
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	126	128	35
Interest and dividends from investments	250	250	573
Local authorities fuel tax, fines, infringement fees, and other receipts	613	618	616
Internal charges and overheads recovered	7,425	7,797	3,296
Total Operating Funding (A)	9,243	10,880	5,045
Applications of Operating Funding			
Payments to staff and suppliers	5,498	5,768	4,121
Finance Costs	503	563	302
Internal charges and overheads applied	3,189	3,311	1,171
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	9,190	9,642	5,594
Surplus/(Deficit) of Operating Funding (A - B)	53	1,238	(549)
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	742	(107)	-
Gross proceeds from sale of assets	-	-	8
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	742	(107)	8
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	809	-	8
- to replace existing assets	102	99	142
Increase (decrease) in reserves	(116)	1,032	(691)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	795	1,131	(541)
Surplus/(Deficit) of Capital Funding (C - D)	(53)	(1,238)	549
Funding Balance ((A - B) + (C - D))	-	-	-

Funding Impact Statement (for the Planning & Regulatory group)

Group Level Funding Impact Statement			
	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Actual 2024 \$000
Planning & Regulatory			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	1,860	2,009	1,298
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	462	472	170
Fees and charges	743	759	697
Local authorities fuel tax, fines, infringement fees, and other receipts	229	234	150
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	3,294	3,474	2,315
Applications of Operating Funding			
Payments to staff and suppliers	2,265	2,343	1,542
Finance Costs	15	35	4
Internal charges and overheads applied	980	1,042	530
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	3,260	3,420	2,076
Surplus/(Deficit) of Operating Funding (A - B)	34	54	239
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	283
Development and financial contributions	-	-	-
Increase (decrease) in debt	616	(63)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	616	(63)	283
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	647	-	112
- to replace existing assets	72	-	-
Increase (decrease) in reserves	(69)	(9)	410
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	650	(9)	522
Surplus/(Deficit) of Capital Funding (C - D)	(34)	(54)	(239)
Funding Balance ((A - B) + (C - D))	-	-	-

Funding Impact Statement (for the Community Services group)

Group Level Funding Impact Statement			
	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Actual 2024 \$000
Community Services			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	613	629	208
Targeted Rates	959	992	640
Subsidies and grants for operating purposes	39	40	362
Fees and charges	-	-	-
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	3	3	1
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	1,614	1,664	1,211
Applications of Operating Funding			
Payments to staff and suppliers	966	996	917
Finance Costs	35	39	28
Internal charges and overheads applied	295	311	154
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	1,296	1,346	1,099
Surplus/(Deficit) of Operating Funding (A - B)	318	318	112
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	614	-	602
Development and financial contributions	-	-	-
Increase (decrease) in debt	(74)	(74)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	540	(74)	602
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	5
- to improve the level of service	-	-	219
- to replace existing assets	615	30	162
Increase (decrease) in reserves	243	214	329
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	858	244	715
Surplus/(Deficit) of Capital Funding (C - D)	(318)	(318)	(112)
Funding Balance ((A - B) + (C - D))	-	-	-

Funding Impact Statement (for the Facilities & Leisure Services group)

Group Level Funding Impact Statement			
	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Actual 2024 \$000
Facilities and Leisure Services			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	2,664	2,954	1,311
Targeted Rates	1,622	1,703	882
Subsidies and grants for operating purposes	48	49	-
Fees and charges	91	92	27
Local authorities fuel tax, fines, infringement fees, and other receipts	53	57	141
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	4,478	4,855	2,361
Applications of Operating Funding			
Payments to staff and suppliers	3,003	3,087	1,450
Finance Costs	165	335	123
Internal charges and overheads applied	510	546	226
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	3,678	3,968	1,799
Surplus/(Deficit) of Operating Funding (A - B)	800	887	562
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	639	505	3,941
Development and financial contributions	-	-	-
Increase (decrease) in debt	4,973	2,756	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	5,612	3,261	3,941
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	904	929	18
- to improve the level of service	3,108	2,927	3,032
- to replace existing assets	2,979	683	461
Increase (decrease) in reserves	(579)	(391)	992
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	6,412	4,148	4,503
Surplus/(Deficit) of Capital Funding (C - D)	(800)	(887)	(562)
Funding Balance ((A - B) + (C - D))	-	-	-

Funding Impact Statement (for the Transportation group)

Group Level Funding Impact Statement			
	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Actual 2024 \$000
Land Transport			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	3,282	3,353	1,618
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	2,013	1,975	860
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	5,295	5,328	2,478
Applications of Operating Funding			
Payments to staff and suppliers	3,127	3,128	1,593
Finance Costs	19	21	21
Internal charges and overheads applied	525	554	260
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	3,671	3,703	1,874
Surplus/(Deficit) of Operating Funding (A - B)	1,624	1,625	604
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	2,434	3,584	241
Development and financial contributions	-	-	-
Increase (decrease) in debt	(48)	(48)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	2,386	3,536	241
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	3,309	4,575	529
Increase (decrease) in reserves	701	586	315
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	4,010	5,161	844
Surplus/(Deficit) of Capital Funding (C - D)	(1,624)	(1,625)	(604)
Funding Balance ((A - B) + (C - D))	-	-	-

Funding Impact Statement (for the Water Supply group)

Group Level Funding Impact Statement			
	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Actual 2024 \$000
Drinking Water			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted Rates	3,752	3,870	1,247
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Interest and dividends from investments	2	2	
Local authorities fuel tax, fines, infringement fees, and other receipts	8	8	(11)
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	3,762	3,880	1,236
Applications of Operating Funding			
Payments to staff and suppliers	1,228	1,276	1,300
Finance Costs	91	102	97
Internal charges and overheads applied	1,042	1,100	517
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	2,361	2,478	1,914
Surplus/(Deficit) of Operating Funding (A - B)	1,400	1,402	(678)
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(188)	(221)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	(188)	(221)	-
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	31	-	847
- to replace existing assets	164	309	126
Increase (decrease) in reserves	1,017	872	(1,651)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	1,212	1,181	(678)
Surplus/(Deficit) of Capital Funding (C - D)	(1,400)	(1,402)	678
Funding Balance ((A - B) + (C - D))	-	-	-

Funding Impact Statement (for the Drainage/Stormwater group)

Group Level Funding Impact Statement			
	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Actual 2024 \$000
Stormwater			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted Rates	944	986	307
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	944	986	307
Applications of Operating Funding			
Payments to staff and suppliers	165	179	158
Finance Costs	95	108	63
Internal charges and overheads applied	217	229	108
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	477	516	329
Surplus/(Deficit) of Operating Funding (A - B)	467	470	(22)
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(144)	(209)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	(144)	(209)	-
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	10	10	-
- to improve the level of service	61	-	32
- to replace existing assets	243	165	123
Increase (decrease) in reserves	9	86	(177)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	323	261	(22)
Surplus/(Deficit) of Capital Funding (C - D)	(467)	(470)	22
Funding Balance ((A - B) + (C - D))	-	-	-

Funding Impact Statement (for the Sewerage/Wastewater group)

Group Level Funding Impact Statement			
	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Actual 2024 \$000
Wastewater			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted Rates	1,645	1,776	413
Subsidies and grants for operating purposes	-	-	-
Fees and charges	111	113	38
Interest and dividends from investments	6	6	1
Local authorities fuel tax, fines, infringement fees, and other receipts	2	2	7
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	1,764	1,897	459
Applications of Operating Funding			
Payments to staff and suppliers	458	501	548
Finance Costs	109	147	102
Internal charges and overheads applied	246	260	122
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	813	908	772
Surplus/(Deficit) of Operating Funding (A - B)	951	989	(312)
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	662	636	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	662	636	-
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	317	324	16
- to improve the level of service	614	628	104
- to replace existing assets	2,286	2,316	120
Increase (decrease) in reserves	(1,604)	(1,643)	(552)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	1,613	1,625	(312)
Surplus/(Deficit) of Capital Funding (C - D)	(951)	(989)	312
Funding Balance ((A - B) + (C - D))	-	-	-

Funding Impact Statement (for the Solid Waste group)

Group Level Funding Impact Statement			
	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Actual 2024 \$000
Solid Waste			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	1,245	1,275	596
Targeted Rates	798	815	413
Subsidies and grants for operating purposes	-	-	-
Fees and charges	773	831	549
Local authorities fuel tax, fines, infringement fees, and other receipts	10	10	4
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	2,826	2,931	1,562
Applications of Operating Funding			
Payments to staff and suppliers	2,065	2,136	1,007
Finance Costs	66	73	80
Internal charges and overheads applied	420	443	208
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	2,551	2,652	1,295
Surplus/(Deficit) of Operating Funding (A - B)	275	279	267
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	9
Development and financial contributions	-	-	-
Increase (decrease) in debt	(160)	(131)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	(160)	(131)	9
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	46
- to replace existing assets	51	84	23
Increase (decrease) in reserves	64	64	207
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	115	148	276
Surplus/(Deficit) of Capital Funding (C - D)	(275)	(279)	(267)
Funding Balance ((A - B) + (C - D))	-	-	-

Capital Expenditure

Capital Projects 2023/24

As at 31/12/2023

Project / Activity	YtD Expenses	Carry f/wd + Annual Plan	Forecast
	\$0	\$0	\$0
Leadership			
	142,402	512,049	512,049
Planning & Regulatory Services			
	112,237	1,778,752	1,778,752
Library & Museum			
	67,538	883,663	883,663
Water Supply			
	972,998	1,954,048	1,954,048
Waste Water			
	240,408	1,586,805	1,586,805
Solid waste			
	68,984	822,760	822,760
Storm water			
	155,079	228,340	228,340
Cemeteries			
	19,796	98,150	98,150
Swimming pools			
	2,238,331	2,197,950	2,197,950
Facilities & leisure services - other			
	470,207	3,068,416	3,068,416
Parks & reserves			
	1,078,905	7,990,728	7,990,728
Land transportation			
	529,389	3,741,538	3,741,538
Unbudgeted capital expenditure			
	17,088	0	0
Funded Projects			
	12,887	0	0
Total	6,126,250	24,863,199	24,863,199

For full details, please refer to report from District Assets.

Treasury Report

Summary

The purpose of this section of the Quarterly Report is to provide an update on Council's Treasury Position as at **31 December 2023**.

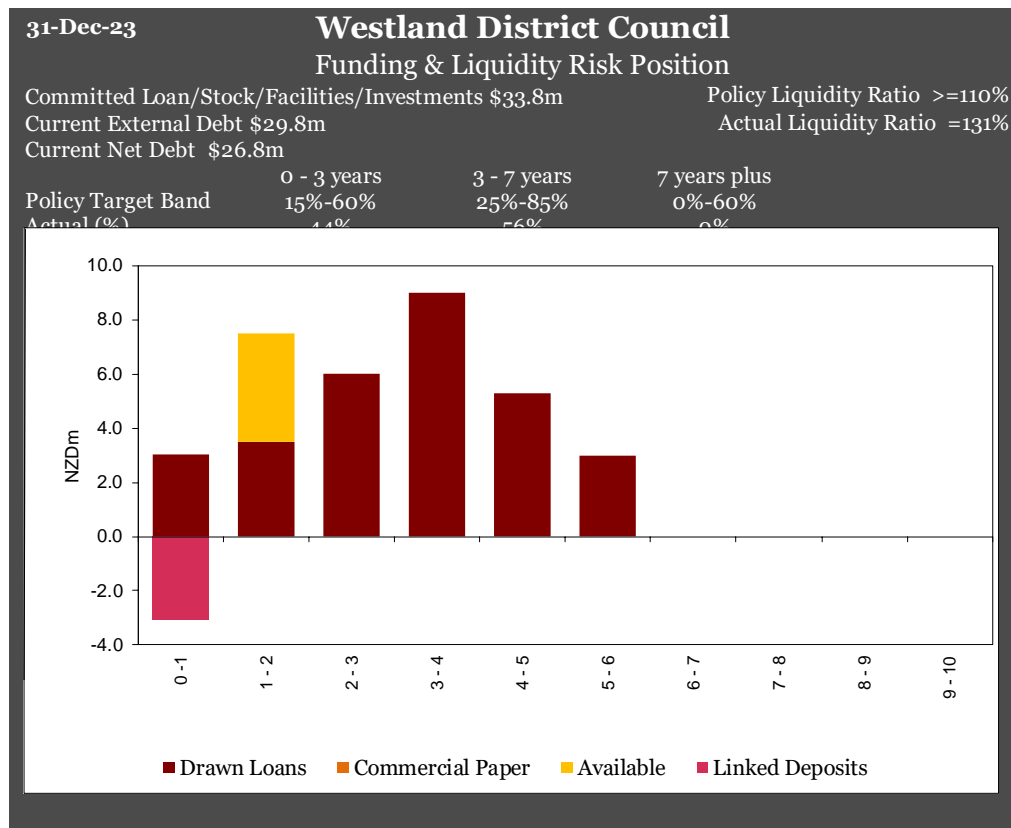
This section shows the Council's position for the following items:

- Council's debt position
- Debtors (Sundry and Rates)
- Loans
- Other Borrowings (if any)
- Swap
- Internal borrowing
- Cash Investments
- Deposits
- Debtors by Activity & Debt collection
- Reserve Funds report

Council has contracted PWC as an independent treasury adviser.

Loans

This chart illustrates the Council's position in relation to the debt facility:



Liquidity and Funding Risk Control Limits:

Maturity band limits were amended into three bands: 0 - 3 years, 3 - 7 years and 7 years plus. Minimum and maximum percentage limits within each maturity band ensure a spread of maturities and reduces the risk of maturity concentrations.

Council's policies require a liquidity cover of 110% of current debt. Council has 3.1m of term deposits and \$6.30m cash at bank available as at 31 December 2023 and a \$4m credit facility with Westpac which resulted in a liquidity coverage ratio of 131%. The forecast debt for the current financial year is \$32.8m.

Amount	Rate	Maturity
3,000,000	5.71%	15/04/2024
2,300,000	5.71%	15/04/2025
1,200,000	5.71%	15/04/2025
18,352	7.05%	1/07/2025
1,500,000	5.71%	15/04/2026
1,000,000	1.39%	15/04/2026
1,500,000	1.14%	15/04/2026
2,000,000	5.71%	15/04/2026
1,500,000	3.88%	15/04/2027
1,500,000	1.23%	15/04/2027
3,000,000	5.71%	15/04/2027
3,000,000	5.71%	15/04/2027
1,300,000	5.71%	18/04/2028
1,000,000	5.64%	15/05/2028
3,000,000	5.64%	15/05/2028
3,000,000	5.67%	20/04/2029
29,818,352	Total	

Except for the fourth item in the table above all loans are obtained from LGFA. The interest rates shown above for LGFA bonds do not include margins of up to 1.1% charged by LGFA.

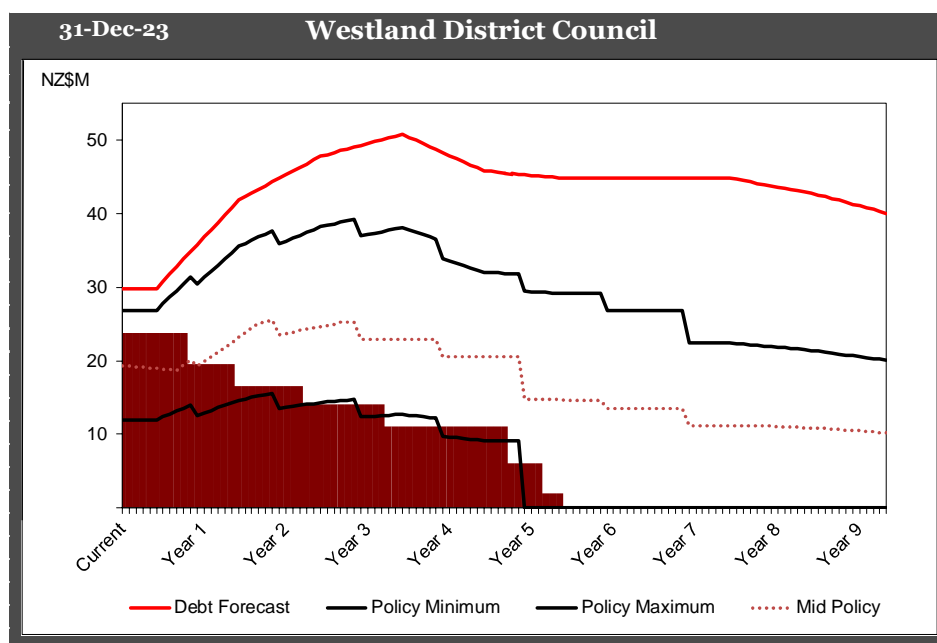
Swaps

Amount	Rate	Maturity
4,300,000	0.670%	17/11/2024
3,000,000	2.760%	15/06/2025
5,000,000	3.970%	2/10/2028
4,000,000	3.480%	15/03/2029
2,000,000	2.750%	15/06/2029
3,000,000	4.350%	15/03/2030
21,300,000	Total	

Out of the \$21.3m Swaps portfolio above, only 1 swap (\$3M) has a future effective date and is not considered as a live Swap.

Interest Rate Risk Position

The interest rate risk position visually represents the Council's interest rate position within approved interest rate control limits as set out in Council's Liability Management Policy.



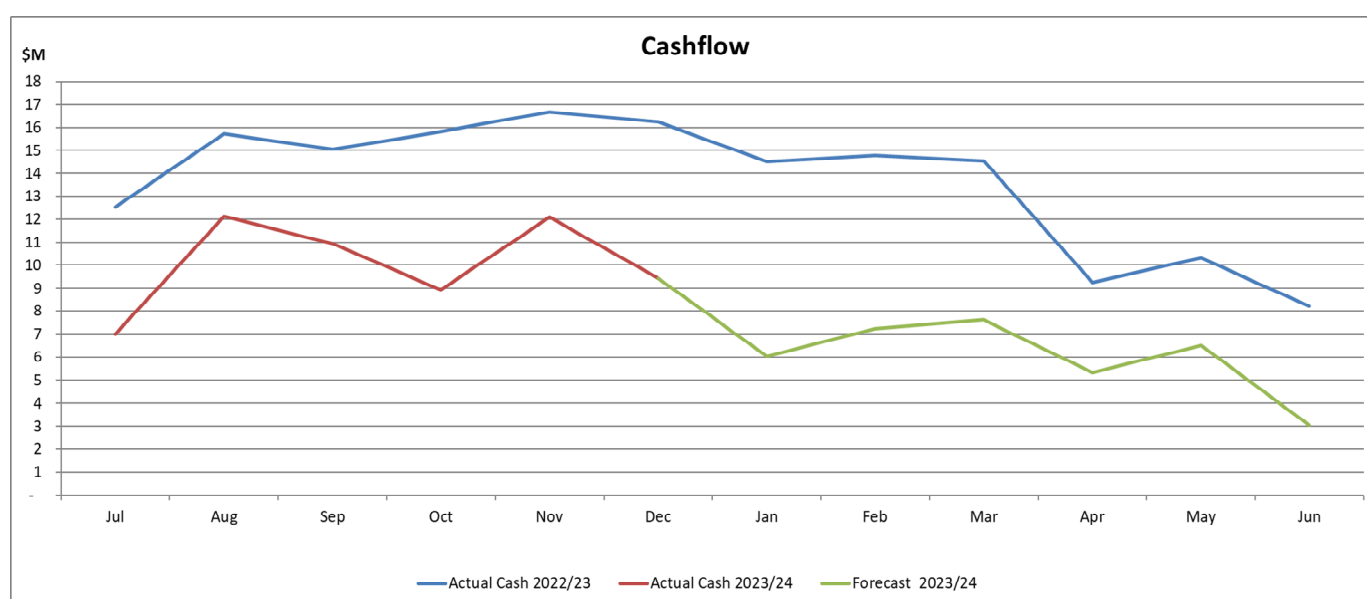
Internal Borrowing

Internal Borrowing as at 31 December 2023

	\$
Kaniere sewerage	29,198
Hannah's Clearing water services	8,180
Total	37,378

Cash Investments

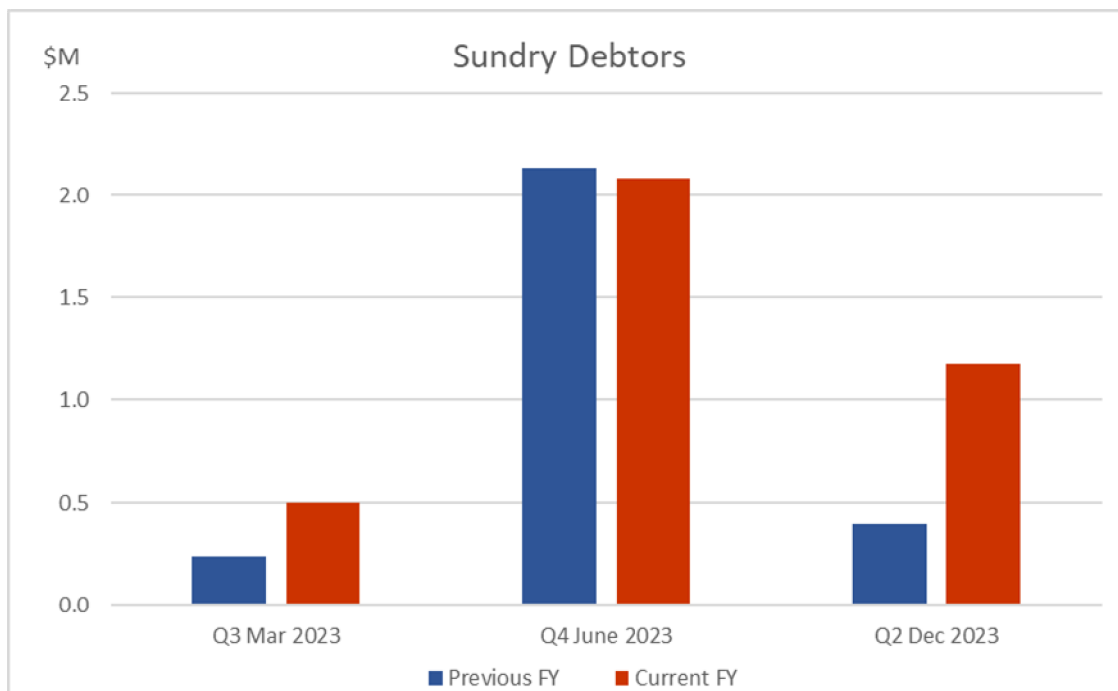
Cash flow actual/ forecast as at 31 December



Debt position

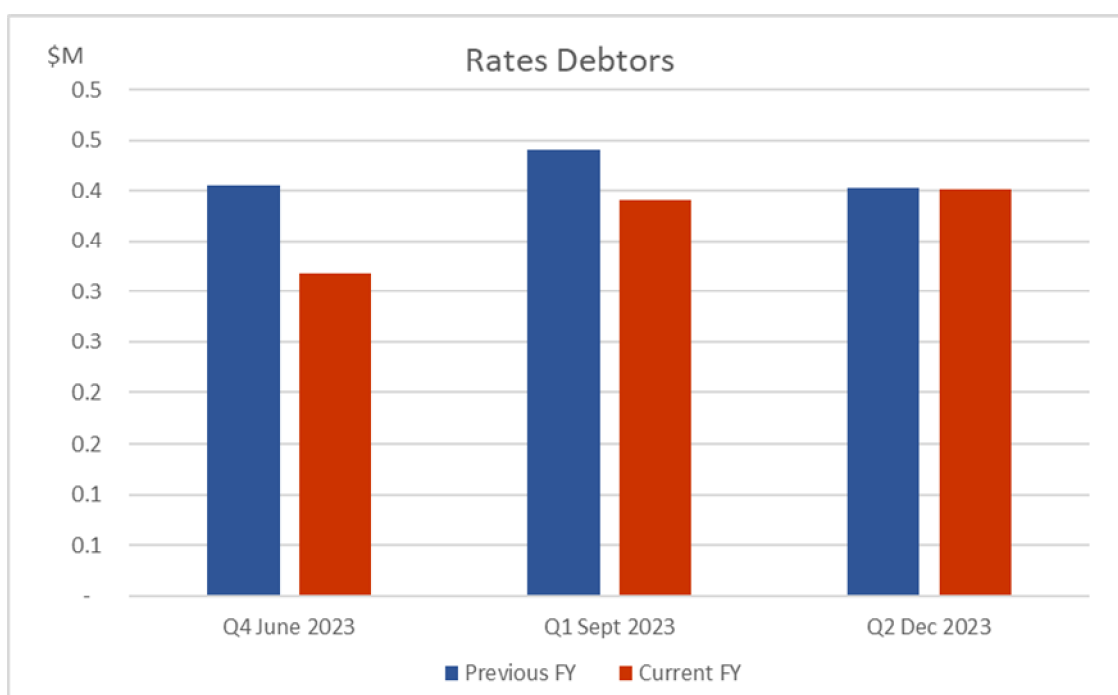
Sundry debtors

Outstanding Sundry debtors as at 31 December 2023 stands at \$1,176k which is \$782k higher than Q2 2022/23 financial year sundry debtors at \$394k.



Rates debtors

At 31 December, rates debtors figure total \$402k which is \$1k less than Q2 2022/23 financial year rates debtors at \$403k.



Debtors by activity

31/12/2023					
Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building Consents	25,833	7,499	18,081	48,508	99,921
Building Warrants	1,064	1,803	745	2,737	6,349
Resource Consents	16,916	2,775	6,785	31,100	57,576
Sundry Debtors	29,390	7,181	483,287	492,766	1,012,625
Grand Total	73,203	19,258	508,898	575,112	1,176,470
31/12/2022					
Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building Consents	15,321	6,564	13,096	7,756	42,736
Building Warrants	885	1,174	220	199	2,478
Resource Consents	610	160	7,210	8,821	16,801
Sundry Debtors	114,055	19,293	20,042	180,407	333,796
Grand Total	130,871	27,191	40,567	197,183	395,812

Debt collection

Credit Recoveries performance as at 31 December for active debt:

Credit Collection					
Dec-23					
Credit Recoveries Ltd	Opening Balance	Debt Placed	Paid to us	Balance Outstanding	Recovery Rate
Sundry Debtors	660	-	-	660	0.0%
Rates Debtors	-	-	-	-	

Resolve Collections Ltd	Opening Balance	Debt Placed	Paid to us	Balance Outstanding	Recovery Rate
Sundry Debtors	21,240	1,228	120	22,348	1%
Rates Debtors	143,039	11,376	22,207	132,208	14%

Total Credit Collection	164,939	12,604	22,327	155,216	13%
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The relationship between Council and the debt recovery agency is being actively managed with regular meetings and guidance from Finance. This proactive approach has assisted with the success of the debt management process and reduction of overdue debtors.

Further debts will be referred to debt recovery only where internal processes have proven unsuccessful.

Reserve Funds Report

Summary

Reserves are divided into two categories:

Restricted Reserves: These reserves can only be used for the purpose as set out in either legislation or by the funder.

Council Created Reserves: These reserves exist solely at the discretion of Council, as a matter of good business practice.

Financial Management Principles for Reserve Funds

- There are no reserves that are required to be represented by specific cash funds. Council therefore takes a portfolio approach to treasury management.
- Reserves are funded by interest income from investments and available borrowing capacity.
- Reserve balances will grow by interest calculated at the weighted average 90 day bill rate, transferred quarterly into the reserve.
- During 2023/2024 new depreciation reserves will grow quarterly. Interest will be earned on those reserves calculated based on the average 90 day bill rate. This will be funded from external interest revenue (or deficit reserves – internal borrowing) for 2023/2024.
- Interest will be charged on any reserve in deficit at Council's weighted average cost of asset term debt.
- No funds shall be withdrawn from any reserve unless provided for in the Annual Plan or by Council resolution.

Council Created Reserve Funds					
Reserve	Purpose of each reserve fund	Balance 1 July 2023 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 31 Dec 2023 \$000
Kumara Township fund	Township funding for the purpose of community related projects		7		7
HariHari township	Township funding for the purpose of community related projects	2	7	(14)	(5)
Whataroa township	Township funding for the purpose of community related projects	2	7	(9)	(1)
Ross township	Township funding for the purpose of community related projects		7	(14)	(7)
Haast township	Township funding for the purpose of community related projects	(3)	7	(14)	(10)
Franz township	Township funding for the purpose of community related projects	2	17	(35)	(16)
Fox township	Township funding for the purpose of community related projects	1	17	(35)	(18)
Kokatahi community fund	Township funding for the purpose of community related projects		4		5
Foreshore	Foreshore Protection for groyne replacement on the foreshore.	12			12
Glacier country promotions	Targeted rates collected from Glacier Country to provide funding for marketing projects.		38	(78)	(41)
Prestons bush	Mr Preston donated the reserve to Council. This fund was for the community to beautify the bush with tracks and interpretation boards.				
HariHari community complex	The Harihari Pony Club land was sold and the funding was to go towards a new community complex. (Another \$100,000 is allocated from the Reserve Development Fund.)	72	2		74
Guy Menzies trust	Surplus from Guy Menzies Day Event.	1			1
Emergency contingency fund	Fund to support Westland in a Civil Defence emergency.	67	2		69
Marks Road reserve fund	Net Sale proceeds of section of Marks Road Reserve to be split between Haast Civil Defense and the Haast Community	91	3	(1)	93
Transport renewals	For funding the renewal of roads and bridges.	1138	30	(113)	1055
Water renewal	For funding the renewal of water supplies networks	3086		(756)	2330
Waste water renewal	For funding the renewal of sewerage and sewage networks	1980		(3)	1977
Solid Waste Renewal	For funding the renewal of solid waste systems	(9)			113
Stormwater renewal	For funding the renewal of stormwater systems	732			709
Parks and Reserves renewals	For funding Parks, Reserves, Public Toilets, Ross Pool and Cemeteries Asset Renewal	939	27		966
Building renewals	For renewal of all Council operational buildings.	1625	46	(8)	1663
Administration renewals	For renewal of office equipment, furniture, technical equipment, vehicles and technology	586	15	(110)	491
Library renewals	To replace library books	330	9	(28)	311
Westland Racing Club reserve fund	Westland Racing Club transferred the racecourse and \$250k to WDC	226	6		231
General Rates Funding Reserve	For operating costs not covered by rates due to iholding rates to a maximim rate percentage increase	(2020)			(2020)
Total Council Created Reserves		8,862	252	(1,219)	7,993
Restricted Reserve Funds					
Reserve	Purpose of each reserve fund	Balance 1 July 2023 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 31 Dec 23 \$000
Offstreet Parking	Collected from developments in town to pay for off-street parking. Imposed by RMA/District Plan	63	2		65
Reserve Development	Monies collected from developments. Imposed by RMA/District Plan	546	119	(10)	655
Museum Assistance Fund	Originally the Museum Bequest Fund	40	1		41
Kumara Endowment Fund	Proceeds from sale of Endowment land. Our brief research has not identified the specific terms of the endowment.	379	11		390
Euphemia Brown Bequest	Interest earned on funds administered by Public Trust Offices for the estates of Euphemia & William E. Brown.	26	1		26
Mayoral Relief Funds	Contributions from James & Margaret Isdell Trust and Coulston Herbert Trust	27	1		28
Three Mile Domain	To fund the Three Mile Domain costs	78	2		80
Ross Endowment Land	Various endowment land parcels in Ross sold over time.	55	2		57
Graffiti	Grant funding received	4			4
Big Brothers Big Sisters	Grant funding received	(1)			(1)
Community Patrol	Grant funding Received				1
Taxi Chits	Grant funding received	(5)		(1)	(6)
Total Restricted Reserves		1,212	139	(11)	1,340
Total Reserves		13,111	10,976	(13,885)	10,202

Report to Committee



DATE: 8 February 2024

TO: Risk and Assurance Committee

FROM: HR Advisor

Approval of Revised Policies

1. Summary

- 1.1. The purpose of this report is to present new and revised policies (as attached in Appendix 1) for endorsement:
 - 1.1.1. Leave Policy (revised and replacing Family Violence Leave Policy and Sick Leave Gifting Policy)
 - 1.1.2. Anti-Bullying Policy (replacing Harassment and Bullying Policy)
- 1.2. This issue arises from the Terms of Reference (ToR) to review policy as part of Internal Control.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 31. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that the Risk and Assurance Committee receive the policies as above.

2. Background

- 2.1. The reason the report has come before the Risk and Assurance Committee is due to the delegated authority to review policies as part of Councils internal controls.
- 2.2. The Leave Policy required review in accordance with the three-year review cycle and is necessary to inform staff of leave entitlements and processes over and above minimum legislative requirements. It replaces the Family Violence Leave Policy and the Sick Leave Gifting Policy.
- 2.3. The Anti-Bullying Policy replaces the Harassment and Bullying Policy which was due for review in October 2022.

3. Current Situation

- 3.1. The revised Leave Policy was updated by the HR Advisor and adopted by the Executive Leadership Team 3 July 2023.
- 3.2. The new Anti-Bullying Policy was reviewed by the Well-being/Hauora Sub-Committee and the Health and Safety Committee in July 2023 and was adopted by the Executive Leadership Team on 13 November 2023.

4. Options

4.1. Option 1 – Receive the following new/revised policies:

4.1.1. Leave Policy

4.1.2. Anti-Bullying Policy

4.2. Option 2 – Do not receive new and revised policies as above

4.3. Option 3 – Review the new and revised policies as above with recommendations for amendments.

5. Risk Analysis

5.1. Risk has been considered and the following risks have been identified:

5.1.1. Financial, legal and reputational risks of:

5.1.1.1. failing to comply with legislative requirements for leave and health and safety potentially resulting in personal grievances and/or WorkSafe complaints.

5.1.1.2. Damage to reputation from allegations of bullying

6. Health and Safety

6.1. Health and Safety has been considered and the following items have been identified:

6.1.1. Risk to health and safety of staff from failing to comply with Health and Safety at Work Act 2015.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low.

7.1.1. No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – Receive the new and revised policies

8.1.1. There are no financial implications to this option; **or**

8.2. Option 2 – Do not receive the new and revised policies as above

8.2.1. Potential for legal, financial and reputational risk as above; **or**

8.3. Option 3 – Receive the new and revised policies as above with recommendations for amendments.

8.3.1. There are no financial implications to this option

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1

9.2. The reason that Option 1 has been identified as the preferred option is that these policies have been through internal peer review, relevant committees and the Executive Leadership Team for approval.

10. Recommendation(s)

10.1. That the report be received.

10.2. That the following policies be received by the Risk and Assurance Committee:

10.2.1. Leave Policy

10.2.2. Anti-Bullying Policy

Kate Campbell

HR Advisor

Appendix 1:

Leave Policy

Anti-Bullying Policy

Leave Policy

1. Purpose

To inform staff of leave entitlements and Westland District Council processes for managing leave including sick leave, ACC leave, bereavement leave, annual leave, professional development leave, leave without pay, family violence leave, parental leave, long service leave, jury service leave and time off in lieu.

1.1 Scope

This policy applies to all employees of Westland District Council. Casual employee entitlements may vary in accordance with legislative requirements. The policy does not apply to contractors or consultants. This policy replaces the Leave Policy, the Family Violence Leave Policy and the Draft Sick Leave Gifting Policy

1.2 Commencement

This policy comes into force once confirmed by the ***Risk and Assurance Committee at their next meeting.***

1.3 Definitions

Annual leave	Minimum of four weeks' paid holidays per year, or 8% pay as you go for casual employees
Sick leave	Up to 10 days leave per year when an employee is sick or injured, or when the employee's spouse or partner or a person who depends on the employee for care is sick or injured.
ACC leave	Where an employee is on leave due to an accident or injury covered by ACC
Bereavement leave	Paid leave on the death of immediate family (3 days) and others (1 day)
Professional development leave	Paid or unpaid leave to undertake training or professional development
Leave without pay (LWOP)	Additional leave taken with no pay at employer's discretion
Family violence leave	10 days paid leave when an employee is affected by family violence, or when a child living with them is affected by family violence.
Parental leave	Government paid and unpaid leave to care for a child under 6 years. Can include Primary carer leave and surrogacy, special leave, partner's leave, extended leave and negotiated carer leave
Time off in lieu (TOIL)	Taking the equivalent amount of time off normal working hours as have been worked as overtime.
Long service leave	Additional leave entitlement based on long service
Jury service leave	Leave to provide Jury Services as requested by Ministry of Justice
Accrued leave	Leave that adds up over the year before it becomes an entitlement, i.e. four weeks' annual leave is accrued at approximately 1.66 days per month.
Family violence	Defined by the Family Violence Act (2018) to include physical, sexual, and psychological abuse, against anyone with whom the perpetrator of violence is in, or has been in, a family relationship with.

2. Policy

All leave will be managed in accordance with employment agreements and relevant legislative requirements i.e. Employment Relations Act 2000, Holidays Act 1993, Family Violence Act 2018. For further information please refer to [Leave and holidays – A guide to employees' legal entitlements \(employment.govt.nz\)](https://www.employment.govt.nz/leave-and-holidays)

As such, this policy provides further clarification on anything that is specific to Westland District Council in regards to how the legislation is applied or entitlements over and above legislative requirements.

2.1 Annual Leave

- Statutory requirements as per the Holidays Act 2003 and its subsequent amendments will be adhered to.
- Staff are able to take annual leave as it accrues; staff do not have to wait until annual leave becomes an entitlement before taking it.
- Managers cannot unreasonably withhold access to accrued annual leave, but retain the right to negotiate the timing of when leave is to be taken in respect to the organisation's operational needs.
- Staff are encouraged to take annual leave in the year in which it becomes an entitlement.
- Staff may cash up annual leave per the requirements of the Holidays Act 2003 Amendment (section 28)
- Staff with a five week annual leave entitlement may cash up two week's leave, the fifth week being classed as "special leave".

2.2 Sick Leave

- If you are unable to attend work due to illness and/or injury, you are required to notify your manager by phone within thirty minutes of your usual start time.
- A medical certificate may be required for more than three consecutive days sick leave.
- Sick leave may be gifted to other staff at the Chief Executive's discretion.

2.2.1 Accident or Injury

- If an employee has an accident or injury covered by the Accident Compensation Corporation (ACC) scheme, the following apply:
 - If an employee has a work-related or non-work related accident and gets weekly compensation, the employer can't make the employee take time off as sick leave or as annual holidays.
 - If an employee is getting weekly compensation from ACC, the employer doesn't have to pay the employee.
 - If the period of leave on ACC is more than five days, the employer and employee can agree that the employer will top up the ACC payment from 80 to 100% by using one day of the employee's sick leave for every five days' leave taken.
- **Non-work related accident-** When the employee is taking leave for the first week of a non-work accident, they can use sick leave and/or annual leave if they have any.
- **Work-related accident**
 - If an employee has a work-related accident, the employer has to pay "first week compensation" equivalent to 80% of the employees' earnings and can't make the employee take the time as sick leave or as annual leave.
 - If an employee is getting "first week compensation" for a work-related accident, an employer and employee can agree that the employer will top up the first week from 80 to 100% by using one day of the employee's sick leave for every five days' leave.

2.3 Leave Without Pay

- Leave without pay is only available if there is no entitlement or accrued leave available.
- Leave without pay must be applied for by staff through their Manager using the on-line payroll system. The line manager can approve up to 10 days, over 10 days must have Chief Executive approval.

2.3.1 Family Violence Leave

- Staff experiencing family violence are entitled to 10 days of paid family violence leave, per 12 months of employment, following the completion of 6 months' continuous employment. This may be requested through Datacom as "Special Leave" in order to protect privacy.
- An employee cannot carry forward any family violence leave not taken by the end of the 12 month period. The employer may agree to family violence leave in advance of entitlement at their discretion.
- If an employee is taking annual leave and then becomes entitled to take Family Violence leave, the employer must allow the employee to take any period effected by family violence as Family Violence Leave.
- Leave Without Pay may be available for employees who are supporting a victim of family violence, for example to go with them to court, to hospital or to mind children, at the employer's discretion.
- The employer will not require proof of the applicant's experience of family violence but trusts that applications for this leave will be made truthfully and in good faith.
- If the employer has reasonable grounds to consider that an application for family violence leave may not be genuine, they may request additional documentation in support of the application. For example, a medical certificate from a trusted medical professional, attesting to physical health or otherwise; a document from a government agency or organisation; and a letter from a non-government organisation, charity, or other agency.
- Employees experiencing family violence, are entitled to request a (short-term) variation of working arrangements in accordance with the Employment Relations Act 2000 and the Flexible Work Policy. In the circumstances where the employer declines a request for a variation to working conditions, alternative options will be considered in consultation with the employee.
- A workplace safety plan will be developed for the employee who is concerned about their safety at work due to family violence. This plan may include stopping the perpetrator from contacting the employee at work; delegating a specific car park or flexible work hours or any other measures that are deemed appropriate at the employer's discretion.

2.4 Parental Leave

- Parental leave and the various types thereof is available in accordance with the Parental Leave and Employment Protection Act 1987

2.5 Time Off in Lieu (TOIL)

- Any additional hours worked are to be approved by the Manager before the time is worked.
- TOIL must be requested using the on-line payroll system and taken before any annual leave or leave without pay is taken.
- TOIL must not accumulate to more than five days leave, except by prior agreement with the line manager. Once five days of TOIL has been accumulated no more additional hours should be worked until the TOIL has been reduced. The exception is that a line manager may allow TOIL to be accumulated in excess of five days at the manager's sole discretion e.g. more than one adverse event in a month.

- As best practice, and to ensure the employee is able to recover from working extra hours, TOIL should be taken within one month of being earned. An extension to this timeframe will be at the Manager's discretion.

2.6 Professional Development Leave

- Any leave for training or professional development is at the Manager's discretion and must be approved in advance and align with the requirements of the Position Description.

2.7 Long Service Leave

- Recognition of long service is in accordance with the Collective Employment Agreement or otherwise at the Chief Executive's discretion.

2.8 Jury Service Leave

- Employees who have been called up for jury service must attend and they will not be disadvantaged at work as a result.
- If absence from work will cause significant difficulty because of special commitments, the Chief Executive or Group Manager can give a letter to support an application to be excused or have service deferred.
- Employees on jury service will be paid their usual salary and reimburse Council Jury service payments received.

2.9 General Provisions

- The operational needs of Council will be taken into consideration when approving or not approving all leave requests.
- If in doubt, provisions in employment agreements and legislative entitlements prevail over this policy.
- In the event an employee is unable to attend work, e.g. unplanned absence due to bereavement or other unforeseen circumstances, they are required to notify their manager as soon as possible, and no later than 30 minutes prior to normal start time.
- Managers are responsible for:
 - monitoring employee leave balances
 - ensuring that leave requests are responded to within a reasonable timeframe
 - maintaining confidentiality regarding leave requests
 - approving leave in accordance with employee entitlements.

3. Reporting

- Work related accidents and incidents must be reported using the LaserFiche reporting form
- The Executive Leadership Team will receive collated reports on staff leave.

4. Related Documents and Acts

The following Westland District Council documents relate to this policy:

- WDC Employee Code of Conduct
- Westland District Council Union Collective Employment Agreement

Leave Policy

- Individual Employment Agreements
- Flexible Work Policy

The following Legislation relates to this policy:

- Holidays Act 2003
- Employment Relations Act 2000 and amendments
- Family Violence Act 2018
- Parental Leave and Employment Protection Act 1987
- Privacy Act 2020

Staff are also referred to:

- Cashing Up Annual leave Form
- Employee Assistance Programme (EAP) 0800 327 669 www.eapservices.co.nz
- [Leave and holidays – A guide to employees' legal entitlements \(employment.govt.nz\)](http://employment.govt.nz)

5. Policy Review

To be reviewed within three years, or if there is a legislation change affecting this policy.

Revised:	July 2023	Date for review:	July 2026
Author:	HR Advisor	Authorised by:	Exec Team 03.07.23
Consulted on:		Version	2.0

1. Purpose

Westland District Council (Council) is committed to providing and maintaining an environment that is safe and free from all forms of harassment and bullying.

1.1 Scope

This policy applies to employees, contractors, volunteer workers, visitors and members of the public working on or visiting Council buildings, facilities and worksites. Harassment and bullying can occur both on and off work premises and both inside and outside working hours. However, behaviour will only amount to workplace harassment and bullying in employment if the harassment would not have occurred but for the employment relationship between the perpetrator and the complainant.

1.2 Commencement

This policy comes into force once confirmed by the **Risk and Assurance Committee at their next meeting.**

1.3 Definitions

“Harassment” - a pattern of behaviour (two or more separate events within a 12-month period) directed at someone which makes that person feel distressed or unsafe.

“Bullying” - repeated and unreasonable behaviour directed towards a worker or a group of workers that can cause physical or mental harm. Bullying can be physical, verbal, psychological or social. This may include victimising, humiliating, intimidating or threatening a person. A single or occasional incident of insensitive or rude behaviour towards another person isn’t considered workplace bullying, but it could become more serious and shouldn’t be ignored. Managing performance in line with business policies and processes is not bullying. Bullying can happen not just between managers and staff, but also among co-workers, contractors, customers, clients or visitors.

2. Policy

2.1 Management commits to:

- establishing respect for the broad range of human values and character strengths required for this organisation to succeed
- actively looking for ways to create a positive workplace (‘healthy work’) that workers feel is pleasant, fair, rewarding and positively challenging
- encouraging positive leadership styles and investing in our managers to achieve this
- training key workers to receive bullying reports and give support and advice
- directing attention towards behaviour rather than people, and aiming to promote harmonious relationships across the organization
- providing workers who believe they’ve been bullied with a range of options to resolve the issue
- promoting low-key solutions before formal actions where appropriate
- aiming to repair the working relationship and promote positive work values
- openly discussing bullying, in both formal and informal settings, and providing information and training about it
- identifying factors that contribute to bullying, and putting effective control measures in place
- ensuring processes and systems are fit for purpose and regularly reviewed
- having regular worker surveys on our work culture.
- ensure workers have clarity on what their roles entail

Anti-Bullying Policy

- intervene early and address unreasonable behaviour before it escalates
- record and investigate complaints fairly and in line with the Code of Conduct.
- identify and implement informal solutions prior to considering escalation of an issue to an external party (e.g. mediation or investigation) where appropriate.

2.2 Workers agree to:

- inform their Manager if they experience or see any bullying behaviours – if the Manager is the person behaving in a bullying manner then advise HR.
- try low-key solutions such as talking to the person initially (if safe to do so).
- submit any formal complaint/allegation of bullying utilising the Worksafe Complaint Form
- keep an eye out for other people, providing support when seeing a person being isolated or experiencing reprisals
- accept that perceptions of bullying may need to be negotiated.
- accept that reasonable and lawful work requests and performance management do not constitute bullying.

2.3 When dealing with an allegation of bullying WDC will:

- treat all matters seriously and investigate promptly and impartially
- ensure neither the person directly impacted and / or who complained nor the alleged bully are victimised
- support all parties involved
- identify and implement appropriate solutions and consequences for confirmed bullying as well as false reports
- communicate the process and its outcome to involved parties
- ensure confidentiality
- use the principles of natural justice
- accurately record and file all documentation related to reported incidents
- have specialist external advisors available to help.

2.4 Consequences

- Those confirmed to have engaged in bullying will be subject to disciplinary procedures in accordance with the WDC Staff Code of Conduct.

3. Reporting

N/A

4. Related Documents and Acts

The following Westland District Council documents relate to this policy:

- WDC's Staff Code of Conduct

Anti-Bullying Policy

The following Legislation relates to this policy:

- Health and Safety at Work Act 2015
- Harassment Act 1977
- Privacy Act 2020
- Employment Relations Act 2000
- Human Rights Act 1993

Staff are also referred to:

[Bullying » Employment New Zealand](#)
[Bullying | WorkSafe](#)

5. Policy Review

To be reviewed within three years, or if there is a legislation change affecting this policy.

Created:	July 2023	Date for review:	July 2026
Author:	HR Advisor	Authorised by:	Health and Safety Committee 11.07.23
Consulted on:	Workplace Wellbeing/Hauora Sub-Committee 04.07.23	Version	1

Report to Committee



DATE: 8 February 2024

TO: Risk and Assurance Committee

FROM: Information Technology Manager

INTRUSIONS ATTEMPTS DETECTED AND BLOCKED BY COUNCIL'S SYSTEMS

1. Summary

- 1.1. Council is managing a series of intrusion attempts and is reporting the incidents to the Risk and Assurance Committee in order for the committee to carry out the responsibilities under the terms of reference as delegated by Council.
- 1.2. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 31. Refer page 2 of the agenda.
- 1.3. This report concludes by recommending that the Risk and Assurance Committee (R&A) receive this report.

2. Background

- 2.1. Since the last risk and assurance meeting there have been 314 scanning or intrusions attempts detected and blocked by Council's systems. These are concentrated into two time periods and have been treated by staff as two incidents.

3. Current Situation

- 3.1. In the first incident users reported accounts being locked out because of repeated incorrect password attempts.
- 3.2. Investigations show this to have been a threat actor coming from many locations around the world and sustained effort to infiltrate systems for several days. Pauses between periods of activity imply real-person control and intentional targeting.
- 3.3. On Detection of these events, Council IT staff began actively countering the scanning and intrusion attempts with support from an external security specialist.
- 3.4. The Simple Mail Transport Protocol rule allowing external sources to access our Email server was initially disabled altogether.
- 3.5. Since then, a configuration review on the internal Email server has shown that the main receive connector from the internet was allowing anonymous use. This should not be the normal case. Anonymous use has now been removed and the firewall rule allowing Simple Mail Transport Protocol has been enabled again.
- 3.6. Monitoring has shown no further incidents and this incident has been reported to CERT NZ.

- 3.7. In the second incident, checks performed on 7 December pointed to a pattern of attack attempts over a few days that mostly targeted Council's web mapping system and public webcam.
- 3.8. The threat actor eventually exploited a software vulnerability in the webcam to act as the administrator account on the camera without needing to login, created a second admin level account and unsuccessfully attempted to use the webcam to scan and attack other Council system.
- 3.9. Routine reporting allowed Council staff to detect the incident and investigate. On discovery of the successful login, the administrator account was changed, second account removed and settings checked to confirm nothing else was installed. Firmware was updated and tests conducted to ensure the system was no longer vulnerable to the same compromise again.

4. Options

- 4.1. Option 1: That the Committee receive the report

5. Risk Analysis

- 5.1. Risk has been considered and the following risks have been identified; financial risk – heavy fines if Westland District Council has a security breach.
- 5.2. Reputational risk if Council has a breach with a loss of customer trust.

6. Health and Safety

- 6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

- 7.1. The level of significance has been assessed as low as the report is for information purposes only.
 - 7.1.1. No public consultation is considered necessary.

8. Preferred Option(s) and Reasons

- 8.1. Option 1: That the committee receive this report as the report is for information purposes only.
By receiving the report the committee would be carrying out its duties under the terms of reference in understanding the risks of cybercrime that the organisation is currently managing.

9. Recommendation(s)

- 9.1. That the committee receive the report.

Peter Oliver
Information Technology Manager